

**P.N. BALASUBRAMANIAN B. Com., F.C.A.
CHARTERED ACCOUNTANTS**

**Phone: 24981879
"Ananthi Apartments"
Flat No.C-3,
New No.2, Rakiappa Street,
Mylapore, Chennai 600004**

THE FEDERATION OF MOTOR SPORTS CLUBS OF INDIA

AUDIT REPORT

**To
The Members of M/s. Federation of Motor Sports Clubs of India**

Opinion

We have audited the accompanying Standalone financial statements of **M/s. The Federation of Motor Sports Clubs of India ("the Company")** which comprise the Balance Sheet as at March 31, 2023, the Statement of Income and Expenditure, and statement of cash flows for the year then ended, and notes to 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('Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Companies Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its excess of Income over expenditure Income and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the



Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of financial statements of the current period. These matters were addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of the key audit matters as per SA701, are not applicable to the company as it is an unlisted company.

Information other than financial statements and auditor's report thereon

The council of Members is responsible for the preparation of other information. The other information comprises the information included in the Council of members' Report including Annexures to Council's Report, responsibility Report but does not include the financial statements and our auditor's report thereon.

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

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

If based on the work we have performed, we conclude that if there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard as there is no material misstatement

Responsibility of management and those charged with Governance for the Financial Statements

The Company's Council of Members is responsible for the matters stated in section 134(5) of the Companies Act, 2013 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 Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Council of Members are also responsible for overseeing the company's financial reporting process



Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 based on these financial statements.

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

- a. Identify and assess the risks of material misstatements of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of Internal Control.
- b. Obtain an understanding of internal control is relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate,



to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

e. Evaluate the overall presentation, structure, and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

- 1) As required by Section 143(3) of the Act, based on our audit we report that:
 - a) We have sought and 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 Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Income and Expenditure, Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
 - d) In our opinion, the aforesaid financial statements comply with the AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) In our opinion, the provisions of Section 143(3)(i) with regard to opinion on internal financial controls with reference to financial statements and operating effectiveness of such controls is not applicable to the company.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements.
 - ii) The management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been advanced or loaned or invested by the company to or in any other person or entity, including foreign entity, with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - iii) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in aggregate) have been received by the company from any person or entity, including foreign entity (Funding Parties), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or like on behalf of the ultimate beneficiaries.
 - iv) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.



v) Proviso to Rule 3(1) of the Companies (accounts) Rules, 2014 for maintaining books of accounts using accounting software which has a feature of recording audit trail(edit log) facility is applicable to the company with effect from April 1, 2023 and accordingly reporting under Rule 11(g) of the Companies Audit and Auditors) Rules, 2014 is not applicable the financial year ended 31st March 2023.

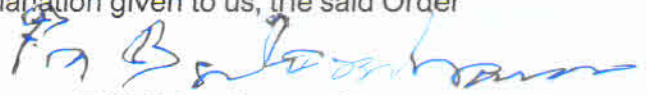
Annexure to this report also forms part of this report

This report does not include a statement on the matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2020, issued by the Central Government in terms of section 143(11) of the Companies Act, 2013, since in our opinion and according to the information and explanation given to us, the said Order is not applicable to the company.

PLACE: Chennai

DATE: 16/08/2023

UDIN: 23003606BHBDVS9404



P.N. Balasubramanian

Chartered Accountant
Membership No. 003606



PLACE: Chennai

DATE: 16/08/2023

UDIN: 23215533BGZGKV9639

for G. Sudha & Associates
Chartered Accountant [F. No: 014677S]
G. Sudha [M. No: 215533]



