

THE FEDERATION OF MOTOR SPORTS CLUBS OF INDIA

AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020



AUGUST 28, 2020 P.N. BALASUBRAMANIAN CHARTERED ACCOUNTANT

P.N. BALASUBRAMANIAN B. Com., F.C.A. CHARTERED ACCOUNTANT

C-3, Ananthi Apartments New No. 2. Rakkiappa Street, Chennai-600 004 Phone: 24981879

THE FEDERATION OF MOTOR SPORTS CLUBS OF INDIA

AUDIT REPORT

То

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 comprises the Balance Sheet as at March 31, 2020, the Statement of Income and Expenditure, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information¹

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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 as a whole, 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, Key Audit matters 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 mis statement

Responsibility of management 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 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 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 mis statements 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 mis statement 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 relevant to the audit in order to design audit procedures that are appropriate in the circumstances. But not for the purposes of expressing an opinion on the effectiveness of the company's internal control systems.

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

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

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

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

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit we report that:

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 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.

The Balance Sheet, the Statement of Income and Expenditure dealt with by this Report are in agreement with the relevant books of account.

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.

On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

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.

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:

The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements.

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, 2016, 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

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PLACE: Chennai DATED: 28/08/2020 UDIN: 20003606AAAAAA1487

P.N. Balasubramanian Chartered Accountant Membership No. 003606

NOL:

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

UDIN: 20215533AAAAAD6280

ANNEXURE TO AUDITOR'S REPORT

(As Required by Companies (Auditor's Report) Order 2015)

- 1. The company has maintained proper record of fixed assets
- 2. The Company is registered under Section 25 (Section 8 of the Companies Act, 2013) and is not doing any trading or business activity for profit. It is a National Sports Federation for control supervision and management of motor sports in India as per the National and International Rules and Regulations promulgated by the International bodies and by the Federation in India , as applicable to the sport. It is governed by sports development code,2011, as framed by Ministry of youth and Sports Affairs, Government of India
- 3. No employee has been paid salary in excess of the limits specified under the Companies Act,2013, either for part or the whole year
- 4. The Company has disclosed the impact of pending income tax litigations on its financial position in the financial statements. (Note 9)
- 5. The company has credit balances of old years for Rs.22,05,792/- for licence fees and permit fees received. This is shown under current liabilities. It is stated that these were money's received by cheque and online, without proper information for allocation of licence/permit and are still unclaimed. Company is trying to locate and refund the same to the respective parties. Some of the credits are adjusted when new application is made as far as possible.
- 6. The Company is regular in depositing all applicable statutory dues with the appropriate authorities.
- 7. In respect of Income-tax Proceedings as stated in the previous year, part payment is made for disputed tax. The company's income tax proceedings are pending before various appellate authorities as tabulated in the notes on accounts. Commissioner of Income tax (Appeals) has passed orders for appeal restoring exemption under section 11 in 2018 and partial relief to many additions. The Income tax department has appealed against the said order

with Income tax Appellate Tribunal and is pending disposal by Income Tax Appellate Tribunal.

- 8. The Company has received grants for various programmes for promotion of Motor Sports in India from the Federation Internationale de l' Automobile, paris, the apex international federation for promotion of motor sports. These grants are applied for the stipulated purpose, using the services of the member clubs of the federation. The unutilized balance is shown separately in the balance sheet. This year as part of a cluster program grant, it has remitted part of grant(Motor Sport Development Grant-2019-GOT Program) to Ceylon Motor Sports Club, Srilanka as per the conditions of the grant by the international federation. The federation of motor sports clubs of India, has not spent any money from its income or earned any income from the above transaction. This amount is reflected in the profit and loss account as a separate item.
- 9. The Company has not borrowed any loan from any bank or financial institution.

