HYDERABAD RACE CLUB

55TH ANNUAL REPORT

2025 - 2026

Board of Directors (Stewards) :

Mr. R Surender Reddy, Chairperson
DIN: 00083972

Mr. Ananth Kishen Rao
DIN: 01718621

Mr. P Anil Kumar Kishen
DIN: 00350966

Col S B Nair
DIN: 00534863

Mr. V Krishna Das
DIN: 00377003

Mr. Manish Jaiswal
DIN: 09730479

Mr. N.V.R. Narasimha Reddy
DIN: 09244602

Mr. R. Raghuram Reddy
DIN: 02431417

Mr. P.S. Reddy
DIN: 00025151

Mr. D Bharat Bhushan Reddy
DIN: 10341275

Mr. Rajesh Ramalingam
DIN: 06396083

Chief Operating officer: **Mr. N. Kiran Reddy**

Auditors:

Sekhar & Co.,
Chartered Accountants,
133/4, Rashtrapati Road
Secunderabad 500003
Firm Reg No.003695 S

M Bhaskara Rao & Co.,
Chartered Accountants
5-D, 5th Floor, Kautilya,
6-3-652, Somajiguda,
Hyderabad – 500 082
Firm Reg No.000459 S

Internal Auditors:

P. Ramakrishna & Co.,
Chartered Accountants
2-2-1130/19/5d, Sivam Road,
Vidya Nagar, Hyderabad – 500044

Bankers:

Kotak Mahindra Bank Limited
Axis Bank Limited
HDFC Bank Limited
RBL Bank limited
Equitas Small Finance bank
State Bank of India
IDFC First Bank
Bandhan Bank
Yes Bank Limited

Registered Office:

Race Course, D.No. 16-10-1/A/1,
Malakpet, Hyderabad – 500 036
: 040 – 2454 9491, 2454 9159
E-mail: secy@hydraces.com
Web Site: www.hydraces.com
CIN: U92411TG1971NPL001403

CONTENTS

NOTICE OF 55th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 55th Annual General Meeting (AGM) of the Members of HYDERABAD RACE CLUB ("HRC") (CIN: U92411TG1971NPL001403) will be held on Saturday, 22nd August 2026 at 11:00 A.M. at the registered office of the HRC situated at D. No. 16-10-1/A/1, Malakpet, Hyderabad, Telangana 500036 and also through Video Conferencing ("VC") facility/ Other Audio-Visual Means ("OAVM") to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet, Statement of Income & Expenditure and Cash Flow Statement for the year ended 31st March, 2026, along with the Reports of Directors and Auditors thereon and in this regard to pass the following resolution as an Ordinary Resolution.

"**RESOLVED** THAT the Audited Balance Sheet, Statement of Income & Expenditure and Cash Flow Statement for the year ended 31st March, 2026, and the Reports of Directors and Auditors thereon be and are hereby considered and adopted".

2. To elect/re-appoint Mr. Manish Jaiswal (DIN: 09730479), Director (Steward), who retires by rotation and, being eligible, offers himself for re-appointment by way of election.

3. To elect/re-appoint Mr. Raghuram Reddy Ramasahayam (DIN: 02431417), Director (Steward), who retires by rotation and, being eligible, offers himself for re-appointment by way of election.

4. To elect/re-appoint Mr. Seshadri Reddy Pochana (DIN: 00025151), Director (Steward), who retires by rotation and, being eligible, offers himself for re-appointment by way of election.

5. To elect/appoint Mr. Krishna Rama Mohan Rao Veeramachaneni (DIN: 06990826) as Director (Steward) by way of election.

6. To elect/appoint Mr. Madhukar Malgani (DIN: 10235675) as Director (Steward) by way of election.

On Behalf of the Board of Directors/ Stewards

For Hyderabad Race Club

R. Surender Reddy
Chairperson/ Director
DIN: 00083972

Place : Hyderabad
Date : 09th July, 2026

Registered Office	:	No. 16-10-1. A/1, Malakpet, Hyderabad, State of Telangana, India- 500036.
CIN	:	U92411TG1971NPL001403
Telephones	:	040-24549491/2
E-Mail	:	secy@hydraces.com
Website	:	www.hydraces.com

NOTES

1. Mode and Venue of the AGM:

The Annual General Meeting ("AGM") of the Company will be held at the Registered Office of the Company in accordance with the provisions of the Companies Act, 2013 ("Act") and the Articles of Association of the Company.

In line with the Ministry of Corporate Affairs ("MCA") General Circular Nos. 14/2020 dated 8 April 2020, 17/2020 dated 13 April 2020, 20/2020 dated 5 May 2020, 02/2022 dated 5 May 2022, and the subsequent circulars issued in this regard, the latest being General Circular No. 03/2025 dated 22 September 2025 (collectively referred to as the "MCA Circulars"), Members may also participate in the AGM through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM").

Further, outstation members and other members who are unable to attend the AGM in person and have requested e-voting for the elections shall be provided with the e-voting facility in accordance with the applicable provisions of law.

2. Advance Submission of Questions/ queries

Members intending to ask any questions at the AGM are requested to submit their queries in writing or by e-mail to the Chief Operating Officer (Election) at least 10 (Ten) days prior to the date of the AGM, i.e., on or before 12th August 2026 at 5:00 P.M. (IST), at the following address:
The Chief Operating Officer (Election),
Hyderabad Race Club
D. No. 16-10-1/A/1, Race Course Road, Malakpet,
Hyderabad - 500036, Telangana State
Email ID: secy@hydraces.com

3. Speaker Registration:

Members who wish to express their views or ask questions during the 55th Annual General Meeting ("AGM") are requested to register themselves as speakers by submitting their request, along with their Name, Permanent Membership Number and registered e-mail ID, as per the records of the Club.

The speaker registration request should be submitted in writing or by e-mail to the Chief Operating Officer (Election) at least 10 (Ten) days prior to the date of the AGM, i.e., on or before 12th August 2026 at 5:00 P.M. (IST),

Only those Members who have registered themselves as speakers will ordinarily be permitted to express their views or ask questions during the 55th AGM. The Company reserves the right to restrict the number of speakers in the interest of ensuring the smooth and orderly conduct of the AGM, depending on the availability of time. However, the Chairman may, at his sole discretion and subject to the availability of time, permit Members who have not registered themselves as speakers to express their views or ask questions during the AGM.

4. Mode of Dispatch of AGM Notice

The Notice of the AGM is being sent through electronic mode to those Members whose e-mail addresses are registered with the Company. Physical copies of the Notice have been dispatched to those Members whose e-mail addresses are not registered with the Company.

Members may note that the Notice and Annual Report for the financial year 2025-2026 will also be available on the Company's website http://www.hydraces.com.

5. To support the 'Green Initiative,' members who have not yet registered or updated their email addresses are requested to register with the HRC by sending their details to secy@hydraces.com.

6. Members are requested to email secy@hydraces.com any changes to their name, postal address, email address, telephone/ mobile numbers, and Permanent Account Number (PAN).

7. In terms of Section 152(3) of the Companies Act, 2013, no person shall be appointed as a Director (Steward), unless he has been allotted a Director Identification Number (DIN) under Section 154 and furnishes a declaration under Section 152(4) that he has not been disqualified to be a Director under the Act.

8. As per the Articles of Association of the Club, no Club Member shall be entitled to vote or participate in any General Meeting of the Club unless all monies due and payable by such Member to the Club have been paid in full. Members are requested to ensure that all outstanding dues are cleared before the date of the AGM to be eligible to attend and exercise their voting rights at the Meeting. The Board reserves the right to modify or relax the applicability of this requirement, where permissible, in accordance with the Articles of Association of the Club.

9. Relevant documents referred to in the accompanying Notice calling the Annual General Meeting are available on the website of Hyderabad Race Club for inspection by the members.

10. **Appointment of CDSL for Remote E-Voting and VC/OAVM Services**

    The Club has appointed Central Depository Services (India) Limited ("CDSL") to provide the platform for remote e-voting for the election of Disabled and Outstation Members and to facilitate participation in the AGM through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM").

11. Mr P Surya Prakash, Company Secretary in Whole-Time Practice of SPP & Associates, Company Secretaries, Hyderabad and Mr D Raghavendar Rao, Company Secretary in Whole-Time Practice of Ahaladarao V & Associates, Company Secretaries, Hyderabad have been appointed as the Scrutinizers to scrutinize the E-Voting and Poll process in a fair and transparent manner.

12. **CDSL Login Credentials for Remote E-Voting and VC/OAVM Participation**

    CDSL will share the login credentials (User ID and Password), along with detailed instructions for remote e-voting and participation in the AGM through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM"), with disabled and outstation Members who have requested such facilities on or before 04th August, 2026 by 5:00 P.M. (IST).

13. **Appointment of Scrutinizers**

    Mr P Surya Prakash, Company Secretary in Whole-Time Practice of SPP & Associates, Company Secretaries, Hyderabad and Mr D Raghavendar Rao, Company Secretary in Whole-Time Practice of Ahaladarao V & Associates, Company Secretaries, Hyderabad have been appointed as the Scrutinizers to scrutinize the remote e-voting process and Poll process/ voting by physical ballot at the AGM for the elections in a fair and transparent manner.

14. Disabled Members and Outstation Members opting to attend the AGM through VC/ OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act and Articles of Association of the Company.

15. The facility for joining the meeting shall be kept open 15 minutes before the scheduled start time and shall be closed 15 minutes after the scheduled time expires.

16. The Board of Directors/ Stewards reserves the right to modify/alter the election process from time to time and the same will be communicated to the members either by post or electronic means.

17. **CDSL Helpdesk and Login Credentials**

    Disabled and Outstation Members are requested not to forward the e-mails containing the remote e-voting and VC/OAVM login credentials to any other person and are requested to cast their votes personally using the credentials provided to them. In case of any queries relating to remote e-voting or participation in the AGM through VC/OAVM, Members may contact CDSL at helpdesk.evoting@cdslindia.com or Mr. Nitin Kunder at 022-2305 8738 or Mr. Rakesh Dalvi at 022- 2305 8542/43.

18. The scrutinizers are entitled to obtain IP addresses (Systems from where e-voting was done) from CDSL in case of any complaints or malpractices.

19. Members are requested to kindly take note of the following dates:

a)	Last date of receipt of E-Voting request from outstation members and other members who are disabled	:	05.00 PM, Tuesday, 04th August, 2026
b)	Date and time of Commencement of E-Voting (For outstation members and othermembers who are disabled based on their request)	:	09.00 AM, Wednesday, 19th August 2026
c)	Date and time of Conclusion of E-Voting (For outstation members and other members who are disabled based on their request)	:	05.00 PM, Friday, 21st August 2026
d)	Date of AGM	:	11.00 AM, Saturday, 22nd August 2026
e)	Date and time of polling	:	11.30 AM to 05.00 PM on Saturday, 22nd August 2026

20. Members who have participated in E-Voting are not entitled to vote in the venue voting to be held on the date of the AGM from 11.30 AM to 05.00 PM in the club's premises.

21. After verifying the voting data received from the CDSL, the scrutinizer shall allow only those members who have not participated in the E-Voting to participate in venue voting.

22. Disabled and Outstation Members are encouraged to join the Meeting through Laptops / IPads for a better experience.

23. Further Members will be required to allow Cameras and use the Internet at a good speed to avoid any disturbance during the meeting.

24. Please note that Participants Connecting from Mobile Devices or Tablets or through laptops connecting via Mobile hotspots may experience Audio/Video loss due to Fluctuations in their respective network. Therefore, Stable Wi-Fi or LAN Connection is recommended to mitigate any aforesaid glitches.

25. For clarification purposes, it is hereby stated that.

MODE OF VOTING	DETAILS	TIME AND DATE OF VOTING
E- Voting	For outstation members and other members who are requested to cast their votes through E-Voting during the pre- AGM period.	from 19th August 2026 to 21st August 2026.
Voting through Physical Ballot	For members attending the AGM in person who have not cast their vote through E-Voting prior to the meeting	From 11.30 AM to 05.00 PM on Saturday, 22nd August 2026
Venue E- Voting	For outstation members and other members who did not exercise their vote through E-Voting window prior to the AGM, venue E-Voting will be made available for 15 minutes after the conclusion of the meeting.	Saturday, 22nd August 2026

26. In compliance with the provisions of Section 108 of the Act, read with Rules made thereunder, the Hyderabad Race Club is offering E-Voting facility to all Members of the Hyderabad Race Club. Only a Club Member as on the cut-off date i.e. 04th August 2026, shall be entitled to avail of the facility of voting in any manner as mentioned above, in connection with the AGM.

27. Hyderabad Club will be facilitating remote e-voting to enable the Members to cast their votes electronically. Members can cast their vote online from 09.00 A.M. (IST) on Wednesday, 19th August 2026 till 5.00 P.M. (IST) on Friday, 21st August 2026. At the end of remote e-voting period, the facility shall forthwith be blocked.

28. The Members who have cast their vote by remote e-voting prior to the AGM may also attend / participate in the AGM through VC/OAVM, but shall not be entitled to cast their vote again.

29. Instructions to shareholders for e-voting and joining virtual meetings areas under:

30. HOW DO I VOTE ELECTRONICALLY USING CDSL E-VOTING SYSTEM?

The procedure and instructions for E-Voting are as follows:

a. CDSL will share the login credentials (USER ID AND PASSSWORD) and detailed instructions for remote e-voting and participation in the AGM through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") with the disabled and outstation Members who have requested such facilities on or before 04th August 2026 at 5:00 P.M. (IST).

b. Voters should log on to the E-Voting website www.evotingindia.com during the voting period.

c. Click on Shareholders/ Members.

d. Enter your User ID as XXXXXXXXXX (Will be shared by CDSL through separate mail)

e. Next, enter the Image Verification as displayed and click on Login.

f. Enter your password as XXXXXXXX (Will be shared by CDSL through separate mail)

g. After entering these details appropriately, click on the "SUBMIT" tab.

h. Select the EVSN of <<Company name as registered in the E-Voting system (www.evotingindia.com)>> on which you choose to vote.

i. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution, and option NO implies that you dissent to the Resolution.

j. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

k. After selecting the resolution(s), you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

l. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

m. You can also take out a print of the voting done by you by clicking on the "Click here to print" option on the Voting page.

n. It is the responsibility of the voter to ensure security of his/her User ID and password/OTP.

o. Outstation Members and other members are requested not to forward the e-mails received to anyone and are requested to cast their votes themselves. In case of any queries, CDSL can be reached at helpdesk.evoting@cdslindia.com or Mr Nitin Kunder at 022- 23058738 and Mr Rakesh Dalvi at 022-23058542/43.

31. INSTRUCTIONS TO MEMBERS FOR JOINING VIRTUAL MEETING

a. Members who have been provided the login credentials by CDSL may attend the AGM through Video Conferencing ("VC")/ Other Audio-Visual Means ("OAVM") by visiting www.evotingindia.com.

b. Click on "Shareholders/Members".

c. Enter your User ID (as provided by CDSL).
d. Enter the Password (as provided by CDSL).
e. Complete the Image Verification (CAPTCHA) displayed on the screen and click on "Login".
f. After successful login, Members will be taken to the CDSL E-Voting portal.
g. Click on the "VC/OAVM" or "Join Meeting/AGM" option displayed against the EVSN of Hyderabad Race Club.
h. The AGM VC/OAVM page will open. Click on "Join" to enter the virtual meeting.
i. Members may be prompted to grant permission to access the Camera and Microphone. Members are requested to click "Allow" to enable seamless participation in the AGM.
j. Members are requested to join the AGM at least 15 minutes before the scheduled commencement of the Meeting to avoid any last-minute connectivity issues.
k. Members are requested to ensure that they have a stable internet connection and are using a laptop, desktop, tablet or smartphone with a functional camera and microphone for uninterrupted participation in the AGM.
l. Members shall use the same User ID and Password provided by CDSL for remote e-voting to access and attend the AGM through the VC/OAVM facility.
m. In case of any technical difficulties while joining the AGM through VC/OAVM, Members may contact the CDSL Helpdesk at helpdesk.evoting@cdslindia.com or Mr. Nitin Kunder at 022-23058738 or Mr. Rakesh Dalvi at 022-23058542/43.

32. INSTRUCTIONS FOR VENUE E-VOTING ARE AS UNDER

a. The procedure for E-Voting on the day of the AGM is the same as the instructions mentioned above for Remote E-Voting w.r.t to login and/or registration.

b. Members who have voted through Remote E-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

c. If you have any queries or issues regarding attending E-Voting from the E-Voting System or venue E-Voting, you may write an email to helpdesk.evoting@cdslindia.com or contact Mr Nitin Kunder (022- 23058738) or Mr Rakesh Dalvi (022-23058542).

33. Subject to receipt of requisition number of votes, the resolutions shall be deemed to have been passed on the date of the AGM.

34. General Queries

For any queries relating to the AGM, other than remote e-voting and participation through VC/OAVM, Members may contact:

Mr. N. Kiran Reddy
Chief Operating Officer
Mobile: +91 96666 68912
E-mail: secy@hydraces.com

35. A road map showing the location of the Registered Office of the Club, where the AGM will be held, is annexed hereto for the convenience of the Members.

On Behalf of the Board of Directors/ Stewards
For Hyderabad Race Club

Place: Hyderabad
Date: 09th July, 2026

R. Surender Reddy
Chairperson/ Director
DIN: 00083972

ROAD MAP TO

HYDERABAD RACE CLUB, MALAKPET

Hyderabad – 500036, Telangana, India

KEY DISTANCES (APPROX.)

Kacheguda Railway Station	3.5 km
MGBS Bus Station & Metro	5.0 km
Dilsukhnagar Bus Stand	6.5 km
Charminar	6.0 km
Rajiv Gandhi International Airport	22 km

HOW TO REACH

FROM KACHEGUDA STATION (3.5 km)
- Head south on NH-163
- Turn right towards Malakpet
- Continue on Malakpet Main Road
- Hyderabad Race Club is on your left

FROM MGBS (5.0 km)
- Take NH-65 towards Malakpet
- Continue straight
- Turn left at Malakpet Main Road
- Hyderabad Race Club is on your right

FROM DILSUKHNAGAR (6.5 km)
- Take NH-65 towards Malakpet
- Continue straight
- Pass Malakpet Market
- Hyderabad Race Club is on your left

FROM RAJIV GANDHI INTERNATIONAL AIRPORT (22 km)
- Take Airport Exit Road towards PVNR Expressway
- Merge onto PVNR Expressway
- Take Exit 16 towards Dilsukhnagar / Malakpet
- Continue on NH-65 to Malakpet
- Hyderabad Race Club is on your left

Hyderabad Race Club, Malakpet
RACE COURSE ROAD, MALAKPET, HYDERABAD – 500036, TELANGANA, INDIA
LANDMARK: NEAR MALAKPET MARKET

LEGEND

Main Route · 65 National Highway · M Metro Station · Railway Station · Bus Station · Landmark

BOARD'S (STEWARDS') REPORT OF THE HYDERABAD RACE CLUB FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

To
The Members,
Hyderabad Race Club
Hyderabad

Your Directors (Stewards) are pleased to present the **55th (Fifty-Fifth) Annual Report of Hyderabad Race Club** ("the Company" or "the Club"), together with the Audited Financial Statements for the financial year ended 31 March 2026, the Report of the Joint Statutory Auditors thereon, and the other reports forming part of this Annual Report.

The Financial Statements have been prepared in accordance with the provisions of the Companies Act, 2013 ("the Act"), the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other applicable statutory requirements.

The financial year under review was one of the most challenging periods experienced by the Indian horse racing industry in recent years. The industry continued to operate in an evolving regulatory environment characterised by significant legislative, taxation and operational developments. The continued levy of Goods and Services Tax (GST) on wagering transactions, the increase in the applicable GST rate during the year, the discontinuation of online betting operations pursuant to the Promotion and Regulation of Online Gaming Act, 2025, and the disruption caused by the outbreak of Glanders collectively impacted wagering activity, patron participation and overall industry performance.

These developments resulted in a decline in totalizator turnover and created significant operational challenges across the racing ecosystem. Notwithstanding these headwinds, Hyderabad Race Club remained focused on maintaining financial stability, operational efficiency and sound governance practices. The Club continued to discharge its responsibilities towards its members, racehorse owners, trainers, jockeys, employees and other beneficiaries while ensuring compliance with all applicable statutory and regulatory requirements.

During the year, the Board undertook several measures aimed at strengthening operational resilience, optimising costs, supporting horse owners affected by industry disruptions, and advancing key infrastructure and technology initiatives. The Club also continued to engage constructively with industry bodies, regulatory authorities and Government agencies on matters affecting the long-term sustainability and growth of horse racing in India.

Despite the challenging operating environment, the Company conducted its affairs with prudence, transparency and accountability, while remaining committed to safeguarding the long-term interests of its members and preserving the legacy and future of the sport.

The highlights of the Company's financial performance, operational achievements, significant developments, governance initiatives and future outlook are set out in the succeeding sections of this Report.

1. FINANCIAL RESULTS

The Audited Financial Statements of the Company for the financial year ended 31 March 2026, prepared in accordance with the provisions of the Companies Act, 2013 ("the Act"), the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other applicable statutory requirements, form part of this Annual Report.

The financial performance of the Company for the financial year ended 31 March 2026, as compared with the previous financial year, is summarised below:

(₹ in Lakhs)

Particulars	31 March 2026	31 March 2025
Total Income (including Other Income)	8,306.75	10,774.87
Profit before Depreciation and Tax	3,225.00	3,027.82
Depreciation and Amortisation Expense	305.29	349.88
Profit Before Tax	2,919.71	2,677.94
Tax Expense	675.47	15.69
Profit After Tax	2,244.25	2,662.25
Other Comprehensive Income	309.94	845.50
Total Comprehensive Income	2,554.19	3,507.75

The financial year under review was characterised by a challenging operating environment for the horse racing industry. The Company's performance was significantly influenced by regulatory developments, including the continued impact of the Goods and Services Tax (GST) regime applicable to wagering activities, the increase in the GST rate during the year, the discontinuation of online betting operations with effect from 22 August 2025, and disruptions arising from the outbreak of Glanders.

Despite these challenges, the Company demonstrated financial resilience and maintained a reasonably good financial position through prudent management, effective cost-control measures and disciplined operational oversight. The Company continued to focus on optimising expenditure, preserving liquidity and enhancing operational efficiency while ensuring uninterrupted support to racing operations and prize money holder interests.

Total Income for the year stood at ₹8,306.75 lakh, which included ₹1,062.85 lakh earned as interest income from bank deposits and investments. Totalizator turnover and operating revenues were impacted by the prevailing regulatory environment and reduced racing activity effecting on overall profitability.

The Company reported a Total Comprehensive Income of ₹2,554.19 lakh during the financial year. Although this represents a decline compared to the previous year, the results reflect the Company's ability to maintain profitability despite industry-wide challenges.

