

Members who have questions to ask in connection with the statement of accounts are requested to send them in writing to the secretary by 3 P.M. on Friday 02nd September, 2019

CONTENTS	PAGE
Notice	2
Report of the General Committee	5
Independent Auditors' Report	18
Balance Sheet	24
Income & Expenditure Account	25
Cash Flow Statement	26
Summary of Significant Accounting Policies and other explanatory informations	27

Note : Due to high price of paper and printing additional copies of the Balance Sheet will not be available at the AGM. Members are, therefore, requested to bring their copy to the AGM.

DELHI GYMKHANA CLUB LIMITED
(A Company limited by guarantee)
Registered Office: 2, Safdarjung Road, New Delhi-110011
CIN: U93000DL1901NPL000024
Tel: 91 11 2301 5531 – 35; Email: secydgcc@gmail.com
Website: www.delhigymkhana.org.in

NOTICE

Notice is hereby given that the Annual General Meeting of the members of the Delhi Gymkhana Club Limited will be held at the club premises 2, Safdarjung Road, New Delhi-110011 at **1400 hours on Sunday, the 29th September 2019** to transact the following business:-

Item No. 1

To receive, consider and adopt the audited Balance Sheet as at 31st March 2019, Income & Expenditure account for the year ended on that date together with the Report of the Auditors and General Committee thereon. (Copy of Balance Sheet attached)

Item No. 2

To appoint M/s Khanna & Annadhanam, Chartered Accountants, as the Statutory Auditor of the Company for the financial year 2019-2020 and to fix their remuneration.

Item No. 3

To elect seventeen members of the General Committee including a member to be designated as President.

By order of the General Committee

Place: New Delhi
Dated: 02nd September, 2019

Col. A Khanna, (Retd)
Secretary

Notes:

- 1. The business set out in the Notice will be transacted through electronic voting system and the Club is providing facility for voting by electronic means.**

Instructions and other information relating to e-voting are given herein. The Club is also sending communication relating to remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members.

2. The present auditors M/s Khanna & Annadhanam, the retiring auditors, are eligible for ratification of appointment.
3. In accordance with section 152 of the Companies Act 2013:
 - (a) Every member (other than a member who has left at the club office a notice under section 160 signifying his/her candidature for a Committee Member) proposed as candidate for a Committee member shall sign, and file with the club, his/her consent, in writing to act as a Committee Member, if appointed.

ACCORDINGLY, THE REQUISITE CONSENT OF THE CANDIDATE, AS PROPOSED UNDER NOTE 2(a) ABOVE MAY ALSO PLEASE ACCOMPANY THE PROPOSAL REFERRED TO IN THAT NOTE

- (b) A Member, other than a Committee Member re-appointed after retirement, shall not act as a Committee Member of the club unless he/she has within thirty days of his/her appointment signed and filed with the Registrar, his/her consent in writing to act as such Committee Member.

4. Members should fill in the attendance slip for attending the Meeting.
5. Relevant documents and Register as prescribed under Companies Act, 2013 will be available for inspection at the AGM.
6. In case members wish to ask for any information about accounts or operation of the club, they are requested to send their queries in writing atleast 7 days before the date of the meeting, so that the information can be made available at the time of the meeting.
7. Members, who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Club electronically.
8. **Information and other instruction relating to e-voting are as under:**
 - (a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 and the Companies (Management and Administration) Rules, 2014, as amended, and other applicable provisions, if any, of the Companies Act, 2013 the Club is pleased to provide to its Members, the facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. Members may cast their votes using an electronic voting system from a place other than venue of the meeting ("remote e-voting").
 - (b) The facility e-voting shall also be made available at the venue of the Meeting and the Members attending the Meeting who have not cast their vote by remote e-voting/electronic means shall be able to vote at the Meeting through e-voting system.
 - (c) The Members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
 - (d) The Company has engaged the services of **M/s Karvy Fintech Private Limited** ("Karvy") as the Agency to provide e-voting facility.
 - (e) The General Committee has appointed Mr. RMS Liberhan & Mr. VL Tuli as **Chief Election Commissioner** to scrutinize the remote e-voting and e-voting at the meeting in a fair and transparent manner and he has communicated their willingness to be appointed and will be available for same purpose.
 - (f) A person, whose name is recorded in the Register of Members maintained by the Club as on the **cutoff date i.e. 22nd September, 2019** only shall be entitled to avail the facility of e-voting or voting.

The process and manner for E-voting is as under:

- i. M/s Karvy will create a **user ID and Password** and will send it to all the Permanent members by email address available with the Club. In case where there is no email id or the mail bounces back for wrong IDs, such members will be sent login ID and password by registered mail on the address available in club records.
- ii. Mail of M/s Karvy will be self-explanatory and display window will be user friendly for the voting indicating the date and time for e-voting.
- iii. The voting will be open for three days starting on **Thursday, 26th September, 2019 at 9.00 AM.**
- iv. E-voting will close on **Saturday 28th Sept 2019 at 5.00 PM** on the 3rd day which will be a day prior to the AGM.
- v. E-voting will be closed by the Chief Election Commissioner after 5.00 PM of the last day, prior to the AGM.
- vi. After closing of the event by the Chief Election Commissioner, M/s Karvy will download the data which will be uploaded on five computers installed at the AGM venue on the date of the AGM for insta-poll voting by members who could not vote online.
- vii. The voting will be completed by 8:30pm on the date of the AGM and results will be declared at the scheduled time which is 10:00 pm.
- viii. The members would be able to cast their votes at the meeting through Instapoll/ Tab voting provided by Karvy if they have not availed the remote e-voting facility. If the vote is cast through remote e-voting facility then the members would not be permitted to exercise their voting right at the general meeting.

- ix. The Election Commissioner shall immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than three days of conclusion of the meeting a consolidated scrutinizer's report of the votes cast in favour or against, to the Chairman or to any Director or Officer who may be authorized by the Chairman for this purpose.
- x. The Result of the voting shall be declared by the Chief Election Commissioner or any person authorized by the Chairman on or after the receipt of consolidated Election Commissioner report. The result along with the scrutinizer's report will be placed on the club website, www.delhigymkhana.org.in and on the website of the Karvy.
- xi. Subject to the receipt of requisite number of votes, the Resolution shall be deemed to be passed on the date of the meeting i.e., 29th September 2019
- xii. Kindly note that on the actual day of voting, members will be able to cast their votes at the meeting through Instapoll/ Tab voting provided by Karvy if they have not availed the remote e-voting facility. If the vote is cast through remote e-voting facility, then the members would not be permitted to exercise their voting right at the General Meeting.

By order of the General Committee

Place: New Delhi
Dated: 02nd September, 2019

Col. A Khanna, (Retd)
Secretary

REPORT OF THE GENERAL COMMITTEE

TO THE MEMBERS

The General Committee has immense pleasure in presenting its Annual Report together with the audited accounts of the Company for the year ended 31 March 2019.

1. FINANCIAL RESULTS

	<u>2019</u>	(Rs in lacs) <u>2018</u>
Revenue from operations	6372.26	5208.38
Other income	2248.64	1381.82
Expenditures	7016.05	5563.17
Surplus before prior period, Exceptional item, Dep.&Tax	1808.83	1201.58
(Less) Depreciation	230.97	174.55
(Less) Prior period items	590.12	(2.31)
(Less) Exceptional items	—	(61.18)
Surplus before tax	2194.97	963.54
(Less) Current tax	(440.85)	(189.33)
Surplus/ (Deficit) transferred to member's general reserve	1754.12	774.21

2. OPERATIONS

The General Committee is honored to share with Hon'ble members', the salient features as under regarding the financial health of the club during the year:

- The net surplus this year is Rs1754.12lacs as against a net surplus of Rs.774.21 lacs last year.
- Investments as on 31.3.2018 were Rs. 16496.20 lacs which have increased to Rs17973.95 lacs as on 31.3.2019. The total value of Mutual Funds on Net Asset Value basis as at 31.3.2019 comes to Rs.19706.42 lacs as against Rs. 18903.35 Lacs as on 31.03.2018. The capital gains on investments during the year have been Rs. 1953.50 lacs as against Rs. 1189.10 lacs last year.
- Our reserves during the year under report have also gone up from Rs. 10764.38 lacs to Rs. 12729.70 lacs.
- The membership of members (NIL permanent members, NIL lady subscribers, NIL green card holders and NIL UCP) had to be terminated after observing the laid down procedure for non-payment of bills.
- The balance outstanding of committee members as on 31 March 2019 is given in note 12. In this context it is emphasized that all bills outstanding against members have been paid on presentation.

3. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There has been no material changes and commitments affecting the financial position of the Club occurred between the end of the financial year to which this financial statements relate and the date of this report except those mentioned in Para 31, 32 & 33 of the Director's Report.

4. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

In terms of the Section 134(3) (m) of the Companies Act, 2013 read Rule 8(3) of the Companies (Accounts) Rules, 2014, the particulars in respect of (a) Conservation of Energy (b) Technology Absorption and (c) Foreign Exchange Earnings and Outgo are furnished in detail in **Annexure I** attached to this report.

5. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Club does not have any expensive plant or machinery in its premises except for machines used for better ergonomics of daily functioning of a Club. The Club, therefore, does not have any Risk Management Policy as the elements of risk threatening the Club's existence are very minimal.

6. CORPORATE SOCIAL RESPONSIBILITY (CSR)

A sum of Rs. 11.00 lacs has been paid into the 'PM National Relief Fund', for the financial year ending 31 March 2019. A detailed note is attached herewith as **Annexure-II**.

7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The company had not given any loans and guarantees. The company had made investments in mutual fund units amounting to Rs. 17973.95 Lacs as given in Note Number 9 of the financial statements.

8. RELATED PARTY TRANSACTIONS

The related parties and nature of transaction identified by the club has been disclosed in Notes to Account No. 27 forming part of Financial Statements as defined under Section 188(1) of the Companies Act, 2013 during the year under review.

9. AUDITORS' QUALIFICATIONS

There are no qualifications, reservations or adverse remarks made in the Statutory Auditors' Report.

10. COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable to the Club and hence the Club has not devised any policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

11. ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in **Annexure III** (Form MGT.9) and is attached to this Report. The same has been posted on the website of the Company www.delhigymkhana.org.in.

12. WEB LINK OF ANNUAL RETURN

Pursuant to Section 134(3)(a) of the Companies Act, 2013 Annual return of the Company has been posted on the website of the Company www.delhigymkhana.org.in

13. DETAILS IN RESPECT OF FRAUD REPORTED BY AUDITORS UNDER SECTION 143(12) OF COMPANIES ACT, 2013

Pursuant to Section 143(12) of the Companies Act, 2013, details of fraud which is reported by the Auditor to the Board of Directors is NIL.

14. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW

The Company had 20 General Committee (Board) meetings during the financial year under review.

15. DIRECTORS'S (MEMBERS OF GENERAL COMMITTEE) RESPONSIBILITY STATEMENT

Pursuant to section 134(5) of the Companies Act, 2013 (here in afterreferred to as the "Act"), your Directors (General Committee Members), to the best of their knowledge and ability, confirm that:

- (i) in preparation of the Annual Accounts, the applicable accounting standards have been followed and that there are no material departures.

- (ii) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March, 2019 and of surplus or deficit of the Company for the year ended 31 March, 2019;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the Annual Accounts on a 'on - going concern' basis.
- (v) they have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (vi) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Club does not have any Subsidiary, Joint venture or Associate Company.

