

# **BHUBANESWAR CLUB**

## **MANAGING COMMITTEE - 2016-17**

**Mr. Priyabrata Patnaik, IAS (Retd.)**

President

**Mr. Sudipta Das**

Vice President

**Mr. Dibyalok Patnaik**

Honorary Secretary

**Mr. Asit Pradhan**

Joint Secretary

### **COMMITTEE MEMBERS**

Mr. Srimoy Kar

Mr. Debesh Das

Mr. Pragati Kumar Mohanty

Mr. Jyoti Bhusan Pany

Mr. Jyotirmoy Mohanty

Mrs. Reena Nayak

Mr. Sanjay Singh, IAS

Mr. Guru Charan Ray, IRTS

Mr. M. S. Padhi, IAS

Mr. Manoranjan Panigrahi, IRS

Mr. Siddhanta Das, IFS

Mr. Satyajit Mohanty, IPS

Mr. Lalit Das, IPS

Mr. Satyabrata Bhoi, IPS

Mr. Siba Prasad Panda, IRS

Er. Subhendu Kumar Ray

### **Special Invitee**

1. Mr. Girija Naik
2. Mr. Laxmidhar Pangari
3. Mr. S. K. Mohanty
4. Mr. Nitin Manek
5. Mr. Arun Kumar Verma

### **BANKERS**

UCO Bank, Surya Nagar

AXIS Bank Ltd., Bhubaneswar

Andhra Bank, OMC Branch

HDFC Bank, Kalpana Square, Bhubaneswar

KOTAK Mahindra Bank Ltd., Bhubaneswar

### **STATUTORY AUDITORS**

**M/s. H. Naik & Co.**

**Chartered Accountants**

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## **BHUBANEWAR CLUB**

### **(A Company Registered under Section 25 of the Companies Act, 1956) ANNUAL REPORT AND ACCOUNTS FOR THE YEAR 2016-17**

Dear Member,

We are privileged to present Annual Report along with Audited Accounts for the year ended 31<sup>st</sup> March, 2017 to the Annual General Meeting of the members of the Bhubaneswar Club. Our Club has been consistently growing in all the important spheres of our activity. It is very satisfying to see the all round progress of the Club. We are proud in conveying to our esteemed members that we have completed another year of successful existence as a well managed Club.

#### **The highlights of this year:**

1. Construction of New Club Complex.
2. Renovation of the Bar
3. Renovation of Chinese Restaurant
4. Construction of shade over food service counters in the 2<sup>nd</sup> Lawn

#### **Construction of New Club Complex**

This year we have continued with the civil construction work of our new Club Complex at Ghatikia, Bhubaneswar. Roof casting of basement has been completed which is approximately 60000 Sqft. and ground floor roof casting would be completed shortly. Base casting construction work of swimming pool has been completed. Due to the rocky nature of the soil and lack of water retention capacity in the new club premises, it is becoming difficult to plant trees. After consulting a few landscape professional, it was decided to import good quality soil from outside for necessary plantation after a plantation plan is finalised.

#### **Renovation of Bar**

We have undertaken renovation of the Bar this year. The bar has been aesthetically designed with well furnished interiors, mood lighting and other effects. The bar is a combination of contemporary design and subtle lighting, a relaxing place to enjoy some elbow-bending in the company of friends. We would also like to mention that three musical evenings sponsored by Seagram were held inside the Bar.

#### **Renovation of Chinese Restaurant**

During the year, it was decided to renovate the Chinese Restaurant to give it a new look.

#### **Construction work in the 2<sup>nd</sup> Lawn premises**

The lush green of 2<sup>nd</sup> Lawn premises attracted many members to have party gatherings through out the year. In order to cater to the needs of Member, we have constructed approximately 2000 Sqft. of Shed area. The same can be used for covering food counters during parties.

### **Club's Cuisine and Bar /Beverage Services**

All three restaurants Indian, Chinese and Teesri Manzil were well patronised by the Club members. Teesri Manzil in particular was booked by many members for private parties.

### **Entertainment Programmes, Cultural Functions and Special Events**

Like the past years the club has ensured that members are entertained with good musical programmes on various occasions and Club functions were appreciated by all the participating members and their families.

The Annual General Meeting last year was very well attended followed by lunch.

