



# **COUNTRY CONDO'S LIMITED**

(FORMERLY KNOWN AS NEOCURE THERAPEUTICS LIMITED)

**2012-2013**

***26<sup>th</sup> ANNUAL REPORT***

# COUNTRY CONDO'S LIMITED



## BOARD OF DIRECTORS

1. Sri Y. Rajeev Reddy	-	Chairman & Managing Director
2. Sri Y. Siddharth Reddy	-	Joint Managing Director & CEO
3. Sri Y. Varun Reddy	-	Joint Managing Director & COO
4. Sri D. Krishna Kumar Raju	-	Director
5. Sri P. V. V. Prasad	-	Director
6. Sri G. Venkateshwar Rao	-	Director
7. Sri S. Bal Reddy	-	Director
8. Sri A. VSB Laxmipathi Rao	-	Director
9. Sri VK Ramudu	-	Director

## COMPANY SECRETARY

Sri J. Laxmikanth

## BANKERS

Bank of India  
AXIS Bank Ltd  
State Bank of Mysore  
State Bank of India

## AUDITORS

M/s. P. Murali & Co.,  
Chartered Accountants  
6-3-655/2/3,  
Somajiguda,  
Hyderabad – 500 082  
Phone: 91-40-23326666

## REGISTERED OFFICE

# 8-2-703, Mahogany Complex,  
Ground Floor, Amrutha Valley,  
Road No.12, Banjara Hills,  
Hyderabad – 500 034  
Ph: 91-40-66360610  
Email: info@countrycondos.co.in

## SHARE TRANSFER AGENTS

M/s. AARTHI CONSULTANTS PRIVATE LIMITED  
1-2-285, Domalguda,  
Hyderabad – 500 029  
Phone: 91-40-27634445 / 27638111, Fax: 91-40-27632184

## LISTING AT

Bombay Stock Exchange Limited  
National Stock Exchange of India Limited  
Delhi Stock Exchange Limited

## COUNTRY CONDO'S LIMITED



### NOTICE

NOTICE is hereby given that the 26<sup>th</sup> Annual General Meeting of the members of Country Condo's Limited will be held on **Monday, the 30<sup>th</sup> day of September, 2013** at **12.00 Noon** at CROWN VILLA GARDENS, (Le Palais Royal), "Ibrahim Mahal", 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad – 500 003 to transact the following Business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit & Loss Account for the financial year ended on 31<sup>st</sup> March, 2013 and the Balance Sheet as on that date and the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Sri P.V.V.Prasad, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Sri A.VSB Laxmipathi Rao, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration.

BY ORDER OF THE BOARD OF DIRECTORS  
For COUNTRY CONDO'S LIMITED

PLACE : HYDERABAD  
DATE : 30-05-2013

LAXMIKANTH JAKHOTIA  
COMPANY SECRETARY

#### NOTES

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- b) **PROXIES TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LATER THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.**
- c) The Register of Members and Share Transfer Books of the Company will remain closed from 27-09-2013 to 30-09-2013 (both days inclusive).
- d) Members holding shares in physical form are requested to notify / send any change in their address to the Company's share transfer agents, M/s. Aarthi Consultants Private Limited, (Unit: Country Condo's Limited), 1-2-285, Domalguda, Hyderabad - 500 029, Andhra Pradesh, or to the Company at its Registered Office with their Folio Number(s).
- e) Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
- f) Pursuant to Clause 49 of the Listing Agreement, brief profile of the Directors appointed / Re-appointed is given as annexure at Page No. 3.

## COUNTRY CONDO'S LIMITED



### ADDITIONAL INFORMATION REQUIRED TO BE FURNISHED UNDER THE LISTING AGREEMENT:

As required under the Listing Agreement, the particulars of Directors who proposed to be appointed / re-appointed are given below:

Name	<b>P. V. V. Prasad</b>
Age	47 years
Qualifications	B. Com from Andhra University
Experience	Experience in Real Estate Construction & Development, Trading and Business Administration.
Other Directorships	NIL

Name	<b>A. VSB Laxmipathi Rao</b>
Age	57 years
Qualifications	Under Graduate
Experience	Experience in General Construction activities.
Other Directorships	NIL

# COUNTRY CONDO'S LIMITED



## DIRECTORS' REPORT

To,  
The Members of  
**M/s. COUNTRY CONDO'S LIMITED**

The Directors have pleasure in presenting the 26<sup>th</sup> Annual Report of the Company together with the Audited Accounts for the year ended 31<sup>st</sup> March, 2013.

### FINANCIAL RESULTS

(₹ in Lakhs)

Particulars	Year ended 31.03.2013 (12 Months)	Year ended 31.03.2012 (12 Months)
Turnover	672.12	462.83
Profit / (Loss)	81.87	72.38
Balance brought forward	101.96	29.58
Balance carried forward	183.83	101.96

### FINANCIAL PERFORMANCE OF THE COMPANY

The Board is glad to inform that the development of the Company's real estate & construction activities and Hospitality Income has grown and has achieved a Turnover of ₹672.12 Lakhs comparing Last years ₹462.83 Lakhs only and has achieved a Profit of ₹81.87 Lakhs as against the Profit of ₹72.38 Lakhs for the previous year, which is in excess of the last year profit, Further a lease rent income of ₹10.79 Lakhs has been arrived in addition to the real estate & hospitality income.

During this year the Company had a Net Profit of ₹81.87 Lakhs. The entire Profits of the Company had been transferred to General Reserves to strengthen the Reserves of the Company. Currently the accumulated P&L Account Surplus is ₹183.83 Lakhs.

The Board of Directors noted and took on record the report of the business review and analyzed the various options available and suitable in the present circumstances to the Company. The Board decided that it was no longer cost effective to manufacture and produce the goods in the present un-remunerative market conditions with the help of present undertaking. Hence, the Board, after due discussions and deliberations, decided to diversify / proposed to diversify its activities into the area of Hotel & Hospitality, Entertainment, Tourism industry etc.

### SHARE CAPITAL

The Paid-up Share Capital of the Company stands at ₹7,75,97,300/- (Rupees Seven Crores Seventy Five Lakhs Ninety Seven Thousand Three Hundred Only) as on 31<sup>st</sup> March, 2013.

### ADDITIONAL INFORMATION AS REQUIRED U/S 217(1)(e) OF THE COMPANIES ACT, 1956

- (a) Conservation of Energy: The Company is monitoring the consumption of energy and is identifying measures for conservation of energy.
- (b) (i) Technology Absorption, adaptation and innovation:- No technology either indigenous or Foreign is involved.  
(ii) Research and Development (R & D): No research and Development has been carried out.
- (b) Foreign exchange earnings : NIL  
Foreign exchange out go: NIL

## **COUNTRY CONDO'S LIMITED**



### **PARTICULARS OF EMPLOYEES**

In pursuance of the provisions of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, the Directors are to report that no employee was in receipt of remuneration of ₹60,00,000/- or more per annum or ₹5,00,000/- or more per month where employed for a part of the year.

### **BOARD OF DIRECTORS**

During the FY 2012-13, there was no change in the constitution of the Board of Directors.

Sri P.V.V Prasad, and Sri A. VSB Laxmipathi Rao, retires by rotation at the ensuing 26<sup>th</sup> Annual General Meeting and being eligible offer themselves for re-appointment.

### **FIXED DEPOSITS**

The Company has not accepted any public deposits and, as such, no amount on account of principal or interest on public deposits was outstanding on the date of the Balance sheet.

### **STATUTORY AUDITORS**

M/s. P. Murali & Co., Chartered Accountants, Statutory Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for reappointment.

M/s. P. Murali & Co., Chartered Accountants have furnished a certificate of their eligibility u/s 224(1B) of the Companies Act, 1956. The Board recommended to the members to re-appoint the auditors and authorize the Board of Directors of the Company to fix their remuneration.

### **DIRECTORS RESPONSIBILITY STATEMENT**

As required under Section 217(2AA) of the Companies Act, 1956 Your Directors confirm that:

- i) in the preparation of the Annual Accounts ending 31-03-2013, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) the Directors had selected such accounting policies and applied them consistently and 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 at the end of the financial year and of the Profit of the Company for that period;
- iii) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors had prepared the annual accounts on a going concern basis.

### **STATEMENT PURSUANT TO LISTING AGREEMENT**

The Company's Equity shares are listed at

1. Bombay Stock Exchange Limited, Mumbai.
2. National Stock Exchange of India Limited, Mumbai.
3. Delhi Stock Exchange Limited, New Delhi.

The Company has paid the Annual Listing Fees to the above Stock Exchanges.

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## CORPORATE GOVERNANCE

In order to bring more transparency in the conduct of business, the Stock Exchanges have amended the listing agreement incorporating the code of corporate governance to listed companies. Your Company has always been committed to the best practices in the governance of its affairs. Your Company had taken steps and complied with most of the recommendations during the year. For the year under review, the Compliance Report is provided in the Corporate Governance section in this Report. The Auditors' Certificate on compliance with the mandatory requirements of Corporate Governance is given in "Annexure "A" to this Report."

## MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT:

A detailed section on "Management Discussion and Analysis" (MDA), Pursuant to Clause 49 of the Listing Agreement forms part of this Annual Report.

### A. INDUSTRY BACKGROUND

With the increasing Government thrust on creation / development of infrastructure facilities in the country, the opportunity in the Sector has grown tremendously. Several new projects are being planned and many are already under execution. Besides, the Government regulations have become liberal and various measures are being taken to promote private participation in the infrastructure sector. With the introduction of projects on BOT / BOOT / BOLT has made investments in this sector more feasible and financially lucrative. Also with the changes in trends and policies of the both central and state governments with massive spending on infrastructure development and encouraging private participation in infra segment has further opened avenues.