17. DEPOSITS

As per Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, the details relating to deposits as per Chapter V of the Companies Act, 2013 are as follows:-

1. Details of deposits which are not in compliance with the requirements of Chapter V of the Act: The Company has not accepted any deposit during the year; therefore the provisions of Chapter V of the Act are not applicable.
2. Details of deposit accepted during the year: Not applicable
3. Details of deposits remained unpaid or unclaimed at the end of the year: Not applicable
4. whether there has been any default in repayment of Deposits or payment of interest thereon during the year and if so, number of cases and the total amount involved-
 - i. at the beginning of the year-Not Applicable
 - ii. maximum during the year- Not Applicable
 - iii. at the end of the year- Not Applicable

18. DIRECTORS AND KEY MANAGERIAL PERSONNEL

1. Mr Prashant Sukul, IDAS (President)
2. Ms Nisha Bahadur
3. Mr. Vikram Bhalla
4. Ms. Bharati Das, ICAS
5. Dr Ajay Dua, IAS (Retd)
6. Mr. Sunil Ghadiok
7. Mr. Suresh K Goel, IFS (Retd)
8. Mr. Mandeep Kapur, FCA
9. Mr. N S Katoch
10. Brig Ravinder Kumar Mehta (Retd)
11. Col Mohit Nasa
12. Mr. Rajinder Rai
13. Ms Gayatri Roopchand
14. Cdr Arun Saigal (Retd)
15. Mr. Gurpreet Singh
16. Cdr Akhil Sirohi
17. Ms. Suneeta Trivedi

The above were appointed as Directors during the year.

19. DECLARATION OF INDEPENDENT DIRECTORS

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to our Company.

20. AUDITORS

M/s Khanna & Anandhanam Chartered Accountants, (ICAI Registration No. 001297N), are hereby proposed to be appointed as statutory auditors of the Company in the ensuing Annual General Meeting to be held on **29th September, 2019** to hold office from the conclusion of this Annual General Meeting till the conclusion of Annual General Meeting to be held in Financial year 2020-21 i.e. for a period of 1 Year.

The Company has received the consent and Eligibility Certificate from the above Auditor to the effect that if they are appointed, it would be in accordance with the provisions of Section 144 of the Companies Act, 2013 and that they are not disqualified for appointment. They are proposed to be reappointed.

The Comments by the Auditors on the Final Accounts of the Company are self explanatory & do not need any clarification.

21. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 is not applicable to the Club.

22. STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEE AND INDIVIDUAL DIRECTORS

The provisions are not applicable to the Company limited by guarantee.

23. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of operation of the Club.

24. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There have been no significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of the club's operations in future.

25. INTERNAL FINANCIAL CONTROL

The Club has in all respects, adequate internal financial controls systems for financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on "the internal control over financial reporting" criteria established by the Club. During the year such controls were tested and no reportable material weakness in operation has been observed. Though not mandatorily applicable to appoint an Internal Auditor in terms of provisions of Companies Act, 2013, the Club has engaged an Internal Auditor and a periodic Internal Audit is carried out by the Internal Auditors. The Finance Sub-Committee reviews the internal audit findings in order to manage, monitor and report on the principal risks, uncertainties and any significant control failings or weaknesses as arising at any point of time. It provides guidance on internal controls and ensures that the recommendation of internal audit is implemented.

26. PARTICULARS OF EMPLOYEES

As required under Section 197 read with Rule 5 of Companies (Appointment and Remuneration) Rules, 2014, no person employed throughout the year or part thereof, was in receipt of remuneration of Rs. 8,50,000/- per month or 1,02,00,000 per year.

27 MEMBERSHIP

With a deep sense of regret your committee reports the demise of 125 members during the year. The condolence messages were sent to the next of kin of the deceased members. Further, during this period 7 members resigned their membership of the Club.

The Club membership as on 31 March 2019 is given below:

Life Members	29
Permanent Members	5505
UCP Members	2878
Eminent Category	195
Diplomats and Foreigners	17
Special Corporate Nominees	154
Lady subscribers	1663
Green card holders	5333
NRI	—
TOTAL	15774

28. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT THE WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed to provide a safe and conducive work environment to its employees. Internal Complaints Committee ('ICC') has been set-up to redress complaints received regarding sexual harassment in accordance with the provisions relating to constitution of Internal Complaints Committee under the Sexual Harassment of women at work place (Prevention, Prohibition and Redressal) Act, 2013

During the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

29. DETAILS OF MONEY ACCEPTED FROM DIRECTORS OR RELATIVES OF DIRECTORS

During the financial year under review, the Company has not accepted any money from Directors or Relative of Directors.

30. DISCLOSURE FOR MAINTENANCE OF COST RECORDS UNDER SECTION 148 OF THE COMPANIES ACT, 2013

Since the provisions of Section 148(1) of the Act read with Rule 3 of the Companies (Cost Records and Audit) Rules, 2014 is not applicable to the Company, the Company is not required to maintain such accounts and records

31. INTERIM WAGE INCREASE CONTRIBUTION @ RS. 300/- PER MEMBER

At the AGM on 30th Sept 2018, the members present at the AGM had directed the Club President to take steps to make good the operating deficits. The matter was accordingly decided in the GC and since the Article of Association do not permit increase in monthly subscription without an ABM, the GC introduced a levy under Article 23(b) of the AoA as an Interim Wage Increase contribution w.e.f. 01.12.2018 at the rate Rs.300/- per month per member to partially offset operating losses on account of enhanced Wages and Gratuity.

32. MCA OBSERVATION AND ACTIONS TAKEN

As a result of past complaints and observations by some members and applicants from 2014, during 2018 the MCA decided to carryout inspection of books and accounts of the Club under Section 206 of Companies Act, 2013. From 2018 upto now, the Club has received a stream of letters from Regional Director (North) and MCA Delhi requiring volumes of information, in batches, that has all been provided to the concerned authorities.

On the basis of such information RD (North) issued a preliminary inspection report on 15th March 2019, to which the Club had given a detailed reply. Several rounds of interactions have taken place at all levels subsequently, to clarify all matters raised by these authorities.

In particular major observations made by the MCA is on account of application fees, which because of the lengthy waiting for membership has been termed as "Deposits". The Club, without conceding to this interpretation by the MCA, has still taken appropriate corrective action. The Club will not be utilizing assets arising from application fees i.e. Rs. 56 crores, for our day-today activities, by holding this amount aside in trust. Club is taking further action on the continuance of holding such fee, in consultation with MCA.

Under these circumstances, the Directors would like to caution members that there is likelihood of a fall in the value of financial assets of the Club in subsequent years, for which remedial measures will be necessary to make good these financial losses by subsequent General Committees.

33. EARMARKING OF INVESTMENTS

The Club has earmarked investments of the book value of Rs. 567,376 thousand with NAV of Rs.632,678 thousand as on 31.3.2019 in Debt Mutual Fund Growth Schemes under direct mode, so that it is available for refund of Registration Fees, in case any applicant seeks refund of the registration fee paid to the Club.

34. Extraordinary General Meeting

The GC had proposed the alteration of the Memorandum of Association (MOA) and the Articles of Association (AOA) of the Club as they are more than a 100 years old and need to be aligned with the Companies Act, 2013. Alteration of these documents requires members' approval which was sought to be obtained at an Extraordinary General Meeting (EGM) scheduled for 04th August, 2019. Printed copies of Notice alongwith altered Memorandum of Association and Articles of Association were shared with the members. However, a certain section of the members sought a stay on the holding of EGM and the alterations could not take place.

These alterations are necessary as the law has changed over a period of years and most of the Articles are superceded by the new law, causing anomalies in understanding and functioning. It would have been in the best interest of all concerned, to have had the EGM as scheduled.

35. ACKNOWLEDGEMENTS

The General Committee Members are thankful to various Government Departments, Banks, Employees and Consultants for their co-operation and assistance during the year for the successful operation of the Club.

Prashant Sukul, IDAS

Director

DIN-02558916

Address:- A-10 Sujan Singh Park,
Near Khan Market, New Delhi-110003

Suneeta Trivedi

Chairman Finance Sub Committee

DIN-06742087

Address - 77, Greenwoods, Govt Officers
Society, Phase 1, Pocket P2, Omega 1,
Gautam Buddha Nagar, Greater Noida –201310,
Uttar Pradesh, India

Mandeep Kapur, FCA

Director

DIN-06794429

Address:- B-70, Paschimi Marg
Vasant Vihar, New Delhi-110057

Cdr Arun Saigal (Retd)

Director

DIN-08197695

Address - 89, Gulmohar Enclave
Balbir Saxena Marg, New Delhi-110049

Col. Ashish Khanna, SM (Retd)

Secretary

PAN-AJVPK0767D

Address:- 1524, Park View Apartment,
Sector-29, Noida-201301

Place : New Delhi

Date : 2nd September, 2019

ANNEXURE-I TO THE REPORT OF THE GENERAL COMMITTEE

INFORMATION UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF DIRECTORS REPORT.

(A) Conservation of energy

- i) The steps taken or impact on conservation of energy;
- Switching off of lights, fans, AC and other electronic equipment's whenever possible
 - Use of energy efficient CFL and LED lights
 - Creating awareness among all the staff members to conserve energy
- ii) The steps taken by the Company for utilizing alternate sources of energy;
- During the year, the Company has not taken any steps for utilizing alternate sources of energy but wherever possible your company has put efforts to save energy.
- iii) The capital investment on energy conservation equipment's;
- During the year, the Company has not made any capital investment on energy conservation. Your Company has invested in energy conservation equipment's including energy efficient appliances and LED lights.

(B) Technology absorption

- (i) The efforts made towards technology absorption;
- Efforts towards technology absorption included continued efforts for process improvements and improved formulation types / strengths to improve the efficacy, productivity and profitability of the Company.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution;
- The quality of Services provided by the Company has been significantly improved.
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-
- (a) the details of technology imported: The Company has not imported any technology during the financial year.
- (b) the year of import: Not Applicable
- (c) whether the technology been fully absorbed: Not Applicable
- (d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable
- (iv) The expenditure incurred on Research and Development:

Particulars	2018-19	2017-18
Capital	—	—
Recurring	—	—
Total	—	—
Total R&D Expenditure as % of total turnover	—	—

(C) Foreign exchange earnings and Outgo

Particulars	2018-19	2017-18
Foreign Exchange Earning	9.92 Lacs	2.01 Lacs
Foreign Exchange Outgo	—	—

BY ORDER OF THE BOARD OF DIRECTORS
FOR **DELHI GYMKHANA CLUB LIMITED**

Prashant Sukul, IDAS

Director

DIN-02558916

Address:- A-10 Sujan Singh Park,
Near Khan Market, New Delhi-110003

Suneeta Trivedi

Chairman Finance Sub Committee

DIN-06742087

Address - 77, Greenwoods, Govt Officers
Society, Phase 1, Pocket P2, Omega 1,
Gautam Buddha Nagar, Greater Noida –201310,
Uttar Pradesh, India

Mandeep Kapur, FCA

Director

DIN-06794429

Address:- B-70, Paschimi Marg
Vasant Vihar, New Delhi-110057

Cdr Arun Saigal (Retd)

Director

DIN-08197695

Address - 89, Gulmohar Enclave
Balbir Saxena Marg, New Delhi-110049

Col. Ashish Khanna, SM (Retd)

Secretary

PAN-AJVPK0767D

Address:- 1524, Park View Apartment,
Sector-29, Noida-201301

Place : New Delhi

Date : 2nd September, 2019

ANNEXURE-II TO THE REPORT OF THE GENERAL COMMITTEE

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

- 1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes.**

Policy Statement

The Corporate Social Responsibility policy has been drafted with a view to provide a framework for establishing a process for allocation, distribution and spending of funds for the purpose of making an impact to the community in the locations that the Company has office(s).

