

HRC RECREATION CHAMBERS



4th ANNUAL REPORT 2021 - 2022

Board of Directors:	Mr. R Surender Reddy, Chairperson DIN: 00083972
	Mr. Ananth Kishen Rao DIN : 01718621
	Mr. P Anil Kumar Kishen DIN: 00350966
	Mr. K Bhupal Reddy DIN: 00376819
	Mr. Hari Kishen Gupta DIN: 01842810
	Mr. V Krishna Das DIN: 00377003
	Col S B Nair DIN: 00534863
	Mr. N V R Narasimha Reddy DIN: 09244602
	Mr.R Rajesh DIN: 06396083
	Lt Col S L Reddy DIN: 06836771
	Mr. C S Suresh DIN: 00832413

Chief Operating Officer: **Dr. Veerendra Kaja**

Statutory Auditors: **Brahmayya & Co.,
Chartered Accountants**
Flat no. 403 & 404,
Golden Green Apartments,
Erra Manzil Colony,
Hyderabad – 500082
Firm Registration No. 000513 S

Bankers: **Kotak Mahindra 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: U92490TG2018NPL126656

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 4th Annual General Meeting of the Members of the **HRC RECREATION CHAMBERS** (CIN: U92490TG2018NPL126656) will be held on Friday, 16th September 2022 at 04-00 PM at the Registered Office of the Company 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.

1. To receive, consider and adopt the Audited Balance Sheet, Statement of Income & Expenditure and Cash Flow Statement for the year ended March 31, 2022 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 March 31, 2022 and the Reports of Directors and Auditors thereon be and are hereby considered and adopted".

2. To Elect/Re-appoint **Mr Ananth Kishen Rao** (DIN: 01718621), Director who retires by rotation and being eligible offers himself for re-appointment by election process.
3. To Elect/Re-appoint **Mr R Rajesh** (DIN: 06396083), Director who retires by rotation and being eligible offers himself for re-appointment by election process.
4. To Elect **Mr Manish Jaiswal** as Director by election process.
5. To Elect **Mr R Raghuram Reddy** (DIN: 02431417) as Director by election process.
6. To Elect **Mr P S Reddy** (DIN: 00025151) as Director by election process.

**By Order of the Board of Directors
for HRC Recreation Chambers**

**Sd/-
Dr Veerendra Kaja
Chief Operating Officer**

Place : Hyderabad

Date : August 8, 2022

Registered Office:

CIN: U92490TG2018NPL126656
D. No. 16-10-1/A/1,
Malakpet, Hyderabad,
State of Telangana,
INDIA – 500 036.

Telephones : 040-24549491/2

E-Mail : secy@hydraces.com

Website : www.hydraces.com

NOTES:

1. In view of the continuing Covid pandemic, for maintaining social distancing norms, pursuant to General Circulars issued by the Ministry of Corporate Affairs ("MCA") from time to time and in terms of Article 22 of the Articles of Association of the HRC, Outstation members and other disabled members will have an option to participate in the meeting through VC / OAVM, without the physical presence at a common venue.
2. To support the 'Green Initiative', Members who have not yet registered/updated their email addresses are requested to register the same with the Chambers by sending their details to secy@hydraces.com.
3. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), to secy@hydraces.com.
4. Members intending to ask any questions at the AGM are requested to submit such questions in writing or through E-Mail to the Chief Operating Officer at least 10 (Ten) days in advance before the Meeting i.e. on or before September 6, 2022 addressed to

The Chief Operating Officer
HRC Recreation Chambers
D. No. 16-10-1/A/1, Race Course Road, Malakpet,
Hyderabad - 500036, Telangana State
Email ID: secy@hydraces.com

