



***COUNTRYCONDOS***

# **COUNTRY CONDO'S LIMITED**

**CIN : L63040TG1987PLC007811**

**2016-2017**

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

## Corporate Information

### BOARD OF DIRECTORS/KMP

1.	Sri Y. Rajeev Reddy	- Chairman & Director
2.	Sri Y. Siddharth Reddy	- Vice-Chairman & Director
3.	Sri Y. Varun Reddy	- Vice-Chairman & Director
4.	Sri D. Krishna Kumar Raju	- Vice-Chairman & CEO
5.	Smt Y. Manjula Reddy	- Director
6.	Sri K. Subramanyam Raju	- Additional Director
7.	Sri G. Venkateshwar Rao	- Director
8.	Sri S. Bal Reddy	- Director
9.	Sri A. VSB Laxmipathi Rao	- Director
10.	Sri VK Ramudu	- Director
11.	Sri J. Laxmikanth	- Company Secretary
12.	Sri Gandhi Upputuri	- Chief Financial Officer

### 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, Domulguda,  
Hyderabad - 500 029  
Phone: 91-40-27634445 / 27638111, Fax: 91-40-27632184

### LISTING AT

BSE Limited  
National Stock Exchange of India Limited

### Book Closure Dates:

23<sup>rd</sup> September, 2017 to 28<sup>th</sup> September, 2017 (Both days inclusive)

**NOTICE**

NOTICE is hereby given that the 30th Annual General Meeting of the members of Country Condo's Limited will be held on **Thursday, the 28<sup>th</sup> day of September, 2017 at 11.30 AM** at Crown Villa Gardens, 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad - 500 003 to transact the following Business:

**ORDINARY BUSINESS:**

**1. Adoption of Financial Statements:**

To receive, consider and adopt the audited financial statements of the Company for the Financial Year ended March 31, 2017, together with the reports of the Board of Directors and Auditors thereon.

**2. Appointment of Director:**

To appoint a Director in place of Mr. Y. Rajeev Reddy (DIN: 00115430), Director who retires by rotation and being eligible offers himself for re-appointment.

**3. Appointment of Auditors:**

To Consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution:

"**RESOLVED THAT**, pursuant to provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Audit & Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) **M/s.Chandra Babu Naidu & Co., Chartered Accountants, Hyderabad, (Firm Registration No. 016016S)** be and are hereby appointed as Statutory Auditors of the Company (in place of M/s.P.Murali & Co., Chartered Accountants, Hyderabad (Firm Registration No. 007257S)) for a term of five years commencing from the Company's Financial Year ending March 31, 2018 to hold office from the conclusion of the 30<sup>th</sup> Annual General Meeting of the Company till the conclusion of the 35<sup>th</sup> Annual General Meeting (subject to ratification of their appointment by the Members at every intervening Annual General Meeting held after this Annual General Meeting) on such remuneration plus service tax, out-of-pocket expenses, as may be mutually agreed upon by the Board of Directors and the Statutory Auditors."

**SPECIAL BUSINESS:**

**4. Appointment of Sri K. Subramanyam Raju as a Director (DIN: 00094663):**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the said Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Rules made thereunder and the Articles of Association of the Company, **Sri K. Subramanyam Raju (DIN: 00094663)**, who was appointed as an Additional Director of the Company by the Board of Directors with effect from June 28, 2017 and who holds the office until the date of Annual General Meeting, in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Sri K. Subramanyam Raju as a candidate for the office of director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 28<sup>th</sup> September, 2017, not liable to retire by rotation."

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

**DATE: 11-08-2017  
PLACE: Hyderabad**

**D. KRISHNA KUMAR RAJU  
VICE-CHAIRMAN & CEO  
DIN: 00115553**

## NOTES

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Annual General Meeting (AGM) is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company carrying voting rights. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting.
3. A Proxy Form is annexed to this Report. Members/Proxies should bring duly filled attendance slips sent herewith for attending the meeting along with the copies of Annual Reports to the Annual General Meeting. Pursuant to Section 113 of the Companies Act, 2013, 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 representatives to attend and vote on their behalf at the AGM.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 23<sup>rd</sup> September, 2017 to Thursday, 28<sup>th</sup> September, 2017 (both days inclusive).
5. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository Participant for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses with the Company, physical copies of the Annual Report are being sent by the permitted mode. Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
6. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, 22<sup>nd</sup> September, 2017, i.e. the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may approach the CDSL/ RTA for issuance of the User ID and Password for exercising their right to vote by electronic means. The e-voting period will commence at 9.00 a.m. on Monday, 25<sup>th</sup> September, 2017 and will end at 5.00 p.m. on Wednesday, 27<sup>th</sup> September, 2017. The Company has appointed Mr. Gopal Dhanaji (Membership No. FCS 7676), Practising Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast in a fair and transparent manner. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.
7. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

### The instructions for shareholders voting electronically are as under:

- (i) The voting period will commence at 9.00 a.m. on Monday, 25th September, 2017 and will end at 5.00 p.m. on Wednesday, 27th September, 2017. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 22nd September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website **www.evotingindia.com**.
- (iii) Click on Shareholder.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,

- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please**

**follow the instructions as prompted by the mobile app while voting on your mobile.**

**(xix) Note for Non - Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to **www.evotingindia.com** and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to **helpdesk.evoting@cdslindia.com**.
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at **www.evotingindia.com**, under help section or write an email to **helpdesk.evoting@cdslindia.com**.

1. The results shall be declared within 48 hours from the conclusion of the AGM. The results along with the Scrutinizer's Report shall also be placed on the website of the Company.
2. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / M/s. Aarathi Consultants Private Limited, (Unit: Country Condo's Limited).
3. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
4. 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. Aarathi Consultants Private Limited, (Unit: Country Condo's Limited), 1-2-285, Domalguda, Hyderabad - 500 029, Telangana, or to the Company at its Registered Office with their Folio Number(s) and Members holding shares in dematerialised form are requested to notify/send any changes in their address to the concerned Depository Participant (s).
5. For convenience of the Members and proper conduct of the meeting, entry to the meeting venue will be regulated by Attendance Slip. Members are requested to sign at the place provided on the Attendance Slip and hand it over at the registration counter.
6. Members who hold shares in dematerialized form are requested to write their client ID and DP ID. Those who hold shares in physical form are required to write their Folio Number in the Attendance slip for attending the meeting.
7. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.
8. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
9. A Statement giving the details of the Director (s) seeking re-appointment in the accompanying notice, as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 is annexed thereto.
10. The Companies Equity shares are listed at BSE Limited and National Stock Exchange of India Limited and the listing fee for the FY 2017-18 has paid.

11. Section 72 of the Companies Act, 2013 extends the nomination facility to individual shareholders of the Company. Therefore, the shareholders willing to avail this facility may make nomination in Form SH-13 for initial registration of nomination and Form SH-14 for cancellation and variation of nomination as per Companies Act, 2013 to the Company's R.T.A. This nomination form should be submitted at Registrar and Share Transfer Agent (R. T. A.) as per the address mentioned in the Corporate Governance Report.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013:****Item No. 4:**

The Board, at its meeting held on June 28, 2017, appointed Sri K. Subramanyam Raju as an Additional Director of the Company with effect from June 28, 2017, pursuant to Section 160 of the Companies Act, 2013, read with Article 141 of Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Sri K. Subramanyam Raju will hold office upto the date of ensuing Annual General Meeting. The Company has received the notice in writing under the provisions of Section 160 of the Companies Act, 2013, from a member along with a requisite deposit proposing the candidature of Sri K. Subramanyam Raju for the office of director.

The Company has received from Sri K. Subramanyam Raju (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, and (ii) Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

The resolution seeks the approval of the members for the appointment of Sri K. Subramanyam Raju as Independent Director of the Company, who hold office for a term upto five consecutive years commencing from 28th September, 2017, not liable to retire by rotation as per the provisions of the Companies Act, 2013 and the Rules made thereunder. A brief profile of Sri K. Subramanyam Raju, including nature of his expertise, is provided in this Annual Report.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No.4 of the Notice.

The Board recommends the resolution set forth in Item no. 4 for the approval of the members.

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

**DATE: 11-08-2017  
PLACE: Hyderabad**

**D. KRISHNA KUMAR RAJU  
VICE-CHAIRMAN & CEO  
DIN: 00115553**

**ADDITIONAL INFORMATION REQUIRED TO BE FURNISHED UNDER REGULATION 36 OF THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

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

<b>Particulars</b>	<b>Details of Directors seeking appointment/re-appointment</b>
1. Name of the Director	: Sri. Y. Rajeev Reddy
Director Identification Number (DIN)	: 00115430
Date of Birth	: 02 <sup>nd</sup> October, 1956
Age	: 61
Date of Appointment	: 10 <sup>th</sup> August, 2009
Qualification	: B.com (Hons)
Experience	: Vast Experience in Leisure and Hospitality Industry.
Terms and conditions of appointment	: Sri. Y. Rajeev Reddy who retire by rotation at the 30 <sup>th</sup> Annual General Meeting and being eligible, offer himself for re-appointment.
Number of Meetings of the Board attended during the year	: 04
Specific Functional areas	: Mr. Y. Rajeev Reddy is Chairman & Director of the Company. With a vast experience in Real Estate and Hospitality Industry he is representing the Company and introducing the Industry globally.
Directorships in other Listed/public/private Companies	: 9 Public Companies & 3 Private Companies
Membership/chairmanship of Committees of the other Boards	: <b>NIL</b>
No of Shares held in the Company	: 38843345 Equity Shares of Rs 1/- each consisting of 50.06%
Inter- se Relationship between the Board Members/Manager/ KMP	: Sri Y. Rajeev Reddy is H/o. Smt Manjula Reddy, Director and Father of Sri Y. Siddharth Reddy, Vice-Chairman & Director and Sri Y. Varun Reddy, Vice-Chairman & Director of the Company.



2.	Name of the Director	:	Sri. K. Subramanyam Raju
	Director Identification Number (DIN)	:	00094663
	Date of Birth	:	15 <sup>th</sup> July, 1946
	Age	:	71
	Date of Appointment	:	28 <sup>th</sup> June, 2017
	Qualification	:	B.A
	Experience	:	Vast Experience in Real Estate Sector, Construction Industry.
	Terms and conditions of appointment	:	Appointment of Sri K. Subramanyam Raju as Independent Director of the Company, who hold office for a term upto five consecutive years commencing from 28th September, 2017, not liable to retire by rotation.
	Number of Meetings of the Board attended during the year	:	0
	Specific Functional areas	:	To protect the interest of minority shareholders and ensure that the board does not favour any particular set of shareholders or stakeholders.
	Directorships in other Listed/ public/private Companies	:	1 Private Company
	Membership/chairmanship of Committees of the other Boards	:	<b>NIL</b>
	No of Shares held in the Company	:	<b>NIL</b>
	Inter- se Relationship between the Board Members/Manager/ KMP	:	<b>None</b>

**NOTE: \* Private Companies which are Subsidiary of Public Company**

**DIRECTORS' REPORT**

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

The Directors have pleasure in presenting the 30th Annual Report of the Company together with the Audited Accounts for the year ended 31<sup>st</sup> March, 2017.

**FINANCIAL RESULTS:**

(₹ in Lakhs)

Particulars	Year ended 31.03.2017 (12 Months)	Year ended 31.03.2016 (12 Months)
Turnover	2712.01	4526.67
Profit / (Loss)	64.04	76.13
Balance brought forward	159.44	83.31
Balance carried forward	223.48	159.44

**FINANCIAL PERFORMANCE OF THE COMPANY:**

The Board would like to inform that the development of the Company's real estate & construction activities and Hospitality Income has grown and has achieved a Turnover of ₹2712.01 Lakhs and has achieved a Profit of ₹64.04 Lakhs.

During this year the Company had a Net Profit of ₹64.04 Lakhs. The Net Profits of ₹64.04 has been transferred to General Reserves to strengthen the Reserves of the Company. Currently the accumulated P&L Account Surplus is ₹223.48 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.

**NUMBER OF MEETINGS OF THE BOARD:**

5 Board Meetings held during the Financial Year 2016-17.

**SHARE CAPITAL:**

The Paid-up Share Capital of the Company stands at ₹7,75,97,300/- (Rupees Seven Crore Seventy Five Lakh Ninety Seven Thousand Three Hundred Only) as on 31<sup>st</sup> March, 2017.

The entire Paid-up Share Capital of your Company is listed with both the Stock Exchange(s) namely, M/s. BSE Limited (BSE) and M/s. National Stock Exchange of India Limited (NSE).

**MANAGEMENT DISCUSSION AND ANALYSIS:**

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on the management discussion and analysis is enclosed herewith.

**CONSERVATION OF ENERGY, TECHNICAL ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

**Additional information as required u/s 134 of the Companies Act, 2013:**

Information as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 forming part of Directors Report for the year ended 31<sup>st</sup> March, 2017.

The information as per Section 134 of the Companies Act, 2013 has to be presented:



## COUNTRY CONDO'S LIMITED

### A. Conservation of energy:

- (i) **The steps taken or impact on conservation of Energy:** The Company is continuously monitoring the consumption of energy and implements wherever necessary the required measures for conserving it.
- (ii) **Steps taken by the Company for utilising alternate sources of Energy:** NIL
- (iii) **The Capital Investment on energy conservation equipments:** NIL

### B. Technology absorption:

- (i) **The efforts made towards technology absorption** : No technology - indigenous or foreign is - involved.
- (ii) **The benefits derived like product Improvement, cost reduction, product Development or import substitution:** : Not applicable
- (iii) **in case of imported technology (imported during the last three years reckoned from the beginning of the Financial year)** : No technology has been imported during the year.
- (a) **The details of technology imported** : NIL
- (b) **The year of import** : Not applicable
- (c) **Whether the technology been fully Absorbed** : Not applicable
- (d) **If not fully absorbed, areas where absorption has not taken place, and the reasons thereof;** : Not applicable
- (iv) **The expenditure incurred on Research and Development.** : NIL

### C. Foreign exchange earnings and outgo:

	2016-17	2015-16
Foreign Currency Earnings/Inflow	NIL	NIL
Foreign Currency Expenditure / Outflow	NIL	NIL

### Extracts of Annual Return and other disclosures under Companies (Appointment & Remuneration) Rules, 2014:

The Extract of Annual Return in Form No. MGT-9 as per Section 134 (3) (a) of the Companies Act, 2013 read with Rule 8 of Companies Act (Accounts) Rules 2014 and Rule 12 of Companies (Management & Administration) Rules, 2014 is enclosed as **Annexure-I** and forms part of this report.