The Board remains committed to maintaining financial discipline, strengthening operational efficiencies, optimising resource utilisation and pursuing sustainable growth opportunities while safeguarding the interests of members and other beneficiaries.

2. REVIEW OF OPERATIONS

The financial year 2025–26 was one of the most challenging periods experienced by the Indian horse racing industry in recent years. The Company's operations were significantly influenced by a combination of regulatory, taxation and operational factors, which collectively affected wagering activity, patron participation and overall business performance.

In particular, the continued levy and demand of Goods and Services Tax (GST) on the entire bet value under the existing statutory framework, the validity of which continues to be contested before the Hon'ble Supreme Court, together with the increase in the applicable GST rate during the year, had a significant adverse impact on wagering activity.

The Company's operations were further impacted by the discontinuation of online betting activities with effect from 22 August 2025 pursuant to the provisions of the Promotion and Regulation of Online Gaming Act, 2025. Online betting had become an important channel for customer engagement and wagering activity, and its discontinuance adversely affected overall betting turnover and patron participation.

In addition, racing operations during the Hyderabad Winter Racing Season were disrupted due to restrictions imposed by the Directorate of Animal Husbandry following the outbreak of Glanders. These restrictions resulted in the suspension and rescheduling of racing activities, thereby affecting operational continuity and revenue generation during a significant part of the racing season.

Notwithstanding these challenges, the Company continued to conduct its operations with resilience and discipline. Through effective operational management, prudent cost control measures and focused prize money holder engagement, the Club continued to support the racing ecosystem while maintaining financial stability.

As a consequence of the factors outlined above, totalizator turnover for the financial year stood at ₹10,648.77 lakh, representing a decline of 24.83% compared to the previous financial year. The Company conducted 204 offline racing and inter-venue betting days during the year as against 254 days in the previous financial year.

Despite the reduction in the number of operating days, the average turnover per race day improved to ₹40.39 lakh, compared to ₹24.12 lakh in the previous year. This improvement reflects stronger wagering participation on the race days conducted and demonstrates the continued support of patrons and beneficiaries despite the challenging operating environment.

The operational performance of the Company during the last three financial years is summarised below:

Operational Performance

(₹ in Lakhs)

Particulars	2025–26	2024–25	2023–24
Total Race Days (Offline Operations)	204	254	254
Average Turnover per Race Day	40.39	24.12	58.25
Total Totalizator Turnover	10,648.77	14,167.96	21,082.60
Increase/(Decrease) in Turnover	(24.83)%	(32.79)%	(40.32)%

The continuing decline in wagering turnover highlights the structural challenges presently confronting the horse racing industry. The Board remains committed to strengthening operational efficiency, optimising costs, enhancing prize money holder engagement, and exploring avenues for revenue diversification to support the long-term sustainability of the Club.

(a) Regulatory and GST Environment

The Board is of the considered view that the current GST framework applicable to horse racing continues to have a significant adverse impact on the totalizator business and the overall viability of the industry. The taxation of the entire bet value, combined with the increased GST rate, has materially affected wagering behaviour and turnover levels across all Turf Clubs in India.

The Company, in collaboration with other Turf Authorities and Race Clubs, will continue to engage constructively with Government authorities, policymakers and industry beneficiaries to advocate for a rational, equitable and sustainable taxation framework that supports the long-term growth, competitiveness and viability of the horse racing industry.

(b) Revenue Performance

During the financial year under review, the Company reported Total Income of ₹8,306.75 lakh, including ₹1,062.85 lakh earned as interest on bank deposits and investments, as compared with Total Income of ₹10,774.87 lakh, including ₹1,343.21 lakh earned as interest income, during the previous financial year.

The decline in income was primarily attributable to lower wagering turnover, the discontinuation of online betting operations and disruptions to racing activities during the year.

(c) Profitability and Comprehensive Income

The Company reported a Total Comprehensive Income of ₹ 2,554.19 lakh for the financial year ended 31 March 2026 as compared with ₹3,507.75 lakh in the previous financial year.

The Board remains committed to safeguarding the interests of members and beneficiaries while pursuing initiatives aimed at strengthening the Company's operational resilience, financial sustainability and future growth prospects.

3. SIGNIFICANT REGULATORY DEVELOPMENTS

The financial year under review witnessed significant regulatory developments that had a direct and material impact on the Company's operations and the broader horse racing industry. These developments affected wagering activity, customer participation, revenue generation and the overall business environment in which the Company operates.

I. Revision in Goods and Services Tax (GST) Rate

Pursuant to Notification No. 09/2025 – Central Tax (Rate) dated 18 September 2025, the Goods and Services Tax (GST) rate applicable to specified actionable claims relating to betting, gambling and horse racing was increased from 28% to 40%, with effect from 22 September 2025. Accordingly, the GST rate applicable to the Company's totalizator operations, bookmakers' stall fees and admission fees was revised from 28% to 40% with effect from the said date.The increase in the GST rate, when viewed alongside the statutory requirement to levy GST on the entire amount staked rather than on the commission retained by the

Company, has substantially increased the tax burden associated with wagering transactions. This has adversely impacted wagering volumes, customer participation and overall industry economics.

The Board believes that the cumulative effect of these measures has further intensified the challenges already facing the horse racing industry and has had a direct bearing on the operational performance of Turf Clubs across the country. The Company continues to actively engage, through industry forums and Turf Authorities, with Government agencies and policymakers to advocate for a more balanced and sustainable taxation framework that recognises the unique nature of the horse racing industry.

II. Promotion and Regulation of Online Gaming Act, 2025

The Promotion and Regulation of Online Gaming Act, 2025 came into force on 22 August 2025, introducing a revised legal framework governing online gaming and wagering activities in India. The Act prohibits the offering and facilitation of online money games and online money gaming services as defined therein.

In compliance with the provisions of the Act, and in accordance with the collective and uniform approach adopted by Turf Clubs across India, the Company discontinued the acceptance of bets through its online totalizator platform with effect from 22 August 2025.

The online wagering platform had become an important channel for patron engagement and revenue generation. Consequently, the discontinuation of online betting operations had a significant impact on wagering turnover and customer participation during the financial year under review.

The Company remains fully committed to complying with all applicable statutory and regulatory requirements. At the same time, the Board continues to evaluate appropriate operational and business strategies within the prevailing legal framework to mitigate the impact of these regulatory changes and support the long-term sustainability of the Club.

Overall Impact :

The combined effect of the increased GST burden and the discontinuation of online wagering materially affected the Company's totalizator business during the year. These developments, together with other operational challenges faced by the industry, contributed to a decline in wagering turnover and revenue across the sector.

Notwithstanding these challenges, the Company continued to operate with financial prudence, strong governance and operational discipline. The Board remains committed to working collaboratively with industry beneficiaries and regulatory authorities to promote a sustainable and growth-oriented environment for horse racing in India.

4. STATUS OF GST-RELATED MATTERS

The levy of Goods and Services Tax (GST) on horse racing and wagering transactions continues to be one of the most significant regulatory and legal issues affecting the horse racing industry and the operations of the Company. Given the substantial financial implications involved, the matter remains a key area of focus for the Board and Management.

Hyderabad Race Club ("the Company"), together with other Turf Clubs across India, has consistently maintained that Race Clubs function primarily as facilitators of wagering activities conducted through the totalizator system and, therefore, GST should appropriately be levied only on the commission or service fee retained by the Race Club and not on the entire amount staked by punters.

Accordingly, the Company initiated writ proceedings before the Hon'ble High Court for the State of Telangana challenging, inter alia, the constitutional validity of Rule 31A(3) of the Central Goods and Services Tax Rules, 2017, the corresponding provisions under the Telangana Goods and Services Tax Act and the Andhra Pradesh Goods and Services Tax Act, and Circular No. 27/01/2018-GST dated 4 January 2018. The Company's principal contention is that the levy of GST on the entire bet value is inconsistent with the scheme of the GST legislation and is violative of Articles 14, 19(1)(g), 246A and 265 of the Constitution of India.

During the course of the proceedings, the Hon'ble High Court granted interim protection against coercive recovery measures, subject to the Company depositing 10% of the disputed tax demand. Similar interim protection was also granted in respect of assessment orders issued by the Government of Andhra Pradesh for the period from July 2017 to March 2019. The Hon'ble High Court further observed that assessments made for periods prior to 23 January 2018, being the effective date of the relevant notification, were without jurisdiction.

In parallel proceedings involving other Turf Clubs, the Hon'ble Karnataka High Court, in matters concerning Bangalore Turf Club and Mysore Race Club, declared Rule 31A(3) of the CGST Rules to be ultra vires and set aside the consequential proceedings initiated thereunder. The said judgment was subsequently challenged by the GST authorities before the Hon'ble Supreme Court of India.

Given the common questions of law involved and to facilitate uniform adjudication, the Company, along with other Turf Clubs, filed Transfer Petitions before the Hon'ble Supreme Court seeking consolidation of GST-related matters concerning Race Clubs pending before various High Courts.

During the pendency of these proceedings, the Hon'ble High Court also permitted the Company to discharge GST liability under protest in accordance with Rule 31A(3), without prejudice to its legal rights and contentions. The Court further observed that, in the event of the Company succeeding in the litigation, it would be entitled to seek refund of amounts so remitted, together with applicable interest, in accordance with law.

The Company has also filed applications before the Governments of Telangana and Andhra Pradesh seeking refund of GST remitted for the period from August 2017 to November 2017 on the ground that such payments were made under an erroneous interpretation of the applicable legal provisions. These applications continue to remain under consideration by the respective authorities.

The writ petitions filed by the Turf Clubs, including those filed by the Company, were initially tagged with matters arising out of Special Leave Petition (Civil) Nos. 19366–19369 of 2023 and were heard alongside proceedings in Director General of Goods and Services Tax Intelligence & Others vs. Gameskraft Technologies Private Limited & Others. Subsequently, by order dated 12

August 2025, the Hon'ble Supreme Court directed that matters relating specifically to Race Clubs and horse racing be de-tagged and heard separately.

A significant development occurred on 27 May 2026 when the Hon'ble Supreme Court delivered its judgment in the Gameskraft matter. The Court upheld the constitutional validity of the GST levy on actionable claims relating to betting and gambling, affirmed that the entire amount staked constitutes the taxable value for GST purposes, and held that the legislative amendments introduced with effect from 1 October 2023 are clarificatory in nature.

While the Gameskraft judgment provides important judicial guidance regarding the GST treatment of betting and gambling activities, the issues specifically concerning horse racing, totalizator operations and the legal position of Race Clubs continue to remain pending before the Hon'ble Supreme Court and have not yet attained finality.

The Management has carefully evaluated the implications of the Gameskraft judgment and the pending litigation involving Race Clubs, based on legal opinions obtained and the requirements of the applicable accounting standards. Appropriate accounting treatment has been adopted in the financial statements, including recognition of liabilities wherever considered necessary and compliance with statutory payment obligations under protest, without prejudice to the Company's legal rights and remedies.

The Board and Management continue to closely monitor developments in the matter and remain committed to pursuing all available legal remedies to protect the interests of the Company and its prize money holders. The Company will continue to actively participate in the pending proceedings before the Hon'ble Supreme Court while taking all necessary measures to safeguard its legal and financial position.

5. HOLDING, SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

HRC Recreation Chambers

The Company has one subsidiary, HRC Recreation Chambers, a company limited by guarantee incorporated on 12 September 2018 with the objective of developing and operating recreational, sporting, hospitality and allied facilities for the benefit of members and beneficiaries.

As on 31 March 2026, HRC Recreation Chambers has not commenced commercial operations. However, the subsidiary has made progress towards establishing the infrastructure and operational framework necessary for the commencement of its activities. The Board considers the project to be strategically important for strengthening the Company's long-term vision of enhancing recreational facilities and member engagement.

Consolidation of Financial Statements

The Board has evaluated the relationship between the Company and HRC Recreation Chambers in accordance with the requirements of Indian Accounting Standard (Ind AS) 110 – Consolidated Financial Statements. Based on an assessment of the rights and obligations contained in the Articles of Association of HRC Recreation Chambers and the principles prescribed under Ind AS 110, the Board has concluded that the Company does not exercise control over HRC Recreation Chambers for accounting purposes as defined under the Standard. Accordingly, the financial statements of HRC Recreation Chambers have not been consolidated with those of the Company for the financial year ended 31 March 2026.

In view of the above accounting assessment, the Company has not prepared consolidated financial statements for the year ended 31 March 2026. Consequently, Form AOC-1 containing the salient features of the financial statements of HRC Recreation Chambers has not been annexed to this Report.

HRC Recreation Chambers Project

The HRC Recreation Chambers project represents one of the most significant strategic initiatives undertaken by the Company in recent years. The project is envisaged as a modern recreational and lifestyle destination designed to provide enhanced amenities and facilities for members, their families and guests.

The Board believes that the project will strengthen the Company's long-term value proposition, enhance member experience, create additional avenues for engagement and support the future growth and sustainability of the Club.

Lease of Property to the Subsidiary

During the financial year under review, the Company executed a Lease Deed dated 7 August 2025 in favour of HRC Recreation Chambers in respect of its property situated at Survey Nos. 7 and 91/P, Alizapur Village, Gandipet Mandal, Rangareddy District, Telangana, admeasuring approximately 54,894.15 square yards (45,898.50 square metres).

The leased property comprises land together with a partially completed Club House and associated recreational facilities developed by the Company after obtaining the requisite approvals from the Hyderabad Metropolitan Development Authority (HMDA) and the competent municipal authorities.

Under the terms of the Lease Deed, the subsidiary has taken the property on lease for a period of 30 years with effect from 1 August 2025. The subsidiary has undertaken the responsibility of completing the remaining construction and development activities at its own cost and expense. Upon expiry of the initial lease term, the lease may be renewed by mutual agreement between the parties, subject to such terms and conditions as may then be agreed.

Lease Rentals

In accordance with the Lease Deed, the subsidiary shall pay a monthly lease rental of ₹1,00,000 during the initial construction period of one year commencing from 1 August 2025.

Thereafter, with effect from 1 August 2026, the monthly lease rental shall automatically stand revised to ₹5,00,000, irrespective of the date of receipt of the Occupancy Certificate. The revised rental shall remain applicable for the first five years following the completion of the initial construction period and shall subsequently be subject to periodic escalation in accordance with the provisions of the Lease Deed.

6. DIVIDEND

The Company is registered as a company limited by guarantee under Section 8 of the Companies

Act, 2013 (formerly Section 25 of the Companies Act, 1956). In accordance with the provisions of the Companies Act, 2013 and the Memorandum of Association of the Company, the profits and income of the Company are required to be applied solely towards the promotion of its objects and are not distributable to its members by way of dividend, bonus or otherwise.

Accordingly, no dividend is proposed or declared for the financial year ended 31 March 2026.

7. DEPOSITS

During the financial year under review, the Company did not accept, invite or renew any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

Accordingly, there were no outstanding deposits as on 31 March 2026 and no amount of principal or interest remained unpaid or unclaimed at the end of the financial year.

8. MATERIAL CHANGES AND COMMITMENTS

No material changes or commitments affecting the financial position of the Company have occurred between the close of the financial year, i.e., 31 March 2026, and the date of this Report, other than those specifically disclosed elsewhere in this Annual Report.

The Board continues to monitor developments affecting the horse racing industry, including regulatory and taxation matters, and will take such measures as may be necessary to safeguard the interests of the Company and all beneficiaries.

9. CHANGE IN THE NAME OF THE COMPANY

There was no change in the name of the Company during the financial year under review. The Company continues to operate under the name Hyderabad Race Club.

10. REGISTERED OFFICE

The Registered Office of the Company continues to be situated at:

Hyderabad Race Club
D. No. 16-10-1/A/1,
Malakpet, Hyderabad – 500036,
Telangana, India.

There was no change in the Registered Office of the Company during the financial year under review.

11. CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of the Company's business during the financial year under review.

The Company continues to pursue its principal objects relating to the promotion, regulation and conduct of horse racing and allied recreational activities in accordance with its Memorandum of Association and applicable statutory provisions.

12. ALTERATION OF THE MEMORANDUM AND ARTICLES OF ASSOCIATION

During the financial year under review, the Company undertook a review of its constitutional documents with a view to strengthening its governance framework and aligning certain provisions of the Articles of Association with the evolving operational and regulatory requirements of the Club.

Pursuant thereto, the Board of Directors approved a proposal for amendment of the Articles of Association of the Company at its meeting held on 16 February 2025. The proposed amendments were subsequently approved by the members by way of a Special Resolution passed at the Extra-Ordinary General Meeting held on 28 April 2025, in accordance with the applicable provisions of the Companies Act, 2013.

13. MEETINGS

(a) Meetings of the Board of Directors (Stewards)

During the financial year ended 31 March 2026, the Board of Directors (Stewards) met thirteen (13) times. The meetings were convened and conducted in compliance with the applicable provisions of the Companies Act, 2013 and the Secretarial Standards issued by the Institute of Company Secretaries of India.

The meetings of the Board were held on the following dates:

04 April 2025, 06 May 2025, 29 May 2025, 11 June 2025, 09 July 2025, 18 July 2025, 26 August 2025, 23 October 2025, 27 October 2025, 16 November 2025, 04 January 2026, 18 February 2026 and 31 March 2026.

The gap between any two consecutive meetings did not exceed the maximum period prescribed under the Companies Act, 2013 and the applicable Secretarial Standards.

The Board places on record its appreciation for the active participation, valuable guidance and constructive contributions made by all Directors (Stewards) during the year

(b) General Meetings

The 54th Annual General Meeting (AGM) of the Company was held on 13 August 2025, at which the members transacted the business set out in the Notice convening the meeting and adopted the financial statements and other matters placed before them.

An Extraordinary General Meeting was held on 28 April 2025

The attendance of the Directors (Stewards) at the meetings of the Board held during the financial year ended 31 March 2026 is set out below:

Sl. No.	Name of the Director (Steward)	Board Meetings Held during the Tenure	Board Meetings Attended
1	Mr. R. Surender Reddy, Chairperson	13	13
2	Mr. Ananth Kishen Rao	13	8
3	Mr. P. Anil Kumar Kishen	13	1
4	Col. S. B. Nair	13	10
5	Mr. D. Bharat Bhushan Reddy	13	13
6	Mr. Hari Kishen Gupta *(ceased to hold office at the conclusion of the 54th Annual General Meeting held on 13 August 2025)*	6	4
7	Mr. V. Krishna Das	13	7
8	Mr. Manish Jaiswal	13	12
9	Mr. N. V. R. Narasimha Reddy	13	13
10	Mr. R. Raghuram Reddy	13	3
11	Mr. P. S. Reddy	13	11
12	Mr. R. Rajesh *(appointed at the 54th Annual General Meeting held on 13 August 2025)*	7	6

The Board Meetings were convened after due notice was given to all Directors (Stewards), and the proceedings were conducted in accordance with the provisions of the Companies Act, 2013 and Secretarial Standard – 1 (SS-1) on Meetings of the Board of Directors issued by the Institute of Company Secretaries of India.

The Board is satisfied that all Directors (Stewards) have devoted adequate time and attention to the affairs of the Company and have provided valuable guidance in addressing the operational, financial and regulatory challenges faced by the horse racing industry during the year under review.

14. DIRECTORS (STEWARDS) AND KEY MANAGERIAL PERSONNEL

(a) Changes in the Board of Directors (Stewards)

The Board of Directors (Stewards) comprises experienced professionals and distinguished members who provide strategic guidance, governance oversight and leadership to the Company. The Board plays a vital role in safeguarding the interests of members and beneficiaries while ensuring that the affairs of the Company are conducted in accordance with applicable laws, regulations and sound governance practices.

During the financial year under review, the following changes took place in the composition of the Board of Directors (Stewards):

Sl. No.	Name of Director (Steward)	DIN	Particulars
1	Col. Balakrishnan Nair	00534863	Re-appointed as Director (Steward) with effect from 13 August 2025
2	Mr. Velamati Krishna Das	00377003	Re-appointed as Director (Steward) with effect from 13 August 2025
3	Mr. Nukala Venkataram Narasimha Reddy	09244602	Re-appointed as Director (Steward) with effect from 13 August 2025
4	Mr. Rajesh Ramalingam	06396083	Appointed as Director (Steward) with effect from 13 August 2025

The Board also records its appreciation for the continued commitment, guidance and support extended by all Directors (Stewards) during the year. Their collective expertise and stewardship have been instrumental in navigating the significant regulatory and operational challenges faced by the horse racing industry while ensuring that the Company remains financially sound and strategically focused.

(b) Key Managerial Personnel

Pursuant to the provisions of Section 203 of the Companies Act, 2013, in respect of appointment of key managerial person and their remuneration are not applicable to the Company

15. RETIREMENT BY ROTATION

In accordance with Article 22 of the Articles of Association of the Company, the following Directors (Stewards) retire by rotation at the ensuing Annual General Meeting:

- Mr. Ananth Kishen Rao
- Mr. Manish Jaiswal
- Mr. Raghuram Reddy Ramasahayam
- Mr. Seshadri Reddy Pochana

Being eligible, they are entitled to seek re-appointment, subject to the submission of their nominations in accordance with the provisions of the Articles of Association of theCompany.

The Board places on record its appreciation for the valuable services rendered by theretiring Directors (Stewards) and acknowledges their contribution towards the governance, growth and development of the Company. Their continued guidance and participation in the affairs of the Club have contributed significantly to maintaining sound governance practices and addressing the evolving challenges faced by the horse racing industry.

The Board commends their candidature to the members for consideration at theensuing Annual General Meeting, subject to compliance with the applicable provisions of the Articles of Association and the Companies Act, 2013.

16. COMMITTEES OF THE BOARD

The Board of Directors (Stewards) recognises that effective governance requires active oversight, specialised expertise and timely decision-making across various functional areas of the Company's operations. Accordingly, the Board has constituted various Statutory Committees and Sub-Committees to assist in the efficient discharge of its responsibilities and to ensure focused attention on key operational, financial, governance and strategic matters.

In addition to Directors (Stewards), the Board has, wherever considered appropriate, invited distinguished professionals, industry experts and advisors to participate in certain Committees in order to benefit from their expertise and experience. These Committees play an important role in strengthening governance standards, enhancing operational efficiency and supporting the long-term objectives of the Club.

