



***COUNTRYCONDOS***

# **COUNTRY CONDO'S LIMITED**

**CIN : L63040TG1987PLC007811**

**2017-2018**

***31<sup>st</sup> ANNUAL REPORT***

## COUNTRY CONDO'S LIMITED



### 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	- 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 C N & Associates,  
(Formerly known as Chandra Babu Naidu & Co.,)  
Chartered Accountants  
Plot No.12, "N Heights"  
Ground Floor, Software Layout Unit  
Cyberabad, Hyderabad- 500081

#### 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:

22<sup>nd</sup> September, 2018 to 29<sup>th</sup> September, 2018 (Both days inclusive)



**NOTICE**

NOTICE is hereby given that the 31<sup>st</sup> Annual General Meeting of the members of Country Condo's Limited will be held on **Saturday, the 29<sup>th</sup> day of September, 2018 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, 2018, together with the reports of the Board of Directors and Auditors thereon.

**2. Appointment of Director:**

To appoint a Director in place of Smt. Y. Manjula Reddy (DIN: 00115485), Director who retires by rotation and being eligible offers herself for re-appointment.

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

**DATE: 13-08-2018  
PLACE: Hyderabad**

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

**NOTES**

- 1. 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.
- 2. 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.
- 3. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 22<sup>nd</sup> September, 2018, 29<sup>th</sup> September, 2018 (both days inclusive).**
- 4. 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.**
- 5. 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, 21<sup>st</sup> September, 2018, 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 Wednesday, 26<sup>th</sup> September, 2018 and will end at 5.00 P.M. on Friday, 28<sup>th</sup> September, 2018. The Company has appointed M/s. Gopal Dhanaji & Associates, Company Secretaries represented by Mr. Gopal Biradar Dhanaji (Membership No. FCS 7676), Practicing 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.

6. 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 Wednesday, 26<sup>th</sup> September, 2018 and will end at 5.00 P.M. on Friday, 28<sup>th</sup> September, 2018. 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. 21<sup>st</sup> September, 2018 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](http://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** 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](http://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](mailto: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](mailto: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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto: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. Aarthi Consultants Private Limited, (Unit: Country Condo's Limited).

## **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. Aarhi 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 and the listing fee for the FY 2018-19 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.

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

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

**DATE: 13-08-2018  
PLACE: Hyderabad**

**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 :	Smt. Y. Manjula Reddy
Director Identification Number (DIN) :	00115485
Date of Birth :	06 <sup>th</sup> May, 1960
Age :	58
Date of Appointment :	29 <sup>th</sup> May, 2014
Qualification :	M.A. & MBA
Experience :	Vast Experience in Management, administration fashion and interior designing.
Terms and conditions of appointment :	Smt. Y. Manjula Reddy who retire by rotation at the 31 <sup>st</sup> Annual General Meeting and being eligible, offer herself for re-appointment.
Number of Meetings of the Board attended during the year :	04
Specific Functional areas :	Mrs. Y. Manjula Reddy as Non- Executive Director is an advisory to the Company in Management, administration, Fashion and Interior Designing.
Directorships in other Listed/ public/private Companies :	8 Public Companies & 4 Private Companies.
Membership/chairmanship of Committees of the other Boards :	<b>NIL</b>
No of Shares held in the Company :	8700 Equity Shares of Rs 1/- each consisting of 0.01%
Inter- se Relationship between the Board Members/Manager/ KMP :	Smt Y. Manjula Reddy is W/o. Sri Y. Rajeev Reddy, Chairman & Director and Mother of Sri Y. Siddharth Reddy, Vice-Chairman & Director and Sri Y. Varun Reddy, Vice-Chairman & Director of the Company.

**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 31<sup>st</sup> Annual Report of the Company together with the Audited Accounts for the year ended 31<sup>st</sup> March, 2018.

**FINANCIAL RESULTS:****(₹ in Lakhs)**

<b>Particulars</b>	<b>Year ended 31.03.2018 (12 Months)</b>	<b>Year ended 31.03.2017 (12 Months)</b>
Turnover	2381.91	2712.01
Profit / (Loss)	65.64	64.04
Balance brought forward	223.48	159.44
Balance carried forward	289.13	223.48

**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 INR 2381.91 Lakhs and has achieved a Profit of ₹65.64 Lakhs.

During this year the Company had a Net Profit of ₹65.64 Lakhs. The Net Profits of ₹65.64 has been transferred to General Reserves to strengthen the Reserves of the Company. Currently the accumulated P&L Account Surplus is ₹289.13 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 (Five) Board Meetings held during the Financial Year 2017-18.

**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, 2018.

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, 2018.

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



**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:**

	2017-18	2016-17
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 17-18	Remuneration in FY 16-17	% of remuneration in 2018 as compared to 2017	Ratio of remuneration to MRE
D. Krishna Kumar Raju	Vice-Chairman & CEO	39,60,000	39,60,000	0%	25.06 Times
<b>Key Managerial Personnel other than Directors:</b>					
U. Gandhi	Chief Financial Officer	29,25,000	29,25,000	0%	18.51 Times
J.Laxmikanth	Company Secretary	5,94,000	5,94,000	0%	3.75 Times

## COUNTRY CONDO'S LIMITED



1. The Median Remuneration of the employees of the Company during the financial year was Rs. 1,58,016/- Per Month.
2. In the financial year, there was no increase in the median remuneration employees.
3. There are 73 permanent Employees on the Rolls of the Company as on 31<sup>st</sup> March, 2018.
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, Smt.Y.Manjula Reddy, Director of the Company who retire by rotation at the 31<sup>st</sup> Annual General Meeting and being eligible, offer herself 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, 2018, 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, 2018, 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, 2018, 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 2017-18 which may have the potential conflict with the interest of the company at large.

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

**AUDITORS:**

M/s. P C N & Associates (Formerly known as Chandra Babu Naidu & Co.,) Chartered Accountants, were appointed as Statutory Auditor of the Company in 30<sup>th</sup> Annual General Meeting for Five Consecutive years and shall hold the office until the conclusion of the 35<sup>th</sup> Annual General Meeting as per section 139 of Companies Act, 2013.

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 G. Venkateshwar Rao, Chairman	Independent, Non - Executive Directors
2. Sri S. Bal Reddy, Member	
3. Sri A.VSB Laxmipathi Rao, Member	

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 G. Venkateshwar Rao, Chairman	Independent, Non - Executive Directors
2. Sri S. Bal Reddy, Member	
3. Sri A.VSB Laxmipathi Rao, Member	

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 are 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. Sri G. Venkateshwar Rao, Chairman	Independent, Non - Executive Directors
2. Sri S. Bal Reddy, Member	
3. Sri A.VSB Laxmipathi Rao, Member	

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 2018-19.

**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 has appointed M/s. Gopal Dhanaji & Associates, Company Secretaries represented by Mr. Gopal Biradar Dhanaji (Membership No. FCS 7676), Practicing Company Secretary, as the Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial year ended 31st March, 2018 in compliance with the provisions of Section 204 of the Companies Act , 2013.

## COUNTRY CONDO'S LIMITED



The report of the Secretarial Audit Report by M/s. Gopal Dhanaji & Associates, Company Secretaries represented by Mr. Gopal Biradar Dhanaji, Practicing 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, 2018 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, 2018 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****OVERVIEW:**

The Real Estate Sector is one of the most globally recognized sectors. Its impact on the overall economy has been deepening over the past few years, mainly because of the rising population on the demand side and enhanced government initiatives as an enabler. 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 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy.

In India, real estate is the second largest employer after agriculture and is slated to grow at 30 percent over the next decade. 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 favored property investment destination for NRIs, followed by Ahmedabad, Pune, Chennai, Goa, Delhi and Dehradun.

India's rank in the Global House Price Index has jumped 13\* spots to reach the ninth position among 55 international markets, on the back of increasing prices in mainstream residential sector.

The strength of the Indian economy and favourable demographics, coupled with the introduction of several growth-oriented reforms, are aiding real estate sector to attract higher investments. Indian real estate sector has begun to show signs of improvement with the total foreign direct investment (FDI) of \$257 million in the first half of 2017, which is more than double the total FDI in the sector during the year 2016, according to the Economic Survey 2017-18. Private equity investments in the real estate sector have also increased from \$0.9 billion in 2013 to over \$5.9 billion in 2016, recording more than six-fold jump during this period, it said. The Economic Survey also stated that the real estate and construction sector will provide around 15 million jobs in next five years. The sector employed over 40 million workforce in 2013, and as per projections, it is slated to employ over 52 million workforce by 2017 and 67 million workforce by 2022.

**GLOBAL ECONOMY:**

The global real estate market is expected to generate a revenue of USD 4,263.7 billion by 2025, according to a new report by Grand View Research, Inc. due to the increasing demand for housing real estate space, rapid urbanization through migration in search for better amenities etc. Rapid economic development in the developing regions and countries like India, China, and many African countries have enhanced income levels and helped in the real estate market.

According to United Nations, approximately 50% of the population lives in urban areas and this figure is set to reach up to 65% in the forecast period owing to the migration into cities which turn into megacities with bustling urban amenities and lifestyle.

**INDIAN ECONOMY IN REAL ESTATE:**

India's real estate sector is projected to reach \$180 billion by 2020 from \$126 billion in 2015, according to a joint report by CREDAI and JLL. Housing sector is expected to contribute around 11 per cent to India's GDP by 2020. Investment inflows in the housing sector since 2014 have been Rs 590 billion, about 47 per cent of the total invested money in real estate, it said.

New housing launches across top seven cities in India increased 27 per cent year-on-year in January-March 2018.

India is expected to witness an upward rise in the number of real estate deals in 2018, on the back of policy changes that have made the market more transparent.

Sectors such as IT and ITeS, retail, consulting and e-commerce have registered high demand for office space in recent times. Office space demand in the country increased 23 per cent year-on-year in January-March 2018 with office space absorption at 11.4 million square feet during the quarter. Private equity inflows in office and IT/ITES real estate have grown 150 per cent between 2014 and 2017 backed by a strong attraction towards office sector.

### 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:

**1. Pradhan Mantri Awas Yojana**

Some of the recent reforms and policies taken by the Government of India related to real estate sector include the Pradhan Mantri Awas Yojana (PMAY) with the government sanctioning over 3.1 million houses for the affordable housing segment in urban regions till November 2017. Of this, about 1.6 million houses have been grounded and are at various stages of construction, and about 0.4 million houses have been built under the mission.