5. **Speaker Registration for 4th AGM Session:** Members who would like to express their views during the 4th AGM are requested to register themselves as a speakers by mentioning the details in accordance with the registered membership details with the Chambers such as the Name, Permanent membership number and email ID. The Speaker registration should be submitted in writing or through E-mail to the Chief Operating Officer at least 10 days in advance before the AGM i.e. on or before September 6, 2022. Only those Members who have registered themselves as a speaker will be allowed to express their views/ask questions during the 4th AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time as appropriate for smooth conduct of the AGM. However, the company reserves the right to allow the members who have not registered themselves as a speakers depending upon the availability of time at the AGM, Chairperson on his own discretion may allow such un-registered members to speak
6. 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.
7. The facility for joining the meeting shall be kept open 15 minutes before the time scheduled to start the meeting and shall be closed after the expiry of 15 minutes after the scheduled time.
8. Disabled and Outstation Members are encouraged to join the Meeting through Laptops / iPads for better experience.
9. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
10. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

11. The Board of Directors reserves the right to modify/alter the election process considering the present pandemic restrictions in place from time to time and the same will be communicated to the members either by post or electronic means.
12. The instructions for joining the AGM through Zoom and E-Voting are as follows:

INSTRUCTIONS FOR JOINING THE AGM

Below is the AGM Meeting ID which needs to be entered as per the instructions given:

Meeting ID: 835 5436 1348

1. Using Zoom Application on Desktop / Laptop

1. Open the Zoom desktop client.
2. Join a meeting using one of these methods:
 - Click **Join a Meeting** if you want to join without signing in.
 - Sign in to Zoom then click **Join**.
3. Enter the meeting ID number (which is given on top) and your display name in accordance with the registered membership name with the Club
 - If you're signed in, change your name to the registered membership name with the Club
 - If you're not signed in, enter a display name.
4. Select if you would like to connect audio and/or video and click **Join**.

2. Using Android Mobile

1. Open the Zoom mobile app. If you have not downloaded the Zoom mobile app yet, you can download it from the Google Play Store.
2. Join a meeting using one of these methods:
 - Tap **Join a Meeting** if you want to join without signing in.
 - Sign in to Zoom then tap **Join**.
3. Enter the meeting ID number (which is given on top) and your display name in accordance with the registered membership name with the Club
 - If you're signed in, change your name to the registered membership name with the Club
 - If you're not signed in, enter a display name.
4. Select if you would like to connect audio and/or video and tap **Join Meeting**.

3. Using Web browsers

Google Chrome

1. Open Chrome.
2. Go to join.zoom.us.
3. Enter your meeting ID provided by the host/organizer (which is given on top).
4. Click **Join**.
 - If this is your first time joining from Google Chrome, you will be asked to open the Zoom client to join the meeting.
 - You can check **Always open these types of links in the associated app** to skip this step in the future.
 - Click **Open Zoom Meetings** (PC) or **Open zoom.us** (Mac).

Safari

1. Open Safari.
2. Go to join.zoom.us.
3. Enter your meeting ID provided by the host/organizer (which is given on top).
4. Click **Join**.
5. When asked if you want to open zoom.us, click **Allow**.

Microsoft Edge or Internet Explorer

1. Open Edge or Internet Explorer.
2. Go to join.zoom.us.
3. Enter your meeting ID provided by the host/organizer (which is given on top).
4. Click **Join**.

Mozilla Firefox

1. Open Firefox.
2. Go to join.zoom.us.
3. Enter your meeting ID provided by the host/organizer (which is given on top).
4. Click **Join**.
 - If this is your first time joining from Firefox, you may be asked to open Zoom or the Zoom installer package.
 - To skip this step in the future, check **Remember my choose for zoom meeting links**.

4. Through Email

Zoom Meeting Link will also be sent to the email id's of the members who has registered their email id's with the Club.

Click the join link in your email or calendar invitation.

Join Zoom Meeting

<https://us06web.zoom.us/j/83554361348>

Meeting ID: 835 5436 1348

**By Order of the Board of Directors
for HRC Recreation Chambers**

Sd/-

**Dr Veerendra Kaja
Chief Operating Officer**

Place : Hyderabad

Date : August 8, 2022

Registered Office:

CIN: U92490TG2018NPL126656

D. No. 16-10-1/A/1,
Malakpet, Hyderabad,
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Telephones : 040-24549491/2

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Website : www.hydraces.com

**REPORT OF THE BOARD OF DIRECTORS OF THE HRC RECREATION CHAMBERS
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022.**

To
The Members
**HRC RECREATION CHAMBERS,
HYDERABAD.**

Your Directors have pleasure in presenting the **4th Annual Report** on the operations of the HRC Recreation Chambers ("Chambers") and Audited Financial Statements for the year ended March 31, 2022 and Auditors Report thereon.