### **PARTICULARS OF EMPLOYEES:**

**Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**

Name of Director	Designation	Remuneration FY 16-17	Remuneration in FY 15-16	% of remuneration in 2017 as compared to 2016	Ratio of remuneration to MRE
D. Krishna Kumar Raju	Vice-Chairman & CEO	39,60,000	31,26,896	26.64%	27.73 Times
<b>Key Managerial Personnel other than Directors:</b>					
U. Gandhi	Chief Financial Officer	29,25,000	29,25,000	0%	20.48 Times
J.Laxmikanth	Company Secretary	5,94,000	5,94,000	0%	4.16 Times



## COUNTRY CONDO'S LIMITED

1. The Median Remuneration of the employees of the Company during the financial year was Rs. 1,42,800/- Per Month.
2. In the financial year, there was no increase in the median remuneration employees.
3. There are 71 permanent Employees on the Rolls of the Company as on 31<sup>st</sup> March, 2017.
4. The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee.
5. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year - N.A. and
6. It is hereby confirmed that the remuneration is as per the remuneration policy of the Company.

**The remuneration paid to the Key Managerial Personnel of the Company is as per remuneration policy.**

**Particulars of Employees receiving remuneration of Rs.1,02,00,000 or more per annum or Rs.8,50,000/- or more per month are given below:**

Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Directors are to report that none of the employees were in receipt of remuneration of Rs.1,02,00,000 or more per annum or Rs.8,50,000 or more per month.

### **BOARD OF DIRECTORS**

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Sri Y. Rajeev Reddy, Chairman & Director of the Company who retire by rotation at the 30<sup>th</sup> Annual General Meeting and being eligible, offer himself for re-appointment.

### **STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149 OF THE COMPANIES ACT, 2013:**

The Independent Directors have submitted the Declaration of Independence, as required pursuant to Section 149 (7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in Sub-Section (6) of section 149 of Companies Act, 2013.

### **DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the requirements under Section 134 of the Companies Act, 2013 with respect to the Directors' Responsibility Statement, the Board of Directors of the Company hereby confirms:

- (a) that in the preparation of the annual accounts for the Financial year ended 31<sup>st</sup> March, 2017, the applicable accounting standards have been followed;
- (b) that the directors have 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 as at 31<sup>st</sup> March, 2017, and Profit and Loss Statement of the Company for that period;
- (c) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the directors have prepared the annual accounts for the financial year ended 31<sup>st</sup> March, 2017, on a going concern basis;
- (e) that the directors have laid down internal controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (f) that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

### **RELATED PARTY TRANSACTIONS:**

All the related party transactions are entered on arms length basis and are in compliance with the applicable provisions of the Act and the listing agreement. There are no materially significant related party transactions made by the Company during the Financial Year 2016-17 which may have the potential conflict with the interest of the company at large.

Thus disclosure in **Form AOC-2** is not required.

**AUDITORS:**

M/s. Chandra Babu Naidu & Co., Chartered Accountants, Hyderabad, (Firm Registration No. 016016S) have expressed their willingness to get appointed as the statutory auditors of the Company (in place of M/s. P. Murali & Co., Chartered Accountants, Hyderabad (Firm Registration No. 007257S)) and furnished their certificate of eligibility and consent for their Appointment under section 141 of the Companies Act, 2013 and the rules framed there under. The Board based upon the recommendations of the Audit committee recommends the appointment of M/s. Chandra Babu Naidu & Co., as the statutory auditors of the Company.

The Report given by the Auditors on the financial statements of the Company is part of the Annual Report. There has been no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

**TYPES OF COMMITTEES:**

The Company has 3 different Committees, they are:

**a. Audit Committee**

**Composition of the Audit Committee:**

The Audit Committee for the year was constituted of the following members:

<b>Name of the Member</b>	<b>Category</b>
1. Sri P.V.V. Prasad, Chairman*	} Independent, Non - Executive Directors
2. Sri G. Venkateshwar Rao, Chairman*	
3. Sri S. Bal Reddy, Member	
4. Sri A.VSB Laxmipathi Rao, Member*	

\*Sri P.V.V. Prasad has resigned from the Committee, both as member and chairmanship, subsequently Sri A. VSB Laxmipathi Rao was appointed as new member and Sri G. Venkateshwar Rao was elected as Chairman of the Committee w.e.f 29th December, 2016.

Mr. J. Laxmikanth, Company Secretary has acted as the Secretary to the Committee.

**b. Nomination & Remuneration Committee**

The Nomination and Remuneration Committee for the year was constituted of the following members:

<b>Name of the Member</b>	<b>Category</b>
1. Sri P.V.V. Prasad, Chairman*	} Independent, Non - Executive Directors
2. Sri G. Venkateshwar Rao, Chairman*	
3. Sri S. Bal Reddy, Member	
4. Sri A.VSB Laxmipathi Rao, Member*	

\*Sri P.V.V. Prasad has resigned from the Committee, both as member and chairmanship, subsequently Sri A. VSB Laxmipathi Rao was appointed as new member and Sri G. Venkateshwar Rao was elected as Chairman of the Committee w.e.f 29th December, 2016.

The Company follows a policy on remuneration of directors and other senior managerial personnel's. The Policy is recommended by the Nomination and Remuneration Committee and approved by the Board. More details of the same is given in the Corporate Governance Report.

**c. Stakeholders Relationship Committee**

The Stakeholders Relationship Committee was constituted of the following Directors:

<b>Name of the Member</b>	<b>Category</b>
1. Shri G. Venkateshwar Rao, Chairman	} Independent, Non - Executive Directors
2. Shri S. Bal Reddy, Member	
3. Sri P.V.V. Prasad, Member*	
4. Sri A. VSB Laxmipathi Rao, Member*	

\*Sri P.V.V. Prasad has resigned from the Committee, as member and subsequently Sri A. VSB Laxmipathi Rao was appointed as new member of the Committee w.e.f 29th December, 2016.

Mr. J. Laxmikanth, Company Secretary has acted as the Secretary to the Committee.

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

The Company's Equity shares are listed at

1. BSE Limited, Mumbai.
2. National Stock Exchange of India Limited, Mumbai.

The Company has paid the Annual Listing Fees to the above Stock Exchanges for the year 2017-18.

## **CORPORATE GOVERNANCE:**

As required by Regulation 27 of SEBI, Listing Regulations, a separate section containing the Report on Corporate Governance together with the Certificate on the compliance with the conditions of Corporate Governance issued by the Auditors of the Company is appended hereto and they form part of this Annual Report.

## **SECRETARIAL AUDIT REPORT:**

The Board of Directors have appointed Mr.Gopal Dhanaji, Practising Company Secretary, as the Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial year ended 31<sup>st</sup> March, 2017 in compliance with the provisions of Section 204 of the Companies Act , 2013.

The report of the Secretarial Audit Report by Mr.Gopal Dhanaji, Practising Company Secretary, in Form MR-3 is enclosed as **Annexure - II** to this Report.

The report on secretarial audit does not contain any qualification or adverse remark.

## **VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

The Board of Directors of the Company has adopted Whistle Blower Policy. This policy is formulated to provide an opportunity to employees and an avenue to raise concerns and to access in good faith the Audit Committee, to the highest possible standards of ethical, moral and legal business conduct and its commitment to open communication, in case they observe unethical and improper practices or any other wrongful conduct in the Company, to provide necessary safeguards for protection of employees from reprisals or victimization and to prohibit managerial personnel from taking any adverse personnel action against those employees.

## **DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

The company has in place adequate internal financial controls with reference to financial statements. In addition, the Company has also Re-appointed M/s. Sankar & Raja, Chartered Accountants as the Internal Auditors of the Company to conduct the regular Internal Audit and place its Report before the Audit Committee. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

## **CHANGE IN THE NATURE OF BUSINESS:**

There has been no change in the nature of business of the Company during the financial year under review.

## **THE DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:**

No significant or material orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future during the year under review.

## **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.

## **MATERIAL CHANGES AND COMMITMENTS:**

There were no material changes and commitments in the business operations of the Company from the Financial Year ended 31<sup>st</sup> March, 2017 to the date of signing of the Director's Report.

## **RISK MANAGEMENT POLICY:**

The Company has policy for identifying risk and established controls to effectively manage the risk. Further the company has laid down various steps to mitigate the identified risk.

**MECHANISM FOR BOARD EVALUATION:**

Regulations 27 of the SEBI, Listing Regulations states that the board shall monitor and review the board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies act, 2013 states that the performance evaluation of the independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The Directors evaluation was broadly based on the parameters such as understanding of the Company's vision and objective, skills, knowledge and experience, participation and attendance in Board/ Committee meetings; governance and contribution to strategy; interpersonal skills etc.

The Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as evaluation of the working of its Board Committees. A structures questionnaire was prepared covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board Culture, execution and performance of specific duties, obligations and governance.

A meeting of the Independent Directors was also held which reviewed the performance of Non-Independent Directors, Chairman and the quality, quantity and timelines of flow of information between the Company management and Board.

**DISCLOSURE PERTAINING TO SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:**

During the Financial year ended 31<sup>st</sup> March, 2017 the Company has neither received any complaints nor there are any pending complaints pertaining to sexual harassment.

**SUBSIDIARY COMPANIES:**

Pursuant to Section 129(3) of the Companies Act, 2013, Company does not have Subsidiary Company. Thus disclosure in Form AOC-1 is not required.

**MANAGEMENT AND DISCUSSION ANALYSIS REPORT**

**INTERNATIONAL OVERVIEW**

Global real estate investment volumes are expected to hit USD1.39 trillion in 2017. Of this amount, Asia Pacific accounts for 44% (USD611 billion), followed by North America (34%; USD470 billion) and EMEA (22%; USD307 billion). The annual report, which analyzes and predicts future trends in real estate investment activity across the world states that investment demand for real estate will continue to be active in 2017, driven by new capital sources and more investors seeking global diversification.

Investment Volumes (including land and multi-family, assets over USD5 million)

<b>Region</b>	<b>Volumes in 2016 (USD billion)</b>	<b>2017 Outlook (USD billion)</b>	<b>% Change</b>
EMEA	289.2	307.3	6.3
Latin America	4.09	5.01	22.5
North America	479.2	470.8	-1.8
Asia Pacific	601.3	611.0	1.6
<b>Global</b>	<b>1,373.7</b>	<b>1,394.3</b>	<b>1.5</b>

The real estate investment market will be even more dynamic in 2017/18, with capital sources changing and targets evolving as opportunities emerge across the world. Many investors continue to chase income and a return on their capital, but for some others, it is simply a return of their capital which is of greater concern in an uncertain and changing world. Perceptions of risk and attitudes towards pricing are very different between these two groups but given the uncertain economic environment, global diversification in real estate will remain a favored strategy."

As per certain research reports:

- Many investors will remain heavily focused on core cities in 2017 as they seek to ride out risk and build liquidity and longevity into their portfolios.
- Stronger interest in new segments and styles of investing in all regions is set to grow as the typical investment portfolio becomes more diversified to reflect changing trends in demographics, technology, mobility and urban function. Some of these new asset classes include those with a residential focus (e.g. retirement homes), data centers, urban logistics and leisure.

## INDIAN ECONOMIC OVERVIEW

The real estate sector is one of the most globally recognised sectors. In India, real estate is the second largest employer after agriculture and is slated to grow at 30 per cent over the next decade. The real estate sector comprises four sub sectors - housing, retail, hospitality, and commercial. The growth of this sector is well complemented by the growth of the corporate environment and the demand for office space as well as urban and semi-urban accommodations. The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

It is also expected that this sector will incur more non-resident Indian (NRI) investments in both the short term and the long term. Bengaluru is expected to be the most favoured property investment destination for NRIs, followed by Ahmedabad, Pune, Chennai, Goa, Delhi and Dehradun.

The Indian real estate market is expected to touch US\$ 180 billion by 2020. The housing sector alone contributes 5-6 per cent to the country's Gross Domestic Product (GDP).

In the period FY2008-2020, the market size of this sector is expected to increase at a Compound Annual Growth Rate (CAGR) of 11.2 per cent. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

The private equity investments in real estate increased 26 per cent to a nine-year high of nearly Rs 40,000 Crore (US\$ 6.01 billion) in 2016. Sectors such as IT and ITeS, retail, consulting and e-commerce have registered high demand for office space in recent times.

## GOVERNMENT INITIATIVES

The Government of India along with the governments of the respective states has taken several initiatives to encourage the development in the sector. The Smart City Project, where there is a plan to build 100 smart cities, is a prime opportunity for the real estate companies. Below are some of the other major Government Initiatives:

- The Delhi Government has declared 89 out of 95 villages in Delhi as urban areas which will ease the operationalising of the land pooling policy, thereby giving a boost to affordable housing in Delhi.
- The Reserve Bank of India (RBI) has proposed to allow banks to invest in real estate investment trusts (REITs) and infrastructure investment trusts (InvITs) which is expected to benefit both real estate and banking sector in diversifying investor base and investment avenues respectively.
- The Ministry of Housing and Urban Poverty Alleviation has sanctioned the construction of 84,460 more affordable houses for urban poor in five states, namely West Bengal, Jharkhand, Punjab, Kerala and Manipur under the Pradhan Mantri Awas Yojana (Urban) scheme with a total investment of Rs 3,073 crore (US\$ 460 million).

## OUTLOOK

All of the real estate sectors are in the process of reinventing themselves to accommodate technology-driven changes in business operations. Although the rate of change is rapid, it is the most exciting and interesting time to be involved in commercial real estate.

The Indian real estate market is expected to touch US\$ 180 billion by 2020. The housing sector alone contributes 5-6 per cent to the country's Gross Domestic Product (GDP). In the period FY08-20, the market size of this sector is expected to increase at a Compound Annual Growth Rate (CAGR) of 11.2 per cent. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs. With the government initiatives to re-build the trust in the consumers by regulating the real estate sector with the Real Estate (Regulation & Development) Act, it will be a great time for the Company, which has the execution capabilities and track record of delivery.

Responding to an increasingly well-informed consumer base and, bearing in mind the aspect of globalisation, Indian real estate developers have shifted gears and accepted fresh challenges. The most marked change has been the shift from family owned businesses to that of professionally managed ones. Real estate developers, in meeting the growing need for managing multiple projects across cities, are also investing in centralised processes to source material and organise manpower and hiring qualified professionals in areas like project management, architecture and engineering.

## OPPORTUNITIES & THREATS:

### OPPORTUNITIES (POSITIVE ELEMENTS):

- IMPLEMENT THE NEW TECHNOLOGIES IN AN EFFECTIVE WAY.
- STRATEGIC REAL ESTATE VISIBILITY.
- INTERNATIONAL REAL ESTATE STRATEGY
- DEMAND IN RESIDENTIAL REAL ESTATE



- RAPID URBANIZATION
- RISE IN NUMBER OF NUCLEAR FAMILIES
- TAX INCENTIVES
- EXPANDING PRESENCE BY MNCS IN INDIA KEY DEMAND DRIVERS: RETAIL REAL ESTATE

### THREATS (NEGATIVE ELEMENTS):

- Take on high levels of risk.
- Changes of the real estate positioning environment.
- Changes in the real estate market.
- Changes of the potential buyers' preferences.
- Eventual legal modifications.

### RISKS AND CONCERNS:

**Changing demographics** -- aging and urbanizing populations are changing competitive dynamics and creating new markets in real estate.