### B. FUTURE OUTLOOK

As mentioned above, further outlook will be encouraging and the company is trying to grab every opportunity in its sphere. Further the Company plans to expand its activities in the areas of Hotel and Hospitality Sector and looking to take up the Entertainment, Tours & Travels, and Event Management Operations.

### C. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Internal control systems are aimed at promoting operational efficiencies while stressing Adherence to policies. The systems are designed with adequate internal controls commensurate with size and nature of operations.

The Company's management ensures that all assets are safeguarded and protected against loss from unauthorized use or disposition. Considerable emphases are being laid on the effective implementation of internal control systems and thus reduce the costs and increase the efficiency.

Further, the Audit Committee reviews the systems and suggests remedial actions wherever necessary.

### D. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/INDUSTRIAL RELATIONS:

The personnel employed by your Company are qualified, and have necessary skills to perform their respective jobs. Further, your Company provides continuous learning and personality development opportunities to its personnel. The Company has cordial relations with its employees.

### E. ANALYSIS OF FINANCIAL PARAMETERS

#### FINANCIAL PERFORMANCE

Our Company has shown the growth with Net Profits up from '72.38 Lakhs to '81.87 Lakhs, increasing with a margin of 13%. Though there is a fall in the Real Estate Sector in the last few years, the Company's Profit has not been declined and slowly & steadily the profits are consolidating. Our EBIT in the Financial Year 2012-13 is '68.28 as

## **COUNTRY CONDO'S LIMITED**



against ₹106.67 Lakhs for the Previous Financial Year 2011-12. Though there is a fall in EBIT, Net Profits has climbed up with 13% increase. However, our goal is to increase our EBIT margin in the long run though we are prepared to sacrifice margins on the short run in exchange for more rapid growth. Our aggressive acquisition & Construction of Real Estates strategy and good Hospitality Services has given us rich dividends. We continue to strive to give our members great value proposition good facilities, toe tapping entertainment and memories that will last a life time.

### **CAUTIONARY STATEMENT**

Statements in this management's discussion and analysis describing the Company's objectives, projects, estimates and expectations may be forward-looking statements within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downward trend in the domestic industry, monsoon, rise in input costs and significant changes in the political and economic environment in India, environment stands, tax laws, litigation and labour relations.

### **PERSONNEL**

Presently the Company enjoys cordial relations with employees and believes that human resources are invaluable asset. The Board wishes to place on record its appreciation to all employees for their efforts and co-operation for the performance and growth of business during the year. Company acknowledges the good work shown by its employees by enhancing their salaries up by 10-25%.

### **ACKNOWLEDGEMENTS**

Your Directors thank the Company's customers, vendors, investors, business associates, bankers and other agencies for their support to the Company.

We wish to place on record our appreciation for the untiring efforts and contributions made by the employees at all levels to ensure that the Company continues to grow and excel.

Finally your Directors record their deep sense of gratitude to all the shareholders for the abundant confidence reposed in the Board of Directors.

For and on behalf of the Board  
**For COUNTRY CONDO'S LIMITED**

PLACE : HYDERABAD  
DATE : 30-05-2013

Y. RAJEEV REDDY  
CHAIRMAN & MANAGING DIRECTOR

Y. SIDDHARTH REDDY  
JOINT MANAGING DIRECTOR & CEO



# COUNTRY CONDO'S LIMITED



## **ANNEXURE – “A” TO DIRECTORS REPORT- CORPORATE GOVERNANCE** **(Pursuant to Clause 49 of the Listing Agreement)**

### **1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

The Company believes that strong corporate governance is indispensable for healthy business growth and to be resilient in a vibrant capital market and is an important instrument of investor protection. The Companies activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them and adopt the best practices. It is firmly believed that good governance practices would ensure efficient conduct of the affairs of the Company and help the Company achieve its goal of maximizing value for all its stakeholders. The Company will continue to focus its resources, strengths and strategies to achieve its vision of becoming a truly Construction based Company, the Company stands by transparency in all its dealings and strict regulatory compliance.

The Company is in compliance with the requirements of the revised guidelines on corporate governance stipulated under clause 49 of the Listing Agreements with the Stock Exchanges. With the adoption of whistle blower policy the Company has moved further in its pursuit of excellence in corporate governance.

### **2. BOARD OF DIRECTORS:**

- a) The Company has 9 Directors with an Executive Chairman & Managing Director. Out of 9 Directors, 6 are Non-Executive of which 5 are Independent Directors. The composition of the Board is in conformity with clause 49 of the Listing Agreements entered into with the Stock Exchanges and meets the stipulated requirements.
- b) None of the Directors on the Board is a Member of more than 10 committees or Chairman of more than 5 Companies across all the Companies in which he is a Director. The Directors have made necessary disclosures regarding Committee positions in other public companies as on 31st March, 2013.
- c) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorships and Committee Chairmanships / Memberships held by them in other companies is given below. Other Directorships do not include alternate directorships, directorships of private limited companies, section 25 companies and of companies incorporated outside India. Chairmanship / Membership of Board Committees include only Audit, Shareholders / Investors Grievance & Remuneration Committees.
- d) 8 Board Meetings were held during the year and the gap between two meetings did not exceed four months. The dates on which the Board Meetings were held are as follows: 16<sup>th</sup> April, 2012, 15<sup>th</sup> May, 2012, 30<sup>th</sup> June, 2012, 31<sup>st</sup> July, 2012, 14<sup>th</sup> August, 2012, 3<sup>rd</sup> September, 2012, 9<sup>th</sup> November, 2012 and 1<sup>st</sup> February, 2013.

Name of the Director	Category	No. of Other Directorships	No. of Committee in which Member	No. of Board Meetings attended	Whether attended last AGM
Y. Rajeev Reddy	Chairman & Managing Director	14	Nil	8	Yes
Y. Siddharth Reddy	Joint Managing Director & CEO	14	Nil	5	Yes
Y. Varun Reddy	Joint Managing Director & COO	10	Nil	5	Yes
D. Krishna Kumar Raju	Non-Executive Director	7	1	8	Yes

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P. V. V. Prasad	Independent Non-Executive	Nil	Nil	8	Yes
G. Venkateshwar Rao	Independent Non-Executive	Nil	Nil	8	Yes
S. Bal Reddy	Independent Non-Executive	Nil	Nil	8	Yes
A. VSB Laxmipathi Rao	Independent Non-Executive	Nil	Nil	4	Yes
VK Ramudu	Independent Non-Executive	Nil	Nil	3	Yes

- e) None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.
- f) During the year, information as mentioned in Annexure 1A to Clause 49 of the Listing Agreements has been placed before the Board for its consideration.

### 3. AUDIT COMMITTEE:

- I). The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of the Companies Act, 1956.
- II) The terms of reference of the Audit Committee include a review of;
- a. Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
  - b. Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
  - c. Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  - d. Reviewing the financial statements and draft audit report including quarterly / half yearly financial information.
  - e. Reviewing with management the annual financial statements before submission to the Board, focusing on:
    - i Any changes in accounting policies and practices;
    - ii Qualification in draft audit report;
    - iii Significant adjustments arising out of audit;
    - iv The going concern concept;
    - v Compliance with accounting standards;
    - vi Compliance with stock exchange and legal requirements concerning financial statements;
    - vii Any related party transactions
  - f. Reviewing the Company's financial and risk management's policies.
  - g. Disclosure of contingent liabilities.
  - h. Reviewing with management, external and internal auditors, the adequacy of internal control systems.
  - i. Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
  - j. Discussion with internal auditors of any significant findings and follow-up thereon.
  - k. Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
  - l. Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  - m. Reviewing compliances as regards the Company's Whistle Blower Policy.

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- III) The previous Annual General Meeting of the Company was held on 29<sup>th</sup> September, 2012 and Mr. P. V. V. Prasad, Chairman of the Audit Committee, attended previous AGM.
- IV) The composition of the Audit Committee and the attendance of each member of the Audit Committee are given below:

Name of the Director	Category	Designation	No. of Meetings ATTENDED (During the year 2012-13)	No. of Meetings HELD (During the year 2012-13)
Sri. P. V. V. Prasad	Independent, Non-Executive	Chairman	4	4
G. Venkateshwar Rao	Independent, Non-Executive	Member	4	4
S. Bal Reddy	Independent, Non-Executive	Member	4	4

- V) Four Audit Committee meetings were held during the year. The dates on which the said meetings were held are as follows: 15<sup>th</sup> May, 2012, 14<sup>th</sup> August, 2012, 9<sup>th</sup> November, 2012, and 1<sup>st</sup> February, 2013.

The necessary quorum was present at all the meetings. The meetings of the Audit Committee are attended by the Head of Finance and Statutory Auditor as Invitee. The Un-audited Financial Results for each quarter were approved by the Audit Committee before being passed on to the Board of Directors for Approval & Adoption.

#### 4. REMUNERATION COMMITTEE

The role of Remuneration Committee is to decide and fix the remuneration payable to the Managing Directors / Whole-time Directors of the Company.

However, the remuneration of the Managing Directors / Whole-time Directors is subject to approval of the board and the Company in General Meeting and such approvals as may be necessary.

- a) **The Remuneration Committee for the year was constituted of the following members:**

Name of the Member	Category	Designation
Sri. P. V. V. Prasad	Independent, Non-Executive	Chairman
G. Venkateshwar Rao	Independent, Non-Executive	Member
S. Bal Reddy	Independent, Non-Executive	Member

The Remuneration Committee shall function in accordance with the terms of reference made by the Board of Directors, which are given as follows:

To fix the remuneration packages of Executive Directors i.e., Managing Directors and Whole-time Directors, etc.,

To decide on the elements of remuneration package of all the Directors i.e., Salary, Benefits, Bonus, Stock Options, Pensions, etc.,

- b) During the year, there was no meeting of the members of the Remuneration Committee, as the no remuneration was paid to the Director's which is same as of the Previous Year.