1. STATE OF AFFAIRS AND FINANCIAL PERFORMANCE:

(a) The financial performance of the Company is as under :

(₹ In Lakhs)

Particulars	2021-22	2020-21
Income	0.72	0.79
Expenses	2.99	0.70
Surplus/ (Deficit) before extraordinary items and tax	(2.27)	0.09
Tax Expenses	-	0.07
Surplus/ (Deficit) for the period	(2.27)	0.02

(b) The Company is the subsidiary of Hyderabad Race Club ("HRC") and the Holding Company has acquired around 10 Acres 8.63 Guntas land at Sy. No. 9, Alijapur Village, near Golconda Fort, Hyderabad.

(c) The said land is proposed to be leased to Chambers for setting up a Recreational Club for housing the Chambers.

2. TRANSFER TO RESERVES :

The Company has not transferred any amount to reserves.

3. MATERIAL CHANGES AND COMMITMENTS:

There are no material changes and commitments affecting the financial position of the Company which occurred between the end of the financial year to which these financial statements relate and the date of this report.

4. AUDITORS' REPORT:

There are no qualifications or observations or remarks made by the Auditors in their Report.

5. RISK MANAGEMENT:

The Company does not have any risk management policy as the element of risk threatening the existence of the Companies is minimal.

6. HOLDING/ SUBSIDIARY/ ASSOCIATE COMPANY:

The Hyderabad Race Club is the Holding Company of the HRC, by virtue of control in the Management of HRC.

7. STATUTORY AUDITORS:

(a) The Statutory Auditors of the Club, M/s. Brahmayya & Co., Chartered Accountants, were appointed for a period of five years at the 1st Annual General Meeting of HRC Recreation Chambers.

(b) The Audit Report issued by the Statutory Auditors for the financial year ended March 31, 2022 forms part of this Report. There are no qualifications, reservations or adverse remarks made by the Statutory Auditors which require explanation or comments from the Board.

8. MEETINGS:

Board Meetings:

The Board of Directors duly met seven times during the financial year on 14/04/2021, 20/06/2021, 07/07/2021, 17/08/2021, 07/10/2021, 12/12/2021 and 28/03/2022

General Meetings:

Annual General Meeting was held during the financial year on 16th day of August, 2021

9. DIRECTORS' RESPONSIBILITY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 134 (5) OF THE ACT:

Your Directors confirm that:

- The applicable Accounting Standards have been followed with no material departure, in the preparation of the accounts for the financial year ended March 31, 2022.
- The Accounting Policies selected were applied consistently and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the Profit of the Company for the year ended on that date;
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Annual Accounts have been prepared on a going concern basis.
- Proper systems have been devised to ensure compliance with the provisions of all applicable laws and those systems are adequate and operating effectively.

10. CONSERVATION OF ENERGY, RESEARCH & DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO:

The provisions of Section 134(3) (m) of the Companies Act, 2013 in respect of Conservation of Energy and Technology Absorption are not applicable to the Company, as the Company is yet to commence its commercial operations.

Particulars	2021-2022 (₹)	2020-2021 (₹)
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	Nil	Nil

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

In terms of rule 8(5) (vii) of Companies (Accounts) Rules, 2014, there are no significant and material orders passed by the Regulators or Courts or Tribunals that are impacting the going concern status and Company's operations in future.

12. DEPOSITS:

The Company has not accepted any deposits from the public during the year, covered by the provisions of Section 73 of the Companies Act, 2013.