**Inability to find and exploit non-traditional global opportunities** -- with competition increasing worldwide from sovereign wealth funds and others, many global investors face a tough time sourcing new deals that will meet return expectations.

**Pricing uncertainty** -- with few transactions taking place in the real estate market, valuations are a problem for existing owners, as well as buyers and sellers.

**Economic vulnerability and regulatory risks in developing markets** -- developing markets are a key focus for global real estate firms but regulatory risk in these markets is constantly changing as authorities seek to jump start economies.

### SEGMENT WISE PERFORMANCE:

The Company is primarily engaged in the business of sale of Plots under Real Estate & rendering Hospitality Services to its Mysore Road Club located at Bengaluru in India. As such, the Company operates in a two segments namely Real Estate Segment and Hospitality Segment.

As per Accounting Standard 17 on Segment Reporting, the Board would like to inform that under the real estate segment total Revenue was Rs. 2461.94 Lakhs only & Hospitality segment total Revenue was Rs. 250.07 Lakhs only. The Total Profit Before Tax for the Company was Rs. 98.62 Lakhs only & Total Profit After Tax for the Company was Rs. 64.04 Lakhs only.

### INTERNAL CONTROL AND THEIR ADEQUACY:

The Company has a proper and adequate system of internal controls commensurate with the size of the Company and the nature of its business to ensure that all the assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly and adequately. The Company's internal controls are supplemented by internal audits, review by management and documented policies, guidelines and procedures. The system has been designed to ensure that financial and other records are reliable for preparing financial information and for maintaining accountability of assets. All financial and audit control systems are also reviewed by the Audit Committee of the Board of Directors of the Company.

### FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE OF THE COMPANY:

The Company achieved a turnover of Rs. 2712.01 Lakhs only and The Total Profit Before Tax for the Company was Rs. 98.62 Lakhs only & Total Profit After Tax for the Company was Rs. 64.04 Lakhs only.

### HUMAN RESOURCES

Your Company's multi-business context poses unique challenges to the Human Resource function. The Company's businesses are managed by a team of competent and passionate leaders, capable of enhancing your Company's standing in the competitive market. The Company's employees have a defining role in significantly accelerating its growth and transformation, thereby enhancing its position as one of the largest corporate houses. The Company has a structured recruitment process. The focus is on recruiting people who have the right mindset for working at Country Condos Limited, supported by structured training programs and internal growth opportunities. The Company's focus is on unlocking the



## COUNTRY CONDO'S LIMITED

people potential and further developing their functional, operational and behavioral competencies. The belief "great people create great organization" has been at the core of the Company's approach towards its people.

### **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.

### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:**

There were no fresh loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review.

### **THE DETAILS OF THE EXISTING GUARANTEES ARE GIVEN BELOW:**

- a) The Company has given the Corporate Guarantee to Vijaya Bank, Bank of India and Union Bank of India in respect of Term Loan availed by M/s. Country Club Hospitality & Holidays Limited.  
The details of the Property given as Collateral securities are as follows.  
Company's Immovable property situated at No.20/1-524, Sy No: 20/1, Geddannahalli, Attibele Hobli, Anekal Taluk, Bangalore District Pin-562107.
- b) The Company has given the Corporate Guarantee to Central Bank Of India in respect of Term Loan availed by M/s. Country Club Hospitality & Holidays Limited.  
The details of the Property given as Collateral securities are as follows.  
Company's Immovable Property Situated at Sy No:101/3,102/3,103/1,103/2 & 103/17, Kumbalgodu, Kengeri Hobli beside Mc.dowell Unit near Mysore Road under BBMP, Bangalore.

### **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 : 11-08-2017

**Y. SIDDHARTH REDDY**  
VICE-CHAIRMAN & DIRECTOR  
DIN: 00815456

**D. KRISHNA KUMAR RAJU**  
VICE-CHAIRMAN & CEO  
DIN: 00115553

**ANNEXURES TO DIRECTORS' REPORT**  
**Annexure - I**

**EXTRACT OF ANNUAL RETURN (MGT-9) as on the financial year ended on 31<sup>st</sup> March 2017**

**[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]**

**I. REGISTRATION AND OTHER DETAILS**

i)	CIN	:	L63040TG1987PLC007811
ii)	Registration Date	:	25.09.1987
iii)	Name of the Company Limited	:	Country Condo's Limited
iv)	Category / Sub-Category of the Company	:	Company limited by Shares & Indian Non Government Company
v)	Address	:	8-2-703, Mahogany Complex, Ground Floor, Amrutha Valley, Road No.12, Banjara Hills, Hyderabad-500034
vi)	Whether listed company Yes / No	:	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Aarathi Consultants Private Limited, 1-2-285, Domulguda, Hyderabad, Telangana-500 029 040-27638111; 27634445

**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:

Sl. No.	Name and Description of main products / services	NIC Code of the products / services	% to total turnover of the company
1	Real Estate Services	6810	90.78%
2	Hospitality Services	5510	9.22%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: N.A**

No. of Companies for which information is being filled: **NIL**

**IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS PERCENTAGE OF TOTAL EQUITY)**

**A) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a. Individual/HUF	40934446	0	40934446	52.75	40934446	0	40934446	52.75	0
b. Central Govt	0.00	0	0	0.00	0	0	0	0.00	
c. State Govt (s)	0.00	0	0	0.00	0	0	0	0.00	
d. Bodies Corp.	0.00	0	0	0.00	0	0	0	0.00	
e. Banks / FI	0.00	0	0	0.00	0	0	0	0.00	
f. Any Other....									

**COUNTRY CONDO'S LIMITED**



<b>Sub-total (A) (1):-</b>	40934446	0	40934446	52.75	40934446	0	40934446	52.75	0
(2) Foreign									
a) NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	
b) Other-Individuals	0	0	0	0.00	0	0	0	0.00	
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	
e) Any Other....	0	0	0	0.00	0	0	0	0.00	
<b>Sub-total (A) (2):-</b>	0	0	0	0.00	0	0	0	0.00	
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>40934446</b>	<b>0</b>	<b>40934446</b>	<b>52.75</b>	<b>40934446</b>	<b>0</b>	<b>40934446</b>	<b>52.75</b>	
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	
b) Banks / FI	0	0	0	0.00	0	0	0	0.00	
c) Central Govt	0	0	0	0.00	0	0	0	0.00	
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	
g) FIs	0	0	0	0.00	0	0	0	0.00	
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	
<b>Sub-total (B)(1):-</b>	0	0	0	0.00	0	0	0	0.00	
<b>2. Non-Institutions</b>									
a) Bodies Corp.	1967202	7500	1974702	2.54	1016701	7500	1024201	1.32	(1.22)
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 Lakhs	17358323	6112344	23470667	30.25	17672258	6058644	23730902	30.58	0.33
ii) Individual shareholders holding nominal share capital in excess of Rs 2 Lakhs	9641543	0	9641543	12.43	10307553	0	10307553	13.28	0.85
c) Others									
i) NRI's	306742	1018800	1325542	1.71	271652	1006800	1278452	1.65	(0.06)
ii) Clearing Members	250400	0	250400	0.32	321746	0	321746	0.41	0.09
<b>Sub-total (B)(2):-</b>	<b>29524210</b>	<b>7138644</b>	<b>36662854</b>	<b>47.25</b>	<b>29589910</b>	<b>7072944</b>	<b>36662854</b>	<b>47.25</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>29524210</b>	<b>7138644</b>	<b>36662854</b>	<b>47.25</b>	<b>29589910</b>	<b>7072944</b>	<b>36662854</b>	<b>47.25</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>70458656</b>	<b>7138644</b>	<b>77597300</b>	<b>100</b>	<b>70524356</b>	<b>7072944</b>	<b>77597300</b>	<b>100</b>	<b>0</b>

**B. SHAREHOLDING OF PROMOTERS & PROMOTERS GROUP:**

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Y. Rajeev Reddy	38843345	50.06	0	38843345	50.06	0	0.00
2	Y. Manjula Reddy	8700	0.01	0	8700	0.01	0	0.00
3	Y. Siddharth Reddy	988920	1.27	0	988920	1.27	0	0.00
4	Y. Varun Reddy	1087681	1.40	0	1087681	1.40	0	0.00
5	Y. Nikhila Reddy	5800	0.01	0	5800	0.01	0	0.00
	<b>Total</b>	<b>40934446</b>	<b>52.75</b>	<b>0</b>	<b>40934446</b>	<b>52.75</b>	<b>0</b>	<b>0.00</b>

**C. CHANGE IN PROMOTERS' SHAREHOLDING:**

S.No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	<b>At the beginning of the year</b>	<b>40934446</b>	<b>52.75</b>	<b>40934446</b>	<b>52.75</b>
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
3	At the End of the year	40934446	52.75	40934446	52.75

**D. SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):**

S.No	Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	PEETHALA KRUPAVARAM	851826	1.10	851826	1.10
2	VENKATA VARA PRASAD PASUMARTHY	4100	0.00	788726	1.02
3	TONTEPU GOPALA KRISHNA	742950	0.96	742950	0.96
4	GANDRA SAROJA	655673	0.84	655673	0.84
5	KAMBAMPATI NAGA VENKATABHAGYA LAKSHMIANJANIBABY	639127	0.82	639127	0.82
6	GAMINI V NARAYANA RAO	532167	0.69	532167	0.69
7	SUNEETHA MARGANI	486378	0.63	486378	0.63
8	D KAVITHA	321123	0.41	321123	0.41
9	RATNA SRINIVAS THONDEPU	0	0.00	314600	0.41
10	PUNEET JAIN	297000	0.38	297000	0.38
11	K DASHARATHA REDDY	293988	0.38	293988	0.38
12	PRIORITY SECURITIES PRIVATE LIMITED	788726	1.02	0	0.00
13	KORLEPARA RENUKA NAGASWARAJYA LAXMI	639127	0.82	0	0.00

**E. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

S.No	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Shri Y. Rajeev Reddy	38843345	50.06	38843345	50.06
2	Shri Y. Siddharth Reddy	988920	1.27	988920	1.27
3	Shri Y. Varun Reddy	1087681	1.40	1087681	1.40
4	Shri D. Krishna Kumar Raju	3410246	4.39	3410246	4.39
5	Smt. Y. Manjula Reddy	8700	0.01	8700	0.01
6	Shri VanarasiKodandaRamudu	0	0.00	0	0.00
7	Shri Venkata Vara Prasad Pasumarthy*	4100	0.00	788726	1.02
8	Shri Samreddy Bal Reddy	0	0.00	0	0.00
9	Shri Godha Venkateshwar Rao	0	0.00	0	0.00
10	ShriAthmuriVSB Laxmipathi Rao	0	0.00	0	0.00
11	Shri. K. Satynarayana Raju	0	0.00	0	0.00
12	Shri Gandhi Upputuri (CFO)	52000	0.07	0	0.00
13	Shri Laxmikanth Jakhotia (Company Secretary)	0	0.00	0	0.00

\* Sri Venkata Vara Prasad Pasumarthy has resigned from the Directorship of the Company w.e.f 29th December, 2016

**F. INDEBTEDNESS**

**INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ACCRUED BUT NOT DUE FOR PAYMENT**

Particulars	Secured Loans excluding Deposits	Unsecured Loans	deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	18,38,096	-	-	18,38,096
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>18,38,096</b>	<b>-</b>	<b>-</b>	<b>18,38,096</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	-	-	-	-
• Reduction	7,67,700	-	-	7,67,700
<b>Net Change</b>	<b>7,67,700</b>	<b>-</b>	<b>-</b>	<b>7,67,700</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	10,70,396	-	-	10,70,396
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>10,70,396</b>	<b>-</b>	<b>-</b>	<b>10,70,396</b>

**V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/OR MANAGER:**

Sl.No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		Sri Y. Rajeev Reddy	Sri Y. Siddharth Reddy	Sri Y. Varun Reddy	Sri. D. Krishna Kumar Raju	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	39,60,000	39,60,000
2.	Stock Option	NIL	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total (A)	NIL	NIL	NIL	39,60,000	39,60,000
	Ceiling as per the Act					

**B. REMUNERATION TO OTHER DIRECTORS:**

Sl.No.	Particulars of Remuneration	Name of Directors						Total Amount
		Sri.Venkata Vara Prasad Pasumarthy*	Sri Godha Venkateshwar Rao	Sri Satyanarayana Raju	Sri Samreddy Bal Reddy	Sri Vanarasi Kodanda Ramudu Rao	Sri Athmuri VSB Laxmipathi	
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total (1)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
2.	Other Non-Executive Directors • Fee for attending board / committee meeting • Commission • Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total (2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act							

\* Sri Venkata Vara Prasad Pasumarthy has resigned from the Directorship of the Company w.e.f 29th December, 2016

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:**

Sl.No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	5,94,000	29,25,000	35,19,000
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL
	Total	5,94,000	29,25,000	35,19,000



**VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief description	Details of penalty/ punishment/ compounding fees imposed	Authority (RD/NCLT/ COURT)	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

**ANNEXURES TO DIRECTORS' REPORT**  
**Annexure-II**

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
For the Financial Year Ended 31<sup>st</sup> March, 2017

(Pursuant to Section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel Rules, 2014)

To,  
The Member's  
**M/S. COUNTRY CONDO'S LIMITED**  
CIN: L63040TG1987PLC007811  
8-2-703, Mahogany Complex, Ground Floor  
Amrutha Valley, Road No.12, Banjara Hills  
Hyderabad - 500034, Telangana State, India

I was appointed by the board of directors of **M/s. Country Condo's Limited**, (Herein after called as "company") to conduct Secretarial Audit for the financial year of the company ended on 31<sup>st</sup> March, 2017.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the company. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

**MANAGEMENT RESPONSIBILITY FOR SECRETARIAL COMPLIANCES**

The Company Management is responsible for preparation and maintenance of secretarial records and for devising proper system to ensure compliances with the provisions of applicable laws and regulations.

**SECRETARIAL AUDITOR'S RESPONSIBILITY**

My responsibility is to express an opinion on the secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

I believe that audit evidence and information obtained from the Company's Management is adequate and appropriate for me to provide a basis of my opinion.

**OPINION**

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31<sup>st</sup> March, 2017 & Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

Further I report that books, papers, minute books, forms and returns filed and other records maintained by M/s. Country Condo's Limited, (the Company) for the financial year ended on 31.03.2017 according to the provisions of:

- i) The Companies Act, 2013 (the acts) and the rules made there under.
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: - **Not Applicable**-
- v) The following Regulations and Guidelines prescribed. under the Securities and Exchange board of India Act, 1992 (SEBI Act):-

- a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
- e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - **Not Applicable-**
- f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulation, 2008 - **Not Applicable-**
- g) The Securities and Exchange Board of India (Registrar to an issue and share Transfer Agents) Regulations 1993 regarding the Companies Act, and dealing with client:
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, rule 2009. - **Not Applicable-** And
- i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. - **Not Applicable-**
- vi. Complied with the following laws applicable to the company.
  - A. The Payment of Wages Act, 1936
  - B. The Minimum Wages Act, 1948
  - C. Employees' State Insurance Act, 1948
  - D. The Employees' Provident Fund And Misc. Provisions Act, 1952
  - E. The Payment of Bonus Act, 1965
  - F. The Payment of Gratuity Act, 1972
  - G. The Maternity Benefit Act, 1961
  - H. Income Tax Act 1961
  - I. Karnataka State Value Added Tax Act
  - J. Goods and Service Tax Act, 2016

I, have examined the registers, records and documents of the Company for the period commencing from 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2017 for compliances of provisions.

