



***COUNTRYCONDOS***

**COUNTRY CONDO'S LIMITED**

CIN : L63040TG1987PLC007811

**2015-2016**

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

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## COUNTRY CONDO'S LIMITED



### Corporate Information

#### BOARD OF DIRECTORS

- |     |                           |                            |
|-----|---------------------------|----------------------------|
| 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 P. V. V. Prasad       | - 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                 |

#### COMPANY SECRETARY

Sri J. Laxmikanth

#### BANKERS

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

#### AUDITORS

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

#### REGISTERED OFFICE

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

#### SHARE TRANSFER AGENTS

M/s. AARTHI CONSULTANTS PRIVATE LIMITED  
1-2-285, 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:

23rd September, 2016 to 30th September, 2016 (Both days inclusive)



**NOTICE**

NOTICE is hereby given that the 29th Annual General Meeting of the members of Country Condo's Limited will be held on Friday, the 30th day of September, 2016 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, 2016, together with the reports of the Board of Directors and Auditors thereon.

**2. Appointment of Director:**

To appoint a Director in place of Mr. Y. Siddharth Reddy (DIN: 00815456), Director who retires by rotation and being eligible offers himself for re-appointment.

**3. Appointment of Auditors:**

To re-appoint auditors of the Company to hold the office from the conclusion of this AGM until the conclusion of the Third consecutive AGM and to fix their remuneration and to pass the following resolution thereof:

"**RESOLVED THAT**, pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, and pursuant to the recommendations of the audit committee of the Board of Directors, M/s. P. Murali & Co., Chartered Accountants, Hyderabad (Registration No. 007257S), be and are hereby re-appointed as the auditors of the Company, to hold office from the conclusion of this AGM till the Conclusion of the Twenty Ninth AGM (subject to ratification of the appointment by the members at every AGM held), at such remuneration, plus service tax as may be applicable and reimbursement of actual out of pocket expenses as may be incurred in the performance of their duties, as the Board of Directors may fix in this behalf."

**Special Business:**

**4. To Re-appoint Sri D. Krishna Kumar Raju (DIN: 00115553) as Vice-Chairman & CEO:**

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

"**RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Consent of the members of the Company be and is hereby accorded to the Re-appointment of Sri D. Krishna Kumar Raju (DIN: 00115553), as Vice- Chairman & Chief Executive Officer of the Company for a period of 5 (five) years with effect from February 13, 2016, and at such remuneration perquisites and benefits for a period of 5 years from the date of re-appointment upto 12th February, 2021 on the following terms and conditions:

- A) Salary of ₹3,00,000/- (Rupees Three Lakhs Only) per month. This includes dearness allowance and all other allowances not otherwise specified herein.
- B) In addition, the Vice Chairman shall be entitled to the following:
  - I. Perquisites as under not exceeding Rs.30,000/- per month:
    - a) Housing: Rent-free accommodation will be provided to him from whom 10% of his salary shall be recovered. In case no accommodation is provided by the Company, house rent allowance at 60% of the salary shall be paid. In addition, he shall be allowed free use of the Company owned furniture and other consumable durables, if required.
    - b) The expenditure incurred by him for gas, electricity, water and furnishings shall be reimbursed by the Company.
    - c) All medical expenses incurred by him shall be reimbursed.
    - d) Fees of Club shall be reimbursed subject to the maximum of two clubs; Admission Fees and Life Member Fees shall not be reimbursed.
    - e) Personal accident insurance - the premium of which shall not exceed Rs.5000/- per annum.
    - f) Contribution to the provident fund, superannuation fund, annuity fund to the extent the same are not taxable under the Income Tax Act, 1961.
    - g) Provision of Car with driver for use on Company's business and Mobile phone and Telephone at residence and

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expenditure incurred on Traveling shall be reimbursed by the Company.

### **OTHER BENEFITS:**

- i) Gratuity is payable at a rate not exceeding Half Month Salary for each completed year of Service.
  - ii) Encashment of earned leave at the rate of 30 days per annum at the end of his tenure.
  - iii) Leave travel concession for him will be allowed once in a year as may be decided by the Board.
- II. Commission: He shall be paid performance based commission up to 5% (Five Percentage) (including salary and perquisites hereafter stated) of the net profits calculated in accordance with Section 198 of the Companies Act, 2013 for each financial year commencing from 13th February, 2016.

**RESOLVED FURTHER THAT** in case of absence or inadequacy of Profits during any financial year during the tenure of office of Sri D. Krishna Kumar Raju, Vice-Chairman & Chief Executive Officer, the above remuneration shall be payable subject to the limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** a copy of this resolution be forwarded to the Concerned Department/person or their authorized representative duly signed by any of the Directors or Company Secretary of the Company."

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

**DATE: 10-08-2016  
PLACE: Hyderabad**

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



### NOTES

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Annual General Meeting (AGM) is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company carrying voting rights. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting.
3. A Proxy Form is annexed to this Report. Members/Proxies should bring duly filled attendance slips sent herewith for attending the meeting along with the copies of Annual Reports to the Annual General Meeting. Pursuant to Section 113 of the Companies Act, 2013, Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the AGM.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 23rd September, 2016 to Friday, 30th September, 2016 (both days inclusive).
5. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository Participant for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses with the Company, physical copies of the Annual Report are being sent by the permitted mode. Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
6. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Thursday, 22nd September, 2016, 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 NSDL/ 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 Tuesday, 27th September, 2016 and will end at 5.00 p.m. on Thursday, 29th September, 2016. The Company has appointed Mr. Gopal Dhanaji (Membership No. FCS 7676), Practising Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast in a fair and transparent manner. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.
7. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.

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

- (i) The voting period will commence at 9.00 a.m. on Tuesday, 27th September, 2016 and will end at 5.00 p.m. on Thursday, 29th September, 2016. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 22nd September, 2016 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter.
- (a) In case of Shareholders' receiving e-mail from NSDL:**
- (i) Open e-mail and open PDF file viz; "remote e-Voting.pdf" with your Client ID or Folio No. as password. The



said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.

- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on Shareholder - Login.
- (iv) Put user ID and password as initial password noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
- (vii) Select "EVEN" of Country Condo's Limited.
- (viii) Now you are ready for e-Voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail [scrutinizer@countrycondos.co.in](mailto:scrutinizer@countrycondos.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

**(b) In case of Shareholders' receiving Postal Ballot Form by Post:**

- (i) Initial password is provided as below/at the bottom of the Postal Ballot Form.

EVEN (E Voting Event Number)	USE ID	PASWORD/PIN

- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- (c) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- (d) If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.

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).
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. Aarthi 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

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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 Bombay Stock Exchange and National Stock Exchange and the listing fee for the FY 2016-17 has paid.
11. Section 72 of the Companies Act, 2013 extends the nomination facility to individual shareholders of the Company. Therefore, the shareholders willing to avail this facility may make nomination in Form SH-13 for initial registration of nomination and Form SH-14 for cancellation and variation of nomination as per Companies Act, 2013 to the Company's R.T.A. This nomination form should be submitted at Registrar and Share Transfer Agent (R. T. A.) as per the address mentioned in the Corporate Governance Report.

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013:

#### Item 4:

Sri D. Krishna Kumar Raju, was re-appointed as the Vice-Chairman & CEO by the Members of the Company at the 27th Annual General Meeting held on 30th September, 2014 for a period of 5 years w.e.f 10th August, 2014.

He is the Executive Director of the Company and he has been working with complete dedication, hard work and effective leadership.

The Board reviewed the performance achieved by the Company under his leadership and appreciated the same. Further in order to avail his uninterrupted services for the growth of the company, and upon the recommendations made by the Nomination and Remuneration Committee, the board has proposed to reappoint him as the Vice-Chairman & CEO of the Company for a further period of 5 years w.e.f 13th February, 2016 to 12th February, 2021 on the such terms and conditions as mentioned in the resolution.

Pursuant to section 196 of the Companies Act, 2013 re-appointment of the directors can be made upto a period of one year before expiry of his term.

The re-appointment of Sri D. Krishna Kumar Raju, as Vice-Chairman & CEO of the Company requires the approval of Members in General Meeting pursuant to Section 196 of the Companies Act, 2013.

### I. GENERAL INFORMATION:

1	Nature of industry	REAL ESTATE & HOSPITALITY		
2	Date or expected date of commencement of commercial production	Commercial Operations of the Company have started during the year 2006		
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable		
4	Financial performance based on given indicators	2015-16 (in lakhs)	2014-15 (in lakhs)	2013-14 (in lakhs)
	Income from Operations (Gross)	4526.67	3296.16	803.24
	Profit/Loss Before tax	117.63	75.64	81.36
	Profit /Loss after Tax	76.13	166.90	54.99
5	Foreign investments or collaborations, if any	NIL		

## COUNTRY CONDO'S LIMITED



### II. INFORMATION ABOUT THE WHOLE-TIME DIRECTORS

#### 1. Background details:

Mr. D. Krishna Kumar Raju, 59 years, is the CEO of the Company w.e.f 10th August, 2014.

Dynamic, Aggressive and Focused, he has taken the responsibility of CEO of the Company since 2014. A Graduate from Osmania University with the B.Com (Hons), he has been responsible for many ventures / projects at Country Condo's Limited since then - that to this day continue to grow from strength to strength.

#### 2. Past remuneration:

Presently he is drawing the following remuneration:

Salary (including HRA)	Commission	Other	Total
31,26,896	5% of the Net Profits	NIL	31,26,896

#### 3. Recognition or awards: NIL

#### 4. Job profile and his suitability:

Mr. D. Krishna Kumar Raju, as Chief Executive Officer has been responsible for infusing far sweeping changes in the field of Real Estate Projects / Ventures, Operations and Communications within the organization, he has steered the Company with total dedication, hard work and effective leadership into diversified activities.

#### 5. Remuneration proposed:

It is proposed to pay the existing remuneration as set out in the resolution.

#### 6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):

The remuneration payable to the Whole-time Directors has been benchmarked with the remuneration being drawn by similar positions in Real Estate Industry and has been considered by the Nomination & Remuneration Committee of the Company at their meeting held on February 13, 2016.

#### 7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any:

As on 31st March, 2016, Mr. D. Krishna Kumar Raju is holding 3410246 Equity Shares of the Company. Except to the extent of shareholding he does not have any other pecuniary relationship with the Company.

### III. Other information:

#### (1) Reasons of loss or inadequate profits:

As the Company's offering is a discretionary Spend item, appears to be sensitive to economic fluctuations. Company's Customers are middle class, which may more sensitive than relatively affluent customer.

#### (2) Steps taken or proposed to be taken for improvement:

In tune with the changing trends the Company has expanded its services to the Customers by introducing different schemes to meet the growing demands in the market and to achieve enhanced revenue and profitability.

#### (3) Expected increase in productivity and profits in measurable terms:

Company is expected to increase turnover and profitability by 5 to 10%.