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PLACE: Chennai DATED: 28/08/2020 UDIN:20003606AAAAAA1487

P.N. Balasubramanian Chartered Accountant Membership No. 003606

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

UDIN:20215533AAAAAD6280



THE FEDERATION OF MOTOR SPORTS CLUBS OF INDIA [INCORPORATED UNDER SECTION 8 OF THE COMPANIES ACT 2013] CASH FLOW STATEMENT, FOR THE YEAR ENDED 31ST MARCH 2020

	for the year	for the year
Y	ended 31.3.20	ended 31.3.19
Cash flow from operating Activities	Rs.In lakhs	Rs.In lakhs
Excess of income over expenditure	5 2 20	00.00
Adjustments	53.32	93.66
Depreciation	10.04	4.4.40
Income tax	13.81	14.48
Interest	5.00	8.32
operating profit before working capital changes	-50.18	-57.26
Increase in sundry debtors	21.96	59.20
increase in current liabilities	-6.39	-5.7
cash generated from operations	-54.32	24.78
income tax paid	-38.74	78.27525
Net cash from operating activities-a	-5.00	-8.32
cash flow from investing activities	-43.75	69.96
purchase of fixed assets		
Interest received	-181.07	-34.62
Net cash from investing activities-b	50.18	57.26
	-130.90	22.64
cash flows from financing activities		
Increase in loans and advances[assets] Advance received for future events	-57.88	-12.78
	45.84	61.06
Application of protest fund		-0.9
Decrease in deposits	170.71	-125.22
Net cash from financing activities-c	158.66	-77.84
Net increase in cash and cash equivalents[a+b+c]	-15.98	14.76
Add:		
cash and cash equivalents at the beginning of the		
period-note 1	23.89	9.14
cash and cash equivalents at the end of the		
period-note 2	7.96	23.90
Note 1		
Cash and cash equivalents at the beginning of the period		
cash on hand	0	0.02
cash at bank	23.89	9.12
Total	23.89	9.14
Note 2		0111
cash on hand	0.06	
cash at bank	7.90	23.9
Total	7.96	23.90
	1.50	23.90
	D	

Place: Chennai Date:28/08/2020 UDIN:20003606AAAAAA1487 Por Belambronny

CHARTERED ACCOUNTANT (P.N. BALASUBRAMANIAN)M.No:003606

G. SUDHA & ASSOCIATES[F.No:014677S] CHARTERED ACCOUNTANTS G.SUDHA[M.No:215533]



UDIN: 20215533AAAAAD6280

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 2020

INCOME	NOTES	Current Year 31-3-2020 (Amount	Previous Year 31-03-2019 in Rupees)
Revenue From Operations Motor Sport Activity	1	2,28,32,562	2,39,22,330
Other Income	2	59,44,601	65,01,004
TOTAL		2,87,77,163	3,04,23,334
EXPENSES/APPLICATION OF INCOME			
Employee Benefits Depreciation Income Tax Paid OTHER EXPENSES	3	58,94,803 13,81,155 5,00,440 1,56,68,431	57,98,078 14,47,510 8,31,940 1,29,80,281
		2,34,44,829	2,10,57,809
Net Income/Transferred to Reserve Earnings for Equity Shares Siginificant Accounting Policies and Notes to the Accounts		53,32,334 Not Applicable	93,65,525 Not Applicable
	8		

PLACE: CHENNAI DATE: 28/08/2020

DIRECTOR

UDIN:20003606AAAAAA1487

UDIN:20215533AAAAAD6280

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

G SUDHA & ASSOCIATES Firm Regn 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) BALANCE SHEET AS AT 31ST MARCH 2020