Based on my examination and verification of the registers, records and documents produced to us and according to the information and explanations given to me by the Company, I report that the Company has, in my opinion, complied with the provisions of the Act/ New Act and the Rules made thereunder and with the Memorandum and Articles of Association of the Company with regard to:

- (a) Maintenance of various statutory registers and documents and making necessary entries therein;
- (b) Closure of the Register of Members;
- (c) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and Central Government;
- (d) Service of documents by the Company on its Members and the Registrar of Companies;
- (e) Notice of Meetings of the Board and Committees thereof;
- (f) Minutes of the meetings of the Board and Committees thereof including passing of resolutions by circulation;
- (g) Notice convening the 29<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2016;
- (h) Minutes of General Meetings;
- (i) Approvals of the Members, the Board of Directors, the Committees of Directors and government authorities, wherever required;

- (j) Constitution of the Board of Directors/Committee(s) of Directors and appointment, retirement and re-appointment of Directors including the Managing Director and Executive Directors;
- (k) Payment of remuneration to the Directors including the Managing Director and Executive Directors;
- (l) Appointment and remuneration of Statutory Auditors;
- (m) Transfer and transmission of the Company's shares, issue and allotment of shares and issue and delivery of certificate(s) of shares;
- (n) Creation, Modification and Satisfaction of Charges, if any, registered with the Registrar of Companies;
- (o) Form of balance sheet as prescribed under Part I of Schedule VI to the Act and requirements as to Profit & Loss Account as per Part II of the said Schedule;
- (p) Contracts, common seal, registered office and publication of name of the Company; and
- (q) Generally, all other applicable provisions of the Act /the New Act and the Rules made thereunder.

**I further report that:**

- (a) The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings/debentures holdings and directorships in other companies and interest in other entities;
- (b) The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Share Dealing Code and Code of Conduct of the Company;
- (c) The Company has obtained all necessary approvals under the various provisions of the Act/ New Act;
- (d) There was no prosecution initiated against or show cause notice received by the Company and no fines or penalties were imposed on the Company during the year under review under the Companies Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against the Company, its Directors and Officers.

I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Bye-laws framed under that Act by the depositories with regard to Dematerialisation / Rematerialisation of securities and reconciliation of records of dematerialised securities with the securities issued by the Company.

Place: Hyderabad  
Date: 07-08-2017

**Gopal Dhanaji**  
Company Secretary in Practice  
FCS No. 7676  
C. O. P # 8415

**ANNEXURE - "A" TO DIRECTORS REPORT- CORPORATE GOVERNANCE**  
**(Pursuant to Regulation 27 of the Listing Regulations)**

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

*"Corporate governance is concerned with holding the balance between economic and social goals and between individual and communal goals. The governance framework is there to encourage the efficient use of resources and equally to require accountability for the stewardship of those resources. The aim is to align as nearly as possible the interests of individuals, corporations and society." (Sir Adrian Cadbury, UK, Commission Report: Corporate Governance 1992).*

Country Condo's Limited believes that good governance is essential to achieve long term corporate goals and enhance stakeholders' value. Thus the Company's philosophy on Corporate Governance aims at attaining the highest level of transparency, accountability towards its stakeholders, including shareholders, employees, the Government and lenders and to maximize returns to shareholders through creation of wealth on sustainable basis, compliance of laws in all facets of operations leading to best standards of Corporate Governance. The Company believes that good ethics make good business sense and our business practices are set keeping with this spirit.

The Company endeavors to achieve optimum performance at all levels of management by adhering to good corporate governance practices, namely, the following:

- a) Fair and transparent business practices.
- b) Effective management control by Board.
- c) Adequate representation of Promoter, Executive and Independent Directors on the Board.
- d) Monitoring of executive performance by the Board.
- e) Compliance of Laws.
- f) Transparent and timely disclosure of financial and management information

**2. BOARD OF DIRECTORS:**

- a) The Company has 10 Directors with a Non-Executive Chairman. Out of 10 Directors, 9 are Non-Executive of which 5 are Independent Directors. The composition of the Board is in conformity regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered into with the Stock Exchanges and meets the stipulated requirements. Non-Executive Directors bring independent views and judgment in the decision making process of the Board.
- 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/she is a Director. The Directors have made necessary disclosures regarding Committee positions in other public companies as on 31st March, 2017.
- 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, Section 8 Companies of the Companies Act, 2013 and of Companies incorporated outside India.
- d) In accordance with Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Memberships / Chairmanships of only the Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Shareholders' / Investors' Grievance Committee in all Public Limited Companies (excluding Country Condo's Limited) have been considered.
- e) 5 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:  
 30<sup>th</sup> May, 2016, 10<sup>th</sup> August, 2016, 11<sup>th</sup> November, 2016, 29<sup>th</sup> December, 2016, and 13<sup>th</sup> February, 2017.

Name of the Director	Category	No. of Other Directorships	No. of Memberships / Chairmanships of Board Committees in other Companies	No. of Board Meetings attended	Whether attended last AGM
Y. Rajeev Reddy	Chairman & Director	9 Public Companies & 3 Private Companies	Nil	4	Yes
Y. Siddharth Reddy	Vice-Chairman & Director	9 Public Companies & 3 Private Companies	1	2	Yes
Y. Varun Reddy	Vice-Chairman & Director	9 Public Companies & 3 Private Company	Nil	5	Yes

D. Krishna Kumar Raju	Vice-Chairman & CEO	9 Public Companies & 7 Private Companies	1	5	Yes
Y. Manjula Reddy	Non-Executive Director	9 Public Companies & 4 Private Companies	Nil	3	No
P. V. V. Prasad*	Independent Non-Executive	Nil	Nil	4	Yes
G. Venkateshwar Rao	Independent Non-Executive	Nil	Nil	5	Yes
S. Bal Reddy	Independent Non-Executive	Nil	Nil	5	Yes
A. VSB Laxmipathi Rao	Independent Non-Executive	Nil	Nil	2	Yes
VK Ramudu	Independent Non-Executive	Nil	Nil	4	Yes
K. Satyanarayana Raju*	Indepent Non-Executive	1 Public Company	1	1	No

\*Sri P.V.V. Prasad has resigned from the Board, subsequently Sri K. Satynarayana Raju was appointed as Additional Director w.e.f 29th December, 2016.

f) None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.

g) Disclosure of relationships between inter-se:

S.No.	Name of the Director	Relationship
1	Y. Siddharth Reddy	Son of Y. Rajeev Reddy (Chairman & Director)
2	Y. Varun Reddy	Son of Y. Rajeev Reddy (Chairman & Director)
3	Y. Manjula Reddy	Wife of Y. Rajeev Reddy (Chairman & Director)

h) Details of familiarization programmes imparted to independent Directors : [www.countrycondos.co.in](http://www.countrycondos.co.in)

i) Information available to the Board of Directors:

The Board of Directors of the Company are aware of all the day to day happenings of the Company, and are involved in each and every small decisions to keep the Company safe from any troubles. Following are the minimum information, from which the Board is regularly updated:

- Annual operating plans and budgets, capital budgets and updates.
- Quarterly results of our operating divisions or business segments.
- Minutes of meetings of audit, nomination & remuneration, risk management and investor grievance committees as well as abstracts of circular resolutions passed.
- General notices of interest received from directors.
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of the CFO and Company Secretary.
- Materially important litigation's, show cause, demand, prosecution and penalty notices.
- Fatal or serious accidents, dangerous occurrences, and material effluent or pollution problems.
- Any materially relevant defaults in financial obligations to and by us.
- Any issue that involves possible public or product liability claims of a substantial nature.
- Details of joint ventures, acquisitions of companies or collaboration agreements.
- Transactions that involve substantial payments towards goodwill, brand equity or intellectual property.
- Any significant development on the human resources aspects.
- Sale of material nature, of investments and assets, which are not in the normal course of business.
- Details of foreign exchange exposure and the steps taken by the Management to limit risks of adverse exchange rate movement.
- Non-compliance of any regulatory, statutory or listing requirements, as well as shareholder services such as delays in share transfer.

j) Code of Conduct:

In pursuance to Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Code of Conduct for all Board Members and Senior Management personnel of the

Company. The Code of Conduct has been made available on our website: [www.countrycondos.co.in](http://www.countrycondos.co.in). All the members of the Board and Senior Management Personnel have affirmed their compliance with the Code of Conduct. A declaration regarding the Code of Conduct's Compliances has been given at the end of the Corporate Governance Report, signed by Mr. Y. Rajeev Reddy, Chairman & Director.

**3. AUDIT COMMITTEE:**

The Audit Committee supports the Board in meeting its responsibilities in relation to the integrity of the Group's financial statements and associated announcements, the adequacy of internal control and risk management systems and the appointment and work of the internal and external auditors.

The Audit Committee acts as a link between the Statutory and Internal Auditors and Board of Directors. It addresses itself to matters pertaining to adequacy, accuracy and reliability of financial statements, adequacy of provisioning of liabilities, sound working capital management analysis, time and cost overruns in implementation of projection opportunities. The Committee also looks into adequacy, transparency and time.

The terms of reference of the Audit Committee are in conformity with the requirements of Section 177 of the Act and Regulation 18 of SEBI Listing Regulations.

**a) Composition of the Audit Committee:**

The Audit Committee for the year was constituted of the following members:

Name of the Member	Category
1. Sri P. V. V. Prasad, Chairman* 2. Sri G. Venkateshwar Rao, Chairman* 3. Sri S. Bal Reddy, Member 4. Sri A. VSB Laxmipathi Rao, Member*	}  Independent Directors

Mr. J. Laxmikanth, Company Secretary has acted as the Secretary to the Committee.

**b) Attendance of Members at the Audit Committee Meetings:**

During the year, Four Audit Committee Meetings were held for approval of unaudited / audited financial results on 30<sup>th</sup> May 2016; 10<sup>th</sup> August 2016; 11<sup>th</sup> November 2016 and 13<sup>th</sup> February 2017. Following are the attendance of each member in the Audit Committee Meetings:

Name of the Director	No. of Meetings	
	Held	Attended
Sri P. V. V. Prasad*	3	3
Sri G. Venkateshwar Rao	4	4
Sri S. Bal Reddy	4	4
Sri A. VSB Laxmipathi Rao*	1	1

The previous Annual General Meeting of the Company was held on 30<sup>th</sup> September, 2016 & Sri P. V. V. Prasad, Chairman of the Audit Committee, attended previous AGM.

\*Sri P.V.V. Prasad has resigned from the Committee, both as member and chairmanship, subsequently Sri A. VSB Laxmipathi Rao was appointed as new member and Sri G. Venkateshwar Rao was elected as Chairman of the Committee w.e.f 29<sup>th</sup> December, 2016.

**c) Powers of the Audit Committee:**

The Board of Directors of the company has delegated the following powers to the Audit Committee, in pursuance with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

**d) Role of Audit Committee:**

In current scenario, the Audit Committee plays a vital role for ensuring proper compliance and keeping the accurate financial data towards the Shareholders of the Company, for preventing the Company from scams. Therefore, to ensure the true and fair view of the Financial Information of the Company, the Audit Committee has properly complied its role as mentioned in Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**e) Review of information by Audit Committee:**

Following information has been regularly reviewed by the Audit Committee in their meetings:

- Management discussion and analysis of financial condition and results of operations;
- Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- Management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

**4. NOMINATION AND REMUNERATION COMMITTEE:**

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

However, the remuneration of the Key Managerial Personnel is subject to approval of the Board and 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 Nomination and 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	Chairman
S. Bal Reddy	Independent, Non-Executive	Member
Sri A. VSB Laxmipathi Rao*	Independent, Non-Executive	Member

The Nomination and 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., and Key Managerial Personnel.

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, one Nomination and Remuneration committee meeting was held on 13<sup>th</sup> February, 2017. The attendance of each member of the Committee is given below:**

Name of the Director	Category	Designation	Held	Attend
Sri. P. V. V. Prasad*	Independent, Non-Executive	Chairman	1	1
Sri. G. Venkateshwar Rao*	Independent, Non-Executive	Chairman	1	1
Sri. S. Bal Reddy	Independent, Non-Executive	Member	1	1
Sri A. VSB Laxmipathi Rao*	Independent, Non-Executive	Member	0	0

\*Sri P.V.V. Prasad has resigned from the Committee, both as member and chairmanship, subsequently Sri A. VSB Laxmipathi Rao was appointed as new member and Sri G. Venkateshwar Rao was elected as Chairman of the Committee w.e.f 29<sup>th</sup> December, 2016.

**REMUNERATION OF DIRECTORS:**

Details of remuneration to the Directors for the year:

Name of Director	Relationship with other Directors	Business Relationship with other Directors	Loans and advances from the Company	Remuneration paid during the Financial Year			
				Sitting Fee	Salary	Commission	Total
Sri D. Krishna Kumar Raju	None	Director Vice Chairman and CEO	Nil	NA	39,60,000	0	39,60,000



Apart from the above mentioned Director, None of the Other Non-Executive and Independent Directors has drawn any Remuneration or Sitting Fees during the Financial Year 2016-2017.

**Performance evaluation criteria:**

One of the key functions of Nomination & Remuneration Committee is to evaluate the performance of executive/ Non-Executive Independent Directors. The questionnaire of the survey is a key part of the process of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvement. Each Board member is requested to evaluate the effectiveness of the Board dynamics and relationships, information flow, decision-making of the directors, relationship with stakeholders, Company performance and strategy, and the effectiveness of the whole Board and its various committees. Feedback on each director is encouraged to be provided as part of the survey.

The Nomination and Remuneration Policy of the Company can be accessed at the Company's website at the link [www.countrycondos.co.in](http://www.countrycondos.co.in)

**Notes:**

- a) The Company has not issued any Stock options.
- b) There were no service contracts/Agreements with our Directors.
- c) None of our Directors is eligible for severance pay.
- d) The terms and conditions with regard to appointments Managing Directors and Executive Directors are contained in the respective resolutions passed by the Board or Members in their respective meetings. There is no severance fees.

**5. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

**Brief Description of the terms of reference:**

The terms of reference of the Stakeholder Relationship Committee are extensive covering the mandatory requirements under Regulation 20(4) read with Part D of Schedule II of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Section 178 of the Companies Act, 2013, which includes attending and resolving investors' grievances / complaints of security holders included but not limited to the matters pertaining to transfer of shares, issue of duplicate share certificates, non-receipt of annual report and non-receipt of declared dividend, etc.

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

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

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

\*Sri P.V.V. Prasad has resigned from the Committee as member subsequently Sri A. VSB Laxmipathi Rao was appointed as new member of the Committee w.e.f 29th December, 2016.