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

PLACE: HYDERABAD  
DATE: 10-08-2016

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

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### 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:

1. Name : **Sri Y. Siddharth Reddy**  
DIN : 00815456  
Age : 33 Years  
Qualification : Degree in Finance from University of Texas, Austin  
Expertise : Financial Planning & Financial Management  
Other Directorships : 9 Public Companies & 3 Private Companies
  1. Country Club Hospitality & Holidays Limited
  2. Bright Resorts Private Limited \*
  3. International Country Holidays Private Limited \*
  4. Club Arzee Limited
  5. Jade Resorts Private Limited \*
  6. Kolet Resort Club Private Limited\*
  7. Maruti Waterpark & Entertainments Pvt Ltd\*
  8. Swami Vivekanand Training And Education Centre Private Limited\*
  9. Swimwel Investment And Trading Private Limited\*
  10. Apurva Holiday Homes Private Limited
  11. New Era Heights Private Limited
  12. Country World Realty Private LimitedMembership(s) / Chairmanship(s) of Board Committees in other Companies : Membership in Corporate Social Responsibility in Country Club Hospitality & Holidays Limited  
Shareholding in the Company : 988920 (1.27%)
  
2. Name : **Sri D. Krishna Kumar Raju**  
DIN : 00115553  
Age : 59 Years  
Qualification : Degree in Commerce from Osmania University, Hyderabad  
Expertise : Financial Planning, Financial Management in Real Estate & Construction Industry  
Other Directorships : 9 Public Companies & 7 Private Companies
  1. Country Club Hospitality & Holidays Limited
  2. Country Vacations International Limited
  3. Amrutha Investments Limited
  4. Aquarian Realtors Private Limited\*
  5. Bush Betta Holiday Ownership Wild Life Adventure Resort Private Limited\*
  6. International Country Holidays Private Limited \*
  7. Jade Resorts Private Limited \*
  8. Swami Vivekanand Training And Education Centre Private Limited\*
  9. Swimwel Investment And Trading Private Limited\*
  10. Apurva Holiday Homes Private Limited
  11. New Era Heights Private Limited
  12. Spurthi Hotels Private Limited
  13. Country World Realty Private Limited
  14. Vyshnavi Holiday Inn Private Limited
  15. Zen Garden Hotel Private Limited
  16. Amrutha Estates Private LimitedMembership(s) / Chairmanship(s) of Board Committees in other Companies : Membership in Audit Committee in Country Club Hospitality & Holidays Limited  
Shareholding in the Company : 3410246 (4.39%)

**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 29th Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2016.

**FINANCIAL RESULTS****(₹ in Lakhs)**

<b>Particulars</b>	<b>Year ended 31.03.2016 (12 Months)</b>	<b>Year ended 31.03.2015 (12 Months)</b>
Turnover	4526.67	3296.16
Profit / (Loss)	76.13	166.89
Balance brought forward	83.31	238.83
Balance carried forward	159.44	83.31

**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 ₹4526.67 Lakhs comparing Last years ₹3296.16 Lakhs only and has achieved a Profit of ₹76.13 Lakhs, Further, other income of ₹31.13 Lakhs has been arrived in addition to the real estate & hospitality income.

During this year the Company had a Net Profit of ₹76.13 Lakhs. The Net Profits of ₹ 83.31 has been transferred to General Reserves to strengthen the Reserves of the Company. Currently the accumulated P&L Account Surplus is ₹159.44 Lakhs.

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

**NUMBER OF MEETINGS OF THE BOARD:**

5 Board Meetings held during the Financial Year 2015-16.

**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 31st March, 2016.

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 31st March, 2016.

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

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### 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:

	2015-16	2014-15
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 15-16	Remuneration in FY 14-15	% of remuneration in 2016 as compared to 2015	Ratio of remuneration to MRE
D. Krishna Kumar Raju	Vice-Chairman & CEO	31,26,896	0	N.A	21.90 Times
<b>Key Managerial Personnel other than Directors:</b>					
U. Gandhi	Chief Financial Officer	29,25,000	21,93,750	25%	20.48 Times
Laxmikanth. J	Company Secretary	5,94,000	5,53,500	7.32%	4.16 Times

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1. The Median Remuneration of the employees of the Company during the financial year was Rs. 11,900/- Per Month.
2. In the financial year, there was no increase in the median remuneration employees.
3. There are 80 permanent Employees on the Rolls of the Company as on 31st March, 2016.
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 Directors are to report that no employee was in receipt of remuneration of ₹60,00,000/- or more per annum or ₹5,00,000/- or more per month where employed for a part of the year.

### BOARD OF DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Sri Y. Siddharth Reddy, Vice-Chairman & Director of the Company who retire by rotation at the 29th Annual General Meeting and being eligible, offer himself for re-appointment.

Further D. Krishna Kumar Raju, Vice Chairman & CEO of the company has been reappointed for a period of 5 years with effect from 13.02.2016.

### 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 31st March, 2016, 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 31st March, 2016, 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 31st March, 2016, 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 2015-16 which may have the potential conflict with the interest of the company at large.

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

## COUNTRY CONDO'S LIMITED



### AUDITORS:

M/s. P. Murali & Co., Chartered Accountants, Statutory Auditors of the Company, the statutory Auditors of the Company, who holds office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment as per section 139 of Companies Act, 2013.

M/s. P. Murali & Co., have expressed their willingness to get re-appointed as the statutory auditors of the Company and furnished their certificate of eligibility and consent for their re-appointment under section 141 of the Companies Act, 2013 and the rules framed there under. The Board based upon the recommendations of the Audit committee recommends the appointment of M/s. P. Murali & Co., as the statutory auditors of the Company.

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

### TYPES OF COMMITTEES:

The Company has 3 different Committees, they are:

- a. Audit Committee

#### Composition of the Audit Committee:

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

Name of the Member	Category
1. Sri P.V.V. Prasad, Chairman	Independent, Non - Executive Directors
2. Sri G. Venkateshwar Rao, Member	
3. Sri S. Bal Reddy, 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:

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

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

#### c. Stakeholders Relationship Committee

The Stakeholders Relationship Committee was constituted of the following Directors:

Name of the Member	Category
1. Shri G. Venkateshwar Rao, Chairman	Independent, Non - Executive Directors
2. Shri S. Bal Reddy, Member	
3. Shri P.V.V. Prasad, 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

## COUNTRY CONDO'S LIMITED



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 2016-17.

### **CORPORATE GOVERNANCE:**

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

### **SECRETARIAL AUDIT REPORT:**

The Board of Directors have appointed Gopal Dhanaji, Practising Company Secretary, as the Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial year ended 31st March, 2016 in compliance with the provisions of Section 204 of the Companies Act, 2013.

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

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

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

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

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

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

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

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

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

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

### **FIXED DEPOSITS:**

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

### **MATERIAL CHANGES AND COMMITMENTS:**

There were no material changes and commitments in the business operations of the Company from the Financial Year ended 31st March, 2016 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 31st March, 2016 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:**

A key driver of the economy, Infrastructure is highly responsible for propelling India's overall development. The industry enjoys intense focus from the top officials of the Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. This sector includes power, bridges, dams, roads and urban infrastructure development.

The Indian real estate sector being one of the most globally recognized sectors, has transformed from being unorganized to a dynamic and organized sector over the past decade. This sector has come a long way by becoming one of the fastest growing markets in the world. It is not only successful in captivating the interests of domestic real estate developers but foreign investors as well.

A number of factors are expected to contribute to the growth of housing demand in India. Chief among them are rapid urbanization rates, a decreasing average household size and easier availability of home loans. The real estate sector is one of the most globally recognized sectors. In India, real estate is the second largest employer after agriculture and is slated to grow at 30% over the next decade.

The Indian real estate sector has witnessed high growth in recent times with the rise in demand for office as well as residential spaces. The Indian real estate market has become one of the most preferred destinations in the Asia Pacific as overseas funds accounted for more than 50 per cent of all investment activity in India in 2014, compared with just 26 per cent in 2013. The construction industry ranks third among the 14 major sectors in terms of direct, indirect and induced effects in all sectors of the economy

### **GLOBAL ECONOMY:**

The world's dominant commercial real estate markets have, so far, weathered the political and economic storms of 2016 comparatively well. Rental growth gained slightly in the U.S. multifamily market in quarter 2 despite a marginal increase in the national vacancy rate on the back of an expanding development pipeline. Institutional investment markets continued to be lower in Europe, with sales activity in the UK market modestly weaker in the lead-up to the EU referendum and a marked fall in transaction volumes in Germany following a record 2015, although Sweden registered a record turnover in the first half of 2016.

Asia becomes largest source of outbound global hotel real estate. In Asia, developer incentives supported an improvement in sales activity in Hong Kong and Singapore. The first six months of 2016 have seen Asia become the largest source of

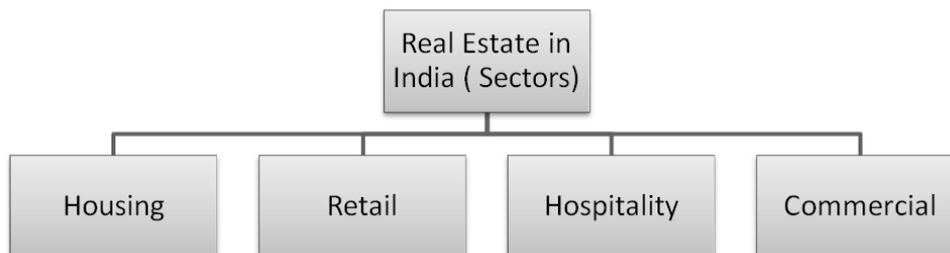
## COUNTRY CONDO'S LIMITED



outbound capital flowing into global hotel real estate, with China overtaking the Middle East in terms of outbound hotel investment, marking a sign of the country's long-term strategy to secure income through investing globally.

### INDIAN ECONOMY IN REAL ESTATE:

In India, the real estate sector comprises four sub sectors - housing, retail, hospitality, and commercial, including the Healthcare, Senior Citizen Housing, Service apartments also having good growth regarding the real estate. 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.



By 2020, the Indian real estate market is expected to touch US\$ 180 billion. The housing sector alone contributes 5-6 per cent to the country's Gross Domestic Product (GDP). In the period Financial Year 2008-2020, the market size of this sector is expected to increase at a Compound Annual Growth Rate (CAGR) of 11.2 per cent. Retail, hospitality and commercial real estate are also growing significantly, providing the much-needed infrastructure for India's growing needs.

### INVESTMENTS IN INDIA

According to data released by Department of Industrial Policy and Promotion (DIPP), the construction development sector in India has received Foreign Direct Investment (FDI) equity inflows to the tune of US\$ 24.19 billion in the period April 2000-March 2016.

### 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. Some of the initiatives are as follows:

- 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.
- India's Prime Minister Mr. Narendra Modi approved the launch of Housing for All by 2022. Under the Sardar Patel Urban Housing Mission, 30 million houses will be built in India by 2022, mostly for the economically weaker sections and low-income groups, through public-private-partnership (PPP) and interest subsidy
- The Securities and Exchange Board of India (SEBI) has proposed easier regulations for real estate investment trusts (REITs), such as raising the cap of investment of REITs' assets in under-construction projects from 10 per cent to 20 per cent, in order to attract the interest of developers, and also plans to relax the rules for foreign fund managers to relocate to India

### OUTLOOK

The real estate market in India lacks regulation, transparency and systematic process. A regulator for the sector will help buyers and investors to rebuild their faith on builders and developers. With huge inventory lying unsold across the country, the road to recovery looks long and winding for the real estate sector. According to experts, it will take another five years to sell the 7 lakh units, but lack of buyers' interest will make it more and more difficult for developers to complete existing projects.

### OPPORTUNITIES:

Tight liquidity in the current scenario can give new investors a great pricing advantage. Moreover, with a slight dip in sales velocity, there may be potential for discounted deals. This can be an opportunity for investors with access to a larger corpus of funds and a risk appetite. The cost of owning real estate in India has always been out of reach for the lower income group. This has resulted in a huge demand-supply gap in the affordable housing sector.

There is an immense growth potential in this segment and one can cash in with limited or virtually no risk. Stringent laws including easing of mortgage enforcement in case of defaults will ultimately lead to an increase in the flow of capital to this sector hence creating further investment opportunities.