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### REMUNERATION OF DIRECTORS:

None of the Directors has drawn any remuneration or sitting fees during the financial year.

### 5. SHARE HOLDERS / INVESTORS GRIEVANCE COMMITTEE:

The Committee oversees share transfers and monitors investor grievances. To look into the redressal of shareholders and investors complaints like – transfer of shares, non – receipt of balance Sheet, non-receipt of declared dividends etc.,

The Committee consists of the following Independent & Non Executive Directors:

Name of the Director	Category	Designation
G. Venkateshwar Rao	Independent, Non-Executive	Chairman
S. Bal Reddy	Independent, Non-Executive	Member
Sri. P. V. V. Prasad	Independent, Non-Executive	Member

Sri Laxmikanth Jakhotia, Company Secretary is the Compliance Officer of the Company.

The total No. of Complaints received and resolved during the year 2012-2013 was 1.

The Complaints had been attended to within seven days from the date of receipt of the complaint, as communicated by our Registers and Share Transfer Agents, M/s. Aarthi Consultants Private Limited.

There were No outstanding complaints as on 31<sup>st</sup> March, 2013.

### 6. DETAILS OF GENERAL BODY MEETINGS: Location and time of the last 3 Years GM's:

GM & YEAR	VENUE	DATE & TIME	SPECIAL RESOLUTIONS PASSED
25 <sup>th</sup> AGM 2011-2012	Sri Agrasen Bhavan # 149, Brig. Sayeed Road, Sappers Line, Secunderabad -500 003	29-09-2012 11.30 A.M	<b>No Special Resolutions were passed</b>
24 <sup>th</sup> AGM 2010-2011	Sri Agrasen Bhavan # 149, Brig. Sayeed Road, Sappers Line, Secunderabad -500 003	30-09-2011 03.00 P.M	<b>2 Special Resolutions were passed:</b> 1. For International Offering of Securities through Global Depository Receipt up to USD 200 Million. 2. For Offering of Securities to Qualified Institutional Buyers upto 50 Crores Equity Shares.
23 <sup>rd</sup> AGM 2009-2010	Sri Agrasen Bhavan # 149, Brig. Sayeed Road, Sappers Line, Secunderabad -500 003	29-09-2010 11.30 A.M	<b>2 Special Resolutions were passed:</b> 1. For International Offering of Securities through Global Depository Receipt up to USD 200 Million. 2. For Offering of Securities to Qualified Institutional Buyers upto 50 Crores Equity Shares.

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### Special Resolution passed through postal ballot during the year 2012-13:

1. Three Special Resolutions were passed on 1<sup>st</sup> October, 2012, through Postal Ballot and accordingly implemented the resolutions. The details are as follows:

Authorization for borrowing of funds for the Company in excess of the limit specified U/s. 293(1)(d) of the Companies Act, 1956, Authorization to create charge/mortgage on the assets of the Company pursuant to Section 293(1)(a) of the Companies Act, 1956 and Authorization to make investment in, give loans to or provide guarantee to or Security in connection with loans made to other Body Corporate in excess of the limits specified U/s. 372A of the Companies Act, 1956. Details of aforesaid special resolution passed through Postal Ballot are as under:

- a) **Person who conducted the Postal Ballot exercise:** The board appointed Sri N. V. S. S. Suryanarayana Rao, Practicing Company Secretary, as a Scrutinizer to conduct postal ballot voting process. Sri N. V. S. S. Suryanarayana Rao conducted the process and submitted his Report to Mr. Y. Rajeev Reddy, Chairman & Managing Director of the Company.
- b) **Procedure followed:**
  - (i) The Postal Ballot Notice and accompanying documents were dispatched to shareholders under certificate of Posting.
  - (ii) A Calendar of events along with Board Resolution was submitted to the Registrar of Companies, Andhra Pradesh, Hyderabad.
- c) **Details of voting pattern:** After scrutinizing all the ballot forms received, the Scrutinizer reported that the Shareholders voted in favour of the resolution with overwhelming majority.

**No Special Resolution is proposed to be passed through Postal Ballot for the forthcoming 26<sup>th</sup> AGM.**

### 7. DISCLOSURES

- A. Disclosure on materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, the directors or the management's, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large. The transaction with the related parties is mentioned under Point No. 24 of Notes forming part of Balance sheet in the Annual Report of the Company. None of the transaction with the related parties is in conflict with the interest of the Company.
- B. Details of non-compliance by the Company, penalties, Strictures imposed on the Company by stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

None

- C. Details of compliance with mandatory requirements and adoption of non-mandatory requirements of this clause.

Your Company complied with all the mandatory requirements under clause 49 of the Listing Agreement. The details of these compliances are given in the relevant sections of this Report.

### 8. NOTES ON DIRECTORS APPOINTMENT/RE-APPOINTMENT:

Relevant details are given as additional information forming part of the notice of the Annual General Meeting/ Director's Report.

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### 9. MEANS OF COMMUNICATIONS:

As per the Clause 41 of the Listing agreement, the Company's Quarterly, Half-yearly and Annual Results are published in Business Standard in English and Andhra Prabha in Telugu Newspapers. The Annual Report and other communication are sent to the shareholders through Post and soft copies of 26<sup>th</sup> Annual Report containing its Balance sheet, Profit & Loss Account, Notes to Balance sheet, Notice and Report of Director's and Auditors thereon to all those shareholders who have registered their email address with their Depository Participants for the said purpose and all future communications to shareholders would also be sent in electronic form as well to their respective email address registered with their Depository Participants. Your Company has responded the Green Initiative taken by the Ministry of Corporate Affairs for saving our Environment.

As per listing agreement, the Un-audited Financial Results on quarterly basis and Statement of Assets and Liabilities on Half-yearly basis and the Audited Annual Results of the Company on yearly basis are also displayed on the Company's Website: [www.countrycondos.co.in](http://www.countrycondos.co.in) The website also displays the Shareholding Pattern of the Company as required under Clause 35 of the Listing Agreement on a quarterly basis and Corporate Governance Report as required under Clause 49 of the Listing Agreement on a quarterly basis.

### 10. MANAGEMENT DISCUSSIONS AND ANALYSIS

The Management Discussion and Analysis (MD& A) is being forms part of the Directors Report.

#### Statement pursuant to Clause 38 of the Listing Agreement:

The Company's Equity Shares are currently listed on Bombay Stock Exchange Limited (BSE), National Stock Exchange of India Limited (NSE) and Delhi Stock Exchange Limited (DSE) and the Company has paid the Annual Listing Fees of all the Stock Exchanges where its Shares are listed and Annual Custodian Fees to Depositories for the Financial Year 2013-2014.

### 11. GENERAL SHARE HOLDER INFORMATION:

<b>(I) Annual General Meeting</b>	
Date	30 <sup>th</sup> September, 2013
Time	12.00 Noon
Venue	CROWN VILLA GARDENS, (Le Palais Royal), "Ibrahim Maha", 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad – 500 003

<b>(II) Financial Calendar</b> 1 <sup>st</sup> April, 2013 to 31 <sup>st</sup> March, 2014	
And the Adoption of Quarterly Financial Results will be as follows:	
Quarter ending June 30, 2013	Second Week of August, 2013
Quarter ending September 30, 2013	Second Week of November, 2013
Quarter ending December 31, 2013	Second Week of February, 2014
Quarter ending March 31, 2014	Before the end of May, 2014
Annual General Meeting for FY ended 31 <sup>st</sup> March, 2014	Before the end of September, 2014

<b>(III) Date of Book Closure</b>	27 <sup>th</sup> September, 2013 to 30 <sup>th</sup> September, 2013 (both days inclusive)
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<b>(IV) Dividend payment date</b>	If, declared will be paid within the stipulated time as per the Act.
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## COUNTRY CONDO'S LIMITED



<b>(V) Listing on Stock Exchanges</b>	1. Bombay Stock Exchange Limited (BSE) 2. National Stock Exchange of India Limited (NSE) 3. Delhi Stock Exchange Limited (DSE)
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<b>(VI) Stock Details</b>	<b>Scrip Code</b>	<b>Scrip ID</b>
Bombay Stock Exchange Ltd	531624	COUNCODOS
National Stock Exchange of India Limited	COUNCODOS	
Delhi Stock Exchange Limited	-Not yet Allotted-	
<b>Dematerialization of Securities</b>	ISIN: INE 695 B01025	

<b>(VII) Market Price Data: High, Low during each Month in last Financial Year</b>	During the financial year the shares of the Company were traded only on M/s. National Stock Exchange of India Limited (NSE) & M/s. Bombay Stock Exchange Limited (BSE). Hence the Market Price data monthly High and Low can be provided as per the quote on the NSE & BSE as under:
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Month	Bombay Stock Exchange Limited		National Stock Exchange of India Limited		Delhi Stock Exchange Limited	
	High ₹	Low ₹	High ₹	Low ₹	High ₹	Low ₹
April, 2012	1.94	1.56	1.85	1.55	---	---
May, 2012	1.72	1.34	1.75	1.40	---	---
June, 2012	2.19	1.68	1.90	1.60	---	---
July, 2012	1.89	1.44	1.85	1.35	---	---
August, 2012	1.82	1.17	1.55	1.25	---	---
September, 2012	1.47	1.22	1.35	1.15	---	---
October, 2012	1.59	1.30	1.45	1.20	---	---
November, 2012	1.53	1.11	1.45	1.00	---	---
December, 2012	1.45	1.25	1.30	1.10	---	---
January, 2013	1.59	1.22	1.50	1.10	---	---
February, 2013	1.40	1.20	1.20	0.95	---	---
March, 2013	1.47	1.29	1.00	0.85	---	---

**(VIII) Stock Performance in Comparison to Broad-based indices such as BSE Sensex, CRISIL Index, BZX 200, Nifty etc..**

The Share Price of the Company has been moving with the trend of the indices

**(IX) Registrar & Transfer Agent:**

**M/s. Aarhi Consultants Private Limited**  
1-2-285, Domalguda, Hyderabad – 500 029  
Ph: 040-2763 8111; 040-2763 4445  
Fax: 040-2763 2184  
Website: [www.aarhiconsultants.com](http://www.aarhiconsultants.com)  
Email: [info@aarhiconsultants.com](mailto:info@aarhiconsultants.com)

**(X) Share Transfer System Documents will be accepted at:**

**M/s. Aarhi Consultants Private Limited**  
1-2-285, Domalguda, Hyderabad – 500 029  
Ph: 040-2763 8111; 040-2763 4445  
Fax: 040-2763 2184  
Website: [www.aarhiconsultants.com](http://www.aarhiconsultants.com)  
Email: [info@aarhiconsultants.com](mailto:info@aarhiconsultants.com)

## COUNTRY CONDO'S LIMITED



Pursuant to the guidelines issued by the Securities and Exchange Board of India, vide circular number D&CC/FITTC/CIR-15/2002 dated 27.12.2002 regarding "Appointment of Common Agency for Share Registry Work", the Board of Directors have appointed **M/s. Aarthi Consultants Private Limited**, as Share Transfer Agents.