13. CORPORATE SOCIAL RESPONSIBILITY:

The Company is not required to constitute a Corporate Social Responsibility Committee, as it does not fall within purview of Section 135(1) of the Companies Act, 2013 and hence it is not required to formulate a policy on Corporate Social Responsibility.

14. RELATED PARTY TRANSACTIONS:

There were no materially significant related party transactions with the Directors of the Company, Management or their relatives, which could have had a potential conflict with the interests of the Company. Thus, disclosure in Form AOC-2 is not required.

15. EXTRACT OF ANNUAL RETURN:

The extracts of Annual Return pursuant to the provisions of Section 92(3) of the Companies Act, 2013 ("the Act") read with Rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is furnished in **Annexure-1** and is attached to this report.

16. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

- (a) The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013.
- (b) All employees (permanent, contractual, temporary, trainees) are covered under this policy and the following is a summary of sexual harassment complaints received and disposed of during each Calendar year:

- No. of complaints received : Nil
- No. of complaints disposed off : Nil

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

During the year under review, the Company has not advanced any loans / given guarantees / made investments.

18. ALTERATION OF ARTICLES OF ASSOCIATION

Subsequent to the closure of financial year, subsequent to the receipt of approval from Registrar of Companies, Hyderabad, the members in their meeting held on May 3, 2021 adopted a new set of Articles of Association by altering, consolidating and substituting certain clauses in the Initial Articles of Association. In the aforementioned meeting, members proposed certain amendments to the New Articles of Association which were later ratified by the Registrar of Companies, Hyderabad.

19. INTERNAL FINANCIAL CONTROL:

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures.

20. CHANGE IN NATURE OF BUSINESS:

The Company has not made any changes in nature of its business activities.

21. ACKNOWLEDGEMENT:

Your Directors take this opportunity to express their sincere gratitude to the Members of Hyderabad Race Club, Government of Telangana, Registrar of Companies for their timely support and cooperation to the Company.

Your Directors also thank all the Stakeholders for their continued support and is hopeful of receiving the same in the years to come.

**By the order of the Board of Directors
for HRC Recreation Chambers**

**R. Surender Reddy
Chairperson**

Place : Hyderabad
Date : July 1, 2022

**EXTRACT OF ANNUAL RETURN
FORM NO. MGT 9 as on financial year ended on 31.03.2022**

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

I. REGISTRATION & OTHER DETAILS:

I	CIN	:	U92490TG2018NPL126656
II	Date of Registration	:	12/09/2018
III	Name of the Company	:	HRC Recreation Chambers
IV	Category/Sub-Category of the Company	:	Company Limited by Guarantee/Non-Government Company
V	Address of the Registered Office & Contact details	:	Race Course, 16-10-1/A/1, Malakpet, Hyderabad, Telangana-500 036 E-Mail ID: secy@hydraces.com
VI	Whether Company is listed	:	No
VII	Name, Address & Contact details of the Registrar & Transfer Agent, if any.	:	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

S. No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the Company
-NA-			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No	Name and Address of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Hyderabad Race Club	U92411TG1971NPL001403	Holding	---	Section 2(87) of the Companies Act 2013

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

- a. **Category-wise Share Holding:** Not Applicable as the Company is Limited by Guarantee.
- b. **Shareholding of Promoters:** Not Applicable as the Company is Limited by Guarantee.
- c. **Change in Promoters' Shareholding (please specify, if there is no change):** Not Applicable as the Company is Limited by Guarantee.
- d. **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and holders of GDRs and ADRs):** Not Applicable as the Company is Limited by Guarantee.
- e. **Shareholding of Directors and Key Managerial Personnel:** Not Applicable as the Company is Limited by Guarantee.