The Pre-Independence Day and Pre-Republic Day Nite's were well attended and celebrated with patriotic songs.

The hall mark of the Pre-Diwali Nite in the club was a computerised display of fire works which was enjoyed by members particularly children.

Childrens' day was celebrated with lots of games and fun filled sport events. There was also Boogie Woogie nite in which the children sang, danced and played their own musical instrument. This program is something that the kids look forward to. The kids also actively participated in the Pre-Christmas Nite and enjoyed the presence of Santa Claus. The members children like every year were given Christmas gifts by the Club.

The New Year Eve function is one event which all members look forward to. This year was no exception and the members danced to their hearts content with the live performance by singers & DJ from Kolkata. The New Year 2017 was ushered in a grand way followed by dinner.

Holi was celebrated with the trade mark Ice Dance Floor and foam dance. The foam dance this year was a major hit with members. It was for the first time that a foam dance was organised in the club.

Pre-Utkal Divas Celebration was held with the backdrop of a typical ethnic village. Many famous Odia singers presented songs. Lot of members look forward to this Nite for the traditional Odia food that is served this evening. This year too all members enjoyed the excellent Odia music and mouth watering Odia food.

### **Mutual Benefit Fund**

Consequent on the demise of 16 participant members the respective nominees/spouses have been paid @ Rs.50,000/- each under the Mutual Benefit Fund Scheme during the year.

### **Members who left us for their heavenly abode during the Period**

The Club condoled the sad demise of the following members in the intervening period under report.

#### **Name of the deceased Member**

<b>Sl. No.</b>	<b>Date of Death</b>	<b>Membership No.</b>	<b>Members Name</b>
1.	30.04.2016	L0208	Late Manabendra Chhotray
2.	09.05.2016	P0175	Late Silla Rajeswara Rao
3.	12.08.2016	P0594	Late Sudhansu Bhusan Mishra
4.	28.09.2016	P1011	Late Bijoy Kumar Das
5.	06.11.2016	P0671	Late Lalatendu Bidyadhar Mohapatra
6.	12.11.2016	OP0107	Late Prafulla Kumar Das
7.	13.12.2016	P1389	Late Lt. Col. Sudhanshu Sekhar Nayak
8.	13.12.2016	P0197	Late Durga Prasad Singh
9.	16.12.2016	P0321	Late Bhagabat Panda
10.	26.12.2016	P0665	Late Dr. Srinandan Mohanty
11.	29.12.2016	P0857	Late Raj Kishore Sahu
12.	19.01.2017	P0991	Late Debabrata Dey
13.	23.02.2017	P1845	Late Yashpal Mohanty
14.	15.03.2017	P0123	Late Sitakanta Mahapatra
15.	19.03.2017	P0420	Late Pyarimohan Mohapatra
16.	11.03.2017	P2304	Late Commodore Bijay Kumar Patnaik

### **Personal Accident Insurance Cover for eligible members and staff**

Arrangements were made during the year to provide group personal accident insurance cover to eligible members and staff of the Club up to Rupees Two lakhs each through the National Insurance Co. Ltd

### **Staff & Human Resources Development and Staff Welfare**

The Committee places on record their appreciation and the efforts put in by the employees of the Club at all levels. During the year, the salaries of the staff have been substantially revised.

### **Affiliation with Other Clubs**

Our Club made reciprocal arrangements with the following additional Clubs taking the total number of affiliated to 183. During the year, The Kota Club, Rajasthan and Coimbatore Club, Coimbatore was affiliated.

### **Statutory Declaration**

The Club has no employee of the category as specified under Section 217(2A) of the Companies Act, 1956.

### **Club Management – Meetings of the E.C.**

During the period under report the Executive Committee had five formal meetings held in addition to the Annual General Meeting held on 7<sup>th</sup> August, 2016. All the functional matters of management were reviewed periodically. In addition, meetings of sub-committees and special meetings/informal meetings of EC members and Invitees were held for smooth functioning of the Club.