ANNEXURE TO AUDITOR'S REPORT

1. To the best of our information and according to the explanations provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state that:
 - I) In respect of the Company's Property, Plant and Equipment, the company has maintained proper records showing full particulars , including the situation of the property plant and equipment .
 - II) Based on our examination of the registered sale deeds provided to us for purchase of flats 7 & 8 at "Krishna Towers",No.50, Sardar Vallabhbhai Patel Road, Taramani ,Chennai 600113 we report that the title deeds in respect of the immovable properties disclosed in the financial statement, included under Land and Building are held in the name of the company as at the balance sheet date. As informed, the mutation of name in revenue records of Chennai Metropolitan Development Corporation is in process.
 - III) No proceedings have been initiated during the year, for holding benami property under the Benami Transactions (Prohibition) Act,1988(as amended in 2016) and rules made thereunder.
 - IV) In our opinion, the investments made in fixed deposits and terms and conditions of grant of loans to employees are, prima facie, not prejudicial to the interest of the company.
 - V) According to the information and explanation given to us, the Company has not granted unsecured loans to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.
- h) The company has not accepted any deposits during the year.

2. The company has sold the land purchased in 2019 at cost during the year and the capital loss on sale of Rs.4,26,990 is shown in profit and loss account(Note 2 of Notes on Accounts).
3. The Company has purchased 2 residential flats (Flat No.7-Rs.1.15 Cr. And Flat No. 8-1.15 Cr.) in the existing premises at Krishna Towers, 50, Sardar Patel Road, Taramani, Chennai 600 113, out of its own funds and it is being renovated and the cost of Undivided Share of Land and building as per sale deed are recognized in the balance sheet at cost. (Note 3 of Notes on Accounts)
4. The Company is regular in depositing all applicable undisputed statutory dues with the appropriate authorities.
5. The Company has not borrowed any loan from any bank or financial institution.
6. According to the information and explanations given to us, we report that no fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year.
7. No employee has been paid salary in excess of the limits specified under the Companies Act,2013, either for part or the whole year.
8. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
9. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
10. The company has disclosed the security given in the form of bank guarantee from bank of India for Rs.2.50 Cr. for the period 6th October 22 to 30th November 23 to President of India with respect to Custom duty exemption for Rs.2.75Cr. under Notification No.08/2016 dated 05.02.2016 issued by Central Government, in respect of obligation to re-export the cross cars imported for the purpose of FIA Rally Star Continental final at Madras international circuit Scheduled in

October 2022. Lien is marked for 100% of the value of bank guarantee on fixed deposits of the company and there is a contingent liability existing as on 31st March 2023, to the value of bank guarantee. (Note 9 of notes on accounts)

11. The Company has disclosed the impact of pending income tax litigations on its financial position in the financial statements. (Note 9). Details of income-tax dues which have not been deposited as of 31st March 2023 on account of disputes are to the extent of Rs.2.41 Crores. The appeals for the above dues are pending with National Faceless Appeal Centre (NFAC) of Income Tax Department. Provision for the above tax liability has not been made in the books of accounts based on the favourable order of the Commissioner of Income tax (Appeals) for the assessment years 2010-11, 2008-09, 2005-06 and 2006-07 restoring exemption under section 11 on 02.07. 2018 and partial relief to many substantial additions. Appeals filed by the Revenue against the order with the Income -tax Appellate Tribunal was dismissed on 28th October 2020 by the Income -tax Appellate Tribunal as the tax effect in all the appeals filed by the Revenue is less than the monetary limit of 50 Lakhs. The proceedings for similar issues are still pending before the respective authorities for the other assessment years.



PLACE: Chennai

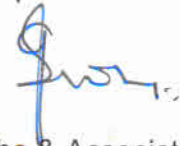
DATE: 16/08/2023

UDIN: 23003606BHBDVS9404

P.N. Balasubramanian

Chartered Accountant

Membership No. 003606



PLACE: Chennai

DATE: 16/08/2023

UDIN: 23215533BGZGKV9639

for G. Sudha & Associates

Chartered Accountants [F. No: 014677S]

G. Sudha [M. No: 215533]



THE FEDERATION OF MOTOR SPORTS CLUBS OF INDIA
(INCORPORATED UNDER SECTION 8 OF THE COMPANIES ACT 2013)

INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023

	NOTE NO	Current Year 31-3-2023	Previous Year 31-03-2022
(Amount in 000's(Rupees))			
INCOME			
I. Revenue From Operations			
Motor Sport Activity	1	32,184	23,874
II. Other Income	2	4,241	4,072
Total Income (I+II)		36,425	27,946

IV. EXPENSES/APPLICATION OF INCOME

Employee Benefits Expense		5,244	5,382
Depreciation Expense		2,027	2,435
Income Tax Paid			832
Other Expenses	3	15,247	18,778
Loss on sale of land		427	
Total Expenses		22,945	27,427

Net Income/Transferred to Reserve

Earnings for Equity Shares	Not Applicable	Not Applicable
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Significant Accounting Policies and Notes
to the Accounts

9

[Signature]

PLACE: CHENNAI DIRECTOR
DATE: 16/08/2023
UDIN:23003606BHBDVS9404

CHARTERED ACCOUNTANT
(P.N. BALASUBRAMANIAN)
MEM NO:003606

[Signature]
G SUDHA & ASSOCIATES
Firm Regn No:014677S
CHARTERED ACCOUNTANTS
(G. SUDHA-MEM NO: 215533)

Date:16/08/2023
UDIN:23215533BGZGKV9639

1. *[Signature]*

2. *[Signature]*



THE FEDERATION OF MOTOR SPORTS CLUBS OF INDIA
(INCORPORATED UNDER SECTION 8 OF THE COMPANIES ACT 2013)
BALANCE SHEET AS AT 31ST MARCH 2023

	NOTES	current year 31-03-2023	Current Year 31-3-2022
(Amount in 000'S Rupees)			
EQUITY AND LIABILITIES			
Share holder Funds			
(i) Share Capital	4	-	-
(ii) Reserves and Surplus	5	1,08,232	94,752
(iii) Protest Fund		302	302
NON CURRENT LIABILITIES			
CURRENT LIABILITIES			
Other Current Liabilities	6	7,202	11,909
TOTAL		1,15,736	1,06,963
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets Tangible	7	29,652	20,483
Stock of Race Wears		203	203
NON -CURRENT INVESTMENTS			
Bank of India Deposits		62,379	67,827
Accrued Bank Interest receivable		1,803	1,207
CURRENT ASSETS			
Loans and Advances	8	16,541	11,886
Electronic control units in stock with member clubs		60	844
Cash and Cash Equivalent		11	14
Cash at Bank		4,588	2,936
Sundry Debtors		499	1,563
TOTAL		1,15,736	1,06,963
Significant Accounting Policies and Notes to the Accounts	9		

PLACE: CHENNAI
DATE: 16/08/2023
UDIN:23003606BHBDVS9404

DIRECTORS

CHARTERED ACCOUNTANT
(P.N. BALASUBRAMANIAN)
MEM NO:003606

UDIN:23215533BGZGKV9639
Date:16/08/2023

G SUDHA & ASSOCIATES(F.NO:014677S)
CHARTERED ACCOUNTANTS
(G. SUDHA-MEM NO: 215533)

1. 

2. 



THE FEDERATION OF MOTOR SPORTS CLUBS OF INDIA
(INCORPORATED UNDER SECTION 8 OF THE COMPANIES ACT 2013)

NOTES TO INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023

	NOTES	Current Year 31-3-2023	Previous Year 31-03-2022
		(Amount in 000's(Rupees))	
Revenue from Operations	1		
Motor Sports Activity			
Competition Licence Fees		7,797	3,559
FIM Officials and riders licence		1,114	446
Entrance Fees		30	30
FIA Inscription charges(Net)		423	26
FIM Sx riders [Net]		-	-
Fines		251	291
Homologation Fees		328	111
INRC Registration		60	-
Membership Subscription		756	684
Naming Rights		5,319	2,725
Permit Fees		7,361	4,067
Protest Fee		180	120
Track Inspection and Renewal fees		56	3,201
Track Licence Fees		60	-
Sale of Homologation form		29	12
Sponsorship		7,000	8,488
Appeal Fee		498	114
Bid Fees		922	-
Total		32,184	23,874



