



# The Presidency Club



**93<sub>RD</sub> ANNUAL REPORT**  
**2022 - 23**



**President**  
**Mr. K. Gopal**

**Immediate Past President**  
**Mr. Viji Joseph**

**Vice - President**  
**Mr. Tarun Kumar Bagga**

**Honorary Secretary**  
**Mr. V. Gaudam**

**Honorary Treasurer**  
**Mr. Sanjai Shankar**

**Committee Members**

**Mr. Amit Bhalla | Mr. M. Ezhil | Mr. James Abraham | Mr. Koshy Thomas**  
**Mr. E. Magesh Babu | Ms. Meena Kumari Suresh | Ms. S. Mekhala**  
**Mr. P. Mohan Prasad | Mr. Rajesh Sai Iyer | Mr. S.K. Senthil Kumar**

**Auditors**

**M/s. M. K. Dandeker & Co. LLP**  
Chartered Accountants

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## IN MEMORIAM

The members of The Presidency Club express their deep sense of sorrow and convey their heartfelt sympathies to the respective families on the bereavement of their loved ones.



**GUNASAGARAN.T**  
SM525



**RAJU.A.S.N**  
SM344



**VASANT M SHANBHAG**  
R295



**KRISHNAMURTHY.R**  
SM340



**BALAKRISHNAN.T.S**  
SM124



**VENKATESWARA RAO.K**  
SM059



**JOSEPH MATHEW.T**  
R-1389



**VENKATESWARAN.K.N**  
SM090



**KRISHNAN.V**  
SM335



**NANDAKUMAR.G.P**  
SM155



**VIJAYKUMAR A MEHTA**  
SM446



**JOSEPH KURIEN**  
R-1019



**SHANTHIMULL NAHAR.M**  
SM185



**PRAKASH STEPHANOS**  
SM473



**RANGANATHAN.A**  
SM250



**VIJAY KATARIA**  
SM273



**MOHAN RAO.U**  
SM123



## NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that the 93<sup>rd</sup> Annual General Meeting of the members of The Presidency Club will be held on Saturday, September 23, 2023, at 05:30 pm at "Fairlawns" 51, Ethiraj Salai, Egmore, Chennai - 600 008 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2023, Statement of Income & Expenditure for the year ended on that date, together with the Report of the Managing Committee and the Auditors thereon.

2. Appointment of Statutory Auditors:

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 139 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 including any amendment, modification, variation or re-enactment thereof, the consent of the members be and is hereby accorded to ratify the appointment of M/s. M. K. Dandekar & Co. LLP, Chartered Accountants [FRN:000679S], as Statutory Auditors of the club to hold the office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting to be held in 2024 at such remuneration as may be mutually agreed between the Managing Committee and the Auditors”.

3. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

To Elect

- a) Five members to the Managing Committee
  - o Mr. Rajesh Sai Iyer, Mr. M. Ezhil and Ms. S. Mekhala have completed one term and are eligible for re-appointment.
  - o Committee Members Mr. E. Magesh Babu and Mr. Koshy Thomas have completed two terms and hence are not eligible for re-appointment.

**BY ORDER OF THE COMMITTEE**

-Sd-

**V. Gaudam**

Honorary Secretary

August 07, 2023

Chennai – 600 008

**TEA 5.00 PM TO 5.30 PM, BALLOTING WILL COMMENCE AT 6.30 PM AND CONCLUDE HALF AND HOUR AFTER THE AGM OR AT 9 PM WHICHEVER IS LATER**



## NOTICE OF THE ANNUAL GENERAL MEETING

### **Explanatory Statement** Pursuant to Section 102(1) of Companies Act, 2013

**Item No.3:**

Nomination for the post of five members to the Managing Committee are called for from eligible members together with letters of consent from the nominated candidates so as to reach the Club Office not later than 6 pm on September 5, 2023.

Nominations duly completed in a closed envelope addressed to the Honorary Secretary with a note superscribed "NOMINATION" should be deposited in the box specifically provided for the purpose in the Club Office.

Members will be advised about the list of valid nominations latest by September 12, 2023.

Member's attention is drawn to the provisions of the Articles of Association given in Clause 9 and its sub clauses relating to "ELECTION OF OFFICE BEARERS AND MEMBERS OF THE COMMITTEE".

Members standing/contesting for the position Committee Members may please note that the last day for withdrawing nomination from the election process is by 6 pm on September 12, 2023. No withdrawal from candidature will be permitted beyond this cut off period.

**BY ORDER OF THE COMMITTEE**

-Sd-

**V.Gaudam**

Honorary Secretary

August 07, 2023

Chennai – 600 008

## IMPORTANT NOTES

1. In compliance with MCA circulars, Notice of the AGM along with the Annual Report comprising the Audited Financials, Balance Sheet as on 31st March 2023 and the Income & Expenditure for the Financial year ended 31st March 2023 together with the Report of the Auditors and Management Committee are being sent only through electronic mode to those members whose email addresses are registered with the Club.
2. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Club at [www.thepresidencyclub.com](http://www.thepresidencyclub.com) and the same is also available on the website of [CDSL](http://www.evotingindia.com) (agency for providing the Remote e-voting facility) i.e. [www.evotingindia.com](http://www.evotingindia.com)

## NOTES

Members may take note that the Annual General Meeting commences at 05.30 PM on 23<sup>rd</sup> September 2023 to comply with provisions of the Companies Act.

Copies of the Notice of the 93rd Annual General Meeting, the Annual Report and Statement of Accounts for the year ended March 31, 2023, shall be sent to all members whose email addresses are registered with the Club. The aforesaid documents will also be available on the Club's website and on the website of [CDSL](http://www.evotingindia.com) i.e. [www.evotingindia.com](http://www.evotingindia.com). Limited copies of the Annual Report will be available at the Club office for inspection.

Members intending to seek clarification are requested to submit them in writing to the Honorary

Secretary either by letter or through email at [secretary@thepresidencyclub.com](mailto:secretary@thepresidencyclub.com) at least 7 days before the date of the Annual General Meeting.

The Annual Report copies will also be available at the venue on the day of the Annual General Meeting.

Explanatory statement pursuant to Section 102(1) of Companies Act, 2013 is annexed herewith and forms a part of the Notice.

## VOTING OPTIONS

Members are provided with the facilities for voting either through Remote e-voting or physical ballot at the Club.

Members can opt for only one mode of voting, i.e., either by ballot form or remote e-voting. The members who have not cast their vote through remote e-vote shall participate through physical ballot in the Club.

## PROCESS AND MANNER FOR MEMBERS OPTING FOR E-VOTING AREAS UNDER

In compliance with provisions of Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Rules, 2015, the Club is pleased to provide members the facility and the option to exercise their right to vote on all the resolutions in the notice proposed to be considered at the AGM by electronic means and the business may be transacted through e - v o t i n g s e r v i c e s . The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by [Central Depository Services \(India\)](http://www.evotingindia.com)



Limited (CDSL), service provider authorized by the Ministry of Corporate Affairs. Who is the Registrar & Transfer Agent ("RTA").

Members who have exercised remote e-voting are allowed to attend and participate in the AGM but shall not vote again in the AGM through physical ballot, as per the provisions of the Act.

The remote e-voting period commences on September 20, 2023 (09:00 am IST) and ends on September 22, 2023 (05:00 pm IST).

The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution or business is cast by the member, the member shall not be allowed to change it subsequently. Kindly note that there shall be no e-voting after the e-voting module is disabled on September 22, 2023 at 5.00 pm (IST).

#### **THE INSTRUCTIONS FOR MEMBERS FOR PHYSICAL VOTING ON THE DAY OF THE AGM ARE AS UNDER: -**

1. Physical ballot at the Club premises will commence at 6.30 pm and conclude half an hour after the AGM or at 09.00 pm whichever is later on the day of the AGM, viz 23<sup>rd</sup> September 2023.
2. Only members who have not already cast their vote by remote e-voting are eligible to exercise their right to vote through physical ballot system at the Club.
3. Social distance and other protocols are to be strictly observed.
4. Canvassing is prohibited inside the club during physical balloting duration.

#### **OTHER INSTRUCTIONS**

Members of the Club who are eligible to attend and vote at the AGM, as per Clause 9 of the Articles of Association are eligible to vote. For the sake of clarity, it is informed that any Member who has not settled the dues in full to the Club up to two calendar months preceding the date of AGM, and does not settle his/her dues in full by 23<sup>rd</sup> September 2023 on or before 5 pm, shall not be eligible to cast his/her vote. The votes cast by him/her through remote e-voting shall be treated as invalid.

Mr. V. Babu Sankarasubramanian, B. Sc., ACMA. FCS (CP No. 5958) M No. 5852, Practising Company Secretary has been appointed as the Scrutinizer to scrutinize the Physical voting and remote e-voting process in a fair and transparent manner. In matters of eligibility & validity of the votes cast, through remote e-voting or Physical voting, the decision of the Scrutinizer shall be FINAL.

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of "Ballot Paper" for all those Members who have not cast their votes availing the remote e-voting facility.

The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast at the meeting physically and thereafter, unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the Club and shall make, not later than three days from the conclusion of the AGM, a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him

in writing, who shall countersign the same and declare the result of the voting forthwith. The procedures pertaining to e-voting shall be duly complied with pursuant to the provisions of Companies Act, 2013 and Rules framed there under.

Members exercising remote e-voting in respect voting page may cast their vote by selecting appropriate Item Number in the Notice.

**Item No. 3 (Refer page no 3)**

- a) For the post of Members of the Managing Committee, shall select not more than five members of their choice to the Managing Committee. If they select more than five members, the e-voting system will not allow the same and it will be restricted to five members.

The AGM shall commence at 5.30 pm. Members are requested to come and be seated before the stipulated time. Balloting will commence at 6.30 pm and conclude half an hour after the AGM or at 9.00 pm whichever is later.

**Members will receive the User ID & alphanumeric password for the purpose of e-voting in a separate communication send by Central Depository Services (India) Limited (CDSL).**

**Please enter the User ID and Password provided in the document send by Central Depository Services (India) Limited (CDSL) as initial password. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.**

1. Launch internet browser by typing the following URL: <https://www.evotingindia.com>





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**Purpose of www.evotingindia.com**

- ❶ To eliminate paper in the voting process. This involves sending of notices and ballot papers and receiving the said ballot votes.
- ❷ Facilitate electronic voting on resolutions of companies in a fair and transparent manner for all classes of security/stakeholders.
- ❸ Enable security holders to vote at a time and place of their convenience.
- ❹ Eliminate postal and other natural delays which cause a hindrance to postal ballot.
- ❺ Increase shareholder participation in shareholder meetings.

The e-Voting platform aims to improve transparency and Corporate Governance standards and also helps in reducing the administrative cost associated with Postal Ballot while facilitating declaration of results immediately after the close of the voting. Additionally investors are also benefited where they can cast their votes on till last day from the comfort of their home / office, while eliminating the chances of their votes being declared invalid.

The site will not be accessible between 00:00 hrs to 01:00 hrs on every Sunday, due to maintenance activity.

**Shareholders / Members**

**Custodian / Corporate Shareholder**

**Issuer / RTA**

**Scrutinizer**

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**Shareholders / Members**

Please enter the userid as communicated to you and replicate the image text(code) you see below for validation. After entering the login details you would be able to select the Company for which you intend to vote.

**User ID \*** Enter User ID **Provided by CDSL**

**172646**

**Play Audio** [Refresh](#)

**Enter the Characters Displayed \*** Enter Captcha

☐ Click to use Virtual Keyboard

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**Shareholders / Members**

Character Validation was successful. Kindly enter other login details to proceed.

**User ID \***

**Password \***  **Password Provided by CDSL**

**Submit** **Forgot Password**

\* Field Mandatory.  
\* Any one field should be mandatorily entered.

☐ Click to use Virtual Keyboard

## e-VOTING INSTRUCTION

**Kindly follow the instructions for Members voting electronically provided as under:**

- i. The voting period begins on 20.09.2023 from 09.00 A.M. (IST) and ends 22.09.2023 at 05.00 P.M. (IST). The e-voting module shall be disabled for voting thereafter.
- ii. Voters should log on to the e-Voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- iii. Click on Shareholders/Members.
- iv. Enter your User ID as **xxxxxx** (Received through courier / registered post)
- v. Next enter the Captcha Verification as displayed and Click on Login.
- vi. Enter your Password as **xxxxxx** (Received through courier / registered post)
- vii. After entering these details appropriately, click on “SUBMIT” tab.
- viii. Click the EVSN of **The Presidency Club** on which you choose to vote.
- ix. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES” for voting. Select the option **YES** as desired.
- x. Click on the “Resolution File Link” if you wish to view the entire Resolution details (List of Contestants)
- xi. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xii. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xiii. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xiv. Voters are requested to cast their vote as soon as possible to avoid last minute rush.
- xv. Should you face any problems/experience any difficulty please feel free to contact:-

If you have any queries or issues regarding e-Voting System, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder or Mr. Rakesh Dalvi on 1800225533.