### **Membership Coverage**

The membership of the Club as on 31<sup>st</sup> March 2017 stood at 2629 by registering an increase of 74 new members of all categories. The details of aggregate Membership position are given in next page:

#### **MEMBERSHIP POSITION OF THE CLUB**

<b>Type of Member</b>	<b>31.03.16</b>	<b>31.03.17</b>	<b>Increase / Decrease</b>
Corporate Members	181	167	(-) 14
Life Members	367	388	(+) 21
Permanent (Resident)	1547	1605	(+) 58
Permanent (Outstation)	363	409	(+) 46
Honorary Members	38	38	-
Long Term Temporary / Temporary	11	13	(+) 2
Institutional	8	8	-
Tenorial	1	1	-
<b>Total</b>	<b>2516</b>	<b>2629</b>	<b>(+) 113</b>

336 nos Corporate additional nominees (As on 31.03.2017)

17 nos **Institutional** additional nominees (As on 31.03.2017)

The total membership of the Club at 2629 excludes 336 nos additional nominees of corporate members and 17 nos

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additional nominees of Institutional members. It may be seen from the above that enrolment of Corporate and Life Members has remained sluggish and the club has adopted a policy to restrict new memberships. The details of Membership during the year are as under:

Type of Members	Corp.	Inst.	Life	Perm.	Outs. Perm.	L.T.T	Tenorial	Honorary	Total
New Members Enrolled	-	-	12	51	2	9	-	-	74
Membership Terminated	19	-	-	1	-	7	-	-	27
Membership Restored	5	-	10	22	18	2	-	-	57
Members Resigned	-	-	-	-	3	2	-	-	5
Members Expired/ceased	-	-	1	14	1	-	-	-	16
Inter se conversion between Permanent and Outstation Permanent Members	-	-	-	(-30)	(+30)	-	-	-	30
Net Increase(+)	-	-	-	-	-	-	-	-	113
Net Decrease(-)	14	-	-	-	-	-	-	-	-
As on 31.03.2016	181	8	367	1547	363	11	1	38	2516
As on 31.03.2017	167	8	388	1605	409	13	1	38	2629

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### **Statutory Audit Report & Audited Accounts for the Financial Year 2016-17**

The Audit Report together with Audited Accounts for the financial year 2016-17 duly certified by M/S H.Naik & Co., Chartered Accountants, has been displayed on the Club's Notice Board for information of the members in terms of Article No. 65 of the Articles of Association of the Club. The Audit Report with Accounts is annexed. An abridged version of the Balance Sheet and Profit & Loss Accounts is given in next page:

#### **ABRIDGED BALANCE SHEET AS ON 31.03.2017 - (COMPARATIVE POSITION)**

*(Amounts in lakhs of Rupees)*

FUNDS & LIABILITIES	31.3.2016 (Audited)	31.3.2017 (Audited)
1.General Fund	1085.44	1139.17
2.Building Fund	2165.09	2379.85
3.Staff Welfare Fund (after netting out payments to staff)	8.07	9.32
4. Current Liabilities	39.38	160.53
TOTAL FUNDS	<b>3297.97</b>	<b>3688.87</b>
<b>PROPERTY &amp; ASSETS</b>		
1. Fixed Assets	551.41	1231.29
2. Advances	18.33	22.33
3. Current assets	266.83	269.18
4. Security deposits	203.37	233.37
5. Cash & Bank Balances and Investments	2258.04	1932.70
TOTAL ASSETS	<b>3297.97</b>	<b>3688.87</b>

Financial turn over touched high at Rs 47.31 Crores as against Rs.41.60 Crores last year. The Cash & Bank Balances stood at Rs.19.32 Crores.

#### **RECEIPTS AND PAYMENTS OF CAPITAL ACCOUNT - (COMPARATIVE POSITION)**

*(Amounts in lakhs of Rupees)*

RECEIPTS/ INFLOW OF FUNDS	2015-16	2016-17
Entrance Fees	13.19	10.39
Building Fund (Development Fees)	222.06	214.76
Staff Welfare Fund	1.21	1.25
Current Liabilities	6.55	121.15
<b>TOTAL RECEIPTS (A)</b>	<b>243.01</b>	<b>347.54</b>