The total number of complaints received during the year 2016 - 2017 was 1 and all the complaints were resolved. No complaints were outstanding as on 31st March, 2017.

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.

**6. DETAILS OF GENERAL BODY MEETINGS:**

**Location and time of the last 3 Years AGM's (Annual General Meetings):**

GM & YEAR	VENUE	DATE & TIME	SPECIAL RESOLUTIONS PASSED
29 <sup>th</sup> AGM 2015-2016	CROWN VILLA GARDENS, 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad - 500 003	30-09-2016 11.30 A.M.	Re-appointment of Sri D. Krishna Kumar Raju (DIN: 00115553) as Vice-Chairman & CEO
28 <sup>th</sup> AGM 2014-2015	CROWN VILLA GARDENS, 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad - 500 003	30-09-2015 11.30 A.M.	No Special Resolutions were passed
27 <sup>th</sup> AGM 2013-2014	CROWN VILLA GARDENS, 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad - 500 003	30-09-2014 12.00 Noon	<ul style="list-style-type: none"> <li>• To regularize the contract entered with M/s. Country Club (India) Limited.</li> <li>• Adoption of New Articles of Association in conformity with the Companies Act, 2013.</li> </ul>

**No Resolutions were passed through Postal Ballot during the financial year 2016-17**

**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 Notes to Accounts 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: **NIL**
- C. Details of compliance with mandatory requirements and adoption of non-mandatory requirements of this clause. Your Company complied with all the mandatory requirements of the Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The details of these compliances are given in the relevant sections of this Report.
- D. The Board of Directors of the Company had adopted the Whistle Blower Policy. Employees can report the Management concerned unethical behavior, act suspected fraud or violation of the Company's Code of Conduct policy. None of the personnel has been denied access to the audit Committee.
- E. The Company has submitted the compliance report on corporate governance to the stock exchanges where the company's shares are listed with in the stipulated time.
- F. CEO and CFO Certificate:  
Sri D. Krishna Kumar Raju, Vice Chairman & CEO of the Company and Sri U. Gandhi, Chief Financial Officer have given a Certificate to the Board of Directors as contemplated in Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same is disclosed at the end 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.

**9. MEANS OF COMMUNICATIONS:**

As per SEBI Listing Regulations, the Company's Quarterly, Half-yearly and Annual Results are published in Business Standard in English and Nava Telangana in Telugu Newspapers. The Annual Report and other communication are sent to the shareholders through Electronic Mails to those shareholders whose Email Id's are registered with their Depository Participant / RTA / Company or through Courier / Post and soft copies of 30<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 SEBI Listing Regulations, 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 Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on a quarterly basis and Corporate Governance Report as required under Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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 Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:**

The Company's Equity Shares are currently listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and the Company has paid the Annual Listing Fees of all the Stock Exchanges where its Shares are listed for the Financial Year 2017-2018.

**11. GENERAL SHARE HOLDER INFORMATION:**

<b>(I) Annual General Meeting</b>	
Date	28 <sup>th</sup> September, 2017
Time	11.30 A.M
Venue	Crown Villa Gardens, 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad - 500 003



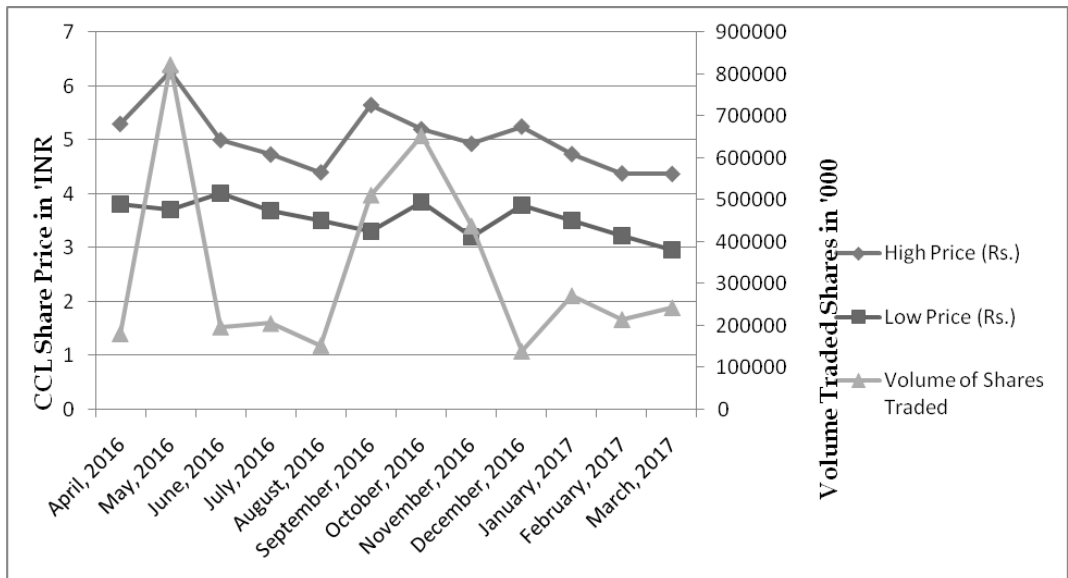
## COUNTRY CONDO'S LIMITED

<b>(II) Financial Calendar</b>	1 <sup>st</sup> April to 31 <sup>st</sup> March	
<b>(III) Date of Book Closure</b>	23 <sup>rd</sup> September, 2017 to 28 <sup>th</sup> September, 2017 (both days inclusive)	
<b>(IV) Dividend payment date</b>	NIL	
<b>(V) Listing on Stock Exchanges</b>	1. BSE Limited (BSE) 2. National Stock Exchange of India Limited (NSE)	
<b>(VI) Stock Details</b>	<b>Scrip Code</b>	<b>Scrip ID</b>
BSE Ltd	531624	COUNCODOS
National Stock Exchange of India Limited	COUNCODOS	
<b>Dematerialization of Securities</b>	ISIN: INE 695 B01025	

### MARKET PRICE DATE HIGH AND LOW DURING EACH MONTH IN THE LAST FINANCIAL YEAR:

a) Company's shares are being traded on BSE the high and low prices during each month are given below:

Month	BSE Limited		
	High Price (Rs.)	Low Price (Rs.)	Volume of Shares Traded
April, 2016	5.30	3.80	181443
May, 2016	6.28	3.71	821658
June, 2016	5.00	4.01	197585
July, 2016	4.73	3.68	205827
August, 2016	4.40	3.50	153709
September, 2016	5.65	3.31	511251
October, 2016	5.20	3.85	652949
November, 2016	4.93	3.20	437854
December, 2016	5.25	3.78	139694
January, 2017	4.74	3.50	271954
February, 2017	4.38	3.23	215311
March, 2017	4.37	2.96	243437

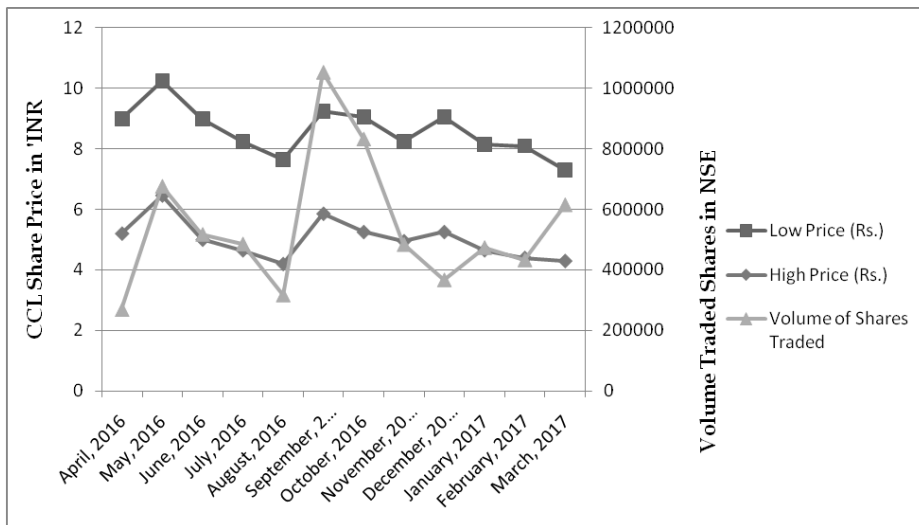


# COUNTRY CONDO'S LIMITED

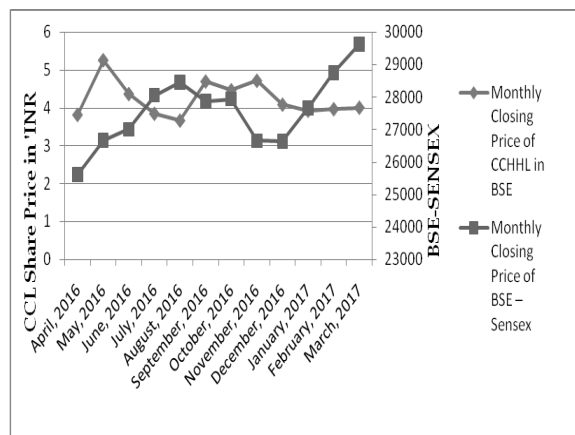


b) Company's shares are being traded on NSE the high and low prices during each month are given below:

Month	National Stock Exchange of India Limited		
	High Price (Rs.)	Low Price (Rs.)	Volume of Shares Traded
April, 2016	5.20	3.80	269236
May, 2016	6.45	3.80	675775
June, 2016	5.00	4.00	517187
July, 2016	4.65	3.60	485579
August, 2016	4.20	3.45	317461
September, 2016	5.85	3.40	1052108
October, 2016	5.25	3.80	832061
November, 2016	4.95	3.30	483821
December, 2016	5.25	3.80	367045
January, 2017	4.65	3.50	473722
February, 2017	4.40	3.70	433172
March, 2017	4.30	3.00	615054



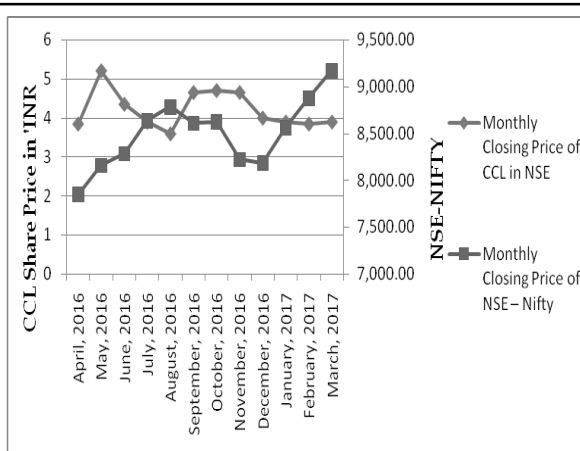
MONTH	Monthly Closing Price of CCL in BSE	Monthly Closing Price of BSE - Sensex
April, 2016	3.82	25606.62
May, 2016	5.26	26667.96
June, 2016	4.37	26999.72
July, 2016	3.85	28051.86
August, 2016	3.67	28452.17
September, 2016	4.70	27865.96
October, 2016	4.47	27930.21
November, 2016	4.72	26652.81
December, 2016	4.09	26626.46
January, 2017	3.93	27655.96
February, 2017	3.97	28743.32
March, 2017	4.01	29620.50



## COUNTRY CONDO'S LIMITED



MONTH	Monthly Closing Price of CCL in NSE	Monthly Closing Price of NSE - Nifty
April, 2016	3.85	7,849.80
May, 2016	5.20	8,160.10
June, 2016	4.35	8,287.75
July, 2016	3.90	8,638.50
August, 2016	3.60	8,786.20
September, 2016	4.65	8,611.15
October, 2016	4.70	8,625.70
November, 2016	4.65	8,224.50
December, 2016	4.00	8,185.80
January, 2017	3.90	8,561.30
February, 2017	3.85	8,879.60
March, 2017	3.90	9,173.75



(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. Aarathi 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. Aarathi 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)

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. Aarathi 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. Aarathi 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 10 to 15 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 15 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), within 15 days of receipt.

**(XI) Distribution of Shareholding as on 31-03-2017**

No. of Shares Slab	No. of Shareholders		Total No. of Shares & Amount		
	Total of Holders	Holders%	Total No. of Shares	Total No. of Amount	Amount%
1 - 5000	8173	88.19	9342041	9342041	12.04
5001 - 10000	649	7.00	4648181	4648181	5.99
10001 - 20000	244	2.63	3461924	3461924	4.46
20001 - 30000	80	0.86	2053416	2053416	2.65
30001 - 40000	22	0.24	763021	763021	0.98
40001 - 50000	18	0.19	810928	810928	1.05
50001 - 100000	48	0.52	3414162	3414162	4.40
100001 & Above	33	0.36	53103627	53103627	68.43
<b>Total:</b>	<b>9267</b>	<b>100.00</b>	<b>77597300</b>	<b>77597300</b>	<b>100.00</b>

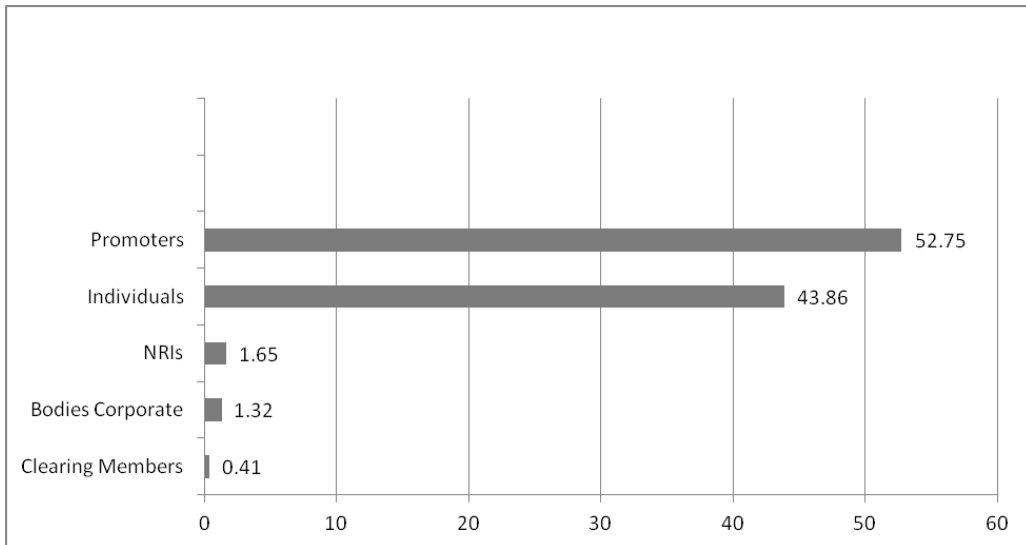
# COUNTRY CONDO'S LIMITED



## (XII) According to the categories of Shareholding as on 31-03-2017

	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	40934446	52.75
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>40934446</b>	<b>52.75</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>40934446</b>	<b>52.75</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	1024201	1.32
b.	Individuals		
	i) Individual Shareholders holding Nominal Share Capital upto Rs. 2 Lakh	23730902	30.58
	ii) Individual Shareholders holding Nominal Share Capital in excess of Rs. 2 Lakh	10307553	13.28
	Others:		
c.	Non- Residents Individuals	1278452	1.65
d.	Overseas Corporate Bodies	---	---
e.	Trusts	---	---
f.	Employees	---	---
g.	Clearing Members	321746	0.41
	<b>Sub-Total (B)(2)</b>	<b>36662854</b>	<b>47.25</b>
	<b>Total Public Shareholding B = (B)(1) + (B)(2)</b>	<b>36662854</b>	<b>47.25</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>