STATUTORY COMMITTEES :

(a) **Finance and Audit Committee:**

➢ Mr. R. Surender Reddy	-	Chairperson, Board of Directors (Stewards)
➢ Col S B Nair	-	Member, Elected Director (Steward)
➢ Mr. V. Krishna Das	-	Member, Elected Director (Steward)
➢ Mr. P S Reddy	-	Member Elected Director (Steward)
➢ Mr. Ramesh Gelli	-	Member, Ex Chairman, Vysya Bank
➢ Mr. S S R Koteswara Rao	–	Advisor

(b) **Corporate Social Responsibility Committee:**

➢ Mr. R. Surender Reddy	-	Chairperson, Board of Directors (Stewards)
➢ Col. S. B. Nair	-	Member, Elected Director (Steward)

OTHER COMMITTEES

(c) **Sub – Committee for General Administration and Business Promotion:**

- Mr. R. Surender Reddy - Chairperson
- Mr. Ananth Kishen Rao - Member
- Col. S.B. Nair - Member
- Mr. V. Krishna Das - Member
- Lt. Col. S.L. Reddy - Member
- Mr. R. Raghuram Reddy - Member
- Mr. N V R Narasimha Reddy - Member
- Mr. P S Reddy - Member

(d) **Sub-Committee for Information and Technology**

- Col S B Nair - Chairman
- Mr. R Surender Reddy - Member
- Mr. V Krishna Das - Member
- Mr. N V R Narasimha Reddy - Member
- Lt Col S L Reddy - Member
- Mr. J Vikramdev Rao - Member

(e) **Sub-Committee for Racing:**

- Lt Col S L Reddy - Chairman (Advisor)
- Mr. V Krishna Das - Member
- Mr. N V R Narasimha Reddy - Member
- Mr. R. Raghuram Reddy - Member
- Mr. K Bhupal Reddy - Member
- Mr. R Rajesh - Member

(f) **Sub-Committee for OCTC's incl. Malakpet totalizer:**

- Mr. V Krishna Das - Chairman
- Mr. Ananth Kishen Rao - Member
- Mr. Manish Jaiswal - Member
- Mr. N V R Narasimha Reddy - Member
- Mr. R. Raghuram Reddy - Member
- Mr. P.S. Reddy - Member
- Mr. R Rajesh - Member

(g) **Sub-Committee for Works:**

- Mr. N V R Narasimha Reddy - Chairman
- Mr. V Krishna Das - Member
- Mr. R Raghu Ram Reddy - Member
- Mr. P S Reddy - Member
- Mr. Manish Jaiswal - Member

(h) **Sub-Committee for Employees Benefits and Policies & Cafeteria:**

- Mr. Ananth Kishen Rao - Chairman
- Mr. Manish Jaiswal - Member
- Mr. R Rajesh - Member

(i) **Finance Sub-Committee for review of the Internal Auditors Reports:**

- Col S B Nair - Chairman
- Mr. V Krishna Das - Member
- Mr. N V R Narasimha Reddy - Member
- Mr. R Raghu Ram Reddy - Member
- Lt Col S L Reddy - Member
- Mr. R Rajesh - Member

(j) **Committee for construction of the Club House at Alijapur, Hyderabad**

- Mr. R Surender Reddy - Chairman
- Col S B Nair - Member
- Mr. V Krishna Das - Member
- Mr. Manish Jaiswal - Member
- Mr. N V R Narasimha Reddy - Member
- Mr. R Raghuram Reddy - Member
- Mr. P S Reddy - Member
- Mr. S P Reddy - Advisor
- Mr. N Kiran Reddy - Convenor

(k) **Sub-Committee for Catering:**

- Mr. P Prabhakar Reddy - Chairman
- Mr. Nitin S Jaiswal - Member
- Mr. Syed Nawaz Hussain - Member

(l) **Sub-Committee for Legal:**

- Col S B Nair - Chairman
- Lt Col S L Reddy - Member
- Mr. Manish Jaiswal - Member
- Mr. P S Reddy - Member

Governance Framework :

The Board periodically reviews the composition, scope and effectiveness of its committees to ensure that they remain aligned with the evolving needs of the Company.

The Board places on record its appreciation for the valuable contributions made by all Committee Members, Advisors and domain experts whose guidance and expertise continue to support the governance and growth of Hyderabad Race Club.

17. RELATED PARTY TRANSACTIONS

All Related Party Transactions entered by the Company during the financial year under review were in the ordinary course of business and on an arm's length basis. None of the transactions attracted the provisions of Section 188(1) of the Companies Act, 2013 requiring the approval of the members.

Accordingly, the disclosure in Form AOC-2 prescribed under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable to the Company.

The particulars of Related Party Transactions, as required under the applicable Indian Accounting Standards (Ind AS), are disclosed in Note 34 to the Financial Statements forming part of this Annual Report.

18. INTERNAL AUDITORS

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with the applicable Rules made thereunder, M/s. P. Ramakrishna & Co., Chartered Accountants, Hyderabad, were appointed as the Internal Auditors of the Company for the financial year 2025–26.

The Internal Auditors conducted periodic audits during the year, and their reports were placed before the Finance and Audit Committee and the Board for review and appropriate action, wherever necessary.

19. JOINT STATUTORY AUDITORS

M/s. Sekhar & Co., Chartered Accountants (Firm Registration No. 003695S) and M/s. M. Bhaskara Rao & Co., Chartered Accountants (Firm Registration No. 000459S) continue to serve as the Joint Statutory Auditors of the Company.

The Joint Statutory Auditors were appointed by the members at the 53rd Annual General Meeting to hold office for a term of five consecutive years, commencing from the conclusion of the said Annual General Meeting until the conclusion of the 58th Annual General Meeting to be held during the financial year 2029–30, in accordance with the provisions of the Companies Act, 2013.

The Independent Auditors' Report on the Financial Statements for the financial year ended 31 March 2026 forms an integral part of this Annual Report.

20. AUDITORS' REPORTS

(a) Internal Auditors' Report :

The report does not contain any qualification, reservation, adverse observation or material weakness requiring specific comments by the Board.

The Board has reviewed the Internal Audit findings and is satisfied with the adequacy and effectiveness of the Company's internal control environment and compliance framework.

(b) Joint Statutory Auditors' Report :

The Independent Auditors' Report issued by the Joint Statutory Auditors on the Financial Statements for the financial year ended 31 March 2026 does not contain any qualification, reservation, adverse remark, disclaimer of opinion or emphasis of matter requiring explanation by the Board under the provisions of the Companies Act, 2013.

(c) Reporting of Fraud by Auditors :

During the financial year under review, neither the Internal Auditors nor the Joint Statutory Auditors have reported any instance of fraud under Section 143(12) of the Companies Act, 2013 involving officers, employees or any other persons associated with the Company.

Consequently, no reporting under Section 143(12) of the Companies Act, 2013 was required.

21. MEMBERSHIP :

The membership position of the Company as on 31 March 2026, as compared with the previous financial year, is summarised below:

(a) Club Members

Particulars	As on 31 March 2026	As on 31 March 2025
Membership at the beginning of the year	459	469
Add: Members enrolled during the year	38	–
Less: Transfer of membership	–	–
Less: Resignations, deaths and removals	13	10
Membership at the end of the year	484	459

(b) Stand Members

Particulars	As on 31 March 2026	As on 31 March 2025
Membership at the beginning of the year	446	451
Add: Members enrolled during the year	4	–
Less: Transfer of membership	24	–
Less: Resignations, deaths and removals	10	5
Membership at the end of the year	416	446

Obituary :

The Board records with profound sorrow the demise of the following Members during the financial year and up to the date of this Report. The Company places on record its sincere appreciation for their association with the Club and conveys its heartfelt condolences to the bereaved families.

A) Club Members

1. Mr. Khursid Ali Khan	6. Mr. Y. Ankineedu Prasad
2. Mr. Rajesh Sanghani	7. Mr. O. Swaminatha Reddy
3. Mr. G. Sampath Reddy	8. Mr. N. Santosh Kumar Reddy
4. Mr. D. Seshagiri Rao	9. Mr. Maganty Madhusudan Rao
5. Mr. J. Shyam Sunder Reddy	

B) Stand Members

1. Mr. Mohd Jaffar Hussain Khan

22. DIRECTORS' (STEWARDS') RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, the Board of Directors (Stewards) hereby confirms that:

(a) In the preparation of the Annual Financial Statements for the financial year ended 31 March 2026, the applicable Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, have been followed and there are no material departures therefrom;

(b) The Directors (Stewards) have selected appropriate accounting policies and applied them consistently and have 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 2026 and of its financial performance for the financial year ended on that date;

(c) The Directors (Stewards) have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) The Annual Financial Statements have been prepared on a going concern basis; and

(e) The Directors (Stewards) have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively throughout the financial year.

The Board is satisfied that appropriate governance mechanisms, financial controls and compliance systems are in place and continue to operate effectively to support the Company's operations and strategic objectives.

23. ANNUAL RETURN

Pursuant to the provisions of Section 92(3) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the Company's website.

Website: **www.hydraces.com**

The Annual Return may be accessed by members and other beneficiaries through the above website in accordance with the applicable statutory requirements.

24. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The particulars required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are set out below:

(a) Conservation of Energy

Although the Company is not engaged in any manufacturing activity, it remains committed to promoting responsible resource utilisation and improving operational efficiency through energy conservation measures.

During the year, the Company continued to implement various initiatives aimed at reducing energy consumption and improving efficiency, including:

- Adoption of energy-efficient lighting systems across operational areas;
- Use of energy-efficient equipment and machinery;
- Periodic monitoring of electricity and fuel consumption;

- Implementation of maintenance practices designed to improve energy efficiency and reduce wastage.

As part of its long-term sustainability initiatives, the Company had explored the installation of a solar power generation system at its premises. However, implementation of the project has presently been kept in abeyance in view of the State Government's proposal concerning the relocation of the racecourse.

The Board remains committed to exploring environmentally sustainable initiatives and energy-efficient technologies as part of the Company's long-term infrastructure and sustainability strategy.

(b) Technology Absorption

While the nature of the Company's operations does not involve significant technology absorption activities of the kind generally applicable to manufacturing enterprises, the Company continues to invest in technology, digital infrastructure and operational systems to improve efficiency, security and prize money holder experience.

Relating to technology absorption are set out below:

Particulars	Status
Efforts made towards technology absorption	Nil
Benefits derived from technology absorption	Nil
Imported technology during the last three years	Not Applicable

The Company nevertheless continues to pursue technology modernisation initiatives in areas such as information technology infrastructure, cybersecurity, digital services and operational systems.

25. FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars relating to foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Companies Act, 2013, are disclosed in Note 36 to the Financial Statements forming part of this Annual Report.

The Company continues to monitor and manage its foreign exchange exposures, wherever applicable, in a prudent manner.

26. HUMAN RESOURCES

The Company firmly believes that its employees are among its most valuable assets and that their commitment, expertise and dedication play a vital role in the successful conduct of its operations.

The Company continued to maintain cordial and harmonious industrial relations throughout the financial year. The Board places on record its sincere appreciation for the commitment, dedication and continued support extended by all employees during a challenging year for the horse racing industry.

During the financial year under review, the Company and the Hyderabad Race Club Employees' Union mutually finalised the terms of a Memorandum of Settlement. The Memorandum of Settlement is presently pending formal execution and is expected to be executed in due course.

The disclosure required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company.

27. INTERNAL FINANCIAL CONTROLS

The Company has established and maintained adequate internal financial controls commensurate with the nature, size and complexity of its operations.

The Board recognises that an effective internal control framework is fundamental to good corporate governance, financial integrity and sound business management. The Company's internal financial control systems are designed to provide reasonable assurance regarding:

- The orderly and efficient conduct of business operations;
- Safeguarding of assets;
- Prevention and detection of frauds and irregularities;
- Accuracy and completeness of accounting records;
- Compliance with applicable laws and regulations; and
- Timely preparation of reliable financial and management information.

The internal audit function is carried out by an independent firm of Chartered Accountants. The Internal Auditors periodically review the adequacy and effectiveness of internal controls, operational processes, compliance systems and risk management practices.

The Internal Audit Reports, together with Management responses and action taken reports, are reviewed by the Finance and Audit Committee, which monitors implementation of corrective measures and places its recommendations before the Board for consideration.

Based on the reviews conducted during the year and the reports received from the Internal Auditors, the Board is of the opinion that the Company's internal financial controls were adequate and operating effectively throughout the financial year under review.

28. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the financial year under review, the Company did not enter into any transaction relating to loans, guarantees, securities or investments covered under the provisions of Section 186 of the Companies Act, 2013.

Accordingly, the disclosure requirements prescribed under the said section are not applicable to the Company for the financial year ended 31 March 2026.

29. FINANCIAL PERFORMANCE OF THE SUBSIDIARY

The Company has one subsidiary, HRC Recreation Chambers, which has not commenced commercial operations as on 31 March 2026.

As explained elsewhere in this Report, the Board has evaluated the requirements of Indian Accounting Standard (Ind AS) 110 – Consolidated Financial Statements and concluded that the financial statements of the subsidiary are not required to be consolidated with those of the Company, having regard to the rights and obligations contained in the Articles of Association of the subsidiary.

Accordingly, the disclosure prescribed under the first proviso to Section 129(3) of the Companies Act, 2013, read with Rule 5 of the Companies (Accounts) Rules, 2014, in Form AOC-1 containing the salient features of the financial statements of the subsidiary is not applicable and, therefore, is not annexed to these Financial Statements.

30. RISK MANAGEMENT

The Company has established a Risk Management Framework designed to identify, evaluate, monitor and mitigate risks that may adversely affect its operations, financial position, reputation and long-term sustainability.

The Board periodically reviews the principal risks facing the Company and assesses the effectiveness of the mitigation measures implemented by Management.

Key Risks and Mitigation Measures

Risk Area	Impact	Mitigation Measures
GST Litigation and Taxation Framework	High	Continuous legal monitoring, industry representation and compliance with statutory requirements while pursuing legal remedies
Regulatory Changes	High	Active engagement with industry bodies, Turf Authorities and Government agencies
Online Betting Restrictions	High	Evaluation of alternative revenue opportunities and operational efficiencies
Equine Health Risks (including Glanders)	High	Strict compliance with veterinary protocols, regulatory guidelines and biosecurity measures
Operational Disruptions	Medium	Business continuity planning and operational contingency measures
Cybersecurity and Technology Risks	Medium	Strengthening IT governance, cybersecurity controls and technology infrastructure
Infrastructure and Capital Projects	Medium	Periodic project monitoring, financial oversight and governance reviews
Membership and Revenue Sustainability	Medium	Enhanced member engagement initiatives and diversification of revenue streams

The Board believes that appropriate systems, policies and processes are in place to identify and manage risks effectively. The Company continues to monitor developments in the regulatory, legal and business environment and takes suitable measures to mitigate emerging risks while safeguarding the interests of members and prize money holders.

Risk management remains an integral component of the Company's governance framework and strategic decision-making process.

31. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company is committed to providing a safe, secure, inclusive and dignified work environment for all employees and maintains a zero-tolerance policy towards any form of sexual harassment at the workplace.

In compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee (ICC) to address complaints relating to sexual harassment and to ensure effective implementation of the Company's policy on prevention, prohibition and redressal of sexual harassment.The Internal Complaints Committee functions in accordance with the provisions of the Act and is entrusted with the responsibility of creating awareness, promoting a respectful workplace culture and addressing complaints in a fair, confidential and time-bound manner.

The status of complaints during the financial year is set out below:

Particulars	Number
Complaints received during the year	Nil
Complaints disposed of during the year	Nil
Complaints pending as on 31 March 2026	Nil

32. MATERNITY BENEFITS

The Company is committed to ensuring compliance with the provisions of the Maternity Benefit Act, 1961, and to extending all statutory maternity benefits and protections to eligible women employees in accordance with applicable law.

As on 31 March 2026, the Company did not have any women employees on its rolls who were eligible to avail maternity benefits under the provisions of the Act. Consequently, no maternity benefit claims arose during the financial year under review.

The Company remains committed to fostering an inclusive and equitable workplace and shall continue to extend all statutory benefits and protections available under the Maternity Benefit Act, 1961, whenever applicable.

33. CORPORATE SOCIAL RESPONSIBILITY

The Company remains committed to contributing towards social welfare and community development through meaningful Corporate Social Responsibility (CSR) initiatives in accordance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Corporate Social Responsibility Committee continues to guide and monitor the implementation of CSR activities undertaken by the Company, ensuring that such initiatives create sustainable social impact and contribute to the welfare of the community.

The Annual Report on CSR activities, containing the disclosures prescribed under the applicable provisions of the Companies Act, 2013 and the CSR Rules, forms part of this Annual Report as Annexure I.

34. SECRETARIAL STANDARDS

The Company has complied with the applicable provisions of:

- Secretarial Standard – 1 (SS-1) relating to Meetings of the Board of Directors; and
- Secretarial Standard – 2 (SS-2) relating to General Meetings,

issued by the Institute of Company Secretaries of India (ICSI) and approved by the Central Government under the Companies Act, 2013.

The Board confirms that all Board Meetings and General Meetings held during the financial year were conducted in compliance with the applicable Secretarial Standards.

35. VIGIL MECHANISM

The provisions relating to the establishment of a Vigil Mechanism under Section 177(9) of the Companies Act, 2013 read with the applicable Rules are not presently applicable to the Company.

Nevertheless, the Company continues to uphold the highest standards of integrity, transparency and ethical conduct and encourages employees and beneficiaries to report any concerns relating to unethical conduct, fraud or irregularities through appropriate channels.

The Board remains committed to fostering a culture of accountability and ethical business practices across the organisation.

36. HRC CHARITABLE TRUST

During the financial year under review, the HRC Eye Centre, operating under the aegis of the HRC Charitable Trust, continued to provide eye care services from its premises located on the second floor of Ramdev Rao Hospital, pursuant to the Memorandum of Understanding entered into with Sivananda Rehabilitation Home.

The Eye Centre continued its mission of providing accessible and quality eye care services, particularly to economically weaker sections of society, thereby contributing meaningfully to community healthcare and social welfare.

The Board places on record its sincere appreciation for the dedicated efforts of the Trustees of the HRC Charitable Trust, the Managing Committee of the HRC Eye Centre, medical professionals, volunteers and all others associated with the Trust for their continued service to the community

37. CORPORATE GOVERNANCE

The Company remains committed to the principles of transparency, accountability, fairness, ethical conduct and responsible governance.

Although certain provisions relating to Corporate Governance are not mandatorily applicable to the Company, the Board has voluntarily adopted governance practices that are consistent with the nature, scale and complexity of its operations.

A detailed Corporate Governance Report forms part of this Annual Report as Annexure II.

38. GENERAL

The Directors (Stewards) further state that during the financial year under review:

(i) No fraud has been reported by the Joint Statutory Auditors under Section 143(12) of the Companies Act, 2013;

(ii) The maintenance of cost records under Section 148(1) of the Companies Act, 2013 is not applicable to the Company;

(iii) No application was made, nor were any proceedings pending, under the provisions of the Insolvency and Bankruptcy Code, 2016;

(iv) The requirement to disclose details of any one-time settlement with any bank or financial institution does not arise, as no such settlement was entered into during the financial year;

(v) There were no significant or material orders passed by any regulator, court, tribunal or statutory authority that would impact the going concern status of the Company, except as disclosed elsewhere in this Annual Report.

39. RACING OPERATIONS

Impact of Glanders on Racing Operations:

The financial year under review was marked by significant operational challenges arising from the outbreak of Glanders, a highly contagious disease affecting equines.

Pursuant to directions issued by the Directorate of Animal Husbandry and Veterinary Services, Government of Telangana, racing activities at Hyderabad Race Club were suspended and restrictions were imposed on the movement of horses into the racecourse as part of the prescribed disease-control measures. Similar restrictions were subsequently implemented at certain other racing centres in India following the detection of positive cases.

These developments had a material impact on the conduct of the Hyderabad Winter Racing Season and adversely affected racing operations, patron participation, totalizator turnover and associated revenues.

The Company extended its full cooperation to the Government and veterinary authorities and implemented all prescribed biosecurity, testing, vaccination and disease-control protocols to safeguard equine health and ensure strict compliance with regulatory requirements.

Support to Racehorse Owners

Recognising the significant financial hardship faced by racehorse owners during the suspension of racing activities, the Board approved a comprehensive welfare and support package for the racing fraternity.

Under this initiative:

- Financial assistance of ₹17,500 per horse per month was provided for the period from 1 November 2025 to 28 February 2026;
- The Club bear the costs associated with mandatory testing, vaccination and veterinary measures prescribed by Government authorities; and
- Additional support was extended to facilitate compliance with animal health and biosecurity requirements.

This initiative represented one of the most significant prize money holder-support measures undertaken by the Club and demonstrated its commitment to supporting racehorse owners, protecting equine welfare and preserving the long-term sustainability of the racing ecosystem.

The Board remains grateful to owners, trainers, jockeys, veterinarians, stable staff and regulatory authorities for their cooperation during this challenging period.

Commitment to Equine Welfare

The Company continues to accord the highest priority to equine welfare, safety and health. The Board remains committed to ensuring that all racing activities are conducted in accordance with applicable veterinary guidelines, regulatory requirements and internationally accepted welfare standards.

The Company will continue to work closely with Government authorities and industry beneficiaries to ensure the safe and sustainable conduct of racing activities.

Racing Performance

Despite the operational and regulatory challenges faced during the year, Hyderabad Race Club continued to maintain its position as one of the leading racing centres in India.

The Board places on record its sincere appreciation to racehorse owners, trainers, jockeys, breeders, stable staff, sponsors, racing enthusiasts, members and employees whose continued support and cooperation enabled the Club to sustain racing activities despite the considerable challenges faced by the industry.

Statistics of Races Run Centre-wise During the Last Ten Years :

Year	Bangalore	Kolkata	Delhi	Hyderabad	Chennai	Mumbai	Mysore	OOTY	Pune	Total
2024-2025	286	252	245	**382**	240	187	202	120	148	2062
2023-2024	272	255	274	**367**	204	186	214	90	147	2009
2022-2023	352	194	280	**393**	233	175	286	112	143	2168
2021-2022	363	186	213	**375**	213	167	338	57	172	2084
2020-2021	179	193	99	**321**	144	66	83	129	163	1377
2019-2020	171	159	123	**203**	209	168	117	0	18	1168
2018-2019	387	314	324	**437**	213	248	302	132	157	2514
2016-2017	426	358	288	**523**	193	295	338	146	189	2756
2015-2016	468	346	318	**492**	263	351	373	155	205	2971
2014-2015	434	379	331	**516**	522	348	390	289	230	3430

40. RACING INCENTIVES AND SPONSORSHIPS

Horse-to-Prize money Ratio

The Hyderabad Race Club continued to maintain one of the most attractive horse-to-prize money ratios among Turf Clubs in India during the financial year under review. Despite a challenging operating environment, the Club remained committed to offering competitive prize money and maintained the highest prize money per horse ratio among all Turf Clubs in India. This has continued to encourage racehorse ownership, support trainers, jockeys and other racing professionals, and contribute to the long-term sustainability and growth of the horse racing ecosystem.