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<b>PAYMENTS/ OUTGO OF FUNDS</b>		
Addition to Fixed Assets	66.44	679.88
Loan & Advances	55.65	4.00
Security Deposits	-	30.00
Current Assets	18.87	2.35
<b>TOTAL PAYMENTS (B)</b>	<b>140.96</b>	<b>716.23</b>
<b>NET SURPLUS IN CAPITAL A/C. (A) – (B)</b>	<b>102.05</b>	<b>-368.69</b>
<b>ADD- NET SURPLUS IN REVENUE A/C</b>	<b>231.67</b>	<b>43.35</b>
<b>NET CASH &amp; BANK BALANCE DECREASE DURING THE YEAR</b>	<b>333.72</b>	<b>-325.33</b>

### REVENUE SURPLUS ACCOUNTS

Kitchen sales topped an all-time high at Rs.4.75 Crores, and registered an increase by Rs.34.84 lakhs over last year. Kitchen surplus after staff salary and expenses stood at Rs.142.56 lakhs. The rate of return stood at 31%.

Bar sales have marginally increased to Rs.233.90 lakhs from Rs.219.16 lakhs. Bar surplus stood at Rs.58.90 lakhs.

Guest Rooms surplus stood at Rs.38.50 lakhs.

### DEFICIT NET REVENUE ACCOUNTS

The Deficit Revenue Account comprises Billiards, Tennis, Entertainment Programmes A/c. Other Games A/c.

This year also we have been able to present a good number of Entertainment programmes.

### REVENUE ACCOUNT (COMPARATIVE POSITION)

<b>Financial Results</b>	<b>31.3.2016</b>	<b>31.3.2017</b>	<b>Increase (+) Decrease (-)</b>
A) Surplus under Operational accounts (Bar, Kitchen, Guestroom etc.)	206.16	244.44	38.28
B) Receipts under Non Operating accounts	329.69	274.12	-55.57
a) Total receipts	535.85	518.56	-17.29
b) Expenditure under operating accounts (cards, billiards, entertainment, tennis etc.)	19.89	33.00	13.11
c) Expenditure under non-operating account (staff & establishment)	233.88	398.76	164.88
d) Total expenditure	253.77	431.76	177.99
e) Revenue surplus before depreciation	282.08	86.80	195.28
f) Depreciation	50.43	43.45	6.98
g) Net Surplus	231.67	43.35	-188.30

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### SEGMENT-WISE ANALYSIS OF MAIN INCOME ACCOUNTS

*(Amounts in lakhs of Rupees)*

Financial Results	Year	Year	Increase
<b>MAIN SURPLUS SEGMENTS</b>	2015-2016	2016-2017	Decrease
<b>Bar &amp; Beverage Services/Sales</b>	<b>219.16</b>	<b>233.90</b>	<b>14.74</b>
Bar surplus before salary & expenses	79.45	89.53	10.08
Bar rate of return before salary & expenses	36%	38%	2%
<b>Bar surplus after salary &amp; expenses</b>	<b>51.27</b>	<b>58.90</b>	<b>7.63</b>
Bar rate of return on sales & services	23%	25%	2%
<b>Kitchen Services/Sales</b>	<b>429.91</b>	<b>464.75</b>	<b>34.84</b>
Kitchen purchases & expenses	261.74	250.64	-11.10
Kitchen surplus after purchases / expenses but before staff salary	167.00	213.85	46.85
	39% on sale	46% on sale	7% on sale
Kitchen salary & expenses	76.92	86.66	9.73
	18% on sale	19% on sale	1% on sale
<b>Kitchen surplus after salary</b>	<b>105.01</b>	<b>142.56</b>	<b>37.55</b>
Kitchen Return on sales	24%	31%	7%
Guest Rooms collections	62.22	58.86	-3.36
Guest Rooms salaries & expenses guest hospitality expenses	17.87	20.36	2.49
<b>Guest Rooms surplus after salaries &amp; expenses</b>	<b>44.36</b>	<b>38.50</b>	<b>-5.85</b>
Card Room collections	4.08	4.32	0.24
Less: Expenses & Salary	2.12	2.36	0.24
<b>Surplus in Card Room</b>	<b>1.96</b>	<b>1.96</b>	<b>-</b>
<b>Gym surplus</b>	<b>3.58</b>	<b>2.53</b>	<b>-1.05</b>
<b>DEFICIT OPERATIONAL ACCOUNTS</b>			
BILLIARDS	3.59	4.09	0.50
ENTERTAINMENT PROGRAMMES A/C.	12.32	22.04	9.72
OTHER GAMES A/C.	0.02	0.02	-
SWIMMING POOL A/C	0.52	1.45	0.93
TENNIS A/C.	3.45	5.40	1.95