## REPORT OF THE MANAGING COMMITTEE

The Managing Committee has pleasure in presenting the 93<sup>rd</sup> Annual Report together with the Audited Statements of Accounts of The Presidency Club for the year ended March 31, 2023.

### Results of Operations

| Particulars                                  | Rs (in lakhs)  |                |
|--|----------------|----------------|
|  | 2022-23        | 2021-22        |
| Revenue from Catering, Bar and Snack bar     | 610.71         | 353.45         |
| Revenue from Party Halls and Guest House     | 255.36         | 88.64          |
| Total revenue from the Club facilities       | 920.66         | 477.77         |
| Other operating Incomes & Subscriptions      | 428.93         | 394.84         |
| Interest and other income                    | 108.07         | 107.02         |
| <b>Total Income</b>                          | <b>1457.65</b> | <b>979.64</b>  |
| Consumption – Catering, Bar and Snack bar    | 416.11         | 270.42         |
| Employee cost                                | 749.51         | 682.88         |
| Other Operating and Administrative Expenses  | 360.20         | 212.55         |
| Interest, Depreciation and Amortization      | 29.33          | 26.35          |
| <b>Total Expenditure</b>                     | <b>1555.15</b> | <b>1192.21</b> |
| Excess of Income over Expenditure before Tax | (97.50)        | (212.57)       |
| Provision for Taxation                       | 14.78          | 19.38          |
| Excess of Income over Expenditure after Tax  | (112.28)       | (231.95)       |

## Performance Review

Your Managing Committee has been functioning with the core concept of Entertain, Engage and Energize in order to ring in a turnaround in the viability and visibility of the Club, in terms of entertaining the members right through the year, proactively and positively engaging with them and energizing the members and the staff through sustained and vibrant performance, improved and enhanced facilities.

The performance of the Club during the financial year under review has been satisfactory across multiple parameters though there is scope for improvement. There was no loss of working days on account of COVID in 2022-23 as against loss of 72 days in financial year 2021-22 (between 25.04.2021 to 7.7.2021). Post Covid, we saw tremendous jump in the foot falls and usage of the Club during the year.

The topline in terms of revenue had gone up from Rs.979.63 lakhs in 2021-22 to Rs.1457.65 lakhs in 2022-23. During the same period the expenses had gone up from Rs.1192.20 lakhs to Rs.1555.15 lakhs. Correspondingly the excess of expenditure over income had come down from Rs.212.57 lakhs to Rs.97.50 lakhs.

The top five performing operating departments (contributing more than 90% of Income from Club facilities) in terms of growth in revenue as compared to the previous year were:

Guest house – 217%, Party Hall - 131%, Catering - 82%, Snack Bar – 67% and Bar - 60%.

In terms of gross operating margins, the top performing departments were:

Snack bar – 43%, Catering – 26% and Bar – 22%

The other operating income, including Entrance Fees, member subscription and minimum billing have grown by less than 10%, from Rs. 394.84 lakhs in 2021-22 to Rs.428.89 lakhs in 2022-23. There is no significant change in Interest income from bank deposits and other incomes, as compared to the earlier financial year.

In terms of expenditure, a few items have contributed significantly to the increase as compared to the earlier year. These include: Increase in electricity cost (due to increased level of operations as well as steep revision in power tariffs), increase in rates and taxes (due to steep increase in property and water taxes). Staff medical insurance premium has gone up by nearly 250% from around Rs.8 lakhs to Rs.20 lakhs plus GST.

Employee cost continues to be a significant part of the Club expenditure. While a number of high cost senior employees have been retiring, they are being replaced by low cost employees or contract workers. While employee cost has gone up by around 10% from Rs.682.88 lakhs to Rs.749.51 lakhs, the employee cost as a percentage of total revenue has come down from 70% to around 51%. We would like to bring this to around 40% by 2023-24 by controlling salary costs and focusing on increasing the topline.

Most of the increase in other expenditure like water charges, stores consumed, other purchases are commensurate with the increased level of club activity. In terms of cash flows, the amount payable as Development Charges to Metro Water for new sewerage and water connection and the cost of construction and connection of the new sewage line during the current financial year is expected to exceed Rs.60 lakhs.





Even with the increased expenses and the unplanned cash outflows, we have managed to increase bank deposits by more than Rs.2 crores due to increase in collection of entrance fees on admission of many new Resident members, which has gone up from Rs.101 lakhs in 2021-22 to Rs.295 lakhs in 2022-23. The addition of new members is in sync with the increased interest shown in getting our club membership because of the continuous development of facilities including sports activities and increased level and wider range of entertainment events and other engagement with the members.

### Property and Water Tax

The Club premises was inspected by the Chennai Corporation based on the directions of the Tax Tribunal and the earlier amount determined by the officials was confirmed. In the meanwhile, the property tax of the Club was revised along with the general revision for all properties in Chennai and the half yearly tax was revised from Rs.4,91,620 to Rs.11,67,600 w.e.f. FY 2022-23.

At the same time, the CMWSSB (Metro Water) also conducted an inspection of the premises and worked out a demand towards Infrastructure Development Charges and Total Connection Charges for providing new water and sewage connection amounting to Rs.40.65 lakhs and the same was paid during current year.

### Membership

| Category of Membership | As on April 01, 2022 | Addition   | Deletion   | As on March 31, 2023 |
|------------------------|----------------------|------------|------------|----------------------|
| Senior                 | 262                  | 20         | 16         | 266                  |
| Life                   | 104                  | 4          | 4          | 104                  |
| Resident               | 867                  | 76         | 32         | 911                  |
| Non-Resident           | 205                  | 4          | 11         | 198                  |
| Service                | 9                    | 5          | 6          | 8                    |
| Associate              | 42                   | 3          | 5          | 40                   |
| Institution-I          | 395                  | 2          | 9          | 388                  |
| Institution-C          | 84                   | 3          | 9          | 78                   |
| Long Term Temporary    | 46                   | 16         | 22         | 40                   |
| Waiting Members        | 59                   | 61         | 73         | 47                   |
| Temporary              | 1                    | 0          | 1          | 0                    |
| <b>Total</b>           | <b>2074</b>          | <b>194</b> | <b>188</b> | <b>2080</b>          |

\*Deletion includes resignation, death, confirmation and change to other categories

## Overall Outlook

Our members at large have put the past and dread of COVID well behind and the revival in the economy and the consumer spending are positive signs for our Club to get back on the path to recovery from the scenario of continuous losses over the last few years.

The challenge however remains in expanding the footfalls beyond the regular users of the Club and in attracting new and younger members to make full use of the Club facilities. While our club continues to retain its image as a prestigious club in Chennai, the Managing Committee feels there are many areas that need improvement through renovations and additional infra development, which are expected to be completed in current financial year.

The trend of declining total membership from a previous high of 2325 as on 31.03.2018 to 2074 as on 31.03.2022 due to Covid has been stopped with a marginal increase to 2080 as on 31.03.2023. However, with the expected boom in economic growth and increasing purchasing power of the younger generation and the planned development of the club facilities, we are confident of reaching a new high in membership by 31.03.2024.

## Major highlights of performance

### Guest House – The Money Spinner

We are pleased to inform the members that with better facilities, amenities and improved service, our guest house rooms continue to be a top performer during the current financial year as well. We have resumed complimentary breakfast to the room guests and also provided the room guests with access to the swimming pool, gym and steam. With the ongoing renovations and with the reasonable tariffs and our central location, we can confidently

state that our guest house will emerge as a favourite destination for corporate members and others.

### Diamond Hall – Blockbuster Performer

We are happy to inform the members that the Diamond, the new party hall became operational from the last week of June 2023 and has turned out to be a block buster performer in terms of party hall charges as well as catering and bar income generated from it. We expect the entire investment in the said party hall to be fully recovered within a short time. Diamond Hall by itself is expected to contribute substantial share of the catering income from all party halls and restaurants.

Incidentally the Diamond which has been put up on a hitherto unused area of the Club was conceived as a permanent solution to the longstanding problem of leakages and water seepage in the Verandah. Though the first northeast monsoon rains are still to come, we can assert that Diamond has achieved that goal based on the unseasonal heavy rains we have had in June, July and August.

### Catering - Consistency and Growth

The performance of Catering has a direct bearing on the viability of the operations of our Club which has four dining areas, seven banquet halls with take-away option available to the members. We have focused on ensuring quality, value for money in terms of quantity, maintaining ambience, ensuring high standards of service and assigning due importance to member feedback to ensure sustained growth even during the lean periods. Thanks to the reduction of heavy losses due to the closing down of the club-run kitchens in July 2021 and thus the benefits of outsourcing of all the



kitchens realised during this full year, it has been only profits from the kitchens. The new Vegetarian Catering vendor who took over in January 2023 was replaced in July 2023 primarily based on member feedback. The new Chinese catering vendor has been consistently receiving positive feedback from the members.

### **IBar and Stratosphere – Spirited Charmers**

One of the most active departments in the Club contributing to the topline has been the IBar and Stratosphere (open to sky Bar) pulling in consistent footfalls especially attracting the younger crowd and retaining the patronage of senior members with multitude of offers negotiated from the liquor distributors throughout the year. The Bar Nights have been the most popular events of the Club which were well-planned and executed at regular intervals to attract different segments including ladies and families. It is heartening to note that all the bar nites were fully sponsored and self-reliant. Our Bar has been one of the most popular bars in the city.

### **Affiliations – Pulling Inward and Pushing Outward**

The due importance given to securing quality affiliations from other leading clubs across the country and abroad ensures higher utilisation of room capacity in guest house and gives more user-friendly options to members traveling to other destinations. The club has tied up one affiliation in the first half of 2022-23 and six in the second half, with another ten affiliations in the pipeline. The latest affiliation has been with the popular Wellington Gymkhana Club in the Nilgiris.

### **Sports and Games – The Mainstay**

Presidency Club has been a leading performer in inter-club tournaments for various sports and games. During the year under review the Club teams and club members had successfully participated and won prizes in inter-club tournaments in Cricket, Table-tennis, Tennis, Pickleball, Snooker / Billiards and Swimming.

### **Competitions and Activities**

One of the reasons for this has been the regular intra-club competitions held in various disciplines, including Cards, Snooker / Billiards, Badminton and Tennis attracting good response from the members. These events are self-sustaining with entry fees and sponsorship collections being mobilized. The focus and passion for sports amongst the club members has led to the starting of Pickle-ball (first among city clubs), laying of new cricket pitch with nets near the lawn and starting of Table Tennis. The total renovation of the Billiards room at a cost of around Rs.19 lakhs was completed in August 2023. The renovation of the Squash court was also taken up and completed in June 2023. The erstwhile Ozone room in the first floor has been converted into Bridge playing room and is enjoying good patronage. Thanks to the good response, the Club is likely to develop a few Bridge teams for taking part in tournaments. The Gym has seen the addition of arrange of new equipment to facilitate holistic physical training of the members.

### **Coaching**

In addition to the regular coaching (which are in demand) conducted in various sports including swimming, tennis, billiards, squash, badminton,

gym, etc, coaching classes were started / conducted for Bridge, Silambam, Tai chi, yoga and boxing.

### **Sports Revenues – Long way to go**

While the gross revenue from Tennis, Billiards, Swimming, Health Club, Tennis Badminton and Squash had doubled from Rs.30 lakhs (with Covid impact) in 2021-22 to Rs.58 lakhs in 2022-23, the scope for growth in revenue and the need to become profitable requires greater focus and concerted efforts. The revenue of Cards which is the only profit making sport, had increased only marginally from Rs.19.70 lakhs in 2021-22 to Rs.22 lakhs in 2022-23. While these numbers show the limited impact of sports activities on the viability of the Club operations, it has to be reiterated that sports remains the best avenue for the Club to attract the younger generation and new memberships.

### **Bridge - the New Addiction**

We are happy to inform that the coaching classes for beginners conducted in March and April 2023 have borne fruit and resulted in many of the members regularly playing the game with fervency and zeal. They are being guided by many senior bridge playing members. The high point is that our Club came on the radar of Bridge fraternity and conducted an inter-club Bridge tournament in November 2022, when teams from eight City clubs participated. This event was fully sponsored by a benevolent and is going to be an annual event.