	NOTES	Current Year 31-3-2020 (Amount in	Previous Year 31-03-2019
EQUITY AND LIABILITIES		(/ iniodini i	(http://www.apeeds/
Share holder Funds (i) Share Capital (ii) Reserves and Surplus (iii) Protest Fund	4 5	- 9,09,55,741 3,01,503	8,56,18,957 3,01,503
NON CURRENT LIABILITIES			
CURRENT LIABILITIES Other Current Liabilities	6	96,18,627	1,04,66,565
TOTAL		10,08,75,871	9,63,87,025
ASSETS			
NON-CURRENT ASSETS Fixed Assets Tangible Stock of Race Wears NON -CURRENT INVESTMENTS Bank of India Deposits	7	2,13,62,090 2,02,864 5,99,77,551	46,36,096 2,02,864 7,61,03,127
Accrued Bank Interest receivable		24,21,389	33,66,485
CURRENT ASSETS Loans and Advances Electronic control units in stock with	8	1,14,20,655	84,04,312
member clubs Cash and Cash Equivalent Cash at Bank Sundry Debtors		27,72,000 6,000 7,89,694 19,23,628	23,89,381 12,84,760
TOTAL		10,08,75,871	9,63,87,025
Siginificant Accounting Policies and Notes to the Accounts	9		<u> </u>

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PLACE: CHENNAI DATE:28/08/2020

DIRECTORS

UDIN:20003606AAAAAA1487

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

MEM NO:003606

CHARTERED ACCOUNTANT

(P.N. BALASUBRAMANIAN)



UDIN: 20215533AAAAAD6280

THE FEDERATION OF MOTOR SPORTS CLUBS OF INDIA

(INCORPORATED UNDER SECTION 8 OF THE COMPANIES ACT 2013)

NOTES TO INCOME AND EXPENDITURE S	TATEMENT FOR TI	HE YEAR ENDED 31ST	MARCH 2020
	NOTES	Current Year 31-3-2020	Previous Year 31-03-2019
		(Amount in	Rupees)
Revenue from Operations	1		
Motor Sports Activity			
Competition Licence Fees		6195219	64,39,211
FIM Officials and riders licence		556340	
Entrance Fees		150000	90,000
FIA Inscription charges(Net)			26,353
FIM Sx riders [Net]		x	4,68,705
Fines		542754	2,56,559
Homologation Fees		309987	1,77,000
INRC Registration		215000	10,000
Membership Subscription		1008000	9,36,000
Naming Rights		3265500	42,20,000
Permit Fees		5481600	60,18,915
Protest Fee		24000	1,34,200
Track Inspection and Renewal fees		46000	6,35,904
Sale of Homologation form		11847	9,483
Sponsorship			20,00,000
Bid Fees		1173800	25,00,000
Motor sport Development Grant-FIA-2018		1548557	
Motor sport Development Grant-FIA-2019		1542841	
Motor Sport Development Grant FIA-2019- GOT event-Share of Grant of Motor sports Clubs of Srilanka as per cluster programme			
agreement with FIA		318600	
Road safety program Grant-FIA		384000	
FIA Motor Sport entry fee collected and paid	d	58517	
Total		22832562	2,39,22,330

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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 2020

	NOTES	Current Year 31-3-2020	Previous Year 31-03-2019	
		(Amount ir	n Rupees)	
OTHER INCOME	2			
Interest from Bank of India		5017504	57,26,360	
Timing and Result Services		635593		
Record Ratification Fees		30000	1,50,000	
Rental Services		14491	1,01,068	
Income from use of extrication equipme	ent	114406	88,983	
Website advertisement revenue			38,250	
Miscellaneous Income		17107	3,96,343	
Electronic control unit - at cost to memb	per clubs	115500	in 18 d	
Total		5944601	65,01,004	