### THREATS:

Market instability and uncertainty may create a slight flutter in this industry. The Current economic outlook, though not dire, seems bleak and can hamper the industry growth. Soaring numbers of corruption allegation cases across various State Governments and government officials shows India in poor light and can create a cascading effect in attracting further investments.

Continuous change in policies will tend to affect investment as well. Moreover, restrictive laws governing Foreign Direct Investment into real estate make it difficult for foreign investors to look at India.

### RISKS AND CONCERNS:

1. Continued uncertainty and impact of the credit crunch -- tighter credit is just one threat to real estate from the crunch; the economic downturn is affecting commercial vacancy rates as well as property valuations.
2. 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.
3. Impact of aging or inadequate infrastructure -- particularly in the US, but also in other markets around the world, a lack of key transit and utility infrastructure is a threat to economic and real estate growth.
4. A global war for talent -- globalization of business has also created a worldwide talent pool with countries forced to compete for human capital.
5. Economic vulnerability and regulatory risks in developing markets -- developing markets are a key focus for global real estate firms but regulatory risk in these markets is constantly changing as authorities seek to jump start economies.

### SEGMENT WISE PERFORMANCE:

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

As per Accounting Standard 17 on Segment Reporting, the Board would like to inform that under the real estate segment total Revenue was ₹4273.97 Lakhs comparing Last years ₹3080.40 Lakhs only & Hospitality segment total Revenue was ₹252.70 Lakhs comparing Last years ₹215.76 Lakhs only. The Total Profit Before Tax for real estate segment was ₹49.74 Lakhs comparing Last years ₹67.92 Lakhs only & Total Profit Before Tax for Hospitality segment was ₹36.76 Lakhs comparing Last years ₹6.73 Lakhs only.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has an adequate internal control system, commensurate with the size and nature of its business. The system 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. During the year under review, the Company engaged a reputed firm specializing in implementation of internal controls to test the effectiveness of existing controls (both manual and system-based) and to fix any issues related to financial reporting and key non-financial processes.

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. The scope of the exercise includes ensuring adequacy of internal control systems, adherence to management policies and compliance with the laws and regulations of the country. The Internal Auditor also reports on the implementation of the audit recommendations.

The Company's ERP system has appropriate controls embedded in its processes and systems to reduce the need and reliance for compensating manual controls. These have also been strengthened from time to time, and the standardization has been a significant source of comfort given the number of locations in which the Company operates. 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.

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

The Company achieved a turnover of Rs. 4526.67 Lakhs (3296.16 Lakhs) and PAT of Rs. 76.13 Lakhs (Rs. 166.90 Lakhs).

### HUMAN RESOURCE DEVELOPMENTS:

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

## COUNTRY CONDO'S LIMITED



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 80 permanent Employees on the Rolls of the Company as on 31st March, 2016.

### 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.  
Company's Immovable property situated at No.20/1-524, Sy No: 20/1, Geddannahalli, Attibele Hobli, Anekal Taluk, Bangalore District Pin-562107.
- b) The Company has given the Corporate 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 : 10-08-2016

**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 31st March 2016**

**[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	94.42%
2	Hospitality Services	5510	5.58%

**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	38598527	0	38598527	49.74	40934446	0	40934446	52.75	3.01
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>	38598527	0	38598527	49.74	40934446	0	40934446	52.75	3.01
(2) Foreign									
a) NRIs- Individuals	0	0	0	0.00	0	0	0	0.00	
b) Other- Individuals	0	0	0	0.00	0	0	0	0.00	
c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	
d) Banks / FI	0	0	0	0.00	0	0	0	0.00	
e) Any Other....	0	0	0	0.00	0	0	0	0.00	
<b>Sub-total (A) (2):-</b>	0	0	0	0.00	0	0	0	0.00	
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>38598527</b>	<b>0</b>	<b>38598527</b>	<b>49.74</b>	<b>40934446</b>	<b>0</b>	<b>40934446</b>	<b>52.75</b>	<b>3.01</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.	2270596	7500	2278096	2.94	1967202	7500	1974702	2.54	(0.40)
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 Lakhs	16000656	5874844	21875500	28.19	17358323	6112344	23470667	30.25	2.06
ii) Individual shareholders holding nominal share capital in excess of Rs 2 Lakhs	13217384	279600	13496984	17.39	9641543	0	9641543	12.43	(4.96)
c) Others									
i) NRI's	224813	1020800	1245613	1.61	306742	1018800	1325542	1.71	0.10
ii) Clearing Members	102580	0	102580	0.13	250400	0	250400	0.32	0.19
<b>Sub-total (B)(2):-</b>	<b>31816029</b>	<b>7182744</b>	<b>38998773</b>	<b>50.26</b>	<b>29524210</b>	<b>7138644</b>	<b>36662854</b>	<b>47.25</b>	<b>(3.01)</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>31816029</b>	<b>7182744</b>	<b>38998773</b>	<b>50.26</b>	<b>29524210</b>	<b>7138644</b>	<b>36662854</b>	<b>47.25</b>	<b>(3.01)</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>70414556</b>	<b>7182744</b>	<b>77597300</b>	<b>100</b>	<b>70458656</b>	<b>7138644</b>	<b>77597300</b>	<b>100</b>	<b>0</b>



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

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Y. Rajeev Reddy	36507426	47.05	0	38843345	50.06	0	3.01
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>38598527</b>	<b>49.74</b>	<b>0</b>	<b>40934446</b>	<b>52.75</b>	<b>0</b>	<b>3.01</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	At the beginning of the year	38598527	49.74	38598527	49.74
2	<b>Date wise Increase: By Mr. Y. Rajeev Reddy</b>				
	01-04-2015	748899	0.96	37256325	48.01
	07-04-2015	3428	0.01	37259753	48.02
	08-04-2015	9800	0.01	37269553	48.03
	09-04-2015	15000	0.01	37284553	48.04
	10-04-2015	444	0.01	37284997	48.05
	13-04-2015	300	0.01	37285297	48.06
	27-04-2015	25300	0.03	37310597	48.09
	28-04-2015	22099	0.02	37332696	48.11
	29-04-2015	5166	0.01	37337862	48.12
	30-04-2015	10800	0.01	37348662	48.13
	05-05-2015	21172	0.02	37369834	48.15
	08-05-2015	23538	0.03	37393372	48.18
	11-05-2015	25350	0.03	37418722	48.21
	12-05-2015	23587	0.03	37442309	48.24
	13-05-2015	24842	0.03	37467151	48.27
	15-05-2015	12680	0.01	37479831	48.28
	18-05-2015	15408	0.02	37495239	48.30
	19-05-2015	44120	0.05	37539359	48.35
	20-05-2015	132262	0.17	37671621	48.51
	21-05-2015	25920	0.03	37697541	48.54
	22-05-2015	77565	0.10	37775106	48.64
	25-05-2015	10646	0.01	37785752	48.65
	05-06-2015	8600	0.01	37794352	48.66
	09-06-2015	54767	0.07	37849119	48.73
	10-06-2015	16000	0.02	37865119	48.75
	12-06-2015	9900	0.01	37875019	48.76
	15-06-2015	12700	0.16	37887719	48.92
	16-06-2015	85400	0.11	37973119	49.03
	22-06-2015	770226	0.90	38743345	49.93
	06-07-2015	100000	0.13	38843345	50.06
3	At the End of the year	38843345	50.06	38843345	50.06



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

S.No	Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	PRIORITY SECURITIES PRIVATE LIMITED	788726	1.02	788726	1.02
2	SRINIVAS.B	770226	0.99	0	0.00
3	KOTLA KAMALAKAR	748899	0.97	0	0.00
4	TONTEPU GOPALA KRISHNA	742950	0.96	742950	0.96
5	PEETHALA KRUPAVARAM	597200	0.77	851826	1.10
6	SRIRAMACHANDRA MURTY KORLEPARA	587123	0.76	0	0.00
7	SRINIVAS GURRAM	564545	0.73	0	0.00
8	GAMINI V NARAYANA RAO	532167	0.69	532167	0.69
9	SUNEETHA MARGANI	486378	0.63	486378	0.63
10	D KAVITHA	321123	0.41	321123	0.41
11	GADRA SAROJA	91128	0.12	655673	0.84
12	KORLEPARA RANUKA NAGASWARAJYA LAXMI	52004	0.07	639127	0.82
13	PUNEET JAIN	297000	0.38	297000	0.38
14	K DASHARATHA REDDY	293988	0.38	293988	0.38

**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	36507426	47.05	38843345	50.06
2	Shri Y. Siddharth Reddy	988920	1.27	988920	1.27
3	Shri Y. Varun Reddy	1087681	1.40	1087681	1.40
4	Shri D. Krishna Kumar Raju	3410246	4.39	3410246	4.39
5	Smt Y. Manjula Reddy	8700	0.01	8700	0.01
6	Shri Vanarasi Kodanda Ramudu	0	0.00	0	0.00
7	Shri Venkata Vara Prasad Pasumarthy	4100	0.00	4100	0.00
8	Shri Samreddy Bal Reddy	0	0.00	0	0.00
9	Shri Godha Venkateshwar Rao	0	0.00	0	0.00
10	Shri Athmuri Vsb Laxmipathi Rao	0	0.00	0	0.00
11	Shri Laxmikanth Jakhotia (Company Secretary)	0	0.00	0	0.00
12	Shri Gandhi Upputuri (CFO)	52000	0.07	0	0.00

**F. INDEBTEDNESS**

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

	Secured Loans excluding Deposits	Unsecured Loans	deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	11,69,128	-	-	11,69,128
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	11,69,128	-	-	11,69,128
<b>Change in Indebtedness during the financial year</b>				
• Addition	13,80,000	-	-	13,80,000
• Reduction	7,11,032	-	-	7,11,032
<b>Net Change</b>	6,68,968	-	-	6,68,968
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	18,38,096	-	-	18,38,096
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	18,38,096	-	-	18,38,096

**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	30,79,310	NIL
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	31,26,896	NIL
	Ceiling as per the Act					



**B. REMUNERATION TO OTHER DIRECTORS:**

Sl.No.	Particulars of Remuneration	Name of Directors					Total Amount
		Sri.Venkata Vara Prasad Pasumarthy	Sri Godha Venkateshwar Rao	Sri 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
	Total (1)	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
	Total (2)	NIL	NIL	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act						

**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 31st March, 2016

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

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

I was appointed by the board of directors of M/s. Country Condo's Limited, (Herein after called as "company") to conduct Secretarial Audit for the financial year of the company ended on 31st March, 2016.

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

**MANAGEMENT RESPONSIBILITY FOR SECRETARIAL COMPLIANCES**

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

**SECRETARIAL AUDITOR'S RESPONSIBILITY**

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

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

**OPINION**

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on 31st March, 2016 & Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

Further I report that books, papers, minute books, forms and returns filed and other records maintained by M/s. Country Condo's Limited, (the Company) for the financial year ended on 31.03.2016 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

I, have examined the registers, records and documents of the Company for the period commencing from 1st April, 2015 to 31st March, 2016 for compliances of provisions.