The Shares of the Company are in physical form and electronic form. As regards, transfer of shares held in physical form, the transfer documents can be lodged with M/s. Aarthi Consultants Private Limited at above-mentioned address. The R & T Agent process the Physical Share Transfers and the Share Certificates are returned to the Shareholder with in a maximum period of 30 days from the date of receipt, subject to the documents being valid and complete in all respects. All share transfers are approved by the Share Transfer Committee. As regards, the transfer of shares in demat form is done through the Depositories without involvement of the Company.

Pursuant to the Securities and Exchange Board of India, vide circular number MRD/DoP/Cir-05/2009 dated 20.05.2009, it is mandatory to furnish PAN particulars for registration of physical share transfer requests. Therefore investors are requested to send the PAN particulars along with the share transfer deeds for effecting the Physical Share Transfer.

As per the guidelines issued by the Securities and Exchange Board of India, the R & T Agent is also offering transfer-cum-Demat facility, wherein after the share transfer is affected an option letter containing the details of the shares transferred is sent to the transferee. Any transferee who wishes to demat the shares may approach the Depository Participant along with a duly filled Demat Request Form, who shall, on the basis of the option letter, generate a demat request and send the same to the R & T Agent. On receipt, the R & T Agent confirms the request.

Any transferee not intending to dematerialize his/her shares need not exercise the option and the R & T

Agent shall dispatch the Share Certificate after 30 days from the date of the option letter.

All requests for Dematerialization of Shares are processed and the confirmation is given to the respective depositories, i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), with in 15 days of receipt.

### (XI) Distribution of Shareholding as on 31-03-2013

Share Holding of Nominal Value	Share Holders		Share Amount			
	₹	₹	Numbers	% of Total	In ₹	% of Total
(1)	(2)	(3)	(4)	(5)	(6)	(7)
Upto 5,000		7371	86.05	9079754	11.7	
5,001 10,000		685	8	4862828	6.27	
10,001 20,000		271	3.16	3893566	5.02	
20,001 30,000		94	1.1	2397427	3.09	
30,001 40,000		30	0.35	1054182	1.36	
40,001 50,000		23	0.27	1045068	1.35	
50,001 1,00,000		47	0.55	3311909	4.27	
1,00,001 and above		45	0.53	51952566	66.95	
<b>TOTAL</b>		<b>8566</b>	<b>100%</b>	<b>77597300</b>	<b>100%</b>	



## COUNTRY CONDO'S LIMITED



(XII) According to the categories of Shareholding as on 31-03-2013

	CATEGORY	No. of Shares held	%of shareholding
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group:</b>		
(1)	Indian		
a.	Individuals/Hindu Undivided Family	35472849	45.71
b.	Central Government/State Government	---	---
c.	Bodies Corporate	---	---
d.	Financial Institutions / Banks	---	---
	Others:	---	---
e.	Mutual funds	---	---
f.	Trusts	---	---
	<b>Sub-Total (A)(1)</b>	<b>35472849</b>	<b>45.71</b>
(2)	Foreign		
a.	Individuals (Non- Residents Individuals / Foreign Individuals)	---	---
b.	Bodies Corporate	---	---
c.	Institutions	---	---
	Others:	---	---
d.	Overseas Corporate Bodies	---	---
	<b>Sub-Total (A)(2)</b>	<b>000</b>	<b>000</b>
	<b>Total Shareholding of Promoter and Promoter Group A = (A)(1)+ (A)(2)</b>	<b>35472849</b>	<b>45.71</b>
<b>(B)</b>	<b>Public Shareholding</b>		
(1)	Institutions		
a.	Mutual funds / UTI	---	---
b.	Financial Institutions / Banks	---	---
c.	Central Government/State Government	---	---
d.	Venture Capital Funds	---	---
e.	Insurance Companies	---	---
f.	Foreign Institutional Investors	---	---
g.	Foreign Venture Capital Investors	---	---
	Others:	---	---
h.	Foreign Companies	---	---
	<b>Sub-Total (B)(1)</b>	<b>000</b>	<b>000</b>
(2)	Non- Institutions		
a.	Bodies Corporate	3548624	4.57
b.	Individuals		
	i). Individual Shareholders holding Nominal Share Capital upto Rs. 1 Lakh	22927901	29.55
	ii). Individual Shareholders holding Nominal Share Capital in excess of Rs. 1 Lakh	14341667	18.48
	Others:		
c.	Non- Residents Individuals	1303659	1.68
d.	Overseas Corporate Bodies	---	---
e.	Trusts	---	---
f.	Employees	---	---
g.	Clearing Members	2600	0
	<b>Sub-Total (B)(2)</b>	<b>42124451</b>	<b>54.29</b>
	<b>Total Public Shareholding B = (B)(1) + (B)(2)</b>	<b>42124451</b>	<b>54.29</b>
	<b>TOTAL (A+B)</b>	<b>77597300</b>	<b>100.00</b>
<b>(C)</b>	<b>Shares held by Custodians and against Depositories Receipts have been issued</b>	---	---
	<b>GRAND TOTAL (A+B+C)</b>	<b>77597300</b>	<b>100.00</b>

## COUNTRY CONDO'S LIMITED



### (XIII) Dematerialization of shares & liquidity

The trading in Company's shares is permitted only on dematerialized form. In order to enable the shareholders to hold their shares in electronic form and to facilitate scrip-less trading, the Company has enlisted its shares with both the Depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

### (XIV) Share Dematerialization Records:

70214396 Shares representing 90.48% of the Company's total equity share capital were held in dematerialized form of which 75.25% was held in National Securities Depository Limited (NSDL) and 15.23% was held in Central Depository Services (India) Limited (CDSL) as on 31<sup>st</sup> March, 2013.

The Company's shares are listed and eligible to trade on the above-mentioned Stock Exchanges in electronic form.

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is **ISIN: INE 695 B01025**

### (XV) Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversation date and likely impact on equity.

During the year the Company has not issued GDR's / ADR's / Warrants / FCCB's or any other Convertible Instruments.

### (XVI) Reconciliation of Share Capital Audit:

M/s. P. Murali & Co., Chartered Accountants conducts the Reconciliation of Share Capital Audit of the Company every Quarter for a limited purpose of reconciliation of the total admitted capital with both the depositories (NSDL & CDSL) and the total issued and listed capital. The Quarterly Reconciliation of Share Capital Audit Report which were placed before the Board of Directors were also send in time to all the Stock Exchanges where the Company Shares are Listed.

### (XVII) Plant Locations:

Not Applicable

### (XVIII) Address for Correspondence:

# 8-2-703, Mahogany Complex,  
Ground Floor, Amrutha Valley,  
Road No.12, Banjara Hills,  
Hyderabad – 500 034  
Ph: 040-64541609  
Fax: 040-66833954  
Email: [info@countrycondos.co.in](mailto:info@countrycondos.co.in)  
[countrycondos@gmail.com](mailto:countrycondos@gmail.com)

### (XIX) Depository Services:

For guidance on Depository Services, Shareholders may write to the Company or to the respective Depositories:

M/s. National Securities Depository Limited Trade World, 4 <sup>th</sup> Floor, Kamala Mills Compound Senapati Bapat Marg, Lower Parel Mumbai – 400 013 Tel : 091-022-24972964-70 Fax : 091-022-24972993-24976351 Email : <a href="mailto:info@nsdl.co.in">info@nsdl.co.in</a>	M/s. Central Depository Services (India) Limited Phiroze Jeejeebhoy Towers 28 <sup>th</sup> Floor, Dalal Street Mumbai – 400 023 Tel : 091-022-22723333 Fax : 091-022-22723199 Email : <a href="mailto:investors@cdslindia.com">investors@cdslindia.com</a>
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## **COUNTRY CONDO'S LIMITED**

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### **(XX) Nomination Facility:**

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company as permitted under section 109A of the Companies Act, 1956 are requested to submit the prescribed Form 2B to the Company for this purpose.

### **(XXI) Company's Policy on Prevention of Insider Trading:**

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992, and in connection with your Company's efforts to enhance the standards of corporate governance in the Company, and to strictly monitor and prevent insider trading within the Company, your Company has appointed Sri Laxmikanth Jakhota, Company Secretary as the Compliance Officer for this purpose. The code is applicable to all such employees of the Company who are expected to have access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism. The code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them.

BY ORDER OF THE BOARD OF DIRECTORS  
For COUNTRY CONDO'S LIMITED

PLACE : HYDERABAD  
DATE : 30-05-2013

Y. RAJEEV REDDY  
CHAIRMAN & MANAGING DIRECTOR

Y. SIDDHARTH REDDY  
JOINT MANAGING DIRECTOR & CEO

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

I, Y. Siddharth Reddy, Joint Managing Director & CEO of Country Condo's Limited hereby declare that all the Board members and senior managerial personnel have affirmed for the year ended 31<sup>st</sup> March, 2013 compliance with the code of conduct of the Company laid down for them.