**2. PPP policy for affordable housing**

PPP policy for affordable housing was also announced on 21<sup>st</sup> September 2017 for affordable housing segment to provide further impetus to the ambitious 'Housing for all by 2022' mission.

**3. Real Estate (Regulation & Development) Act, 2016**

With the enactment of Real Estate (Regulation & Development) Act, 2016, it is anticipated that accountability would lead to higher growth across the real estate value chain, while compulsory disclosures and registrations would ensure transparency.

### GROWTH, OPPURTUNITIES AND CHALLENGES:

The year 2017 as we all know has set a new benchmark for the Indian real estate sector. The implementation of demonetisation in November 2016 had the entire economy reeling until the first quarter of 2017 and the realty segment was not pardoned either, with land sales reaching stagnation due to more involvement of cash transactions. However, this eventually helped reduce land prices thereby making the end products more affordable to the consumers. By April 2017, when the markets were looking to stabilise, RERA and GST were announced in succession which again caused some inertia due to confusion among buyers and developers alike, with both awaiting the final set of RERA notifications/legislation from their respective state regulatory bodies.

### OPPORTUNITIES:

**1. Different Tax Incentives:**

Government is doing its best to help the boost of 'reasonable housing' through different tax incentives and different changes. This will likewise accompany 4% of subsidy, additionally improving the methods of purchasing and offering of a home. As of not long ago, buyers and additionally developers were imposed with numerous duties, for example, service tax, VAT, and excise duty which shifted from state to state. The lack of clarity and high costs deterred them from investing in it. Nonetheless, with the current execution of a standard tax (GST of 12%), the situation is set to change soon.

**2. Past year changes to shape what's to come:**

There have been many changes set by the legislature, including RERA and GST which will influence the market in 2018 as well. For both, home buyers and builders, these changes will create a different outlook on how business is done. There were some unavoidable issues for home buyers when it came to investing in under-developed projects, but now with full transparency, home buyers and designers can have a simple business.

**3. PMAY to take care of housing for all:**

The yearning design of the Prime Minister to construct homes for all by 2022 will definitely get a noteworthy change financially with \$1.3 trillion. This will make 60 million new houses and 2 million occupations throughout the following 4-5 years. Each task is presently getting enrolled under PMAY conspire; the urban real estate segment will see a significant lift in 2018. Affordable housing could rise as the characterizing pattern in 2018.

**4. Clean Capital:**

Because of the absence of transparency in the area, it was hard to get a spotless capital from monetary foundations. In any case, circumstances are different since RERA and Demonetization have had an impact as there has been an entire change in the process of purchasing and offering of a home. Investors and monetary foundations have opened up the road for clean capital. This unquestionably demonstrates the positive picture in 2018.

### CHALLENGES AND THREATS:

**1. Job loss in other sectors affect the Indian real estate sector majorly:**

People earning in the bracket of Rs. 2 million and Rs. 8 million per annum are the major investors in the Indian real estate sector. They thus make up for a huge portion of the factors responsible in the sector's growth. Most people in this category are employees in IT and other service sector companies. According to IIFL (2017) India's IT and BPO sector

employs over 4 million people. However, recently according to many reports, employees working in the middle management of these industries are at a higher risk of job loss due to increased automation and artificial intelligence tools (Money Control, 2017). This affects their ability to purchase a premium or mid-premium house. Thus the issue of job loss has hit the sector directly, and demand for housing will continue to drop (particularly in cities) as a result.

### 2. **Inventory pile-up in the Indian real estate sector:**

The pile up has been caused due to a number of reasons like fall in demand, litigation issues, failure to deliver projects on time, poor planning, etc. This has resulted into 2,50,000 units of unsold residential houses in Delhi-NCR alone. Most of the builders consider unsold flats as work in progress but until the property is sold, they have to pay high interest rate. This also delays launch of new projects.

### 3. **Low rental yield from the Indian real estate sector**

Rental yields in India is among the lowest in the world at 2.2% (Equity master, 2016). This makes buyers looking for property only as investment somewhat skeptical of purchasing. Also gross rental income in the major cities Mumbai, New Delhi, and Bangalore are quite poor despite a consistent rise in property prices (Shanu, 2016; Singh, 2017). This indicates that real estate in India is overpriced in some locations, making it a dull investment option. Thus low rental yield is a major challenge for real estate.

### 4. **High interest rate :**

While compared to countries such as USA and the UK, India's banks are found to give loans at 7-8% higher rates. Currently the rate of interest hovers around 10% which is 3-4 times higher than the interest rate charged by US banks for purchasing a property (IBEF, 2008). The higher the interest rate the lower the demand for property, causing a ripple effect.

### 5. **Difficulty in getting bank loans and delay in possession:**

Home loan seekers commonly face difficulties in procuring a loan from banks and non-banking financial institutions (NBFCs). The top reason is facing rejection of application due to lack of knowledge about documentation and lack of required credit score. Another reason is lack of required sum for down payment on the loan. Furthermore, dilemma in choosing the interest rate, time taken for property evaluation and the lengthy loan disbursement process (Financial Express, 2016). In most cases banks approve loans quickly, they take much longer to disburse the loan. During this period customers are faced with increased costs and waning interest on the property. Despite the launch of friendly mobile applications and instant customer service, this issue remains grave in the financial sector.

## RISKS AND CONCERNS:

1. **Changing demographics** -- aging and urbanizing populations are changing competitive dynamics and creating new markets in real estate.
2. **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.
3. **Global economic and market fluctuations** -- Due to capital flows and business expansion, the real estate industry has become a truly global industry and, as such, is increasingly susceptible to global market fluctuations.
4. **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.

## OUTLOOK

2018 is expected to be a year of consolidation of products and services in the sector - with the impacts of all policy initiatives taken in 2016-17 beginning to take shape in the coming year. More joint ventures/joint developments will be the order of the day with financially distressed developers being taken over by larger players and presenting the industry with a fresh line up of competitors. Completion of existing projects will be prioritized over launching new ones, hence, 2018 looks promising for a good supply of houses across major Indian markets. In order to achieve this, developers will be remodeling their business processes to streamline delivery and allied services, without stretching themselves too much in terms of debt or scope of work.

The Government's efforts to boost "affordable housing" by conferring "infrastructure status" to this segment and announcing various tax incentives will continue to attract more prominent developers to realign their products to compete in this category. The Union Cabinet's decision to increase the carpet area of affordable units to 120 sq.m and 150 sq.m for MIG-I (income category 6-12 Lakhs per annum) and MIG-II (income category of 12-18 Lakhs per annum) segments respectively, coupled with an interest subsidy of upto 4%, will benefit both buyers and sellers as options increase for the former and inventories



are cleared for the latter. Affordable housing will therefore become an important segment in every developer's portfolio in 2018. Developers could also be focusing on their niche expertise in the new year, specializing in the various segments of real estate, e.g., plotted developments, residential projects, townships, and commercial spaces; and hence, specialist service providers could be emerging in each of these categories.

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company has an adequate internal control system, corresponding with the size and nature of its business. The system of internal control is supported by documented policies, guidelines and procedures to monitor business and operational performance which are aimed at ensuring business integrity and promoting operational efficiency.

The Company has an Internal Auditor who oversees the entire internal audit function. However, given the size of its operations in terms of nature of its business, it also uses services of independent audit firms to conduct periodic internal audits in line with an audit plan that is drawn at the beginning of the year. This audit plan, prepared by the Internal Auditor, is approved by the Audit Committee and the Board of Directors.

Internal audit reports are placed periodically before the Audit Committee of the Board of Directors, which reviews the adequacy and effectiveness of the internal control systems and suggests improvements for strengthening them.

### **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. 2141.91 Lakhs only & Hospitality segment total Revenue was Rs. 240.00 Lakhs only. The Total Profit Before Tax for the Company was Rs. 87.38 Lakhs only & Total Profit After Tax for the Company was Rs. 65.64 Lakhs only.

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

The Company achieved a turnover of Rs. 2381.91 Lakhs only and The Total Profit Before Tax for the Company was Rs. 87.38 Lakhs only & Total Profit After Tax for the Company was Rs. 65.64 Lakhs only.

### **HUMAN RESOURCES**

Given the highly specialized nature of the Company's business and the large number of locations where it operates, attracting and nurturing the right talent is at the core of your Company's strategy for success and growth. Accordingly, the HR function is organised into three key areas: customer acquisition, resort operations and corporate functions. During the year, focus was on building capabilities through a structured approach to drive the Company's performance. This encompassed implementing changes across all components of the HR function: recruitment, employee engagement, reward and recognition, skill upgrading, talent management, organisational culture and employee relations. The Company organizes a TOP GUN training program where promising young employees are trained to become next level managers. There are 73 permanent Employees on the Rolls of the Company as on 31<sup>st</sup> March, 2018.

### **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 Guaranty 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.



## **COUNTRY CONDO'S LIMITED**



Company's Immovable property situated at No.20/1-524, Sy No: 20/1, Geddanahalli, Attibele Hobli, Anekal Taluk, Bangalore District Pin-562107.