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

- (a) Maintenance of various statutory registers and documents and making necessary entries therein;
- (b) Closure of the Register of Members;
- (c) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and Central Government;
- (d) Service of documents by the Company on its Members and the Registrar of Companies;
- (e) Notice of Meetings of the Board and Committees thereof;
- (f) Minutes of the meetings of the Board and Committees thereof including passing of resolutions by circulation;
- (g) Notice convening the 28th Annual General Meeting held on 30th September, 2015;
- (h) Minutes of General Meetings;
- (i) Approvals of the Members, the Board of Directors, the Committees of Directors and government authorities, wherever required;
- (j) Constitution of the Board of Directors/Committee(s) of Directors and appointment, retirement and re-appointment of Directors including the Managing Director and Executive Directors;
- (k) Payment of remuneration to the Directors including the Managing Director and Executive Directors;
- (l) Appointment and remuneration of Statutory Auditors;
- (m) Transfer and transmission of the Company's shares, issue and allotment of shares and issue and delivery of certificate(s) of shares;

## COUNTRY CONDO'S LIMITED



- (n) Creation, Modification and Satisfaction of Charges, if any, registered with the Registrar of Companies;
- (o) Form of balance sheet as prescribed under Part I of Schedule VI to the Act and requirements as to Profit & Loss Account as per Part II of the said Schedule;
- (p) Contracts, common seal, registered office and publication of name of the Company; and
- (q) Generally, all other applicable provisions of the Act /the New Act and the Rules made thereunder.

### I further report that:

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

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

Place: Hyderabad  
Date: 10-08-2016

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



**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 with clause 49 of the Listing Agreement (till November, 2015) and regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (from 1st December, 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 is a Director. The Directors have made necessary disclosures regarding Committee positions in other public companies as on 31st March, 2016.
- 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: 30th May, 2015, 13th August, 2015, 13th November, 2015, 13th February, 2016 and 30th March, 2016.

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

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

- f) None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.  
g) Disclosure of relationships between inter-se:

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

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

- i) Information available to the Board of Directors:

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

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

- j) Code of Conduct:

In pursuance to Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Code of Conduct for all Board Members and Senior Management personnel of the Company. The Code of Conduct has been made available on our website, [www.countrycondos.co.in](http://www.countrycondos.co.in). All the



members of the Board and Senior Management Personnel have affirmed their compliance with the Code of Conduct. A declaration regarding the Code of Conduct's Compliances has been given at the end of the Corporate Governance Report, signed by Mr. Y. Rajeev Reddy, Chairman & Director.

**3. AUDIT COMMITTEE:**

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

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

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

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

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

Name of the Member	}	Category
1. Sri P.V.V. Prasad, Chairman	}	Independent Directors
2. Sri G.Venkateshwar Rao, Member		
3. Sri S.Bal Reddy, 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 30th May 2015; 13th August 2015; 13th November 2015 and 13th February 2016. Following are the attendance of each member in the Audit Committee Meetings:

Name of the Director	No. of Meetings	
	Held	Attended
Sri P.V.V. Prasad	4	4
Sri G. Venkateshwar Roa	4	4
Sri S. Bal Reddy	4	4

The previous Annual General Meeting of the Company was held on 30th September, 2015 & Sri P. V. V. Prasad, 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. P. V. V. Prasad	Independent, Non-Executive	Chairman
G. Venkateshwar Rao	Independent, Non-Executive	Member
S. Bal Reddy	Independent, Non-Executive	Member

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

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

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

b) During the year, one Nomination and Remuneration committee meeting was held on 13th February, 2016. The attendance of each member of the Committee is given below:

Name of the Director	Category	Designation	No. of Meetings HELD (During the year 2015-16)	No. of Meetings ATTENDED (During the year 2015-16)
Sri. P. V. V. Prasad	Independent, Non-Executive	Chairman	1	1
G. Venkateshwar Rao	Independent, Non-Executive	Member	1	1
S. Bal Reddy	Independent, Non-Executive	Member	1	1

**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	31,26,896	0	31,26,896

## COUNTRY CONDO'S LIMITED



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 2015-2016.

### 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:

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

## 5. STAKEHOLDERS RELATIONSHIP COMMITTEE:

### Brief Description of the terms of reference:

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

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

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

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

The total number of complaints received during the year 2015 - 2016 was NIL and all the complaints were resolved. No complaints were outstanding as on 31st March, 2016.

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. Aarhi 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
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 Noon	No Special Resolutions were passed
27 <sup>th</sup> AGM 2013-2014	CROWN VILLA GARDENS, 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad - 500 003	30-09-2014 12.00 Noon	<ul style="list-style-type: none"><li>To regularize the contract entered with M/s. Country Club (India) Limited.</li><li>Adoption of New Articles of Association in conformity with the Companies Act, 2013.</li></ul>
26 <sup>th</sup> AGM 2012-2013	CROWN VILLA GARDENS, (Le Palais Royal), "Ibrahim Mahal", 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad - 500 003	29-09-2012 12.00 Noon	No Special Resolutions were passed

**No Resolutions were passed through Postal Ballot during the financial year 2015-16**



**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 29th Annual Report containing its Balance sheet, Profit & Loss Account, Notes to Balance sheet, Notice and Report of Director's and Auditors thereon to all those shareholders who have registered their email address with their Depository Participants for the said purpose and all future communications to shareholders would also be sent in electronic form as well to their respective email address registered with their Depository Participants. Your Company has responded the Green Initiative taken by the Ministry of Corporate Affairs for saving our Environment.

As per SEBI Listing Regulations, the Un-audited Financial Results on quarterly basis and Statement of Assets and Liabilities on Half-yearly basis and the Audited Annual Results of the Company on yearly basis are also displayed on the Company's Website: [www.countrycondos.co.in](http://www.countrycondos.co.in) The website also displays the Shareholding Pattern of the Company as required under Regulation 31 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on a quarterly basis and Corporate Governance Report as required under Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on a quarterly basis.

**10. MANAGEMENT DISCUSSIONS AND ANALYSIS**

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

**Statement pursuant to Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015:**

The Company's Equity Shares are currently listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) and the Company has paid the Annual Listing Fees of all the Stock Exchanges where its Shares are listed for the Financial Year 2016-2017.

**11. GENERAL SHARE HOLDER INFORMATION:**

<b>(I) Annual General Meeting</b>	
Date	30th September, 2016
Time	11.30 A.M
Venue	Crown Villa Gardens, 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad - 500 003

## COUNTRY CONDO'S LIMITED

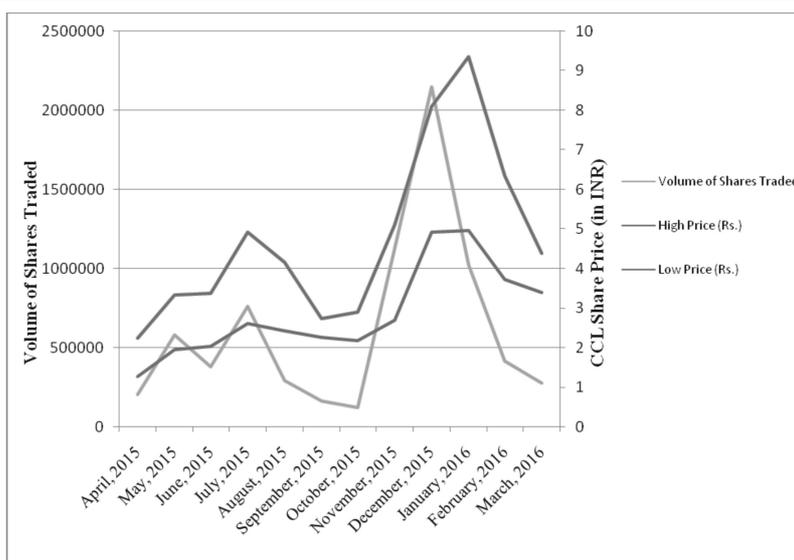


<b>(II) Financial Calendar</b>	1st April to 31st March	
<b>(III) Date of Book Closure</b>	23rd September, 2016 to 30th September, 2016 (both days inclusive)	
<b>(IV) Dividend payment date</b>	NIL	
<b>(V) Listing on Stock Exchanges</b>	1. BSE Limited (BSE) 2. National Stock Exchange of India Limited (NSE)	
<b>(VI) Stock Details</b>	<b>Scrip Code</b>	<b>Scrip ID</b>
BSE Ltd	531624	COUNCODOS
National Stock Exchange of India Limited	COUNCODOS	
<b>Dematerialization of Securities</b>	ISIN: INE 695 B01025	

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

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

Month	BSE Limited		
	High Price (Rs.)	Low Price (Rs.)	Volume of Shares Traded
April, 2015	2.25	1.28	2,02,620
May, 2015	3.35	1.97	5,79,825
June, 2015	3.39	2.05	3,82,330
July, 2015	4.92	2.62	7,64,017
August, 2015	4.16	2.44	2,92,325
September, 2015	2.75	2.26	1,63,628
October, 2015	2.90	2.18	1,21,996
November, 2015	5.12	2.70	11,25,520
December, 2015	8.09	4.92	21,49,624
January, 2016	9.35	4.97	10,25,660
February, 2016	6.34	3.73	4,15,822
March, 2016	4.39	3.41	2,78,843

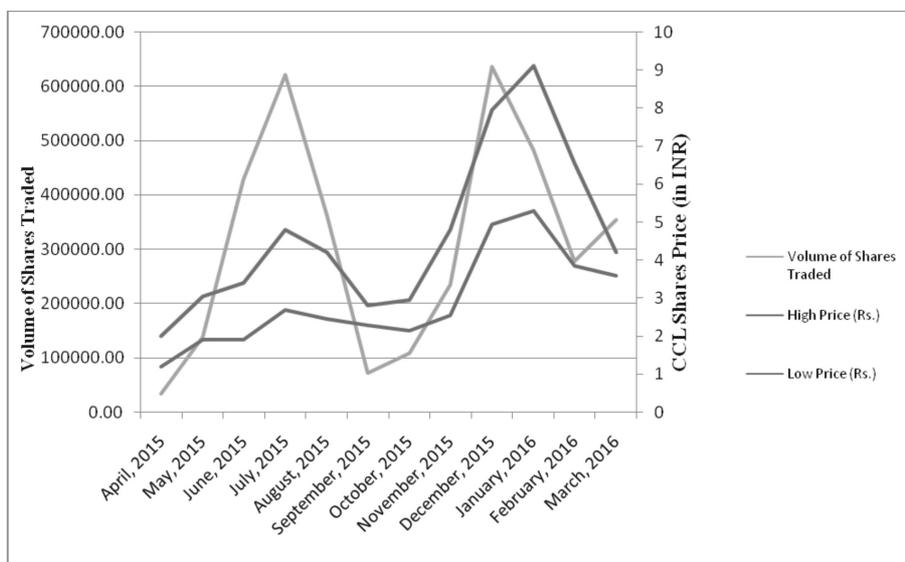


## COUNTRY CONDO'S LIMITED



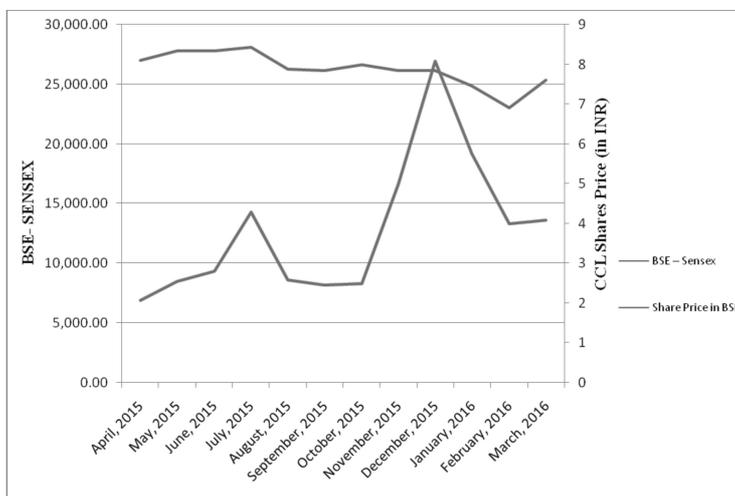
b) Company's shares are being traded on NSE the high and low prices during each month are given below:

Month	National Stock Exchange of India Limited		
	High Price (Rs.)	Low Price (Rs.)	Volume of Shares Traded
April, 2015	2.00	1.20	33,212
May, 2015	3.05	1.90	1,37,688
June, 2015	3.40	1.90	4,29,040
July, 2015	4.80	2.70	6,20,730
August, 2015	4.20	2.45	3,62,886
September, 2015	2.80	2.30	71,704
October, 2015	2.95	2.15	1,08,326
November, 2015	4.80	2.55	2,33,474
December, 2015	7.95	4.95	6,36,152
January, 2016	9.10	5.30	4,81,721
February, 2016	6.55	3.85	2,77,967
March, 2016	4.20	3.60	3,53,479

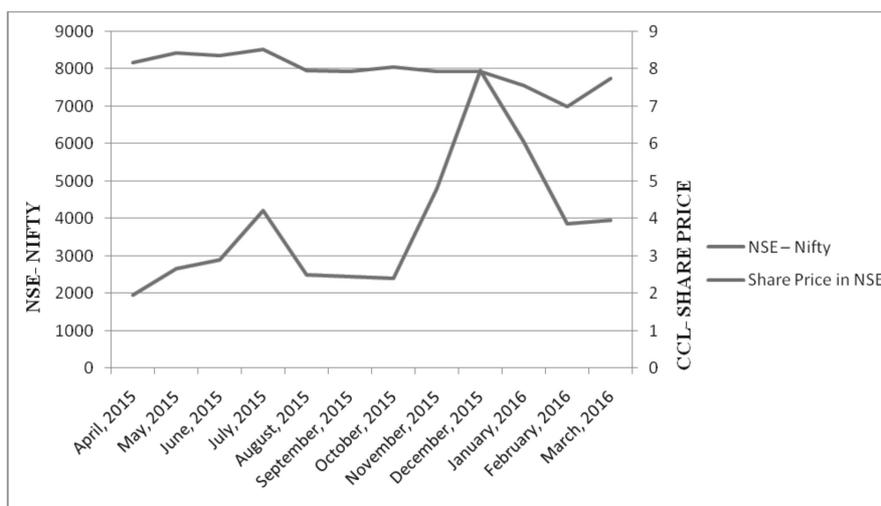


MONTH	Share Price in BSE			BSE - Sensex		
	HIGH	LOW	CLOSE	HIGH	LOW	CLOSE
April, 2015	2.25	1.28	2.07	29,094.61	26,897.54	27,011.31
May, 2015	3.35	1.97	2.54	28,071.16	26,423.99	27,828.44
June, 2015	3.39	2.05	2.80	27,968.75	26,307.07	27,780.83
July, 2015	4.92	2.62	4.29	28,578.33	27,416.39	28,114.56
August, 2015	4.16	2.44	2.58	28,417.59	25,298.42	26,283.09
September, 2015	2.75	2.26	2.45	26,471.82	24,833.54	26,154.83
October, 2015	2.90	2.18	2.50	27,618.14	26,168.71	26,656.83
November, 2015	5.12	2.70	5.00	26,824.30	25,451.42	26,145.67
December, 2015	8.09	4.92	8.09	26,256.42	24,867.73	26,117.54
January, 2016	9.35	4.97	5.76	26,197.27	23,839.76	24,870.69
February, 2016	6.34	3.73	3.99	25,002.32	22,494.61	23,002.00
March, 2016	4.39	3.41	4.09	25,479.62	23,133.18	25,341.86

# COUNTRY CONDO'S LIMITED



MONTH	Share Price in NSE			NSE - NIFTY		
	HIGH	LOW	CLOSE	HIGH	LOW	CLOSE
April, 2015	2.00	1.20	1.95	8844.8	8144.75	8181.5
May, 2015	3.05	1.90	2.65	8489.55	7997.15	8433.65
June, 2015	3.40	1.90	2.90	8467.15	7940.3	8368.5
July, 2015	4.80	2.70	4.20	8654.75	8315.4	8532.85
August, 2015	4.20	2.45	2.50	8621.55	7667.25	7971.3
September, 2015	2.80	2.30	2.45	8055	7539.5	7948.9
October, 2015	2.95	2.15	2.40	8336.3	7930.65	8065.8
November, 2015	4.80	2.55	4.80	8116.1	7714.15	7935.25
December, 2015	7.95	4.95	7.95	7979.3	7551.05	7946.35
January, 2016	9.10	5.30	6.05	7972.55	7241.5	7563.55
February, 2016	6.55	3.85	3.85	7600.45	6825.8	6987.05
March, 2016	4.20	3.60	3.95	7749.40	7035.1	7738.4



## COUNTRY CONDO'S LIMITED



(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  
Email: 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  
Email: 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.

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 31-03-2016

No. of Shares Slab	No. of Shareholders		Total No. of Shares & Amount		
	Total of Holders	Holders%	Total No. of Shares	Total No. of Amount	Amount%
1 - 5000	8114	87.95	9340281	9340281	12.04
5001 - 10000	669	7.25	4805724	4805724	6.19
10001 - 20000	248	2.69	3531415	3531415	4.55
20001 - 30000	82	0.89	2120075	2120075	2.73
30001 - 40000	19	0.21	658351	658351	0.85
40001 - 50000	17	0.18	768600	768600	0.99
50001 - 100000	40	0.43	2820228	2820228	3.63
100001 & Above	37	0.4	53552626	53552626	69.01
<b>TOTAL</b>	<b>9226</b>	<b>100.00</b>	<b>77597300</b>	<b>77597300</b>	<b>100.00</b>

## COUNTRY CONDO'S LIMITED

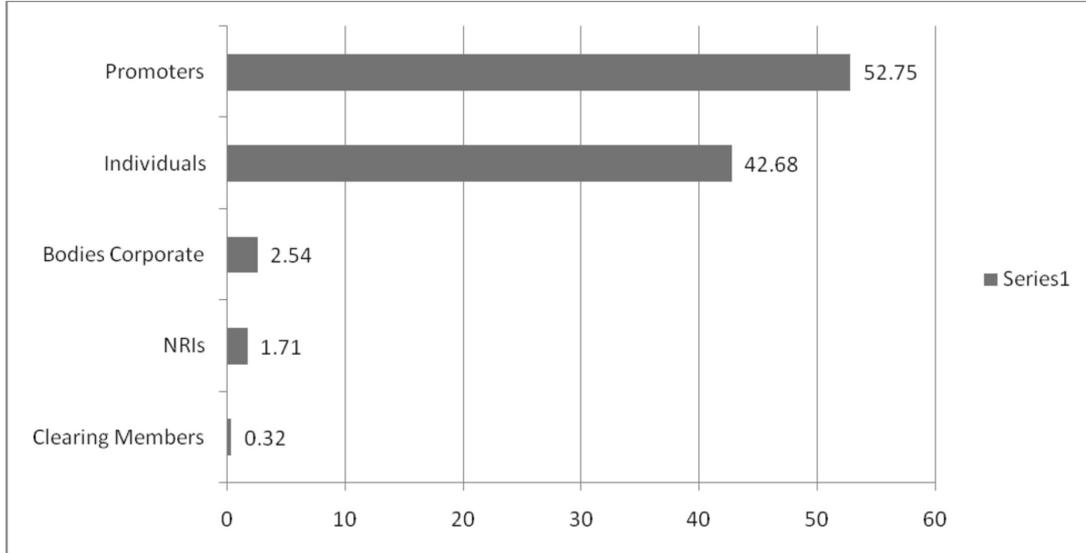


### (XII) According to the categories of Shareholding as on 31-03-2016

	CATEGORY	No. of Shares held	%of shareholding
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group:</b>		
<b>(1)</b>	<b>Indian</b>		
a.	Individuals/Hindu Undivided Family	40934446	52.75
b.	Central Government/State Government	---	---
c.	Bodies Corporate	---	---
d.	Financial Institutions / Banks	---	---
	Others:	---	---
e.	Mutual funds	---	---
f.	Trusts	---	---
	<b>Sub-Total (A)(1)</b>	<b>40934446</b>	<b>52.75</b>
<b>(2)</b>	<b>Foreign</b>		
a.	Individuals (Non- Residents Individuals / Foreign Individuals)	---	---
b.	Bodies Corporate	---	---
c.	Institutions	---	---
	Others:	---	---
d.	Overseas Corporate Bodies	---	---
	<b>Sub-Total (A)(2)</b>	<b>000</b>	<b>000</b>
	<b>Total Shareholding of Promoter and Promoter Group A = (A)(1)+ (A)(2)</b>	<b>40934446</b>	<b>52.75</b>
<b>(B)</b>	<b>Public Shareholding</b>		
<b>(1)</b>	<b>Institutions</b>		
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>
<b>(2)</b>	<b>Non-Institutions</b>		
a.	Bodies Corporate	1974702	2.54
b.	Individuals		
	i). Individual Shareholders holding Nominal Share Capital upto Rs. 2 Lakhs	23470667	30.25
	ii). Individual Shareholders holding Nominal Share Capital in excess of Rs. 2 Lakhs	9641543	12.43
	Others:		
c.	Non- Residents Individuals	1325542	1.71
d.	Overseas Corporate Bodies	---	---
e.	Trusts	---	---
f.	Employees	---	---
g.	Clearing Members	250400	0.32
	<b>Sub-Total (B)(2)</b>	<b>36662854</b>	<b>47.25</b>
	<b>Total Public Shareholding B = (B)(1) + (B)(2)</b>	<b>36662854</b>	<b>47.25</b>
	<b>TOTAL (A+B)</b>	<b>77597300</b>	<b>100.00</b>
<b>(C)</b>	<b>Shares held by Custodians and against Depositories Receipts have been issued</b>	---	---
	<b>GRAND TOTAL (A+B+C)</b>	<b>77597300</b>	<b>100.00</b>



**Graph representing the Shareholding Pattern as on 31 March 2016:**

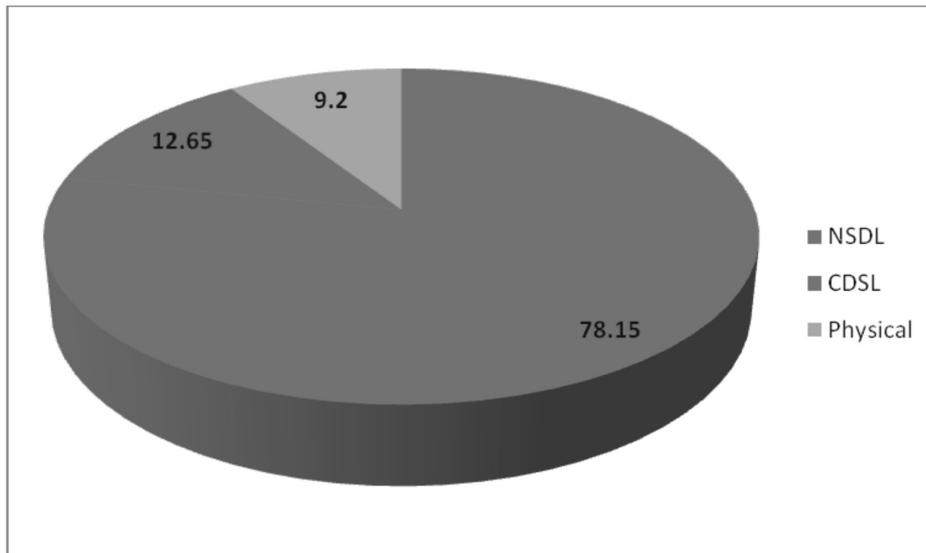


**(XIII) Dematerialization of shares & liquidity**

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:**

**70458656** Shares representing **90.80%** of the Company's total equity share capital were held in dematerialized form of which **78.15%** was held in National Securities Depository Limited (NSDL) and **12.65%** was held in Central Depository Services (India) Limited (CDSL) as on 31st March, 2016.