V. INDEBTEDNESS: Indebtedness of the Company including interest outstanding/accrued but not due for payment : Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL : Nil

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES : Nil

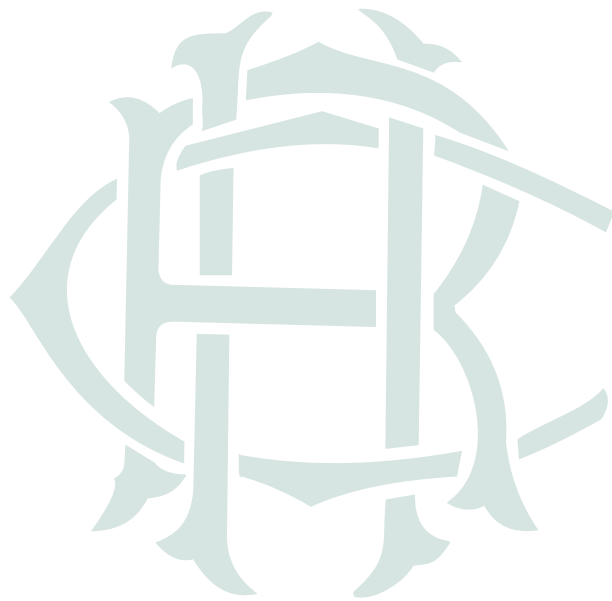
There were no penalties/punishments/compounding offences for the year ended March 31, 2022.

**By the order of the Board of Directors
for HRC Recreation Chambers**

**R. Surender Reddy
Chairperson**

Place : Hyderabad

Date : July 1, 2022



Independent Auditors Report & Financial Statements

INDEPENDENT AUDITOR'S REPORT

To The Members
**HRC RECREATION CHAMBERS,
HYDERABAD**

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of HRC RECREATION CHAMBERS ("the Company"), which comprise the Balance sheet as at 31st March 2022, the Statement of Income and Expenditure and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the Significant Accounting Policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the Excess of Expenditure over Income and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the 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 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 on the financial statements.

Other Information

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the Board's Report including Annexures to Board's Report but does not include the financial statements and our auditor's report thereon.

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

The Board of Directors 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 Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We are 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 on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such

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

- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements:

1. The report does not include a statement on the matters specified in paragraphs 3 and 4 of the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of subsection (11) of section 143 of the Act, since in our opinion and according to the information and explanations given to us, the said order is not applicable to the Company, being a Section 8 Company.

2. As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance Sheet, the Statement of Income and Expenditure and the Statement of Cash Flow dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we couldn't evaluate as Company didn't have any business operations during the year under review.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended; in our opinion the provisions of Section 197(16) are not applicable to the Company.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.

- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. a. 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;
- b. 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 entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year.

for BRAHMAYYA & CO.
Chartered Accountants
Firm's Regn No. 000513S

(K SHRAVAN)
Partner
Membership No. 215798

Place : Hyderabad
Date : July 1, 2022

UDIN : 22215798AMJDPW5575

BALANCE SHEET AS AT MARCH 31, 2022

(₹ In Lakhs)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
EQUITY & LIABILITIES			
Shareholders Funds			
Share Capital	3	---	---
Reserves & Surplus	4	(14.01)	(11.74)
Sub-Total		(14.01)	(11.74)
Non Current Liabilities			
Non Current Liabilities	5	31.47	31.28
Sub-Total		31.47	31.28
Current Liabilities			
Other Current Liabilities	6	0.30	0.20
Short Term Provisions	7	0.01	0.01
Sub-Total		0.31	0.21
TOTAL		17.77	19.75
ASSETS			
Non Current Assets		---	---
Sub-Total		---	---
Current Assets			
Cash & Cash equivalents	8	17.77	19.75
Sub-Total		17.77	19.75
TOTAL		17.77	19.75

Corporate Information and Significant Accounting Policies 1
2

Accompanying notes form an intergral part of Financial Statements

As per our Report of even date
for **BRAHMAYYA & CO.**
Chartered Accountants
Firm Reg. No. 000513 S

for and on behalf of Board of Directors

R SURENDER REDDY
Chairperson

K SHRAVAN
Partner
Membership No. 215798

Directors
Hari Kishen Gupta
V Krishna Das
Col S B Nair

Dr Veerendra Kaja
Chief Operating Officer

Place : Hyderabad
Date : July 1, 2022

STATEMENT OF INCOME & EXPENDITURE FOR THE YEAR ENDED MARCH 31,2022

(₹ In Lakhs)