- b) The Company has given the Corporate Guaranty 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 : 13-08-2018

**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 2018**  
**[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	89.92%
2	Hospitality Services	5510	10.08%

**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	41946222	0	41946222	54.06	1.31
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	41946222	0	41946222	54.06	1.31
(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</b>									
<b>(A) = (A)(1)+(A)(2)</b>	<b>40934446</b>	<b>0</b>	<b>40934446</b>	<b>52.75</b>	<b>41946222</b>	<b>0</b>	<b>41946222</b>	<b>54.06</b>	<b>1.31</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.	1016701	7500	1024201	1.32	853948	7500	861448	1.11	(0.21)
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 Lakhs	17672258	6058644	23730902	30.58	17465647	5973544	23439191	30.21	(0.37)
ii) Individual shareholders holding nominal share capital in excess of Rs 2 Lakhs	10307553	0	10307553	13.28	9728256	0	9728256	12.54	(0.74)
c) Others									
i) NRI's	271652	1006800	1278452	1.65	360037	1004800	1364837	1.76	0.11
ii) Clearing Members	321746	0	321746	0.41	257346	0	257346	0.33	0.08
<b>Sub-total (B)(2):-</b>	<b>29589910</b>	<b>7072944</b>	<b>36662854</b>	<b>47.25</b>	<b>28665234</b>	<b>6985844</b>	<b>35651078</b>	<b>45.94</b>	<b>(1.31)</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>29589910</b>	<b>7072944</b>	<b>36662854</b>	<b>47.25</b>	<b>28665234</b>	<b>6985844</b>	<b>35651078</b>	<b>45.94</b>	<b>(1.31)</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>70524356</b>	<b>7072944</b>	<b>77597300</b>	<b>100</b>	<b>70611456</b>	<b>6985844</b>	<b>77597300</b>	<b>100</b>	<b>0</b>

## COUNTRY CONDO'S LIMITED



### 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	39855121	51.36	0	1.31
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>41946222</b>	<b>54.06</b>	<b>0</b>	<b>1.31</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):	1.31.10.2017 -851826 Equity Shares by Y. Rajeev Reddy 2.29.11.2017- 159950 Equity Shares by Y.Rajeev Reddy	1.31	1011776	1.31
3	At the End of the year	<b>41946222</b>	<b>54.06</b>	<b>41946222</b>	<b>54.06</b>

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

SHAREHOLDING AT THE BEGINNING OF THE YEAR				SHAREHOLDING AT THE BEGINNING OF THE YEAR			
S.No	Name	No. of shares	% of total shares of the Company	S.No.	Name	No. of shares	% of total shares of the Company
1	PEETHALA KRUPAVARAM	851826	1.10	1	VENKATA VARA PRASAD PASUMARTHY	1320893	1.70
2	VENKATA VARA PRASAD PASUMARTHY	788726	1.02	2	KAMBAMPATI NAGA VENKATABHAGYA LAKSHMIANJANIBABY	821656	1.06
3	TONTEPU GOPALA KRISHNA	742950	0.96	3.	GANDRA SAROJA	760673	0.98
4	GANDRA SAROJA	655673	0.84	4.	GANDRA SRINIVASA REDDY	582049	0.75
5	KAMBAMPATI NAGA VENKATABHAGYA LAKSHMIANJANIBABY	639127	0.82	5.	SANTOSH SHARMA	500000	0.64
6	GAMINI V NARAYANA RAO	532167	0.69	6.	SUNEETHA MARGANI	486378	0.63
7	SUNEETHA MARGANI	486378	0.63	7.	RL SWAMY NAMBURI	396750	0.51
8	D KAVITHA	321123	0.41	8.	D KAVITHA	321123	0.41
9	RATNA SRINIVAS THONDEPU	314600	0.41	9.	RATNA SRINIVAS THONDEPU	314600	0.41
10	PUNEET JAIN	297000	0.38	10.	PUNEET JAIN	297000	0.38

## COUNTRY CONDO'S LIMITED



### 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	39855121	51.36
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 Samreddy Bal Reddy	0	0.00	0	0.00
8	Shri Godha Venkateshwar Rao	0	0.00	0	0.00
9	ShriAthmuriVSBLaxmipathi Rao	0	0.00	0	0.00
10	Shri. K. Subramanyam Raju	0	0.00	0	0.00
11	Shri Laxmikanth Jakhotia (Company Secretary)	0	0.00	0	0.00
12	Shri Gandhi Upputuri (CFO)	0	0.00	0	0.00

### 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	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>
<b>Change in Indebtedness during the financial year</b>				
• Addition	24,91,000	1,10,00,000	-	1,34,91,000
• Reduction	7,29,116	-	-	7,29,116
<b>Net Change</b>	<b>17,61,884</b>	<b>1,10,00,000</b>	<b>-</b>	<b>1,27,61,884</b>
<b>Indebtedness at the end of the financial year</b>				
i)Principal Amount	28,32,280	1,10,00,000	-	1,38,32,280
ii) Interest due but not paid	-	74,250	-	74,250
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>28,32,280</b>	<b>1,10,74,250</b>	<b>-</b>	<b>1,39,06,530</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
		Smt. Manjula Reddy	Sri Godha Venkateshwar Rao	Sri. K. Subramanyam Raju	Sri Samreddy Bal Reddy	Sri Vanarasi Kodanda Ramudu	Sri Athmuri VSB Laxmipathi Rao	
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							

## COUNTRY CONDO'S LIMITED



### 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, 2018

(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

We were 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, 2018.

We 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**

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

We 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**

We 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, 2018 & Based on our 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, We hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2018, 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 We 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 31.03.2018 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

We have examined the registers, records and documents of the Company for the period commencing from 1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2018 for compliances of provisions.

Based on our examination and verification of the registers, records and documents produced to us and according to the information and explanations given to us by the Company, We report that the Company has, in our 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 30<sup>th</sup> Annual General Meeting held on 28<sup>th</sup> September, 2017;
- (h) Minutes of General Meetings;
- (i) Approvals of the Members, the Board of Directors, the Committees of Directors and government authorities, wherever required;

## COUNTRY CONDO'S LIMITED



- (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.

### **We 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.

We 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.

For and Behalf of  
**Gopal Dhanaji & Associates**  
Company Secretaries

**Gopal Biradar Dhanaji**  
Proprietor  
FCS No. 7676  
C. O. P # 8415

Place: Hyderabad  
Date: 13-08-2018

## **ANNEXURE - "A" TO DIRECTORS REPORT- CORPORATE GOVERNANCE**

**(Pursuant to Clause 49 of the Listing Agreement)**

### **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, 2018.
- 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, 2017, 28<sup>th</sup> June, 2017, 11<sup>th</sup> August, 2017, 14<sup>th</sup> November, 2017, and 13<sup>th</sup> February, 2018.

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

## COUNTRY CONDO'S LIMITED



D. Krishna Kumar Raju	Vice-Chairman & CEO	9 Public Companies & 7 Private Companies	Nil	5	Yes
Y. Manjula Reddy	Non-Executive Director	8 Public Companies & 4 Private Companies	Nil	4	No
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	4	Yes
VK Ramudu	Independent Non-Executive	Nil	Nil	4	Yes
K. Subramanyam Raju	Independent Non-Executive	Nil	Nil	2	Yes
K. Satyanarayana Raju*	Independent Non-Executive	Nil	Nil	2	No

\*Sri K. Satyanarayana Raju has resigned from the Board, subsequently Sri K. Subramanyam Raju was appointed as Additional Director w.e.f 28<sup>th</sup> June, 2017. Further Sri K. Subramanyam Raju was regularized in the previous Annual General Meeting held on 28<sup>th</sup> September, 2017.

- 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,

## COUNTRY CONDO'S LIMITED



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 the Vice-Chairman & CEO.

### 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 G. Venkateshwar Rao, Chairman	} Independent Directors
2. Sri S. Bal Reddy, Member	
3. Sri A. VSB Laxmipathi Rao, Member	

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 2017; 11<sup>th</sup> August 2017; 14<sup>th</sup> November 2017 and 13<sup>th</sup> February 2018. Following are the attendance of each member in the Audit Committee Meetings:

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

The previous Annual General Meeting of the Company was held on 28<sup>th</sup> September, 2018 & Sri G.Venkateshwar Rao, Chairman of the Audit Committee, attended previous AGM.

#### **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 G. Venkateshwar Rao	Independent, Non-Executive	Chairman
Sri 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.,

No meeting of Nomination and Remuneration Committee held during the year 2017-18.

**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 2017-2018.

**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 A. VSB Laxmipathi Rao*	Independent, Non-Executive	Member

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

The Company did not received any Investor Grievances during the year 2017 - 2018 hence, No complaints were outstanding as on 31<sup>st</sup> March, 2018.

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
30 <sup>th</sup> AGM 2016-2017	CROWN VILLA GARDENS, 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad - 500 003	28-09-2017 11.30 A.M.	No Special Resolutions were 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

**No Resolutions were passed through Postal Ballot during the financial year 2017-18**

**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 31st 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 a 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 2018-2019.

**11. GENERAL SHARE HOLDER INFORMATION:**

<b>(I) Annual General Meeting</b>		
Date	29 <sup>th</sup> September, 2018	
Time	11.30 A.M	
Venue	Crown Villa Gardens, 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad - 500 003	
<b>(II) Financial Calendar</b>		
	1 <sup>st</sup> April to 31 <sup>st</sup> March	
<b>(III) Date of Book Closure</b>		
	22 <sup>nd</sup> September, 2018 to 29 <sup>th</sup> September, 2018 (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>		
Bombay Stock Exchange Ltd	<b>Scrip Code</b> 531624	<b>Scrip ID</b> COUNCODOS
National Stock Exchange of India Limited	COUNCODOS	
<b>Dematerialization of Securities</b>		
	ISIN: INE 695 B01025	



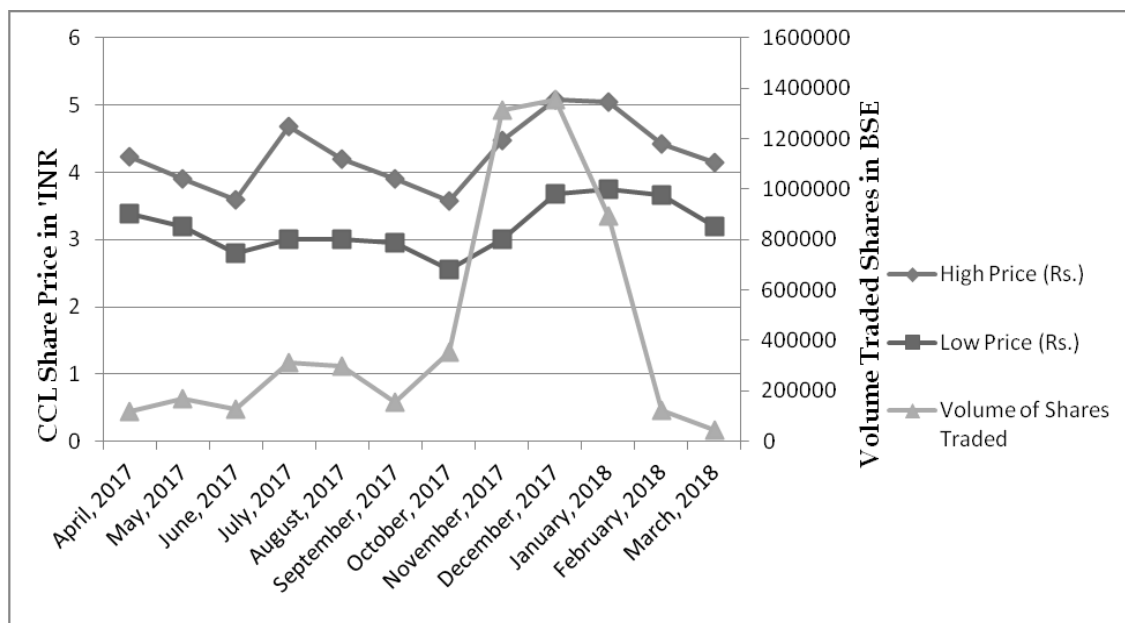
## COUNTRY CONDO'S LIMITED



### 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, 2017	4.23	3.38	119256
May, 2017	3.91	3.20	168895
June, 2017	3.60	2.79	126860
July, 2017	4.69	3.00	310867
August, 2017	4.20	3.00	298115
September, 2017	3.90	2.96	153661
October, 2017	3.57	2.55	354826
November, 2017	4.48	3.00	1313092
December, 2017	5.08	3.68	1356341
January, 2018	5.04	3.75	895693
February, 2018	4.43	3.67	122764
March, 2018	4.15	3.20	45395