**Graph representing the Shareholding Pattern as on 31 March 2017:**

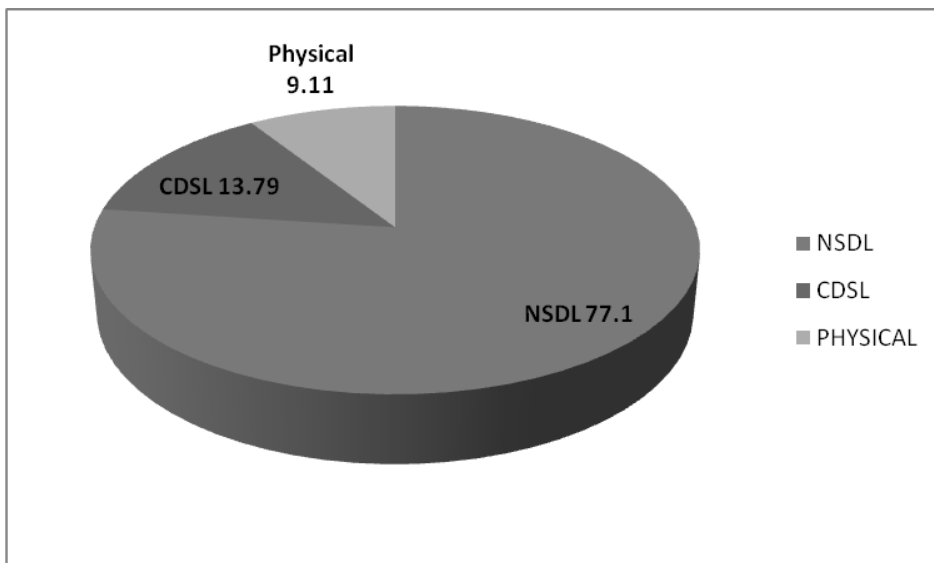


**(XIII) Dematerialization of shares & liquidity**

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:**

**70524356** Shares representing **90.89%** of the Company's total equity share capital were held in dematerialized form of which **77.10%** was held in National Securities Depository Limited (NSDL) and **13.79%** was held in Central Depository Services (India) Limited (CDSL) as on 31<sup>st</sup> March, 2017.





## COUNTRY CONDO'S LIMITED



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, CONVERSION 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:**

Mr. Gopal Dhanaji, Practicing Company Secretary, 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, 4th Floor, Kamala Mills Compound  
Senapati Bapat Marg, Lower Parel, Mumbai - 400 013  
Tel : 091-022-24972964-70  
Fax : 091-022-24972993-24976351  
Email : [info@nsdl.co.in](mailto:info@nsdl.co.in)

#### **M/s. Central Depository Services (India) Limited**

Phiroze Jeejeebhoy Towers  
28th Floor, Dalal Street, Mumbai - 400 023  
Tel : 091-022-22723333  
Fax : 091-022-22723199  
Email : [investors@cdslindia.com](mailto:investors@cdslindia.com)

### **(XX) NOMINATION FACILITY:**

Section 72 of the Companies Act, 2013 extends the nomination facility to individual shareholders of the Company. Therefore, the shareholders willing to avail this facility may make nomination in Form SH-13 for initial registration of nomination and Form SH-14 for cancellation and variation of nomination as per Companies Act, 2013 to the Company's R&TA. This nomination form should be submitted at Registrar and Share Transfer Agent (R. T. A.) as per the address mentioned in the Corporate Governance Report.

### **(XXI) COMPANY'S POLICY ON PREVENTION OF INSIDER TRADING:**

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, 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 Jakhotia, 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.

**DISCLOSURES:**

- a) During the year under review, the Company had not entered into any material transaction with any of its related parties which may have potential conflict with the interest of the company at large.
- b) During last three years no penalties, strictures imposed on the Company by the Stock Exchange (s) or the Board or any statutory authority on any matter related to capital markets.
- c) The Board of Directors of the Company had adopted the Whistle Blower Policy. Employees can report the Management concerned unethical behavior, act suspected fraud or violation of the Company's Code of Conduct policy. None of the personnel has been denied access to the audit Committee.

**THE DISCLOSURES OF THE COMPLIANCE WITH MANDATORY REQUIREMENTS AND COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB-REGULATION (2) OF REGULATION 46 ARE AS FOLLOWS:**

Regulation	Particulars of Regulation	Compliance Status (Yes/No)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination & Remuneration Committee	Yes
20	Stakeholder Relationship Committee	Yes
21	Risk Management Committee	Not Applicable
22	Vigil Mechanism	Yes
23	Related Party Transaction	Yes
24	Corporate Governance Requirements with respect to subsidiary of listed entity.	Not Applicable
25	Obligation with respect to independent Directors.	Yes
26	Obligations with respect to Directors and senior management.	Yes
27	Other Corporate Governance Requirements	Yes
46(2)(b) to (i)	Website	Yes

- a) The policy on related party transactions can be accessed on the Company website at [www.countrycondos.co.in](http://www.countrycondos.co.in)
- b) The Company is not carrying on any commodity business and has also not undertaken any hedging activities, hence the same are not applicable to the Company.

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

PLACE: HYDERABAD  
DATE : 11-08-2017

**Y. SIDDHARTH REDDY**  
VICE-CHAIRMAN & DIRECTOR  
DIN: 00815456

**D. KRISHNA KUMAR RAJU**  
VICE-CHAIRMAN & CEO  
DIN: 00115553

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

I, Y. Rajeev Reddy, Chairman & Director 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, 2017 compliance with the code of conduct of the Company laid down for them.

Place : Hyderabad  
Date : 11.08.2017

**Y. Rajeev Reddy**  
Chairman & Managing Director  
DIN: 00115430

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

I, D. Krishna Kumar Raju, Vice- Chairman & CEO and U. Gandhi, Chief Financial Officer 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, 2017 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.

PLACE: HYDERABAD  
DATE : 30-05-2017

**D. KRISHNA KUMAR RAJU**  
VICE-CHAIRMAN & CEO  
DIN: 00115553

**U. GANDHI**  
CHIEF FINANCIAL OFFICER

## **COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

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

We have read the report of the Board of Directors on Corporate Governance and have examined the relevant records relating to compliance condition of Corporate Governance of M/s Country Condo's Limited ("the Company") for the year ended 31<sup>st</sup> March, 2017 as stipulated in Regulation 27 of the SEBI Listing Regulations of the said Company with the Stock Exchanges.

The compliance of the conditions of the Corporate Governance is the responsibility of the management. Our examination, conducted in the manner described in the guidance note on "Certification of Corporate Governance" issued by the Institute of Chartered Accountants of India was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance. Our examination was neither an audit nor was it conducted to express an opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanations given to us and on the basis of our examination described above, the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above-mentioned Listing Agreement.

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

For P. MURALI & CO.,  
CHARTERED ACCOUNTANTS  
Firm Registration No.: 007257S

PLACE: HYDERABAD  
Date : 30-05-2017

P.MURALI MOHANA RAO  
PARTNER  
Membership No. 23412

**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 **M/s COUNTRY CONDO'S LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017, Statement of Profit & Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('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, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view, 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 the Company's Directors, 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 on the financial statements:

**OPINION**

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 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 31<sup>st</sup> March 2017, its profit and its cash flows for the year ended on that date.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters Specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we further 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 purpose of our audit;
  - b) in our opinion proper books of account 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 the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 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, refer to our separate report in 'Annexure B'; and
- g) With respect to 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. The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in SBN's during the period from 8<sup>th</sup> November 2016 to 30<sup>th</sup> December 2016 and these are in accordance with the books of accounts maintained by the company.

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

**P.MURALI MOHANA RAO**  
Partner  
Membership No. 023412

Place: Hyderabad  
Date: 30-05-2017

## Annexure A to the Auditors Report

### **Annexure referred to in paragraph 1 of our report even date to the Members of COUNTRY CONDO'S LIMITED on the accounts of the company for the year ended 31<sup>st</sup> March, 2017 under "Report on other Legal & Regulatory Requirments"**

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, fixed assets have been regularly verified by the management at regular intervals and there are no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.
- (c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The physical verification of inventory has been conducted at reasonable intervals by the management during the year and no material discrepancies were noticed on such verification.
- iii. The company has not granted any loans secured or unsecured to companies, firms, Limited Liability Partnership firms or other parties covered in the register maintained under Section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, the company in respect of loans, investments, guarantees and security, provisions of section 185 and 186 of companies act, 2013 has been complied with.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- vi. In respect of the Company, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013
- vii. (a) According to the information and explanations given to us and based on the records of the Company, the company is generally regular in depositing undisputed statutory dues including PF, ESI, Service Tax with the appropriate authorities and at the end of the financial year.
- (b) There were no undisputed amounts payable in respect of provident fund, Employees State Insurance , Income Tax and Sales Tax, and other material statutory dues in arrears as at 31<sup>st</sup> March 2017 for a period of more than 6 months from the date they become payable.
- (c) According to the information and explanations given to us, no disputed amounts are payable in respect of Income Tax and any other statutory dues as at the balance sheet date.
- viii. According to the information and explanations given to us, and based on the verification of the records of the company has not defaulted in repayment of dues to financial institutions or banks or Government or Dues to Debenture holders as at the Balance Sheet date.
- ix. According to information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer including debt instruments and term loans.
- x. According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the year, nor have been informed of such cases by the management.

- xi. According to information and explanations given to us the company and verification of the records of the company, the company has paid / provided managerial remuneration in compliance with the provisions of Sec.197 of The Companies Act 2013.
- xii. In our opinion and according to information and explanations given to us, the company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the company and hence not commented upon.
- xiii. According to the information & explanations given to us and to the best of our knowledge and belief, all the transactions with the related parties are in compliance with section 177 and 188 of the Companies Act 2013 wherever applicable and the details of transactions with related parties have been disclosed in the financial statements as required by the applicable accounting standard.
- xiv. The company has not made any preferential allotment of private placement of shares or fully or partly convertible debentures. Therefore, the provisions of clause 3(xiv) of the order are not applicable to the company.
- xv. According to information and explanations given to us and to the best of our knowledge and belief the company has not entered into any non-cash transactions with directors or persons connected with the directors. Therefore, the provisions of clause 3(xv) of the order are not applicable to the company.
- xvi. According to information and explanations given to us and to the best of our knowledge and belief the company is not required to be registered under section 45-IA of Reserve Bank of India Act, 1934.

**For P. Murali & Co.,**  
**Chartered Accountants**  
Firm Registration No. 007257S

**P.MURALI MOHANA RAO,**  
Partner  
M.No. 023412

Place: Hyderabad  
Date: 30-05-2017



## **Annexure B to the Independent Auditor's Report**

**"Annexure B" referred to in paragraph 2(f) under " Report on other legal and Regulatory Requirements" section of report on financial statements of even date to the members of COUNTRY CONDO'S LIMITED on the financial statement for the year ended 31<sup>st</sup> march 2017.**

**Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of COUNTRY CONDO'S LIMITED ('the Company') as of 31<sup>st</sup> March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively 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 information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records

that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For P. Murali & Co.,  
Chartered Accountants,  
Firm Registration No 007257S**

**P.Murali Mohana Rao**  
Partner  
Membership No. 023412

Place: Hyderabad  
Date : 30-05-2017

## COUNTRY CONDO'S LIMITED

Balance Sheet as at 31<sup>st</sup> March, 2017

Particulars	Note No	As on	As on
		31-03-2017	31-03-2016
		(₹)	(₹)
<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	95,266,125	88,862,365
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	3	1,070,396	1,838,096
(b) Deferred tax liabilities (Net)	4	2,705,633	2,574,605
<b>(3) Current Liabilities</b>			
(a) Trade payables	5	3,646,587	3,460,181
(b) Other current liabilities	6	78,651,758	83,204,945
(c) Short-term provisions	7	10,127,786	13,264,886
<b>TOTAL</b>		<b>269,065,585</b>	<b>270,802,378</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	8	50,478,220	52,575,125
(i) Tangible assets			
<b>(2) Current assets</b>			
(a) Inventories	9	102,715,169	143,729,284
(b) Cash and Cash equivalents	10	43,972,571	28,057,227
(c) Short-term loans and advances	11	63,058,860	39,937,511
(d) Other current assets	12	8,840,765	6,503,231
<b>TOTAL</b>		<b>269,065,585</b>	<b>270,802,378</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.,**  
Firm Registration No: 007257S  
Chartered Accountants

**For COUNTRY CONDO'S LIMITED**

**P. Murali Mohana Rao**  
Partner  
Membership No. 023412

**Y. Rajeev Reddy**  
Chairman & Director  
DIN. 00115430

**D. Krishna Kumar Raju**  
Vice Chairman & CEO  
DIN. 00115553

**U. Gandhi**  
Chief Financial Officer

**Laxmikanth Jakhotia**  
Company Secretary

Place : Hyderabad  
Date : 30-05-2017

COUNTRY CONDO'S LIMITED

Statement of Profit and Loss for the year ended 31<sup>st</sup> March, 2017

Particulars		Note No	For the Year ended on 31-03-2017	For the Year ended on 31-03-2016
			(₹)	(₹)
I.	Revenue from Operations	13	271,201,303	452,667,010
II.	Other Income	14	6,000	3,112,819
<b>III.</b>	<b>Total Revenue (I+II)</b>		<b>271,207,303</b>	<b>455,779,829</b>
<b>IV.</b>	<b>Expenses:</b>			
	(a) Cost of materials consumed	15	6,780,463	6,760,129
	(b) Purchase of Land / Development	16	149,410,371	284,704,922
	(c) (Increase)/ Decrease in inventories	17	40,954,500	83,136,200
	(d) Employee benefit expense	18	27,639,190	32,037,394
	(e) Administrative and other expenses	19	33,769,874	34,676,338
	(f) Depreciation and Amortization expenses	8	2,790,694	2,701,721
	<b>Total Expenses (IV)</b>		<b>261,345,091</b>	<b>444,016,704</b>
V.	Profit before tax (III - V)		9,862,212	11,763,125
VI.	Tax expense:			
	(1) Income Tax		3,327,424	3,892,163
	(2) Deferred tax		131,028	257,724
<b>VII.</b>	<b>Net Profit for the period (V - VI)</b>		<b>6,403,760</b>	<b>7,613,238</b>
VIII.	Earning per equity share: (Refer Note No.21)			
	(1) Basic		0.08	0.10
	(2) Diluted		0.08	0.10