PLACE: CHENNAI DATE: 28/08/2020

DIRECTORS

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

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

UDIN:20003606AAAAAA1487

UDIN:20215533AAAAAD6280



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 2020

	NOTES	Current Year 31-3-2020	Previous Year 31 03-2019
		(Amount	in Rupees)
OTHER EXPENSES	3		
Office administration expenses			
Postage		4,74,193	5,27,502
Telephone Expenses		51,407	47,523
Commission Expenses-Paytm		42,293	28,356
Office Expenses		90,648	1,58,827
Building Maintenance		35,800	35,800
Rates and Taxes-Building			8,050
Electricity charges		62,747	93,756
printing and stationery		1,37,014	1,19,668
Computer Consumables		29,250	98,375
Income Tax Appeal Fees		1,000	
Tally ERP Upgradation		10,800	10,800
Godown rent		11,000	12,000
Advertisement		14,123	
Statutory compliance Expenses			10,600
Annual Maintenance charges		15,800	15,800
Bank charges		36,323	38,736
Total-a	-	10,12,398	12,05,793
Consultancy and professional charges	-		
Legal and Professional Charges		5,14,000	7,16,500
Audit Fees		45,000	45,000
Total-b	-	5,59,000	7,61,500

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 2020

	NOTES	Current Year 31-3-2020	Previous Year 31 03-2019
		(Amount	in Rupees)
Seminars and Meeting Expenses Seminar Expenses/Council Meeting Expenses		5,29,159	5,00,475
FIM Mx CoC.Steward Seminar-2018			2,85,610
FIA Stewards Seminar			42,283
4W Auto cross Meeting			50,000
Race commission meeting			13,162
Rally commssion Meeting		74,526	71,560
2W Technical Racing Commission		29,734	
FMSCI IMSAC Hearing		9,450	
Offroad Commission		17,035	
Regularity Commission hearing		27,737	
Regulairty Run Seminar		50,000	
Sub Committee Meeting		58,150	
Disciplinary Meeting			62,704
seminars-Motor Sport Development Progra	m		25,000
Women in Motor Sport Meeting		24,420	79,651
Total-c		8,20,211	11,30,445

CHECKAL MINING ONSOS

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 2020

	NOTES	Current Year 31-3-2020	Previous Year 31-03-2019
		(Amoun	t in Rupees)
OTHER EXPENSES	3		
Motor sport development expenses			
Electronic control unit at cost-		1,15,500	
Event sponsorship-GOT-fia grant-2019		15,42,841	
Motor Sport Development Grant FIA-2019- GOT event-Share of Grant of Motor sports Clubs of Srilanka as per cluster programme			
agreement with FIA sponsorship-Motor Sport Development		3,18,600	
program -2018		15,48,557	
Insurance		7,54,020	7,75,850
Motor Insurance Policy		29,800	
- Technical co-ordinator fees		7,80,000	5,00,000
Timing system fo rally-INRC			2,00,000
Asia Auto Gymkhana		41,960	2,69,269
2018 FIM ARRC		2,650	24,590
Timing and Result Services		12,50,000	
FIA motor sports games entry fees collected	d and paid	58,517	
Homologation charges		19,405	76,360
Equipment Installation Charges- Baleno			32,339
CIK FIA Prize money		21,485	
INRC Prize Money			1,50,000
Prize Dstribution expenses-2017 and 2018			36,28,461
Prize Distribution Expenses-2019		20,15,086	
FIA Inscription charges		93,710	
FIA/FIM Subscription		1,75,225	4,01,565
Road Safety grant program-FIA		3,83,210	2,38,445
balance c/f		91,50,566	62,96,879



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 2020

	NOTES	Current Year 31-3-2020	Previous Year 31 03-2019
		(Amount	in Rupees)
motor sport development expenses b/f' Travelling and Conveyance		91,50,566	62,96,879
Local Travel & Conveyance Foreign Travel Expenses[Net]		11,44,998 17,36,732	12,93,791
Media Expenses Website Maintenance		4,60,399	12,54,021 4,40,000
Total-d	-	7,84,127	5,97,852 98,82,543
Other expenses-Total(a+b+c+d)		1,56,68,431	1,29,80,281

PLACE: CHENNAI DATE: 28/08/2020

DIRECTORS

UDIN:20003606AAAAAA1487

UDIN:20215533AAAAAD6280

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

G SUDHA & ASSOCIATES Firm Regn 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-31-03-2020