Constitution of CSR Committee

The CSR projects in the Company are implemented under the guidance of the Board's Sub-Committee on CSR which presently comprises of four directors. The terms of reference of the Committee is given below:

- Formulate and recommend to the Board, a Corporate Social Responsibility policy which shall indicate the activities to be undertaken by the Company.
- Recommend the amount of expenditure to be incurred on the activities.
- Review the Corporate Social Responsibility Policy of the company annually.
- Institute a transparent monitoring mechanism for implementation of the CSR projects or programmes or activities undertaken by the company.

Note:-Pursuant to the Rule 5 of the Companies (Corporate Social Responsibility Policy) Rules, the company is not required to appoint an Independent Director in its CSR Committee.

Scope of activities

The CSR activities of the Company are as per the provisions of Schedule VII of the Companies Act, 2013.

Planning

The committee shall plan and implement the CSR activities in and around the location where the Company operates.

Implementation Schedules

The Committee maintained under this policy by and is hereby responsible for implementation of its schedule; and accordingly report to the Board from time to time about its action for the implementation of the schedule.

Process of Implementation

- Identification of programmes: The committee maintained therein for the purpose of the compliance of section 135 of the Companies Act, 2013, i.e. Corporate Social Responsibility (CSR) shall contribute to spend the amount in the CSR Activities as may be decided by the committee time to time subject to fulfillment of Schedule VII of the Companies Act, 2013 and the rules made thereunder.
- Area of CSR activities: The committee may decide the area where the CSR works can be carried out.
- Powers for approval: The committee shall have the power to spend the amounts in the area or project allocated for the year by the Board of Directors.

Monitoring mechanism

The CSR Committee shall be responsible to ensure effective implementation and monitoring of the projects approved by it.

Reporting

The progress report of the activities undertaken shall be reported as under:

- Half yearly report by CSR committee to the Board of Directors.
- Annual Report to the Shareholders by Board of Directors in consultation with CSR committee.

Policy Review & Future Amendment

The Committee shall annually review its CSR Policy from time to time and make suitable changes as may be required and submit the same for the approval of the Board.

- 2. The Composition of the CSR Committee- the task of CSR Committee is merged with the Working Sub Committee which comprises the following Directors:-**

1. Ms. Suneeta Trivedi, ICAS
2. Mr. Mandeep Kapur, FCA
3. Mr. Sunil Ghadiok
4. Ms. Nisha Bahadur Director

3. Average net profit of the company for last three financial years: Rs. 515.88 Lacs
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs. 11 Lacs

5. Details of CSR spent during the financial year:

(a) Total amount to be spent for the financial year: Rs. 11 Lacs

(b) Amount unspent, if any: NIL

(c) Manner in which the amount spent during the financial year is detailed below:

(1)	(2)	(3)	(4)		(5)	(6)		(7)	(8)	
S. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs		Amount outlay (budget) project or programs wise	Amount spent on the projects or programs		Cumulative expenditure upto to the reporting period	Amount spent	
			Area	State and District		Direct Expenditure	Over-heads		Direct	Agency
1	PM National Relief fund	NIL	PM National Relief fund	Central Government	NIL	11.00 Lacs	NIL	60.45 Lacs	Rs. 11.00 Lacs	NIL
	TOTAL	—	—	—	—	—	—	—	—	—

6. Reasons for not spending the 2% of average net profit of last three financial years:

There is no unspent CSR amount.

7. Responsibility statement of the CSR Committee:

The implementation and monitoring of the Company's CSR Policy is in compliance with CSR objectives and Policy of the Company.

BY ORDER OF THE BOARD OF DIRECTORS
FOR **DELHI GYMKHANA CLUB LIMITED**

Prashant Sukul, IDAS

Director
DIN-02558916
Address:- A-10 Sujan Singh Park,
Near Khan Market, New Delhi-110003

Suneeta Trivedi

Chairman Finance Sub Committee
DIN-06742087
Address - 77, Greenwoods, Govt Officers
Society, Phase 1, Pocket P2, Omega 1,
Gautam Buddha Nagar, Greater Noida –201310,
Uttar Pradesh, India

Mandeep Kapur, FCA

Director
DIN-06794429
Address:- B-70, Paschimi Marg
Vasant Vihar, New Delhi-110057

Cdr Arun Saigal (Retd)

Director
DIN-08197695
Address - 89, Gulmohar Enclave
Balbir Saxena Marg, New Delhi-110049

Col. Ashish Khanna, SM (Retd)

Secretary
PAN-AJVPK0767D
Address:- 1524, Park View Apartment,
Sector-29, Noida-201301

Place : New Delhi
Date : 2nd September, 2019

ANNEXURE III TO THE REPORT OF THE GENERAL COMMITTEE

Form No.MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration)Rules, 2014]

A. REGISTRATION AND OTHER DETAILS:

i	CIN	U93000DL1901NPL000024
ii	Registration Date	14/07/1913
iii	Name of the Company	DELHI GYMKHANA CLUB LTD.
iv	Category/Sub-Category of the Company	PUBLIC COMPANY LIMITED BY GUARANTEE
v	Address of the Registered office and contact details	2, SAFDARJUNG ROAD, NEW DELHI-110011, INDIA
vi	Whether listed company	NO
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	N.A.

B. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

Sr. No	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1	Sports Club	93120	100%

C. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

The Club is not having any Holding, Subsidiary and Associate Companies.

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

There is no Equity Share Capital

E. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment;

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

F. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(i) Remuneration to Managing Director, Whole-time Directors and/or Manager and for Manager :

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	—	—
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	—
2.	Stock Option	—	—
3.	Sweat Equity	—	—
4.	Commission		
	— as % of profit	—	—
	— Others specify...	—	—
5.	Others, please specify	—	—
	Total(A)	—	—
	Ceiling as per the Act	—	—

(ii) Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
	<u>Independent Directors</u>		
	— Fee for attending board committee meetings	—	—
	— Commission	—	—
	— Others, please specify	—	—
	Total(1)	—	—
	<u>Other Non-Executive Directors</u>		
	— Fee for attending board committee meetings	—	—
	— Commission	—	—
	— Others, please specify (Salary)	—	—
	Total (2)	—	—
	Total (B) = (1+2)	—	—
	Total Managerial Remuneration	—	—
	Overall Ceiling as per the Act	—	—

iii. **Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD**

Rupees (in lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	24.25	—	—	—
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.22	—	—	—
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option	—	—	—	—
3.	Sweat Equity	—	—	—	—
4.	Commission — as % of profit — others, specify				
5.	Others, please specify	—	—	—	—
6.	Total	24.47	—	—	—

G. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/Court]	Appeal made. If any (give details)
A. Company					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
B. Directors					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
C. Other Officers In Default					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—

BY ORDER OF THE BOARD OF DIRECTORS
FOR **DELHI GYMKHANA CLUB LIMITED**

Prashant Sukul, IDAS

Director
DIN-02558916
Address:- A-10 Sujana Singh Park,
Near Khan Market, New Delhi-110003

Mandeep Kapur, FCA

Director
DIN-06794429
Address:- B-70, Paschimi Marg
Vasant Vihar, New Delhi-110057

Col. Ashish Khanna, SM (Retd)

Secretary
PAN-AJVPK0767D
Address:- 1524, Park View Apartment,
Sector-29, Noida-201301

Suneeta Trivedi

Chairman Finance Sub Committee
DIN-06742087
Address - 77, Greenwoods, Govt Officers
Society, Phase 1, Pocket P2, Omega 1,
Gautam Buddha Nagar, Greater Noida -201310, U.P., India

Cdr Arun Saigal (Retd)

Director
DIN-08197695
Address - 89, Gulmohar Enclave
Balbir Saxena Marg, New Delhi-110049

Place : New Delhi
Date : 2nd September, 2019

KHANNA & ANNADHANAM
CHARTERED ACCOUNTANTS
706, AKASH DEEP, 26-A, BARAKHAMBHA ROAD
NEW DELHI - 110 001

Independent Auditor's Report

**To The Members of Delhi Gymkhana Club Limited
(A Company Limited by Guarantee)**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanied financial statements of **Delhi Gymkhana Club Limited** ("the Club"), which comprise the Balance Sheet as at 31st March 2019, the Statement of Income and Expenditure and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

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 31st March 2019, the profit, changes in equity 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 Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Club in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Club's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

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

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

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

Responsibilities of Management for the Financial Statements

The Club's General 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

KHANNA & ANNADHANAM
Independent Auditor's Report (Contd.)

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 the assets of the Club and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Executive Committee 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 the Executive Committee either intends to liquidate the Club or to cease operations, or has no realistic alternative but to do so.

The Executive Committee is 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 Club's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Club to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

KHANNA & ANNADHANAM
Independent Auditor's Report (Contd.)

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Emphasis of matter

1. Attention is invited relating to Ministry of Corporate Affairs (MCA) inspection of books and records during the year and in the preliminary report has pointed out certain non compliances of the Companies Act 2013. The management has submitted Club's response to the preliminary report received from the MCA. (Refer Note 24)
2. The reconciliation of fee received from waitlisted applicants with books of account is in progress. {Refer Note 26 (b)}
3. We draw attention to the financial statements which describe the uncertainty regarding outcome to certain claims against the Club relating to service tax, property tax, luxury tax and employees provident fund matters which are currently pending in litigation and also other demands by various regulatory authorities. (Refer Note 21)
4. Interest payable on Employees State Insurance dues is not ascertainable and no provision has been made for the same. {Refer Note 21 (e)}
5. The useful life of the fixed assets as per Schedule-II of the Act and as estimated by the management is different. (Refer Note 31)

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. Based on the legal opinion obtained by the Club, it is a Company incorporated under section 8 of the Companies Act, 2013 (corresponding to Section 25 of the Companies Act, 1956) and therefore, the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act is not applicable. Therefore, the statement on the matters specified in paragraphs 3 and 4 of the Order is not required.
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 Statement of Cash Flow dealt with by this Report are in agreement with the books of account;

KHANNA & ANNADHANAM
Independent Auditor's Report (Contd.)

- 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 written representation received from Executive Committee Members as on 31st March 2019 and taken on record by the Executive Committee, none of the Member of Executive Committee is disqualified as on 31st March 2019 from being appointed as a Executive Committee Member in the term 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 A";
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the Club has not paid any remuneration to its Executive Committee Members during the year.

- 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 has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Club did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education Fund by the Club.

For **Khanna & Annadhanam**
Chartered Accountants
Firm Registration No.: 001297N

Place: New Delhi
Date : 02nd September, 2019

(B.J. Singh)
Partner
Membership No.: 00788

KHANNA & ANNADHANAM
Independent Auditor's Report (Contd.)

Annexure A to the Independent Auditor's Report

Referred to in paragraph 'Report on Other Legal and Regulatory Requirements' of our report of even date to the members of Delhi Gymkhana Club Limited on the Ind AS financial statements as of and for the year ended 31st March, 2019

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

We have audited the internal financial controls over financial reporting of Delhi Gymkhana Club Limited ("the Club") as of 31st March, 2019 in conjunction with our audit of the Ind AS financial statements of the Club for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Club based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, 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,

KHANNA & ANNADHANAM
Independent Auditor's Report (Contd.)

in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Club; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Club are being made only in accordance with authorisations of management and directors of the Club; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Club's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

According to the information and explanations given to us, the Club is in the process of reviewing its internal financial controls over financial reporting on criteria based on or 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. Prevailing internal financial controls over financial reporting have been reviewed by the internal auditors of the Club who have pointed out certain areas where controls need to be improved though no material weakness has been identified. We have reviewed the said report and tested the action taken by the Club.