### **Cricket - The Old Attraction**

To encourage and facilitate our Club cricket team, which has been doing very well in various competitions and thus bringing laurels to our Club, a new net practising facility has been installed in our

Club. This has been a long cherished desire of our cricket community.

### **Pickle Ball - the Latest Craze**

First of its kind among the City clubs, a Pickle Ball court has been carved out within the available space and it has become the most fancied game among our sporting fraternity.

### **Tambola and Entertainment:**

The essence of entertainment and activities like Tambola is to ensure footfalls. At the same time, once entertainment levy is collected from the members on a monthly basis, the club is obligated to offer entertainment to its members.

While the Tambola has been drawing regular footfalls on a self-sustaining basis, the regular and bumper Tambola on second and fourth Wednesday of every month are much sought after events for the regular participants. We have supported these events with regular contributions from the entertainment budget to make the events more attractive in terms of budget for prize money, etc.

The new feature since last October has been the Saturday night retro music as a regular attraction for the members who now unfailingly associate Saturday evening as live music entertainment in the Club. Many of the singers and bands promoted by our club for Saturday night events are now being booked by other clubs as well.

In addition to the funds from the Entertainment levy, sponsorships are raised for special events such as Diwali Dine and Dance Dhamaka, Childrens Kids Carnival, grand new year celebrations, Pongalo





Pongal, Tamil new year and of course the Grand Members Night celebration on 29th July 2023 with live music band. DJ, extensive food spread and attractive prizes worth lakhs of rupees.

### **Maintenance**

There were two fire incidents causing damage to property (in Sapphire Hall) and to property and some documents (in the office block) in June 2023, both arising out of air-conditioning equipment related issues. The total financial loss after insurance claim from both the incidents is estimated at around Rs.15 lakhs, with minimal loss of sensitive documents.

These incidents highlight the importance of regular maintenance and importance of periodical replacement of aged and overworked equipment like air-conditioners, many of which work round the clock. This exercise has been taken up on a war footing along with review and proposed replacement of electrical installation at a cost of around Rs.50 lakhs.

The good news in respect of maintenance is that the perennial seepage and water leakage in the Verandah has been stopped and the next step is the much-expected renovation of the Verandah.. Permanent solution to threat of leakage is also being worked out for billiards room, badminton and squash court areas.

Guest house equipment and furniture repairs and replacement has also been taken up to be executed in a phased manner to ensure minimum inconvenience to the guests. Pests including mainly termites is a major issue being attended to in the guesthouse. Another issue that needs to be sorted

out is the flooding of a few guestrooms in the grounds floor at times of heavy rainfall due to inadequate water drainage provision from the promenade around the swimming pool.

### **Information Technology**

The revamped website of the Club has become functional. Presently the work is going on to seamlessly integrate the member billing software with the frontend web application to facilitate a smooth online experience for members in terms of enquiries about bills or even to place orders online or to provide feedback or lodge complaints.

The correction of the database of members in terms of physical address, email Id and mobile number has also been taken up and the support and full co-operation of the members is requested in this regard. The aged and overworked servers have been replaced with new machines with adequate protection in terms of firewall, etc. Another old warhorse, namely the EPABX machine is also in the process of being replaced.

### **Fairlawns**

The green fairlawns with the majestic verdant rain tree in its midst provides a unique charm and an aura of magnificence to the Club. The aged and dilapidated concrete structure with water tank which was also serving as a makeshift bar for 2 to 3 club functions in a year, was effectively suffocating the rain tree. It was therefore decided to remove the concrete structure and provide concrete flooring in a cost-effective method to enhance the aesthetic appeal of the Fairlawns. The work was taken up for a total estimated cost of around Rs.7 lakhs including the lighting and the proposed fountain in the front.

The concrete bar will be replaced by a portable bar with additional provision for bar stools while hosting events. This area is now proposed to be used for lawn dining experience of the members. In addition, members who are also pet parents will be permitted to use the space for dining with their pets on one side, making presidency Club, the only Club with a permanent pet friendly space in the City.

### Meetings of the Management

22 meetings of the Managing Committee have been held from 29.09.2022, when the last Annual Report was adopted and before 28.08.2023, when the present report was presented to the Managing Committee. The following is the record of attendance of the various managing Committee members during this period:

| S.No | Name                   | Nos | %   |
|------|------------------------|-----|-----|
| 1    | Mr.Gopal K             | 22  | 100 |
| 2    | Mr.Viji Joseph         | 21  | 95  |
| 3    | Mr.Tarun Kumar Bagga   | 20  | 91  |
| 4    | Mr.Gaudam V            | 22  | 100 |
| 5    | Mr.Sanjai Shankar      | 15  | 68  |
| 6    | Mr.Amit Bhalla         | 21  | 95  |
| 7    | Mr.Ezhil M             | 17  | 94  |
| 8    | Mr.James Abraham       | 14  | 64  |
| 9    | Mr.Koshy Thomas        | 17  | 77  |
| 10   | Mr.Magesh Babu E       | 20  | 91  |
| 11   | Ms.Meena Kumari Suresh | 22  | 100 |
| 12   | Ms.Mekhala S           | 18  | 82  |
| 13   | Mr.Mohan Prasad P      | 20  | 91  |
| 14   | Mr.Rajesh Sai Iyer     | 20  | 91  |
| 15   | Mr.Senthil Kumar S K   | 19  | 86  |

### Complaints, Grievance Redressal and Feedback

It has been the declared policy of the Managing Committee that grievances, feedback including criticism and complaints are vital for the sustenance of democratic polity in the Club. Therefore, proper system has been designed to receive complaints through complaint box, feedback forms, voice recording, SMS, WhatsApp or email messages or personal meetings with the Honorary Secretary without any hassle. The complaints and feedback whether it be from a single member or a group of members are recognized and respected since it represents the voice of the member(s) and due response is given within the earliest possible time frame.

In short, the system in vogue for complaints, feedback is to **Receive, Respect and Respond**.

### Legal

The suit filed by an ex-employee of the Club, who had been terminated on the grounds of sexual harassment of another employee, has come up before the Principal Labour Court Judge. The Counter has been filed by the Club and the other respondent. The Club has engaged a senior counsel in addition to the counsel on record to fight the case. .

### Corporate Governance

The Company (the Club) follows the best governance practices to boost long-term value to the members.

The Company considers the same as its inherent responsibility to disclose timely and accurate



information to its stakeholders regarding its operations and performance, as well as the leadership and governance of the Club.

### **Prevention of Sexual Harassment**

The compilation of Club's policy and the constitution of Internal Complaints Committee under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, are being finalised.

### **Particulars of Employees**

There were no employees for whom the particulars as per Section 197 of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is applicable.

### **Conservation of Energy**

Power consumption is a major operating cost of the Club. The management has initiated various steps to control power consumption and to conserve energy. The existing power installation is proposed to be replaced with modern energy efficient systems to minimize impact of harmonics and reduce transmission losses and improve power factor. Talks are underway to provide electrical recharging facility for electrical vehicles of members. Solar lighting is planned for common and car parking areas.

### **Foreign exchange earnings and outgo**

No transactions in foreign currency relating to either expenditure or earnings have been incurred during the year

### **Annual Return**

The Annual return of the Club in form MGT-7 as on March 31, 2022 is available in the website of the Club – [www.thepresidencyclub.com](http://www.thepresidencyclub.com)

### **Auditors**

The auditors of the company, M/s. M.K. Dandeker & Co.LLP, Chartered Accountants, retire at the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept office, if appointed. The declaration under Section 139 (1B) of the Companies Act, 2013 has been received from them.

### **Directors Responsibility Statement**

Pursuant to Section 134 (5) of the Companies Act, 2013, the directors, to the best of their knowledge and ability, confirm that for the year ended 31st March 2023:

- i. in the preparation of the annual Financial Statements the applicable accounting standards have been followed and that there are no material departures;
- ii. the directors have selected such accounting policies and applied them consistently and made judgements 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 31st March 2023 and of the LOSS of the Club for that period;
- iii. the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the

Club and for preventing and detecting fraud and other irregularities;

- iv. the directors have prepared the annual accounts on a going concern basis;
- v. the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively, and
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

#### **Other disclosures**

- a) No significant and material orders were passed by the courts or tribunals impacting the going concern status and the Club's operations in future.
- b) There has been no change in the nature of business of the Club as on the date of this Report.

- c) There were no material changes and commitments affecting the financial position of the Club between the end of the financial year and the date of this Report.

#### **Acknowledgements**

The Directors appreciate the hard work, dedication, and commitment of all its employees towards the successful functioning of the Club.

The Directors also acknowledge the support extended by the Club's Union and would also like to thank the members, banks, government authorities, vendors and other stakeholders for their continued support and co-operation.

#### **On behalf of the Managing Committee**

-Sd-

**V. Gaudam**

Honorary Secretary

August 28, 2023

Chennai – 600 008





## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE PRESIDENCY CLUB

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

We have audited the financial statements of **The Presidency Club**, which comprise the Balance Sheet as at March 31, 2023, the Statement of Income and Expenditure and the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Club as at March 31, 2023, its financial performance, and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. 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 Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

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

The Club's Managing Committee is responsible for the preparation of the other information. The other information comprises the information included in the Report of the Managing Committee and Notes to the Members but does not include the financial statements and our auditor's report thereon.

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

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Management's Responsibility for the Financial Statements**

The Club's Managing Committee is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Club in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. 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 implementation and maintenance of 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.

In preparing the financial statements, management is responsible for assessing the Club's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Club or to cease operations, or has no realistic alternative but to do so. The Managing Committee is also

responsible for overseeing the Club's financial reporting process.

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Club has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Club to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements,

including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

#### **Report on Other Legal and Regulatory Requirements**

- 1) The Club having been incorporated under section 8 of the Companies Act, 2013, paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, are

not applicable in view of the exemption provided as per sub-clause iii of clause (2) paragraph 1 of the said Order;

2) As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Club so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Income and Expenditure, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the Committee Members as on 31st March 2023 taken on record by the Managing Committee, none of the Committee Members is disqualified as on 31st March 2023 from being appointed as a Committee Member in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Club and the operating effectiveness of

such controls, refer to our separate report in "Annexure".

- (g) The other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in respect of whether the remuneration paid by the Club to its Committee Members during the year is in accordance with the provisions of section 197 of the Act is not applicable; and
- (h) 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, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Club does not have any pending litigations which would impact its financial position.
  - ii. The Club did not have any long-term contracts including derivative contracts for which there any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Club.
  - iv. ( a ) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources





or kind of funds) by the Club to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Club ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- ( b ) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Club from any persons or entities, including foreign entities ("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 that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.

- v. The Club has not declared or paid any dividend during the year.