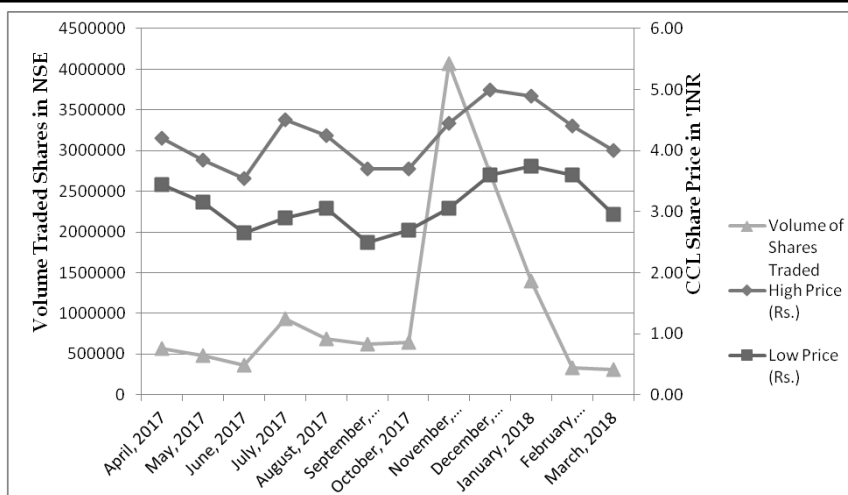


## COUNTRY CONDO'S LIMITED



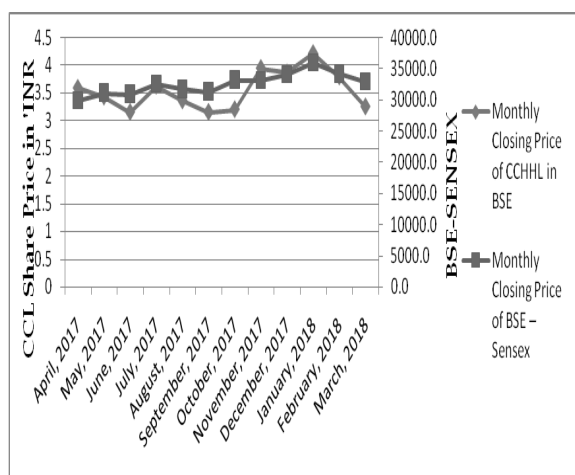
b) Company's shares are being traded on NSE, the high and low prices during each month are given below:

Month	National Stock Exchange of India Limited		
	High Price (Rs.)	Low Price (Rs.)	Volume of Shares Traded
April, 2017	4.20	3.45	568248
May, 2017	3.85	3.15	485665
June, 2017	3.55	2.65	362727
July, 2017	4.50	2.90	932900
August, 2017	4.25	3.05	686332
September, 2017	3.70	2.50	624675
October, 2017	3.70	2.70	639860
November, 2017	4.45	3.05	4069765
December, 2017	5.00	3.60	2724136
January, 2018	4.90	3.75	1402332
February, 2018	4.40	3.60	326862
March, 2018	4.00	2.95	313127



c) Stock Performance in comparison to broad based indices such as BSE Senses:

MONTH	Monthly Closing Price of CCL in BSE	Monthly Closing Price of BSE - Sensex
April, 2017	3.59	29918.4
May, 2017	3.43	31145.8
June, 2017	3.15	30921.6
July, 2017	3.63	32514.9
August, 2017	3.36	31730.5
September, 2017	3.15	31283.7
October, 2017	3.20	33213.1
November, 2017	3.95	33149.4
December, 2017	3.87	34056.8
January, 2018	4.22	35965.0
February, 2018	3.80	34184.0
March, 2018	3.25	32968.7

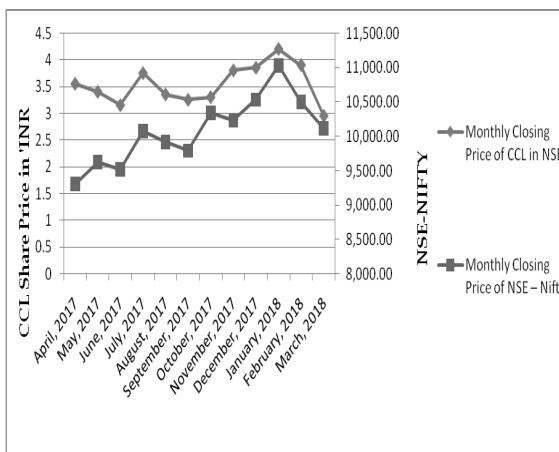


## COUNTRY CONDO'S LIMITED



d) Stock Performance in comparison to broad based indices such as NSE Nifty:

MONTH	Monthly Closing Price of CCL in NSE	Monthly Closing Price of NSE - Nifty
April, 2017	3.55	9,304.05
May, 2017	3.40	9,621.25
June, 2017	3.15	9,520.90
July, 2017	3.75	10,077.10
August, 2017	3.35	9,917.90
September, 2017	3.25	9,788.60
October, 2017	3.30	10,335.30
November, 2017	3.80	10,226.55
December, 2017	3.85	10,530.70
January, 2018	4.20	11,027.70
February, 2018	3.90	10,492.85
March, 2018	2.95	10,113.70



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

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

(IX) Registrar & Transfer Agent:

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

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

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

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. Aarhi 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. Aarhi 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 within 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.

## COUNTRY CONDO'S LIMITED



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 31-03-2018

No. of Shares Slab	No. of Shareholders		Total No. of Shares & Amount		
	Total No. Share Holder	Holders%	Total No. of Shares	Total No. of Amount	Amount%
1 - 5000	8277	88.77	9213179	9213179	11.87
5001 - 10000	603	6.47	4366476	4366476	5.63
10001 - 20000	251	2.69	3604287	3604287	4.64
20001 - 30000	74	0.79	1901990	1901990	2.45
30001 - 40000	20	0.21	707866	707866	0.91
40001 - 50000	25	0.27	1145259	1145259	1.48
50001 - 100000	46	0.49	3346787	3346787	4.31
100001 & Above	28	0.30	53311456	53311456	68.70
<b>Total:</b>	<b>9324</b>	<b>100</b>	<b>77597300</b>	<b>77597300</b>	<b>100</b>

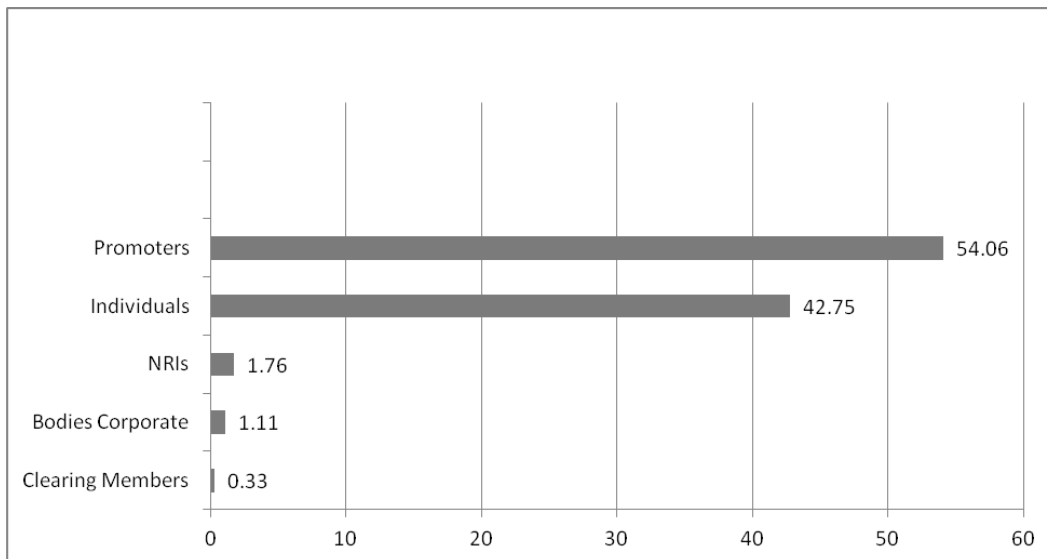
**COUNTRY CONDO'S LIMITED**

**(XII) According to the categories of Shareholding as on 31-03-2018**

	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	41946222	54.06
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>41946222</b>	<b>54.06</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>41946222</b>	<b>54.06</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	861448	1.11
b.	Individuals		
	i) Individual Shareholders holding Nominal Share Capital upto Rs. 2 Lakh	23439191	30.21
	ii) Individual Shareholders holding Nominal Share Capital in excess of Rs. 2 Lakh	9728256	12.54
	Others:		
c.	Non- Residents Individuals	1364837	1.76
d.	Overseas Corporate Bodies	---	---
e.	Trusts	---	---
f.	Employees	---	---
g.	Clearing Members	257346	0.33
	<b>Sub-Total (B)(2)</b>	<b>35651078</b>	<b>45.94</b>
	<b>Total Public Shareholding B = (B)(1) + (B)(2)</b>	<b>35651078</b>	<b>45.94</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 2018:**