LIABILITIES Share Capital	NOTES	Current Year 31-3-2020 (Amount ir	Previous Year 31-03-2019 n Rupees)
Private Company with out share capital and Limited by Guarantee	4	-	-
Reserves and Surplus Opening Capital Fund Add: Mistake in previous years Excess of Income over Expenditure for the	5	8,56,18,957 4,450	7,62,53,432
year		53,32,334	93,65,525
Total		9,09,55,741	8,56,18,957
Current Liabilities	6		1 51 9/5
GST Balance for march 2019 Sundry Creditors		- 11,81,952	1,51,845 9,38,153
Licence Fees received(old years) pending		11,01,952	9,50,155
claim and compliance		10,79,350	10,79,350
Permit fees received(Old Years) pending			in only in some proof the so-
claim and compliance		11,26,442	11,26,442
Part payment for Electronic control units		6,20,000	
Balance in FIA MSD Grant 2019		36,835	
FIA Subscription Payable			4,01,565
FIA Inscription Charges Payable		87,510	2,79,510
FIM Subscription Payable		1,02,945	1,02,945
Service charge-97-2000- P.N. Balasubrama	nian	5,000	5,000
Bid money for events 2020-21		45,84,000	55,20,852
Permit Fees-balance		95,575	5,64,703
Naming rights-balance			8,000
Fines received Pending Litigation		5,00,000	12,500
Audit fees payable		45,000	45,000
ASN Reward Programme		1,54,018	2,30,700
Total		96,18,627	1,04,66,565

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THE FEDERATION OF MOTOR SPORTS CLUBS OF INDIA (INCORPORATED UNDER SECTION 8 OF THE COMPANIES ACT 2013) NOTES TO BALANCE SHEET-31-03-2020

LIABILITIES	NOTES	Current Year 31-3-2020	Previous Year 31-03-2019
		(Amount in	Rupees)
Loans and Advances (Current Assets) Deposits	8		
Electricity deposit Krishna Towers Rental deposit		10,650 470	10,650 470
Balances with revenue authorities Tax deducted at source-old		8,600	8,600
Tax Deducted at source GST-paid on Reverse Charge Mechanism		4,57,560 89,25,409 2,64,600	4,57,560 79,27,032
Input tax credit-GST Advances		6,09,690	
MSD Grant receivable-2019 Advance for rally tracking system		9,76,676 1,67,000	
	=	1,14,20,655	84,04,312

PLACE: CHENNAI DATE: 28/08/2020 DIR

DIRECTORS

UDIN:20003606AAAAAA1487

UDIN: 20215533AAAAAD6280

page ..2..

Por Balesubamarga

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

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





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

(P.N. BALASJBRAMANIAN)m.no:003606 CHARTERED ACCOUNTANT

make place o

48,125

45781

284179

2344

2,81,835

329960

3,29,960

Building

2

1,78,700

14255690

31.3.2019

31.03.2020

(Rs.)

Total

Depn for The Year (Rs.)

31.03.2019

T:

31.03.2020(

during the Additions

01.04.2019(

Description

S.No

Cost as at

year (Rs.)

Rs.)

Rs.)

Total Cost

(Rs.)

14255690

14076990

1,78,700

Land

W.D.V

FIXED ASSETS SCHEDULE FOR THE YEAR ENDED 31 ST MARCH 2020

FMSCI 2019-20 FIXED ASSETS SCHEDULE-NOTE 7

Depreciation

81,262

29942

610616

51320

5,59,296

640559

86,952

47765

1054096

39188

10,14,908

1101859

11,01,859

office equipments

3

6,40,559

computers

4

15,638

51629

91086

4508

86,578

142715

40500

1,02,215

Furniture-f

9

32,41,481

6211686

2990131

996795

19,93,336

9201817

3967000

52,34,817

Equipments

2

8,02,666

551993

487183

250673

2,36,510

1039176

1,81,274

167603

318665

36327

2,82,338

486268

22656

4,63,612

Machinery and other

equipments

~

46,36,099

21362090

58,35,955

13,81,155

44,54,800

27198044

1,81,07,146

90,90,898

Total

10,39,176

Motor Cars

 $\infty \infty$

Date: 28/08/2020 Place:Chennai

UDIN:20003606AAAAA1487

UDIN:20215533AAAAAD6280

DIRECTORS

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. Depreciation on fixed assets had been provided under the written down value Method as provided in the Schedule II to the Companies Act.