**For M.K. Dandeker & Co. LLP,  
(ICAI Regn. No. 000679S/S000103)**

**-Sd-**

**S. Poosaidurai**

**Partner**

**Chartered Accountants**

**Membership No.: 223754**

**Date :** August 07, 2023

**Place :** Chennai

**UDIN :** 23223754BGVTBY2025

## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

### (REFERRED TO IN OUR REPORT OF EVEN DATE)

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

We have audited the internal financial controls over financial reporting of **The Presidency Club** as of March 31, 2023 in conjunction with our audit of the financial statements of the Club for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Club's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Club considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to club's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

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

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



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

### **Meaning of Internal Financial Controls over Financial Reporting**

A Club's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A club's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Club; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management of the Club; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the club's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management

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

### **Opinion**

In our opinion, the Club has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Club considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For M.K. Dandeker & Co. LLP,  
(ICAI Regn. No. 000679S/S000103)**

**-Sd-**

**S. Poosaidurai  
Partner**

**Chartered Accountants  
Membership No.: 223754**

Date : August 07, 2023

Place : Chennai

UDIN : 23223754BGVTBY2025



THE PRESIDENCY CLUB  
FINANCIAL REPORT  
2022 - 23



## Balance Sheet as at March 31, 2023

| Particulars  | Note No. | As at March 31, 2023<br>Rs. in Lakhs | As at March 31, 2022<br>Rs. in Lakhs |
|--|----------|--------------------------------------|--------------------------------------|
| <b>I. EQUITY AND LIABILITIES</b>   |          |                                      |                                      |
| <b>(1) Members' Funds</b>  |          |                                      |                                      |
| (a) Capital Fund   | 1        | 3,262.55                             | 2,961.55                             |
| (b) Other Funds  | 2        | 26.00                                | 30.82                                |
| (c) Reserves and Surplus   | 3        | (1,999.13)                           | (1,886.85)                           |
| <b>(2) Non-Current Liabilities</b>   |          |                                      |                                      |
| (a) Other Long Term Liabilities  | 4        | 51.07                                | 26.65                                |
| <b>(3) Current Liabilities</b>   |          |                                      |                                      |
| (a) Short-Term Borrowings  | 5        | 87.46                                | 96.50                                |
| (b) Trade Payables   | 6        |                                      |                                      |
| i) Total Outstanding dues of Micro and Small Enterprises                       |          | -                                    | -                                    |
| ii) Total Outstanding dues of Creditors other than Micro and Small Enterprises |          | 23.31                                | 15.19                                |
| (c) Other Current Liabilities  | 7        | 251.62                               | 236.03                               |
| (d) Short-Term Provisions  | 8        | 16.18                                | 13.06                                |
| <b>Total</b>   |          | <b>1,719.04</b>                      | <b>1,492.93</b>                      |
| <b>II. ASSETS</b>  |          |                                      |                                      |
| <b>(1) Non-Current Assets</b>  |          |                                      |                                      |
| (a) Property, Plant and Equipment and Intangible Assets                        |          |                                      |                                      |
| i) Property, Plant and Equipment   | 9(a)     | 189.73                               | 178.69                               |
| ii) Intangible Assets  | 9(b)     | 0.40                                 | 0.57                                 |
| iii) Capital Work in progress  | 9(c)     | 11.47                                | -                                    |
| (b) Long Term Loans and Advances   | 10       | 23.21                                | 11.61                                |
| (c) Other Non-Current Assets   | 11       | 214.61                               | 14.34                                |
| <b>(2) Current Assets</b>  |          |                                      |                                      |
| (a) Inventories  | 12       | 20.09                                | 16.70                                |
| (b) Members' Receivables   | 13       | 71.78                                | 67.67                                |
| (c) Cash and Bank Balances   | 14       | 1,109.46                             | 1,136.45                             |
| (d) Short-Term Loans and Advances  | 15       | 51.30                                | 45.03                                |
| (e) Other Current Assets   | 16       | 26.98                                | 21.85                                |
| <b>Total</b>   |          | <b>1,719.04</b>                      | <b>1,492.93</b>                      |
| See Accompanying Notes Forming Part of Financial Statements                    |          |                                      |                                      |

As per our report of even date attached

**For M.K. Dandekar & Co LLP,**  
(Firm Regn. No. 000679S/S000103)

**S. Poosaidurai**  
Partner  
Chartered Accountants  
Membership No.: 223754

Place : Chennai  
Date : August 07, 2023  
UDIN: 23223754BGVTBY2025

For and on behalf of the Managing Committee.

**K. Gopal**  
President  
DIN:08234559

**V.Gaudam**  
Honorary Secretary  
DIN: 01355428

**Tarun Kumar Bagga**  
Vice President  
DIN: 02142951

**Sanjai Shankar**  
Honorary Treasurer  
DIN:03355893



## Statement of Income and Expenditure for the Year Ended March 31, 2023

| Particulars   | Note No. | Year Ended<br>March 31, 2023<br>Rs. in Lakhs | Year Ended<br>March 31, 2022<br>Rs. in Lakhs |
|---|----------|--|--|
| <b>Income:</b>  |          |  |  |
| Income from Club Facilities   | 17       | 920.66                                       | 477.77                                       |
| Other Operating Income  | 18       | 428.93                                       | 394.84                                       |
| Interest Income   | 19       | 62.04  | 59.03  |
| Other Income  | 20       | 46.03  | 47.99  |
| <b>Total Income</b>   |          | <b>1,457.65</b>                              | <b>979.64</b>                                |
| <b>Expenses:</b>  |          |  |  |
| Purchase of Stock in Trade  | 21       | 420.66                                       | 266.11                                       |
| (Increase) / Decrease in Inventories of Stock in Trade                                |          | (3.39)                                       | 5.16   |
| Employee Benefit Expenses   | 22       | 749.51                                       | 682.88                                       |
| Finance Cost  | 23       | 6.69   | 4.23   |
| Depreciation and Amortisation   | 9        | 22.64  | 22.13  |
| Other Expenses  | 24       | 359.04                                       | 211.70                                       |
| <b>Total Expenses</b>   |          | <b>1,555.15</b>                              | <b>1,192.21</b>                              |
| <b>Excess of Income Over Expenditure Before Tax</b>                                   |          | <b>(97.50)</b>                               | <b>(212.57)</b>                              |
| <b>Tax Expenses:</b>  |          |  |  |
| - Current Tax Pertaining to Current Year  |          | 14.78  | 13.48  |
| - Current Tax Pertaining to Prior Years   |          | -  | 5.91   |
| <b>Total Tax Expenses</b>   |          | <b>14.78</b>                                 | <b>19.39</b>                                 |
| <b>Excess of Income Over Expenditure for the year<br/>Transferred to Capital Fund</b> |          | <b>(112.28)</b>                              | <b>(231.95)</b>                              |
| See Accompanying Notes Forming Part of Financial Statements                           |          |  |  |

As per our report of even date attached

**For M.K. Dandekar & Co LLP,**  
(Firm Regn. No. 000679S/S000103)

**S. Poosaidurai**  
Partner  
Chartered Accountants  
Membership No.: 223754

Place : Chennai  
Date : August 07, 2023  
UDIN: 23223754BGVTBY2025

For and on behalf of the Managing Committee.

**K. Gopal**  
President  
DIN:08234559

**Tarun Kumar Bagga**  
Vice President  
DIN: 02142951

**V.Gaudam**  
Honorary Secretary  
DIN: 01355428

**Sanjai Shankar**  
Honorary Treasurer  
DIN:03355893

## Cash Flow Statement for the Year Ended March 31, 2023

| Description  | Year Ended<br>March 31, 2023<br>Rs. in Lakhs | Year Ended<br>March 31, 2022<br>Rs. in Lakhs |
|--|--|--|
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>                          |  |  |
| Surplus/(Deficit) Before Tax   | (97.50)                                      | (212.57)                                     |
| <b>Adjustments for:</b>  |  |  |
| Depreciation and Amortisation  | 22.64  | 22.13  |
| Finance Cost   | 6.69   | 4.23   |
| Excess provision written back  | (0.63)                                       | -  |
| Provision for Bad and Doubtful Debts                                   | 0.72   | -  |
| Interest Income  | (62.04)                                      | (59.03)                                      |
| (Profit)/Loss on Sale of Property, Plant & Equipment                   | (1.65)                                       | -  |
| <b>Operating Profit before Working Capital Changes</b>                 | <b>(131.76)</b>                              | <b>(245.24)</b>                              |
| <b>Adjustments for increase/(Decrease) in Working Capital Changes:</b> |  |  |
| Trade Payables   | 8.74   | (9.87)                                       |
| Other Current Liabilities  | 15.59  | 33.76  |
| Other Long Term Liabilities  | 24.42  | (11.77)                                      |
| Members' Receivables   | (4.83)                                       | (0.73)                                       |
| Long Term Loans & Advances   | (11.60)                                      | 28.05  |
| Short Term Loans and Advances  | (6.27)                                       | (0.86)                                       |
| Other Non-Current Assets   | (0.27)                                       | (0.52)                                       |
| Other Current Assets   | (5.13)                                       | 1.30   |
| Inventories  | (3.39)                                       | 5.16   |
| <b>Cash Generated from Operating Activities</b>                        | <b>(114.49)</b>                              | <b>(200.72)</b>                              |
| <b>Net Income Tax (Paid)/Refund</b>                                    | <b>(11.66)</b>                               | <b>(42.46)</b>                               |
| <b>Net Cash Flow from Operating Activities ( A )</b>                   | <b>(126.15)</b>                              | <b>(243.18)</b>                              |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>                          |  |  |
| Purchase of Property, Plant & Equipment                                | (44.97)                                      | (2.74)                                       |
| Interest Income  | 38.81  | 59.03  |
| Proceeds from Sale of Property, Plant & Equipment                      | 1.65   | -  |

## Cash Flow Statement for the Year Ended March 31, 2023

| Description   | Year Ended<br>March 31, 2023<br>Rs. in Lakhs | Year Ended<br>March 31, 2022<br>Rs. in Lakhs |
|---|--|--|
| Bank Balances other than Cash and Cash Equivalents  | (142.78)                                     | (81.16)                                      |
| <b>Net Cash used in Investing Activities ( B )</b>  | <b>(147.29)</b>                              | <b>(24.88)</b>                               |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>   |  |  |
| Infusion in Capital Fund  | 301.00                                       | 105.50                                       |
| Infusion/(Utilisation) in Other Funds   | (4.82)                                       | 4.30   |
| Proceeds / (Repayment) from Short Term Borrowings   | (9.04)                                       | 96.50  |
| Finance Cost  | (6.69)                                       | (4.23)                                       |
| <b>Net Cash used in Financing Activities ( C )</b>  | <b>280.44</b>                                | <b>202.07</b>                                |
| <b>Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)</b>   | <b>7.00</b>                                  | <b>(65.99)</b>                               |
| <b>Cash and Cash Equivalents at the beginning of the year</b>   | <b>45.74</b>                                 | <b>111.73</b>                                |
| <b>Cash and Cash Equivalents at the end of the year</b>   | <b>52.74</b>                                 | <b>45.74</b>                                 |
| See Accompanying Notes Forming Part of Financial Statements   |  |  |
| <p>Notes:</p> <ol style="list-style-type: none"> <li>Cash flow statement has been prepared under the 'Indirect Method' as set out in the AS 3 - Cash Flow statements.</li> <li>Cash and cash equivalents represents cash and bank balances.</li> <li>Previous year's figures have been regrouped/reclassified wherever applicable.</li> </ol> |  |  |

As per our report of even date attached

**For M.K. Dandekar & Co LLP,**  
(Firm Regn. No. 000679S/S000103)

**S. Poosaidurai**  
Partner  
Chartered Accountants  
Membership No.: 223754

Place : Chennai  
Date : August 07, 2023  
UDIN: 23223754BGVTBY2025

For and on behalf of the Managing Committee.

**K. Gopal**  
President  
DIN:08234559

**Tarun Kumar Bagga**  
Vice President  
DIN: 02142951

**V.Gaudam**  
Honorary Secretary  
DIN: 01355428

**Sanjai Shankar**  
Honorary Treasurer  
DIN:03355893

## Notes Forming Part of the Financial Statements

| Particulars   | As at March 31, 2023<br>Rs. in Lakhs | As at March 31, 2022<br>Rs. in Lakhs |
|---|--------------------------------------|--------------------------------------|
| <b>Note No - 1 Capital Fund</b>                           |                                      |                                      |
| Opening Balance   | 2,961.55                             | 2,856.05                             |
| Add: Current Year Additions                               |                                      |                                      |
| - Entrance Fees   | 295.00                               | 101.00                               |
| - Life Membership Subscription                            | 6.00                                 | 4.50                                 |
| <b>Closing Balance</b>                                    | <b>3,262.55</b>                      | <b>2,961.55</b>                      |
| <b>Note No - 2 Other Funds</b>                            |                                      |                                      |
| <b>a. Project Mobilisation Fund</b>                       |                                      |                                      |
| (Utilised for Capital Expenditure of the Club)            |                                      |                                      |
| Opening Balance   | 19.35                                | 19.35                                |
| Add: Additions during the year                            | -                                    | -                                    |
| Less: Utilised during the year                            | -                                    | -                                    |
| <b>Closing Balance</b>                                    | <b>19.35</b>                         | <b>19.35</b>                         |
| <b>b. Ahmed Hussain Memorial Fund</b>                     |                                      |                                      |
| (Utilised for conducting Snooker Tournaments in the Club) |                                      |                                      |
| Opening Balance   | 6.73                                 | 7.17                                 |
| Add: Additions during the year                            | 1.22                                 | 0.77                                 |
| Less: Utilised during the year                            | (1.30)                               | (1.21)                               |
| <b>Closing Balance</b>                                    | <b>6.65</b>                          | <b>6.73</b>                          |
| <b>c. Voluntary Members Contribution Fund</b>             |                                      |                                      |
| (Utilised for the Welfare of the Retiring Employees)      |                                      |                                      |
| Opening Balance   | 4.74                                 | -                                    |
| Add: Additions during the year                            | 14.52                                | 6.49                                 |
| Less: Utilised during the year                            | (19.26)                              | (1.75)                               |
| <b>Closing Balance</b>                                    | <b>(0.00)</b>                        | <b>4.74</b>                          |
|   | <b>26.00</b>                         | <b>30.82</b>                         |