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 Registration No: 007257S  
Chartered Accountants

**P. Murali Mohana Rao**  
Partner  
Membership No. 023412

**For COUNTRY CONDO'S LIMITED**

**Y. Rajeev Reddy**  
Chairman & Director  
DIN. 00115430

**D. Krishna Kumar Raju**  
Vice Chairman & CEO  
DIN. 00115553

**U. Gandhi**  
Chief Financial Officer

**Laxmikanth Jakhotia**  
Company Secretary

Place : Hyderabad  
Date : 30-05-2017

## COUNTRY CONDO'S LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH 2017

	For the Year ended on 31-03-2017 (₹)	For the Year ended on 31-03-2016 (₹)
<b>A Cash Flow from Operating activities :</b>		
<b>Net Profit after Interest &amp; Depreciation but before Tax</b>	9,862,212	11,763,125
Depreciation	2,790,694	2,701,721
Interest paid	153,378	158,051
<b>Operating Profit before working capital changes</b>	<b>12,806,284</b>	<b>14,622,897</b>
<b>Adjustments for :</b>		
Short Term Provisions	(3,137,100)	2,136,249
Trade and Other Payables	(7,694,205)	(132,756,045)
Inventories	41,014,115	83,117,428
Short term Loan and advances	(23,121,349)	24,774,875
Other Current Assets	(2,337,534)	18,369,571
<b>Cash generated from operations</b>	<b>17,530,211</b>	<b>10,264,975</b>
<b>Net Cash flow from Operating activities (before &amp; after extraordinary items) " A "</b>	<b>17,530,211</b>	<b>10,264,975</b>
<b>B Net Cash from Investing activities :</b>		
Purchase of Fixed Assets	(693,789)	(2,001,636)
Capital Work in Progress	-	-
<b>Net cash flow from Investing activities " B "</b>	<b>(693,789)</b>	<b>(2,001,636)</b>
<b>C Cash Flow from Financing activities</b>		
Interest paid	(153,378)	(158,051)
Long Term Borrowings	(767,700)	668,968
<b>Net Cash flow from Financing activities " C "</b>	<b>(921,078)</b>	<b>510,917</b>
<b>D Net ( Decrease ) / Increase in Cash and Cash Equivalents ( A + B + C )</b>	<b>15,915,344</b>	<b>8,774,256</b>
Cash and Cash Equivalents at the beginning	28,057,227	19,282,971
Cash and Cash Equivalents at the end	<b>43,972,571</b>	<b>28,057,227</b>

AS PER OUR REPORT OF EVEN DATE

For and on behalf of the Board

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

**P. Murali Mohana Rao**  
Partner  
Membership No. 023412

**Y. Rajeev Reddy**  
Chairman & Director  
DIN. 00115430

**D. Krishna Kumar Raju**  
Vice Chairman & CEO  
DIN. 00115553

**U. Gandhi**  
Chief Financial Officer

**Laxmikanth Jakhotia**  
Company Secretary

Place : Hyderabad  
Date : 30-05-2017

**SIGNIFICANT ACCOUNTING POLICIES****About the Company**

The company's main activity broadly consists of real estate operations and providing hospitality services. The company's real estate operations consist of procurement of land banks across the country, develop them into residential layouts with all amenities including club house and sell them in plots to customers. The company also undertakes allied activities of construction of compound walls etc. in the developed layouts. The company is also planning to undertake construction and sale of Condos. The company also runs a club on Mysore Road in Bangalore and offers various hospitality services to the customers.

**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(GAAP) 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 of 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**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

**(C) Cash and cash equivalents**

Cash comprises of cash in hand and demand deposits with the bank, cash equivalents are short term balances with an original maturity of three months or less from the date of acquisition.

**(d) Retirement benefits to employees:****Provident fund**

Contributions to defined Schemes such as Provident Fund are charged as incurred on accrual basis. Eligible employees receive benefits from a provident fund, which is a defined contribution plan. Aggregate contributions along with interest thereon are paid at retirement, death, incapacitation or termination of employment. Both the employee and the Company make monthly contributions to the government administered authority.

**(e) Tangible and Intangible Assets:****Tangible Fixed Assets**

Tangible fixed assets are carried at the cost of acquisition or construction, less accumulated depreciation. The cost of fixed assets includes taxes (other than those subsequently recoverable from tax authorities), duties, freight and other directly attributable costs related to the acquisition or construction of the respective assets. Expenses directly attributable to new manufacturing facility during its construction period are capitalized.

**Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment loss, if any. Profit or Loss on disposal of intangible assets is recognised in the Statement of Profit and Loss.



## COUNTRY CONDO'S LIMITED

### **(f) Depreciation:**

Depreciation on fixed assets is computed on the straight line method as per useful lives prescribed under part C of Schedule II of Companies Act 2013.

### **(g) Inventories:**

Construction materials, raw materials, Consumables, Stores and Spares and project / construction work-in-progress are valued at lower of cost and net realizable value.

Cost is determined on weighted average cost method.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Development Work-in-progress related to project works is valued at cost and estimated net realizable value whichever is lower, till such time the outcome of the related project is ascertained reliably and at contractual rates thereafter. Cost includes cost of land, cost of materials, cost of borrowings to the extent it relates to specific project and other related project overheads.

### **(h) 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.

### **(i) Provisions and Contingent liabilities:**

A provision is recognised when an enterprise has a present obligation as a result of past event and is probable an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are viewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognised but are disclosed in the Notes to Financial Statements, A contingent asset is neither recognised nor disclosed in the financial statements.

### **(j) 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**.

### **(k) Related Party Disclosures :**

The Company as required by AS-18 furnishes the details of Related Party Disclosures.

### **(l) Segment Reporting (AS - 17)**

The companies operating businesses are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segment is based on the areas in which major operating divisions of the company operate.

Segment is based on the areas in which major operating divisions of the company operate.

The company prepares its segment in conformity with the accounting policies adopted for preparing and presenting the financial statements of the company as a whole.

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

**NOTE NO. 1 : SHARE CAPITAL**

S. No.	Particulars	As on	As on
		31-03-2017	31-03-2016
		(₹)	(₹)
I	Share Capital		
	(a) Authorised (No. of Shares 350,000,000)	350,000,000	350,000,000
	(b) Issued, Subscribed & Fully Paid Up (No. of Shares 77,597,300)	77,597,300	77,597,300
	(c) Par Value per share Re.1/- Each		
	<b>Total Equity Share capital</b>	<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) 38843345,		
	(P.Y) 38843345	50.06	50.06

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

S. No.	Particulars	As on	As on
		31-03-2017	31-03-2016
		(₹)	(₹)
I	RESERVES AND SURPLUS		
	(a) Capital reserve		
	i) As at the commencement of the year	22,982,670	22,982,670
	Add: Additions during the year	-	-
		22,982,670	22,982,670
	(b) Securities Premium Reserve		
	i) As at the commencement of the year	49,935,300	49,935,300
	Add: Additions during the year	-	-
		49,935,300	49,935,300
	(c) Surplus :		
	i) Opening Balance - Profit and Loss Account	15,944,395	8,331,157
	Add: Transfer from Profit & Loss Account	6,403,760	7,613,238
		22,348,155	15,944,395
	<b>Total Other Equity</b>	<b>95,266,125</b>	<b>88,862,365</b>



**NOTE NO. 3 : LONG-TERM BORROWINGS**

S. No.	Particulars	As on	As on
		31-03-2017	31-03-2016
		(₹)	(₹)
I	(a) Vehicle Loans from Bank & Financial Institutions Secured, Considered Good		
	(i) AXIS Bank	1,031,048	1,266,827
	(ii) Toyota Financial Services India Ltd.	39,348	571,269
	<b>Total borrowings</b>	<b>1,070,396</b>	<b>1,838,096</b>

**NOTE NO. 4 : DEFERRED TAX LIABILITY ( NET )**

S. No.	Particulars	As on	As on
		31-03-2017	31-03-2016
		(₹)	(₹)
I	Opening Deferred tax Liability	2,574,605	2,316,881
	<b>Add:</b> Deferred Tax Liability for the year (Due to SLM and WDV Difference)	131,028	257,724
	<b>Deferred Tax Liability/ ( Asset ) - Net</b>	<b>2,705,633</b>	<b>2,574,605</b>

**NOTE NO. 5 : TRADE PAYABLES**

S. No.	Particulars	As on	As on
		31-03-2017	31-03-2016
		(₹)	(₹)
I	(a) Trade Payables	3,646,587	3,460,181
	<b>Total Trade Payables</b>	<b>3,646,587</b>	<b>3,460,181</b>

**NOTE NO. 6 : OTHER CURRENT LIABILITES**

S. No.	Particulars	As on	As on
		31-03-2017	31-03-2016
		(₹)	(₹)
I	(a) Advances Received from Customers	78,651,758	83,204,945
	<b>Total other current liabilities</b>	<b>78,651,758</b>	<b>83,204,945</b>

**NOTE NO. 7 : SHORT-TERM PROVISIONS**

S. No.	Particulars	As on	As on
		31-03-2017	31-03-2016
		(₹)	(₹)
I	Provisions for employee benefits		
	(a) Salaries Payable	2,107,590	4,269,675
	(b) PF Payable	174,183	170,173
	(c) ESIC Payable	39,685	32,342
		2,321,458	4,472,190
II	Tax Provisions		
	(a) TDS Payable	585,001	1,392,681
	(b) Luxury Tax Payable	64,950	84,973
	(c) Service Tax Payable	96,144	101,282
	(d) VAT Payable	176,146	159,379
	(e) Professional Tax Payable	2,850	2,650
	(f) Provision for Income Tax	3,327,424	3,892,163
		4,252,515	5,633,128
III	Others		
	(a) Consultancy Charges Payable	2,085,719	1,865,400
	(b) Commission Payable	353,955	737,398
	(c) Audit Fee Payable	105,000	104,500
	(d) Rent Payable	158,560	100,604
	(e) Provision for Expenses	850,579	351,666
		3,553,813	3,159,568
	<b>Total short term provisions</b>	<b>10,127,786</b>	<b>13,264,886</b>

**COUNTRY CONDO'S LIMITED - 2016-17**  
**NOTE NO. 8 : FIXED ASSETS**

DESCRIPTION OF ASSET	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	Block as at 01/04/2016	Additions during the year	Deletions during the year	Total Block as at 31/03/2017	Upto 31-03-2016	For the year	Adjustments during the year	Total as at 31/03/2017	As at 31/03/2017	As at 31/03/2016
Land & Site Development	19,148,091	-	-	19,148,091	-	-	-	-	19,148,091	19,148,091
Buildings	24,461,424	-	-	24,461,424	3,817,720	769,709	-	4,587,429	19,873,995	20,643,704
Plant & Machinery	5,771,698	-	-	5,771,698	1,546,142	386,817	-	1,932,959	3,838,739	4,225,556
Office Equipment	1,582,841	224,336	-	1,807,177	866,244	315,015	-	1,181,259	625,918	716,597
Furniture & Fixtures	1,994,905	102,543	-	2,097,448	709,120	219,184	-	928,304	1,169,144	1,285,785
Vehicles	8,782,699	62,440	-	8,845,139	2,481,037	928,845	-	3,409,882	5,435,257	6,301,662
Computers	1,650,443	304,470	-	1,954,913	1,396,713	171,124	-	1,567,837	387,076	253,730
<b>Total</b>	<b>63,392,101</b>	<b>693,789</b>	<b>-</b>	<b>64,085,890</b>	<b>10,816,976</b>	<b>2,790,694</b>	<b>-</b>	<b>13,607,670</b>	<b>50,478,220</b>	<b>52,575,125</b>
<b>Previous Year</b>	<b>61,390,465</b>	<b>2,001,636</b>	<b>-</b>	<b>63,392,101</b>	<b>8,115,255</b>	<b>2,701,721</b>	<b>-</b>	<b>10,816,976</b>	<b>52,575,125</b>	<b>53,275,210</b>

**NOTE NO. 9 : INVENTORIES**

S. No.	Particulars	As on 31-03-2017	As on 31-03-2016
		(₹)	(₹)
I	Land and Land Development Expenditure	102,570,894	143,525,394
II	Consumables & Provisions	144,275	203,890
	<b>Total Inventories</b>	<b>102,715,169</b>	<b>143,729,284</b>

**NOTE NO. 10 : CASH AND CASH EQUIVALENTS**

S. No.	Particulars	As on 31-03-2017	As on 31-03-2016
		(₹)	(₹)
I	Cash on Hand	1,992,858	1,707,850
II	Balances with banks :		
	(a) Current Accounts	41,979,713	26,349,377
	<b>Total Cash and Cash Equivalents</b>	<b>43,972,571</b>	<b>28,057,227</b>

**NOTE NO. 11 : SHORT-TERM LOANS AND ADVANCES**

S. No.	Particulars	As on 31-03-2017	As on 31-03-2016
		(₹)	(₹)
I	Security Deposit		
	(a) Unsecured, Considered Good	1,699,272	2,317,272
		<b>1,699,272</b>	<b>2,317,272</b>
II	Loans and Advances to Related Parties		
	Unsecured, Considered Good		
	(a) Zen Garden Hotels Pvt Ltd	1,114,975	1,133,111
		<b>1,114,975</b>	<b>1,133,111</b>
III	Advances Recoverable in Cash or in kind		
	Unsecured, Considered Good		
	(a) Advance for Land and Land Development	53,668,595	31,138,971
	(b) Advances to Suppliers	374,766	374,766
	(c) Advance for Site Registrations	4,894,146	2,489,612
	(d) Advances to Employees	1,307,105	2,483,779
		<b>60,244,613</b>	<b>36,487,128</b>
	<b>Total short-term loans and advances</b>	<b>63,058,860</b>	<b>39,937,511</b>

**NOTE NO.12 : OTHER CURRENT ASSETS**

S. No.	Particulars	As on 31-03-2017	As on 31-03-2016
		(₹)	(₹)
I	(a) TDS/TCS Receivables	132,354	107,064
	(b) Advance Taxes / Excess paid	1,428,534	1,493,903
	(c) Prepaid Expenses	93,959	59,458
	(d) Chit Receivables	7,185,918	4,842,806
	<b>Total Other current assets</b>	<b>8,840,765</b>	<b>6,503,231</b>

**COUNTRY CONDO'S LIMITED**

**NOTES TO STATEMENT OF PROFIT & LOSS**

**NOTE NO. 13 : REVENUE FROM OPERATIONS**

S. No.	Particulars	For the Year ended on 31-03-2017	For the Year ended on 31-03-2016
		(₹)	(₹)
I	Income from operations		
	(a) Real Estate Income	246,194,145	427,397,145
	(b) Hospitality Income	25,007,158	25,269,865
	<b>Total Revenue from Operations</b>	<b>271,201,303</b>	<b>452,667,010</b>