THE FEDERATION OF MOTOR SPORTS CLUBS OF INDIA
(INCORPORATED UNDER SECTION 8 OF THE COMPANIES ACT 2013)

NOTES TO INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023

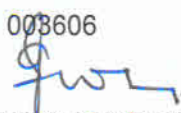
	NOTES	Current Year 31-3-2023	Previous Year 31-03-2022
(Amount in 000's(Rupees))			
OTHER INCOME	2		
Interest from Bank of India		3,458	3,469
Timing and Result Services			
Record Ratification Fees			60
Miscellaneous Income-reimbursement			40
Electronic control unit - at cost to member clubs		783	503
Total		4,241	4,072



PLACE: CHENNAI DIRECTORS
DATE:16/08/2023
UDIN:23003606BHBDVS9404

CHARTERED ACCOUNTANT
P.N. BALASUBRAMANIAN)

M.NO: 003606


G SUDHA & ASSOCIATES

Firm Regn No:014677S

CHARTERED ACCOUNTANTS

(G. SUDHA-MEM NO: 215533)

DATE:16/08/2023
UDIN:23215533BGZGKV9639

1. 

2. 



THE FEDERATION OF MOTOR SPORTS CLUBS OF INDIA
(INCORPORATED UNDER SECTION 8 OF THE COMPANIES ACT 2013)

NOTES TO INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023

NOTES	Current Year 31-3-2023	Previous Year 31-03-2022
	(Amount in 000's(Rupees))	
OTHER EXPENSES	3	
<u>Office administration expenses</u>		
Postage	363	237
Telephone Expenses	26	26
Commission Expenses-Paytm	25	18
Office Expenses	333	162
Building Maintenance	75	36
Property Tax	31	-
Electricity charges	61	49
printing and stationery	167	88
Computer Consumables	93	60
Statutory expenses-filing expenses	202	4
Accounting Software Expenses	14	14
Godown rent	12	12
Bad debts-old dues of membership fees	-	1,001
Annual Maintenance charges	18	16
Bank charges	110	45
Total-a	1,530	1,768
 <u>Consultancy and professional charges</u>		
Professional Charges	562	1,559
Legal Expenses	585	-
Audit Fees	60	60
Total-b	1,207	1,619
 <u>Seminars and Meeting Expenses</u>		
Seminar Expenses/Council Meeting Expenses	1,298	281
Rally commission Meeting	211	-
Karting Commission Meeting	-	14
Regularity Commission hearing	73	25
Women in Motor Sport Meeting	-	167
FIA Rally Star Meeting	229	-
Race Commission Meeting	25	-
FMSCI Commission-Sub Committee meeting	582	-
Total-c	2,418	487



THE FEDERATION OF MOTOR SPORTS CLUBS OF INDIA
(INCORPORATED UNDER SECTION 8 OF THE COMPANIES ACT 2013)

NOTES TO INCOME AND EXPENDITURE STATEMENT FOR THE YEAR ENDED 31ST MARCH 2023

	NOTES	31-3-2023	31-03-2022
		(Amount in Rupees)	
OTHER EXPENSES	3		
<u>Motor sport development expenses</u>			
Electronic control unit at cost-		783	503
Equipment installation charges		-	35
Insurance		1,210	891
Motor Insurance Policy		45	127
Technical co-ordinator fees		330	220
CIK Prize Fund 2022		74	-
Rally Safety Tracking System		-	-
Calibration Expenses		14	14
Timing and Result Services		-	1,016
FIM Official Licence-Exp		731	170
Homologation charges		38	9
Track Inspection Expenses		22	2,542
Scrutinising Seals		25	-
FIM Rider Licence-Expenses		-	326
FIA Inscription charges		209	26
FIA/FIM Subscription		1,482	214
Indian National Rally Championship-2021		-	5,594
Indian National Regularity Run Championship-2021		100	1,632
Prize Distribution-2021		2,090	-
Travelling and Conveyance		-	-
Local Travel & Conveyance		777	292
Foreign Travel Expenses[Net]		-	245
Formula E expenses		77	-
Media Expenses		420	560
FMSCI shirts		953	-
Website Maintenance		712	488
Total-d		10,092	14,904
Other expenses-Total(a+b+c+d)		15,247	18,778