## 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:**

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

### **(XVII) Plant Locations:**

**Not Applicable**

### **(XVIII) Address for Correspondence:**

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

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

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

M/s. National Securities Depository Limited  
Trade World, 4th Floor, Kamala Mills Compound  
Senapati Bapat Marg, Lower Parel, Mumbai - 400 013  
Tel : 091-022-24972964-70  
Fax : 091-022-24972993-24976351  
Email : info@nsdl.co.in

M/s. Central Depository Services (India) Limited  
Phiroze Jeejeebhoy Towers  
28th Floor, Dalal Street, Mumbai - 400 023  
Tel : 091-022-22723333  
Fax : 091-022-22723199  
Email : investors@cdslindia.com

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

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

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

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015, and in connection with your Company's efforts to enhance the standards of corporate governance in the Company, and to strictly monitor and prevent insider trading within the Company, your Company has appointed Sri Laxmikanth Jakhotia, Company Secretary as the Compliance Officer for this purpose. The code is applicable to all such employees of the Company who are expected to have access to the unpublished price sensitive information relating to the Company and the same is being implemented as a self-regulatory mechanism. The code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them.

## COUNTRY CONDO'S LIMITED



### 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 : 10-08-2016

**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 31st March, 2016 compliance with the code of conduct of the Company laid down for them.

Place : Hyderabad  
Date : 10.08.2016

**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 31st March, 2016 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 : 30-05-2015

**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 31st March, 2016 as stipulated in Regulation 27 of the SEBI Listing Regulations of the said Company with the Stock Exchanges.

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

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

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

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

PLACE: HYDERABAD  
Date : 30-05-2016

P.MURALI MOHANA RAO  
PARTNER  
Membership No. 23412



**INDEPENDENT AUDITOR'S REPORT**

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

**REPORT ON THE STANDALONE FINANCIAL STATEMENTS**

We have audited the accompanying standalone financial statements of **Country Condo's Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility 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 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 standalone financial statements based on our audit.

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

**OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2016, its profit and its cash flows for the year ended on that date.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters Specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we further report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

## COUNTRY CONDO'S LIMITED

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- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c) the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the aforesaid standalone financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
- e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, 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 31st March 2016.

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

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

Place: Hyderabad  
Date: 30-05-2016

**Annexure A to the Auditors Report**

**Annexure referred to in Independent Auditors Report to the Members of Country Condo's Limited on the standalone financial statements for the year ended 31st March 2016, 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. (a) The Company has granted loans to companies covered in the register maintained under section 189 of the Companies Act, 2013. The outstanding amount of said advance aggregating to Rs.11,33,111/-  
(b) Terms & Conditions on which advance have been granted to parties listed in the register maintained under section 189 is not prejudicial to the interest of company.  
(c) According to the information and explanations given to us, company is regular in receipt of loan given to companies covered in the register maintained under section 189 of the Companies act,2013.
- iv. The Company has not granted any loans or made any Investments, or provided any guarantee or security to the parties covered under section 185 and 186 of the Act. Therefore, the provisions of clause 3(iv) of the said order are not applicable to the company.
- v. 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.
- vi. The maintenance of cost records has not been specified by the Central Government under the sub-section (1) of section 148 of the Companies Act 2013. Hence this clause of the order is not applicable.
- vii. (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, Service Tax, Custom Duty, Excise Duty 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, Service Tax, Custom Duty, Excise Duty and other material statutory dues in arrears as at 31st March 2016 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 dues to be deposited on account of disputes in respect of Income-tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues as at the balance sheet date.
- viii. 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.
- ix. 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.

## COUNTRY CONDO'S LIMITED

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- x. According to the information and explanations given to us, no material fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our Audit.
- xi. The Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandate by the provisions of section 197 read with schedule V to the Act.
- xii. 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.
- xiii. 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 Accounting standard (AS) 18, related party disclosures specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
- xiv. The Company has not made any preferential allotment of private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.
- xv. 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.
- xvi. 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.

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

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

Place: Hyderabad  
Date: 30-05-2016

**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 Condo's Limited ('the company') as of 31st march 2016 in conjunction with our audit of standalone 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.

**Auditor's 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 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 financial statements.

**Inherent Limitation 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 deducted. 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.

## COUNTRY CONDO'S LIMITED

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### **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, 2016, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

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

Place: Hyderabad  
Date: 30-05-2016

## COUNTRY CONDO'S LIMITED

Balance Sheet as at 31st March, 2016

Particulars	Note No	As on	As on
		31-03-2016	31-03-2015
		₹	₹
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	77,597,300	77,597,300
(b) Reserves and Surplus	2	88,862,365	81,249,127
<b>(2) Non-Current Liabilities</b>			
(a) Deferred tax liabilities (Net)	3	2,574,605	2,316,881
(b) Long-term borrowings	4	1,838,096	1,169,128
<b>(3) Current Liabilities</b>			
(a) Trade payables	5	3,460,181	4,348,653
(b) Other current liabilities	6	87,548,708	215,524,117
(c) Short-term provisions	7	8,921,123	6,784,875
<b>TOTAL</b>		<b>270,802,378</b>	<b>388,990,081</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	8	52,575,125	53,275,210
(i) Tangible assets			
<b>(2) Current assets</b>			
(a) Inventories	9	143,729,284	226,846,712
(b) Cash and Cash equivalents	10	28,057,227	19,282,971
(c) Short-term loans and advances	11	39,937,511	64,712,386
(d) Other current assets	12	6,503,231	24,872,802
<b>TOTAL</b>		<b>270,802,378</b>	<b>388,990,081</b>

Summary of Significant Accounting Policies

The accompanying Notes are an Integral Part of the Financial Statements  
AS PER OUR REPORT OF EVEN DATEFor P.Murali & Co.,  
Firm Registration No: 007257S  
Chartered Accountants

For COUNTRY CONDO'S LIMITED

Y. Rajeev Reddy  
Chairman & Director  
DIN. 00115430D. Krishna Kumar Raju  
Vice Chairman & CEO  
DIN. 00115553P. Murali Mohana Rao  
Partner  
Membership No. 023412U. Gandhi  
Chief Financial OfficerLaxmikanth Jakhotia  
Company SecretaryPlace : Hyderabad  
Date : 30-05-2016

## COUNTRY CONDO'S LIMITED

## Statement of Profit and Loss for the year ended 31st March, 2016

Particulars	Note No	As on	As on
		31-03-2016	31-03-2015
		₹	₹
I. Sales / Income from Operations	13	452,667,010	329,616,110
II. Other Income	14	3,112,819	99,006
<b>III. Total Revenue (I +II)</b>		<b>455,779,829</b>	<b>329,715,116</b>
<b>IV. Expenses:</b>			
(a) Cost of materials consumed	15	6,760,129	6,331,797
(b) Purchase of Land / Development	16	284,704,922	88,069,139
(c) (Increase)/ Decrease in inventories	17	83,136,200	154,322,291
(d) Employee benefit expense	18	32,037,394	32,601,615
(e) Other operating expenses	19	8,109,615	9,681,896
(f) Administrative Expense	20	25,278,064	25,924,461
(g) Financial costs	21	1,288,659	2,274,731
(h) Depreciation and amortization expense	8	2,701,721	2,944,731
<b>V. Total Expenses</b>		<b>444,016,704</b>	<b>322,150,661</b>
VI. Profit before tax (III - V)		11,763,125	7,564,455
VII. Tax expense:			
(1) Income Tax		3,892,163	3,054,039
(2) Deferred tax		257,724	(12,179,109)
VIII. Profit for the period (VI - VII)		7,613,238	16,689,525
IX. Earning per equity share: (Refer Note No.23)			
(1) Basic		0.10	0.22
(2) Diluted		0.10	0.22

## Summary of Significant Accounting Policies

The accompanying Notes are an Integral Part of the Financial Statements  
AS PER OUR REPORT OF EVEN DATE

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

For COUNTRY CONDO'S LIMITED

Y. Rajeev Reddy  
Chairman & Director  
DIN. 00115430

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

P. Murali Mohana Rao  
Partner  
Membership No. 023412

U. Gandhi  
Chief Financial Officer

Laxmikanth Jakhotia  
Company Secretary

Place : Hyderabad  
Date : 30-05-2016



**COUNTRY CONDO'S LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2016**

	For the Year ended on 31-03-2016 (₹)	For the Year ended on 31-03-2015 (₹)
<b>A Cash Flow from Operating activities :</b>		
<b>Net Profit after Interest &amp; Depreciation but before Tax</b>	11,763,125	7,564,455
Depreciation	2,701,721	2,944,731
Loss on Sale of Fixed Assets	-	10,60,500
Interest paid	1,58,051	1,67,266
Preliminary expenses w/o	-	1,16,000
<b>Operating Profit before working capital changes</b>	<b>14,622,897</b>	<b>11,852,952</b>
<b>Adjustments for :</b>		
Short Term Provisions	2,136,249	1,558,144
Trade and Other Payables	(132,756,045)	(165,285,111)
Inventories	83,117,428	154,711,584
Short term Loan and advances	24,774,875	(17,531,970)
Other Current Assets	18,369,571	(1,820,261)
<b>Cash generated from operations</b>	<b>10,264,975</b>	<b>(16,514,662)</b>
<b>Net Cash flow from Operating activities (before &amp; after extraordinary items) " A "</b>	<b>10,264,975</b>	<b>(16,514,662)</b>
<b>B Net Cash from Investing activities :</b>		
Purchase of Fixed Assets	(2,001,636)	(2,404,768)
Sale of Fixed Assets	-	23,365,000
Capital Work in Progress	-	-
Other Non Current Assets	-	116,000
<b>Net cash flow from Investing activities " B "</b>	<b>(2,001,636)</b>	<b>21,076,232</b>
<b>C Cash Flow from Financing activities</b>		
Interest paid	(158,051)	(167,266)
Long Term Borrowings	668,968	604,048
<b>Net Cash flow from Financing activities " C "</b>	<b>510,917</b>	<b>436,782</b>
<b>D Net ( Decrease ) / Increase in Cash and Cash Equivalents ( A + B + C )</b>	<b>8,774,256</b>	<b>4,998,352</b>
Cash and Cash Equivalents at the beginning	19,282,971	14,284,619
Cash and Cash Equivalents at the end	<b>28,057,227</b>	<b>19,282,971</b>

AS PER OUR REPORT OF EVEN DATE

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

For and on behalf of the Board

Y. Rajeev Reddy  
 Chairman & Director  
 DIN. 00115430

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

P. Murali Mohana Rao  
 Partner  
 Membership No. 023412

U. Gandhi  
 Chief Financial Officer

Laxmikanth Jakhotia  
 Company Secretary

Place : Hyderabad  
 Date : 30-05-2016

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

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

**BASIS OF PREPARATION:**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act"). The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

**USE OF ESTIMATES:**

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

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

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

- a) "Revenue is the gross inflow of cash, receivables or other consideration arising in the course of the ordinary activities of an enterprise from the rendering of services, and from the use by others of enterprise resources yielding interest, royalties and dividends. Revenue is measured by the charges made to customers or clients for services rendered to them and by the charges and rewards arising from the use of resources by them. In an agency relationship, the revenue is the amount of commission and not the gross inflow of cash, receivables or other consideration.
- b) Completed service contract method is a method of accounting which recognizes revenue in the statement of profit and loss only when the rendering of services under a contract is completed or substantially completed.
- c) Revenue from real estate development projects and plots under development is recognized in the financial year in which the Sale deed/gift deed is executed in the names of members or their nominees on the percentage of completion method which is applied on a cumulative basis in each accounting year when the stage of completion of each project gets completed or substantially completed.