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, 2019, based on the internal control over financial reporting criteria established by the Company 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 **Khanna & Annadhanam**
Chartered Accountants
Firm Registration No.: 001297N

Place: New Delhi
Date : 02nd September, 2019

(B.J. Singh)
Partner
Membership No.: 00788

DELHI GYMKHANA CLUB LIMITED
(A Company limited by guarantee)

Balance Sheet as at 31 March 2019

	Notes	2018-19	(Rupees'000) 2017-18
Equity and liabilities			
Members' funds			
Reserves and surplus	2	1,272,970	1,076,438
Non-current liabilities			
Long-term liabilities	3	801,296	851,489
Long-term provisions	4	164,434	112,537
		965,730	964,026
Current liabilities			
Trade payables	5	—	—
Due to micro and small enterprises		40,005	36,893
Due to others		167,678	125,633
Other current liabilities	6	23,178	10,855
Short-term provisions	7	—	—
		230,861	173,381
Total		2,469,561	2,213,845
Assets			
Non-current assets			
Fixed assets	8	—	—
Tangible assets		222,144	227,979
Intangible assets		1,869	43
Capital work-in-progress		3,940	9,927
Non-current investments	9	1,797,395	1,649,620
Long-term loan and advances	10	116,372	234,119
		2,141,720	2,121,687
Current Assets			
Inventories	11	18,774	15,183
Trade receivables	12	95,638	38,372
Cash and bank balances	13	196,512	19,394
Short-term loan and advances	14	16,917	19,206
Other current assets	15	—	3
		327,841	92,158
Total		2,469,561	2,213,845
Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

On behalf of the General Committee

Prashant Sukul
President

Suneeta Trivedi
Chairman Finance Sub Committee

Members
Mandeep Kapur
Arun Saigal

Col Ashish Khanna
Secretary

For **Khanna & Annadhanam**
Chartered Accountants
Firm Registration No.001297-N

Place : New Delhi
Date : 02 September 2019

B.J Singh
Partner
Membership No : 7884

DELHI GYMKHANA CLUB LIMITED
(A Company limited by guarantee)

Income and Expenditure Account for the year ended 31 March 2019

			(Rupees'000)
	Notes	2018-19	20/17-18
Income			
Revenue from operations	16	637,226	520,838
Other income	17	224,864	138,182
		862,090	659,020
Expenses			
Cost of materials consumed	18	201,419	168,035
Employee benefit expenses	19	306,283	203,543
Depreciation and amortisation	8	20,397	17,455
Other expenses	20	173,506	167,284
		701,605	556,317
Surplus before prior period items and tax		160,485	102,703
Prior Period Adjustments (Net) (Refer Note 34)		59,012	(231)
Exceptional items [refer note 21 (e)]	21	—	(6,118)
Surplus before tax		219,497	96,354
Current tax		(44,085)	(18,933)
Surplus/(Deficit) transferred to member's general reserve		175,412	77,421

Note : Since the company has no share capital, the disclosure regarding earning per share is not required

Significant accounting policies 1

The accompanying notes are an integral part of the financial statements.

On behalf of the General Committee

Prashant Sukul
President

Suneeta Trivedi
Chairman Finance Sub Committee

Members
Mandeep Kapur
Arun Saigal

Col Ashish Khananna
Secretary

For **Khanna & Annadhanam**
Chartered Accountants
Firm Registration No.001297-N

Place : New Delhi
Date : 02 September 2019

B.J Singh
Partner
Membership No : 7884

DELHI GYMKHANA CLUB LIMITED
(A Company limited by guarantee)

Cash flow statement for the year ended 31 March 2019

	2018-19	(Rupees'000) 2017-18
1 Cash flow from operating activities		
Profit before tax	219,497	96,354
<u>Adjustment for</u>		
Depreciation and amortisation	20,397	17,455
Staff welfare reserve	326	385
Retirement benefit reserve	(10,094)	561
Loss on sale of fixed assets	36	3
Profit on sale of fixed assets	(395)	(93)
Profit on sale of investments	(195,349)	(118,910)
Entrance fee	30,888	19,461
Amounts written back	—	(24)
Amounts written off	—	27
Stores written off	82	22
Provision for doubtful debts/advances	1,546	1,744
Interest & other income	(29,119)	(19,178)
Operating profit/(loss) before working capital changes	37,814	(2,194)
<u>Changes in working capital</u>		
<u>Adjustments for (increase) / decrease in assets</u>		
Trade receivables	(58,812)	(4,118)
Inventories	(3,673)	781
Loans & advances	117,457	1,833
Other current assets	3	—
<u>Adjustments for increase / (decrease) in liabilities</u>		
Trade payable	3,112	8,975
Liabilities	(8,148)	395,562
Provisions	64,221	4,868
Cash generated from operations	151,974	405,706
Direct taxes paid	(41,507)	(17,865)
Net cash flow (used in) operating activities	110,467	387,841
2 Cash flow from investing activities		
Purchase of fixed assets including capital work in progress	(12,279)	(113,353)
Interest & other income	29,119	19,178
Sale of fixed assets	2,234	166
Purchase of long term investments	(658,500)	(1,362,316)
Sale of long term investments	706,076	864,847
Net cash flow (used in) investing activities	66,651	(591,477)
3 Net increase/(decrease) in cash and cash equivalents (1+2)	177,118	(203,636)
4 Cash and cash equivalents at the beginning of the period	19,394	223,030
5 Cash and cash equivalents at the end of the period (3+4)	196,512	19,394

The above cash flow statement has been prepared under the "Indirect method" as set out in the Accounting Standard 3 (AS-3) on cash flow statement.

See accompanying notes forming part of the financial statements

On behalf of the General Committee

Prashant Sukul
President

Suneeta Trivedi
Chairman Finance Sub Committee

Members
Mandeep Kapur
Arun Saigal

Col Ashish Khanna
Secretary

For **Khanna & Annadhanam**
Chartered Accountants
Firm Registration No.001297-N

B.J Singh
Partner
Membership No : 7884

Place : New Delhi
Date : 02 September 2019

DELHI GYMKHANA CLUB LIMITED
(A Company limited by guarantee)

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2019

Note 01 Significant accounting policies

a. Basis of preparation:

The financial statements of the Club have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP). The Club has prepared these financial statements to comply in all material respects with the accounting standards notified under Section 133 of the Companies Act, 2013. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

All assets and liabilities have been classified as current or non-current, wherever applicable as per the operating cycle of the Club in terms with the guidance as set out in the Schedule III to the Companies Act, 2013.

b. Use of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

c. Revenue recognition:

- (i) From the year 2016-17, the enhanced registration fee received at the time of application for membership is treated as long term liability and shown under Adjustable/Refundable Fee Account. The registration fee along with additional registration received when a person is admitted as a member is transferred to Income and Expenditure Account.
- (ii) Annual subscription fee, additional registration fee, processing charges, change of nominee fee is accounted for on accrual basis.
- (iii) Revenue from sales is stated net of Value Added Tax/ GST/Cess wherever applicable.
- (iv) The entrance fee from members admitted is credited to the members' general reserve directly.
- (v) One time contribution received towards building and maintenance account from new members is utilized / used towards repairs to building.
- (vi) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate.

d. Fixed assets and depreciation:

(i) Tangible Assets

All fixed Assets are valued at cost less depreciation/amortization. The cost of an asset includes the purchase cost of materials, including import duties and non refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use.

(ii) Intangible Assets

Intangible assets expected to provide future enduring economic benefits are stated at cost less amortization. Cost comprises purchase price and directly attributable expenditure on making the asset ready for its intended use.

DELHI GYMKHANA CLUB LIMITED
(A Company limited by guarantee)

(iii) Useful lives/ depreciation rates

Depreciation is provided on straight line method over the useful lives of the assets. Schedule II to the Companies Act 2013 prescribes useful lives for fixed assets. However, Schedule II allows companies to use higher/ lower useful lives and residual values if such useful lives and residual values can be technically supported and justification for difference is disclosed in the financial statements.

Considering the applicability of Schedule II, the management has re-estimated useful lives and residual values of most of its fixed assets which are equal to useful lives and residual values specified in Schedule II except in some cases as given in note . The management believes that depreciation rates currently used fairly reflect its estimate of the useful lives and residual values of fixed assets.

(iv) Depreciation of assets costing less than Rs. 5,000/-

Till year ended 31 March 2014, to comply with the requirements of Schedule XIV to the Companies Act, 1956, the Club was charging 100% depreciation on assets costing less than Rs. 5,000/- in the year of purchase. Though, Schedule II to the Companies Act 2013, applicable from 1 April 2014, does not recognize such practice. However, considering the wear and tear of the assets which are extensively used by the Club, the management has decided to continue such assets to be depreciated at 100%.

(v) Provision for depreciation on cutlery, glassware, crockery etc. is made to ensure that 50% of the total cost as at the end of the year stands provided for.

(vi) Depreciation on library books is provided on written down value method @ 10%.

e. Impairment of assets:

The indications for impairment of assets listed in the Accounting Standard 28 – Impairment of Assets have been examined by the Management and on such examination, it has been observed that none of the indications are present in the case of the Club and therefore, a formal estimate on the recoverable amount is not considered necessary to ascertain impairment of assets.

f. Inventories:

Inventories including consumables and other stores are valued at lower of cost and net realizable value.

Cost is determined on first-in-first-out basis.

g. Investments:

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long term investments are carried at cost. Provision for diminution in value is made to recognise a decline other than temporary in the value of investments.

h. Employee benefits:

(a) Short- term employee benefits

Benefits such as salaries, wages, and short term compensated absences, etc. and the expected cost of bonus and ex-gratia are recognised in the year in which the employee renders the related service.

(b) Post employment benefits

(i) The contribution paid / payable under the provident fund scheme is recognized during the period in which the employee renders service to a defined contribution plan.

(ii) Gratuity is a post employment defined benefit plan. The present value of obligation for employees gratuity is determined based on actuarial valuation using the Projected Unit Credit Method, which

DELHI GYMKHANA CLUB LIMITED
(A Company limited by guarantee)

recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

(c) **Other long-term employee benefits**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability determined based on actuarial valuation using the Projected Unit Credit Method at the Balance Sheet date. The discount rates used for determining the present value of the obligation under defined benefit plan are based on the market yields on Government Securities as at the Balance Sheet date.

(d) **Termination benefits.**

Termination benefits are recognised as an expense immediately.

i. Contingent liabilities and provisions:

The Club makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of obligation can be made. A disclosure is made for possible or present obligations that may but probably will not require outflow of resources or where a reliable estimate cannot be made as a contingent liability in the financial statements.

j. Leases:

Lease rentals in respect of assets taken under an operating lease are charged to income and expenditure account on a straight-line basis over the lease term.

k. Foreign Currency transactions:

Transactions in Foreign Currency (FC) are recorded at the exchange rate prevailing on the date of transaction. Monetary items denominated in FC as at the Balance Sheet date are converted at the exchange rate prevailing on that date. The exchange differences resulting there from are dealt with in the Income & Expenditure account.

l. Taxes on income:

Charge for current tax is determined based upon the provisions of Income-tax Act, 1961 to the extent applicable to the Club.