Particulars	Note	Year ended 31-Mar-22	Year ended 31-Mar-21
INCOME			
Revenue from Operations		---	---
Other Income	9	0.72	0.79
TOTAL		0.72	0.79
EXPENDITURE			
Other Expenses	10	2.99	0.70
TOTAL		2.99	0.70
Excess of Expenditure over Income before tax		(2.27)	0.09
Provision for Taxation			
Less : Current Tax		---	0.01
Less : Tax for earlier years		---	0.06
Excess of Expenditure over Income for the year after Tax carried forward to Balance Sheet		(2.27)	0.02

Corporate Information and 1
Significant Accounting Policies 2

Accompanying notes form an intergral part of Financial Statements

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Partner
Membership No. 215798

Dr Veerendra Kaja
Chief Operating Officer

Place : Hyderabad
Date : July 1, 2022

for and on behalf of Board of Directors

R SURENDER REDDY
Chairperson

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Hari Kishen Gupta
V Krishna Das
Col S B Nair

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31,2022

(₹ In Lakhs)

	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
A)	Cash Flow from Operating Activities		
	Surplus/ (Deficit) before Tax	(2.27)	0.09
	Adjustments for:		
	Depreciation	---	---
	Interest Income	(0.72)	(0.79)
	Operating Profit before Working Capital changes	(2.99)	(0.70)
	Adjustments for changes in:		
	Loans & Advances	---	0.45
	Current Liabilities & Provisions	0.29	0.12
	Cash generated from Operations	(2.70)	(0.13)
	Income tax (paid)/ Refund	---	(0.07)
	Net Cash used in Operating Activities(A)	(2.70)	(0.20)
B)	Cash Flow from Investing Activities	---	---
	Interest income received	0.72	0.79
	Net Cash flow from Investing Activities (B)	0.72	0.79
C)	Cash Flow from Financing Activities (C)	---	---
	Net change in Cash & Bank Balances (A+B+C)	(1.98)	0.59
	Cash & Cash equivalents as at April 1, (Opening Balance)	19.75	19.16
	Cash & Cash equivalents as at March 31, (Closing Balance)	17.77	19.75
	Net Cash Inflow /(Out Flow)	(1.98)	0.59
	Components of Cash & Cash Equivalents are as under:		
	Cash in hand	---	---
	Balances in Scheduled Banks	17.77	19.75
		17.77	19.75

Corporate Information and Significant Accounting Policies 1
2

Accompanying notes form an intergal part of Financial Statements

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Dr Veerendra Kaja
Chief Operating Officer

Place : Hyderabad
Date : July 1, 2022

Notes to Accounts

1. Corporate Information:

HRC Recreation Chambers is a public company incorporated in India Under Section 8 of Companies Act 2013 to carry on the activities of equestrian sports, recreation centre and clubs. The company has no share capital and is Limited by Guarantee.

2. Statement of Significant Accounting Policies:

a) Basis of Preparation

Financial Statements are prepared on a going concern basis under the historical cost convention on accrual basis of accounting, unless otherwise stated and in accordance with the Accounting Standards notified by the Companies (Accounts) Rules, 2014, notified under Companies Act 2013.

b) Use of Estimates

Preparation of the Financial Statements is in accordance with IGAAP. Management is required to make estimates and assumptions that affect the reported balances of Assets and Liabilities and disclosures relating to Contingent Liabilities as at the date of the Financial Statements and reported amounts of Income and Expenses during the period.

Examples of such estimates include provisions for Employee Retirement Benefit plans, Provision for Direct and Indirect Taxes and relating to the useful life of Plant, Property and Equipment. Difference between the actual results and the estimates are recognized in the period in which the results are known / materialize.

c) Revenue Recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Club and revenue can be reliably measured, regardless of when the payment is being made.

Income from interest is recognized on time proportion basis.