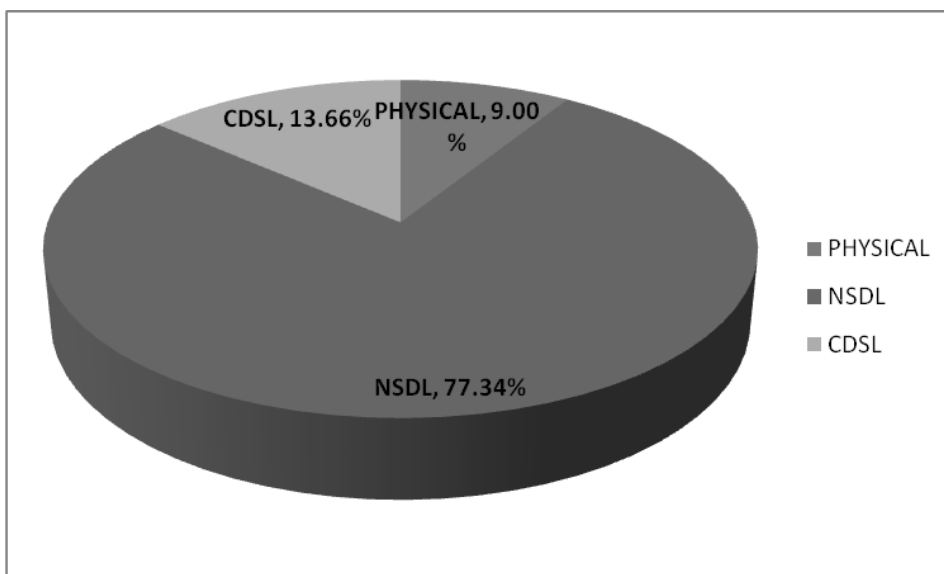


**(XIII) Dematerialization of shares & liquidity**

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:**

70611456 Shares representing 91.00% of the Company's total equity share capital were held in dematerialized form of which 77.34% was held in National Securities Depository Limited (NSDL) and 13.66% was held in Central Depository Services (India) Limited (CDSL) as on 31<sup>st</sup> March, 2018.



## 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, CONVERSATION DATE AND LIKELY IMPACT ON EQUITY.**

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

### **(XVI) RECONCILIATION OF SHARE CAPITAL AUDIT:**

M/s. Gopal Dhanaji & Associates, Company Secretaries represented by Mr. Gopal Biradar Dhanaji (Membership No. FCS 7676), 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: 040-66533618  
Email: [info@countrycondos.co.in](mailto:info@countrycondos.co.in)  
[countrycondos@gmail.com](mailto:countrycondos@gmail.com)

### **(XIX) DEPOSITORY SERVICES:**

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

#### **M/s. National Securities Depository Limited**

Trade World, 4<sup>th</sup> Floor, Kamala Mills Compound  
Senapati Bapat Marg, Lower Parel, Mumbai - 400 013  
Tel : 091-022-24972964-70  
Fax : 091-022-24972993-24976351  
Email : [info@nsdl.co.in](mailto:info@nsdl.co.in)

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

Phiroze Jeejeebhoy Towers  
28<sup>th</sup> Floor, Dalal Street, Mumbai - 400 023  
Tel : 091-022-22723333  
Fax : 091-022-22723199  
Email : [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 Jakhota, Company Secretary as the Compliance Officer for this purpose. The code is applicable to all such employees of the Company who are expected to have access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism. The code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them.



**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.	Yes
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 : 13-08-2018

**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, 2018 compliance with the code of conduct of the Company laid down for them.

Place : Hyderabad  
Date : 13.08.2018

**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, 2018 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 : 30-05-2018

**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, 2018 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 C N & Associates  
(Formerly known as Chandrababu Naidu & Co.,)  
Chartered Accountants  
Firm Registration No.: 016016S**

**Chandra Babu M  
Partner  
Membership No. 227849**

PLACE: HYDERABAD  
Date : 30<sup>th</sup> May, 2018



## **INDEPENDENT AUDITOR'S REPORT**

**To the Members of COUNTRY CONDO'S LIMITED**

### **REPORT ON THE IND AS FINANCIAL STATEMENTS**

We have audited the accompanying Ind AS financial statements of **M/s COUNTRY CONDO'S LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (Including other Comprehensive Income) and Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information. (Herein after referred to as "Ind AS Financial Statement")

### **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 and presentation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance (including the other comprehensive income), cash flows and Statement of Changes in Equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the relevant rules issued here under. This responsibility 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 are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS 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 Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements:

### **OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including Ind AS of the financial position of the Company as at 31<sup>st</sup> March 2018, and its financial performance including other comprehensive income, its cash flow and changes in the equity 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.

## COUNTRY CONDO'S LIMITED



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 (including Other Comprehensive Income), the Cash Flow Statement and the Statement of changes in Equity dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid IndAS financial statements comply with the applicable Indian Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under.
  - e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company during the year ended 31<sup>st</sup> March 2018.

**Yours faithfully,**  
**For P C N & Associates**  
**(Formerly known as Chandrababu Naidu & Co.,)**  
**Chartered Accountants**  
**FRN: 016016S**

**Chandra Babu M**  
**Partner**  
**M.No: 227849**

Place: Hyderabad  
Date : 30<sup>th</sup> May, 2018

## Annexure A to the Auditors Report

**Annexure referred to in Independent Auditors Report to the Members of COUNTRY CONDO'S LIMITED on the Ind AS financial statements for the year ended 31<sup>st</sup> March 2018, we report that:**

- 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 physically verified by the management at regular intervals; as informed to us 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, and Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said order are not applicable to the company.
- iv. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013 and rules framed there under to the extent notified.
- v. Maintenance of cost records have not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act 2013 for the products and services, are not applicable to the company.
- vi. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Custom Duty, Goods and Services Tax and other material statutory dues, as applicable, with the appropriate authorities in India ;  
(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Custom Duty, Goods and Services Tax and other material statutory dues in arrears as at 31<sup>st</sup> March 2018 for a period of more than 6 months for the date they became payable.  
(c) According to the information and explanations given to us and based on the records of the company examined by us, there are no material dues of Income Tax and any other material statutory dues which have not been deposited on account of any dispute.
- vii. In our opinion, and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institution or banks or Government or dues to debenture holders as at the balance sheet date.
- viii. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of this clause are not applicable to the company.
- ix. 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 course of our Audit.
- x. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V to the Act.

## COUNTRY CONDO'S LIMITED



- xi. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the Provisions of clause 3(xii) of the order are not applicable to the company.
- xii. The Company has entered into transactions with related parties in compliance with the provisions of section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting standard (AS) 24, related party disclosures specified under section 133 of the Act, read with relevant rules issued there under.
- xiii. The Company has made private placement of shares during the year in compliance with the provisions of Companies Act 2013. The amounts raised have been applied for the purpose for which the funds were raised.
- xiv. The Company has not entered into non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of clause 3(xv) of the Order are not applicable to the Company.
- xv. The Company is not required to be registered under section 45-IA of The Reserve Bank of India Act 1934. Accordingly, the provisions of clause 3(xvi) of the order are not applicable to the Company.

**Yours faithfully,**  
**For P C N & Associates**  
**(Formerly known as Chandrababu Naidu & Co.,)**  
**Chartered Accountants**  
**FRN: 016016S**

**Chandra Babu M**  
**Partner**  
**M.No: 227849**

Place: Hyderabad  
Date : 30<sup>th</sup> May, 2018

## Annexure B to the Independent Auditor's Report

### Report on the Internal Financial Controls under clause (i) of the Sub-section 3 of the Section 143 of the Companies Act, 2013 ('The Act')

We have audited the internal financial controls over financial reporting of Country Condos Limited ('the company') as of 31<sup>st</sup> march 2018 in conjunction with our audit of Ind AS 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 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 Act.

#### 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 deed to be prescribed under section 143(10) of the Act 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 ICAI. These standards and guidance note require that we comply with ethical requirements and plan and performed the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 Auditor's Judgment, including the assessment of the risk 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 and the company's internal financial control 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 these policies and procedures that (1) pertain to the maintenance of records that, in reasonable detailed, 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 Ind AS financial statements in accordance with generally accepted principles, and that receipts and expenditures of the company are being made only in accordance with authorization of 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 Ind AS financial statements.

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

Because of the inherent limitation 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 March 31st, 2018, 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.

**Yours faithfully,  
For P C N & Associates  
(Formerly known as Chandrababu Naidu & Co.,)  
Chartered Accountants  
FRN: 016016S**

**Chandra Babu M  
Partner  
M.No: 227849**

Place: Hyderabad  
Date : 30<sup>th</sup> May, 2018



## COUNTRY CONDO'S LIMITED

Balance Sheet as at 31<sup>st</sup> March, 2018

Particulars	Note No	As at	As at	As at
		31-03-2018	31-03-2017	01-04-2016
		(₹)	(₹)	(₹)
<b>ASSETS</b>				
<b>1 Non-current assets</b>				
(a) Property, Plant and Equipment	1	5,09,44,156	5,04,78,220	5,25,75,125
<b>2 Current assets</b>				
(a) Inventories	2	13,12,98,039	10,27,15,169	14,37,29,284
(b) Financial Assets				
(i) Cash and Cash equivalents	3	2,74,84,084	4,39,72,571	2,80,57,227
(c) Other current assets	4	6,05,99,211	7,18,99,625	4,64,40,742
<b>Total</b>		<b>27,03,25,490</b>	<b>26,90,65,585</b>	<b>27,08,02,378</b>
<b>EQUITY AND LIABILITIES</b>				
<b>1 Equity</b>				
(a) Equity Share Capital	5	7,75,97,300	7,75,97,300	7,75,97,300
(b) Other Equity	6	10,18,30,543	9,52,66,125	8,88,62,365
<b>LIABILITIES</b>				
<b>2 Non-Current Liabilities</b>				
(a) Financial Liabilities				
(i) borrowings	7	28,32,280	10,70,396	18,38,096
(b) Deferred tax liabilities (Net)	8	23,34,545	27,05,633	25,74,605
<b>3 Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	9	1,10,74,250	-	-
(ii) Trade Payables	10	29,91,914	36,46,587	34,60,181
(b) Other current liabilities	11	6,05,96,797	8,31,18,141	8,90,40,588
(c) Provisions	12	1,10,67,861	56,61,403	74,29,243
<b>Total</b>		<b>27,03,25,490</b>	<b>26,90,65,585</b>	<b>27,08,02,378</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 C N & Associates**