Y. Siddharth Reddy  
Joint Managing Director & CEO

Place : Hyderabad  
Date : 30.05.2013

**CERTIFICATE BY THE CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)**

I, Y. Siddharth Reddy, Joint Managing Director & CEO of Country Condo's Limited certify:

1. That we have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2013 and to the best of our knowledge and belief;
  - These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
  - These statements present a true and fair view of the Company's affair and are in compliance with the existing accounting standards, applicable laws and regulations.
2. That there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct;
3. That we accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which we are aware and the steps that we have taken or purpose to take and rectify the identified deficiencies and;
4. That we have informed the auditors and the audit committee of:
  - a) Significant changes in the internal control during the year;
  - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c) Instances of significant fraud of which we have become aware and the involvement or an employee having a significant role in the Company's internal control system.

Y. Siddharth Reddy  
Joint Managing Director & CEO

Place : Hyderabad  
Date : 30.05.2013

## **COUNTRY CONDO'S LIMITED**



### **COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

**To  
The Members,  
COUNTRY CONDO'S LIMITED  
Hyderabad**

We have reviewed the records concerning the Company's compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement into by the Company with the Stock Exchanges for the financial year ended on 31<sup>st</sup> March, 2013.

The compliance of the conditions of corporate governance is the responsibility of the management. Our review was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us the examination and the information and explanations given to us by the Company.

Based on such a review, and to the best of our information and according to the explanation given to us, in our opinion, the Company has complied with the conditions of Corporate Governance as stipulated in the Clause 49 of the Listing Agreement with the Stock exchanges.

We further state that such compliance is neither an assurance as to the future viability of the Company nor to the efficiency with which the management has conducted the affairs of the Company.

For P. MURALI & CO.,  
CHARTERED ACCOUNTANTS

PLACE : HYDERABAD  
Date : 30-05-2013

P. MURALI MOHANA RAO  
PARTNER

## INDEPENDENT AUDITOR'S REPORT

To the Members of COUNTRY CONDO'S LIMITED

### Report on the Financial Statements:

We have audited the accompanying financial statements of Country Condo's Limited "the Company", which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements:

Management is responsible for 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

### Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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.

In making those risk assessments, the auditor considers internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) In the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

## COUNTRY CONDO'S LIMITED



### Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) In our opinion proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books,
  - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of accounts,
  - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

FOR P. MURALI & CO.,  
CHARTERED ACCOUNTANTS  
FRN: 007257S

PLACE : HYDERABAD  
DATE : 30-05-2013

P. MURALI MOHANA RAO  
PARTNER  
MEMBERSHIP NUMBER: 023412

**ANNEXURE TO THE AUDITORS' REPORT**

- I. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.  
(b) All the assets have been physically verified by the management at during the year but there is a regular programme of verification which, in our opinion, is reasonable with regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.  
(c) The Company has not disposed off substantial part of the Fixed Assets during the year.
- II. (a) The Inventory has been physically verified during the year and in our opinion, the frequency of verifications is reasonable.  
(b) In our opinion, the procedures of the physical verification of inventory followed by the Management are reasonable and adequate in relation of the size of the Company and the nature of its business.  
(c) The Company is maintaining proper records of inventory and as explained to us, there was no material discrepancies noticed on such verification of stocks as compared to book records.
- III. (a) The Company has granted interest free unsecured loans to Companies covered in the register maintained U/s.301 of the Companies Act, 1956. The amount involved during the period and outstanding amount of the said loan aggregating to ₹ 369,066,389/-  
(b) No loans have been granted to Companies, Firms & other parties listed in the register U/s.301 of the Companies Act, 1956, hence overdue amount of more than rupees one lac does not arise and the clause is not applicable.  
(c) The Company has taken interest free unsecured loan from Companies, covered in the register maintained U/s.301 of the Companies Act, 1956. The amount involved during the period and outstanding amount of the said loan aggregating to ₹ 354,022,202/-
- IV. In our opinion and according to the information and explanations given to us, there are generally adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets and for sale of goods and services. There is no continuing failure by the company to correct any major weaknesses in internal control.
- V. (a) In our opinion and according to the information and explanation given to us, since no contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been made by the company in respect of any party in the financial year, the entry in the register U/s.301 of the Companies Act, 1956 does not arise.  
(b) According to the information and explanations given to us, as no such contracts or arrangements made by the company, the applicability of the clause of charging the reasonable price having regard to the prevailing market prices at the relevant time does not arise.
- VI. The Company has not accepted any deposits from the public and hence the applicability of the clause of directives issued by the Reserve Bank of India and provisions of section 58A, 58AA or any other relevant provisions of the Act and the rules framed there under does not arise. As per information and explanations given to us the order from the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal has not been received by the Company.
- VII. In our opinion, the company is having internal audit system, commensurate with its size and nature of its business.
- VIII. In respect of the Company, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.
- IX. a) The Company is regular in depositing statutory dues including PF, ESI, Income Tax, Cess and any other statutory dues with the appropriate authorities and at the last of the financial year there were no amounts outstanding which were due for more than 6 months from the date they became payable.



## COUNTRY CONDO'S LIMITED



- b) According to the information and explanations given to us, no undisputed amounts are payable in respect of PF, ESI, Income Tax, Cess and any other statutory dues as at the end of the period, for a period more than six months from the date they became payable.
- X. The Company has been registered for a period of not less than 5 years, and it has no accumulated losses at the end of the financial year and the company has not incurred cash losses in this financial year and in the immediately preceding financial year.
- XI. According to information and explanations given to us, the Company has not taken any loans from Banks or Financial Institutions. Hence this clause of repayment of dues to financial Institutions or banks or debenture holders and the defaulted payment therein is not applicable to the Company.
- XII. According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities and hence the applicability of the clause regarding maintenance of adequate documents in respect of loans does not arise.
- XIII. This clause is not applicable to this Company as the Company is not covered by the provisions of special statute applicable to Chit Fund in respect of Nidhi/Mutual Benefit Fund/Scocieties.
- XIV. According to the information and explanations given to us, the company is not dealing or trading in shares, securities, Debentures and other investments and hence the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order 2003, are not applicable to the Company.
- XV. According to the information and explanations given to us, the Company has given corporate guarantee and Mortgaged their property for loans taken by M/s.Country Club (India) Limited from Banks and Financial Institutions namely Vijaya Bank, Bank of India, Union Bank of India and Karvy Financial Services Limited. The terms and conditions are not prejudicial to the interest of the company.
- XVI. According to the information and explanations given to us, the company has not obtained any Term Loans, hence this clause is not applicable.
- XVII. According to the information and explanations given to us, no funds are raised by the Company on short-term basis. Hence the clause of short term funds being used for long-term investment does not arise.
- XVIII. According to the information and explanations given to us, the Company has not made any preferential allotment of Shares to parties and Companies covered in the Register maintained under section 301 of the Companies Act, 1956 and hence the applicability of the clause regarding the price at which shares have been issued and whether the same is prejudicial to the interest of the Company does not arise.
- XIX. According to the information and explanations given to us, the company does not have any debentures and hence the applicability of the clause regarding the creation of security or charge in respect of debentures issued does not arise.
- XX. According to information and explanations given to us, the company has not raised money by way of public issues during the year, hence the clause regarding the disclosure by the management on the end use of money raised by Public Issue is not applicable.
- XXI. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under audit.

FOR P. MURALI & CO.,  
CHARTERED ACCOUNTANTS  
FRN: 007257S

PLACE : HYDERABAD  
DATE : 30-05-2013

P. MURALI MOHANA RAO  
PARTNER  
MEMBERSHIP NO. 023412

# COUNTRY CONDO'S LIMITED



## COUNTRY CONDO'S LIMITED

Balance Sheet as at 31st March, 2013

Particulars	Note No	As on	As on
		31-03-2013	31-03-2012
		₹	₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	77,597,300	77,597,300
(b) Reserves and Surplus	2	91,300,979	83,114,463
<b>(2) Non-Current Liabilities</b>			
(a) Deferred tax liabilities (Net)	3	13,959,704	19,187,805
(b) Long-term borrowings	4	354,985,737	222,776,827
<b>(3) Current Liabilities</b>			
(a) Trade payables	5	2,731,050	1,313,180
(b) Other current liabilities	6	386,430,369	425,088,736
(c) Short-term provisions	7	5,227,811	4,899,734
<b>Total</b>		<b>932,232,950</b>	<b>833,978,045</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	8	108,967,998	107,603,853
(ii) Capital work-in-progress	8	447,608	447,608
(b) Long-term loans and advances	9	368,505,779	373,111,149
(c) Other Non-Current assets	10	232,000	348,000
<b>(2) Current assets</b>			
(a) Inventories	11	332,899,659	240,267,955
(b) Cash and Cash equivalents	12	35,789,716	33,998,715
(c) Short-term loans and advances	13	77,893,495	71,424,707
(d) Other current assets	14	7,496,695	6,776,058
<b>Total</b>		<b>932,232,950</b>	<b>833,978,045</b>
Summary of Significant Accounting Policies			
The accompanying Notes are an Integral Part of the Financial Statements			
AS PER OUR REPORT OF EVEN DATE			
For P.Murali & Co.,		For COUNTRY CONDO'S LIMITED	
Firm Regn. No: 007257S			
Chartered Accountants			
		Y. Rajeev Reddy	Y. Siddharth Reddy
		Chairman & Managing Director	Joint Managing Director & CEO
P.Murali Mohana Rao			
Partner			
M.No. 023412		Laxmikanth Jakhotia	
		Company Secretary	
Place : Hyderabad			
Date : 30-05-2013			