**NOTE NO. 14 : OTHER INCOME**

S. No.	Particulars	For the Year ended on 31-03-2017	For the Year ended on 31-03-2016
		(₹)	(₹)
I	(a) Interest on FD's	-	48,466
	(b) Profit on Chits	-	3,058,488
	(c) Others	6,000	5,865
	<b>Total Revenue from other Income</b>	<b>6,000</b>	<b>3,112,819</b>

**NOTE NO. 15 : COST OF MATERIALS CONSUMED**

S. No.	Particulars	For the Year ended on 31-03-2017	For the Year ended on 31-03-2016
		(₹)	(₹)
I	Opening Raw Material	203,890	185,118
	Add: Purchases during the year	6,720,848	6,778,901
		6,924,738	6,964,019
	Less: Closing Raw Material	144,275	203,890
	<b>Total Cost Of Material Consumed</b>	<b>6,780,463</b>	<b>6,760,129</b>

**NOTE NO. 16 : PURCHASE OF LAND /LAND DEVELOPMENT**

S. No.	Particulars	For the Year ended on 31-03-2017	For the Year ended on 31-03-2016
		(₹)	(₹)
I	Operating Expenditure		
	(a) Purchase of Land	265,220	22,345,325
	(b) Land Development Charges	149,145,151	262,359,597
	<b>Total Trade Expenses</b>	<b>149,410,371</b>	<b>284,704,922</b>

**NOTE NO. 17 : (INCREASE) / DECREASE IN INVENTORIES**

S. No.	Particulars	For the Year ended on 31-03-2017	For the Year ended on 31-03-2016
		(₹)	(₹)
I	Work in Progress		
	Work in progress at the beginning of the year	143,525,394	226,661,594
	Less : Work in progress at the end of the year	102,570,894	143,525,394
	<b>(Increase) / Decrease in Inventories</b>	<b>40,954,500</b>	<b>83,136,200</b>

**NOTE NO. 18 : EMPLOYEE BENEFIT EXPENSES**

S. No.	Particulars	For the Year ended on 31-03-2017	For the Year ended on 31-03-2016
		(₹)	(₹)
I	(a) Salaries & Wages	24,478,784	29,148,507
	(b) Contribution to Provident Fund & ESIC	1,385,732	1,221,425
	(c) Staff Welfare Expenses	1,774,674	1,667,462
	<b>Total Employee Benefit Expenses</b>	<b>27,639,190</b>	<b>32,037,394</b>

**NOTE NO. 19 : ADMINSTRATIVE AND OTHER EXPENSES**

S. No.	Particulars	For the Year ended on 31-03-2017	For the Year ended on 31-03-2016
		(₹)	(₹)
I	Administrative Expenses		
	(a) Telephone, Postage and Others	1,451,805	1,759,169
	(b) Business Promotion Expenses	488,907	779,178
	(c) Travelling & Conveyance	5,065,925	5,401,165
	(d) Office Maintenance	4,503,375	4,082,040
	(e) Printing & Stationery Expenses	728,108	728,952
	(f) Rates & Taxes (excluding Income Tax)	3,967,295	4,094,224
	(g) Consultancy Charges	4,533,589	4,128,485
	(h) Commission Charges	4,499,120	3,807,413
	(i) Advertisement Charges	171,596	238,584
	(k) Interest on late payment of Taxes	117,100	258,854
	<b>25,526,820</b>	<b>25,278,064</b>	
II	Other Operating Expenses		
	(a) Power & Fuel	2,052,250	2,070,745
	(b) Upkeep & Service Cost	1,533,133	1,925,286
	(c) Rent	2,950,434	3,613,284
	(d) General Expenditure	303,177	385,800
	(e) Payment to Auditors:		
	(i) As Auditor	80,500	80,150
(ii) For Taxation Matters	34,500	34,350	
	<b>6,953,994</b>	<b>8,109,615</b>	
III	Finance Cost		
	(a) Bank Charges	1,135,682	1,130,608
	(b) Interest on Vehicle Finance	153,378	158,051
	<b>1,289,060</b>	<b>1,288,659</b>	
	<b>Total Administrative and Other Expenses</b>	<b>33,769,874</b>	<b>34,676,338</b>

**NOTE NO. 20**

**Related Party Transactions:**

Particulars of related party transactions:

Name of the Related Party	Nature of the Related Party	Nature of Transaction	Amount (₹)
Country Club Hospitality & Holidays Limited	Common Directors interested	Lease Rent received	3,00,000
Zen Garden Hotels Private Limited	Common Directors interested	Advance Receivable	11,14,975

**NOTE NO. 21**

**Earnings per Share:**

Particulars	2016-17	2015-16
Net profit after tax (₹)	64,03,760	76,13,238
Weighted Average Numbers of shares	7,75,97,300	7,75,97,300
Basic and Diluted EPS (₹)	0.08	0.10

22. Detailed information regarding quantitative particulars under part II of Schedule III to the Companies Act, 2013. Quantitative details are not furnished as the company is in the activity of Real Estate and Hospitality Services. Closing Inventories of Land and Land Development Expenditure is ₹10,25,70,894/- for current year (previous year ₹14,35,25,394/-) and Closing Inventories of Consumables is ₹1,44,275/- for current year (Previous year ₹2,03,890/-).

**23. Segment Reporting:**

**Business Segments:**

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

Profit and Loss Statements for the year ended 31 <sup>st</sup> March, 2017	Real Estate (₹)	Hospitality Services (₹)	Total (₹)
Revenues	24,61,94,145	2,50,07,158	27,12,01,303
Unallocable Revenue	-	-	6,000
Direct Expenses	24,11,12,664	2,02,32,427	26,13,45,091
Gross Income	50,81,481	47,74,731	98,62,212
Net Profit Before Taxes	-	-	98,62,212
Tax Expenses	-	-	34,58,451
Net Profit After Taxes	-	-	64,03,760

**24. Contingent Liability:**

- The Company has given the Corporate Guarantee to Vijaya Bank, Bank of India and Union Bank of India in respect of Term Loan availed by M/s.Country Club Hospitality & Holidays Limited for an amount of Loan outstanding in their books as on 31-3-2017 is ₹.85,62,27,443/-.  
The details of the Property given as Collateral securities are as follows.  
Company's Immoveable property situated at No.20/1-524, Sy No: 20/1, Geddannahalli, Attibele Hobli, Anekal Taluk, Bangalore District Pin-562107.
- The Company has given the Corporate Guarantee to Central Bank Of India in respect of Term Loan availed by M/s.Country Club Hospitality & Holidays Limited for an amount of Loan outstanding in their books as on 31-3-2017 is ₹.48,29,86,600/-.  
The details of the Property given as Collateral securities are as follows.  
Company's Immoveable Property Situated at Sy No:101/3,102/3,103/1,103/2 & 103/17, Kumbalgodu, Kengeri Hobli beside Mc.dowell Unit near Mysore Road under BBMP, Bangalore.

**25. Disclosure on Specified Bank Notes**

During the year, the Company had Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R. 308(E), dated March 31, 2017. The details of SBNs held and transacted during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016, the denomination-wise SBNs and other notes are as follows:

Particulars	SBN's	Other Denomination notes	Total
Closing cash hand as on November 8, 2016	99,21,950	5,01,158	1,04,23,108
Add: Permitted receipts	-	25,89,540	25,89,540
Less: Permitted Payments	-	15,86,855	15,86,855
Less : Amount Deposited in Banks	99,21,950	-	99,21,950
Closing cash in hand as on December 30,2016	-	15,03,843	15,03,843

26. Previous year's numbers have been regrouped, rearranged, recasted, wherever necessary to conform to Current Year Classification.

27. The numbers have been rounded off to the nearest rupee.

AS PER OUR REPORT OF EVEN DATE

For **P. MURALI & CO.,**  
Firm Registration No: 007257S  
CHARTERED ACCOUNTANTS

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

**P. MURALI MOHANA RAO**  
PARTNER  
MEMBERSHIP NO. 023412

**Y. RAJEEV REDDY**  
CHAIRMAN & DIRECTOR  
DIN. 00115430

**D. KRISHNA KUMAR RAJU**  
VICE CHAIRMAN & CEO  
DIN. 00115553

**U. GANDHI**  
CHIEF FINANCIAL OFFICER

**LAXMIKANTH JAKHOTIA**  
COMPANY SECRETARY

PLACE : HYDERABAD,  
DATE : 30-05-2017

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## 30<sup>th</sup> Annual General Meeting Country Condo's Limited

CIN: L63040TG1987PLC007811

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

### Form No. MGT-11 PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s): Registered address:		E-mail Id: Folio No/ Client Id & DP Id:	
---	--	--	--

I/We, being the Member/Members of \_\_\_\_\_ Shares of Country Condo's Limited, hereby appoint:  
1) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him  
2) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him  
3) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30<sup>th</sup> Annual General Meeting of the Company, to be held on Thursday, 28<sup>th</sup> September, 2017 at 11:30 A.M at Crown Villa Gardens, 150, Brigadier Sayeed Road, Opp.Gymkhana Grounds, Secunderabad-500 003 and at any adjournment thereof in respect of such resolutions as are indicated below:

\* I wish my above Proxy to vote in the manner as indicated in the box below:

Res.No.	DESCRIPTION	FOR	AGAINST
1	Adoption of Financial Statements and Reports thereon for the financial year ended 31 <sup>st</sup> March, 2017		
2	Re-appointment of Sri Y. Rajeev Reddy (DIN: 00115430), who retires by rotation and being eligible offers himself for re-appointment.		
3	Appointment of M/s. Chandra Babu Naidu & Co., Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this AGM to the Conclusion of the Five consecutive AGM.		
4	Appointment of Sri K. Subramanyam Raju as a Director (DIN: 00094663)		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

Signature of the Shareholder

Affix a  
15 Paise  
Revenue  
Stamp and  
Sign Across

Signature of first Proxy holder

Signature of Second Proxy holder

Signature of third Proxy holder

#### NOTES:

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- (2) A Proxy need not be a member of the Company.
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (4) This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (6) In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.



**30<sup>th</sup> Annual General Meeting  
Country Condo's Limited**

**CIN: L63040TG1987PLC007811**

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

**ATTENDANCE SLIP**

<b>Date</b> 28 <sup>th</sup> September, 2017	<b>Venue</b> Crown Villa Gardens, 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad - 500 003	<b>Time</b> 11:30 AM
---	---	-------------------------

Name of the Shareholder	Folio no.	DPID and Client ID No.*	No. of Shares

I certify that I am a registered shareholder of the Company, hold above-mentioned shares in the Company, and hereby record my present at the 30<sup>th</sup> Annual General Meeting of the Company held on 28<sup>th</sup> September, 2017 at Crown Villa Gardens, 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad - 500 003.

**Member's/Proxy signature**

**Note:** Shareholder/Proxy holder wishing to attend the meeting must bring the Admission Slip and hand over at the entrance duly signed.

\* Applicable for investors holding shares in electronic form.

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# Country Condo's Limited

CIN: L63040TG1987PLC007811

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

Tel: + 040-66360610, Fax: + 040-66833954; E-mail: info@countrycondos.co.in, Website: www.countrycondos.co.in

## **BALLOT FORM**

Ballot Sr. No. \_\_\_\_\_

1. Name(s) of Shareholder(s) (in block letters) (including joint holders, if any) :	
2. Registered address of the Sole/ First named shareholder :	
3. DP ID No./ Client ID No./ Registered Folio No./ *(Applicable to investors holding shares in Physical form) :	
4. Number of shares held :	
5. I/We hereby exercise my/our vote in respect of the following resolution to be passed through AGM for the business stated in the Notice of the Company by sending my/our assent or dissent to the said resolution by placing the tick ( ✓ ) mark at the appropriate box below.	

Sl.No.	Description	Type of Resolution	I/We Assent to the resolution	I/We dissent to the resolution
1	Adoption of Financial Statements and Reports thereon for the financial year ended 31 <sup>st</sup> March, 2017.	Ordinary		
2	To appoint a Director in place of Mr. Y. Rajeev Reddy, Director who retires by rotation and being eligible offers himself for re-appointment.	Ordinary		
3	Appointment of M/s. Chandra Babu Naidu & Co., Chartered Accountants, as Statutory Auditors of the Company.	Ordinary		
4	Appointment of Sri K. Subramanyam Raju as a Director.	Special		

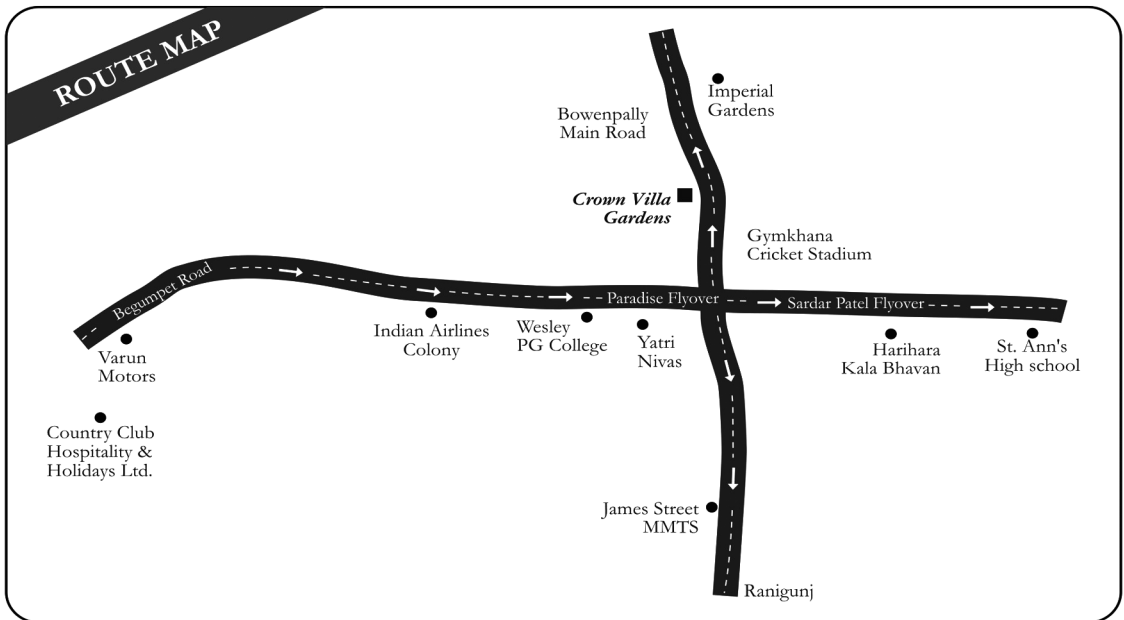
Place:

Date:

\_\_\_\_\_  
Signature of the Shareholder (s)

PRINTED MATTER

BOOK POST



**NO GIFTS / GIFT COUPONS SHALL BE DISTRIBUTED  
TO THE SHAREHOLDERS AT OR IN CONNECTION  
WITH THE ANNUAL GENERAL MEETING**

If undelivered please return to:

**COUNTRY CONDO'S LIMITED**  
# 8-20703, Mahogany Complex,  
Ground Floor, Amrutha Valley,  
Road No.12, Banjara Hills,  
Hyderabad - 500 034.