(Formerly known as Chandrababu Naidu & Co.,)  
Chartered Accountants  
FRN: 016016S

**Chandra Babu.M**  
Partner  
Membership No. 227849

**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 : 30-05-2018

## COUNTRY CONDO'S LIMITED

Statement of Profit and Loss for the Year Ended 31<sup>st</sup> March, 2018

Particulars	Note No	For the Year Ended		
		31-03-2018	31-03-2017	
		(₹)	(₹)	
<b>I</b>	(a) Revenue from Operations	13	23,81,90,913	27,12,01,303
	(b) Other Income	14	-	6,000
	<b>Total Revenue (a+b)</b>		<b>23,81,90,913</b>	<b>27,12,07,303</b>
<b>II</b>	<b>Expenses</b>			
	(a) Cost of materials consumed	15	71,20,144	67,80,463
	(b) Purchase of Land / Development	16	17,98,26,775	14,94,10,371
	(c) (Increase)/ Decrease in inventories	17	(2,86,30,991)	4,09,54,500
	(d) Employee benefit expense	18	3,07,60,699	2,76,39,190
	(e) Other Expenses	19	3,74,39,799	3,37,69,873
	(f) Depreciation	1	29,36,752	27,90,694
	<b>Total Expenses</b>		<b>22,94,53,178</b>	<b>26,13,45,091</b>
<b>III</b>	<b>Profit/(Loss) before Exceptional Items and tax (I-II)</b>		<b>87,37,735</b>	<b>98,62,212</b>
<b>IV</b>	Exceptional Items		-	-
<b>V</b>	<b>Profit/(Loss) before tax (III-IV)</b>		<b>87,37,735</b>	<b>98,62,212</b>
<b>VI</b>	Tax expense:			
	(1) Income Tax		25,44,405	33,27,424
	(2) Deferred tax		(3,71,088)	1,31,028
<b>VII</b>	<b>Net Profit / (Loss) after Tax (V-VI)</b>		<b>65,64,418</b>	<b>64,03,760</b>
<b>VIII</b>	Other comprehensive Income (net of Tax)		-	-
<b>IX</b>	<b>Total Comprehensive Income (VII+VIII) (comprising Profit/(Loss) and other Comprehensive Income)</b>		<b>65,64,418</b>	<b>64,03,760</b>
<b>X</b>	Paid-up Equity Share Capital (face value:Rs.1per share)		7,75,97,300	7,75,97,300
<b>XI</b>	Earning per equity share: (Refer Note No.21)			
	(1) Basic		0.08	0.08
	(2) Diluted		0.08	0.08

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 C N & Associates**

(Formerly known as Chandrababu Naidu &amp; Co.,)

Chartered Accountants

FRN: 016016S

**Chandra Babu.M**

Partner

Membership No. 227849

**Y. Rajeev Reddy**

Chairman &amp; Director

DIN. 00115430

**U. Gandhi**

Chief Financial Officer

**For COUNTRY CONDO'S LIMITED****D. Krishna Kumar Raju**

Vice Chairman &amp; CEO

DIN. 00115553

**Laxmikanth Jakhotia**

Company Secretary

Place : Hyderabad

Date : 30-05-2018

## COUNTRY CONDO'S LIMITED

Cash Flow Statement For The Year Ended On 31<sup>st</sup> March 2018

Particulars	For the Year Ended	
	31-03-2018	31-03-2017
	(₹)	(₹)
<b>A</b>		
<b>Cash Flow from Operating activities :</b>		
<b>Net Profit after Interest &amp; Depreciation but before Tax</b>	87,37,735	98,62,212
Depreciation	29,36,752	27,90,694
Interest paid	2,10,801	1,53,378
<b>Operating Profit before working capital changes</b>	<b>1,18,85,288</b>	<b>1,28,06,284</b>
<b>Adjustments for :</b>		
Provisions	54,06,458	(17,67,840)
Trade and Other Payables	(2,57,20,422)	(90,63,465)
Inventories	(2,85,82,870)	4,10,14,115
Other Current Assets	1,13,00,414	(2,54,58,883)
<b>Cash generated from operations</b>	<b>(2,57,11,132)</b>	<b>1,75,30,211</b>
<b>Net Cash flow from Operating activities (before &amp; after extraordinary items) " A "</b>	<b>(2,57,11,132)</b>	<b>1,75,30,211</b>
<b>B</b>		
<b>Net Cash from Investing activities :</b>		
Purchase of Property, Plant and Equipment	(34,02,688)	(6,93,789)
<b>Net cash flow from Investing activities " B "</b>	<b>(34,02,688)</b>	<b>(6,93,789)</b>
<b>C</b>		
<b>Cash Flow from Financing activities</b>		
Interest paid	(2,10,801)	(1,53,378)
Long-Term Borrowings	17,61,884	(7,67,700)
Short-Term Borrowings	1,10,74,250	-
<b>Net Cash flow from Financing activities " C "</b>	<b>1,26,25,333</b>	<b>(9,21,078)</b>
<b>D</b>		
<b>Net ( Decrease ) / Increase in Cash and Cash Equivalents ( A + B + C )</b>	<b>(1,64,88,487)</b>	<b>1,59,15,344</b>
Cash and Cash Equivalents at the beginning	4,39,72,571	2,80,57,227
Cash and Cash Equivalents at the end	<b>2,74,84,084</b>	<b>4,39,72,571</b>

AS PER OUR REPORT OF EVEN DATE

**For P C N & Associates**

(Formerly known as Chandrababu Naidu &amp; Co.,)

Chartered Accountants

FRN: 016016S

**For and on behalf on the Board****Chandra Babu.M**

Partner

Membership No. 227849

**Y. Rajeev Reddy**

Chairman &amp; Director

DIN. 00115430

**D. Krishna Kumar Raju**

Vice Chairman &amp; CEO

DIN. 00115553

**U. Gandhi**

Chief Financial Officer

**Laxmikanth Jakhotia**

Company Secretary

Place : Hyderabad

Date : 30-05-2018

**1. General Information**

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.

**2. Basis of preparation of financial statements****2.1. Statement of Compliance**

The financial statements have been prepared in accordance of Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules 2015 notified under Section 133 of Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

The Company's financial statements up to and for the year ended March 31, 2016 were prepared in accordance with the Companies (Accounting Standards) Rules 2006, notified under Section 133 of Companies Act 2013 (the 'Act') and other relevant provisions of the Act.

As these are the first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied.

**2.2. Basis of measurement**

These financial statements have been prepared on the historical cost convention and on an accrual basis, except for the following material items in the statement of financial position:

- certain financial assets and liabilities are measured at fair value;
- employee defined benefit assets/(liability) are recognized as the net total of the fair value of plan assets, plus actuarial losses, less actuarial gains and the present value of the defined benefit obligation;
- long term borrowings are measured at amortized cost using the effective interest rate method.

**2.3. Functional currency**

The financial statements are presented in Indian rupees, which is the functional currency of the Company. Functional currency of an entity is the currency of the primary economic environment in which the entity operates.

All amounts are in Indian Rupees except share data, unless otherwise stated.

**2.4. Operating cycle**

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

**Assets:**

An asset is classified as current when it satisfies any of the following criteria:

- a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is expected to be realized within twelve months after the reporting date; or
- d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

**Liabilities:**

A liability is classified as current when it satisfies any of the following criteria:

- a) it is expected to be settled in the Company's normal operating cycle;
- b) it is held primarily for the purpose of being traded;
- c) it is due to be settled within twelve months after the reporting date; or
- d) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current assets/ liabilities include the current portion of non-current assets/ liabilities respectively. All other assets/ liabilities are classified as non-current.

### **2.5. Critical accounting judgments and key sources of estimation uncertainty operating cycle**

In the application of the Company's accounting policies, which are described in note 3, the management of the Company are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the areas of estimation uncertainty and critical judgements that the management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements:

#### ***Provision and contingent liability***

On an ongoing basis, Company reviews pending cases, claims by third parties and other contingencies. For contingent losses that are considered probable, an estimated loss is recorded as an accrual in financial statements. Loss Contingencies that are considered possible are not provided for but disclosed as Contingent liabilities in the financial statements. Contingencies the likelihood of which is remote are not disclosed in the financial statements. Gain contingencies are not recognized until the contingency has been resolved and amounts are received or receivable.

#### ***Useful lives of depreciable assets***

Management reviews the useful lives of depreciable assets at each reporting. As at March 31, 2018 management assessed that the useful lives represent the expected utility of the assets to the Company. Further, there is no significant change in the useful lives as compared to previous year.

### **3. Significant accounting policies**

#### **3.1. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the amount can be reliably measured.

- Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, volume rebates and VAT/ GST are recognised when all significant risks and rewards of ownership of the goods sold are transferred.
- Revenue from the sale of goods includes excise duty.
- Dividend income is accounted for when the right to receive the income is established.
- Revenue from Sale of plots is recognised when registrations of individual plots are completed.

Completed service contact 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.

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.

#### **3.2. Borrowing costs**

Specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing cost includes interest expense, amortization of discounts, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

**3.3. Taxation**

Income Tax expense consists of Current and Deferred Tax. Income Tax expense is recognized in the Income Statement except to the extent that it relates to items recognized directly in Equity, in which case it is recognized in Equity.

**Current tax:**

Current Tax is the expected tax payable on the Taxable Income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

**Deferred tax:**

Deferred Tax is recognized using the Balance Sheet method, providing for temporary differences between the carrying amounts of Assets and Liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred Tax is not recognized for the following temporary differences: the initial recognition of Assets or Liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit; differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future; and taxable temporary differences arising upon the initial recognition of goodwill. Deferred Tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred Tax Assets and Liabilities are offset if there is a legally enforceable right to offset Current Tax Liabilities and Assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax Liabilities and Assets on a net basis or their Tax Assets and Liabilities will be realized simultaneously.

A Deferred Tax Asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred Tax Assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

**3.4. Earnings per share**

The Company presents basic and diluted earnings per share ("EPS") data for its ordinary shares. The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is computed by dividing the net profit attributable to equity shareholders for the year relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share.

**3.5. Property, plant and equipment**

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any. Expenditure incurred after the PPE have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 - Property, Plant and Equipment.

**3.6. Depreciation**

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment.

*Notes and other explanatory information to financial statements for the year ended March 31, 2018*

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company.