**COUNTRY CONDO'S LIMITED**

**Profit and Loss statement for the year ended 31st March, 2013**

Particulars	Note No	As on	As on
		31-03-2013	31-03-2012
		₹	₹
I. Sales / Income from Operations	15	67,211,954	46,283,665
II. Other Income	16	1,078,544	724,000
<b>III. Total Revenue (I +II)</b>		<b>68,290,498</b>	<b>47,007,665</b>
<b>IV. Expenses:</b>			
(a) Cost of materials consumed	17	5,505,307	3,260,162
(b) Purchase of Land / Development	18	84,458,285	65,309,371
(c) (Increase)/ Decrease in inventories	19	(92,456,285)	(72,105,148)
(d) Employee benefit expense	20	35,624,543	21,534,165
(e) Other operating expenses	21	6,095,595	4,556,532
(f) Administrative Expense	22	19,957,315	12,295,668
(g) Financial costs	23	719,001	391,667
(h) Depreciation and amortization expense	8	1,558,503	1,098,205
<b>V. Total Expenses</b>		<b>61,462,264</b>	<b>36,340,622</b>
VI. Profit before tax ( III - V)		6,828,234	10,667,043
VII. Tax expense:			
(1) Income Tax		3,869,819	2,623,887
(2) Deferred tax		(5,228,101)	804,677
VIII. Profit for the period ( VI - VII)		8,186,516	7,238,479
IX. Earning per equity share: (Refer Note No.25)			
(1) Basic		0.11	0.09
(2) Diluted		0.11	0.09
Summary of Significant Accounting Policies			
The accompanying Notes are an Integral Part of the Financial Statements			
AS PER OUR REPORT OF EVEN DATE			
For P.Murali & Co., Firm Regn. No: 007257S Chartered Accountants		For COUNTRY CONDO'S LIMITED	
P.Murali Mohana Rao Partner M.No. 23412	Y. Rajeev Reddy Chairman & Managing Director	Y. Siddharth Reddy Joint Managing Director & CEO	
		Laxmikanth Jakhotia Company Secretary	
Place : Hyderabad			
Date : 30-05-2013			

# COUNTRY CONDO'S LIMITED



## COUNTRY CONDO'S LIMITED CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2013

	For the Year ended on 31-03-2013 ₹	For the Year ended on 31-03-2012 ₹
<b>A Cash Flow from Operating activities :</b>		
Net Profit after Interest & Depreciation but before Tax	6,828,234	10,667,043
Depreciation	1,558,503	1,098,205
Interest paid	101,442	42,379
Preliminary expenses w/o	116,000	116,000
<b>Operating Profit before working capital changes</b>	<b>8,604,179</b>	<b>11,923,627</b>
<b>Adjustments for :</b>		
Short Term Provisions	328,077	782,653
Trade and Other Payables	(41,110,316)	34,392,271
Inventories	(92,631,704)	(72,460,377)
Short term Loan and advances	(6,468,788)	(6,954,919)
Other Current Assets	(836,637)	(4,174,419)
<b>Cash generated from operations</b>	<b>(132,115,189)</b>	<b>(36,491,164)</b>
<b>Net Cash flow from Operating activities (before &amp; after extraordinary items) " A "</b>	<b>(132,115,189)</b>	<b>(36,491,164)</b>
<b>B Net Cash from Investing activities :</b>		
Purchase of fixed assets	(2,922,648)	(32,345,436)
Capital Work in Progress	-	(447,608)
Long Term Loans and Advances	4,605,370	5,131,865
Other Non Current Assets	116,000	116,000
<b>Net cash flow from Investing activities " B "</b>	<b>1,798,722</b>	<b>(27,545,179)</b>
<b>C Cash Flow from Financing activities</b>		
Interest paid	(101,442)	(42,379)
Long Term Borrowings	132,208,910	89,683,208
<b>Net Cash flow from Financing activities " C "</b>	<b>132,107,468</b>	<b>89,640,829</b>
<b>D Net ( Decrease ) / Increase in Cash and Cash Equivalents ( A + B + C )</b>	<b>1,791,001</b>	<b>25,604,486</b>
Cash and Cash Equivalents at the beginning	33,998,715	8,394,229
Cash and Cash Equivalents at the end	<b>35,789,716</b>	<b>33,998,715</b>

As per our report of even date

For P.Murali & Co.,  
Firm Regn. No: 007257S  
Chartered Accountants

P.Murali Mohana Rao  
Partner  
M.No. 023412

Place : Hyderabad  
Date : 30-05-2013

For and on behalf of the Board

Y.Rajeev Reddy                      Y.Siddharth Reddy  
Chairman and Managing Director      Joint Managing Director & CEO

Laxmikanth Jhakotia  
Company Secretary

To,  
The Board of Directors  
COUNTRY CONDO'S LIMITED

We have examined the attached Cash Flow Statement of M/s. Country Condo's Limited for the period ended 31<sup>st</sup> March, 2013. The Statement has been prepared by the Company in accordance with the requirement of Clause 32 of listing agreement with Stock Exchange and is based on and in arrangement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of 30<sup>th</sup> May, 2013 to the members of the Company.

For P.MURALI & Co.,  
CHARTERED ACCOUNTANTS

Place : Hyderabad  
Date : 30.05.2013

P. Murali Mohan Rao  
Partner

**SIGNIFICANT ACCOUNTING POLICIES**

**BASIS OF PREPARATION:** The financial statements have been prepared to comply in all material respects with the accounting standards notified by Companies Accounting Standards Rules, 2006 and the relevant provisions of the Companies Act, 1956 ('the Act'). The financial statements have been prepared under historical cost convention on an accrual basis in accordance with accounting principles generally accepted in India. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

**USE OF ESTIMATES:** The preparation of financial statements in conformity with generally accepted accounting principles require the management to make estimates and assumptions that affect the reported amounts of Assets and Liabilities and disclosure of Contingent Liabilities at the date of the financial statements and the result of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Significant estimates used by the management in the preparation of these financial statements include estimates of the economic useful life of Fixed Assets and provisions for bad and doubtful debts. Any revision to accounting estimates is recognized prospectively.

**(a) Accounting Convention and Revenue Recognition – AS 9:**

The Financial Statements have been prepared on a going concern basis in accordance with historical cost convention. The Company follows mercantile system of accounting and recognizes income and expenditure on accrual basis.

- a). "Revenue is the gross inflow of cash, receivables or other consideration arising in the course of the ordinary activities of an enterprise from the sale of goods, from the rendering of services, and from the use by others of enterprise resources yielding interest, royalties and dividends. Revenue is measured by the charges made to customers or clients for goods supplied and services rendered to them and by the charges and rewards arising from the use of resources by them. In an agency relationship, the revenue is the amount of commission and not the gross inflow of cash, receivables or other consideration.
- b). Completed service contract method is a method accounting which recognizes revenue in the statement of profit and loss only when the rendering of services under a contract is completed or substantially completed.
- c). Proportionate completion method is a method of accounting which recognizes revenue in the statement of profit and loss proportionately with degree of completion of services under a contract.

**(b) Cash Flow Statement – AS 3 :** The Company has prepared Cash Flow Statement as per the **AS-3**.

**(c) Retirements Benefits:** Company makes monthly contribution to the Employees Provident Fund and Pension Fund under the provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952.

**(d) Fixed Assets:** Fixed Assets are stated at cost of acquisition and subsequent improvements thereto, inclusive of taxes, freight and other incidental expenses related to acquisition, improvements and installation.

**(e) Depreciation:** Depreciation on Fixed Assets is provided on straight-line method as per the rates specified in Schedule XIV of the Companies Act, 1956. This is in accordance with the **AS-6** and there is no change in the method of Depreciation during the year.

**(f) Inventories:** Inventories are valued at Cost or Net Realizable value whichever is lower.

**(g) Taxes on Income:**

- a) Provision for tax for the year comprises current Income Tax and Deferred Tax and is provided as per the Income Tax Act, 1961.
- b) The provision made for income tax in the accounts comprises both the current and deferred tax. Current tax is provided for on the taxable income for the year. The deferred tax assets and liabilities for the year arising on account of timing differences (net) are recognized in the Profit and Loss account and the cumulative effect thereof is reflected in the Balance Sheet.

**(h) Provisions:** Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if the Company has a present obligation as a result of a past event;

**(i) Earnings per Share:** The earnings considered in ascertaining the Earning per Share comprise of Net Profit after Tax. The number of shares used in computing Basic Earnings per Share is the Weighted Average number of shares outstanding during the year, as per **AS-20**.