PLACE: CHENNAI DIRECTORS
DATE: 16/08/2023
UDIN:23003606BHBDVS9404

Date:16/08/2023
UDIN:23215533BGZGKV9639

FMSCI/Note to I&E account/page 4

CHARTERED ACCOUNTANT
(P.N. BALASUBRAMANIAN)
MEM NO.003606

G SUDHA & ASSOCIATES
Firm Regn No:014677S
CHARTERED ACCOUNTANTS
(G. SUDHA-MEM NO: 215533)

1. 

2. 



THE FEDERATION OF MOTOR SPORTS CLUBS OF INDIA
(INCORPORATED UNDER SECTION 8 OF THE COMPANIES ACT 2013)

NOTES TO BALANCE SHEET-31-03-2023

LIABILITIES	NOTES	Current Year 31-3-2023	Previous Year 31-03-2022
		(Amount in 000's(Rupees))	
Share Capital			
Private Company with out share capital and Limited by Guarantee	4		-
Reserves and Surplus	5		
Opening Capital Fund		94,752	94,233
Excess of Income over Expenditure for the year		13,480	519
Total		1,08,232	94,752
Current Liabilities	6		
Sundry Creditors		2,086	450
Amount payable to FIA		1,958	3,938
FIA APRC subscription fee payable		206	-
Money received towards expression of interest for Indian National Autocross Championship and Indian National Dirt Track Championship 3-5 years		-	1,491
Advance for renovation of building-to change		324	-
Balances received from clubs-current account		-	614
Appeal fees-competitors-pending judgement		-	340
Sponsorship amount received for Indian National Rally Championship-2022-to be conducted -blue band sports p ltd		-	2,000
Amount refundable to competitors and pending applications for want of information'		-	361
Expenses to be reimbursed		78	-
GST payable		1,034	205
FIA Inscription Charges Payable-opening balance		88	87
FIM Subscription Payable-opening balance		103	103
Service charge-97-2000- P.N. Balasubramanian		5	5
Sponsorship-INRC2021 Expenses payable		-	755
INRRC-2021 Expenses payable		-	590
Creditors for Expenses		350	-
Fines received Pending Litigation		500	500
Audit fees payable		60	60
ASN Reward Programme-opening balance		410	410
Total		7,202	11,909



FMSCI 2022-23 FIXED ASSETS SCHEDULE-NOTE 7

FIXED ASSETS SCHEDULE FOR THE YEAR ENDED 31 ST MARCH 2023(Amount in 000's (Rupees))

S.No	Description	Cost as at 01.04.2022 (Rs.)	Additions during the year (Rs.)	deletions/sal e during the year(Rs.)	Total Cost 31.03.2023 (Rs.)	Depreciation			W.D.V	
						Till 31.03.2022 (Rs.)	Depn for The Year (Rs.)	Total (Rs.)	31.03.2023 (Rs.)	31.3.2022 (Rs.)
1	Land	14,256	13,703	14077	13,882	-	-	-	13,882	14255
2	Building	330	11,570	-	11,900	288	284	572	11,327	41
3	office equipments	1,102	-	-	1,102	1087	6	1,093	8	15
4	computers	669	-	-	669	645	15	660	9	24
5	Equipments	9,202	-	-	9,202	5790	883	6,673	2,528	3412
6	Furniture-f	143	-	-	143	114	7	121	22	29
7	Machinery and other equipments	485	-	-	485	374	21	395	92	112
8	Motor Cars	4,433	-	-	4,433	1839	811	2,650	1,784	2595
	Total	30,620	25,273	14077	41,816	10137	2027	12,164	29,652	20483