The average prize money earned per participating horse during the year was as follows:

Racing Season	Average prize money per Horse
Monsoon Season	₹3,74,566
Winter Season	₹1,56,452

Sponsored Races

The Board is pleased to acknowledge the continued support extended by sponsors towards the conduct of prestigious races during the Hyderabad Monsoon Races, 2025.

The following feature races were sponsored during the season:

Race	Sponsor
The K. Mahipathi Rao Memorial Golconda Juvenile Million	Mr. K. T. Mahi
The Coromandel Gromor Deccan Fillies Championship Stakes (Grade III)	M/s. Coromandel International Limited
The Y. Shanker Rao Memorial Deccan Colts Championship Stakes (Grade III)	M/s. Razor Gaming Private Limited
The Race2Win.com Deccan Derby Stakes (Grade I)	Race2Win Foundation

The Board places on record its sincere appreciation to all sponsors for their continued support and valuable contribution towards the promotion and development of horse racing in India.

41. TRAINERS AND JOCKEYS

The continued success and growth of horse racing depend significantly on the dedication, professionalism and skill of trainers and jockeys. Hyderabad Race Club remains committed to fostering a competitive racing environment by providing attractive prize distributions and maintaining a transparent and professionally managed racing framework.

During the financial year under review, the Club had:

- 24 Category 'A' Licensed Trainers
- 20 Category 'B' Licensed Trainers
- 57 Licensed Jockeys, comprising:
    - 23 Category 'A' Jockeys
    - 30 Category 'B' Jockeys
    - 4 Apprentice Jockeys

The Club continued to provide one of the highest average prize money distributions to Trainers and Jockeys in the Indian racing industry.

Average Prize Money Paid – Trainers

(₹ lakh)

Season	Racing Days	Total Prize	Average per Trainer	Average per Racing Day
Monsoon	21	141.36	3.20	6.73
Winter	8	55.31	1.25	6.91

Average Prize Money Paid – Jockeys

(₹ lakh)

Season	Racing Days	Total Prize	Average per Jockey	Average per Racing Day
Monsoon	21	106.02	1.86	5.04
Winter	8	41.48	0.72	5.19

42. APPRENTICE JOCKEYS TRAINING SCHOOL

The Hyderabad Race Club continues to operate its Apprentice Jockeys Training School, one of the few structured training institutions of its kind in India dedicated to nurturing future riding talent. The programme is designed to provide aspiring jockeys with comprehensive training in riding techniques, race craft, equine management, fitness, discipline, safety practices and racing regulations. The training curriculum aims to equip trainees with the skills and professional standards required to succeed in the highly competitive horse racing industry.

As on 31 March 2026, seven trainees were undergoing structured training under the programme.

43. BREEDING ACTIVITY

No breeding activity was undertaken by the Company during the financial year under review.

In respect of horses bred by the Company in earlier years and gifted horses, the relevant particulars continue to be maintained in the Horse Register without assigning any carrying value. Income arising from the sale or lease of such horses is recognised in the books of account in accordance with the applicable accounting policies at the time of the respective transaction.

44. RACING AND OTHER ACTIVITIES

Despite the significant regulatory and operational challenges encountered during the year, including the impact of GST-related developments, restrictions arising from the outbreak of Glanders and the discontinuation of online betting operations, Hyderabad Race Club continued to retain a leadership position within the Indian horse racing industry.

Statistical Highlights

(a) Number of Meetings

a)	No. of Meetings:	2025-26	2024-25	2023-24	2022-23	2021-22
	Monsoon Race days	21	25	23	25	19
	Winter Race days	8	25	25	27	29

	Intervenue Betting days		175	204	206	201	111
	Simultaneous IVB Races with Hyderabad Race days						
	i)	Pune	5	1	3	4	3
	ii)	Mumbai		10	6	5	4
	iii)	Kolkata		-	2	3	5
	iv)	Delhi	1	1	-	1	-
	v)	Madras	1	3	3	1	-
	vi)	Ooty		-	-	1	-
	vi)	Mysore		-	2	-	-
Total			211	269	270	268	171
b)	**No. of Horses Participated:**						
	Monsoon Races		396	394	410	408	416
	Winter Races		376	430	432	452	527
c)	**Average Attendance:**						
	Monsoon Races		2,991	2,850	4,613	2,258	4,299
	Winter Races		2,623	3,107	3,979	2,062	2,914
	Intervenue Betting		2,191	1,889	1,998	1,609	1,205
d)	Prize / Subsidies / Concessions: (Amounts in Lakhs)						
	Prize money to owners		1727.36	2920.58	2681.97	2374.56	1812.14
	Cups		19.05	42.75	48.56	46.71	25.40
	Subsidies/Concessions		370.11	-	68.53	99.10	64.94
	Contribution for Indian Turf Invitational Races		-	35.50	35.50	35.50	39.25
	Total		2116.52	2998.83	2834.56	2555.87	1941.73

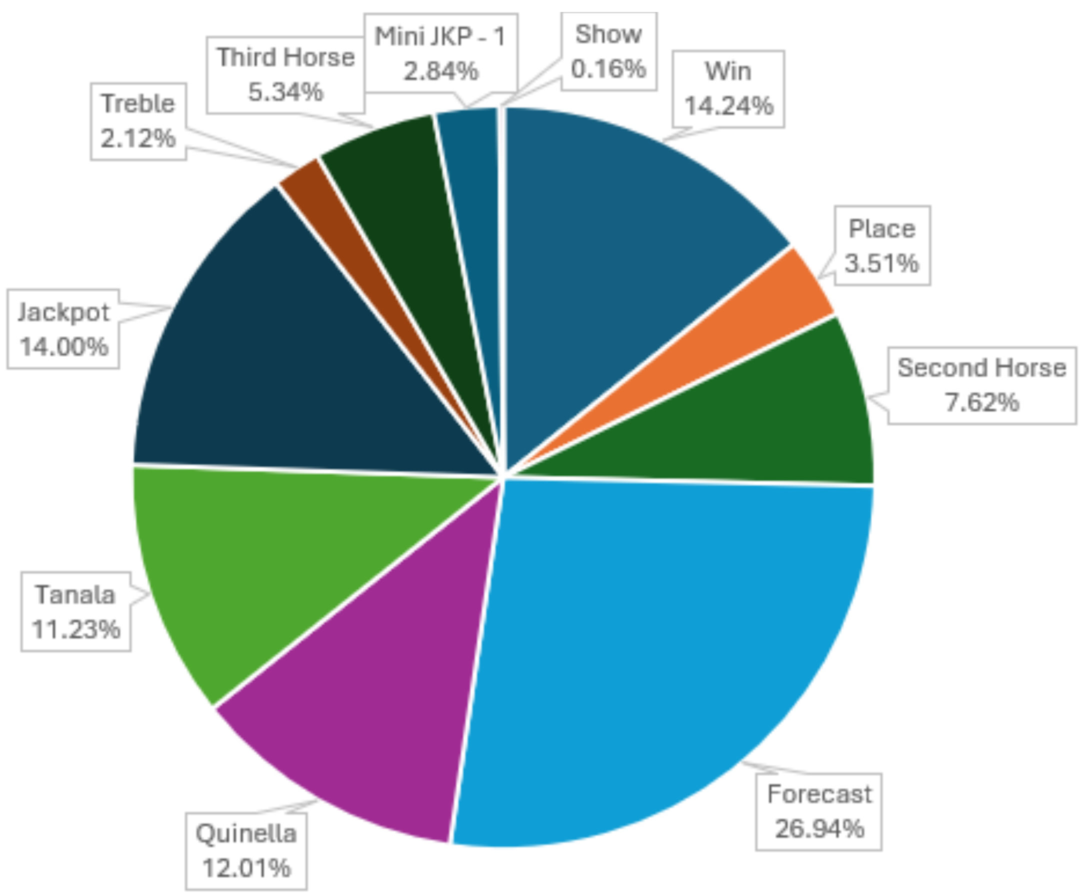
e)	**GrossCollections from:**	**2025-26**	**2024-25**	**2023-24**	**2022-23**	**2021-22**
	Totalizators offline	8,240.99	6,126.25	14,795.50	19,619.73	11,169.74
	Online	2,407.78	8,041.71	6,287.10	15,706.27	16,,626.43
	Bookmakers	1,746.11	2,059.59	2,466.77	2,999.12	1,549.92
	Total	**12,394.88**	**16,227.55**	**23,549.**	**38,325.12**	**29,346.09**

f)	Taxes Paid to Government					
	GST and Other Taxes	3,664.69	3,553.05	4,020.74	3,594.99	2,594.95
	Total	3,664.69	3,553.05	4,020.74	3,594.99	2,594.95
	Corporate Tax	440.04	493.41	303.12	2,095.84	1,554.46
	TDS on Horse Winnings	113.86	497.06	636.67	437.72	365.28
	Total	4,218.59	4,543.52	4,960.53	6,128.55	4,514.69

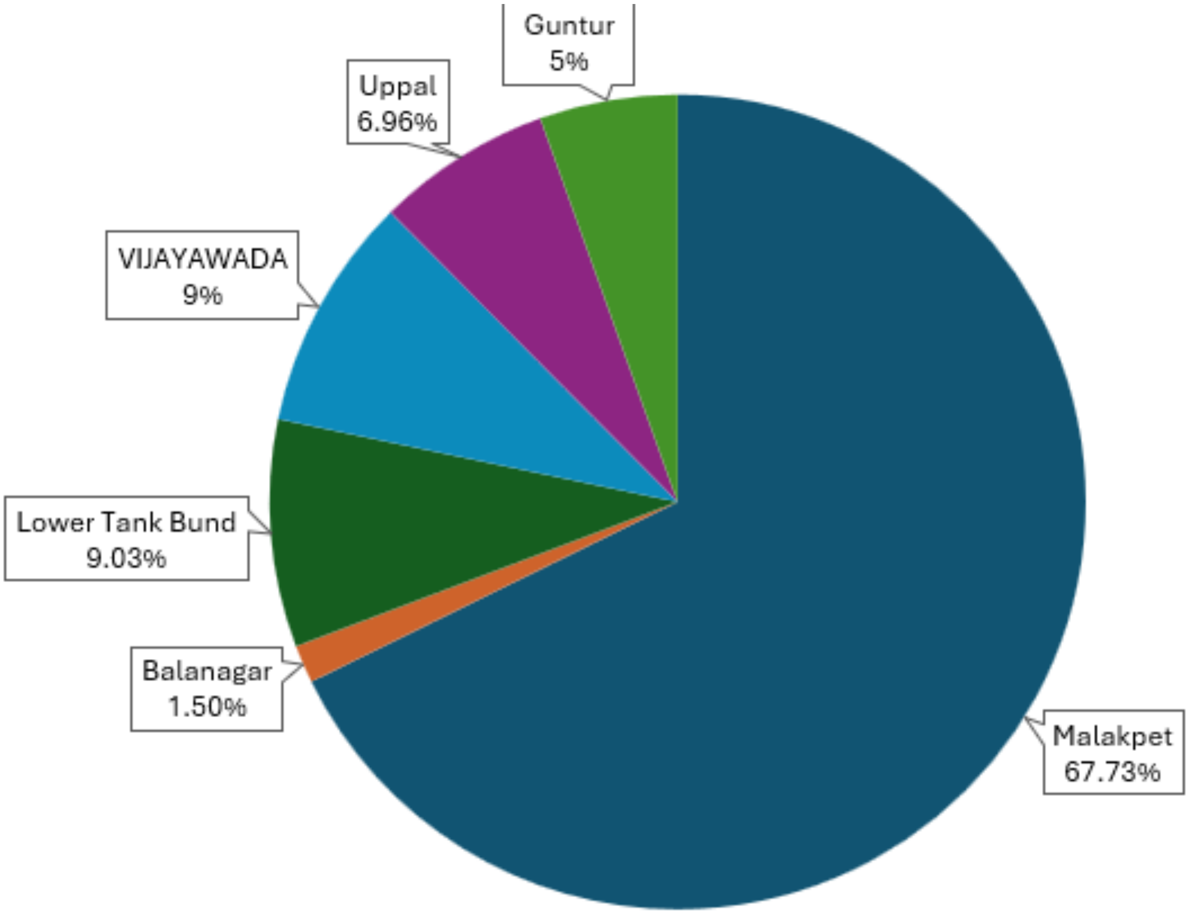
Despite the challenging operating environment, the Company contributed substantial amounts to the Central and State Governments through various taxes and statutory levies during the financial year.

The Board remains committed to maintaining the highest standards of statutory compliance while continuing to engage with policymakers and industry prize money holders on matters affecting the long-term sustainability of horse racing in India.

h) Receipts from Tote Pools for the Year:



i) Receipts from Tote Centers:



45. FUTURE OUTLOOK AND STRATEGIC PRIORITIES

The Board recognises that the Indian horse racing industry is presently passing through an extremely challenging phase due to the prevailing regulatory, taxation and operational environment. In view of these challenges, the outlook for the industry continues to remain uncertain, making it difficult to be optimistic in the near term. Nevertheless, the Board remains committed to safeguarding the long-term interests of the Club by pursuing measures to strengthen its financial position, rationalise operating costs, improve operational efficiencies for preserving the viability of racing activities.

Operating losses and Financial Sustainability of Racing Operations

The Board has undertaken a comprehensive review of the financial viability of conducting live racing at the Hyderabad Race Club. Based on the financial results of the ten race days conducted during the period from 9 March 2026 to 5 April 2026, the Club incurred an operating loss of approximately ₹2.72 crore from these racing activities. The losses are primarily attributable to the substantial expenditure involved in conducting live races, including prize money and other operational overheads, which continue to exceed the revenue generated from racing operations.

The Board is of the considered view that the continued conduct of racing in a financially sustainable manner will require a review and rationalisation of the major cost components associated with racing operations. prize money, which constitutes the largest component of racing expenditure, together with other operating and establishment costs, will require careful evaluation and appropriate cost-control measures. The Board is actively examining various initiatives to optimise expenditure, improve operational efficiencies, with a view to ensuring the long-term financial sustainability of the Club while continuing to uphold the standards and integrity of horse racing.

Strategic Priorities for FY 2026–27

The Company's key strategic priorities for the forthcoming financial year include:

- Strengthening financial resilience through disciplined cost management;
- Pursuing favourable resolution of GST-related issues and supporting industry-wide advocacy for a sustainable taxation framework;
- Accelerating the development and operationalisation of the HRC Recreation Chambers project;
- Modernising technology infrastructure, strengthening cybersecurity and expanding digital capabilities;
- Supporting equine welfare and maintaining the highest standards of racing integrity and safety;
- Exploring sustainable alternative revenue streams to reduce dependence on wagering income; and
- Strengthening governance, risk management and regulatory compliance frameworks.

The Board remains confident that these initiatives will contribute to the long-term sustain ability and growth of the Company.

(a) Proposed Relocation of the Racecourse

The proposal of the Government of Telangana relating to the relocation of the Hyderabad Race Club racecourse continues to remain under consideration. As on the date of this Report, the matter remains at a preliminary stage, and a suitable alternative site has not yet been identified by the Government.

The Company continues to engage constructively with the Government and other prize money holders and remains committed to extending its full cooperation in evaluating proposals that safeguard the long-term interests of the Club, its members, employees and the wider horse racing ecosystem.

(b) Industry Outlook

The outlook for the horse racing industry in India continues to remain challenging. Wagering turnover across Turf Clubs remains significantly below the levels experienced prior to the COVID-19 pandemic and before the introduction of the current Goods and Services Tax (GST) regime.

The industry continues to face a number of structural challenges, including:

- The prevailing GST framework applicable to wagering transactions;
- Ongoing regulatory uncertainty affecting betting operations;
- Changes in consumer behaviour and entertainment preferences;
- Restrictions affecting online wagering activities; and

- Increasing operational and compliance costs.

These factors have collectively affected customer participation, wagering volumes and revenue generation across the industry.

The Board believes that continued collaboration among Turf Authorities, race clubs, regulators and industry prize money holders will be essential for securing a sustainable future for horse racing in India.

(c) Comparative Totalizator Collections

The impact of the prevailing Goods and Services Tax (GST) regime and other regulatory developments on the Company's wagering business is evident from the trend in totalizator collections over the years.

Gross totalizator collections have declined significantly from the levels prevailing prior to the introduction of GST and continue to remain under pressure due to the existing taxation framework and evolving regulatory environment. While the introduction of online wagering provided some support in recent years, the discontinuation of online betting operations during FY 2025–26 further affected wagering turnover

Comparative Gross Totalizator Collections

(₹ in Lakhs)

Financial Year	Offline Totalizator	Online Totalizator	Total Collections
Before Introduction of GST			
2014–15	97,518.05	–	97,518.05
2015–16	1,16,635.12	–	1,16,635.12
2016–17	1,27,182.37	–	1,27,182.37
After Introduction of GST			
2017–18	76,115.79	–	76,115.79
2018–19	63,210.55	–	63,210.55
2019–20	52,144.33	–	52,144.33
2021–22	11,169.74	16,626.43	27,796.17
2022–23	19,619.73	15,706.27	35,326.00
2023–24	14,795.50	6,287.10	21,082.60
2024–25	6,126.25	8,041.71	14,167.96
2025–26	8,240.99	2,407.78	10,648.77

* Covid period 2020-2021 not considered for the above comparision

The above trend demonstrates the significant impact of taxation and regulatory changes on wagering behaviour and patron participation. The Board believes that a rational and sustainable taxation framework remains critical for the revival and long-term viability of the totalizator business and the horse racing industry as a whole.

(d) Rationalisation of Off-Course Tote Centres (OCTCs)

As part of its ongoing efforts to improve operational efficiency and optimise costs, the Board approved the closure of the Company's Off-Course Tote Centres (OCTCs) situated in Hyderabad, Secunderabad and Guntur.

The decision was taken following a comprehensive review of the operational and financial performance of these centres. The Board observed that declining turnover levels at certain locations were no longer sufficient to offset increasing rental commitments and operating costs, including expenditure on maintenance, utilities and staffing.

To ensure continued availability of totalizator betting facilities to racing patrons while reducing recurring expenditure, the Company entered into a strategic operational arrangement with Razor & Co.. Under this arrangement, Hyderabad Race Club totalizator terminals are operated at Fixed Odds Betting Centres managed by Razor & Co. under the Club's licence.

This initiative has enabled the Company to:

- Maintain customer accessibility and continuity of betting services;
- Reduce rental, electricity and establishment costs;
- Improve operational efficiency and resource utilisation; and
- Adopt a more sustainable operating model in the prevailing business environment.

The Board will continue to periodically review the performance of its wagering network and explore opportunities to optimise operations while ensuring convenient access to betting facilities for patrons and prize money holders.

46. INFRASTRUCTURE DEVELOPMENT

(a) HRC Recreation Chambers Project

The HRC Recreation Chambers Project at Alijapur continues to be one of the most significant strategic infrastructure initiatives undertaken by the Company. The project is envisioned as a modern recreational and lifestyle destination that will provide world-class amenities and significantly enhance the overall member experience while creating long-term value for the Club and its prize money holders.

During the financial year under review, substantial progress was achieved in the development of the project. While certain construction activities experienced delays due to the performance of the principal contractor, the overall project continued to advance satisfactorily. The superstructure of the Club House has been substantially completed, and key interior works, including flooring and false ceiling installations, are nearing completion.

Development of major recreational amenities, including the tennis courts, swimming pool and landscaped water bodies, is progressing steadily. The tendering process for the remaining amenity works has been completed, and contractors have been identified for the execution of the respective work packages.

The Board continues to closely monitor project progress and implementation timelines to ensure that the development is completed in a cost-effective and efficient manner while maintaining the desired standards of quality.

Upon completion, the HRC Recreation Chambers Project is expected to become one of the most prominent recreational and lifestyle facilities developed by any race club in India.

As part of the Company's digital transformation initiatives, development of the Club's new website is also in progress. The new platform is expected to enhance communication, improve accessibility to member services and strengthen the Club's digital presence. Members will be informed upon completion and launch of the website.

(b) Malakpet Racecourse

No major capital additions or renovation works were undertaken at the existing racecourse facilities at Malakpet during the financial year.

Having regard to the proposal of the Government of Telangana relating to the possible relocation of the racecourse, the Board has adopted a prudent and measured approach towards capital expenditure on the existing premises. The Company will continue to monitor developments in this regard and will undertake such capital expenditure as may be considered necessary in the best interests of the Company and its prize money holders.

47. RACING OPERATIONS AND ACHIEVEMENTS

Despite the significant regulatory, taxation and operational challenges faced during the financial year, Hyderabad Race Club continued to maintain its position as one of the leading race clubs in India.The Club successfully conducted its racing programme while upholding the highest standards of sporting integrity, equine welfare, regulatory compliance and operational excellence. The Board is pleased to note that Hyderabad Race Club conducted the highest number of race days among all Turf Clubs in the country during the year and continued to offer one of the most attractive Prize-money structures in the Indian racing industry.

48. RECOGNITION OF RACING ACHIEVEMENTS

The Board of Directors (Stewards) is pleased to recognise and congratulate the owners, trainers, jockeys and racehorses whose outstanding performances contributed significantly to the success of the Hyderabad Monsoon Races, 2025.

Awards and Honours :

Category	Awardee
Leading Owner (All Horses)	Dr. M. A. M. Ramaswamy Chettiar of Chettinad Charitable Trust, represented by Dr. A. C. Muthiah
Leading Individual Local Owner	Mr. Chetpat Aryama Sundaram
Leading Joint Owners (All Horses based at Hyderabad)	M/s. Rapar's Galloping Stars LLP & Mr. K. Kaliyaperum-al
Leading Joint Owners (Local)	Mr. N. Shyam Sunder, Mr. D. N. Kempegowda & Mr. Vara Prasad Reddy
Champion Trainer	Mr. Donald Anthony Netto
Champion Jockeys	Mr. P. Sai Kumar and Mr. A. Ashhad Asbar
Champion Indian Jockey / Apprentice Jockey (Claiming Allowance)	Mr. Sonu Kumar
Horse of the Season	Perception (4-Year-Old Bay Gelding, Rating 76)
Owner of Horse of the Season	Mr. Rakesh Reddy Kondakalla
Trainer of Horse of the Season	Mr. K. Robin Reddy

The Board extends its warm congratulations to all award recipients for their exceptional achievements during the season. Their dedication, professionalism and sporting excellence continue to enhance the prestige of Hyderabad Race Club and contribute to the continued growth and development of Indian horse racing.

49. ACKNOWLEDGEMENTS

The Board of Directors (Stewards) places on record its sincere gratitude to the Members of Hyderabad Race Club for their continued trust, confidence, encouragement and unwavering support throughout the financial year.

The Board also expresses its heartfelt appreciation to the Club's racing patrons, racehorse owners, breeders, trainers, jockeys, stable staff, bookmakers and the entire racing fraternity for their invaluable contribution towards the promotion and development of horse racing in India.