Deferred tax assets are recognised for all deductible timing differences and carried forward to the extent there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

Deferred tax assets and liabilities are determined based on the tax rates that have been enacted or substantively enacted by the balance sheet date.

m. Entrance fee

Entrance fee received from members is credited to reserves.

n. Amount received for specific purpose

The amounts received from members for specific purposes e.g. building and maintenance reserve, staff welfare reserve and retirements benefits is taken directly to reserves and expenditure incurred for the same is debited to the respective reserve.

DELHI GYMKHANA CLUB LIMITED
(A Company limited by guarantee)

Summary of significant accounting policies and other explanatory information (contd.)
for the year ended 31 March 2019

	2018-19	(Rupees'000) 2017-18
Note 02 Reserve and surplus		
Members' general reserve		
Opening balance	1,058,823	961,941
Add : Entrance fee	30,888	19,461
Surplus /(Deficit) as per income and expenditure account	175,412	77,421
	1,265,123	1,058,823
Building and maintenance reserve**		
Contribution during the year	285	356
Utilized during the year	(285)	(356)
	—	—
Staff welfare reserve**		
Opening balance	1,615	1,230
Add : Amount received during the year	563	614
Less: Amount paid during the year	(237)	(229)
	1,941	1,615
Retirement benefits reserve**		
Opening balance	16,000	15,439
Add : Amount received during the year	11,975	3,805
Less: Amount paid during the year	(22,069)	(3,244)
	5,906	16,000
	1,272,970	1,076,438
** The amounts received by the Club for specific purposes is taken directly to reserves and expenditure incurred for the same is netted off from the respective reserve.		
Note 03 Long-term liabilities		
Security deposit from members	93,817	74,775
Refundable / adjustable registration fee	463,926	533,420
Contingency charges recovered [Refer Note 21(a)]	236,087	236,092
Land and development charges	802	538
Other liabilities	6,664	6,664
	801,296	851,489
Note 04 Long-term provisions		
Provision for Gratuity	128,958	80,330
Provision for Leave Encashment (Refer Notes 28)	35,476	32,207
	164,434	112,537
Note 05 Trade payables		
Due to micro and small enterprises (refer note 30)	—	—
Due to others	40,005	36,893
	40,005	36,893
Note 06 Other current liabilities		
Advances from members	73,485	34,908
Security deposits from suppliers	5,091	7,025
Employee payables	35,188	31,603
Statutory dues	27,265	25,986
Book Overdraft	—	2,366
Expenses Payable	12,972	12,881
Other liabilities	13,677	10,864
	167,678	125,633
Note 07 Short-term provisions		
Provision for Gratuity	18,784	7,688
Provision for Leave Encashment	4,394	3,167
	23,178	10,855

DELHI GYMKHANA CLUB LIMITED
A company limited by guarantee)

Summary of significant accounting policies and other explanatory information (Contd.) for the year ended 31 March 2019

Note 08 Fixed Assets (Rupees ' 000)

Particulars	Tangible assets							Total	Intangible assets	Total fixed assets
	Building* Tubewells	Electrical installation	Furniture and fixtures	Plant & equipments and Air-conditioners	Bicycles	Library books	Crockery, Cutlery & others			
Gross Block										
At 1 April 2017	18,057	70,469	40,174	72,970	56	7,174	6,185	7,810	869	226,085
Additions	104,530	-	1,144	18,426	-	372	1,288	848	49	126,657
Disposals	-	-	518	250	-	29	290	406	-	1,492
At 31 March 2018	122,587	70,469	40,800	91,146	56	7,517	7,183	8,252	918	351,250
Additions	7,364	-	1,177	5,791	-	329	735	707	2,162	18,265
Disposals	1,763	-	290	2,779	-	32	508	-	-	5,372
At 31 March 2019	128,188	70,469	41,687	94,158	56	7,814	7,410	8,960	3,079	364,143
Accumulated Depreciation/Amortization										
At 1 April 2017	11,973	16,150	26,508	34,652	43	4,646	3,093	7,067	865	107,190
Charge for the year	4,533	2,691	2,689	5,824	4	289	789	517	10	17,455
Disposals	-	-	483	224	-	13	290	406	-	1,416
At 31 March 2018	16,506	18,841	28,714	40,252	47	4,922	3,592	7,178	875	123,229
Charge for the year	7,541	2,603	2,222	6,183	4	291	622	578	335	20,397
Disposals	58	-	245	2,669	-	17	508	-	-	3,497
At 31 March 2019	23,989	21,444	30,691	43,766	51	5,196	3,706	7,756	1,210	140,130
Net Block										
At 31 March 2018	106,081	51,628	12,086	50,894	9	2,595	3,591	1,074	43	228,021
At 31 March 2019	104,199	49,025	10,996	50,392	5	2,618	3,705	1,204	1,869	224,013

Note- The Land on which building have been constructed was allotted to the club in term of perpetual lease granted the Chief Commisioner of Delhi. The lease hold land has no book value and hence not shown seperately.

DELHI GYMKHANA CLUB LIMITED
(A Company limited by guarantee)

Summary of significant accounting policies and other explanatory information (contd.)
for the year ended 31 March 2019

		(Rupees'000)				
Note 09	Non-current investments (valued at cost unless otherwise stated)	Face Value	2018-19		2017-18	
Long term - non trade		Rs	Nos.		Nos.	
Equity Shares - fully paid (quoted)						
	Aluminium Industries Ltd (Quotation not available)	10	1,545	20	1,545	20
	Jessop and Co.Ltd (Quotation not available)	10	600	12	600	12
	National Rayon Corporation Ltd	10	400	7	400	7
	Rohtas Industries Ltd (Quotation not available)	10	1,000	21	1,000	21
	Vam holding Ltd (Quotation not available)	10	392	13	392	13
				<u>73</u>		<u>73</u>
	Less: Provision			<u>73</u>		<u>73</u>
	Sub Total (A)			<u>—</u>		<u>—</u>
Mutual Funds (quoted)						
	Aditya Birla Sun Life Corp Bond Fund	10	2,773,846	187,198	1,704,436	112,198
	Aditya Birla Sun Life Med Term Plan	10	-	-	3,450,791	50,000
	ABSL Short Term Opportunities Fund	10	-	-	1,177,899	23,890
	Axis Short Term Fund	10	1,201,675	25,000	-	-
	DHFL Pramerica short Maturity Fund	10	-	-	633,686	14,212
	Franklin India Short Term Income Plan	10	-	-	13,263	33,387
	Franklin India Income Opportunity Fund	10	-	-	3,398,929	48,024
	HDFC Banking and PSU Debt Fund	10	2,279,797	31,831	2,279,797	31,831
	HDFC Corporate Bond Fund	10	3,697,550	75,000	-	-
	HDFC FMP 1114D March 2016	10	2,000,000	20,000	2,000,000	20,000
	HDFC FMP 1120D March 2016	10	3,000,000	30,000	3,000,000	30,000
	HDFC Short Term Debt Fund	10	1,221,998	25,000	-	-
	HDFC FMP 1128D March 2015 Series 33	10	-	-	1,000,000	10,000
	HDFC MF Monthly Income Plan	10	-	-	125,449	3,392
	HDFC Regular Savings Fund	10	-	-	646,688	15,000
	ICICI Pru FMP Series 78-1130 D	10	2,000,000	20,000	2,000,000	20,000
	ICICI Pru FMP Series 83-1100 D	10	9,800,000	98,000	-	-
	ICICI Pru Banking and PSU Debt Fund	10	5,490,306	108,982	5,490,306	108,982
	ICICI Prudential Corporate Bond Fund	10	3,930,797	75,000	-	-
	ICICI Prudential Short Term Fund	10	632,420	25,000	-	-
	ICICI FMP series 75 1246 Days Plan	10	-	-	5,999,999	60,000
	ICICI FMP Series 76 Plan -1120 D Plan	10	-	-	1,000,000	10,000
	ICICI FMP Series 77-1105 D Plan	10	-	-	6,000,000	60,000
	ICICI FMP Series 77-1134D Plan	10	-	-	7,997,086	79,971
	IDFC Bond Fund Short Term Plan	10	289,608	10,763	1,910,990	22,500
	IDFC Corporate Bond Fund	10	5,687,552	67,500	300,034	7,743
	Kotak Bond (Short Term)	10	903,356	32,019	212,596	4,942
	Balance carried forward			<u>831,293</u>		<u>766,071</u>

DELHI GYMKHANA CLUB LIMITED
(A Company limited by guarantee)

Summary of significant accounting policies and other explanatory information (contd.)
for the year ended 31 March 2019

Notes 09 Non-current investments (contd.) (valued at cost unless otherwise stated)	Face Value	2018-19		2017-18	
Long term - non trade	Rs	Nos.			Nos.
Balance brought forward			831,293		766,071
Mutual Funds (quoted)					
Kotak Corporate Bond Fund	10	59,584	142,500	9,813	22,500
Kotak FMP Series 224	10	4,500,000	45,000	4,500,000	45,000
Kotak Medium Term Fund	10	—	—	966,016	10,000
Principal Short Term Debt Fund	10	940,470	30,415	981,924	21,290
Reliance Banking & PSU Debt Fund	10	3,086,257	38,310	3,086,257	38,310
Reliance Fixed Horizon Fund Series 17	10	1,750,000	17,500	1,750,000	17,500
Reliance Fixed Horizon Fund Series 9	10	3,500,000	35,000	3,500,000	35,000
Reliance Regular Saving fund Debt Plan	10	—	—	293,443	4,922
SBI Debt Fund Series (1131 D)-FMP	10	3,000,000	30,000	3,000,000	30,000
UTI Banking & PSU Debt Fund	10	1,598,079	22,500	1,598,079	22,500
UTI Fixed Term Income Fund (1118D)	10	1,750,000	17,500	1,750,000	17,500
UTI Fixed Term Income Fund (1132-D)	10	2,000,000	20,000	2,000,000	20,000
UTI Fixed Term Income Fund Series XVIII-II	10	—	—	1,500,000	15,000
UTI Fixed Term Income Fund-Series XIX-V	10	—	—	1,000,000	10,000
UTI Short term Income Fund - Institutional	10	—	—	450,531	6,651
Sub Total (B)			1,230,018		1,082,244
Earmarked Investments (Quoted)# (Refer Note 24)					
Aditya Birla Sun Life Credit Risk Fund	10	6,243,613	80,852	6,243,613	80,852
Aditya Birla Sun Life Med Term Plan	10	632,642	12,841	632,642	12,841
HDFC Credit Risk Debt Fund	10	7,233,048	103,464	7,233,048	103,464
HDFC Corporate Bond Fund	10	4,203,093	80,000	4,203,093	80,000
ICICI Pru All Seasons Bond Fund	10	639,292	12,783	639,292	12,783
ICICI Prudential Bond Fund	10	3,271,315	80,000	3,271,315	80,000
Kotak Corporate Bond Fund	10	35,307	80,000	35,307	80,000
Kotak Credit Risk Fund	10	2,556,517	50,150	2,556,517	50,150
Kotak Medium Term Fund	10	4,992,359	67,287	4,992,359	67,287
Sub Total (C)			567,376		567,376
Grand Total (A+B+C) *			1,797,395		1,649,620
Aggregate Cost of investments					
Unquoted			—		—
Quoted			1,797,395		1,649,620
			1,797,395		1,649,620
Market Value of Quoted Investments			1,970,642		1,890,335

Note- All investments are considered as long term investments as they are intended to be held for more than 1 year from the date on which such investments were made.