Place:Chennai

Date:16/08/2023

UDIN:23003606BHBVVS9404

DIRECTORS

CHARTERED ACCOUNTANT

(P.N. BALASUBRAMANIAN)m.no:003606

Date:16/08/2023

UDIN:23215533BGZGKV9639

G SUDHA & ASSOCIATES(F.NO:014677S)
CHARTERED ACCOUNTANTS
(G. SUDHA-MEM NO: 215533)



THE FEDERATION OF MOTOR SPORTS CLUBS OF INDIA
(INCORPORATED UNDER SECTION 8 OF THE COMPANIES ACT 2013)
NOTES TO BALANCE SHEET-31-03-2023

LIABILITIES	NOTES	Current Year 31-3-2023	Previous Year 31-03-2022
		(Amount in 000's(Rupees))	
<u>Loans and Advances (Current Assets)</u>	8		
<u>Deposits</u>			
Electricity deposit		11	11
Krishna Towers		-	-
Rental deposit		9	9
<u>Balances with revenue authorities</u>		-	-
Tax deducted at source-old		458	458
Tax Deducted at source		12,873	10,752
		-	-
		-	-
<u>Advances</u>			
Staff advance-vss		140	200
Competitor advance_Mr Vishnu Prasad		500	-
Staff Advance-John		230	-
Bank Guarantee charges to be reimbursed		919	-
FMSCI Awards-Advance		400	-
Advance for Renovation of new flats		1,001	-
2021-FIA subscription-Adv			456
		16,541	11,886

PLACE: CHENNAI
DATE:16/08/2023
UDIN:23003606BHBDVS9404

DIRECTORS

CHARTERED ACCOUNTANT
P.N. BALASUBRAMANIAN)
M.NO: 003606

DATE:16/08/2023
UDIN:23215533BGZGKV9639

G SUDHA & ASSOCIATES
Firm Regn No:014677S
CHARTERED ACCOUNTANTS
(G. SUDHA-MEM NO: 215533)



THE FEDERATION OF MOTOR SPORTS CLUBS OF INDIA

Note No.8-Significant Accounting Policies: -

1. The method of accounting is on mercantile basis and on accrual system of accounting.
2. During the year, the company has sold the land purchased at Madipakkam in the year 2019 at cost after incurring expenses of regularisation of title and brokerage. The capital loss booked on sale of Land is 4.27 Lakhs
3. During the year the company has purchased two residential flats Flat 7 and Flat 8 in Krishna Towers for Rs.1.15 cr and 1.05 cr in October 2022 .
4. Depreciation on fixed assets had been provided under the written down value Method as provided in the Schedule II to the Companies Act.
5. The Federation of Motor Sports Clubs of India is a not-for-profit company incorporated in 1976 as a company limited by guarantee and is registered under Section 8 of the Companies Act,2013. It is involved in the management, supervision and promotion of Motor sports in India. There is no equity share or shareholder and there is no distribution of dividend. The Federation is availing of the Exemption under The Income-tax Act as National Sports Federation recognised by the Ministry of Youth and Sports Affairs. Hence, no provision had been made for any Income tax liability for the current year.
6. All figures have been rounded off to the nearest Thousands(in rupee).
7. The sum of accrued interest is as certified by the bank for the current year.
8. Amount of receivables less than one year is Rs.492.26(Rs. In 000's) and more than one year is Rs.6.3(Rs.in 000's).Amount of Payables Less than one year is Rs.1418.62(Rs.in 000's) and more than one year is Rs.667.32(Rs. In 000's)



9. The current Ratio is 3. The other ratios are not applicable to the company.

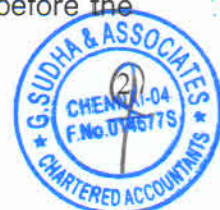
10. Figures of the previous year have been regrouped wherever necessary to make them comparable with those of the current year.

11. The Federation of Motor Sports Clubs of India has imported 3 Cross cars, spares, tyres, racing equipment, to enable the participants to be tested in the cross cars in FIA Rally Star Continental Final at Madras International Circuit, Chennai Scheduled on 10th to 12th October 2022 . These cars were to be re-exported after the event is over.