**(b) Cash Flow Statement: AS-3**

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

**(C) Cash and cash equivalents (for purpose of cash flow statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition).

**(d) Employee Benefits:**

Employee benefits include provident fund, superannuation fund, and gratuity fund and compensated absences. Liability for gratuity to employees determined on the basis of actuarial valuation as on balance sheet date is funded with the Life Insurance Corporation of India and is recognized as an expense in the year incurred.

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

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

**Intangible Assets**

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

## COUNTRY CONDO'S LIMITED



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

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

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

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

Cost is determined on weighted average cost method.

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

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

### **(h) Taxes on Income:**

Income tax comprises current and deferred taxes.

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax is net of credit for entitlement for Minimum Alternative tax.

Deferred tax is recognized, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets and liabilities are measured based on the tax rates that are expected to apply in the period when asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.

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

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

### **(j) Earnings per Share:**

Basic earnings per share are calculated by dividing the net profit/ (loss) after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating basic and diluted earnings per share, the net profit/ (loss) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year will be adjusted for the effects 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 from continuing ordinary operations.

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

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

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

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

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

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

**NOTE NO. 1 : SHARE CAPITAL**

S. No.	Particulars	As on	As on
		31-03-2016	31-03-2015
		(₹)	(₹)
I	<u>Share Capital</u>		
	(a) Authorised (No. of Shares 350,000,000)	350,000,000	350,000,000
	(b) Issued, Subscribed & Fully Paid Up (No. of Shares 77,597,300)	77,597,300	77,597,300
	(c) Par Value per share Re.1/- Each		
	<b>Total Equity Share capital</b>	<b>77,597,300</b>	<b>77,597,300</b>
II	<u>A Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:</u>	<b>Number of Shares</b>	
	Equity Shares of Fully paid up :		
	At the Beginning	77,597,300	77,597,300
	Add: Issued during the year	-	-
	At the end	<b>77,597,300</b>	<b>77,597,300</b>
III	<u>Details of Shareholder holding more than 5% shares of the company:</u>	<b>% of Share Holding</b>	
	Equity Shares of Re. 1/- each Held By Mr.Y. Rajeev Reddy - No.of Shares (C.Y) 38843345, (P.Y) 36507426	50.06	47.05

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

S. No.	Particulars	As on	As on
		31-03-2016	31-03-2015
		(₹)	(₹)
I	<b>RESERVES AND SURPLUS</b>		
	(a) Capital reserve		
	i) As at the commencement of the year	22,982,670	22,982,670
	Add: Additions during the year	-	-
		22,982,670	22,982,670
	(b) Securities Premium Reserve		
	i) As at the commencement of the year	49,935,300	49,935,300
	Add: Additions during the year	-	-
		49,935,300	49,935,300
	(c) Surplus :		
	i) Opening Balance - Profit and Loss Account	8,331,157	23,882,808
	Add: Transfer from Profit & Loss Account	7,613,238	16,689,525
	Less: Amount transferred to Retained Earnings in pursuant of Schedule II to The Companies Act, 2013.	-	32,241,176
		15,944,395	8,331,157
	<b>Total Reserves and Surplus</b>	<b>88,862,365</b>	<b>81,249,127</b>

## COUNTRY CONDO'S LIMITED



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

S. No.	Particulars	As on	As on
		31-03-2016	31-03-2015
		(₹)	(₹)
I	Opening Deferred tax Liability	2,316,881	14,495,990
	<b>Add:</b> Deferred Tax Liability for the year (Due to SLM and WDV Difference)	257,724	(12,179,109)
	<b>Deferred Tax Liability/ ( Asset ) - Net</b>	<b>2,574,605</b>	<b>2,316,881</b>

### NOTE NO. 4 : LONG TERM BORROWINGS

S. No.	Particulars	As on	As on
		31-03-2016	31-03-2015
		(₹)	(₹)
I	(a) Vehicle Loans from Bank & Financial Institutions		
	(i) Secured		
	AXIS Bank	1,266,827	-
	HDFC Bank	-	119,428
	Toyota Financial Services India Ltd.	571,269	1,049,700
	<b>Total long term borrowings</b>	<b>1,838,096</b>	<b>1,169,128</b>

### NOTE NO. 5 : TRADE PAYABLES

S. No.	Particulars	As on	As on
		31-03-2016	31-03-2015
		(₹)	(₹)
I	(a) Trade Payables	3,460,181	4,348,653
	<b>Total Trade Payables</b>	<b>3,460,181</b>	<b>4,348,653</b>

### NOTE NO. 6 : OTHER CURRENT LIABILITES

S. No.	Particulars	As on	As on
		31-03-2016	31-03-2015
		(₹)	(₹)
I	(a) Advances Received from Customers	83,204,945	211,874,225
	(b) TDS Payable	1,392,681	527,070
	(c) Professional Tax Payable	2,650	5,650
	(d) Consultancy Charges Payable	1,865,400	2,234,678
	(e) Commission Payable	737,398	247,804
	(f) Luxury Tax Payable	84,973	52,140
	(g) Service Tax Payable	101,282	432,855
	(h) VAT Payable	159,379	149,695
	<b>Total other current liabilities</b>	<b>87,548,708</b>	<b>215,524,117</b>

### NOTE NO. 7 : SHORT TERM PROVISIONS

S. No.	Particulars	As on	As on
		31-03-2016	31-03-2015
		(₹)	(₹)
I	(a) Provisions for employee benefits		
	Salaries Payable	4,269,675	3,336,854
	PF Payable	170,173	168,052
	ESIC Payable	32,342	38,484
	(b) Others		
	Provision for Income tax	3,892,163	2,704,739
	Audit Fee Payable	104,500	101,124
	Rent Payable	100,604	231,651
	Provision for Expenses	351,666	203,971
	<b>Total short term provisions</b>	<b>8,921,123</b>	<b>6,784,875</b>

**COUNTRY CONDO'S LIMITED**



**COUNTRY CONDO'S LIMITED - 2015-16  
NOTE NO. 8 : FIXED ASSETS**

DESCRIPTION OF ASSET	GROSS BLOCK			DEPRECIATION					NET BLOCK		
	Block as at 01/04/2015	Additions during the year	Deletions during the year	Total Block as at 31/03/2016	Upto 31-03-2015	Transfer to Retained Earnings	For the year	Adjustments during the year	Total as at 31/03/2016	As at 31/03/2016	As at 31/03/2015
Land & Site Development	19,148,091	-	-	19,148,091	-	-	-	-	-	19,148,091	19,148,091
Buildings	24,461,424	-	-	24,461,424	3,045,978	-	771,742	-	3,817,720	20,643,704	21,415,446
Plant & Machinery	5,771,698	-	-	5,771,698	1,158,352	-	387,790	-	1,546,142	4,225,556	4,613,346
Office Equipment	1,375,457	207,384	-	1,582,841	599,239	-	267,005	-	866,244	716,597	776,218
Furniture & Fixtures	1,994,905	-	-	1,994,905	498,417	-	210,703	-	709,120	1,285,785	1,496,488
Vehicles	7,050,547	1,732,152	-	8,782,699	1,629,832	-	851,205	-	2,481,037	6,301,662	5,420,715
Computers	1,588,343	62,100	-	1,650,443	1,183,437	-	213,276	-	1,396,713	253,730	404,906
<b>Total</b>	<b>61,390,465</b>	<b>2,001,636</b>	-	<b>63,392,101</b>	<b>8,115,255</b>	-	<b>2,701,721</b>	-	<b>10,816,976</b>	<b>52,575,125</b>	<b>53,275,210</b>
<b>Previous Year</b>	167,784,874	2,404,768	108,799,177	61,390,465	57,303,025	32,241,176	2,944,731	84,373,677	8,115,255	53,275,210	110,481,849

**NOTE NO. 9 : INVENTORIES**

S. No.	Particulars	As on	As on
		31-03-2016	31-03-2015
		(₹)	(₹)
I	(a) Land and Land Development Expenditure	143,525,394	226,661,594
	(b) Consumables & Provisions	203,890	185,118
	<b>Total Inventories</b>	<b>143,729,284</b>	<b>226,846,712</b>

**NOTE NO. 10 : CASH AND BANK BALANCES**

S. No.	Particulars	As on	As on
		31-03-2016	31-03-2015
		(₹)	(₹)
I	Cash and cash equivalents :		
	(a) Balances with banks :		
	(i) On Current Accounts	26,349,377	17,892,024
	(b) Cash on hand	1,707,850	1,390,947
	<b>Total Cash and Cash Equivalents</b>	<b>28,057,227</b>	<b>19,282,971</b>

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

S. No.	Particulars	As on	As on
		31-03-2016	31-03-2015
		(₹)	(₹)
I	Security Deposit		
	Secured, Considered Good	-	-
	Unsecured, Considered Good	2,317,272	1,384,272
		<b>2,317,272</b>	<b>1,384,272</b>
II	Loans and Advances to Related Parties		
	Unsecured, Considered Good		
	Country Club Hospitality & Holidays Ltd.,	-	11,575,000
	Zen Garden Hotels Pvt Ltd	1,133,111	1,166,193
		<b>1,133,111</b>	<b>12,741,193</b>
III	Advances Recoverable in Cash or in kind		
	Unsecured, Considered Good		
	Advance for Land and Land Development	31,138,971	46,739,948
	Advances to Suppliers	374,766	787,319
	Advance for Site Registrations	2,489,612	1,633,566
	Advances to Employees	2,483,779	1,426,088
		<b>36,487,128</b>	<b>50,586,921</b>
	<b>Total short term loans &amp; advances</b>	<b>39,937,511</b>	<b>64,712,386</b>

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

S. No.	Particulars	As on	As on
		31-03-2016	31-03-2015
		(₹)	(₹)
I	(a) TDS/TCS Receivables	107,064	101,142
	(b) Advance Taxes / Excess paid	1,493,903	1,175,000
	(c) Prepaid Expenses	59,458	59,466
	(d) Chit Receivables	4,842,806	23,537,194
	<b>Total Other current assets</b>	<b>6,503,231</b>	<b>24,872,802</b>

## COUNTRY CONDO'S LIMITED

## NOTES TO STATEMENT OF PROFIT &amp; LOSS

## NOTE NO. 13 : REVENUE FROM OPERATIONS

S. No.	Particulars	As on	As on
		31-03-2016	31-03-2015
		(₹)	(₹)
I	Income from operations		
	(a) Real Estate Income	427,397,145	308,039,535
	(b) Hospitality Income	25,269,865	21,576,575
	<b>Total Revenue from Operations</b>	<b>452,667,010</b>	<b>329,616,110</b>

## NOTE NO. 14 : OTHER INCOME

S. No.	Particulars	As on	As on
		31-03-2016	31-03-2015
		(₹)	(₹)
I	(a) Interest on FD's	48,466	94,786
	(b) Profit on Chits	3,058,488	-
	(c) Others	5,865	4,220
	<b>Total Revenue from other Income</b>	<b>3,112,819</b>	<b>99,006</b>