## Notes Forming Part of the Financial Statements

| Particulars  | As at March 31, 2023<br>Rs. in Lakhs | As at March 31, 2022<br>Rs. in Lakhs |
|--|--------------------------------------|--------------------------------------|
| <b>Note No - 3 Reserves &amp; Surplus</b>                                      |                                      |                                      |
| Opening Balance  | (1,886.85)                           | (1,654.90)                           |
| Add: Excess of Expenditure Over Income for the year                            | (112.28)                             | (231.95)                             |
| <b>Closing Balance</b>   | <b>(1,999.13)</b>                    | <b>(1,886.85)</b>                    |
| <b>Note No - 4 Other Long Term Liabilities</b>                                 |                                      |                                      |
| Members Security Deposit   | 16.40                                | 8.15                                 |
| Temporary Membership Entrance Fees   | 34.67                                | 18.50                                |
| <b>Closing Balance</b>   | <b>51.07</b>                         | <b>26.65</b>                         |
| <b>Note No - 5 Short Term Borrowings</b>                                       |                                      |                                      |
| Secured  | -                                    | -                                    |
| Cash Credit Facility<br>(Secured by Term Deposits in Indian Overseas Bank)     | 87.46                                | 96.50                                |
|  | <b>87.46</b>                         | <b>96.50</b>                         |
| <b>Note No - 6 Trade payables</b>  |                                      |                                      |
| i) Total Outstanding dues of Micro and Small Enterprises                       | -                                    | -                                    |
| ii) Total Outstanding dues of Creditors other than Micro and Small Enterprises | 23.31                                | 15.19                                |
|  | <b>23.31</b>                         | <b>15.19</b>                         |



## Notes Forming Part of the Financial Statements

| Ageing of Trade Payables as on March 31, 2023 (Rs. in Lakhs)                                      |               |             |  |             |             |                   |              |
|---|---------------|-------------|--|-------------|-------------|-------------------|--------------|
| Particulars   | Unbilled Dues | Not Yet Due | Outstanding for following period from due date of payment* |             |             |                   | Total        |
|   |               |             | Less than one year   | 1 – 2 Years | 2 – 3 Years | More than 3 Years |              |
| (i) MSME  | -             | -           | -  | -           | -           | -                 | -            |
| (ii) Others   | -             | -           | 23.31  | -           | -           | -                 | 23.31        |
| (iii) Related Parties   | -             | -           | -  | -           | -           | -                 | -            |
| (iv) Disputed Dues - MSME   | -             | -           | -  | -           | -           | -                 | -            |
| (v) Disputed Dues - Others  | -             | -           | -  | -           | -           | -                 | -            |
| (vi) Disputed Dues - Related Parties  | -             | -           | -  | -           | -           | -                 | -            |
| <b>Total</b>  | -             | -           | <b>23.31</b>   | -           | -           | -                 | <b>23.31</b> |
| *Date of transaction is considered as due date in cases where no due date of payment is specified |               |             |  |             |             |                   |              |
| Ageing of Trade Payables as on March 31, 2022   |               |             |  |             |             |                   |              |
| Particulars   | Unbilled Dues | Not Yet Due | Outstanding for following period from due date of payment* |             |             |                   | Total        |
|   |               |             | Less than one year   | 1 – 2 Years | 2 – 3 Years | More than 3 Years |              |
| (i) MSME  | -             | -           | -  | -           | -           | -                 | -            |
| (ii) Others   | -             | 1.45        | 13.74  | -           | -           | -                 | 15.19        |
| (iii) Related Parties   | -             | -           | -  | -           | -           | -                 | -            |
| (iv) Disputed Dues - MSME   | -             | -           | -  | -           | -           | -                 | -            |
| (v) Disputed Dues - Others  | -             | -           | -  | -           | -           | -                 | -            |
| (vi) Disputed Dues - Related Parties  | -             | -           | -  | -           | -           | -                 | -            |
| <b>Total</b>  | -             | <b>1.45</b> | <b>13.74</b>   | -           | -           | -                 | <b>15.19</b> |
| *Date of transaction is considered as due date in cases where no due date of payment is specified |               |             |  |             |             |                   |              |



## Notes Forming Part of the Financial Statements

| Particulars                                   | As at March 31, 2023<br>Rs. in Lakhs | As at March 31, 2022<br>Rs. in Lakhs |
|---|--------------------------------------|--------------------------------------|
| <b>Note No - 7 Other Current Liabilities</b>  |                                      |                                      |
| Members Credit Balance                        | 65.07                                | 24.99                                |
| Statutory Liabilities                         | 31.70                                | 37.85                                |
| Temporary Membership Entrance Fees            | 35.25                                | 25.87                                |
| Members Security Deposit                      | 5.80                                 | 9.50                                 |
| Advance Subscription From Members             | 27.75                                | 24.74                                |
| Outstanding Liabilities                       | 70.54                                | 66.07                                |
| Gratuity Payable                              | 15.50                                | 47.01                                |
|   | <b>251.62</b>                        | <b>236.03</b>                        |
| <b>Note No - 8 Short Term Provisions</b>      |                                      |                                      |
| Provision for Income Tax (Net of Advance Tax) | 16.18                                | 13.06                                |
|   | <b>16.18</b>                         | <b>13.06</b>                         |
|   |                                      |                                      |

## Notes Forming Part of the Financial Statements

### Note No - 9 Property Plant & Equipment and Intangible Assets (Rs.in Lakhs)

| Particulars                | Gross Block        |                                 |                                 | Accumulated Depreciation |                    |                 | Net Block          |                    |
|----------------------------|--------------------|---------------------------------|---------------------------------|--------------------------|--------------------|-----------------|--------------------|--------------------|
|                            | As at<br>01-Apr-22 | Additions<br>During the<br>year | Deletions<br>During the<br>year | As at<br>31-Mar-23       | As at<br>01-Apr-22 | For the<br>year | As at<br>31-Mar-23 | As at<br>31-Mar-22 |
| ( a ) Tangible Assets      | Rs.                | Rs.                             | Rs.                             | Rs.                      | Rs.                | Rs.             | Rs.                | Rs.                |
| Land                       | 0.75               | -                               | -                               | 0.75                     | -                  | -               | 0.75               | 0.75               |
| Building                   | 426.27             | 11.61                           | -                               | 437.88                   | 309.28             | 9.40            | 318.68             | 116.99             |
| Plant and Machinery        | 159.76             | 10.14                           | -                               | 169.90                   | 135.77             | 5.19            | 140.96             | 23.99              |
| Furniture and Fittings     | 148.55             | 1.34                            | -                               | 149.88                   | 139.32             | 2.10            | 141.41             | 9.23               |
| Office Equipments          | 59.67              | 2.04                            | -                               | 61.70                    | 55.96              | 1.20            | 57.16              | 3.71               |
| Kitchen Equipments         | 39.09              | 0.25                            | -                               | 39.34                    | 32.00              | 1.14            | 33.14              | 7.09               |
| Computers                  | 19.24              | 0.60                            | -                               | 19.84                    | 18.29              | 0.06            | 18.35              | 0.95               |
| Electrical Installations   | 271.50             | 7.52                            | -                               | 279.02                   | 255.52             | 3.37            | 258.89             | 15.98              |
| <b>Sub Total</b>           | <b>1,124.81</b>    | <b>33.50</b>                    | <b>-</b>                        | <b>1,158.32</b>          | <b>946.12</b>      | <b>22.46</b>    | <b>968.58</b>      | <b>178.69</b>      |
| ( b ) Intangible Assets    |                    |                                 |                                 |                          |                    |                 |                    |                    |
| Computer Software          | 6.68               | -                               | -                               | 6.68                     | 6.11               | 0.17            | 6.28               | 0.57               |
| <b>Grand Total (a+b+c)</b> | <b>1,131.49</b>    | <b>44.97</b>                    | <b>-</b>                        | <b>1,176.47</b>          | <b>952.23</b>      | <b>22.64</b>    | <b>974.86</b>      | <b>179.27</b>      |
| <b>Previous Year</b>       | <b>1,128.75</b>    | <b>2.74</b>                     | <b>-</b>                        | <b>1,131.49</b>          | <b>930.10</b>      | <b>22.13</b>    | <b>952.23</b>      | <b>198.65</b>      |

**Note 9 (c) - Capital Work in progress**

| Particulars                   | Opening Balance as on 01.04.2022 | Addition during the year | Capitalised during the year | Closing Balance as on 31.03.2023 |
|-------------------------------|----------------------------------|--------------------------|-----------------------------|----------------------------------|
| Building - Diamond Party Hall | -                                | 11.47                    | -                           | 11.47                            |
| Previous Year                 | -                                | -                        | -                           | -                                |

**Capital Work in Progress Ageing:  
As at March 31, 2023:**

| Particulars                   | Amount in CWIP for a period of |           |           |                   | Total |
|-------------------------------|--------------------------------|-----------|-----------|-------------------|-------|
|                               | Less than 1 year               | 1-2 years | 2-3 years | More than 3 years |       |
| Project in progress           | 11.47                          | -         | -         | -                 | 11.47 |
| Projects temporally suspended | -                              | -         | -         | -                 | -     |

As at March 31, 2022:

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



## Notes Forming Part of the Financial Statements

| Particulars  | As at March 31, 2023<br>Rs. in Lakhs | As at March 31, 2022<br>Rs. in Lakhs |
|--|--------------------------------------|--------------------------------------|
| <b>Note No - 10 Long Term Loans and Advances</b>   |                                      |                                      |
| <b>Loans to Employees</b>  |                                      |                                      |
| Unsecured, Considered Good   | 23.21                                | 11.61                                |
|  | <b>23.21</b>                         | <b>11.61</b>                         |
| <b>Note No - 11 Other Non Current Assets</b>   |                                      |                                      |
| Unsecured, Considered Good   |                                      |                                      |
| a. Security Deposits   | 14.61                                | 14.34                                |
| b. Term Deposits with original maturity of more than 12 months                                 | 200.00                               | -                                    |
|  | <b>214.61</b>                        | <b>14.34</b>                         |
| <b>Note No - 12 Inventories<br/>(Valued at Lower of Cost and Net Realizable Value)</b>         |                                      |                                      |
| <b>Stock-in Trade:</b>   |                                      |                                      |
| Liquor   | 18.25                                | 14.71                                |
| Snack Bar  | 1.54                                 | 1.59                                 |
| Cards  | 0.16                                 | 0.18                                 |
| Provisions   | 0.14                                 | 0.22                                 |
|  | <b>20.09</b>                         | <b>16.70</b>                         |
| <b>Note No - 13 Members' Receivables</b>   |                                      |                                      |
| <b>a) Outstanding for a Period Exceeding Six Months from the date they are due for payment</b> |                                      |                                      |
| - Unsecured, Considered Good   | 2.83                                 | 0.03                                 |
| - Unsecured, Considered Doubtful   | 2.79                                 | 2.37                                 |
| <b>Less : Provision for Doubtful Debts</b>   | (2.79)                               | (0.06)                               |
| <b>b) Others</b>   |                                      |                                      |
| - Unsecured, Considered Good   | 68.95                                | 65.34                                |
| - Unsecured, Considered Doubtful   | 0.55                                 | 2.55                                 |
| <b>Less : Provision for Doubtful Debts</b>   | (0.55)                               | (2.55)                               |
|  | <b>71.78</b>                         | <b>67.67</b>                         |



## Notes Forming Part of the Financial Statements

(Rs. in Lakhs)

| Ageing of Members' Receivables as on March 31, 2023   |               |             |  |                   |             |             |                   |              |
|---|---------------|-------------|--|-------------------|-------------|-------------|-------------------|--------------|
| Particulars   | Unbilled Dues | Not Yet Due | Outstanding for following period from due date of payment* |                   |             |             |                   | Total        |
|   |               |             | Less than 6 Months   | 6 Months – 1 Year | 1 – 2 Years | 2 – 3 Years | More than 3 Years |              |
| Undisputed Trade Receivables – Considered Good  | -             | -           | 68.95  | 2.83              | -           | -           | -                 | 71.78        |
| Undisputed Trade Receivables – Which have Significant Increase in Credit Risk                     | -             | -           | 0.55   | 2.79              | -           | -           | -                 | 3.34         |
| Undisputed Trade Receivables – 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>69.50</b>   | <b>5.62</b>       | -           | -           | -                 | <b>75.12</b> |
| *Date of transaction is considered as due date in cases where no due date of payment is specified |               |             |  |                   |             |             |                   |              |
| Ageing of Members' Receivables as on March 31, 2022   |               |             |  |                   |             |             |                   |              |
| Particulars   | Unbilled Dues | Not Yet Due | Outstanding for following period from due date of payment* |                   |             |             |                   | Total        |
|   |               |             | Less than 6 Months   | 6 Months – 1 Year | 1 – 2 Years | 2 – 3 Years | More than 3 Years |              |
| Undisputed Trade Receivables – Considered Good  | -             | -           | 65.34  | 0.03              | -           | -           | -                 | 65.37        |
| Undisputed Trade Receivables – Which have Significant Increase in Credit Risk                     | -             | -           | 2.55   | 2.37              | -           | -           | -                 | 4.92         |
| Undisputed Trade Receivables – 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>67.89</b>   | <b>2.40</b>       | -           | -           | -                 | <b>70.29</b> |
| *Date of transaction is considered as due date in cases where no due date of payment is specified |               |             |  |                   |             |             |                   |              |