Entrance fee received on admission of members will be taken to reserve as and when received.

d) Property Plant and Equipment

Property, Plant and Equipment are stated at Cost less Accumulated Depreciation. Cost includes all expenses incurred to bring the asset to its present location and condition to make it ready for intended use.

e) Capital Work in progress

Tangible assets/ intangible assets which are not yet ready for their intended use are stated at amount expended including advances up to the date of Balance Sheet.

f) Depreciation

The Company adopts the useful life of the Asset as prescribed under the Companies Act, 2013 and depreciation is charged under the Written Down Value Method.

g) Impairment of Assets

An Asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value. An impairment loss is charged to the Income and Expenditure Account in the year in which the asset is identified as impaired.

h) Investments

No Investments were made by the Company as at the balance sheet date. Suitable policy will be put in place as and when Investments are acquired.

i) Inventories

Inventories are valued at lower of cost or market value. Cost is ascertained on weighted average basis.

j) Current and Deferred Tax

Provision for Current Tax is provided under the provisions of the Income Tax Act, 1961.

In accordance with Accounting Standard 22, Deferred Tax resulting from 'timing difference' between Book and Taxable Profit is accounted for, using the tax rates and laws that are enacted or substantively enacted as on the date of Balance Sheet. The Deferred Tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realized in future.

k) Foreign Currency Transactions

Earnings / Expenditure in foreign currencies are converted at the exchange rates prevailing on the date of the respective transaction. The balances as at Balance Sheet date are restated at the rates prevailing as at Balance Sheet date. The gain / loss on account of restatement is recognized in Statement of Income and Expenditure.

l) Leases

The Company's Lease Agreements are mainly operating leases for the premises.

m) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that out flow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on best estimate required to settle the obligation on Balance Sheet date. They are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are disclosed in the Notes.

Contingent Assets are neither recognized nor disclosed in the Financial Statements.

NOTES FORMING PART OF BALANCE SHEET AS AT MARCH 31, 2022

(₹ In Lakhs)

Note	Particulars	As at March 31, 2022		As at March 31, 2021	
3	SHARE CAPITAL:				
	The Company is registered under the provisions of Section 8 of the Companies Act, 2013. 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 amongst themselves.		---		---
	Total		---		---
4	RESERVES AND SURPLUS:				
	GENERAL RESERVE:				
	As per last Balance Sheet	(11.74)		(11.76)	
	Add: Excess of Income/Expenditure for the year as per Income and Expenditure Account	(2.27)	(14.01)	0.02	(11.74)
	Total		(14.01)		(11.74)
5	NON CURRENT LIABILITIES:				
	Advance Received		31.47		31.28
	Total		31.47		31.28
6	OTHER CURRENT LIABILITIES:				
	i) Statutory Dues - TDS Payable		0.10		---
	ii) Other Payables		0.20		0.20
	Total		0.30		0.20
7	SHORT TERM PROVISIONS:				
	Provision for Income Tax		0.01		0.01
	Total		0.01		0.01
8	CASH & CASH EQUIVALENTS:				
	Savings Bank Account - Kotak Mahindra Bank Ltd.		17.77		19.75
	Total		17.77		19.75

**NOTES FORMING PART OF INCOME & EXPENDITURE
FOR THE YEAR ENDED MARCH 31, 2022**

(₹ In Lakhs)

Note	Particulars	"Year Ended March 31, 2022"	"Year Ended March 31, 2021"
9	OTHER REVENUE:		
	Interest on Bank Balance	0.72	0.79
	Total	0.72	0.79
10	OTHER EXPENSES:		
	i) Stamps/Filing Fee	0.20	0.07
	ii) Rent	---	0.45
	iii) Consultancy Services	2.61	---
	iv) Audit Fee	0.18	0.18
	Total	2.99	0.70

As per our Report of even date

for and on behalf of Board of Directors

for **BRAHMAYYA & CO.**
Chartered Accountants
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Notes on Accounts

11. Deferred Tax Asset :

The Company is yet to commence activities for which it is incorporated.