3. The Federation is availing of the Exemption under The Income-tax Act as Sports

Association with the object of controlling, supervising and monitoring Motorsports Activity in India affiliated to the world Body. The Federation is also Recognised as the only institution affiliated to the world organisation by the Ministry of Sports. Hence no provision had been made for any Income tax liability for the current year.

4. The Federation is a not for profit company limited by guarantee involved in the promotion of Motor sports in India incorporated in the year 1976. There is no equity share or shareholder and there is no distribution of dividend.

5. The sum of accrued interest is as certified by the bank for the current year.

6. All figures have been rounded off to the nearest rupee.

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

8. The Federation of Motor Sports Clubs of India has purchased a Vacant Land at Srinivasa Nagar, Madipakkam, Chennai for Rs.1.41.Crores for its future use as per council approval.

9. There is a contingent liability towards income tax demand for various years

as below. The assessment for Assessment year2010--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 recently and has also deleted most of the additions. The assessing officer has filed appeal against the above said order and is pending before the Income Tax Appellate Tribunal.

Page 1



The proceedings are in progress before various authorities. Assessments for other years are for the similar issues, so tax liability is not provided in the books of accounts.

Assessment	Outstanding	Present status
year	Demand	
2009-10	784489	pending before CIT(A)
2010-11	-	Order passed by ITO.Given effect by the
	9750{interest	assessing officer. Departmental appeal
	payable by	pending before Income Tax Appellate
	Income tax]	Tribunal
	×.	
2012-13	7501496	Pending before CIT(A)
2013-14	3287291	Pending before CIT(A)
2014-15	1236299	Pending before CIT(A)
2015-16	- 2677570	Pending before CIT(A)
2016-17	3327750	Pending before CIT[A]
2017-18	2001750	Pending before CIT[A]

The balance of tax demand had been stayed by the assessing officer, pending disposal of appeal.

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

EARNINGS

Motor Sport Development Grant from FIA (€20,000)	15,48,557
FIA Road Safety Program-2019 (€5000)	3,84,000
Motor Sport Development Grant-2019 (€12000)	9,21,600
	f alwater application

The MSD grant 2019, is given to the Federation of as part of cluster application for grant with Srilanka and Nepal for Girls on Track Event for promotion motor sports Page..2

amongst women. Share of grant of Srilanka Euros 4000, out of the first instalment received is sent to them, as per agreement with Federation Internationale I' Automobile, Paris.

Grants received is used for the purpose of the grant, for development of motor sports in India, and is given to member clubs for execution of the same.

EXPENDITURE

The Outflow in Foreign exchange is (€18686)

Rs.14,89,135

(Included under various heads)

The Foreign Currency Expenditure 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 and the amount is remitted out of funds collected from member clubs, 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). Expenditure in the Financial Statements is only the net amount spent under various expenses after adjusting the receipt from the member clubs in INR, if any. Foreign Travel Expenses debited in the Financial Statement includes reimbursement/payment for foreign travel expenses, to authorised members for motor sport related travel in INR and stay allowance in foreign currency 12. The figures are regrouped wherever necessary.

Place: Chennai Dated:28/08/2020

DIRECTORS

CHARTERED ACCOUNTANT P.N. BALASUBRAMANIAN M. No. 003606

UDIN: 20003606AAAAAA1487

UDIN: 20215533AAAAAD6280 Page 3 G. SUDHA AND ASSOCIATES(F.No:014677S) CHARTERD ACCOUNTANTS G. SUDHA(M.No:215533)

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