## Notes Forming Part of the Financial Statements

| Particulars  | As at March 31, 2023<br>Rs. in Lakhs | As at March 31, 2022<br>Rs. in Lakhs |
|--|--------------------------------------|--------------------------------------|
| <b>Note No - 14 Cash and Bank Balances</b>   |                                      |                                      |
| <b>i) Cash and Cash Equivalents</b>  |                                      |                                      |
| a. Balances with Banks:  |                                      |                                      |
| In Current Accounts  | 9.59                                 | 18.75                                |
| In Savings Accounts  | 40.47                                | 24.13                                |
| b. Cheques on Hand   | 0.79                                 | 1.81                                 |
| c. Cash on Hand  | 1.88                                 | 1.06                                 |
|  | <b>52.74</b>                         | <b>45.74</b>                         |
| <b>ii) Other Bank Balances:</b>  |                                      |                                      |
| I) Term deposits with original maturity of more than 12 months   | 7.10                                 | 7.10                                 |
| ii) Term deposits with original maturity of more than 3 months but less than 12 months (refer note below)  | 1,049.63                             | 1,083.61                             |
| <b>Total</b>   | <b>1,109.46</b>                      | <b>1,136.45</b>                      |
| <b>Note:</b> Out of the above Term deposits of Rs.1,049.63 (in Lakhs) Rs.145.02 (in Lakhs) worth term deposits are given as security towards cash credit facility taken from Indian Overseas Bank. |                                      |                                      |
| <b>Note No - 15 Short Term Loans and Advances</b>  |                                      |                                      |
| <b>a. Advances for Expenses</b>  |                                      |                                      |
| Unsecured, Considered Good   | 16.55                                | 1.31                                 |
| <b>b. Loans to Employees</b>   |                                      |                                      |
| Unsecured, Considered Good   | 5.97                                 | 23.81                                |
| <b>c. Prepaid Expenses</b>   |                                      |                                      |
| Unsecured, Considered Good   | 28.78                                | 19.92                                |
|  | <b>51.30</b>                         | <b>45.03</b>                         |
| <b>Note No - 16 Other Current Assets</b>   |                                      |                                      |
| Interest Accrued but not due   | 23.24                                | 21.85                                |
| Voluntary Member Contribution fund receivable  | 3.74                                 | -                                    |
|  | <b>26.98</b>                         | <b>21.85</b>                         |

## Notes Forming Part of the Financial Statements

| Particulars                                       | Year Ended<br>March 31, 2023<br>Rs. in Lakhs | Year Ended<br>March 31, 2022<br>Rs. in Lakhs |
|---|--|--|
| <b>Note No - 17 Income from Club Facilities</b>   |  |  |
| Sale of Products (Refer note 17 (i))              | 614.36                                       | 356.89                                       |
| Sale of Services (Refer note 17 (ii))             | 306.29                                       | 120.88                                       |
|   | <b>920.66</b>                                | <b>477.77</b>                                |
| <b>Note No - 17(i) Sale of Products includes</b>  |  |  |
| Catering  | 356.12                                       | 195.73                                       |
| Bar   | 204.79                                       | 127.90                                       |
| Snackbar  | 49.81  | 29.82  |
| Others  | 3.65   | 3.44   |
|   | <b>614.36</b>                                | <b>356.89</b>                                |
| <b>Note No - 17(ii) Sale of Services includes</b> |  |  |
| Hall charges                                      | 69.00  | 29.89  |
| Sports facilities                                 | 6.55   | 2.97   |
| Guest House                                       | 186.36                                       | 58.75  |
| Others  | 44.38  | 29.27  |
|   | <b>306.29</b>                                | <b>120.88</b>                                |
| <b>Note No - 18 Other Operating Income</b>        |  |  |
| Members Subscription                              | 226.98                                       | 218.93                                       |
| Entrance Fees from Long Term Temporary Members    | 37.45  | 43.47  |
| Entrance Fees from Service Members                | 4.50   | 0.42   |
| Minimum Billing                                   | 76.82  | 70.65  |
| NR Members' Administration Charges                | 11.13  | 10.56  |
| Water Levy  | 15.51  | 13.15  |
| Library Collection                                | 5.54   | 4.70   |
| Income from Tournaments                           | 1.84   | 2.28   |
| Entertainment Levy                                | 11.08  | 6.68   |
| Sports Levy                                       | 22.16  | 18.78  |
| Miscellaneous Operating Income                    | 6.34   | 2.62   |
| Bridge Game Collections                           | 1.97   | -  |
| Beauty Parlour Sales                              | 7.61   | 2.60   |
|   | <b>428.93</b>                                | <b>394.84</b>                                |
| <b>Note No - 19 Interest Income</b>               |  |  |
| Interest on Deposits                              | 58.80  | 53.14  |
| Interest on Staff Loans                           | 3.24   | 4.54   |
| Interest on Income Tax Refund                     | -  | 1.35   |
|   | <b>62.04</b>                                 | <b>59.03</b>                                 |



## Notes Forming Part of the Financial Statements

| Particulars   | Year Ended<br>March 31, 2023<br>Rs. in Lakhs | Year Ended<br>March 31, 2022<br>Rs. in Lakhs |
|---|--|--|
| <b>Note No - 20 Other Income</b>                              |  |  |
| Guest Charges   | 11.83  | 3.24   |
| Nominee Changing Fees   | 8.10   | 7.50   |
| Member Reinstatement Charges                                  | 1.00   | 1.50   |
| Crystal Room Cover Charges                                    | 6.96   | 1.42   |
| Affiliated Club Fees  | 0.90   | 0.25   |
| Excess Provision Written Back                                 | 0.63   | -  |
| Scrap Sales   | 0.53   | 0.30   |
| Tambola Collection  | 3.26   | 0.90   |
| Sponsorship Health Club                                       | 6.14   | -  |
| Sponsorship Table Tennis                                      | 0.30   | -  |
| Miscellaneous Income  | 3.91   | 3.05   |
| Unclaimed Security Deposits                                   | -  | 15.47  |
| Members ID Card Collections                                   | 0.82   | 2.83   |
| Profit on Sale of Property, Plant & Equipment                 | 1.65   | -  |
| COVID-19 Special Levy   | -  | 10.67  |
| Creditors Written Back  | -  | 0.86   |
|   | <b>46.03</b>                                 | <b>47.99</b>                                 |
| <b>Note No - 21</b>   |  |  |
| <b>a. (Increase)/Decrease in Inventories - Stock in Trade</b> |  |  |
| Inventories at the beginning of the year                      | 16.70  | 21.86  |
| Inventories at the end of the year                            | 20.09  | 16.70  |
| <b>(Increase)/Decrease in Inventories</b>                     | <b>(3.39)</b>                                | <b>5.16</b>                                  |
| <b>b. Details of Purchase of Stock in Trade</b>               |  |  |
| Catering  | 261.29                                       | 162.47                                       |
| Bar   | 119.87                                       | 82.97  |
| Snack Bar   | 38.34  | 19.82  |
| Cards   | 1.16   | 0.84   |
|   | <b>420.66</b>                                | <b>266.11</b>                                |



## Notes Forming Part of the Financial Statements

| Particulars                                   | Year Ended<br>March 31, 2023<br>Rs. in Lakhs | Year Ended<br>March 31, 2022<br>Rs. in Lakhs |
|---|--|--|
| <b>Note No - 22 Employee Benefit Expenses</b> |  |  |
| Salaries, Wages & Bonus                       | 616.09                                       | 550.86                                       |
| Contribution to Provident & Other Funds       | 94.57  | 98.98  |
| Staff Welfare Expenses                        | 38.85  | 33.03  |
|   | <b>749.51</b>                                | <b>682.88</b>                                |
| <b>Note No - 23 Finance Cost</b>              |  |  |
| <b>Interest on:</b>                           |  |  |
| - Cash Credit Facility                        | 6.40   | 3.57   |
| - Delayed Remittance of Statutory Dues        | 0.29   | 0.67   |
|   | <b>6.69</b>                                  | <b>4.23</b>                                  |
| <b>Note No - 24 Other Expenses</b>            |  |  |
| Electricity Charges                           | 70.20  | 38.76  |
| Water Charges                                 | 14.39  | 6.19   |
| Rates and Taxes                               | 40.73  | 15.92  |
| Prior Period Expenses                         | 5.49   | -  |
| Crockery and Cutlery                          | 1.11   | 0.01   |
| Members Nite Expenses                         | 5.19   | -  |
| Entertainment Expenses                        | 6.93   | 1.74   |
| General Stores Consumed                       | 28.58  | 15.04  |
| House Keeping Expenses                        | 5.39   | 1.41   |
| Liquor License Fees                           | 13.53  | 13.53  |
| Purchase - Others                             | 10.96  | 5.50   |
| Library Expenses                              | 0.04   | 0.10   |
| Coaching Fees                                 | 2.12   | 0.93   |
| Massage Fees                                  | 4.80   | 2.31   |
| Beauty Parlour Expenses                       | 6.47   | 2.19   |
| Tournament Expenses                           | 3.72   | 2.47   |
| Cricket Expenses                              | 0.43   | 0.15   |





## Notes Forming Part of the Financial Statements

| Particulars                     | Year Ended<br>March 31, 2023<br>Rs. in Lakhs | Year Ended<br>March 31, 2022<br>Rs. in Lakhs |
|---------------------------------|--|--|
| Internet Services               | 2.14   | 2.15   |
| Laundry Charges                 | 4.98   | 2.05   |
| Printing & Stationery           | 3.28   | 2.00   |
| Telephone Expenses              | 0.47   | 0.45   |
| Postage & Courier               | 0.97   | 0.95   |
| Security Charges                | 4.99   | 4.08   |
| Annual Maintenance Contract     | 5.36   | 4.51   |
| Computer Maintenance Expenses   | 6.06   | 4.58   |
| <b>Repairs and Maintenance:</b> |  |  |
| - Building                      | 26.61  | 35.34  |
| - Electrical Fittings           | 1.97   | 0.92   |
| - Others                        | 42.20  | 18.72  |
| Insurance                       | 1.12   | 1.40   |
| Conveyance                      | 0.46   | 0.42   |
| Internal Audit Fees             | 1.80   | 2.68   |
| <b>Payments to Auditor:</b>     |  |  |
| - As Auditor                    | 2.00   | 2.00   |
| - Taxation Matters              | 0.33   | 0.13   |
| - Other Services                | 0.01   | -  |
| Professional Charges            | 0.82   | 2.09   |
| Website Expenses                | 0.25   | 0.09   |
| Bank Charges                    | 3.45   | 1.45   |
| Tambola Expenses                | 1.99   | 0.53   |
| Provision for Doubtful Debts    | 0.72   | -  |
| Bad Debts                       | -  | 1.09   |
| PF Administration Charges       | 2.41   | 2.08   |
| Contract Salary Expenses        | 10.46  | 8.26   |
| Miscellaneous Expenses          | 14.13  | 7.50   |
|                                 | <b>359.04</b>                                | <b>211.70</b>                                |

## Notes Forming Part of the Financial Statements

### 25) SIGNIFICANT ACCOUNTING POLICIES

#### A) BASIS OF 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, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013. The Financial Statements have been prepared on accrual basis under the historical cost convention.

The preparation of Financial Statements requires the Management of the Club to make estimates and assumptions that affect the reported balances of assets and liabilities, revenues and expenses and disclosures relating to contingent liabilities. The Management believes that the estimates used in preparation of the Financial Statements are prudent and reasonable. Actual results could differ from these estimates. Any revision to the accounting estimates is recognized prospectively in the current and future periods. Estimates include provisions for employee benefit plans and provision for income taxes.