The Directors gratefully acknowledge the continued support and cooperation extended by the Government of India, the Governments of Telangana and Andhra Pradesh, regulatory and statutory authorities, the Police Department, local authorities, Turf Authorities across India, bankers, financial institutions, sponsors, donors of cups and trophies, service providers, consultants, advisors and legal advisors. Their guidance and cooperation have contributed significantly to the successful conduct of the Club's operations during the year.

The Board places on record its sincere appreciation to the Internal Auditors and the Statutory Auditors for their professionalism, valuable guidance, constructive recommendations and continued support in strengthening the Company's financial reporting, internal control systems and governance framework.

The Board places on record its special appreciation to the sponsors of the Hyderabad Monsoon Races, 2025, whose generous support contributed significantly to the successful conduct of the Club's premier racing events and helped promote the sport to a wider audience.

The Directors also acknowledge the valuable guidance and assistance provided by the various

Committees and Sub-Committees of the Club, whose contributions have strengthened the Company's governance framework and assisted the Board in the effective discharge of its responsibilities.

The Board places on record its sincere appreciation and gratitude to Mr. S. S. R. Koteswara Rao and Mr. Ramesh Gelli for their invaluable guidance, counsel and continued support during the year.

The Board records its deep appreciation for the dedication, professionalism and unwavering commitment demonstrated by the officers and employees of the Club. Their collective efforts, particularly during a year marked by significant regulatory and operational challenges, have enabled the Company to maintain high standards of governance, racing operations and member services.

The Directors remain committed to the sustainable growth and long-term development of the Company and look forward to the continued support and cooperation of all prize money holders in achieving the Company's strategic objectives and further strengthening the sport of horse racing in India.

On Behalf of the Board of Directors / Stewards

for Hyderabad Race Club

Place: Hyderabad **Date:** 09th July 2026	**R. Surender Reddy** Chairperson DIN: 00083972	**COL. S. B. Nair** Director/ Steward DIN: 00534863

Annexure -I

Annual Report on Corporate Social Responsibility (CSR) Activities [Pursuant to Section 135 of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014]

For the Financial Year ended 31 March 2026

Brief Outline of the CSR Policy of the Company

The Company's CSR initiatives focus on areas such as healthcare, education, sanitation, environmental sustainability, rural and community development, and animal welfare. In keeping with the Club's long-standing association with horse racing, the CSR Policy also recognizes the importance of promoting equine welfare, including the care, rehabilitation and dignified retirement of racehorses that have contributed to the sport.

The CSR programmes are undertaken in accordance with the provisions of Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, and are aligned with the activities specified in Schedule VII to the Act. Through these initiatives, the Company endeavours to create sustainable social impact and contribute meaningfully to the well-being of the communities in which it operates.

1. **Composition of CSR Committee :**

Name of Director	Designation / Nature of Directorship	Number of Meeting of CSR Committee held during the year	Number of Meeting of CSR Committee attended during the year
R Surender Reddy	Chairperson	1	1
Col. S. B. Nair	Member	1	1

2. Provide the web link where the Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company – https://www.hydraces.com
3. Provide the executive summary along with web link (s) of the Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable – Not Applicable
4. a. Average net profit of the company as per section 135(5): ₹ 3,816.90 Lakhs

   b. Two percent of average net profit of the Company as per sub-section (5) of section 135: ₹ 76.34 Lakhs

   c. Surplus arising out of the CSR Projects or programs or activities of the previous financial years: Nil

   d. Amount required to be set off for the financial year, if any: Nil

e. Total CSR obligation for the financial year [5(b)+5(c)-5(d)]: ₹ 76.34 Lakhs

5. a. Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ 122.06 lakhs

b. Amount spent on Administrative Overheads: Nil

c. Amount spent on Impact Assessment, if applicable: Nil

d. Total amount spent for the Financial Year [6(a)+6(b)+6(c):₹ 122.06 lakhs

e. CSR amount spent or unspent for the financial year

Total Amount Spent for the Financial Year (in Rs. In lakhs)	Amount Unspent (in Rs. In lakhs)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
122.06	-	-	NA	NA	NA

f. Excess amount for setting off, if any:

Particulars	₹ in lakhs
Two percent of average net profit of the company as per section 135(5)	76.34
Total amount spent for the Financial Year	122.06
Excess amount spent for the financial year [1-2]	36.88
Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	28.04
Amount available for setting off in succeeding financial years (3-4)	8.84

6. **Details of Unspent CSR amount for the preceding three financial years: (₹ in lakhs)**

(1)	(2)	(3)	(4)	(5)		(6)	(7)
S. No	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6)	Balance Amount in Unspent CSR Account under Section 135	Amount spent in the reporting Financial Year		The amount remaining to be spent in the succeeding financial years.	Deficiency, if any
				Name of The Fund Amount (in Rs)	Date of transfer		
1	2022-23	NIL	NIL	NIL		NIL	
2	2023-24	NIL	NIL	NIL		NIL	-
3	2024-25	28.04	NIL	28.04		NIL	-
	Total	28.04	NIL	28.04		NIL	NIL

7. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No
If yes, enter the number of Capital assets created/ acquired: Not Applicable.
Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

S. No	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/Authority/Beneficiary of the registered owner		
					CSR Registration Number, if applicable	Name	Registered address
(1)	**(2)**	**(3)**	**(4)**	**(5)**	**(6)**		
Nil							

8. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): The Company has utilised an amount more than its CSR obligation for the financial year under review. The excess CSR expenditure has been incurred on eligible activities in accordance with the Company's CSR Policy and the provisions of Section 135 of the Companies Act, 2013 and the applicable rules made thereunder. The Company shall deal with the excess amount in accordance with the applicable provisions of the Companies Act, 2013 and the relevant CSR Rules.

On Behalf of the Board of Directors /Stewards
for Hyderabad Race Club

Place: Hyderabad **Date:** 09th July 2026	**R. Surender Reddy** Chairperson DIN: 00083972	**COL. S. B. Nair** Director/ Steward DIN: 00534863

Annexure - II

Corporate Governance Report

1. Company's philosophy on Code of Corporate Governance:

The Hyderabad Race Club has consistently upheld the principles of good corporate governance by promoting fairness, transparency, accountability, ethical conduct and compliance with applicable laws. The Board believes that sound governance practices are fundamental to the long-term sustainability of the Company and to safeguarding the interests of its members and other prize money holders.

The Company's governance framework seeks to ensure effective oversight of management, transparent decision-making, responsible stewardship of resources and timely disclosure of material information. The Board remains committed to continuously reviewing and strengthening its governance systems and practices in line with evolving regulatory requirements and recognised standards of corporate governance.

We firmly believe that Board independence is essential to bring objectivity and transparency in the management and in the dealings of the Company (Club). As on March 31, 2026, the Board consists of 11 Directors (Stewards) out of which eight (08) Directors (Stewards) are elected by the members, three (03) are nominated by the State Government of Telangana.

The governance framework of the Company operates through three inter-related levels:

- Board of Directors (Stewards)
- Board Committees and Sub-Committees
- Executive Management

The three-tier governance structure ensures that:

(a) Strategic management (on behalf of the members), can be conducted by the Board with objectivity, thereby sharpening the accountability of management.

(b) Sub-Committees of the Club, uncluttered by the day-to-day tasks of executive management, remain focused and energized; and

(c) Executive management of the Club, free from collective strategic responsibilities for the Club as a whole, focuses on enhancing the quality, efficiency and effectiveness of the administration of the Club.

The core roles of the key entities flow from this structure. The core roles, in turn, determine the core responsibilities. To discharge such responsibilities, each department is empowered formally with requisite powers.

The structure, processes and practices of governance are designed to support effective management of multiple departments while retaining focus on each one of them.

2. Directors (Stewards)

Chairperson: The non-executive Chairperson of the Board ('the Chairperson') is the leader of the Board of Directors (Stewards). As chairperson, he fosters and promotes the integrity of the Board while nurturing a culture where the Board works harmoniously for the long-term benefit of the Company (Club) and all its prize money holders. The chairperson primarily ensures that the Board provides effective governance for the Company (Club). In doing so, the chairperson will preside at meetings of the Board and at meetings of the prize money holders of the Company (Club).

The chairperson takes the lead role in managing the Board and facilitating effective communication among the Board Members. The chairperson provides independent leadership to the Board, identifies guidelines for the conduct and performance of Directors (Stewards), and oversees the management of the Board's administrative activities such as meetings, schedules, agendas, communication and documentation.

Board of Directors (Stewards): The primary role of the Board is that of trusteeship to protect and enhance member value through strategic supervision of the Race Club. The Board also provides direction and exercises appropriate control to ensure that the Club is managed in a manner that fulfils Members' aspirations and societal expectations.

Attendance of Directors (Stewards) at board meetings conducted between April 01, 2025, to March 31, 2026:

S. No	Name of the Director (Steward)	No of Meetings conducted	No. of Meetings Attended
1	Mr. R. Surender Reddy, Chairperson	13	13
2	Mr. Ananth Kishen Rao	13	08
3	Mr. P. Anil Kumar Kishen	13	01
4	Col. S. B. Nair	13	10
5	Mr. D Bharat Bhushan Reddy	13	13
6	Mr. Hari Kishen Gupta (Upto 13th August 2025)	06	04
7	Mr. V. Krishna Das	13	07
8	Mr. Manish Jaiswal	13	12
9	Mr. N V R Narasimha Reddy	13	13
10	Mr R Raghuram Reddy	13	03
11	Mr. P S Reddy	13	11
12	Mr. R Rajesh (From 13th August 2025)	07	06

Committees and Sub-Committees:

The details of Committees constituted under the Companies Act, 2013 is detailed under point no.15 of the Report of the Board. The following are the other Sub-Committees for the operations of the club:

- Board of Appeal.
- Finance and Audit Committee
- Corporate Social Responsibility Committee
- Sub-Committee for General Administration & Business Promotion
- Sub-Committee for Information Technology (IT)
- Sub-Committee for Racing
- Sub-Committee for OCTCs' including Malakpet Totalizer
- Sub-Committee for Employee Benefits and Cafeteria

- Sub-Committee for Works
- Finance Sub-Committee for review of Internal Audit report
- Sub- Committee for catering
- Sub- Committee for Legal

The primary role of the above Sub-Committees is to provide strategic input to the Board in managing the Club's businesses and operating under the strategic supervision and control of the Board. These sub-Committees are constituted with Directors (Stewards), proficient members of the Club and eminent professionals:

Executive Committee (EC): The primary role of the Executive Committee is executive management of the business to realize tactical and strategic objectives in accordance with the Board approved plan. The Executive Committee is responsible for the day-to-day management of the Company's operations in accordance with the strategic direction and policies approved by the Board

Corporate Social Responsibility Committee (CSR):

Details relating to the CSR Committee are contained in the CSR Report annexed to the Board's Report

On Behalf of the Board of Directors /Stewards
for Hyderabad Race Club

Place: Hyderabad **Date:** 09th July 2026	**R. Surender Reddy** Chairperson DIN: 00083972	**COL. S. B. Nair** Director/ Steward DIN: 00534863

Independent Auditors Report
&
Financial Statements

SEKHAR & CO
Chartered Accountants
133/4, Rastrapathi Road
Secunderabad – 500003

M.BHASKARA RAO & CO
Chartered Accountants
5-D, Fifth Floor, Kautilya,
6-3-652, Somajiguda,
Hyderabad – 500082

Independent Auditor's Report

To
The Members of Hyderabad Race Club
Report on the Audit of Financial Statements

Opinion

We have audited the accompanying Financial Statements of Hyderabad Race Club ("the Company"), which comprise the Balance Sheet as at 31 March 2026, the Statement of Income and Expenditure (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date and notes to the financial statements, including a summary of the material accounting policies and other explanatory information (here after 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 Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, its surplus and total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements 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 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 Act and the Rules issued 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 Company's Board of Directors (Stewards) is responsible for the preparation of other information. The other information comprises the information included in the Board (Stewards)'s Report to the members of the Company including annexures, but does not include the financial statements and our auditor's report thereon.

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

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

The Board's report is not made available to us as at the date of this auditor's report. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's Board of Directors(Stewards) 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 (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act read with the Rules issued thereunder. 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors (Stewards) are also responsible for overseeing the Company'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 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 through separate report on complete set of financial statements whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the Company 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.

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

Since the Company is licensed to operate under Section 8 of the Act, the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act is not applicable to the Company. Accordingly, our report does not include a Statement on the matters specified in Paragraphs 3 and 4 of the said Order.

As required by Section 143(3) of the Act, 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, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;

in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with the rules issued thereunder;

on the basis of written representations received from the directors (Stewards) as on 31 March 2026, and taken on record by the Board of Directors (Stewards), none of the directors (Stewards) is disqualified as on 31 March 2026, from being appointed as a director (Stewards) in terms of Section 164 (2) of the Act;

with respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure A';

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 the provisions of Section 197(16) are not applicable to the Company; and

with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) 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 all pending litigations on its financial position in its financial statements - Refer note 30, 31.1, 31.2 and 33 to the financial statements;

The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

there are no amounts which were required to be transferred to the Investor Education and Protection Fund during the year ended 31 March 2026.

(i) the management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(ii) The management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company from any person or entity, including foreign entities ("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 the like on behalf of the Ultimate Beneficiaries;

(iii) Based on 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 (i) and (ii) above, contain any material mis-statement.

The Company has not declared or paid any dividend during the year; and

Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

for Sekhar & Co	**for M. Bhaskara Rao & Co**
Chartered Accountants	Chartered Accountants
Firm Regn No: 003695S	Firm Regn No: 000459S
K.C.DEVDAS	**M V RAMANA MURTHY**
Partner	Partner
Membership No. 014966	Membership No.206439

Place: Hyderabad
Date: 09th July 2026

Annexure A to the Independent Auditor's Report

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Hyderabad Race Club)

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **Hyderabad Race Club** ("the Company") as of 31 March 2026, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls with reference to financial statements

The Company's management is responsible for establishing and maintaining internal financial controls 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls with reference to financial statements that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Company 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 ICAI and the Standards on Auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 judgment, 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 Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31 March 2026, 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 ICAI.

for Sekhar & Co	**for M. Bhaskara Rao & Co**
Chartered Accountants	Chartered Accountants
Firm Regn No: 003695S	Firm Regn No: 000459S
K.C.DEVDAS	**M V RAMANA MURTHY**
Partner	Partner
Membership No. 014966	Membership No.206439

Place: Hyderabad
Date :09th July 2026

Hyderabad Race Club
CIN: U92411TG1971NPL001403
Balance Sheet as on 31 March 2026
All amounts in Rupees in Lakhs unless otherwise stated

Particulars	Note No.	As at 31 March 2026	As at 31 March 2025
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	3	126,487.65	126,744.21
Capital Works in progress	4	13,291.51	10,617.12
Investment Property	5	514.01	514.01
Other intangible assets	6	8.51	9.24
Financial assets			
Investments	7(a)	14,482.79	13,111.60
Other financial assets	9	2,203.84	9.58
Non current tax asset (net)	10	1,692.75	2,159.51
Other non current assets	11	30,908.52	29,599.03
Total Non-Current Assets		**189,589.58**	**182,764.30**
Current Assets			
Inventories	12	117.44	134.92
Financial assets			
Other financial assets	9	7,535.08	11,221.36
Investments	7(b)	-	1,127.39
Trade receivables	8	472.10	802.50
Cash and cash equivalents	13	4,593.95	2,626.80
Other current assets	14	370.62	522.25
Total Current Assets		**13,089.19**	**16,435.23**
Total Assets		**202,678.77**	**199,199.53**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15 (a)	-	-
Other equity	15 (b)	115,369.88	112,165.68
Total Equity		**115,369.88**	**112,165.68**
Liabilities			
Non-Current Liabilities			
Provisions	16	56,884.88	56,892.01
Deferred Tax Liability (net)	17	26,558.36	26,139.85
Total Non-Current Liabilities		**83,443.24**	**83,031.86**
Current Liabilities			
Financial liabilities			
Trade payables	18		
(A) Total outstanding dues of micro enterprises and small enterprises		-	-
(B) Total outstanding dues of creditors other than micro enterprises and small enterprises		1,836.80	1,909.01
Other current liabilities	19	2,017.28	2,076.31
Provisions	16	11.57	16.66
Total Current Liabilities		**3,865.65**	**4,001.98**
Total Equity and Liabilities		**202,678.77**	**199,199.53**

Corporate Information & Material Accounting Policies 1 & 2
See accompanying notes forming part of the financial statements. 3 to 43
As per our report of even date attached

for and on behalf of the Board of Stewards

for SEKHAR & Co.,
Chartered Accountants
Firm Reg. No. 003695S

K.C.DEVDAS
Partner
Membership No. 014966

for M. BHASKARA RAO & CO
Chartered Accountants
Firm Reg. No. 000459S

M V RAMANA MURTHY
Partner
Membership No. 206439

R SURENDER REDDY
Chairperson
DIN:00083972

COL S B NAIR
Director
DIN:00534863

N.V.R.N. REDDY
Director
DIN:09244602

Place: Hyderabad
Date: 09th July, 2026

N KIRAN REDDY
Chief Operating Officer

ARUNA DAGA
General Manager (F&A)

Hyderabad Race Club
CIN: U92411TG1971NPL001403
Balance Sheet as on 31 March 2026
All amounts in Rupees in Lakhs unless otherwise stated

Particulars	Note No.	"Year ended 31 March 2026"	"Year ended 31 March 2025"
Income			
Revenue from operations	20	6,585.98	8,727.90
Other income	21	1,720.77	2,046.97
Total Income		**8,306.75**	**10,774.87**
Expenses			
Prize money to Owners	22	2,455.15	3,874.63
Share of Income to other centres	23	-	16.24
Employee benefits expense	24	1,245.47	1,377.50
Depreciation and amortization expenses	25	305.29	349.88
Finance costs	26	4.02	358.46
Other expenses	27	1,377.10	2,025.75
Loss on account of TDS paid	32b	-	94.47
Total Expenses		**5,387.03**	**8,096.92**
Surplus before tax		**2,919.71**	**2,677.94**
Tax Expense			
Current tax		(440.04)	(220.10)
Earlier years tax		78.85	-
Deferred tax		(314.27)	204.41
Total tax expense		**(675.46)**	**(15.69)**
Surplus after tax		**2,244.25**	**2,662.25**
Other Comprehensive Oncome			
A. Items that will not be reclassified to income and expenditure			
Remeasurements of the defined benefit plans		35.91	31.58
Income tax on above items		(9.04)	(7.92)
		26.87	23.66
B. Items that will be reclassified to income and expenditure			
Fair value change - investments		378.27	1,098.25
Income tax on above items		(95.20)	(276.41)
		283.07	821.84
Other comprehensive income		309.94	845.50
Total comprehensive income for the year		**2,554.19**	**3,507.75**

Corporate Information & Material Accounting Policies 1 & 2
See accompanying notes forming part of the financial statements. 3 to 43
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Hyderabad Race Club
CIN: U92411TG1971NPL001403
Statement of Cash Flows for the year ended 31 March 2026
All amounts in Rupees in Lakhs unless otherwise stated

	Particulars	Year ended 31 March 2026	Year ended 31 March 2025
A.	**Cash flow from operating activities**		
	Surplus for the year	2,919.71	2,677.94
	Adjustments for		
	Interest income recognized in income and expenditure account	(1,209.06)	(1,393.49)
	Depreciation and amortization	305.29	349.88
	Income on investments	(124.83)	(160.30)
	Profit or loss on sale of assets	-	(13.15)
	Interest cost	4.02	358.46
	Net foreign exchange (gain) / loss	0.59	3.54
	unrealised gain on investement	(56.38)	(45.84)
	Dividend income	(0.00)	-
	Provisions	40.23	12.05
	Operating surplus / (deficit) before working capital changes	**1,879.57**	**1,789.09**
	Changes in working capital:		
	Adjustments for (increase) / decrease in operating assets:		
	Inventories	17.48	(5.95)
	Trade Receivables	330.41	1,736.65
	Other Financial Assets	2.00	117.85
	Other Current Assets	(54.10)	(1,161.75)
	Adjustments for increase / (decrease) in operating liabilities:		
	Trade Payables	(72.21)	181.30
	Current Provisions	46.75	(5.15)
	Other Current Liabilities	(59.03)	(5,636.62)
	Cash generated from / (used in) operations	**2,090.86**	**(2,984.58)**
	Income Tax paid (Net)	405.02	(398.96)
	Net cash flow from / (used in) operating activities (A)	**2,495.88**	**(3,383.53)**
B.	**Cash flow from investing activities**		
	Payments for property, plant and equipment (including Capital Work in Progress)	(2,405.58)	(1,526.48)
	Proceeds on sale of assets	-	43.78
	Bank balances (Deposits) not considered as cash and cash equivalents	1,490.03	(837.77)
		979.65	1,393.49
		(1,615.55)	(958.49)
	Net Proceeds from sale of investments / investments made	376.73	(177.41)
	Net cash flow used in investing activities (B)	**(1,174.72)**	**(2,062.87)**
C.	**Cash flow from financing activities**		
		(4.02)	(358.46)
	Membership fees	650.00	-
	Net cash flow from / (used in) financing activities (C)	645.98	**(358.46)**
	Net increase / (decrease) in cash and cash equivalents	1,967.15	(5,804.85)
	Cash and cash equivalents at the beginning of the year	2,626.80	8,431.64
	Cash and cash equivalents at the end of the year (Refer Note 13)	**4,593.95**	**2,626.80**
	a) Cash on hand	11.04	6.19
	b) Balance with banks in current accounts		
	-Savings Bank Accounts	4,569.35	2,604.83
	-Current Account	13.56	15.78
	Total Cash and cash equivalents (as per Ind AS 7)	**4,593.95**	**2,626.80**

Corporate Information & Material Accounting Policies 1 & 2
See accompanying notes forming part of the financial statements 3 to 43

As per our report of even date attached

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ARUNA DAGA
General Manager (F&A)

Hyderabad Race Club

CIN: U92411TG1971NPL001403

Statement of Changes in Equity for the year ended 31 March 2026

All amounts in Rupees in Lakhs unless otherwise stated

A.	Equity Share Capital	Note No.	As at 31 March 2026	As at 31 March 2025
	Issued and paid up equity share capital	15(a)		
	Balance at the beginning of the current reporting period		-	-
	Changes in Equity Share Capital due to prior period errors		-	-
	Restated balance at the beginning of the current reporting period		-	-
	Changes in equity share capital during the current year		-	-
	Balance at the end of the current reporting year		**-**	**-**

B. Other Equity

Particulars	Reserves & Surplus		Items of other comprehensive income / (loss)		Total
	Retained Earnings	Membership fees	Remeasurement of defined benefit plans	Fair value change on investments	
Balance as at 01 April 2024	**105,131.33**	**1,420.14**	**48.92**	**2,057.32**	**108,657.71**
Surplus/ (Deficit) for the year	2,662.25		-	-	**2,662.25**
Other Comprehensive Income (net of income tax)	-		23.66	(54.39)	**(30.73)**
Reclassified from Other Comprehensive Income	876.45				**876.45**
Any other change (Addition from New Membership/Transfer of members)	-	-	-	-	**-**
Total comprehensive income for the year	**3,538.70**	**-**	**23.66**	**(54.39)**	**3,507.97**
Balance as at 31 March 2025	**108,670.03**	**1,420.14**	**72.58**	**2,002.93**	**112,165.68**
Surplus/ (Deficit) for the year	2,244.25	-	-	-	**2,244.25**
Other Comprehensive Income (net of income tax)			26.87	(88.06)	**(61.19)**
Reclassified from Other Comprehensive Income	371.13	-	-	-	**371.13**
Any other change (Addition from New Membership/Transfer of members)		650.00			**-**
Total comprehensive income for the year	**2,615.38**		**26.87**	**(88.06)**	**2,554.19**
Balance as at 31 March 2026	**111,285.42**	**2,070.14**	**99.46**	**1,914.87**	**115,369.88**

Corporate Information & Material Accounting Policies 1 & 2

See accompanying notes forming part of the financial statements. 3 to 43

As per our report of even date attached

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General Manager (F&A)

Hyderabad Race Club
CIN: U92411TG1971NPL001403
Notes to the financial statements for the year ended 31 March 2026
All amounts in Rupees in Lakhs unless otherwise stated

1. Corporate Information

"Hyderabad Race Club ('the Club' or 'the Company') is a public company incorporated in India U/s 25 of Companies Act 1956 (now Section 8 of Companies Act 2013). The Company has no share capital and is limited by guarantee.
The Company is engaged in conducting horse racing at Hyderabad and, on reciprocal basis conducts Inter Venue Betting (IVB) on races held at other Race Clubs in India."