The Federation of Motor Sports Club of India has executed a bond for Rs.2.75 Cr dated 29th September 2022 in favour of the President of India through the Commissioner of Customs Nhava Sheva binding themselves to fulfil export obligation, under notification 08/2016 dated 05.02.2016 issued by Central Government in exercise of powers conferred under section 25(1) of the Customs Act,1962.

To fulfil the above obligation the Federation of Motor Sports Clubs of India has requested Bank of India, Adyar Branch to furnish security in the form of Bank Guarantee for 13 months marking lien on the fixed deposits of FMSCI.(Deposit No.801056110002011 for Rs.1,38,60,000, Deposit No:801045110005542 for 53,62,086, Deposit No:801045110005283 for Rs.45,19,581, Deposit No: 801045110006259 for Rs.12,35,634 and Deposit No:801045110005939 for Rs.32,79,709). The bank guarantee No.8010PEBG220006 is from 6.10.22 to 30.11.2023 for Rs.2.50Cr.The bank guarantee was in vogue as on 31.3.2023, which is a contingent liability on the deposits of FMSCI .Bank charges on bank guarantee is recoverable from member club and is shown as receivable.

12. There is a contingent liability towards income tax demand for various years as below. The assessment for Assessment year 2010-11 is reverted by the Honourable Income Tax Tribunal back to CIT(A) with a favourable direction to reconsider the main issue namely extending the benefit of Income Tax exemption. The commissioner Appeals has restored the exemption under section 11 and has deleted most of the additions. The assessing officer filed appeal against the above said order before the



Income Tax Appellate Tribunal and was dismissed by the Income Tax Appellate Tribunal for low tax effect on 28th October 2020. The proceedings for similar issues other years are in progress before appellate authorities. So, tax liability is not provided in the books of accounts.

Assessment year	Outstanding Demand as per Order Rs in Lakhs	Present status
2009-10	7.84	pending before CIT(A)
2012-13	75.01	Pending before CIT(A)
2013-14	32.87	Pending before CIT(A)
2014-15	12.36	Pending before CIT(A)
2015-16	26.78	Pending before CIT(A)
2016-17	33.28	Pending before CIT[A]
2017-18	20.02	Pending before CIT[A]
2018-19	33.26	Pending before CIT[A]

The balance of tax demand had been stayed, pending disposal of appeal.

13. Transactions effected in foreign currencies are recorded at the rates prevailing on the dates and as recorded by the Bank. The Inflow and Outflow and Expenditure in Foreign Currencies are furnished as under: -

Inflow of foreign exchange towards motor sport development grant from The Federation Internationale De L' Automobile is Euro 4000(In INR.4.77Lakhs).

The Outflow of Foreign exchange

(Included under various heads)

- a) For and on behalf of member clubs for circuit inspection fee, homologation and for international licences for participants, from FIA and FIM(Net-collected from member clubs and riders and remitted) is Euro1.41 Lakhs.(in INR is Rs.100.14 Lakhs).



- b) Towards Membership subscription as required by Ministry of Youth and Sports Affairs to International Sports Federation is Euro0.14Lakhs and NZD .04lakhs(in Total INR is Rs.10.99 Lakhs).

The Foreign Currency payment mentioned above (Other than stay allowance for Travel) represents out flow of Foreign Currency for remittances of funds to the affiliated international motor sports association(FIA and FIM) for international motor sport related activities in Indian Motor Sports, as per rules framed there in by international and national sports federation .The amount is remitted out of funds collected from member clubs and participants, except for membership subscription to the international clubs to which the organisation is affiliated, as per the conditions applicable to National Sports Federation, framed by Ministry of Youth and Sports Affairs (National Sports Development Code,2011).

14. The figures are regrouped wherever necessary.



PLACE: Chennai
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DIRECTORS

P.N. Balasubramanian
Chartered Accountant
Membership No. 003606



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DATE: 16/08/2023
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for G. Sudha & Associates
Chartered Accountant [F. No:014677S]
G. Sudha [M. No:215533]

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