#### B) PRESENTATION OF FINANCIAL STATEMENTS

The Balance Sheet and the Statement of Income and Expenditure are prepared and presented in the format prescribed in Schedule III to the Companies Act, 2013 ("the Act"). The Cash Flow Statement has been prepared and presented as per the requirements of Companies Act, 2013. The disclosure requirements with respect to items in the Balance Sheet and Statement of Income and Expenditure, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of accounts along with the other notes required to be disclosed under the notified Accounting Standards.

#### C) ENTRANCE FEES

Entrance Fee and Life Membership fees of Resident

Members are recognized as capital receipt and accounted for under Capital Fund. Entrance Fee received from Service Members is recognized as revenue. Entrance Fee received from Long Term Temporary Members is recognized as revenue proportionately over the term of membership.

#### D) REVENUE RECOGNITION

Revenue from Monthly Subscription, Sale of Liquor, Catering, Games and Other Facilities is recognized net of taxes on accrual basis on billing of Members. Interest income is recognised on a time proportion basis taking into account the amount outstanding and the applicable rate. Other items of income are recognised as and when the right to receive arises.

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

Property, Plant and Equipment are stated at original cost, net of tax/duty credits availed if any, less accumulated depreciation and impairment losses recognized where necessary. Costs include all expenses incurred to bring the assets to its present location and condition. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Assets retired from active use and held for sale are stated at the lower of their net book value and net realizable value and are disclosed separately in the Balance Sheet.

Intangible Assets are recorded at the consideration paid for acquisition and are carried at cost less accumulated amortization and Impairment Losses if any.

#### Capital Work-In-Progress:

Projects under which assets are not ready for their intended use and Other Capital Work-in-Progress are carried at cost, comprising Direct Cost, related incidental expenses and attributable interest.



## F) DEPRECIATION AND AMORTIZATION

Depreciation on Assets has been provided on Written Down Value method based on the useful life specified in the Schedule II of the Companies Act, 2013. Depreciation on Additions/ Deductions is Calculated pro-rata from/ to the Date of Additions/ Deductions.

Intangible Assets namely specialized software is amortized over a period of three years.

## G) INVENTORIES

Inventories are valued at lower of cost and net realizable value. Cost is determined on First in First out (FIFO) basis. Cost includes freight, taxes, duties and other charges incurred for bringing the goods to the present location and condition and are net of VAT/GST credit, where applicable.

## H) CASH FLOW STATEMENT

Cash Flows are reported using the Indirect Method, whereby net profit/ (loss) before tax is adjusted for the effects of transactions of a non- cash nature and any deferrals or accruals of past or future cash receipts or payments. The Cash Flows from regular revenue generating, investing and financing activities of the Club are segregated based on available information including taxes paid relating to these activities.

## I) BORROWING COSTS

Borrowing costs attributable to acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. Qualifying assets are those that take substantial time to be ready for intended use. Other borrowing costs are expensed.

## J) EMPLOYEE BENEFITS

### • Defined Contribution Plan

Contributions to Employee's Provident Fund and Pension Fund are deposited with the Government and the Company's contribution to the funds is charged to

revenue.

### • Defined Benefit Plan

The Club makes annual contribution to a Gratuity fund which is administered by Trustees and managed by the LIC of India. The Company accounts its liability for future gratuity benefits based on actuarial valuation as at the Balance Sheet date, determined every year using the projected unit credit method. Obligation under the defined benefit plan is measured at the present value of estimated future Cash Flows using a discounted rate that is determined by reference to prevailing market yields at the Balance Sheet date on Indian Government Bonds where the currency and terms of the Indian Government Bonds are consistent with the currency and estimated term of the defined benefit obligation. Actuarial gains / losses are recognized in the Statement of Income and Expenditure in the year in which they arise.

### • Compensated Absences

The liability for long term compensated absences carried forward on the Balance Sheet date is provided for based on an actuarial valuation done by an independent actuary using the projected unit credit method done at the end of each accounting year. Short term compensated absences is recognized based on the eligible leave credit on the balance sheet date, and the estimated cost is based on the terms of the employment contract.

### • Other Employee Benefits

Other Employee Benefits are estimated based on the terms of the employment contract.

## K) TAXES ON INCOME

Current Tax is the amount of tax payable on the Interest Income for the year and is determined in accordance with the provisions of the Income Tax Act, 1961.

## L) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving substantial degree of estimation in measurement are recognized when there is a present

obligation as a result of past events, and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the Financial Statements.

## 26) CAPITAL FUND

Capital Fund comprises of Entrance Fees and Life Membership Fees received from Resident Members while Entrance Fees received from Service Members and Long-Term Temporary Members are recognized as revenue in line with the accounting policy.

## 27) SECURED LOANS

Cash Credit Facility obtained from bank to meet working capital requirements are secured by pledge of certain Term Deposits held with Banks.

## 28) MEMBERS' RECEIVABLES

| Particulars   | As at 31st March 2023 |              | As at 31st March 2022 |              |
|---|-----------------------|--------------|-----------------------|--------------|
|   | No.                   | Rs. in lakhs | No.                   | Rs. in lakhs |
| Outstanding for more than 2 months                        | 79                    | 1.24         | 108                   | 1.83         |
| Aggregate of outstanding of members in excess of Rs.5,000 | 5                     | 0.37         | 6                     | 0.36         |

## 29) DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES (MSME)

- Principal (Net) amount remaining unpaid to any supplier as at the end of the accounting year is Rs. Nil (P.Y. Rs. Nil).

- Interest due thereon remaining unpaid to any supplier as at the end of the accounting year is Rs. Nil.
- The amount of interest paid along with the amount of the payment made to the supplier beyond the appointed day is Rs. Nil.
- The amount of interest due and payable for the year is Rs. Nil.
- The amount of interest accrued and remaining unpaid at the end of the accounting year is Rs. Nil.
- The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid – Nil.

**Note:** The above is determined to the extent such parties have been identified based on information collected by the Management and this has been relied upon by the auditors.

## 30) CONTINGENT LIABILITIES

### LUXURY TAX

Notice issued by the Sales Tax department in 1997-98 towards Luxury tax is disputed by the Club. A writ petition was filed before the High Court in the year 2002-03. Finally, the High Court gave an order in favour of the Club. However, the department has gone on Appeal to the Division Bench of the High Court against the order.

### INCOME TAX

For the Assessment year 2006-07, Assessment has been completed and an appeal filed by the Club before the Madras High Court is pending. The department had won the case in the Income Tax Appellate Tribunal with regard to tax on interest income and Corporate Entrance Fees earned by the Club on the grounds that the same is not covered by the principle of mutuality.



However, in the cases of other clubs the supreme court has ruled that the interest income is taxable. Hence, the Club has paid the tax on Interest Income for the Assessment Year 2006-07 and for the financial years 2011-12 onwards.

For the Assessment year 2018-19, Regular Assessment has been completed and the demand raised by the Department was paid during the year. Also, the Department had raised a Penalty demand u/s 270A of the Income Tax Act for Rs. 49.02 Lakhs. The Club has filed an appeal with the CIT (Appeals) against the Penalty Demand. The hearing for the same is yet to commence.

**31)** No imports and no transactions in Foreign Currency relating to either expenditure or earnings have been undertaken during the year. (Previous Year: Rs. Nil)

**32)** Estimated amounts of contracts remaining to be executed on capital account and not provided for net of advances is Rs. 21.31 Lakhs. (Previous Year: Rs. Nil)

**33) Additional Regulatory Information:**

a. The Title Deeds of Immovable Property are held in the name of the Club.

**b. Revaluation of Property, Plant and Equipment**

During the year, no revaluation of Property, Plant and Equipment has been done by the Club.

**c. Revaluation of Intangible Assets**

During the year, no revaluation of Intangible Assets has been done by the Club.

**d.** There are no Loans or Advances in the nature of Loans to specified persons that are Repayable on Demand or without specifying any terms or period of repayment.

**e. Details of Benami Properties held**

No proceedings have been initiated or pending against the Club for holding any Benami Property under the Benami Transactions (Prohibitions) Act, 1988 and the rules made thereunder.

**f. Borrowings secured against Current Assets**

The Club has no borrowings against Current Assets with Banks or Financial Institutions.

**g. Wilful Defaulter**

The Club has not been declared as wilful defaulter by any bank or financial institution or other lender during the year.

**h. Relationship with Struck off Companies**

The Club had no transactions with Companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956 during the year.

**i. Registration of charges or satisfaction with Registrar of Companies (ROC)**

The Club has no charges or satisfaction yet to be registered with ROC beyond the statutory period during the year.

**j. Compliance with number of layers of Companies**

The Club has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with Companies (Restriction on number of layers) Rules, 2017 during the year.



## k. Financial Ratios

| S.No. | Ratios                           | Formula   | Explanation   | 2022-23 | 2021-22 | % Change in ratio | Explanation provided for any change in ratio by more than 25% in current year as compared to previous year |
|-------|----------------------------------|---|---|---------|---------|-------------------|--|
| 1     | Current Ratio                    | Current Assets / Current Liabilities                  |   | 3.38    | 3.60    | 94%               | Refer note Below   |
| 2     | Debt-Equity Ratio                | Total Debt/ Shareholder's Equity                      |   | NA      | NA      | NA                |  |
| 3     | Debt Service Coverage Ratio      | EBITDA/ (Interest + Principal)                        |   | -0.73   | -2.36   | 31%               |  |
| 4     | Return on Equity Ratio           | Profit after Tax/ Average Shareholder's Equity        | Average Shareholder's Equity= (Opening Shareholder's Equity + Closing Shareholder's Equity) / 2 | NA      | NA      | NA                |  |
| 5     | Inventory Turnover Ratio         | Cost of Goods Sold or Sales / Average Inventory       | Average Inventory = (Opening Inventory + Closing Inventory) / 2                                 | 50.04   | 71.75   | 202%              |  |
| 6     | Trade Receivables Turnover Ratio | Revenue from Operations / Average Accounts Receivable | Average Accounts Receivable= (Opening Receivable + Closing Receivable) / 2                      | 19.36   | 12.96   | 149%              |  |



|    |                               |  |  |       |       |      |
|----|-------------------------------|--|--|-------|-------|------|
| 7  | Trade Payables Turnover Ratio | Total Purchases / Average Accounts Payable | Average Accounts Payable = (Opening Payable + Closing Payable) / 2             | 21.85 | 13.22 | 165% |
| 8  | Net Capital Turnover Ratio    | Revenue from Operations / Working Capital  | Working Capital = Current Assets - Current Liabilities                         | 1.50  | 0.94  | 159% |
| 9  | Net Profit Ratio              | Profit after Tax / Revenue from Operations |  | -0.08 | -0.26 | 32%  |
| 10 | Return on Capital Employed    | EBIT / Capital Employed                    | Capital Employed = Shareholder's Equity + Total Debts + Deferred Tax Liability | NA    | NA    | NA   |
| 11 | Return on Investment          | Profit after Tax / Total Equity            |  | NA    | NA    | NA   |

**Note:** The ratios for the year ended March 31, 2023 is not comparable with the year ended March 31, 2022 due to the impact of COVID-19 in previous year. Hence, explanations are not provided for change in the ratio which is more than 25% as compared to the preceding year.

## **I. Compliance with approved Schemes of Arrangements**

During the year, the Club has no Scheme of Arrangements approved by the Competent Authority to be implemented in the books of accounts.

## **m. Utilisation of Borrowed funds and Share Premium**

1. During the year, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Club to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
2. During the year, no funds have been received by the Club from any persons or entities, including

foreign entities ("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.

## **n. Disclosure in relation to Undisclosed Income**

The Club does not have any transaction 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.

## **o. Details of Crypto Currency or Virtual Currency**

The Club has not traded or invested in Crypto currency or Virtual currency during the financial year.

- 34)** Previous year figures have been recasted / restated to conform to the classification of the current year.

As per our report of even date attached

**For M.K. Dandekar & Co LLP,**  
(Firm Regn. No. 000679S/S000103)

**S. Poosaidurai**  
Partner  
Chartered Accountants  
Membership No.: 223754

Place : Chennai  
Date : August 07, 2023  
UDIN: 23223754BGVTBY2025

For and on behalf of the Managing Committee.