#### 1. Tax Demand Issues:

##### (1) Income Tax

- (i) The Club has made provision towards Income Tax for the Financial Year 2016-17 amounting to Rs.52.06 Lakh only on Interest income and other income covered under mutuality, following the decision of the Hon'ble Supreme Court in the case of Bangalore Club.
- (ii) The Club has paid Income Tax of Rs.115.05 Lakh for the Financial year 2013-14, 2014-15 & 2015-16 voluntarily and shown the same in the Income & Expenditure account under the head tax expenses (prior years) following the decision of Hon'ble Supreme Court in Bangalore Club.

**(2) Sales Tax / VAT**

Appeal for the years 2000-01 to 2004-05 have been re-adjudicated by the 1<sup>st</sup> appellate authority giving partial relief sustaining total demand of Rs.246.92 lacs against which the club has preferred appeals before the Sales Tax Tribunal which are pending for adjudication. The above demands are covered under stay after payment of Rs 62 lacs.

Assessment for period 01.04.2005 to 31.12.2005 and for the years 2008-09 to 2012-13 created a total demand of Rs.489.26 lacs now under dispute in appeal/SLP (C). After payment of Rs.88.98 lacs balance demand of Rs.400.28 lacs covered under stay by the orders of different forums such as Sales Tax Authority, High Court and Supreme Court. As the Club is contesting the Department's assessment, no provision has been made in the accounts for the above disputed tax liability.

**(3) Service Tax**

The Club has filed a Writ before the Hon'ble Orissa High Court pursuant to a Notice of Service Tax Authority challenging its applicability and the same is pending adjudication.

**Committee Members' Responsibility Statement**

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Committee Members confirm that the Annual Accounts have been prepared in accordance with the applicable accounting standards. The management has selected such policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the club at the end of the financial year and profit/loss of the club for that period. Sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Club and for preventing and detecting fraud and other irregularities. The annual accounts have been prepared on a going concern basis.

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgoings**

The Club, being a mutual concern involved with social, cultural and sports activities of members, has not consumed energy of any significant level and no additional investment was made for reduction of energy conservation. Reasonable economy measures were taken for energy saving/conservation. No comment is made on technology absorption considering the nature of activities of the Club. There has been no foreign exchange earning or outgo during the year.

### **Statutory Auditors**

M/s. H. Naik & Co. Chartered Accountants, the Statutory Auditors of the Club retire at the ensuing Annual General Meeting and are eligible for re-appointment.

### **Acknowledgement**

The Club management gratefully acknowledge the kind assistance and co-operation extended to the Club by the Government of Odisha, Banks, Auditors, Sponsors, affiliated clubs, other corporate bodies and organisations as well as the Members of the Club as well as the staff in the smooth functioning of the Club.

By Order of the Committee

Dated : 13<sup>th</sup> July,2017.  
Bhubaneswar

**(Dibyalok Patnaik)**  
**Honorary Secretary**

### **LIST OF ENTERTAINMENT/CULTURAL FUNCTIONS**

#### **HELD BY THE CLUB DURING 2016-17**

- |    |            |   |
|----|------------|---|
| 1  | 28.05.2016 | - Rain Dance                              |
| 2  | 07.08.2016 | - AGM                                     |
| 3  | 14.08.2016 | - Independence Day                        |
| 4  | 17.09.2016 | - Diptarka and Agnit Ray musical function |
| 5  | 01.10.2016 | - Senior Citizen Members' Nite            |
| 6  | 22.10.2016 | - Disco Dandiya                           |
| 7  | 29.10.2016 | - Pre-Diwali Nite                         |
| 8  | 12.11.2016 | - Children's Day Function                 |
| 9  | 24.12.2016 | - Christmas Eve                           |
| 10 | 31.12.2016 | - New Year Eve                            |
| 11 | 25.01.2017 | - Republic Day Eve                        |
| 12 | 13.03.2017 | - Holi                                    |
| 13 | 31.03.2017 | - Pre Utkal Divas                         |