**(j) Related Party Disclosures :** The Company as required by **AS-18** furnishes the details of Related Party Disclosures

**COUNTRY CONDO'S LIMITED  
NOTES TO BALANCE SHEET**

**NOTE NO. 1 : SHARE CAPITAL**

S.NO.	Particulars	As on	As on
		31-03-2013	31-03-2012
		₹	₹
I	<u>Share Capital</u>		
	(a) Authorised ( No. of Shares 350,000,000 Current Year ) ( No. of Shares 350,000,000 Previous Year )	350,000,000 -	- 350,000,000
	(b) Issued, Subscribed & Fully Paid Up ( No. of Shares 77,597,300 Current Year ) ( No. of Shares 77,597,300 Previous Year )	77,597,300 -	- 77,597,300
	(c) Par Value per share Re.1/- Each Total Equity Share capital	<b>77,597,300</b>	<b>77,597,300</b>
II	<u>A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:</u>	<b>Number of Shares</b>	
	Equity Shares of Fully paid up :		
	At the Beginning	77,597,300	77,597,300
	Add: Issued during the year At the end	- <b>77,597,300</b>	- <b>77,597,300</b>
III	<u>Details of Shareholder holding more than 5% shares of the company:</u>	<b>% of Share Holding</b>	
	Equity Shares of Re. 1/- each Held By Mr.Y. Rajeev Reddy - No.of Shares (C.Y) 33381748, (P.Y) 33128439	43.02%	42.69%

**NOTE NO. 2 : RESERVES AND SURPLUS**

S. No.	Particulars	As on	As on
		31-03-2013	31-03-2012
		₹	₹
I	<b>RESERVES AND SURPLUS</b>		
	a) Capital reserve		
	i) As at the commencement of the year	22,982,670	22,982,670
	Add: Additions during the year	-	-
		<b>22,982,670</b>	<b>22,982,670</b>
	b) Securities Premium Reserve		
	i) As at the commencement of the year	49,935,300	49,935,300
	Add: Forfeited of Share Warrants	-	-
		<b>49,935,300</b>	<b>49,935,300</b>
	c) Surplus :		
i) Opening Balance - Profit and Loss Account	10,196,493	2,958,014	
Add: Transfer from Profit & Loss Account	8,186,516	7,238,479	
	<b>18,383,009</b>	<b>10,196,493</b>	
	<b>Total Reserves and Surplus</b>	<b>91,300,979</b>	<b>83,114,463</b>

# COUNTRY CONDO'S LIMITED



## NOTE NO. 3 : DEFERRED TAX LIABILITY ( NET )

S. No.	Particulars	As on	As on
		31-03-2013	31-03-2012
		₹	₹
I	Opening Deferred tax Liability	19,187,805	18,383,128
	<b>Add:</b> Deferred Tax Liability for the year ( Due to SLM and WDV Difference )	691,490	804,677
	<b>Less:</b> Prior Period Adjustment	5,919,591	-
	<b>Deferred Tax Liability/ ( Asset ) - Net</b>	<b>13,959,704</b>	<b>19,187,805</b>

## NOTE NO. 4 : LONG TERM BORROWINGS.

S. No.	Particulars	As on	As on
		31-03-2013	31-03-2012
		₹	₹
I	a) Loans and advances from Bank Secured Vehicle Loan - HDFC	963,535	-
	b) Loans and advances from Related parties Unsecured Country Club (India) Limited	354,022,202	222,776,827
	<b>Total long term borrowings</b>	<b>354,985,737</b>	<b>222,776,827</b>

## NOTE NO. 5 : TRADE PAYABLES

S. No.	Particulars	As on	As on
		31-03-2013	31-03-2012
		₹	₹
I	a) Trade Payables	2,731,050	1,313,180
	<b>Total Trade Payables</b>	<b>2,731,050</b>	<b>1,313,180</b>

## NOTE NO. 6 : OTHER CURRENT LIABILITES

S. No.	Particulars	As on	As on
		31-03-2013	31-03-2012
		₹	₹
I	a) Advances Received from Customers	382,259,130	422,475,757
	b) TDS Payable	1,701,076	346,501
	c) Professional Tax Payable	10,750	10,969
	d) Consultancy Charges Payable	1,513,899	1,616,945
	e) Commission Payable	415,091	20,293
	f) Luxury Tax Payable	80,442	239,538
	g) Service Tax Payable	341,548	300,012
	h) VAT Payable	108,433	78,721
	<b>Total other current liabilities</b>	<b>386,430,369</b>	<b>425,088,736</b>

## NOTE NO. 7 : SHORT TERM PROVISIONS

S. No.	Particulars	As on	As on
		31-03-2013	31-03-2012
		₹	₹
I	a) Provisions for employee benefits		
	Salaries Payable	3,174,899	1,618,598
	PF Payable	105,835	93,576
	ESIC Payable	35,664	32,568
	b) Others		
	Provision for Income tax	1,467,878	2,623,887
	Audit Fee Payable	108,122	310,818
	Rent Payable	142,525	117,500
	Provision for Expenses	192,888	102,787
	<b>Total short term provisions</b>	<b>5,227,811</b>	<b>4,899,734</b>

# COUNTRY CONDO'S LIMITED



## NOTE NO. 8 TANGIBLE ASSETS COUNTRY CONDO'S LIMITED Depreciation Schedule

Particulars	Gross Block as on 01.04.2012	Additions during the year	Deletions during the year	Gross Block as at 31.03.2013	Depreciation Upto 31.03.2012	Depreciation during the year	Deletions	Total Depreciation 31.03.2012	Net Block as at 31.03.2013
Land & Site Development	19,148,091	-	-	19,148,091	-	-	-	-	19,148,091
Buildings	24,013,816	-	-	24,013,816	668,385	802,061	-	1,470,446	22,543,370
Plant & Machinery	110,845,903	97,812	-	110,943,715	49,960,945	272,755	-	50,233,700	60,710,015
Office Equipment	3,615,262	313,752	-	3,929,014	2,060,335	39,509	-	2,099,844	1,829,170
Furniture & Fixtures	2,043,107	441,326	-	2,484,433	604,588	96,975	-	701,563	1,782,870
Vehicles	734,387	1,684,249	-	2,418,636	47,860	183,921	-	231,781	2,186,855
Computers	833,365	385,509	-	1,218,874	287,965	163,282	-	451,247	767,627
<b>Total</b>	<b>161,233,931</b>	<b>2,922,648</b>	<b>-</b>	<b>164,156,579</b>	<b>53,630,078</b>	<b>1,558,503</b>	<b>-</b>	<b>55,188,581</b>	<b>108,967,998</b>
<b>Previous Year</b>	128,888,495	32,345,436	-	161,233,931	52,531,873	1,098,205	-	53,630,078	107,603,853
Capital Work-in-Progress	447,608	-	-	447,608	-	-	-	-	447,608



## COUNTRY CONDO'S LIMITED



### NOTE NO. 9 : LONG TERM LOANS AND ADVANCES

S. No.	Particulars	As on	As on
		31-03-2013	31-03-2012
		₹	₹
I	Loans and Advances to Related Parties Unsecured, Considered Good Amrutha Estates & Hospitality (P) Limited Zen Garden Hotels Pvt Ltd	367,335,604 1,170,175	371,940,274 1,170,875
	<b>Total long term loans &amp; advances</b>	<b>368,505,779</b>	<b>373,111,149</b>

### NOTE NO.10 : OTHER NON CURRENT ASSETS

S. No.	Particulars	As on	As on
		31-03-2013	31-03-2012
		₹	₹
I	(a) Unamortised Expenditure	232,000	348,000
	<b>Total Other non current assets</b>	<b>232,000</b>	<b>348,000</b>

### NOTE NO. 11 : INVENTORIES

S. No.	Particulars	As on	As on
		31-03-2013	31-03-2012
		₹	₹
I	(a) Land and Land Development Expenditure (b) Consumables & Provisions	332,369,011 530,648	239,912,726 355,229
	<b>Total Inventories</b>	<b>332,899,659</b>	<b>240,267,955</b>

### NOTE NO. 12 : CASH AND BANK BALANCES

S. No.	Particulars	As on	As on
		31-03-2013	31-03-2012
		₹	₹
I	Cash and cash equivalents : (a) Balances with banks : (i) On Current Accounts (b) Cash on hand	34,393,280 1,396,436	31,730,798 2,267,917
	<b>Total Cash and Cash Equivalents</b>	<b>35,789,716</b>	<b>33,998,715</b>

**NOTE NO. 13 : SHORT TERM LOANS AND ADVANCES**

S. No.	Particulars	As on	As on
		31-03-2013	31-03-2012
		₹	₹
I	Security Deposit		
	Secured, Considered Good	2,127,952	24,000
	Unsecured, Considered Good	1,073,189	875,000
II	Loans and Advances to Related Parties		
	Unsecured, Considered Good		
	Apurva Holiday Homes Pvt.Ltd.	174,737	155,026
	New Era Heights Pvt Limited	88,559	68,848
	Spurthi Hotels Private Limited	106,269	86,558
	Vyshnavi Holiday Inn Pvt Ltd	137,996	118,285
	Amrutha Estates Pvt Ltd.	43,049	10,000
	Amrutha Investments Ltd.	10,000	10,000
III	Advances Recoverable in Cash or in kind		
	Unsecured, Considered Good		
	Advance for Land and Land Development	67,091,497	62,127,548
	Advances to Suppliers	52,366	857,536
	Advance for Site Registrations	3,612,156	3,298,745
	Advances to Employees	370,235	508,779
	Advance for Expenses	3,005,490	3,284,382
	<b>Total short term loans &amp; advances</b>	<b>77,893,495</b>	<b>71,424,707</b>

**NOTE NO.14 : OTHER CURRENT ASSETS**

S. No.	Particulars	As on	As on
		31-03-2013	31-03-2012
		₹	₹
I	(a) TDS Receivables	66,056	1,146,220
	(b) Service Tax Receivables	29,608	2,927
	(c) Advance Taxes / Excess paid	682,307	2,991,051
	(d) Prepaid Expenses	54,652	53,660
	(e) Chit Receivables	6,664,072	2,582,200
	<b>Total Other current assets</b>	<b>7,496,695</b>	<b>6,776,058</b>

**COUNTRY CONDO'S LIMITED**  
**NOTES TO STATEMENT OF PROFIT & LOSS**

**NOTE NO. 15 : REVENUE FROM OPERATIONS**

S. No.	Particulars	As on	As on
		31-03-2013	31-03-2012
		₹	₹
I	Income from operations		
	(a) Real Estate Income	45,603,000	32,638,999
	(b) Hospitality Income	21,608,954	13,644,666
	<b>Total Revenue from Operations</b>	<b>67,211,954</b>	<b>46,283,665</b>

**NOTE NO. 16 : OTHER INCOME**

S. No.	Particulars	As on	As on
		31-03-2013	31-03-2012
		₹	₹
I	(a) Lease Rents	300,000	724,000
	(b) Interest on FD's	216,644	-
	(c) Others	561,900	-
	<b>Total Revenue from other Income</b>	<b>1,078,544</b>	<b>724,000</b>