The Company has componentised its PPE and has separately assessed the life of major components. In case of certain classes of PPE, the Company uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets.

**Such classes of assets and their estimated useful lives are as under:**

Particulars	Useful life
Buildings	30 years
Plant and Machinery	15 years
Electrical Equipment	5 years
Office Equipment	5 years
Computers - Laptops & Desktops	3 years
Computers - Servers	6 Years
Furniture and Fixtures	10 years
Vehicles - Four Wheelers	8 years
Vehicles - Two Wheelers	10 years
Leasehold Improvements	10 years

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the date of deduction/disposal.

**3.7. Cash and cash equivalents**

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

**3.8. Cash flow statement**

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a 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. Bank overdrafts are classified as part of cash and cash equivalent, as they form an integral part of an entity's cash management.

**3.9. Provisions**

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

**3.10. Contingent liabilities & contingent assets**

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs.

**COUNTRY CONDO'S LIMITED - 2017-18**  
**NOTE NO. 1 : Property, Plant and Equipment**

DESCRIPTION OF ASSET	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 01/04/2017	Additions during the year	Deletions during the year	Total as at 31/03/2018	Upto 31-03-2017	For the year	Adjustments during the year	Total as at 31/03/2018	As at 31/03/2017	As at 31/03/2018
<b>I. Property</b>										
(a) Land & Site Development	1,91,48,091	-	-	1,91,48,091	-	-	-	-	-	1,91,48,091
(b) Buildings	2,44,61,424	-	-	2,44,61,424	45,87,429	7,69,709	-	53,57,138	1,91,04,286	1,98,73,995
<b>Total</b>	<b>4,36,09,515</b>	-	-	<b>4,36,09,515</b>	<b>45,87,429</b>	<b>7,69,709</b>	-	<b>53,57,138</b>	<b>3,82,52,377</b>	<b>3,90,22,086</b>
<b>II. Plant and Equipment</b>										
(a) Plant & Machinery	57,71,698	-	-	57,71,698	19,32,959	3,86,817	-	23,19,776	34,51,922	38,38,739
(b) Office Equipment	18,07,177	79,199	-	18,86,376	11,81,259	2,07,180	-	13,88,439	4,97,937	6,25,918
(c) Furniture & Fixtures	2,097,448	-	-	20,97,448	9,28,304	2,19,711	-	11,48,015	9,49,433	11,69,144
(d) Vehicles	88,45,139	31,60,646	-	1,20,05,785	34,09,882	11,81,261	-	45,91,143	74,14,642	54,35,257
(e) Computers	19,54,913	1,62,843	-	21,17,756	15,67,837	1,72,074	-	17,39,911	3,77,845	3,87,076
<b>Total</b>	<b>2,04,76,375</b>	<b>34,02,688</b>	-	<b>2,38,79,063</b>	<b>90,20,241</b>	<b>21,67,043</b>	-	<b>1,11,87,284</b>	<b>1,26,91,779</b>	<b>1,14,56,134</b>
<b>Total (I + II)</b>	<b>6,40,85,890</b>	<b>34,02,688</b>	-	<b>6,74,88,578</b>	<b>1,36,07,670</b>	<b>29,36,752</b>	-	<b>1,65,44,422</b>	<b>5,09,44,156</b>	<b>5,04,78,220</b>
<b>Previous Year</b>	6,33,92,101	6,93,789	-	6,40,85,890	1,08,16,976	27,90,694	-	1,36,07,670	5,04,78,220	5,25,75,125



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

**NOTE NO. 2 : INVENTORIES**

Sl. No.	Particulars	As at	As at
		31-03-2018	31-03-2017
		(₹)	(₹)
I	Land and Land Development Expenditure	13,12,01,885	10,25,70,894
II	Consumables & Provisions	96,154	1,44,275
<b>Total Inventories</b>		<b>13,12,98,039</b>	<b>10,27,15,169</b>

**NOTE NO. 3 : CASH AND CASH EQUIVALENTS**

Sl. No.	Particulars	As at	As at
		31-03-2018	31-03-2017
		(₹)	(₹)
I	Cash on Hand	4,09,110	19,92,858
II	Balances with banks :		
	(a) Current Accounts	2,70,74,974	4,19,79,713
<b>Total Cash and Cash Equivalents</b>		<b>2,74,84,084</b>	<b>4,39,72,571</b>

**NOTE NO. 4 : OTHER CURRENT ASSETS**

Sl. No.	Particulars	As at	As at
		31-03-2018	31-03-2017
		(₹)	(₹)
I	Advances other than Capital advances		
	(a) Security Deposit		
	Unsecured, Considered Good	11,84,532	16,99,272
		11,84,532	16,99,272
	(b) Advances to Related parties		
	Unsecured, Considered Good		
	(a) Zen Garden Hotels Pvt Ltd.	11,10,080	11,14,975
		11,10,080	11,14,975
	(c) Other Advances		
	Unsecured, Considered Good		
	(i) Advance for Land and Land Development	4,50,94,749	5,36,68,595
	(ii) Advances to Suppliers	-	3,74,766
	(iii) Advance for Site Registrations	50,71,702	48,94,146
	(iv) Advances to Employees	1,88,991	13,07,106
		5,03,55,442	6,02,44,613
II	Others		
	(a) TDS/TCS Receivables	1,53,829	1,32,354
	(b) GST Receivables	3,69,400	-
	(c) Advance Taxes / Excess paid	17,93,000	14,28,534
	(d) Prepaid Expenses	-	93,959
	(e) Chit Receivables	56,32,928	71,85,918
		79,49,157	88,40,765
<b>Total Other current assets</b>		<b>6,05,99,211</b>	<b>7,18,99,625</b>

**NOTE NO. 5 : EQUITY SHARE CAPITAL**

Sl. No.	Particulars	As at 31-03-2018	As at 31-03-2017
		(₹)	(₹)
I	Share Capital		
	(a) Authorised (No. of Shares 35,00,00,000)	<b>35,00,00,000</b>	<b>35,00,00,000</b>
	(b) Issued, Subscribed & Fully Paid Up (No. of Shares 7,75,97,300)	7,75,97,300	7,75,97,300
	(c) Par Value per share Re.1/- Each		
	<b>Total Equity Share capital</b>	<b>7,75,97,300</b>	<b>7,75,97,300</b>
II	A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:	<b>Number of Shares</b>	
	Equity Shares of Fully paid up :		
	At the Beginning	7,75,97,300	7,75,97,300
	Add: Issued during the year	-	-
	At the end	<b>7,75,97,300</b>	<b>7,75,97,300</b>
III	Details of Shareholder holding more than 5% shares of the company:	<b>% of Share Holding</b>	
	Equity Shares of Re. 1/- each Held By		
	Mr.Y. Rajeev Reddy - No.of Shares (C.Y) 39855121, (P.Y) 38843345	51.36	50.06

**NOTE NO. 6 : OTHER EQUITY**

Sl. No.	Particulars	As at 31-03-2018	As at 31-03-2017
		(₹)	(₹)
I	Capital reserve		
	As at the commencement of the year	2,29,82,670	2,29,82,670
	Add: Additions during the year	-	-
		2,29,82,670	2,29,82,670
II	Securities Premium Reserve		
	As at the commencement of the year	4,99,35,300	4,99,35,300
	Add: Additions during the year	-	-
		4,99,35,300	4,99,35,300
III	Surplus		
	Opening Balance - Profit and Loss Account	2,23,48,155	1,59,44,395
	Add: Transfer from Profit & Loss Account	65,64,418	64,03,760
		2,89,12,573	2,23,48,155
	<b>Total Other Equity</b>	<b>10,18,30,543</b>	<b>9,52,66,125</b>

**NOTE NO. 7 : LONG-TERM BORROWINGS**

Sl. No.	Particulars	As at 31-03-2018	As at 31-03-2017
		(₹)	(₹)
I	Term Loans		
	(a) Vehicle Loans from Bank & Financial Institutions Secured,		
	(i) AXIS Bank Ltd.	23,15,053	10,31,048
	(ii) ICICI Bank Ltd.	5,17,227	-
	(ii) Toyota Financial Services India Ltd.	-	39,348
	<b>Total Long-Term borrowings</b>	<b>28,32,280</b>	<b>10,70,396</b>

## COUNTRY CONDO'S LIMITED



### NOTE NO. 8 : DEFERRED TAX LIABILITY ( NET )

Sl. No.	Particulars	As at 31-03-2018	As at 31-03-2017
		(₹)	(₹)
I	Opening Deferred tax Liability	27,05,633	25,74,605
	<b>Add:</b> Deferred Tax Liability for the year (Due to SLM and WDV Difference)	(3,71,088)	1,31,028
	<b>Deferred Tax Liability/ ( Asset ) - Net</b>	<b>23,34,545</b>	<b>27,05,633</b>

### NOTE NO. 9 : SHORT-TERM BORROWINGS

Sl. No.	Particulars	As at 31-03-2018	As at 31-03-2017
		(₹)	(₹)
I	Loan from other parties Unsecured (i) Prasad. PVV	1,10,74,250	-
	<b>Total Short-Term Borrowings</b>	<b>1,10,74,250</b>	<b>-</b>

### NOTE NO. 10 : TRADE PAYABLES

Sl. No.	Particulars	As at 31-03-2018	As at 31-03-2017
		(₹)	(₹)
I	Trade Payables	29,91,914	36,46,587
	<b>Total Trade Payables</b>	<b>29,91,914</b>	<b>36,46,587</b>

### NOTE NO. 11 : OTHER CURRENT LIABILITIES

Sl. No.	Particulars	As at 31-03-2018	As at 31-03-2017
		(₹)	(₹)
I	Revenue received in advance (a) Advances Received from Customers	5,67,57,150	7,86,51,758
		5,67,57,150	7,86,51,758
II	Statutory Dues:		
	(a) Provision for Income Tax	25,44,405	33,27,424
	(b) TDS Payable	10,56,468	5,85,001
	(c) PF Payable	1,91,734	1,74,183
	(d) ESIC Payable	43,540	39,685
	(e) Professional Tax Payable	3,500	2,850
	(f) Luxury Tax Payable	-	64,950
	(g) Service Tax Payable	-	96,144
	(h) VAT Payable	-	1,76,146
		38,39,647	44,66,383
	<b>Total other current liabilities</b>	<b>6,05,96,797</b>	<b>8,31,18,141</b>