(This space has been intentionally left blank)

DELHI GYMKHANA CLUB LIMITED
(A Company limited by guarantee)

Summary of significant accounting policies and other explanatory information (contd.)
for the year ended 31 March 2019

	2018-19	(Rupees'000) 2017-18
Note 10 Long-term loan and advances		
(Unsecured considered good)		
Security deposits	2,850	2,850
Provident fund authorities [refer note 21 (d)]	10,683	10,683
Service tax [refer note 21(a)]	21,414	151,632
Luxury tax [refer note 21(c)]	77,170	62,532
Prepaid expenses	52	27
Advance to employees	4,125	3,738
Income tax (Net of provision of Rs 77,618 thousand) (Previous year Rs 33,533 thousand)	78	2,657
	116,372	234,119
Note 11 Inventories		
(Certified by the management / internal auditors)		
Catering consumables (refer note 18)	796	849
Wine and beverages (refer note 18)	14,464	11,044
Cigarettes (refer note 18)	83	88
Consumables and other stores	3,431	3,202
	18,774	15,183
Note 12 Trade receivables		
Outstanding for a period exceeding six months from the date - they are due for payment		
Unsecured, considered good	7,370	1,653
Unsecured, considered doubtful	4,050	2,504
Less: provision for doubtful debts	(4,050)	(2,504)
	7,370	1,653
Other receivables		
Unsecured, considered good	88,268	36,719
	95,638	38,372
Due from general committee members and secretary	445	444
Note 13 Cash and bank balances		
Cash and cash equivalents		
Cash in hand	753	951
Postage stamps in hand	308	357
Cheques in hand	2,001	2,726
Balances with banks in:		
Current account	1	1
Savings account	40,984	14,745
Fixed deposit (sweep account)	151,813	—
Other fixed deposits	652	614
	196,512	19,394
Note 14 Short-term loan and advances		
Advances recoverable in cash or kind		
Unsecured, considered good	5,465	8,146
Doubtful advances	1,474	1,474
Less: Provision for doubtful advances	(1,474)	(1,474)
	5,465	8,146
Prepaid expenses	3,880	3,508
Advances to employees	7,572	7,552
	16,917	19,206

DELHI GYMKHANA CLUB LIMITED
(A Company limited by guarantee)

Summary of significant accounting policies and other explanatory information (contd.)
for the year ended 31 March 2019

	2018-19		(Rupees'000) 2017-18	
Note 15 Other current assets				
Interest accrued on investments	—		3	
	<u>—</u>		<u>3</u>	
Note 16 Revenue from operations				
Income from membership and subscription				
Subscription	66,129		65,269	
Processing charges	36,000		24,941	
Registration fees	126,467		72,806	
Change of nominee (corporate)	6,750	235,346	5,619	168,635
	<u>6,750</u>		<u>5,619</u>	
Income from club facilities and services:				
Departmental sales	340,475		296,609	
Cottage rent	33,912		33,904	
Venue charges	17,712	392,099	12,194	342,707
	<u>17,712</u>		<u>12,194</u>	
Other operating revenue				
Library fines from members	210		229	
Miscellaneous receipts from members	4,198		3,964	
Other receipts	5,358		5,266	
Surplus on un-utilized coupons	15		13	
Amounts written back	—	9,781	24	9,496
	<u>—</u>		<u>24</u>	
	<u>637,226</u>		<u>520,838</u>	
Note 17 Other income				
Interest income on:				
Bank deposits	15,095		9,629	
Members	7,838		4,559	
Others	1,232	24,165	299	14,487
	<u>1,232</u>		<u>299</u>	
Profit on sale of investments		195,349		118,910
Rental Income		4,955		4,692
Profit on sale of assets		395		93
		<u>395</u>		<u>93</u>
		<u>224,864</u>		<u>138,182</u>
Note 18 Cost of material consumed				
Raw material consumption				
Opening stock				
Catering consumables	849		824	
Wine and beverages	11,044		11,922	
Cigarettes	88	11,981	57	12,803
	<u>88</u>		<u>57</u>	
Add: Purchases				
Catering consumables	138,178		112,790	
Wine and beverages	65,383		52,771	
Cigarettes	1,220	204,781	1,652	167,213
	<u>1,220</u>		<u>1,652</u>	
Less: Closing stock				
Catering consumables	796		849	
Wine and beverages	14,464		11,045	
Cigarettes	83	(15,343)	88	(11,981)
	<u>83</u>		<u>88</u>	
	<u>201,419</u>		<u>168,035</u>	

DELHI GYMKHANA CLUB LIMITED
(A Company limited by guarantee)

Summary of significant accounting policies and other explanatory information (contd.)
for the year ended 31 March 2019

Note 18 Cost of material consumed (contd.)

Surplus on departmental sales

Particulars	(Rupees'000)			
	Catering	Bar	Cigarettes	Total
Sales	219,033	110,901	1,380	331,313
	(188,690)	(99,454)	(2,236)	(290,379)
Opening stock	849	11,044	88	11,981
	(824)	(11,922)	(57)	(12,803)
License fee	—	4,072	—	4,072
	—	(2,803)	—	(2,803)
Purchases *	138,178	65,383	1,220	204,781
*	(112,790)	(52,771)	(1,652)	(167,213)
	139,027	80,499	1,308	220,834
	(113,614)	(67,495)	(1,709)	(182,818)
Closing stock	796	14,464	83	15,343
	(849)	(11,044)	(87)	(11,981)
Consumption	138,231	66,035	1,225	205,491
	(112,765)	(56,451)	(1,622)	(170,838)
Surplus	80,802	44,866	155	125,823
	(75,925)	(43,003)	(614)	(119,542)
Venue charges**	13,034	4,678	—	17,712
	(8,860)	(3,335)	—	(12,195)
Tentage and flowering**	6,793	2,369	—	9,162
	(4,761)	(1,469)	—	(6,230)
Gross surplus	100,629	51,913	155	152,697
	(89,546)	(47,807)	(614)	(137,966)

Sales and purchases are inclusive of departmental transfers

* Includes fuel and gas Rs 3,969 thousand (Previous year Rs 3,626 thousand)

** Total bifurcated between catering & bar on the basis of respective sale in parties

Previous year figures are in parenthesis ()

Note 19 Employee benefit expenses

	(Rupees'000)	
	2018-19	2017-18
Salaries, wages and bonus	185,051	163,452
Payment to contractual workers	8,635	6,975
Contribution to provident and other funds	7,311	7,429
Contribution to ESI	875	903
Gratuity	87,797	8,171
VRS compensation	—	951
Staff uniform	3,066	2,893
Staff welfare	12,628	12,769
Leave Travel Allowance	920	—
	306,283	203,543

DELHI GYMKHANA CLUB LIMITED
(A Company limited by guarantee)

Summary of significant accounting policies and other explanatory information (contd.)
for the year ended 31 March 2019

		2018-19	(Rupees'000)	2017-18
Note 20 Other expenses				
a) Repairs and maintenance Buildings	9,424		19,680	
Less: transfer from building and maintenance reserve	(285)	9,139	(356)	19,324
Machinery	1,035		688	
Others	53,769		51,555	
General maintenance (consumables)	6,386		5,734	
Replacement of crockery & cutlery etc.	1,086		858	
Less: out of staff welfare gratuity	(304)	61,972	(304)	58,531
Sub total (a)		71,111		77,855
b) Administration and other expenses				
Electricity, water and fuel		34,681		28,435
Rates and taxes		5,311		1,165
Ground rent		1		1
Insurance		286		254
Printing and stationery		3,343		3,829
Communication		2,255		2,332
Legal and professional		5,697		6,337
Statutory auditor :				
Audit fee				
For the year	310		144	
For the Previous year	166		—	
Reimbursement of expenses	27	503	—	144
Hire charges		1,679		1,455
Stores written off		82		22
Amounts written off		—		27
Loss on sale of assets		36		3
Premises regularisation expenses (L&DO charges)		263		279
Bar License fee		4,072		2,803
Garden expenditure	4,910		7,235	
Less : receipts	(1,403)	3,507	(1,061)	6,174
Expenditure on club functions	11,808		11,955	
Less : receipts	(12,560)	(752)	(12,268)	(313)
Expenditure on games	18,409		15,657	
Less : receipts	(5,837)	12,572	(7,619)	8,038
Provision for doubtful debts/advances		1,546		1,743
CSR expenses (Refer note 32)		1,100		1,942
Refund of Registration Fees (Refer Note 33)		1,717		11,126
GST expenses		5,996		
Interest on late payment of GST (Refer Note 25)		6,075		
Other expenses		12,425		13,632
Sub total (b)		102,395		89,429
Total (a+b)		173,506		167,284

DELHI GYMKHANA CLUB LIMITED
(A Company limited by guarantee)

Summary of significant accounting policies and other explanatory information (contd.)
for the year ended 31 March 2019

Note 21 Contingent liabilities

Contingent liabilities not provided for in respect of:

		(Rupees '000)	
		2019	2018
(a)	Service tax (Note a)	209,067	209,067
(b)	House tax and scavenging tax (Note b)	—	—
(c)	Luxury Tax (Note c)	115,951	115,951
(d)	Employees' provident fund (Note d)	26,935	26,935

- (a) The Service tax Department had raised demands for payment of service tax on various services provided by the Club amounting to Rs.332,002 thousand (Previous year Rs.332,002 thousand) upto the year ended 31 March 2017. The appeals filed by the Club before Customs, Excise and Service Tax Appellate Tribunal (CESTAT) upto the period 31 March 2012 contesting that service tax is not applicable to the Club have been decided in favour of the Club. However, the Service tax department has filed an appeal with the Hon'able Supreme Court of India against the orders of CESTAT for the period upto 30 September 2010. For the remaining period show cause notices have been received as per details given below:

		(Rupees '000)	
Period		31.3.2019	31.3.2018
April, 2012 to March, 2015		12,292	12,292
April, 2015 to March, 2017		84,078	84,078
April, 2015 to March, 2017		112,697	112,697
Total		209,067	209,067

Since matters involved are similar to the appeals already decided by the CESTAT, the Club has been advised that these demands are also likely to be set aside. However, demands amounting to Rs. 209,067 thousand (Previous year Rs.209,067 thousand) have been shown as contingent liability. The Club has paid under protest Rs.151,633 (Previous year Rs.151,633 thousand) which is included under 'Long term loans & advances' in Note 10 in the Balance Sheet.

During the year 2018-19, the Club has received a refund of Rs.130,219thousand for service tax under protest paid during the period 14.8.2008 to 16.4.2017. Interest of Rs.984 thousand has also been received on these refunds. The refunded amount has been credited to Service Tax Payable Account leaving a balance of Rs. 21,414 thousand which is likely to be received when appeals for the remaining years are decided.

The Club had not charged service tax in the bills raised on members for various services and has been contesting it is not liable to service tax. However as a matter abundant precaution it had recovered contingency charges from the members and credited it to 'Contingency Charges Recovered Account'. The balance in this account as on 31.3.2019 amounts to Rs. 236,087 thousand. Appropriate adjustments will be made when the service tax matter is finally resolved by the hon'ble Supreme Court.

- (b) During the previous year, NDMC vide its Order dated 13 January, 2017 has made the reassessment of the Rateable Value of the property and has raised a demand of Rs. 6,145 thousand for the period upto 31 March, 2017 which was expensed upto 31.3.2018.