The income and property of the Company how so ever derived , shall be applied solely towards the promotion of the objects of the Company as set forth in the Memorandum of Association and no portion thereof shall be paid or transferred directly or indirectly by way of dividends, bonus or otherwise howsoever by way of profit to the Members of the Company.

By virtue of the Memorandum of Association every member of the Company undertakes to contribute to the assets of the Company in the event of its being wound up while he is member or within one year after he ceases to be a member for payment of debts and liabilities of the Company contracted before he ceases to be a member and the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves, such amount as may be required not exceeding Rs.100/-

If upon winding up or dissolution of the Company there remains after the satisfaction of all its debts and liabilities , any property whatsoever, the same shall not be paid to or distributed among the members of the Company, but shall be given or transferred to some other institution or institutions having objects similar to the objects of the Company or such charitable objects to be determined by the Members of the Company at or before the time of dissolution or in default thereof , by the National Company law Tribunal, Hyderabad or such judicial or quasi - judicial authority as may be notified by the Ministry of Corporate Affairs from time to time.

The financial statements for the year ended 31 March 2026 were approved by the Board of Directors and authorised to issue on 09 July 2026

2 Material Accounting Policies

2.1 Statement of Compliance:

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and amendments issued thereafter.

2.2 Basis of accounting and preparation of financial statements

These financial statements have been prepared on accrual basis under the historical cost convention, except for certain financial instruments which are measured at fair value, the provisions of the Companies Act, 2013 ('Act'), including presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS Compliant Schedule III), as applicable to the standalone financial statements (to the extent notified).

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purpose in these standalone financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 inputs are unobservable inputs for the asset or liability.

2.3 Use of estimates

The preparation of these standalone financial statements requires the management of the Company to make estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the financial statements.

2.4 Property, Plant and Equipment and Intangible Assets

Property, Plant and Equipment

Property, Plant & Equipment are stated at actual cost less accumulated depreciation and net of impairment. The cost of Property, plant and equipment comprises of purchase price, applicable duties and taxes, any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition/construction of qualifying Property, plant and equipment , that takes a substantial period of time to get ready for its intended use, up to the date the asset is ready for its intended use. The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is required to be included in the cost of the respective item of property plant and equipment.

Intangible assets

Intangible assets are identifiable non-monetary assets without physical substance that are controlled by the Company and from which future economic benefits are expected to flow. Intangible assets, including computer software and development costs. Tangible assets acquired separately, includes customized computer software, are measured at cost, which comprises the purchase price and any directly attributable costs of preparing the asset for its intended use.

For transition to Ind AS, the Company has elected to adopt as deemed cost, the carrying value of Property, Plant, Equipment and intangible Assets, other than land, measured as per previous GAAP, accumulated depreciation and cumulative impairment on the transition date of 01 April 2022. In respect of land, the Company has considered fair value of land as on transition date 01 April 2022 as deemed cost.

An item of Property, Plant & Equipment and Intangible Assets is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment and Intangible Assets is determined as the difference between the sale proceeds and the carrying amount of the asset and is recognised in statement of income and expenditure.

2.5 Depreciation and amortisation

Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on Property, Plant and equipment have been provided on the basis of estimated useful life's indicated in Part C of Schedule II to the Companies Act 2013 on Written down value method. Intangible assets, primarily comprising of software, is depreciated over actual license period or estimated life whichever is less.

The estimated useful lives and residual values of the Property, Plant and equipment and intangible assets are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

2.6 a Investment Property

The Company owns investment property, which is leased out to generate lease rental income. Lease rentals from the investment property, including agricultural property, are recognized as income in the Statement of Income and Expenditure.

b Depreciation and Amortization

Depreciation is charged on investment property to reflect the systematic allocation of its depreciable amount over its useful life, as the property is held for rental income or capital appreciation. The depreciation method applied is the Written down value method, The useful life and residual value of the investment property are reviewed annually and adjusted if necessary to ensure accurate financial reporting.

2.6 Impairment of Assets:

i) Financial assets

Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Impairment loss on financial assets carried at amortised cost is measured at the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate. In a subsequent period, if the amount of impairment loss decreases and the decreases can be related objectively to an event, the previously recognised impairment is reversed through profit or loss.

ii) Non-financial assets

Property, Plant & Equipment and Other Intangible assets

Property, Plant and Equipment and Other intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the income or expenditure.

Investment property

The agricultural property is assessed for impairment if there are indicators such as changes in market conditions or regulatory restrictions affecting its value. An impairment loss is recognized if the carrying amount exceeds the recoverable amount.

2.7 Leases

Payments associated with short-term leases and low value assets are recognized on a straight line basis as an expense in income or expenditure. Short term leases are leases with a lease term of 12 months or less.

The Company, as a lessor, classifies a lease either as an operating lease or a finance lease. Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

2.8 Inventories:

Inventories comprise all costs of purchase, conversion and other costs incurred in bringing the inventories to their present location and condition.
Inventories are valued at lower of cost and net realizable value.

2.9 Revenue recognition:

(i) Club Activities

The club recognizes revenue from sale of services relating to its club activities on satisfaction of performance obligation towards rendering of such services measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

(ii) Racing Activities

Revenue from racing activities, representing the totalizator Commission, Income from Bookmaker, entry money/ Gate money, sponsorship income, Rent from Race Track, stable rent, including race broadcast subscription fees etc., are recognized on an accrual basis based on the completion of underlying racing activities during the year. Revenue from the sale of medicine and fodder to the horses is recognized based on the issue from the stores.

"The non refundable infrastructure development fund from new members received as membership fees during the year is recognised as capital receipt and accounted in General Fund in the year of receipt."

(iii) Other income

"Interest income (excluding interest on income tax refund) is recognized on time proportion basis, taking into account the outstanding and effective interest rate. Interest on income tax refund is accounted on receipt basis."

2.10 Foreign currency transactions:

The functional currency of the Company is Indian Rupees (INR).
Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities of foreign operations are restated into the functional currency using exchange rates prevailing on the date of the Balance Sheet. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are included in the income and expenditure.

2.11 Financial Instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.
Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in income and expenditure.

i) Non-derivative financial instruments

Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value

Financial asset not measured at amortised cost is carried at fair value through profit or loss (FVTPL) on initial recognition, unless the company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income.

The Company, on initial application of IND AS 109 Financial Instruments, has made an irrevocable election to present in other comprehensive income for changes in fair value of investment not held for trading.

Financial asset at FVTPL are measured at fair values at the end of each reporting period, with any gains or losses arising on remeasurement recognised in income and expenditure.

Financial liabilities

Financial liabilities at fair value through profit and loss are stated at fair value, with any gains or losses arising on remeasurement recognised in income and expenditure.

For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

iii) Derecognition of financial instruments

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. "The Company derecognises financial liabilities when, and only when, the Company's obligation are discharged,cancelled or have expired."

2.12 Employee Benefits:

a) Gratuity:

The Company accounts for its gratuity liability, a defined retirement benefit plan covering eligible employees. The gratuity plan provides for a lump sum payment to employees at retirement, death, incapacitation or termination of the employment based on the respective employee's salary and the tenure of the employment. Liabilities with regard to a Gratuity plan are determined based on the actuarial valuation carried out by an independent actuary as at the Balance Sheet date using the Projected Unit Credit method for the Company. Actuarial gains and losses are recognised in full in other comprehensive income and accumulated in equity in the period in which they occur.

b) Provident fund:

The eligible employees of the Company are entitled to receive the benefits of Provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary which are charged to the Statement of Income and Expenditure on accrual basis. The provident fund contributions are paid to the Regional Provident Fund Commissioner by the Company. The Company has no further obligations for future provident fund and superannuation fund benefits other than its annual contributions.

c) Compensated absences:

The Company provides for the encashment of leave subject to Company's rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment or availment. The liability is provided based on the number of days of unavailed leave at each Balance Sheet date on the basis of an independent actuarial valuation using the Projected Unit Credit method for the Company. The Company does not expect the difference on account of varying methods to be material.

The liability which is not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised based on actuarial valuation as at the Balance Sheet date.

d) Other short term employee benefits:

Other short-term employee benefits such as performance incentives expected to be paid in exchange for the services rendered by employees, are recognised during the period when the employee renders the service.

2.13 Taxation:

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to / recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the local tax laws existing in the respective countries.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability is considered as an asset if there is convincing evidence that the Company will pay normal tax after the tax holiday period. Accordingly, it is recognized as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

The Company recognises interest levied and penalties related to income tax assessments in income tax expenses.

2.14 Provision, Contingent Liabilities and Contingent Assets:

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost. Contingent Liabilities and Contingent Assets are not recognized in the financial statements.

2.15 Classification of current and non-current assets and liabilities:

"In the Balance Sheet at the date of year end the Club presents the assets and liabilities based on current and noncurrent classification".

Current and non-current assets – Cash and cash equivalents are treated as current asset, unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. In respect of other assets it is treated as current when it is:

Expected to be realized or intended to be sold or consumed in the normal operating cycle

Held primarily for the purpose of trading Expected to be realized within twelve months after the reporting period All other assets are classified as non-current assets.

Current and non-current liabilities - A liability is treated as current liability in the accounts at the end of the year in the following circumstances

It is expected to be settled in the normal operating cycle

It is held primarily for the purpose of trading

It is due to be settled within twelve months after the reporting period, or

"There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period." "All other liabilities are classified as non-current liabilities. Deferred tax assets and liabilities are classified as noncurrent assets and liabilities respectively" "The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Club has identified twelve months as its operating cycle"

2.16 Racing Expenditure

"Prize money & commission, and other event-related expenses like cups & trophies etc., are recognized on an accrual basis based on the completion of underlying racing activities during the period. Further, expenses, related to fodderand medicine are recognized based on dispatch for consumption"

2.17 Financial Risk management

"As there is possibility and probability of the business activities of the Club being exposed to liquidity and credit risk, the Risk Management Policies have been established to identify the risks that may be encountered with by the Club, to set and monitor appropriate risk limits and controls and to periodically review and reflect the changes in the policy accordingly"

"Market Risk It is the probable risk that there may be fluctuation in the fair value of future cash flows of a financial instrument owing to changes in market prices"

"It is the risk that the Club may face in meeting of its obligations associated with financial liabilities. In this regard, the approach of the Club in the management of the liquidity is to ensure that it will have sufficient funds to meet its liabilities and in doing so the Management considers both normal and stressed conditions.

In this behalf the Club regularly monitors the rolling forecasts and the actual cash flows to meet the financial liabilities on day to day basis through cash generation from business with backing of adequate banking facilities"

"Credit Risk Management

This is the risk of financial loss to the Club on account the failure on the part of the other party to meet and discharge its contractual obligation and the main risk are from trade receivables and various other financial assets"

"Trade Receivables - The concentration of credit risk with respect to trade receivable are very limited as the customers are reviewed, assessed and monitored regularly on a monthly basis with pre-determined credit limit assessment in accordance with their payment capacity."

2.18 Critical judgements in applying accounting policies:

The following are the critical judgements, apart from those involving estimations, that the directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statement.

Key sources of estimation uncertainty:

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Useful lives of property, plant and equipment, Intangible assets and Investment Property

The company reviews the estimated useful lives of property , plant and equipment, Intangible assets and Investment Property at the end of each reporting period. During the current year, there has been no change in life considered for the assets.

Fair value measurements and valuation processes:

Investments are measured at fair value for the financial reporting purposes.

In estimating the fair value of an asset or a liability, the Company uses market-observable data to the extent it is available.

Provision for doubtful receivables:

The Company has adopted Expected credit loss model for provisioning of receivables, apart from this the company also monitors long outstanding balances and make additional provision where required.

Provision for employee benefits:

The Company uses actuarial assumptions to determine the obligations for employee benefits at each reporting period . These assumptions include the discount rate, expected long-term rate of return on plan assets, rate of increase in compensation levels and mortality rates.

Provision for taxes:

Significant judgments are required in determining the provision for income taxes, including the amount expected to be paid/ recovered for uncertain tax positions.

2.19 Recent accounting pronouncements

"Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

1. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.
2. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.
3. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.
4. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Company has no impact of these amendments."

Hyderabad Race Club

CIN: U92411TG1971NPL001403

Notes to the financial statements for the year ended 31 March 2026

All amounts in Rupees in Lakhs unless otherwise stated

3 Property, Plant and Equipment

Particulars	Land[3.1]	Buildings[3.2]	Plant & Machinery	Furniture & Fixtures	Electrical Fittings	Computers	Vehicles	Grand Total
Gross Carrying Value As at 01 April, 2024(Deemed cost)	**122,855.58**	**3,514.24**	**354.36**	**135.89**	**552.01**	**513.27**	**43.37**	**127,968.72**
Additions	-	36.34	8.50	0.91	10.18	84.04	-	139.97
Disposals/ adjustments	-	-	34.62	-	-	-	-	34.62
Gross Carrying Value as at 31 March, 2025	**122,855.58**	**3,550.58**	**328.24**	**136.80**	**562.19**	**597.31**	**43.37**	**128,074.07**
Accumulated Depreciation As at 01 April, 2024	-	362.32	113.59	42.97	146.07	331.38	15.35	**1,011.68**
Depreciation charge for the year	-	174.70	42.13	19.53	65.97	42.78	3.76	**348.87**
Disposals/ adjustments	-	-	30.69	-	-	-	-	**30.69**
Closing Accumulated Depreciation As at 31 March, 2025	-	537.02	125.03	62.50	212.04	374.16	19.11	1,329.86
Net Value As at 31 March , 2025	**122,855.58**	**3,013.56**	**203.21**	**74.30**	**350.15**	**223.15**	**24.26**	**126,744.21**
Gross Carrying Value As at 01 April, 2025 (Deemed cost)	**122,855.58**	**3,550.58**	**328.24**	**136.80**	**562.19**	**597.31**	**43.37**	**128,074.07**
Additions	0.00	7.99	16.59	-	17.14	5.74	-	47.46
Disposals/ adjustments	-	-	-	-	-	-	-	-
Gross Carrying Value as at 31 March, 2026	**122,855.58**	**3,558.57**	**344.83**	**136.80**	**579.33**	**603.05**	**43.37**	**128,121.53**
Accumulated Depreciation As at 01 April 2025	-	**537.02**	**125.03**	**62.50**	**212.04**	**374.16**	**19.11**	**1,329.86**
Depreciation during the year	-	172.98	36.23	13.17	49.29	29.77	2.57	**304.01**
Disposals/ adjustments	-	-	-	-	-	-	-	-
Closing Accumulated Depreciation As at 31 March, 2026	-	710.00	161.26	75.67	261.33	403.93	21.68	1,633.87
Net Value As at 31 March, 2026	**122,855.58**	**2,848.57**	**183.56**	**61.13**	**318.00**	**199.12**	**21.69**	**126,487.65**

3.1 The fair value of land as on transition date i.e. 01 April 2022 is considered as deemed cost. The fair value of land was based on SRO rates notified by the Government and adjusted for infrastructural facilities as at the transition date.

3.2 Includes certain assets given on cancellable operating leases:

Particulars	As at 31 March 2026			As at 31 March 2025		
Assets	Gross Carrying Value	Accumulated Depreciation	Net Carrying Value	Gross Carrying Value	Accumulated Depreciation	Net Carrying Value
Building - Vijayawada	1,216.38	394.89	821.49	1,216.38	351.94	864.44

4. Capital Work-in-progress

Particulars	Alijapur Building		Poolapolly Building - Compound wall	
	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Buildings under construction				
Opening Balance	10,617.12	6,786.88	-	-
Additions during the year	2,476.54	3,830.24	197.85	-
Capitalised during the year	-	-	-	-
Closing Balance	**13,093.66**	**10,617.12**	**197.85**	**-**

Alijapur Building Project status as on 31 March, 2026

Date of commencement of Excavation works	3/28/2022
Date of commencement of Civil works	11/24/2022
Original date of completion	31.08.2024
Projected date of completion	30.09.2026
% of completion as on 31 March, 2026	92%
Any delays in completion	25 Months

Reason:

Capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan

Particulars	(Amount in Rs.)			
CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Ajijapur Building Construction	13,093.66			

Note:

The project's execution was delayed primarily because the principal contractor performed unsatisfactorily and could not adhere to the agreed project schedule and performance milestones. Consequently, project progress was significantly affected. To ensure timely completion and maintain the required quality standards, the Company terminated the principal contractor's engagement and appointed a replacement. The new contractor has since taken over the remaining works, and the project is progressing according to the revised implementation schedule. Management expects the project to be completed within the revised timeline.

Ageing for capital works in progress as at 31 March 2026

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Building Under Construction - Alijapur	2,476.55	3,830.24	4,202.70	2,584.17	13,093.66
Building Under Construction- Poolapally	197.85	-	-	-	197.85

Ageing for capital works in progress as at 31 March 2025

Particulars	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Building Under Construction - Alijapur	3,830.25	4,202.70	1,764.09	820.08	10,617.12
Building Under Construction - Poolapally	-	-	-	-	-

5 Investment Property

Particulars	Land
Gross Carrying Value As at 01 April, 2024(Deemed cost)	**-**
Additions	514.01
Disposals/ adjustments	-
Gross Carrying Value as at 31 March, 2025	**514.01**
Accumulated Depreciation As at 01 April, 2024	**-**
Depreciation charge for the year	-
Disposals/ adjustments	-
Closing Accumulated Depreciation As at 31 March, 2025	**-**
Net Value As at 31 March , 2025	**514.01**
Gross Carrying Value As at 01 April, 2025 (Deemed cost)	**514.01**
Additions	-
Disposals/ adjustments	-
Gross Carrying Value as at 31 March, 2026	**514.01**
Accumulated Depreciation As at 01 April 2025	**-**
Depreciation during the year	-
Disposals/ adjustments	-
Closing Accumulated Depreciation As at 31 March, 2026	**-**
Net Value As at 31 March, 2026	**514.01**

Fair value of the investment property:

Details of the investment property and information about the fair value hierarchy as at 31 March 2026 and 31 March 2025 are as follows:

Particulars	Fair value hierarchy	Fair value as at 31 March 2026	Fair value as at 31 March 2025
Land*	Level 3	720.00	650.00

* The fair value of investment property is based on the valuation by a management. The valuation is based on government rates, market research, market trend and comparable values as considered appropriate.

6 Other Intangible Assets

Particulars	Computer Software
Gross Block	
Gross Carrying Value As at 01 April, 2024(Deemed cost)	29.63
Additions	-
Disposals/ adjustments	-
Gross Carrying Value as at 31 March, 2025	29.63
Accumulated Amortisation As at 01 April, 2024	19.38
Amortisation charged during the year	1.01
Accumulated amortisation on disposal	
Closing Accumulated Amortisation As at 31 March, 2025	**20.39**
Net Value As at 31 March , 2025	**9.24**
Gross Carrying Value As at 01 April, 2025 (Deemed cost)	29.63
Additions	0.55
Disposals/ adjustments	-
Gross Carrying Value as at 31 March, 2026	30.18
Accumulated Amortisation As at 01 April, 2025	20.39
Amortisation charged during the year	1.28
Accumulated amortisation on disposal	**-**
Closing Accumulated Amortisation As at 31 March, 2026	**21.67**
Net Value As at 31 March, 2026	**8.51**

7(a) Non Current Investments (Unquoted) (Refer Note 39A)

Particulars	As at 31 March 2026	As at 31 March 2025
(i) Investments measured at fair value through Other Comprehensive Income		
Bonds	500.00	500.00
Mutual funds	3,553.89	2,701.68
Structured Funds	3,613.39	5,675.78
	7,667.28	**8,877.46**
(ii) Investments measured at fair value through Profit or Loss		
Mutual funds	547.85	564.31
Structured Funds	6,267.67	3,669.83
	6,815.52	**4,234.14**
Total	**14,482.79**	**13,111.60**

7(b) Current Investments (Unquoted) (Refer Note 39B)

Particulars	As at 31 March 2026	As at 31 March 2025
Structured Funds	-	1,127.39
Total	**-**	**1,127.39**
Aggregate Amount of Unquoted Investments	**14,482.79**	**14,238.98**

8 Trade Receivables

Particulars	As at 31 March 2026	As at 31 March 2025
Considered good - unsecured	472.10	802.50
Total	**472.10**	**802.50**
Of the above, trade receivables from:		
a) Others	472.10	802.50
b) Related parties	-	-

8.1 Ind AS requires expected credit losses to be measured through a loss allowance. The Company assesses at each date of statement of financial position whether a financial asset or a group of financial asset is impaired. The Company recognises lifetime expected losses for trade receivables that do not constitute a financing transaction. The Company has used a practical expedient by computing the expected credit loss allowance for trade receivable based on a provision matrix.