12. Additional Information :

- i. The Company do not have any Benami property and neither any proceedings have been initiated or is pending against the Company for holding any Benami property.
- ii. The Company do not have any transactions with companies struck off.
- iii. The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- iv. The Company has not been declared a wilful defaulter by any bank or financial institution or any other lender during the current period.
- v. The Company have 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.
- vi. 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 the Company 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 taken any loan during the year and no outstanding loans at the beginning of the year.
- viii. Ratios to the extent applicable are given below:

Ratio	Numerator	Denominator	31-Mar-22	31-Mar-21	% Change
Current ratio	Current Assets	Current Liabilities	1.76	1.57	12.10
Trade Receivable Turnover Ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	NA	NA	NA
Net Capital Turnover Ratio	Net sales = Total sales - sales return	Working capital = Current assets - Current liabilities	NA	NA	NA
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	NA	NA	NA
Return on Capital Employed	Earnings before interest and taxes	Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability	NA	NA	NA
Return on Investment	Interest (Finance Income)	Investment	NA	NA	NA

13. Contingent Liabilities and disputed cases against the Company not Provided for in respect of :

- i) Claims against the Company not acknowledged as debts – Nil
- ii) Capital Commitments – Nil
- iii) Expenditure in foreign currency – Nil

14. Figures have been rounded off to the nearest lakh rupees.

As per our Report of even date

for and on behalf of Board of Directors

for **BRAHMAYYA & CO.**
Chartered Accountants
Firm Reg. No. 000513 S

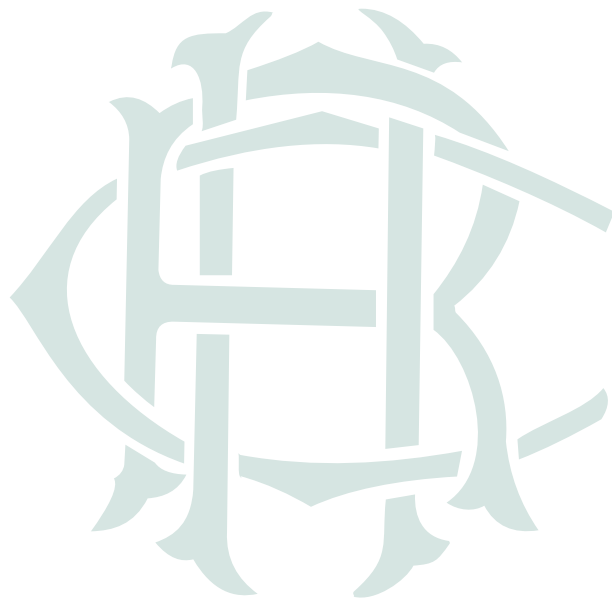
R SURENDER REDDY
Chairperson

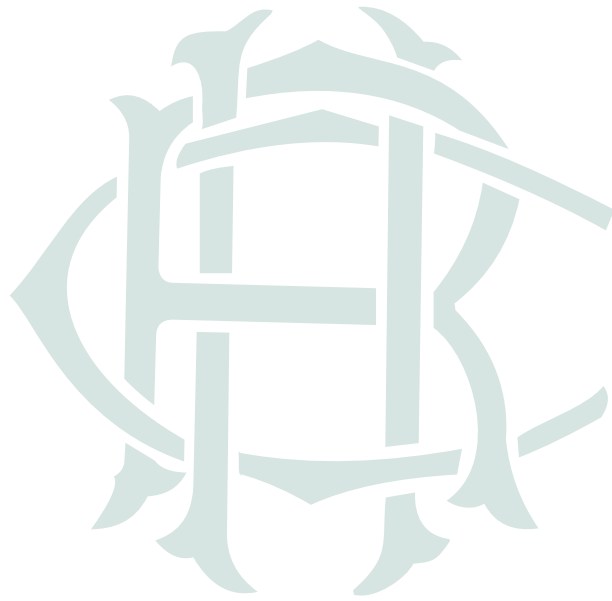
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Dr Veerendra Kaja
Chief Operating Officer

Place : Hyderabad
Date : July 1, 2022







HRC RECREATION CHAMBERS

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