During the year 2017-18, the Club received a notice from NDMC proposing to raise the Rateable Value of the property from Rs. 6,145 thousand to Rs.837,318 thousand. The Club is contesting the revised rateable value of the property and the case is pending for decision by NDMC.

DELHI GYMKHANA CLUB LIMITED
(A Company limited by guarantee)

Summary of significant accounting policies and other explanatory information (contd.)
for the year ended 31 March 2019

- (c) Demands for payment of luxury tax amounting to Rs.115,951 thousand including interest and penalty have been received from the concerned department as per details given below:

Period	(Rupees '000)	
	31.3.2019	31.3.2018
2006-07 to 2008-09 and 2012-13 to 2013-14	57,394	57394
2009-10 to 2011-12	29,281	29281
2014-15 to 2016-17	29,276	29276
Total	115,951	115,951

The appeals against the demand of Rs. 115,951 have been filed with Commissioner of Luxury Tax but were decided against the Club. The Hon'ble High Court of Delhi has stayed the demand of deposit of Luxury Tax and ordered the club to deposit Rs. 14,500 thousand. In the case of remaining demands of Rs. 101,451 thousand appeals are pending before Assistant Commissioner Luxury Tax. The demands have been stayed on deposit of Rs.9,400 thousand. The Club has paid Rs. 77,170 thousand (Previous year Rs.62,532 thousand) which is included under long term loans and advances in Note 10. No provision has been made against the Luxury Tax demands shown as contingent liability.

- (d) The Regional Provident Fund Commissioner (RPFC) has demanded payment of Rs. 26,935 thousand (Previous year Rs. 26,935 thousand) holding the Club responsible for the payment of provident fund of employees of contractors providing services to the Club. The Club is contesting the demand. In respect of 1992-93 to 1998-99 the EPF Appellate Tribunal has remanded back the case to RPFC. Rs. 10,683 thousand (Previous year Rs. 10,683 thousand) has been paid under protest as per the orders of the Appellate Tribunal and shown as under 'Long term loan and advances' in Note 10. Pending final decision by the appellate authority, no provision has been made on account of the said demand of Rs. 26,935 thousand.
- (e) In the previous years the club had received demand of Rs. 6,118 thousand from ESI Department for interest and damage charges for the period Jan 2010 to Jan 2016 which was paid and treated as exceptional item in Income & Expenditure Account in previous year. The interest and demand for the period February 2016 to March 2019 will be accounted for in the year in which the demand is received.
- (f) The disputed taxes and the provident fund referred to in paragraph (a) to (d) above paid by the Club under protest amounting to Rs. 109,267 thousand (Previous year Rs. 224,848 thousand) have been included under long term loans and advances in Note 10 in the Balance Sheet.

Note 22 Capital commitments

Contracts remaining to be executed on capital account not provided for (net of advances) Rs. 7,518 thousand (Previous year Rs.7,559 thousand).

Note 23 In the opinion of the General Committee of the Club, current and non-current assets, loan and advances have a value on realization in the ordinary course at least equal to the amounts stated in the balance sheet and provision for all known liabilities has been made in the accounts.

Note 24 During the year 2018-19 The Ministry of Corporate Affairs, Government of India has carried out an inspection of books and records of the Club under section 206 of the Companies Act, 2013. MCA has sent a preliminary report to the Club pointing out non compliance of some provisions of the said act. It has also stated that receipt of registration fee by the Club is not in accordance with the Memorandum of Association of the Club and amounts to acceptance of deposit under section 73 to 76 of the Companies Act, 2013 and Companies (Acceptance of Deposit) Rules 2014. The Club in its response to the preliminary report has repudiated most of the alleged non compliances made in the preliminary report and taken action wherever required. The Club is yet to receive final report

DELHI GYMKHANA CLUB LIMITED
(A Company limited by guarantee)

Summary of significant accounting policies and other explanatory information (contd.)
for the year ended 31 March 2019

from MCA. Adjustment, if any, required due to MCA report will be made in the accounts when the findings in the preliminary report of MCA are finally resolved.

The Club vide letter dated 6.5.2019 has informed MCA that an estimated registration fee of Rs.540,000 thousand was received from the applicants due to enhancement of registration fee from July, 2017. It has earmarked investments of Mutual Funds of the book value of Rs.567,376 thousand with NAV of Rs.632,678 thousand as on 31.3.2019 which is held in trust by the Club till the matter, whether the registration fee is in the nature on 'deposits', is finally resolved.

These investments are in direct mode and in growth plan and therefore, interest accrued accumulated in the NAV of the fund and not accounted for as income by the Club.

Note 25 On reconciliation of GST for the year 2017-18 and due to delay in filing of returns, interest amounting to Rs.7,537 thousand has been paid during the year 2018-19 by debiting 'Prior Period Adjustment Account'. Such interest for the year 2018-19 amounts to Rs.6,075 thousand and shown under 'Other expenses' in Note 20.

Note 26 Members Accounts

- a) Some of wait listed applicants have filled case against the Club challenging the increase in registration fee from July, 2017 retrospectively. Therefore, enhanced registration fee has not been recovered from many applicants although names of such applicants continues to appear in the waiting list.
- b) The registration fee received from the wait listed applicants as per books of account and as per membership records is under reconciliation. Adjustments, if any, will be made when the reconciliation is completed.

Note 27 Related party disclosures

Disclosures are required by Accounting Standard 18 (AS-18) 'Related Party Disclosures' are as follows:

A. Names of the related parties and description of relationship:

- (a) Key management personnel (KMP) - members of general committee.

- (i) Continuing on 31st March 2019

Mr. Prashant Sukul – President	Brig. Ravinder Kumar Mehta (Retd)
Ms. Nisha Bahadur	Col. Mohit Nasa
Mr. Vikram Bhalla	Mr. Rajinder Rai
Ms. Bharati Das, ICAS	Ms. Gayatri Roopchand
Dr. Ajay Dua, IAS (Retd)	Cdr. Arun Saigal (Retd)
Mr. Sunil Ghadiok	Mr. Gurpreet Singh
Mr. Suresh K Goel, IFS (Retd)	Cdr. Akhil Sirohi
Mr. Mandeep Kapur, FCA	Ms. Suneeta Trivedi
Mr. N S Katoch	Col. Ashish Khanna (Retd)

- (ii) Retired during the year

Brig. HPS Bedi	Mr. Arjun Sawhny
Mr. B S Brar	Mr. Vishwanath Shanker
Ms. Ruchika Chaudhry Govil	Cmde. Anil Jai Singh
Mr. Arjun Kapur	Mr. Amar Sinha
Mrs. Neelam Kapur	Mr. Krishan Varma
Kanwar Rattanlal Malhotra	Mr. Sameer Vyas

DELHI GYMKHANA CLUB LIMITED
(A Company limited by guarantee)

Summary of significant accounting policies and other explanatory information (contd.)
for the year ended 31 March 2019

Note 27 Related party disclosures (Contd.)

- (b) Relatives of key management personnel (with whom transactions have taken place during the year)

<u>Name</u>	<u>Nature of Relationship</u>	<u>Nature of Relationship</u>
Mr. Jayandra Sukul		Son of Mr. Prashant Sukul
Ms. Meghna Bahadur		Daughter of Ms. Nisha Bahadur
Ms. Isrita Bhalla		Daughter of Mr. Vikram Bhalla
Mr. Dhritiman Das		Son of Ms. Bharati Das
Ms. Somja Das		Daughter of Ms. Bharati Das
Mr. Umang Dua		Son of Mr. Ajay Dua
Mr. Sarabjit Ghadiok		Son of Mr. Sunil Ghadiok
Mr. Shikhir Goel		Son of Mr. Suresh K Goel
Mr. Shabhal Goel		Son of Mr. Suresh K Goel
Ms. Sanjana Kapur		Daughter of Mr. Mandeep Kapur
Mr. Karuneshwar Katoch		Son of Mr. N S Katoch
Mrs. Charita Kalra		Daughter of Mr. N S Katoch
Mr. Siddharth Singh Katoch		Son of Mr. N S Katoch
Mr. Varun Mehta		Son of Brig. Ravinder Kumar Malhotra
Mrs. Deepika M Madhok		Daughter of Brig. Ravinder Kumar Malhotra
Mr. Mihir Nasa		Son of Col Mohit Nasa
Mr. Shivaz Rai		Son of Mr. Rajinder Rai
Mr. Bharat Sidheshwar Rai		Son of Mr. Rajinder Rai
Mrs. Shrishti Rai		Daughter of Mr. Rajinder Rai
Ms. Diya Roop Chand		Daughter of Mrs. Gayatri Roopchand
Mr. Divij Roopchand		Son of Mrs. Gayatri Roopchand
Mr. Alok Saigal		Son of Mr. Cdr. Arun Saigal
Mr. Anuj Saigal		Son of Mr. Cdr. Arun Saigal
Mr. Daksh Trivedi		Son of Mrs. Sunita Trivedi
Mr. Jaskaran Singh Bedi		Son of Brig. H P S Bedi
Ms. Masha Brar		Daughter of Mr. B S Brar
Mr. Sangaram Singh Brar		Son of Mr. B S Brar
Mr. UdayGovil		Son of Ms. Ruchika Chaudhry Govil
Mr. Pranay Mohan Govil		Son of Ms. Ruchika Chaudhry Govil
Ms. Ayesha Kapur		Daughter of Mr. Arjun Kapur
Mr. Kavi Kapur		Son of Mr. Arjun Kapur
Mr. Rahul Malhotra		Son of Kanwar Rattan Lal Malhotra
Mr. Vikram Malhotra		Son of Kanwar Rattan Lal Malhotra
Mr. Kaustav Sawhney		Son of Arjun Sawhney
Ms. Divyangna Jai Singh		Daughter of Cmde Anil Jai Singh
Ms. Chitrangda Jai Singh		Daughter of Cmde Anil Jai Singh
Mr. Aishvarya Sinha		Son of Mr. Amar Sinha
Mrs. Saiba Varma		Daughter of Mr. Krishan Varma
Ms. Mehar Varma		Daughter of Mr. Krishan Varma
Mr. Siddhath Vyas		Son of Mr. Sameer Vyas
c) Enterprise over which KMP exercises Significant influence		Delhi Gymkhana EPF Trust
d) Mr Prashant Sukul		Delhi Gymkhana Club Staff Welfare and Education Trust

DELHI GYMKHANA CLUB LIMITED
(A Company limited by guarantee)

Summary of significant accounting policies and other explanatory information (contd.)
for the year ended 31 March 2019

Note 27 Related party disclosures (Contd.)

B. Details of transactions with Key management personnel and their relatives:

	(Rupees'000)	
	2019	2018
a) Remuneration paid to the Secretary and Chief Executive officer Air Cmde Harjit S Sassan From 02.03.2016 to 16.04.2018	714	3,141
Col. Ashish Khanna From 12.04.2018 to till date	2,447	—
b) Club services availed: Mr Prashant Sukul	1,354	—
Mr Vikram Bhalla	1,079	—
Other (less than 10%)	6,304	7,326
	<u>8,737</u>	<u>7,326</u>
c) Subscription fee received Others (less than 10%)	329	313
	<u>329</u>	<u>313</u>
d) Balance at the year end Outstanding Receivables	826	562
Outstanding Payables	1	22

C. Detail of Transactions with enterprises over which KMP exercise significant influence:

	(Rupees'000)	
	2019	2018
Delhi Gymkhana EPF Trust	15,697	13,723

Notes:-

1. Related party relationship is as identified by the Club and relied upon by the Auditors.
2. No amount (other than disclosed) has been written off/ provided for in respect of dues from or to any related party.