8.2 Age of trade receivables as on 31 March 2025

Particulars	Less than 6 months	6 months - 1 years	1 - 2 years	More than 3 years	Total
Undisputed trade receivables					
a) Considered good	430.83	13.79	7.05	20.43	472.10
b) which have significant increase in	-	-	-	-	-
c) credit impaired	-	-	-	-	-
Disputed trade receivables					
a) Considered good	-	-	-	-	-
b) which have significant increase in	-	-	-	-	-
c) credit impaired	-	-	-	-	-
Total	**430.83**	**13.79**	**7.05**	**20.43**	472.10

8.3 Age of trade receivables as on 31 March 2026

Particulars	Less than 6 months	6 months - 1 years	1 - 2 years	More than 3 years	Total
Undisputed trade receivables					
a) Considered good	520.45	229.25	15.11	37.70	802.50
b) which have significant increase in	-	-	-	-	-
c) credit impaired	-	-	-	-	-
Disputed trade receivables					
a) Considered good	-	-	-	-	-
b) which have significant increase in	-	-	-	-	-
c) credit impaired	-	-	-	-	-
Total	**520.45**	**229.25**	**15.11**	**37.70**	**802.51**

9 Other Financial Assets

Particulars	As at 31 March 2026		As at 31 March 2025	
	Current	Non Current	Current	Non Current
Advance to Related Parties [Refer Note 34]	54.47	-	53.72	-
Other deposits	-	5.78	-	8.52
Fixed deposit accounts with remaining maturity more than 12 months	7,300.00	2197	10,987.04	-
Margin money deposit*	180.61	1.06	180.60	1.06
Total	**7,535.08**	**2,203.84**	**11,221.36**	**9.58**

***under lien with bank for guarantee issued in favour of GHMC**

10 Non Current Tax Asset (net)

Particulars	As at 31 March 2026	As at 31 March 2025
Advance Tax and TDS Receivables	2,132.45	2,651.00
Less: Provision for income tax	(439.70)	(491.49)
Total	**1,692.75**	**2,159.51**

11 Non Current Assets

Particulars	As at 31 March 2026	As at 31 March 2025
Capital advances	488.92	805.75
Deposit with Government Authorities [Refer Note 33a]	30,390.97	28,775.42
Others	28.63	17.87
Total	**30,908.52**	**29,599.03**

12 Inventories

(At lower of cost and net realisable value)

Particulars	As at 31 March 2026	As at 31 March 2025
Stores	117.44	134.92
Total	**117.44**	**134.92**

13 Cash and Cash Equivalents

Particulars	As at 31 March 2026	As at 31 March 2025
Cash in hand	11.04	6.19
Balance with Banks		
-Savings Bank Accounts	4,569.35	2,604.83
-Current Account	13.56	15.78
Total	**4,593.95**	**2,626.80**

14. Other Current Assets

Particulars	As at 31 March 2026	As at 31 March 2025
Interest Accrued on deposits	229.41	416.51
Prepaid	88.33	96.27
Employee Advances	6.97	9.48
Other Advances	45.91	-
Total	**370.62**	**522.25**

15 (a) Share Capital

Particulars	As at 31 March 2026	As at 31 March 2025
Issued, Subscribes and paid up share capital	-	-

The Company is registered under the provisions of Section 25 of the Companies Act, 1956 (now Section 8 of Companies Act 2013). The Company is limited by guarantee and has no share capital. Every Member of the Company undertakes to contribute to the assets of the Company such amount as may be required not exceeding ₹ 100/- (Rupees One Hundred only),in the event of its being wound up while he is a member or within one year after he ceases to be a member for payment of debts and liabilities of the Company contracted before he ceases to be a Member and the cost, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves. The company is prohibited from distributing dividends.

15 (b) Other Equity

Particulars	As at 31 March 2026	As at 31 March 2025
Retained Earnings	111,285.42	108,670.03
Membership Fees	2,070.14	1,420.14
Items of Other Comprehensive Income	2,014.32	2,075.51
Total	**115,369.88**	**112,165.68**

15.1 Retained Earnings

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at beginning of year	108,670.03	105,131.33
Surplus for the year	2,244.25	2,662.25
Reclassified from Other Comprehensive Income	371.13	876.45
Balance at end of year	**111,285.42**	**108,670.03**

15.2 Membership Fees

Particulars	As at 31 March 2026	As at 31 March 2025
Balance at beginning of year	1,420.14	1,420.14
Additions/ withdrawals during the year	650.00	-
Balance at end of year	**2,070.14**	**1,420.14**

15.3 Items of Other Comprehensive Income

Remeasurements of the defined benefit plans

Particulars	As at 31 March 2026	As at 31 March 2025
Opening balance	72.58	48.92
Current year charge (net of tax)	26.87	23.66
Balance at end of year (A)	**99.46**	**72.58**
Fair value change - Investments		
Opening balance	2,002.93	2,057.32
Fair value reversal - Ind AS	(371.13)	(876.23)
Current year charge (net of tax)	283.07	821.84
Balance at end of year (B)	**1,914.87**	**2,002.93**
Total Other Comprehensive Income (A+B)	**2,014.32**	**2,075.51**

15.4 Retained earning represents the Company's undistributed earnings after taxes.

15.5 Remeasurement of the defined benefits plans recognised in other comprehensive income represents the actuarial gain / (loss) recognised on the defined benefit plan and will not be reclassified to retained earnings.

16. Provisions

Particulars	As at 31 March 2026		As at 31 March 2025	
	Non Current	Current	Non Current	Current
Provision for employee benefits				
Leave Encashment [Refer Note 16.3]	94.52	5.89	97.02	8.05
Gratuity [Refer Note 16.3]	82.57	5.68	87.21	8.61
Provisions for Contingencies [Refer Note 16.2]	6,980.84	-	6,980.84	-
GST Provision Payable [Refer Note 16.2 & 33a]	49,726.94	-	49,726.94	-
Total	56,884.88	11.57	56,892.01	16.66

16.2 Considering that the litigations disclosed in Note no.30 and 33a to the financial statements are likely to be long drawn and may impact the activities of the Company in the event of unfavourable decision, the Company has decided to make provision to meet contingencies that may arise out on completion of adjudication process. In the assessment of Management, the provisions made as at the year end is adequate to meet such contingencies. There is no movement in the provision during the year.

16.3 Defined Benefit Plan (Refer note No.42)

The gratuity scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risks commonly affecting the liabilities and the financial results are expected to:

Interest rate risk : the defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

Salary inflation risk : Higher than expected increases in salary will increase the defined benefit obligation

Demographic risk : For example, as plan is open to new entrants, an increase in membership will increase the defined benefit obligation. Also, the plan only provides benefits upon completion of a vesting criteria. Therefore, if turnover rates increase, then the liability will tend to fall as fewer employees reach vesting period.

The following table sets forth the status of the gratuity plan of the Company, and the amounts recognized in the balance sheet and statement of income and expenditure.

Particulars	As at 31 March 2026	As at 31 March 2025
Prevent value of obligation as at the beginning of the year	307.35	316.16
Current service cost	28.44	28.33
Interest cost	18.88	20.79
Benefits paid	(24.68)	(29.83)
Actuarial (gain) / loss on obligations	(33.39)	(28.10)
Prevent value of Obligation as at the end of the year	296.60	307.35

b) Table showing changes in fair value of plan assets

Particulars	As at 31 March 2026	As at 31 March 2025
Value of plan assets at the beginning of the year	211.53	210.35
Adjustment to Opening Balance		
Expected return on plan assets	13.38	13.95
Contributions	7.03	4.97
Benefits paid	(12.07)	(21.22)
Actuarial gain / (loss) on plan assets	2.52	3.48
Fair value of the plan assets	222.39	211.53

c) Amount to be recognised in the balance sheet

Particulars	As at 31 March 2026	As at 31 March 2025
Present value of obligation as at the end of the year	296.60	307.35
Value of plan assets as at the end of the year	222.39	211.53
Funded Status	(74.21)	(95.82)
Unrecognised Actuarial (gains) / losses	-	-
Net Asset / (Liability) recognised in the balance sheet	(74.21)	(95.82)
Current	5.68	8.61
Non-Current	82.57	87.21

d) Expenses recognised in the statement of income and expenditure

Particulars	As at 31 March 2026	As at 31 March 2025
Current service cost	28.44	28.33
Interest cost	18.88	20.79
Expenses	-	-
Expected return on Plan assets	(13.38)	(13.95)
Net actuarial (gain) / loss recognised in year	(35.91)	(31.58)
Expenses recognised in the statement of income and expenditure	(1.97)	3.59

e) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	As at 31 March 2026	As at 31 March 2025
Discount rate	6.60%	6.40%
Increase in compensation cost		
Permanent Staff and officers Gratuity scheme	7.00%	7.00%
Temporary raceday Staff Gratuity Scheme	6.00%	6.00%
Attrition rate		
20-30 years	1.00%	1.00%
30-45 years	4.00%	4.00%
45-58 years	3.00%	3.00%
Estimated rate of return on plan assets	7.00%	7.00%
Retirement age (in years)	58	58
Mortality rate during employment	Indian Assured Lives mortality (2006-08) Ult	Indian Assured Lives mortality (2006-08) Ult

e) A quantitative sensitivity analysis for significant assumption is as shown below:

(increase)/ decrease in defined benefit obligation					
Particulars	Sensitivity level	As at 31 March 2026		As at 31 March 2025	
		Permanent Staff and officers Gratuity Scheme	Temporary Staff Gratuity Scheme	Permanent Staff and officers Gratuity Scheme	Temporary Staff Gratuity Scheme
Discount rate	1% increase	(7.40)	(4.18)	(8.07)	(4.77)
	1% decrease	8.00	4.57	8.72	5.25
Salary escalation rate	1% increase	7.90	4.56	8.60	5.22
	1% decrease	(7.44)	(4.24)	(8.10)	(4.84)
Attrition rate	1% increase	(0.72)	0.12	(0.82)	0.10
	1% decrease	0.82	(0.12)	0.98	(0.10)

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined obligation calculated with the projected unit credit method at the end of reporting period) has been applied as when calculating the defined benefit liability recognized in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior year.

g) The following pay-outs are expected in future years (valued on undiscounted basis):

Particulars	As at 31 March 2026		As at 31 March 2025	
	Permanent Staff and officers Gratuity Scheme	Temporary Staff Gratuity Scheme	Permanent Staff and officers Gratuity Scheme	Temporary Staff Gratuity Scheme
1 years	16.76	5.86	14.75	8.88
2 to 5 years	166.31	44.54	136.40	43.52
6 to 10 years	50.36	45.34	83.91	50.64

17 Deferred Tax Liability (Net)

Particulars	As at 31 March 2026	As at 31 March 2025
Deferred tax assets		
On Provision for GST liability including interest	4,933.23	5,339.84
On Provision for Employee Benefits	47.48	31.31
On other provisions	10.31	-
Deferred tax liabilities		
On Depreciation	(194.36)	(171.85)
On Fair value of Land	(30,711.48)	(30,713.92)
On Fair Valuation of Investments (OCI)	(643.55)	(625.23)
Total (net)	**(26,558.36)**	**(26,139.85)**

18 Trade Payables

Particulars	As at 31 March 2026	As at 31 March 2025
Amounts due to micro and small enterprises [Refer note 18.4]	-	-
Others	1,836.80	1,909.01
Total	**1,836.80**	**1,909.01**

18.1 Of the above, trade payables to :

a) Related Parties	-	-
b) Others	1,836.80	1,909.01

18.2 Trade payables ageing schedule for the year ended as on 31 March 2026

Particulars	Outstanding for following periods from the date of transaction				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
i) MSME					
ii) Others	1,625.13	72.89	29.10	109.68	1,836.80
iii) Disputed Dues - MSME					
iv) Disputed Dues - Others					
Total	**1,625.13**	**72.89**	**29.10**	**109.68**	**1,836.80**

18.3 Trade payables ageing schedule for the year ended as on 31 March 2026

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
i) MSME					
ii) Others	1,724.82	68.41	28.10	87.68	1,909.01
iii) Disputed Dues - MSME					
iv) Disputed Dues - Others					
Total	**1,724.82**	**68.41**	**28.10**	**87.68**	**1,909.01**

18.4 The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the MSMED Act, 2006) claiming their status as micro or small enterprises. Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by management and the required disclosures are given below:

Particulars	As at 31 March 2026	As at 31 March 2025
i) Principal amount remaining unpaid	-	-
ii) Interest due thereon	-	-
iii)Interest paid by the Company in terms of Section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
iv)Interest due and payable for the period of delay in making payment (which have been paid but beyond the day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
v) Interest accrued and remaining unpaid	-	-
vi) Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises.	-	-

20 Revenue from operations

Particulars	As at 31 March 2026	As at 31 March 2025
From Offline Tote Pools	2,461.04	2,464.96
From Online Tote Pools	667.84	1,757.40
Other Racing Income	3,457.10	4,505.53
Total	**6,585.98**	**8,727.90**

21 Other Income

Particulars	As at 31 March 2026	As at 31 March 2025
Interest Income		
Bank Deposits	1,062.85	1,343.21
Bonds	41.75	41.75
Others	104.46	8.53
Profit on sale of Investments	124.83	160.30
Unrealised Gain on Investments	56.38	45.84
Profit on sale of PPE	-	14.30
Rental Income	234.00	203.55
Members' Subscription	9.00	9.05
2025 is Rs.205.69 Lakhs)	87.50	220.44
Total	**1,720.77**	**2,046.97**

22 Prize Money, Subsidies/Concessions & Other Racing Expenses

Particulars	As at 31 March 2026	As at 31 March 2025
Prize Money	1,619.99	2,920.58
Cups and Trophies	19.05	48.18
Subsidy/Concessions	389.13	34.38
Contribution for Indian Turf Invitational Races	-	35.50
Racing Expenses	426.98	835.99
Total	**2,455.15**	**3,874.63**

23 Share Of Income To Other Centres

Particulars	As at 31 March 2026	As at 31 March 2025
Share Of Income To Rwitc Ltd-Mumbai	-	16.24
Total	**-**	**16.24**

24 Employee benefits expense

Particulars	As at 31 March 2026	As at 31 March 2025
Salaries, Wages & Bonus etc.	824.67	945.32
Contribution to Provident & Other Funds	42.76	52.55
Contribution to Group Gratuity Fund	46.94	34.63
Contribution to Superannuation Fund	25.06	23.11
Employees Welfare Expenses	37.32	33.25
Leave Travel Concession	13.28	12.44
Out-sourcing Expenses	255.44	276.20
Total	**1,245.47**	**1,377.50**

25 Depreciation and amortisation

Particulars	As at 31 March 2026	As at 31 March 2025
Depreciation on property, plant and equipment	304.01	348.87
Amortisation on intangible assets	1.28	1.01
Total	**305.29**	**349.88**

26 Finance Costs

Particulars	As at 31 March 2026	As at 31 March 2025
Interest on Unsecured loans	-	38.52
Interest on TDS payments	4.02	319.94
Total	**4.02**	**358.46**

27 Other Expenses

Particulars	As at 31 March 2026	As at 31 March 2025
Rent	-	294.04
Power & Fuel	195.74	231.93
Rates & Taxes	86.00	72.45
Water Charges	31.38	46.04
Insurance	21.60	23.07
Repairs & Maintenance - Buildings	99.41	90.69
Repairs & Maintenance - Machinery	23.40	18.81
Repairs & Maintenance - Electronic Equipment & Software	77.25	114.12
Track Maintenance	138.54	130.69
Printing & Stationery	20.13	23.94
Communication Expenses	15.44	20.94
Equine Hospital Expenses	68.33	73.65
Remuneration to Auditors [Refer Note 28]	13.15	12.51
Legal charges	40.93	38.49
Professional Charges	30.48	32.52
CCTV / Live Telecast Expenses	86.50	152.93
Race Day Expenses	26.15	37.73
Office maintenance and Housekeeping	172.38	182.05
Garden Maintenance	19.89	19.27
Bad Debts Written off	13.46	2.97
Assets written off	-	1.16
Corporate Social Responsibility expenses [Refer Note 37]	76.34	52.71
Donations	-	200.50
Loss on Foreign Exchange transactions	0.59	3.54
Miscellaneous expenses	120.01	149.00
Total	**1,377.10**	**2,025.75**

28 Remuneration to Auditors

Particulars	As at 31 March 2026	As at 31 March 2025
Audit Fee	10.00	10.00
Tax Audit Fee	0.60	0.60
Reimbursement of Expenses	1.05	0.40
Remuneration to Auditors - Other Matters	1.50	1.51
Total	**13.15**	**12.51**

29 Reconciliation of income tax expenses for the year to the accounting profit

Particulars	As at 31 March 2026	As at 31 March 2025
Surplus for the year	2,919.71	2,677.94
Income tax expense	(440.04)	(220.10)
Effect of expenses that are not deductible in determining taxable profit	78.85	-
Deferred tax impact	(314.27)	204.41
Income tax expense recognised in income and expenditure	**(675.46)**	**(15.69)**

29.1 Income tax recognised in other comprehensive income

Particulars	As at 31 March 2026	As at 31 March 2025
Items that will not be reclassified to income and expenditure		
Remeasurement of the defined benefit liabilities / (assets)	(9.04)	(7.92)
Items that will be reclassified to income and expenditure	(95.20)	(276.41)
Total	**(104.24)**	**(284.33)**

30. Contingent Liabilities and Commitments

Claims against the Company not acknowledged as debts: -

Particulars	" As at 31 March 2026 "	" As at 31 March 2025 "
Disputed Vacant Land Tax where Company is in Appeal	678.00	678.00
Interest on delayed payments to ESIC relating to earlier years	9.61	9.61
Labour and other matters on Appeal	2.83	2.83
Totalizator Tax on Second Horse Pool- case pending before Telangana State High Court	171.00	171.00
VAT on sale of Oats pending petition filed before Telangana High Court	17.50	17.50
Fee for carrying mobile phones liable to admission tax for the period 2011-12 to 2016-17 (Pre deposit amount is Rs.101.95 lakhs)	407.79	407.79
Service Tax Cases:		
Disputed service tax on the value of taxable service provided during the period 2009-10 to 2013-14.	323.11	323.11
Disputed service tax on short payment during the period 2012-13 and 2013-14.	630.22	630.22
Disputed service tax on the value of taxable service provided during the period from April 2014 to March 2015 (Pre deposit amount is Rs.30.47 lakhs)	403.50	403.50
Disputed service tax on the value of taxable service provided during the period from April 2015 to June 2017 (excluding interest). (Pre deposit amount is Rs.82.28 lakhs)	1,097.27	1,097.27
Total	**3,740.83**	**3,740.83**

31.1 Income Tax Cases for which the Department is in appeal:

The Income tax Department has raised demands u/s 201 and 201A for non-deduction of tax on distributions of winning money, stake money and on royalty payment to other clubs U/S 194BB , 194H and 194B for AY 2005-06 to AY 2013-14. Disputes were decided in favour of the company by Hon'ble Income Tax Appellate Tribunal (ITAT), Hyderabad. Aggrieved by the order of the ITAT, the Department has filed an appeal before the Hon'ble High Court Telangana which are pending disposal

31.2 Income Tax Assessments

Income Tax Assessments have been completed up to Assessment Year 2024-25.

"For Assessment year 2022-23 the assessment officer raised a demand of Rs. 725.18 lakhs with interest of Rs.116.03 lakhs Total demand for Rs. 841.21 lakhs From Assessment Year 2010-11 to 2018-19 the Department had been making ad hoc disallowance in respect of payments to punters. The Appeals have been decided in favour of the company by CIT (A) up to AY 2017-18 and by the ITAT up to AY 2016-17. Aggrieved by such orders the Department is in appeal before Hon'ble High court for Assessment years 2012-13 to 2016-17. For AY 2017-18 the ITAT set the file back to Assessing officer for the ad hoc disallowance. Aggrieved by the ITAT order HRC filed an appeal in the High court and the order of ITAT was stayed.

Assessment year	As at 31 March 2026	As at 31 March 2025
2010-11	2,451.11	2,451.11
2011-12	2,790.14	2,790.14
2012-13	3,479.63	3,479.63
2013-14	4,158.83	4,158.83
2014-15	4,395.73	4,395.73
2015-16	4,781.57	4,781.57
2016-17	6,358.16	6,358.16
2017-18	6,960.53	6,960.53
2018-19	2,670.48	2,670.48
2022-23	841.21	841.21
Ad-hoc Disallowance of 15% on payment of less than ₹ 2,500/- (amended to ₹ 5,000/- with effect from 01.07.2010) (including interest) to punters for the Assessment Years 2002 – 03 to 2009 – 10 for which Appeal has been filed in the Hon'ble High court by the Income Tax Department for Assessment Years 2004-05, 2005-06, and 2009-10	10,295.59	10,295.59
TDS related matters		
For Assessment years 2007-08 to 2010-11 the Department has raised demands U/s 194BB with respect to distribution of winning money to punters and the applicability of threshold limit for deduction of tax. The appeal has been decided in favour of the Company by ITAT. Aggrieved by the ITAT Order the Department is in appeal before the Hon'ble High Court of Telangana.	1,385.60	1,385.60
For Assessment year 2009-10 to 2013-14 the Department has raised demands U/s 194B in respect of stake money distributed to the horse owners. The dispute is decided in favour of the Company by the ITAT. Aggrieved by the ITAT Order the Department is in appeal before the High Court of Telangana.	4,923.90	4,923.90
For Assessment year 2005-06, 2007-08 to 2009-10 the Department has raised demand U/s 194H in respect of TDS on share of Income payable to other Clubs. The dispute is decided in favour of the Company by the ITAT. Aggrieved by the ITAT Order the Department is in appeal before the High court of Telangana	321.36	321.36
Commercial Tax case		
Revision in betting tax rate pending disposal of our waiver petition.	210.31	210.31
Total	56,024.15	56,024.15

32 Commitments:

Estimated amount on Contracts remaining to be executed on Capital Account and not provided for with respect to HRC Recreation chambers is Rs.8,000 Lakhs (31, March 2025 - Rs.209,46.38 lakhs)

33 Pending Litigations

33.a Provision for Goods and Services Tax (GST):

"Upon promulgation of Goods and Services Tax Act ('GST') effective from 01.07.2017, the Company has been regular in remitting GST collected on commission earned by the Company from racing activity. Consequent to introduction of Rule 31A through a notification dated 23.01.2018, the Company has received Orders from State Governments of Telangana and Andhra Pradesh demanding GST on the total value of bet as stated in Rule 31A (3). While State Government of Telangana issued Orders prospectively from 23.01.2018, the State Government of Andhra Pradesh has issued Orders demanding levy of tax on total bet value from 01.07.2017. The Company has filed Writ Petitions in High Court of Telangana and Andhra Pradesh

- To declare Rule 31A(3) as unconstitutional and violative of the Constitution
- To quash Circular 27/01/2018-GST dated 04.01.2018 as ultravires, illegal and unsustainable
- To set aside Orders issued by jurisdictional offices demanding tax on total bet value and consider the same as illegal, arbitrary, violative of principles of natural justice and fundamental rights under the Constitution
- To declare that the Company is liable to pay GST only on its commission and not on the total value of the bet as stated in impugned rule 31A (3)"

Also, the Company has filed petition for stay of demand issued by jurisdictional offices de manding levy of tax pending disposal of above-mentioned Writ Petitions.