## NOTE NO. 15 : COST OF MATERIALS CONSUMED

S. No.	Particulars	As on	As on
		31-03-2016	31-03-2015
		(₹)	(₹)
I	Opening Raw Material	185,118	574,411
	Add: Purchases during the year	6,778,901	5,942,504
		6,964,019	6,516,915
	Less: Closing Raw Material	203,890	185,118
	<b>Total Cost Of Material Consumed</b>	<b>6,760,129</b>	<b>6,331,797</b>

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

S. No.	Particulars	As on	As on
		31-03-2016	31-03-2015
		(₹)	(₹)
I	Operating Expenditure		
	(a) Purchase of Land	22,345,325	27,658,702
	(b) Land Development Charges	262,359,597	60,410,437
	<b>Total Trade Expenses</b>	<b>284,704,922</b>	<b>88,069,139</b>

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

S. No.	Particulars	As on	As on
		31-03-2016	31-03-2015
		(₹)	(₹)
I	Work in Progress		
	Work in progress at the beginning of the year	226,661,594	380,983,885
	Less : Work in progress at the end of the year	143,525,394	226,661,594
	<b>(Increase) / Decrease in Inventories</b>	<b>83,136,200</b>	<b>154,322,291</b>

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

S. No.	Particulars	As on	As on
		31-03-2016	31-03-2015
		(₹)	(₹)
I	(a) Salaries & Wages	29,148,507	29,519,569
	(b) Contribution to Provident Fund & ESIC	1,221,425	1,272,153
	(c) Staff Welfare Expenses	1,667,462	1,809,893
	<b>Total Employee Benefit Expenses</b>	<b>32,037,394</b>	<b>32,601,615</b>

**NOTE NO. 19 : OTHER OPERATING EXPENSES**

S. No.	Particulars	As on	As on
		31-03-2016	31-03-2015
		(₹)	(₹)
I	(a) Power & Fuel	2,070,745	2,341,822
	(b) Upkeep & Service Cost	1,925,286	2,139,883
	(c) Rent	3,613,284	3,519,627
	(d) General Expenditure	385,800	507,704
	(e) Payment to Auditors:		
	(i) As Auditor	80,150	78,652
	(ii) For Taxation matters	34,350	33,708
	(f) Loss on Sale of Fixed Asset	-	1,060,500
	<b>Total Other Operating Expenses</b>	<b>8,109,615</b>	<b>9,681,896</b>

**NOTE NO. 20 : ADMINSTRATIVE EXPENSES**

S. No.	Particulars	As on	As on
		31-03-2016	31-03-2015
		(₹)	(₹)
I	(a) Telephone, Postage and Others	1,759,169	2,077,745
	(b) Business Promotion Expenses	779,178	142,565
	(c) Travelling & Conveyance	5,401,165	5,839,127
	(d) Office Maintenance	4,082,040	4,624,503
	(e) Printing & Stationery Expenses	728,952	989,576
	(f) Rates & Taxes (excluding Income Tax)	4,094,224	5,839,554
	(g) Consultancy Charges	4,128,485	4,049,324
	(h) Commission Charges	3,807,413	1,578,942
	(i) Advertisement Charges	238,584	304,460
	(j) Miscellaneous Expenses W/o	-	116,000
	(k) Interest on late payment of Taxes	258,854	362,665
	<b>Total Administrative Expenses</b>	<b>25,278,064</b>	<b>25,924,461</b>

**NOTE NO. 21 : FINANCE COST**

S. No.	Particulars	As on	As on
		31-03-2016	31-03-2015
		(₹)	(₹)
I	(a) Bank Charges	1,130,608	727,665
	(b) Loss On Chit	-	1,379,800
	(c) Interest on Vehicle Finance	158,051	167,266
	<b>Total Finance Cost</b>	<b>1,288,659</b>	<b>2,274,731</b>

## COUNTRY CONDO'S LIMITED



### NOTE NO. 22

#### Related Party Transactions:

Particulars of related party transactions:

Name of the Related Party	Nature of the Related Party	Nature of Transaction	Amount (₹)
Country Club Hospitality & Holidays Limited	Common Directors interested	Lease Rent received	3,00,000

### NOTE NO. 23

#### Earnings per Share:

Particulars	2015-16	2014-15
Net profit after tax (₹)	76,13,238	1,66,89,525
Weighted Average Numbers of shares	7,75,97,300	7,75,97,300
Basic and Diluted EPS (₹)	0.10	0.22

24. 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 ₹14,35,25,394/- for current year (previous year ₹22,66,61,594/-) and Closing Inventories of Consumables is ₹2,03,890/- for current year (Previous year ₹1,85,118/-)
25. The Company has bought the Land on which development activities has been undertaken and made into residential plots for allotment & registration has been done in the name of customers.  
The Company has received advances from the customers in the preceding financial years. During the financial year 2015-16 such advances received from customers has been recognized as an income amounting to ₹19,33,68,972/- for current year (Previous year ₹20,05,00,000/-) as per Significant accounting policy on Revenue Recognition (AS -9).

### 26. Segment Reporting:

#### Business Segments:

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

Profit and Loss Statements for the year ended 31st March, 2016	Real Estate (₹)	Hospitality Services (₹)	Total (₹)
Revenues	42,73,97,145	2,52,69,865	45,26,67,010
Unallocable Revenue	-	-	31,12,819
Direct Expenses	42,24,22,949	2,15,93,755	44,40,16,704
Gross Income	49,74,196	36,76,110	1,17,63,125
Net Profit Before Taxes	-	-	1,17,63,125
Tax Expenses	-	-	41,49,887
Net Profit After Taxes	-	-	76,13,238

### 27. Contingent Liability:

- a) During the financial year - 2011-12, the company has given corporate guarantee to its Associated enterprise i.e. M/s Country Club Hospitality & Holidays limited for availing the Term Loan from Three Banks namely Vijaya Bank, Bank of India and Union Bank of India for which the company has given its Assets as collateral security. The details of the Property given as Collateral securities are as follows.
- (i) Company's Immovable property situated at No.20/1-524, Sy No: 20/1, Geddanahalli, Attibele Hobli, Anekal Taluk, Bangalore District Pin-562107.

## COUNTRY CONDO'S LIMITED



- b) During the financial year - 2011-12, the company has given corporate guarantee to its associated enterprise i.e. M/s. Country Club Hospitality & Holidays limited for availing the Secured Business Loan from M/s. Karvy Financial Services. For which the company has given its Assets as collateral security.  
The details of the Property given as Collateral securities are as follows.
- (i) Property Situated at Sy No:101/3,102/3,103/1,103/2 & 103/17, Kumbalgodu, Kengeri Hobli beside Mc.dowell Unit near Mysore Road under BBMP, Bangalore.
28. Previous year's numbers have been regrouped, rearranged, recasted, wherever necessary to conform to Current Year Classification.
29. The numbers have been rounded off to the nearest rupee.

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

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

P. MURALI MOHANA RAO  
PARTNER  
MEMBERSHIP NO. 023412

Y. RAJEEV REDDY  
CHAIRMAN & DIRECTOR  
DIN. 00115430

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

U. GANDHI  
CHIEF FINANCIAL OFFICER

LAXMIKANTH JAKHOTIA  
COMPANY SECRETARY

PLACE : HYDERABAD,  
DATE : 30-05-2016



**29th Annual General Meeting  
Country Condo's Limited  
CIN: L63040TG1987PLC007811**

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

**Form No. MGT-11  
PROXY FORM**

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

Name of the member(s): Registered address:	E-mail Id: Folio No/ Client Id & DP Id:
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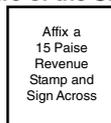
I/We, being the Member/Members of \_\_\_\_\_ Shares of Country Condo's Limited, hereby appoint:  
 1) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id ----- or failing him  
 2) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id ----- or failing him  
 3) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id ----- and whose signature(s)  
 are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the Company, to be held on Wednesday, 30th September, 2016 at 11:30 A.M at Crown Villa Gardens, 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad - 500 003 and at any adjournment thereof in respect of such resolutions as are indicated below:

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

Res.No.	DESCRIPTION	FOR	AGAINST
1	Adoption of Financial Statements and Reports thereon for the financial year ended 31st March, 2016		
2	Re-appointment of Sri Y. Siddharth Reddy (DIN: 00815456), who retires by rotation and being eligible offers himself for re-appointment.		
3	Appointment of M/s. P. Murali & Co., Chartered Accountants, as Statutory Auditors of the Company and to fix their remuneration for the financial year ending 31st March, 2017.		
4	To Re-appoint Sri D. Krishna Kumar Raju (DIN: 00115553) as Vice-Chairman & CEO		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

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. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (4) This is only optional. Please put a 'P' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (6) In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.



**29th 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**

**Date** 30th September, 2016      **Venue** Crown Villa Gardens, 150, Brigadier Sayeed Road,  
Opp. Gymkhana Grounds, Secunderabad - 500 003      **Time** 11:30 AM

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

I certify that I am a registered shareholder of the Company, hold above-mentioned shares in the Company, and hereby record my present at the 29th Annual General Meeting of the Company held on 30th September, 2016 at Crown Villa Gardens, 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad-500 003.

**Member's/Proxy signature**

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

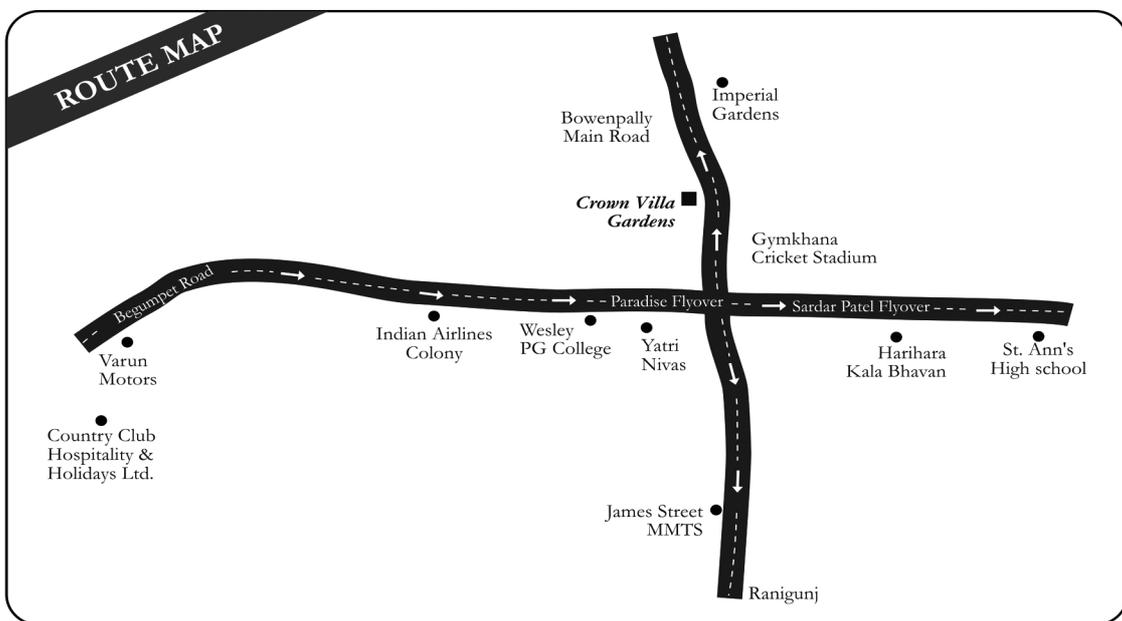
\* Applicable for investors holding shares in electronic form.

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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.