Note 28 Disclosures as per accounting standard – 15 (Employee Benefits)

Disclosure pursuant to Accounting Standard 15 - "Employee Benefits" (Revised 2005) notified under Companies (Accounting Standards) Rules, 2006:

Particulars	(Rupees '000)			
	Gratuity		Leave Encashment	
	2019	2018	2019	2018
A. Actuarial assumptions				
a) Discounting rate	7.66	7.73	7.66	7.73
b) Future salary increase	5.50	5.50	5.50	5.50

DELHI GYMKHANA CLUB LIMITED
(A Company limited by guarantee)

Summary of significant accounting policies and other explanatory information (contd.)
for the year ended 31 March 2019

Note 28 Disclosures as per accounting standard – 15 (Employee Benefits) (Contd.)

Particulars	Gratuity		(Rupees '000) Leave Encashment	
	2019	2018	2019	2018
c) Expected rate of return on plan assets	—	—	—	—
d) Retirement age (years)	61	62	61	62
e) Ages	<u>Withdrawal Rate (%)</u>		<u>Withdrawal Rate (%)</u>	
Upto 30 years		3.00		3.00
From 31 to 44 years		2.00		2.00
Above 44 years		1.00		1.00

B. Change in Present Value of Obligation

Particulars	Gratuity		(Rupees '000) Leave Encashment	
	2019	2018	2019	2018
a) Present value of obligation as at the beginning of the period	87,997	84,270	35,374	34,512
b) Acquisition adjustment	—	—	—	—
c) Interest cost	6,802	6,211	2,734	2,543
d) Past service cost	48,368	—	—	—
e) Current service cost	5,968	3,639	2,430	2,407
f) Curtailment cost/(Credit)	—	—	—	—
g) Settlement cost/(Credit)	—	—	—	—
h) Benefits paid	(28,072)	(4,444)	(8,450)	(4,438)
i) Actuarial (gain)/loss on obligation	26,659	(1,679)	7,782	350
j) Present value of obligation as at the end	147,721	87,997	39,871	35,374

C. Fair value of plan assets

Particulars	2019		2018	
	2019	2018	2019	2018
a) Fair value of plan assets at the beginning of the period	—	—	—	—
b) Acquisition adjustment	—	—	—	—
c) Expected return on plan assets	—	—	—	—
d) Employer contributions	—	—	—	—
e) Benefits paid	—	—	—	—
f) Fair value of plan assets at the end of the period	—	—	—	—
g) Funded status	(147,721)	(87,997)	(39,871)	(35,374)
h) Excess of actual over estimated	—	—	—	—

DELHI GYMKHANA CLUB LIMITED
(A Company limited by guarantee)

Summary of significant accounting policies and other explanatory information (contd.)
for the year ended 31 March 2019

Note 28 Disclosures as per accounting standard – 15 (Employee Benefits) (Contd.)

D. Expense recognized in the statement of Income & Expenditure

Particulars	2019	2018	(Rupees '000)	
			2019	2018
a) Current service cost	5,968	3,639	2,430	2,407
b) Past service cost	48,368	—	—	—
c) Interest cost	6,802	6,211	2,734	2,543
d) Expected return on plan assets	—	—	—	—
e) Curtailment cost/(credit)	—	—	—	—
f) Settlement cost/(credit)	—	—	—	—
g) Net actuarial (gain)/loss recognized in the period	26,659	(1,679)	7,782	350
h) Expenses recognised in the Income & expenditure	87,797	8,171	12,947	5,300

E. Movement in liability recognized in the balance sheet

Particulars	2019	2018	(Rupees '000)	
			2019	2018
a) Opening liability	87,997	84,270	35,374	34,512
b) Expenses as above	87,797	8,171	12,947	5,300
c) Benefits paid	(28,072)	(4,444)	(8,450)	(4,438)
d) Actual return on plan assets	—	—	—	—
e) Acquisition adjustment	—	—	—	—
f) Closing Liability	147,721	87,997	39,871	35,374

F. Bifurcation of PBO at the end of year as per schedule III to the Companies Act, 2013

Particulars	2019	2018	(Rupees '000)	
			2019	2018
a) Current liability	18,763	7,667	4,394	3,167
b) Non-current liability	128,958	80,330	35,476	32,207
c) Total PBO at the end of year	147,721	87,997	39,871	35,374

Note:- Actuarial loss for the year was Rs. 26,659 thousand as against a gain of Rs. 1,679 thousand in the previous year and is mainly due to wage settlement with the employees union which has resulted in increase in salaries to the extent of 26.25% and increase in gratuity payment from 15 days to 23 days. This has also resulted in increase in salaries and wages for the year 2018-19 by Rs. 21,599 thousand and provision for gratuity by Rs. 79,625 thousand as actuarially determined.

DELHI GYMKHANA CLUB LIMITED
(A Company limited by guarantee)

Summary of significant accounting policies and other explanatory information (contd.)
for the year ended 31 March 2019

Note 29 Earnings in foreign currency

Amount received in foreign currency:

	(Rupees '000)	
	2019	2018
a. Entrance fee	256	126
b. Other receipts	736	75

Note 30 Disclosures of the micro, small and medium enterprise

- An amount of Rs. Nil (Previous year Rs. Nil) was due and outstanding to suppliers / vendors as at the end of the accounting year on account of principal.
- No interest was paid during the year in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and no amount was paid to the supplier beyond the appointed day.
- No interest is payable at the end of the year other than interest under Micro, Small and Medium Enterprises Development Act, 2006.
- No amount of interest was accrued and unpaid at the end of the accounting period/year.

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Delhi Gymkhana Club. This has been relied upon by the Auditors.

Note 31 Depreciation

- Although, there is no provision in Schedule II of the Companies Act, 2013 allowing 100% depreciation on assets costing upto Rs.5 thousand such assets purchased during the year with cost of Rs. 693 thousand (Previous year Rs.676 thousand) have been fully depreciated as a matter of prudence. This has resulted in higher depreciation in the current year and lower surplus for the year by Rs. 693 thousand (Previous year Rs.676 thousand).
- Fixed assets have been broadly classified as per Schedule II for classification under nature of assets prescribed under Schedule II.
- The useful life of the fixed assets as per Schedule-II of the Act and estimated by the management is different are given below:

S.NO	CATEGORY OF ASSETS AS PER SCHEDULE-II	PARTICULARS	USEFUL LIFE (in years)	
			AS PER CLUB	SCHEDULE-II
Cases where Useful life taken by Management is lower than Schedule-II				
1	Electric distribution plant	Electric Sub-Station	30	35
2	Electric distribution plant	Generator Set	20	35
3	Wind Power Generation Plant	Solar Water Heating System	20	22
4	Building	Swimming Pool	15	30

DELHI GYMKHANA CLUB LIMITED
(A Company limited by guarantee)

Summary of significant accounting policies and other explanatory information (contd.)
for the year ended 31 March 2019

Note 31 Depreciation (Contd.)

S.NO	CATEGORY OF ASSETS AS PER SCHEDULE-II	PARTICULARS	USEFUL LIFE (in years)	
			AS PER CLUB	SCHEDULE-II
Cases where Useful life taken by Management is higher than Schedule-II				
1	Electrical installations & Equipment	Kitchen Exhaust System	20	10
2	Electrical installations & Equipment	Cold Storage in Kitchen	20	10
3	General Plant & Machinery	Roller	20	15
4	General Plant & Machinery	ETP Plant	20	15
5	Electrical installations & Equipment	Oven Gas	15	10
6	Electrical installations & Equipment	Fixed Kitchen Installations	15	10
7	Furniture & Fixture	Steel & Brass Items	15	10
8	Furniture & Fixture	Service Counter	15	10

- d. The reconciliation of physically verified fixed assets with the books of account is in progress and likely to be completed soon. The adjustment of short/excess will be made on completion of reconciliation, which in the opinion of the management, will not be material.

Note 32 As per the provisions of Section 135 of the Companies Act 2013 read with Schedule VII and the relevant rules framed under that Section, the Club was required to spend Rs.1,100 thousand in the Current year (Previous year Rs.1,942 thousand) on prescribed Corporate Social Responsibility (CSR) activities. To comply with the CSR obligations during the year, the Club has paid Rs.1,100 thousand (Previous year Rs.1,942 thousand) to Prime Minister's National Relief Fund.

Note 33 Till 31.03.2016, the registration fee received from applicants for membership of the Club was non refundable and therefore, accounted for as income of the year in which the fee was received. As per the decision taken by the General Committee during the year 2016-17, the registration fee is refundable to applicants who do not wish to continue to be on the waiting list of the Club. In other cases it will be adjusted against balance fee payable at the time the applicant is admitted as a member. Therefore, the registration fee received during the year amounting to Rs.37,750 thousand (Previous year Rs.338,300 thousand) has been credited to Refundable/Adjustable registration fee account and shown under long term liabilities. Further, during the year Registration Fees of Rs.1,717 thousand (Previous year Rs.11,126 thousand) has been refunded to the applicants who had applied for the refund of the same. Since, the registration fees in these cases relates prior to 31st March, 2016 and had been accounted for as income in the year of receipt. (Refer Note: 20)

Note 34 Details of prior period income and expenses

a) Prior Period Income	(Rupees '000)	
Particulars	2018-19	2017-18
Registration fees	76,000	—
Other receipt	1357	—
Refund of taxes	345	—
Total	77,702	—

DELHI GYMKHANA CLUB LIMITED
(A Company limited by guarantee)

Summary of significant accounting policies and other explanatory information (contd.)
for the year ended 31 March 2019

Note 34 Details of prior period income and expenses (Contd.)

b) Prior Period Expenses		(Rupees '000)	
Particulars	2018-19	2017-18	
Repair & Maintenance	290	—	
Purchases	987	—	
GST expense	9,876	—	
Interest on GST	7,537	—	
Payment to Contractual Worker	—	231	
Total	18,690	231	

Note35 Previous year figures have been re-grouped, wherever considered necessary, to make them comparable with those of the current year.

On behalf of the General Committee

Prashant Sukul
President

Suneeta Trivedi
Chairman Finance Sub Committee

Members
Mandeep Kapur
Arun Saigal

Col Ashish Khananna
Secretary

For **Khanna & Annadhanam**
Chartered Accountants
Firm Registration No.001297-N

Place : New Delhi
Date : 02 September 2019

B.J Singh
Partner
Membership No : 7884

LIST OF COMMITTEE MEMBERS - 2019

MR PRASHANT SUKUL, IDAS (PRESIDENT)	PRESIDENT
MS NISHA BAHADUR	(COMMITTEE MEMBER)
MR VIKRAM BHALLA	”
MS BHARATI DAS, ICAS	”
DR AJAY DUA, IAS (RETD)	”
MR SUNIL GHADIOK	”
MR SURESH K GOEL, IFS (RETD)	”
MR MANDEEP KAPUR, FCA	”
MR N S KATOCH	”
BRIG RAVINDER KUMAR MEHTA (RETD)	”
COL MOHIT NASA	”
MR RAJINDER RAI	”
MS GAYATRI ROOPCHAND	”
CDR ARUN SAIGAL (RETD)	”
MR GURPREET SINGH	”
CDR AKHIL SIROHI	”
MS SUNEETA TRIVEDI	”