"The Hon'ble High Courts of Telangana and Andhra Pradesh have passed interim Orders staying the levy of GST on total bet value on the condition that petitioner deposits 10% of the disputed tax relating to period from 23.01.2018 onwards. Hon'ble High Courts of Andhra Pradesh and Telangana have granted interim stay of demand relating to the period from July 2017 to January 2018. Further, the High Court has issued an interim direction to the effect that :

- The Company is directed to make a voluntary deposit under protest out of its own funds, forthwith
- The deposit made by the Company is not treated as giving up its challenge to any of the impugned Orders or Rules

The Company, in collaboration with other Turf clubs across India, has filed a transfer petition before the Hon'ble Supreme Court to consolidate all GST-related cases pending in the High Courts of Telangana, Andhra Pradesh, and other states for unified adjudication. This strategic initiative aims to streamline the resolution of disputes concerning the applicability of GST on horse racing activities. The matter is currently under consideration before the Hon'ble Supreme Court, and the Company remains committed to pursuing a favourable outcome to support the financial sustainability of the industry."

The Company as a matter of prudence made an aggregate amount of provision including interest for ₹ 49,726.94 Lakhs. Based on the assessment made by the management and as was decided for the financial Year 2022-23, Board concluded that the provision made is adequate to meet the future Tax liability in the event of any adverse order against the Company and hence no further provision is considered necessary for the financial year 2023-24, 2024-25 and 2025-26. The Company, in pursuance of Orders of High Courts and voluntarily, has deposited ₹ 30,125.73 Lakhs and (as at 31.03.2025: ₹ 28,510.17 Lakhs) against the provision made towards the disputed GST.

33.b Note on TDS Provision

"The provisions under Section 194BB of the Income Tax Act, 1961, governing Tax Deducted at Source (TDS) on winnings from horse racing, were revised effective 01, April 2023. The amended provisions mandated TDS on aggregate winnings exceeding ₹ 0.1 lakhs during the financial year 2023-24, at the applicable rates at the time of payment. Due to operational challenges, the Club, consistent with other race clubs in India, was unable to implement these TDS provisions from 01, April 2023, to 31, March 2024.

Upon review, and in the absence of any government relaxation, the Club resolved to comply with the amended TDS requirements starting 01, April 2024. To address the non-deduction during 2023-24, the Club has accounted for the outstanding tax liability and applicable interest as a deductible expenditure in the Income and Expenditure Account for 2023-24, to be paid from its reserves.

As part of Budget 2025, announced on 01, February 2025, a significant update was introduced to simplify the TDS threshold for winnings under Section 194BB Previously, TDS was applicable if the aggregate winnings in a financial year exceeded ₹. 0.1 lakh. The new pronouncement modifies this to apply TDS only on winnings from a single transaction exceeding ₹ 0.1 lakh in a financial year

The TDS provisions were rationalized effective 01, April 2025, shifting the threshold to ₹ 0.1 lakh per single transaction. However, the Club implemented these revised provisions prematurely for February and March 2025. Upon review, this error was rectified, and the outstanding tax liability and applicable interest for these months have been recognized as a deductible expenditure in the Income and Expenditure Account for 2024-25, to be paid from reserves.

34. Related Party Transactions

34.1 Following is the list of the related parties and relationships

Subsidiary

HRC Recreation Chambers, by virtue of common control

34.2 Related party transactions during the year

Particulars	As at 31 March 2026	As at 31 March 2025
Reimbursement of expenses	0.75	
Rental income	8.00	
Advances Given	-	20.30

34.3 Related party balances at the end of the year

Particulars	As at 31 March 2026	As at 31 March 2025
Other Financial Assets	54.47	53.72

35. Segment reporting

Based on the assessment of the chief operating decision maker ('CODM'), for the purpose of resource allocation and assessment of segment performance, the Company has only one business segment. The Company's business is providing racing facilities.

36.

Earning and expenditure in foreign currency	As at 31 March 2026	As at 31 March 2025
Earnings in foreign currency		
Broadcasting license and technical fee	76.56	211.78
Expenditure in foreign currency		
(i) Dope Testing charges	25.75	62.08
(ii) Horse Tracking System	35.37	54.99
(iii) Horse urine sample kits	9.10	10.85
Total expenditure in foreign currency	**70.22**	**198.43**

37. Corporate Social Responsibility

Particulars	As at 31 March 2026	As at 31 March 2025
I) Gross amount required to be spent by the Company during the year	76.34	52.71
Short/(Excess) amount spent from earlier years u/s 135(5) of Companies Act 2013	28.04	5.33
II) Details regarding spent / unspent obligations		
(a) Spent towards current year obligation		
(i) Spent for CSR activities	-	-
(ii) Contributions*	85.17	24.67
(b) Spent towards previous years obligation		
(i) Spent for CSR activities	-	-
(ii) Contributions	28.04	5.33
(c) (Shortfall or unspent)/excess spent for the year		
(i) On-going project		
(ii) Other than on-going project	8.83	(28.04)
(d) Total spent (a+b+c) of which amount recognized in	122.04	30.00
(i) Balance sheet	8.83	(28.04)
(ii) Statement of Profit and Loss	76.34	52.71

III) Others

Particulars	As at 31 March 2026	As at 31 March 2025
i) Reason for shortfall/Excess	The Board of Directors passed a resolution approving the carry-forward and set-off of the excess amount.	The committee is looking for new initiatives for spending the amount.
ii) Nature of CSR activities*	1. CSR contribution paid to Ramdevrao Hospital 2. CSR contribution paid to NALSAR universcity 3.Contribution to Retired Race Horse Welfare Society	Contribution to Retired Race Horse Welfare Society
iii) Details of related party transactions in relation to CSR expenditure	None	None

*Retired Race Horse Welfare Society (RRHWS) is in the process of registring with the Ministry of Corporate Affairs for carrying out the CSR activities. Contributions made to RRHWS during the year is Rs 20.08 lakhs (31 March 2025: Rs 24.67 lakhs).

38 Leases :

A. As lessor

The Company has leased out some of its office buildings under operating leases. The lease income recognized in income and expenditure account for the year is as follows:

Particulars	As at 31 March 2026	As at 31 March 2025
Lease income	225.93	195.13
Variable lease incomes not included in lease income	8.07	8.42
Total	**234.00**	**203.55**

Annual undiscounted Lease incomes receivables is as under

Particulars	As at 31 March 2026	As at 31 March 2025
Less than 1 year	361.93	343.93
1 to 5 years	1,262.07	1,144.83
More than 5 years	2,796.06	1,651.23
Total	**4,420.06**	**3,139.99**

Note: Variable lease incomes are not covered

39 (A) NON CURRENT INVESTMENTS

S. No	Particulars	As at 31 March 2026		As at 31 March 2025	
		No of units	Amount	No of units	Amount
39(a)(i)	**Fair Value of Investments through OCI**				
	Perpetual Bond				
1	TATA 8.35% Perp Bond	5.00	500.00	5.00	500.00
			500.00		**500.00**
	Sectoral Equity Mutual Funds				
2	ICICI Pru Technology Fund Growth	45,111.88	72.68	45,111.88	84.39
3	SBI Technology Opportunities Fund Regular Growth	44,946.38	79.84	44,946.38	88.69
	Equity Mutual Funds				
4	Canara Robeco Flexi Cap Fund	7,543.64	23.41	7,543.64	23.37
5	Kotak Emerging Equity Scheme	71,996.87	87.82	71,996.87	85.07
6	Franklin India Blue-chip Fund	1,505.83	13.93	1,505.83	14.34
7	ICICI Prudential Focused Equity Fund	111,383.76	92.34	111,383.76	93.06
8	HDFC Flexi Cap Fund	4,987.79	90.66	4,987.79	92.09
9	Quant Active Fund Growth	16,436.47	88.14	16,436.47	96.02
10	SBI Contra Fund - Growth	30,240.94	104.92	30,240.94	108.41
11	Kotak Multicap Fund Regular Plan - Growth	655,307.81	114.48	655,307.81	112.01
12	SBI Large & Midcap Fund Regular Growth	17,498.22	101.30	17,498.22	99.95
13	HDFC Small Cap Fund-Regular Growth Plan	67,429.88	79.81	67,429.88	81.79
14	DSP Equity Opportunities Fund - Regular - Growth	17,625.33	98.43	17,625.33	102.28
15	Invesco India Small Cap Fund - Regular Plan Growth	239,694.94	87.99	239,694.94	88.04
16	ICICI Prudential Dividend Yield Equity Fund Regular Plan Grov	165,700.71	80.70	165,700.71	81.39
17	Aditya Birla Sun Life Small Cap Fund Growth-Regular Plan	20,044.64	15.28	20,044.64	15.16
	Gold Funds				
18	HDFC Gold Fund-Growth	1,333,899.90	579.31	1,333,899.90	358.96
19	Kotak Gold Fund - Growth	1,016,530.62	568.65	1,016,530.62	351.16
20	Nippon India Gold Savings Fund -Growth	1,038,872.78	579.59	1,038,872.78	356.10
21	SBI Gold Fund -Growth	1,358,584.44	581.20	1,358,584.44	356.67
	Overnight Mutual Funds				
22	Franklin India Overnight Fund	436.66	6.11	436.66	5.80
23	Aditya Birla Sun Life Overnight Fund Growth-Regular Plan	505.80	7.30	505.80	6.93
	Sub-total		**3,553.89**		**2,701.68**

	Structured Products				
24	Nifty Magnifier - 578- 80%	458.00	950.73	960.00	1,784.04
25	Nifty Accelerator - 832	1,440.00	2,046.10	1,812.00	3,193.14
26	Nifty Accelerator - 1031	240.00	316.55	240.00	375.32
27	Nifty Accelerator- 1143	240.00	300.00	240.00	323.27
	Sub-total		**3,613.39**		**5,675.78**
	Total		**7,667.28**		**8,877.46**

S. No	Particulars	As at 31 March 2026		As at 31 March 2025	
		No of units	Amount	No of units	Amount
39(a)(ii)	**Fair Value of Investments through Profit or loss**				
	Equity Mutual Funds				
1	Kotak Emerging Equity Scheme	20,922.43	25.52	20,922.43	24.72
2	ICICI Prudential Focused Equity Fund	36,832.65	30.53	36,832.65	30.77
3	HDFC Flexi Cap Fund	3,224.43	58.61	3,224.43	59.53
4	Quant Active Fund Growth	2,485.11	13.33	2,485.11	14.52
5	SBI Contra Fund - Growth	2,937.38	10.19	2,937.38	10.53
6	SBI Large & Midcap Fund Regular Growth	1,518.44	8.79	1,518.44	8.67
7	HDFC Small Cap Fund-Regular Growth Plan	4,619.35	5.47	4,619.35	5.60
8	DSP Equity Opportunities Fund - Regular - Growth	9,337.21	52.14	9,337.21	54.19
9	Invesco India Small Cap Fund - Regular Plan Growth	65,463.18	24.03	65,463.18	24.04
10	ICICI Prudential Dividend Yield Equity Fund Regular Plan Grov	86,969.76	42.35	86,969.76	42.72
11	Canara Robeco Multi Cap Fund	673,779.70	86.58	673,779.70	87.86
12	SBI Infrastructure Fund	175,377.23	76.10	175,377.23	80.63
13	Quant Large Cap Fund	878,512.54	114.21	878,512.54	120.52
	Sub-total		**547.85**		**564.31**
	Structured Products				
14	Nifty Accelerator - 1291	600.00	750.00	600.00	751.58
15	Nifty Accelerator - 1344	550.00	687.50	550.00	687.50
16	Nifty Accelerator - 773	160.00	337.57	160.00	296.11
17	Nifty Magnifier- 648	160.00	307.60	160.00	274.64
18	Nifty Accelerator - 1485	400.00	500.00	400.00	500.00
19	Nifty Accelerator - 1505	560.00	700.00	560.00	700.00
20	Nifty Accelerator - 1514	240.00	300.00	240.00	300.00
21	Nifty Accelerator - 1565	128.00	160.00	128.00	160.00
22	Nifty Accelerator- 1604	320.00	400.00	-	-
23	Sensex Accelerator - 9	540.00	675.00	-	-
24	Sensex Accelerator - 81	400.00	500.00	-	-
25	Sensex Accelerator - 91	400.00	500.00	-	-
26	Sensex Accelerator - 40	360.00	450.00	-	-
	Sub-total		**6,267.67**		**3,669.83**
			6,815.52		**4,234.14**

39(B) CURRENT INVESTMENTS

S. No	Particulars	As at 31 March 2026		As at 31 March 2025	
		No of units	Amount	No of units	Amount
	Fair Value of Investments through Profit or loss				
	Short Term Debentures				
1	Short Term Structure product	-	-	642.00	1,127.39
			-		**1,127.39**

40. Financial Instruments - fair value and risk management:

A. Accounting classification and Fair Values

Financial Instruments by category

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabil ities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

As at 31 March 2026:

Particulars	Note	Carrying Amount				Fair Value			Total
		FVOCI	FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3	
Financial assets measured at fair value									
Investments	7(a)7(b)	7,667.28	6,815.52	-	14,482.79		14,482.79		14,482.79
Total		**7,667.28**	**6,815.52**	**-**	**14,482.79**	**-**	**14,482.79**	**-**	**14,482.79**
Financial assets not measured at fair value									
Other financial assets	9			9,738.91	9,738.91				9,738.91
Trade receivables	8			472.10	472.10				472.10
Cash and cash equivalents	13			4,593.95	4,593.95				4,593.95
Total		**-**	**-**	**14,804.96**	**14,804.96**	**-**	**-**	**-**	**14,804.96**
Financial liabilities not measured at fair value									
Trade payables	18			1,836.80	1,836.80				**1,836.80**
Total		**-**	**-**	**1,836.80**	**1,836.80**	**-**	**-**	**-**	**1,836.80**

As at 31 March 2025:

Particulars	Note	Carrying Amount				Fair Value			Total
		FVOCI	FVTPL	Amortised cost	Total	Level 1	Level 2	Level 3	
Financial assets measured at fair value									
Investments	7(b)	8,877.46	5,361.53	-	14,238.98		14,238.98		14,238.98
Total		**8,877.46**	**5,361.53**	**-**	**14,238.98**	**-**	**-**	**-**	**14,238.98**
Financial assets not measured at fair value									
Other financial assets	9	-	-	11,230.94	11,230.94	-			11,230.94
Trade receivables	8	-	-	802.50	802.50	-			802.50
Cash and cash equivalents	13	-	-	2,626.80	2,626.80	-			2,626.80
Total		**-**	**-**	**14,660.24**	**14,660.24**	**-**	**-**	**-**	**14,660.24**
Financial liabilities not measured at fair value									
Trade payables	18	-	-	1,909.01	1,909.01				1,909.01
Total		**-**	**-**	**1,909.01**	**1,909.01**	**-**	**-**	**-**	**1,909.01**

C. Financial Risk Management

Risk Management Framework

The Board of Stewards have the overall responsibility for the establishment and oversight of the Club's risk management framework. The Board members are responsible for developing and monitoring the Club's risk management policies. . The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review to reflect the changes in market conditions and the Club's activities.

The Company's principal financial assets include trade receivables, cash and cash equivalents, investments etc. that are derived directly from operations. The principal financial liabilities of the Company include trade payables and other liabilities and the main purpose of these financial liabilities is to finance the day-to-day operations of the Company.

The nature of the Company's business exposes it to a range of financial risks. These risks include:

i) Credit risk

ii) Liquidity risk

iii) Market risks, which include potential unfavourable changes in foreign exchange rates and interest rates

Credit Risk Management

Credit Risk refers to the risk for a counter party default on its contractual obligation resulting a financial loss to the Club. Credit risk encompasses of both, the direct risk of default and the risk of deterioration of creditworthiness as well as concentration of risk. Credit risk is controlled by analysing credit limits and creditworthiness of customers on a continuous basis to whom the credit has been granted after obtaining necessary approvals for credit. The maximum exposure of the financial assets represents trade receivables.

The Club applies the simplified approach to provide for expected credit losses prescribed by Ind AS 109, which permits the use of the lifetime expected loss provision for all trade receivables. The Club has computed expected credit losses based on a provision matrix which uses historical credit loss experience of the Club. Forward-looking information (including macroeconomic information) has been incorporated into the determination of expected credit losses.

The Club holds cash & cash equivalents and bank deposits with credit worthy banks and financial institutions as at the reporting dates. The credit worthiness of such banks and financial institutions is monitored by the management on an ongoing basis and is considered to be good with low credit risk.

Others financial assets:

Other financial assets primarily comprises of Accrued Interest Income, advances given to employees and other short term receivables. The Club does not expect any loss from non-performance by these counterparties.

The fair value of cash and cash equivalents, other balances with bank, trade receivables, trade payables, and certain other financial assets and liabilities approximate their carrying amount largely due to the short term nature of these instruments.

The Company does not have any financial assets that are measured at fair value.

Liquidity Risk Management

Liquidity risk is the risk that the Club will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Club's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Club's reputation.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2026.

Particulars	Carrying Amount	up to 1 year	1-3 years	More than 3 years
Accounts payable	1,836.80	1,836.80	-	-
Other financial liabilities	-	-	-	-

The table below provides details of financial assets as at 31 March 2026:

Particulars	Carrying amount
Investments	14,482.79
Trade receivables	472.10
Cash and cash equivalents	4,593.95
Other financial assets	9,738.91

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2025.

Particulars	Carrying amount	up to 1 year	1-3 years	More than 3 years
Accounts payable	1,909.01	1,909.01	-	-
Other financial liabilities	-	-	-	-

The table below provides details of financial assets as at 31 March 2025:

Particulars	Carrying amount
Investments	14,238.98
Trade receivables	802.50
Cash and cash equivalents	2,626.80
Other financial assets	11,230.94

Market Risk

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, and other market changes that affect market risk sensitive instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the returns.

Particulars	As at 31 March 2026		As at 31 March 2025	
	US Dollars($)	₹ in Lakhs	US Dollars($)	₹ in Lakhs
Financial Assets				
Trade Receivables	-	-	-	-
Cash & Bank balances	-	-	-	-
Other Receivables	-	-	74,000.00	61.27
Financial Liabilities				
Trade Payables	-	-	-	-
Total	**-**	**-**	**74,000.00**	**61.27**

(i) Foreign Currency Risk

Foreign currency risk is the risk that fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rate.

The company has foreign currency receivables & payables and is exposed to foreign currency risk. The exchange rate between the rupee and foreign currencies has changed substantially, however this has not significantly affected the reserves of the Company as the exposures were short term in nature. The Company evaluates exchange rate exposure arising from foreign currency transactions and follows established risk management policy.

41.Ratios

S. No.	Ratio	Numerator	Denominator	As at 31 March 2026	As at 31 March 2025	"% Variance"	Reason
a)	Current ratio	Current Assets	Current Liabilities	3.39	4.11	-18%	Note 1
b)	Debt equity ratio	Total Debt	Shareholder's equity	NA	NA	-	
c)	Debt service coverage ratio	Earning available for debt services	Debt Service	NA	NA	-	
d)	Return on equity	Net Profits after taxes	Average Shareholder's Equity	NA	NA	-	
e)	Inventory turnover ratio	Sales	Average Inventory	NA	NA	-	
f)	Trade receivables turnover ratio	Revenue	Average Trade Receivable	13.95	10.88	28%	Collections during the year
g)	Trade payables turnover ratio	Purchases of services and other expenses	Average Trade Payables	0.75	1.06	-29%	Note 2
h)	Net capital Turnover ratio	Revenue	Working Capital	0.71	0.70	2%	
i)	Net profit ratio	Net Profit	Revenue	0.27	0.25	9%	Note 1
j)	Return on capital employed	Earning before interest and taxes	Capital Employed	NA	NA	-	

Note:

1. Variance on account of fall in turnover and revenue during the year
2. Variance is on account of decrease in trade payables during the current financial year

42. Note on New Labour codes

The Government of India has introduced four labour codes, namely the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 (collectively referred to as the "New Labour Codes"), which may impact employee benefit obligations, wage structures, social security contributions and related compliances.

The Company has assessed the impact of the applicable provisions of the New Labour Codes on its employee benefit obligations, compensation structure and related compliances. Since the Company was already substantially aligned with the requirement relating to minimum basic wages/salary structure prior to implementation of the New Labour Codes, management does not expect any material impact on the financial statements of the Company as at and for the year ended March 31, 2026

The Company will continue to monitor further notifications, rules and clarifications issued by the Government in relation to the New Labour Codes and evaluate the impact, if any, in future periods.

43. Other Statutory Information

i) The Company has not revalued any of its Property, Plant and Equipment or intangible assets during the year.

ii) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) not held in the name of the Company as at 31, March 2026.

iii) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

iv) The Company does not have any transactions with companies struck off under section 248 of Companies Act 2013 or Section 560 of Companies Act 1956

v) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

vi) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

the Group shall:

(a) 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

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

vii) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

viii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that

ix) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPS and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person that are repayable on demand; or without specifying any terms or period of repayment.

x) The Company does not have any borrowings from banks or financial institutions.

xi) The Company has not been declared wilful defaulter by any Bank or Financial Institution or other lender.

xii) The Company does not have any charges or satisfaction which are to be registered with ROC beyond the statutory period.

xiii) During the year, no scheme of arrangements has been approved by the competent authority in terms of Sec.230 to 237 of the Act, in which the company is a party.

As per our Audit Report of even date attached

for and on behalf of the Board of Stewards

for SEKHAR & Co.,
Chartered Accountants
Firm Reg. No. 003695S

for M. BHASKARA RAO & CO
Chartered Accountants
Firm Reg. No. 000459S

R SURENDER REDDY
Chairperson
DIN:00083972

K.C.DEVDAS
Partner
Membership No. 014966

M V RAMANA MURTHY
Partner
Membership No. 206439

Col S B Nair
Director
DIN:00534863

N.V.R.N. Reddy
Director
DIN:09244602

Place: Hyderabad
Date: 09th July, 2026

N Kiran Reddy
Chief Operating Officer

ARUNA DAGA
General Manager (F&A)

His Excellency Sri Jishnu Dev Varma, Hon'ble Governor of Telangana state along with the Chairperson and Board of Directors/Stewards, HRC in connection with the presentationceremony of The Governor's Cup on 24 th August 2025.

Mr. Y Gopi Rao, Managing Director, M/s Razor Gaming Private Limited Presenting The Race2win.com Deccan Derby (Gr 1) trophy to the winning owners on 05 th October 2025.

HYDERABAD RACE CLUB

16-10-1, A/1, Malakpet,
Hyderabad - 500036,
Telangana, INDIA