**NOTE NO. 17 : COST OF MATERIALS CONSUMED**

S. No.	Particulars	As on	As on
		31-03-2013	31-03-2012
		₹	₹
I	Opening Raw Material	355,229	-
	Add: Purchases during the year	5,680,726	3,615,391
		6,035,955	3,615,391
	Less: Closing Raw Material	530,648	355,229
	<b>Total Cost Of Material Consumed</b>	<b>5,505,307</b>	<b>3,260,162</b>

**NOTE NO. 18 : PURCHASE OF LAND /LAND DEVELOPMENT**

S. No.	Particulars	As on	As on
		31-03-2013	31-03-2012
		₹	₹
I	Operating Expenditure		
	(a) Purchase of Land	30,764,701	13,608,015
	(b) Land Development Charges	53,693,584	51,701,356
	<b>Total Trade Expenses</b>	<b>84,458,285</b>	<b>65,309,371</b>

**NOTE NO. 19 : (INCREASE) / DECREASE IN INVENTORIES**

S. No.	Particulars	As on	As on
		31-03-2013	31-03-2012
		₹	₹
I	<b>Work in Progress</b>		
	Work in progress at the beginning of the year	239,912,726	167,807,578
	Less : Work in progress at the end of the year	332,369,011	239,912,726
	<b>(Increase) / Decrease in Inventories</b>	<b>(92,456,285)</b>	<b>(72,105,148)</b>

**NOTE NO. 20 : EMPLOYEE BENEFIT EXPENSES**

S. No.	Particulars	As on	As on
		31-03-2013	31-03-2012
		₹	₹
I	(a) Salaries & Wages	33,317,678	19,829,240
	(b) Contribution to Provident Fund & ESIC	978,677	850,103
	(c) Staff Welfare Expenses	1,328,188	854,822
	<b>Total Employee Benefit Expenses</b>	<b>35,624,543</b>	<b>21,534,165</b>

**NOTE NO. 21 : OTHER OPERATING EXPENSES**

S. No.	Particulars	As on	As on
		31-03-2013	31-03-2012
		₹	₹
I	(a) Power & Fuel	1,929,278	1,228,019
	(b) Upkeep & Service Cost	1,111,917	802,051
	(c) Rent	2,801,250	2,390,000
	(d) General Expenditure	140,790	52,192
	(e) Payment to Auditors:		
	(i) As Auditor	78,652	56,180
	(ii) For Taxation matters	33,708	28,090
	<b>Total Other Operating Expenses</b>	<b>6,095,595</b>	<b>4,556,532</b>

**NOTE NO. 22 : ADMINISTRATIVE EXPENSES**

S. No.	Particulars	As on	As on
		31-03-2013	31-03-2012
		₹	₹
I	(a) Telephone, Postage and Others	1,756,102	1,307,855
	(b) Business Promotion Expenses	291,655	208,752
	(c) Travelling & Conveyance	4,185,497	3,224,244
	(d) Office Maintenance	3,700,851	3,005,540
	(e) Printing & Stationery Expenses	1,088,096	939,098
	(f) Rates & Taxes (excluding Income Tax)	689,185	426,588
	(g) Consultancy Charges	6,081,046	2,598,348
	(h) Commission Charges	1,828,067	258,726
	(i) Advertisement Charges	188,653	210,517
	(j) Miscellaneous Expenses W/o	116,000	116,000
	(k) Interest on late payment of Taxes	32,163	-
	<b>Total Administrative Expenses</b>	<b>19,957,315</b>	<b>12,295,668</b>

**NOTE NO. 23 : FINANCE COST**

S. No.	Particulars	As on	As on
		31-03-2013	31-03-2012
		₹	₹
I	(a) Bank Charges	617,559	349,288
	(b) Interest on Vehicle Finance	82,557	-
	(c) Interest - others	18,885	42,379
	<b>Total Finance Cost</b>	<b>719,001</b>	<b>391,667</b>

**NOTE NO. 24****Related Party Transactions:**

Particulars of related party transactions:

<b>Name of the Related Party</b>	<b>Nature of the Related Party</b>	<b>Nature of Transaction</b>	<b>Amount ₹</b>
Country Club (India) Limited	Common Directors interested	Lease Rent received Advance Received	300,000 354,022,202

**NOTE NO. 25****Earnings Per Share:**

<b>Particulars</b>	<b>2012-13</b>	<b>2011-12</b>
Net profit after tax ₹	8,186,516	7,238,479
Weighted Average Numbers of shares	77,597,300	77,597,300
Basic and Diluted EPS ₹	0.11	0.09

26. Detailed information regarding quantitative particulars under part II of Schedule VI to the Companies Act, 1956. Quantitative details are not furnished as the company is in the activity of Real Estate and Hospitality Services. Closing WIP is ₹ 332,369,011 and Closing Stock of Consumables is ₹ 530,648 for current year (Previous year Closing WIP is ₹ 239,912,726 and Closing Stock of Consumables is ₹ 355,229)
27. Depreciation has not been provided on old assets in the Fixed Assets Schedule as they belong to the earlier business, which are not put in use for current business

**28. Segment Reporting:**

Business Segments:

The Company is operating in two segments-Real Estates and Hospitality services

<b>Profit and Loss Statements for the year ended 31st March, 2013</b>	<b>Real Estate</b>	<b>Hospitality Services</b>	<b>Total</b>
Revenues	45,603,000	21,608,954	7,211,954
Unallocable Revenue			1,078,544
Direct Expenses	45,523,647	15,938,617	61,462,264
Gross Income	79,353	5,670,337	6,828,234
Net Profit Before Taxes			6,828,234
Tax Expenses			(1,358,282)
Net Profit After Taxes			8,186,516

**29. Corporate Guarantee:**

- a) During the financial year - 2011-12, the company has given corporate guarantee to its Associated enterprise i.e. M/s Country Club (India) Limited for availing the Term Loan from Three Banks namely Vijaya Bank, Bank of India and Union Bank of India for which the company has given its Assets as collateral security.

The details of the Property given as Collateral securities are as follows.

- (i) Company's Immovable property situated at No.20/1-524, Sy No:20/1, Geddanahalli, Attibele Hobli, Anekal Taluk, Bangalore District Pin-562107.
- b) During the financial year - 2011-12, the company has given corporate guarantee to its Associated enterprise i.e. M/s Country club (India) Limited for availing the Secured Business Loan from M/s.Karvy Financial Services. For which the company has given its Assets as collateral security.

The details of the Property given as Collateral securities are as follows.

- (i) Property Situated at Sy No:101/3,102/3,103/1,103/2 & 103/17, Kumbalgodu, Kengeri Hobli beside Mcdowell Unit near Mysore Road under BBMP, Bangalore.
30. Closing Balances of Debtors / Creditors / Loans & Advances are subject to confirmation from the parties.
31. Previous year's numbers have been regrouped, rearranged, recasted, wherever necessary to conform to Current Year Classification.
32. The numbers have been rounded off to the nearest rupee.

AS PER OUR REPORT OF EVEN DATE  
For P. MURALI & CO.,  
CHARTERED ACCOUNTANTS

P. MURALI MOHANA RAO  
PARTNER

FOR AND ON BEHALF OF THE BOARD  
For COUNTRY CONDO'S LIMITED

Y. RAJEEV REDDY  
CHAIRMAN & MANAGING DIRECTOR

Y. SIDDHARTH REDDY  
JOINT MANAGING DIRECTOR & CEO

LAXMIKANTH JAKHOTIA  
COMPANY SECRETARY

PLACE : HYDERABAD  
DATE : 30-05-2013

**COUNTRY CONDO'S LIMITED**

# 8-2-703, Mahogany Complex, Ground Floor, Amrutha Valley,  
Road No.12, Banjara Hills, Hyderabad – 500 034

**PROXY FORM**

I/We ..... of  
..... being a member/  
members of the above named Company hereby appoint ..... of  
..... as my/our proxy to vote for me/us on my/our  
behalf at the 26<sup>th</sup> Annual General Meeting of the Company to be held on Monday, the 30<sup>th</sup> September, 2013 at 12.00  
Noon at CROWN VILLA GARDENS, (Le Palais Royal), "Ibrahim Mahal", 150, Brigadier Sayeed Road, Opp. Gymkhana  
Grounds, Secunderabad – 500 003 and at any adjournment thereof.

Signed this..... day of \_\_\_\_\_ 2013.

Affix  
0.15 paise  
Revenue  
Stamp

- NOTE: a) A Member entitled to attend and vote at the meeting is entitled to appoint a proxy and vote instead of himself.  
b) Proxy need not be a member.  
c) The proxy form duly completed should be deposited at the registered office of the Company not less than 48 hours before the time fixed for holding the meeting.

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**COUNTRY CONDO'S LIMITED**

# 8-2-703, Mahogany Complex, Ground Floor, Amrutha Valley,  
Road No.12, Banjara Hills, Hyderabad – 500 034

**ATTENDANCE SLIP**

(Please present this slip at the entrance of the meeting venue)

Regd. Folio .....

Shares held .....

DP ID .....

Client ID .....

I hereby record my presence at the 26<sup>th</sup> Annual General Meeting of the Company to be held on Monday, the 30<sup>th</sup> September, 2013 at 12.00 Noon at CROWN VILLA GARDENS, (Le Palais Royal), "Ibrahim Mahal", 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad – 500 003.

Name of the Shareholder :

Name of the Proxy :

Signature of member / proxy :

Note:

- 1) To be signed at the time of handing over this slip.
- 2) Members are requested to register their names at least 15 minutes prior to the commencement of the meeting.

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If undelivered please return to:

**COUNTRY CONDO'S LIMITED**

# 8-2-703, Mahogany Complex  
Ground Floor, Amrutha Valley,  
Road No. 12, Banjara Hills  
Hyderabad – 500 034