**K. Gopal**  
President  
DIN:08234559

**Tarun Kumar Bagga**  
Vice President  
DIN: 02142951

**V.Gaudam**  
Honorary Secretary  
DIN: 01355428

**Sanjai Shankar**  
Honorary Treasurer  
DIN:03355893



(Rs. in Lakhs)

## Income from Club Facilities

| Department                          | Catering            |                     | Bar                 |                     | Snack bar           |                     | Guest house         |                     | Cards               |                     | Tennis              |                     | Billiards           |                     |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                                     | Annual<br>2022-23   | Annual<br>2021-22   | Annual<br>2022-23   | Annual<br>2021-22   | Annual<br>2022-23   | Annual<br>2021-22   | Annual<br>2022-23   | Annual<br>2021-22   | Annual<br>2022-23   | Annual<br>2021-22   | Annual<br>2022-23   | Annual<br>2021-22   | Annual<br>2022-23   | Annual<br>2021-22   |
| <b>Particulars</b>                  | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> |
| <b>Income</b>                       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| <b>Sale of Products:</b>            |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Sales                               | 356.12              | 195.73              | 204.79              | 127.90              | 49.81               | 29.82               |                     |                     |                     |                     |                     |                     |                     |                     |
| Sale of Items                       |                     |                     |                     |                     |                     |                     |                     |                     | 0.67                | 0.33                | 0.72                | 0.56                |                     |                     |
| <b>Sale of Services:</b>            |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Daily Charges                       |                     |                     |                     |                     |                     |                     |                     |                     | 19.35               | 19.33               | 1.36                | 0.95                | 0.91                | 0.41                |
| Rent from Guest House               |                     |                     |                     |                     |                     |                     | 174.08              | 54.30               |                     |                     |                     |                     |                     |                     |
| Guest House Service Charges         |                     |                     |                     |                     |                     |                     | 6.41                | 2.39                |                     |                     |                     |                     |                     |                     |
| Hall Charges                        | 29.05               | 13.13               |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Surcharges / Cover Charges          | 39.95               | 16.35               |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Miscellaneous Income                | 1.38                | 0.40                | 6.57                | 2.97                |                     |                     |                     |                     | 1.97                |                     |                     |                     |                     |                     |
| Cancellation Charges                |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Coaching Fees                       |                     |                     |                     |                     |                     |                     | 1.49                | 0.36                |                     |                     | 1.15                | 1.46                | 0.14                | 0.01                |
| Amenities                           |                     |                     |                     |                     |                     |                     | 4.39                | 1.70                |                     |                     |                     |                     |                     |                     |
| Massage Collection                  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| <b>Other Operating Income:</b>      |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Subscription / Levy                 |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     | 7.52                | 5.10                | 2.29                | 1.79                |
| Sponsorship Received                |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Miscellaneous Income                |                     |                     | 1.53                | 0.68                |                     |                     | 0.76                | 0.24                |                     |                     |                     |                     |                     |                     |
| Tournament Income                   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     | 1.12                | 0.16                | 0.16                |                     |
| <b>Total</b>                        | <b>426.49</b>       | <b>225.61</b>       | <b>212.88</b>       | <b>131.56</b>       | <b>49.81</b>        | <b>29.82</b>        | <b>187.12</b>       | <b>58.99</b>        | <b>21.99</b>        | <b>19.66</b>        | <b>11.87</b>        | <b>8.23</b>         | <b>3.50</b>         | <b>2.21</b>         |
| <b>Expenditure</b>                  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Consumption (Note 21)               | 261.36              | 162.72              | 116.33              | 88.49               | 38.40               | 19.39               |                     |                     | 1.18                | 0.67                |                     |                     |                     |                     |
| Employee Cost                       | 67.55               | 79.06               | 67.23               | 54.13               | 17.05               | 21.46               | 74.18               | 60.11               | 11.66               | 7.75                | 8.75                | 5.23                | 26.76               | 23.44               |
| Electricity Charges                 | 4.00                | 1.57                | 6.98                | 3.50                | 1.19                | 0.39                | 9.03                | 2.61                | 2.78                | 1.26                | 0.81                | 0.58                | 3.61                | 5.13                |
| Water Charges                       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Liquor License Fees                 |                     |                     | 13.53               | 13.53               |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Purchase Others                     |                     |                     |                     |                     |                     |                     | 2.40                | 0.29                |                     |                     | 3.89                | 2.84                | 0.42                | 0.38                |
| Coaching Fees                       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     | 0.21                | 0.36                | 0.03                |                     |
| Massage Fees                        |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| House Keeping Expenses              |                     |                     |                     |                     |                     |                     | 4.21                | 1.41                |                     |                     |                     |                     |                     |                     |
| Laundry Charges                     | 0.09                |                     | 0.01                |                     |                     |                     | 1.82                | 0.46                | 0.01                |                     |                     |                     |                     |                     |
| Conveyance                          |                     |                     | 0.19                | 0.16                |                     |                     | 0.01                | 0.01                |                     |                     |                     |                     |                     |                     |
| Repairs and Maintenance - Buildings | 2.26                |                     | 4.01                |                     |                     |                     | 6.38                |                     |                     |                     | 1.23                |                     |                     |                     |
| Others                              | 6.89                | 2.39                | 9.84                | 4.54                | 0.03                | 0.01                | 5.47                | 3.45                | 0.09                | 0.45                | 7.29                | 6.21                | 1.34                | 0.33                |
| General Stores Consumed             | 2.64                | 0.19                | 19.73               | 8.30                | 0.98                | 0.34                | 1.64                | 0.47                | 0.20                | 0.11                |                     |                     | 0.19                |                     |
| Tournament Expenses                 |                     |                     |                     |                     |                     |                     |                     |                     | 1.50                | 0.76                | 1.58                | 0.21                | 0.10                |                     |
| <b>Total</b>                        | <b>344.78</b>       | <b>245.93</b>       | <b>237.85</b>       | <b>172.64</b>       | <b>57.64</b>        | <b>41.60</b>        | <b>105.15</b>       | <b>68.81</b>        | <b>17.41</b>        | <b>11.01</b>        | <b>23.76</b>        | <b>15.42</b>        | <b>32.44</b>        | <b>29.28</b>        |
| <b>Surplus / (Deficit)</b>          | <b>81.71</b>        | <b>(20.32)</b>      | <b>(24.97)</b>      | <b>(41.08)</b>      | <b>(7.83)</b>       | <b>(11.78)</b>      | <b>81.97</b>        | <b>(9.81)</b>       | <b>4.58</b>         | <b>8.65</b>         | <b>(11.89)</b>      | <b>(7.19)</b>       | <b>(28.94)</b>      | <b>(27.06)</b>      |



(Rs. in Lakhs)

## Income from Club Facilities

| Department                          | Swimming Pool       |                     | Health Club         |                     | Badminton           |                     | Squash              |                     | Unallocated         |                     | Total               |                     |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                                     | Annual<br>2022-23   | Annual<br>2021-22   | Annual<br>2022-23   | Annual<br>2021-22   | Annual<br>2022-23   | Annual<br>2021-22   | Annual<br>2022-23   | Annual<br>2021-22   | Annual<br>2022-23   | Annual<br>2021-22   | Annual<br>2022-23   | Annual<br>2021-22   |
| <b>Particulars</b>                  | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> | <b>Rs. in Lakhs</b> |
| <b>Income</b>                       |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| <b>Sale of Products:</b>            |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Sales                               |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     | 610.71              | 353.45              |
| Sale of Items                       |                     |                     |                     |                     | 2.26                | 2.57                |                     |                     | 0.01                |                     | 3.66                | 3.46                |
| <b>Sale of Services:</b>            |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Daily Charges                       | 6.63                | 0.87                | 2.58                | 1.30                | 0.53                | 0.37                | 0.74                | 0.98                |                     |                     | 32.10               | 24.21               |
| Rent from Guest House               |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     | 174.08              | 54.30               |
| Guest House Service Charges         |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     | 6.41                | 2.39                |
| Hall Charges                        |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     | 29.05               | 13.13               |
| Surcharges / Cover Charges          |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     | 39.95               | 16.35               |
| Miscellaneous Income                |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     | 9.91                | 3.38                |
| Cancellation Charges                |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     | 1.49                | 0.36                |
| Coaching Fees                       | 3.63                |                     |                     |                     | 1.23                | 1.26                | 0.50                |                     |                     |                     | 6.65                | 2.73                |
| Amenities                           |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     | 4.39                | 1.70                |
| Massage Collection                  |                     |                     | 5.62                | 2.74                |                     |                     |                     |                     |                     |                     | 5.62                | 2.74                |
| <b>Other Operating Income:</b>      |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Subscription / Levy                 | 4.90                | 1.12                | 7.81                | 4.37                | 3.02                | 1.81                | 2.00                | 1.25                |                     |                     | 27.54               | 15.44               |
| Sponsorship Received                |                     |                     |                     |                     |                     |                     |                     |                     | 6.44                | 1.00                | 6.44                | 1.00                |
| Miscellaneous Income                | 0.34                | 0.11                |                     |                     | 0.24                | 0.08                |                     |                     |                     |                     | 2.86                | 1.11                |
| Tournament Income                   |                     |                     |                     | 1.12                | 0.56                |                     |                     |                     |                     |                     | 1.84                | 1.28                |
| <b>Total</b>                        | <b>15.50</b>        | <b>2.10</b>         | <b>16.01</b>        | <b>9.53</b>         | <b>7.83</b>         | <b>6.08</b>         | <b>3.24</b>         | <b>2.23</b>         | <b>6.45</b>         | <b>1.00</b>         | <b>962.69</b>       | <b>497.02</b>       |
| <b>Expenditure</b>                  |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Consumption (Note 21)               |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     | 417.27              | 271.27              |
| Employee Cost                       | 20.29               | 15.92               | 9.69                | 7.65                | 11.45               | 10.07               | 5.29                | 4.86                | 432.01              | 395.28              | 751.92              | 684.96              |
| Electricity Charges                 | 6.51                | 2.99                | 14.74               | 4.15                | 0.23                | 0.12                | 0.59                | 0.38                | 21.03               | 16.47               | 71.51               | 39.16               |
| Water Charges                       | 0.20                | 0.73                |                     |                     |                     |                     |                     |                     | 14.19               | 5.47                | 14.39               | 6.19                |
| Liquor License Fees                 |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     | 13.53               | 13.53               |
| Purchase Others                     |                     |                     | 0.97                | 0.10                | 2.04                | 1.75                |                     |                     |                     |                     | 9.71                | 5.36                |
| Coaching Fees                       | 1.46                |                     |                     |                     | 0.15                | 0.24                | 0.27                | 0.34                |                     |                     | 2.12                | 0.93                |
| Massage Fees                        |                     |                     | 4.80                | 2.31                |                     |                     |                     |                     |                     |                     | 4.80                | 2.31                |
| House Keeping Expenses              | 1.18                |                     |                     |                     |                     |                     |                     |                     |                     |                     | 5.39                | 1.41                |
| Laundry Charges                     | 0.55                | 0.24                |                     |                     |                     |                     |                     |                     | 2.50                | 1.35                | 4.98                | 2.05                |
| Conveyance                          | 0.01                |                     | 0.01                | 0.01                |                     |                     |                     |                     | 0.23                | 0.23                | 0.46                | 0.42                |
| Repairs and Maintenance - Buildings |                     | 32.22               | 0.12                |                     |                     |                     |                     |                     | 12.62               | 3.13                | 26.61               | 35.34               |
| Others                              | 2.86                |                     | 2.78                | 3.02                | 0.22                | 0.23                | 0.03                | 0.07                | 14.21               | 9.83                | 51.03               | 30.52               |
| General Stores Consumed             | 0.54                | 0.11                | 0.51                | 0.11                |                     |                     |                     |                     | 5.67                | 2.56                | 32.11               | 12.20               |
| Tournament Expenses                 |                     |                     |                     | 1.50                | 0.55                |                     |                     |                     |                     |                     | 3.72                | 2.47                |
| <b>Total</b>                        | <b>33.60</b>        | <b>52.21</b>        | <b>33.63</b>        | <b>18.85</b>        | <b>14.65</b>        | <b>12.41</b>        | <b>6.19</b>         | <b>5.65</b>         | <b>502.46</b>       | <b>434.31</b>       | <b>1,409.55</b>     | <b>1,108.12</b>     |
| <b>Surplus / (Deficit)</b>          | <b>(18.10)</b>      | <b>(50.11)</b>      | <b>(17.62)</b>      | <b>(9.32)</b>       | <b>(6.81)</b>       | <b>(6.33)</b>       | <b>(2.95)</b>       | <b>(3.42)</b>       | <b>(496.01)</b>     | <b>(433.31)</b>     | <b>(446.86)</b>     | <b>(611.10)</b>     |





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