### NOTE NO. 12 : PROVISIONS

Sl. No.	Particulars	As at 31-03-2018	As at 31-03-2017
		(₹)	(₹)
I	(a) Consultancy Charges Payable	20,52,931	20,85,719
	(b) Commission Payable	3,61,957	3,53,955
	(c) Rent Payable	57,382	1,58,560
	(d) Salaries & Employee benefit Expenses payable	72,47,351	21,07,590
	(e) Audit Fee Payable	1,08,000	1,05,000
	(f) Provision for Expenses	12,40,240	8,50,579
	<b>Total provisions</b>	<b>1,10,67,861</b>	<b>56,61,403</b>

## COUNTRY CONDO'S LIMITED

## NOTES TO STATEMENT OF PROFIT &amp; LOSS

## NOTE NO. 13 : REVENUE FROM OPERATIONS

Sl. No.	Particulars	For the Year Ended	
		31-03-2018	31-03-2017
		(₹)	(₹)
I	Income from operations		
	(a) Real Estate Income	21,41,91,001	24,61,94,145
	(b) Hospitality Income	2,39,99,912	2,50,07,158
	<b>Total Revenue from Operations</b>	<b>23,81,90,913</b>	<b>27,12,01,303</b>

## NOTE NO. 14 : OTHER INCOME

Sl. No.	Particulars	For the Year Ended	
		31-03-2018	31-03-2017
		(₹)	(₹)
I	Miscellaneous Income	-	6,000
	<b>Total Revenue from other Income</b>	<b>-</b>	<b>6,000</b>

## NOTE NO. 15 : COST OF MATERIALS CONSUMED

Sl. No.	Particulars	For the Year Ended	
		31-03-2018	31-03-2017
		(₹)	(₹)
I	Opening Raw Material	1,44,275	2,03,890
	Add: Purchases during the year	70,72,023	67,20,848
		72,16,298	69,24,738
	Less: Closing Raw Material	96,154	1,44,275
	<b>Total Cost of Material Consumed</b>	<b>71,20,144</b>	<b>67,80,463</b>

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

Sl. No.	Particulars	For the Year Ended	
		31-03-2018	31-03-2017
		(₹)	(₹)
I	Operating Expenditure		
	(a) Purchase of Land	-	2,65,220
	(b) Land Development Charges	17,98,26,775	14,91,45,151
	<b>Total Trade Expenses</b>	<b>17,98,26,775</b>	<b>14,94,10,371</b>

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

Sl. No.	Particulars	For the Year Ended	
		31-03-2018	31-03-2017
		(₹)	(₹)
I	Work in Progress		
	Work in progress at the beginning of the year	10,25,70,894	14,35,25,394
	Less : Work in progress at the end of the year	13,12,01,885	10,25,70,894
	<b>(Increase) / Decrease in Inventories</b>	<b>(2,86,30,991)</b>	<b>4,09,54,500</b>

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

Sl. No.	Particulars	For the Year Ended	
		31-03-2018	31-03-2017
		(₹)	(₹)
I	Salaries & Wages	2,78,05,216	2,44,78,784
II	Contribution to Provident Fund & ESIC	14,65,890	13,85,732
III	Staff Welfare Expenses	14,89,593	17,74,674
	<b>Total Employee Benefit Expenses</b>	<b>3,07,60,699</b>	<b>2,76,39,190</b>

**NOTE NO. 19 : OTHER EXPENSES**

Sl. No.	Particulars	For the Year Ended	
		31-03-2018	31-03-2017
		(₹)	(₹)
I	Administrative Expenses		
	(a) Telephone, Postage and Others	11,44,432	14,51,805
	(b) Business Promotion Expenses	3,20,979	4,88,907
	(c) Travelling & Conveyance	44,12,845	50,65,925
	(d) Office Maintenance	42,42,473	45,03,375
	(e) Printing & Stationery Expenses	13,54,505	7,28,108
	(f) Rates & Taxes (excluding Income Tax)	14,20,257	39,67,295
	(g) Consultancy Charges	56,62,885	45,33,589
	(h) Commission Charges	83,99,330	44,99,120
	(i) Advertisement Charges	1,18,070	1,71,596
	(j) Interest on late payment of Taxes	14,647	1,17,100
	(k) Prior Period Taxes	9,64,053	-
		<b>2,80,54,476</b>	<b>2,55,26,820</b>
II	Other Operating Expenses		
	(a) Power & Fuel	20,27,276	20,52,250
	(b) Upkeep & Service Cost	13,84,408	15,33,133
	(c) Rent	25,66,610	29,50,434
	(d) General Expenditure	6,61,433	3,03,177
	(e) Payment to Auditors:		
	(i) As Auditor	70,000	80,500
	(ii) For Taxation Matters	30,000	34,500
		<b>67,39,727</b>	<b>69,53,994</b>
III	Finance Cost		
	(a) Bank Charges	21,04,795	11,35,681
	(b) Interest on Vehicle Finance	2,10,801	1,53,378
	(c) Interest on Loan	3,30,000	-
		<b>26,45,596</b>	<b>12,89,059</b>
	<b>Total Other Expenses</b>	<b>3,74,39,799</b>	<b>3,37,69,873</b>

**NOTE NO. 20**

**Related Party Transactions:**

Particulars of Related Party Transactions as at 31-03-2018:

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	11,10,080

**NOTE NO. 21**

**Earnings per Share:**

Particulars	2017-18	2016-17
Net profit after tax (₹)	65,64,418	64,03,760
Weighted Average Numbers of shares	7,75,97,300	7,75,97,300
Basic and Diluted EPS (₹)	0.08	0.08

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 ₹13,12,01,885/- for current year (previous year ₹10,25,70,894/-) and Closing Inventories of Consumables is ₹96,154/- for current year (Previous year ₹1,44,275/-).

**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, 2018	Real Estate (₹)	Hospitality Services (₹)	Total (₹)
Revenues	21,41,91,001	2,39,99,912	23,81,90,913
Unallocable Revenue	-	-	-
Direct Expenses	20,91,81,518	2,02,71,660	22,94,53,178
Gross Income	50,09,483	37,28,252	87,37,735
Net Profit Before Taxes	-	-	87,37,735
Tax Expenses	-	-	21,73,317
Net Profit After Taxes	-	-	65,64,419

**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.  
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.
- 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.

## COUNTRY CONDO'S LIMITED

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25. Previous year's numbers have been regrouped, rearranged, recasted, wherever necessary to conform to Current Year Classification.
26. The numbers have been rounded off to the nearest rupee.

AS PER OUR REPORT OF EVEN DATE

**For P C N & Associates**

(Formerly known as Chandrababu Naidu & Co.,)  
Chartered Accountants  
FRN: 016016S

**Chandra Babu.M**  
Partner  
Membership No. 227849

**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 : 30-05-2018

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COUNTRYCONDOS

31<sup>st</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]

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

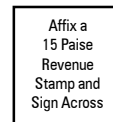
I/We, being the Member/Members of \_\_\_\_\_ Shares of Country Condo's Limited, hereby appoint:
1) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
2) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
3) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ and whose 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 31<sup>st</sup> Annual General Meeting of the Company, to be held on Saturday, 29<sup>th</sup> September, 2018 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:

Table with 4 columns: Res.No., DESCRIPTION, FOR, AGAINST. Row 1: Adoption of Financial Statements and Reports thereon for the financial year ended 31<sup>st</sup> March, 2018. Row 2: Re-appointment of Smt.Y.Manjula Reddy (DIN: 00115485), who retires by rotation and being eligible offers herself for re-appointment.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018

Signature of the Shareholder



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.
(4) This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the Box.
(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.



**31<sup>st</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> 29 <sup>th</sup> September, 2018	<b>Venue</b> Crown Villa Gardens, 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad - 500 003	<b>Time</b> 11:30 AM
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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 31<sup>st</sup> Annual General Meeting of the Company held on 29<sup>th</sup> September, 2018 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.

----- TEAR HERE -----



## 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 31st March, 2018			
2	Re-appointment of Smt.Y.Manjula Reddy (DIN: 00115485), who retires by rotation and being eligible offers herself for re-appointment.			

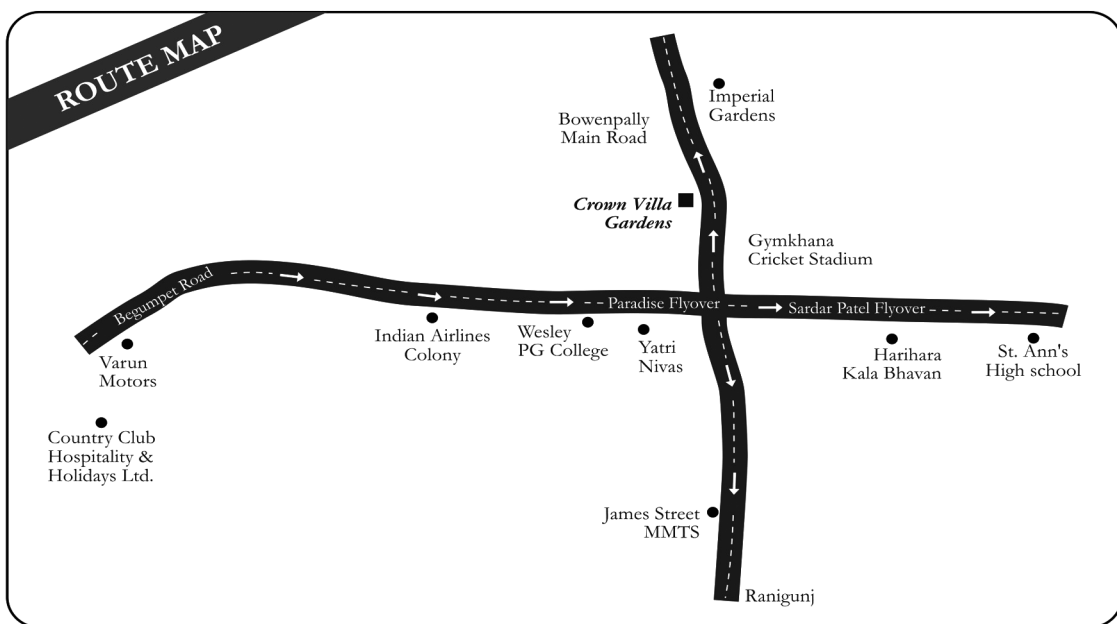
Place:

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.