

NOTICE OF POSTAL BALLOT

COUNTRY CLUB HOSPITALITY & HOLIDAYS LIMITED

CIN: L70102AP1991PLC012714

Regd. Office: 'Amrutha Castle', 5-9-16, Saifabad,

Opp: Secretariat, Hyderabad - 500063

Tel: 040-66848888, Fax: 040-66360609, E-mail: contact@countryclubmail.com,

Website: www.countryclubindia.net

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Website: www.countryclubindia.net

Date: 13th February, 2017

POSTAL BALLOT NOTICE

To,
The Shareholders
COUNTRY CLUB HOSPITALITY & HOLIDAYS LIMITED

Notice pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management & Administration) Rules, 2014

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management & Administration) Rules, 2014, that the resolution appended herewith is proposed to be passed as a Special Resolution by means of Postal Ballot.

The explanatory statement pursuant to Section 102 of the Companies Act, 2013, pertaining to the resolution setting out the material facts and the reasons thereof is annexed hereto along with the postal ballot form for your consideration.

The Board has appointed Mrs. Rashida Adenwala (Membership No. FCS 4020), Practicing Company Secretary as the Scrutinizer for conducting the Postal Ballot and electronic voting (e-voting) process thereto in accordance with the provisions of the Act and Rules made thereunder in a fair and transparent manner.

A Ballot Paper bearing unique serial number is attached to this Notice. We request you carefully read the instructions mentioned in the Postal Ballot Form and Kindly accord your assent or dissent, as the case may be, by placing a tick mark (✓) at the appropriate place to the below mentioned resolution and return the Form duly completed and signed, in the attached self-addressed business reply envelope before the close of working hours (6:00 P.M.) on or before **16th March, 2017**, so as to reach the Scrutinizer:

Mrs. Rashida Adenwala, Scrutinizer, M/s. Country Club Hospitality & Holidays Limited, Country Club Kool, # 6-3-1219, 5th Floor, Begumpet, Hyderabad - 500 016.

For Members opting for E-Voting:

In Compliance with Regulation 44(1) of the Securities and Exchange Board of India ("SEBI") (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and pursuant to the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management & Administration) Rules, 2014, as amended the Company is pleased to provide e-voting facility as an alternate, to all its Members, to enable them to cast their votes electronically, instead of physical Postal Ballot Form. E-voting is optional. Please carefully read and follow the instructions on e-voting printed in this Notice.

The remote e-voting period commences from 15th February, 2017 at **09.00 A.M. to 16th March, 2017 at 5.00 P.M.**

The Scrutinizer will submit his report to the Chairman after completion of the scrutiny in accordance with the provisions of Section 110 of the Act, 2013 read with Companies (Management and Administration) Rules, 2014 on **Friday, 17th March, 2017**. The results of said postal ballot along with the Scrutinizer's report will be posted on the Company's website www.countryclubindia.net and will be communicated to the BSE Limited and National Stock Exchange Limited., where the equity shares of the Company are listed. The results of postal ballot shall also be announced through newspaper advertisement. The resolutions, if approved, will be taken as passed effectively on the date of declaration of results.

Thanking You,

Yours truly,
For Country Club Hospitality & Holidays Limited

Sd/-
Y. Rajeev Reddy
Chairman & Managing Director
Din: 00115430

Encl: as above

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RESOLUTION TO BE PASSED THROUGH THE POSTAL BALLOT

ITEM NO. 1: Further issue of Equity Shares on Preferential basis:

To Consider and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 42 & 62 and all other applicable provisions, if any, of the Companies Act, 2013, read with the rules made thereunder (including any statutory modification (s) or re-enactment(s) thereof for time being in force) and in accordance with the enabling provisions of Memorandum & Articles of Association of the Company and in accordance of the rules, regulations and guidelines of the Securities and Exchange Board of India (SEBI) (Issue of Capital and Disclosure Requirements) Regulations 2009 as amended (ICDR Regulations), SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended (LODR Regulations) , and subject to the approval (s), consent(s), permission (s) and sanction(s) of any authorities as may be necessary, and subject to such conditions and modifications as may be prescribed or imposed if any of the appropriate authorities, institutions, as may be required and subject to such other conditions as may be prescribed by any of them while granting any such approval (s), consents (s), permission (s) and sanction (s), which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the **"Board"** which term shall be deemed to include any Committee of Directors duly constituted or to be constituted thereof to exercise its powers conferred by this resolution), the approval of the members of the Company be and is hereby accorded to the Board to offer, issue and allot from time to time upto 50,00,000 Equity Shares of a face value of Rs. 2/- each of the Company on a preferential basis to Mr. Naresh Lakshman Singh Kothari in such proportion and on such terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting at a such price determined on the relevant date (15th February' 2017) or at a price not less than the price determined in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 [SEBI ICDR Regulations], whichever is higher and on such other terms and conditions as may be mentioned in the letter of offer (PAS-4) to be issues by the Company.

RESOLVED FURTHER THAT The "Relevant Date" pursuant to Regulation 71 of the SEBI (ICDR) Regulations in relation to the above mentioned Preferential Issue of Warrants, shall be Wednesday, 15th February, 2017 which is a date 30 days prior to the date when the results of the postal ballot are to be announced.

RESOLVED FURTHER THAT the Equity Shares to be issued and allotted shall be subject to lock-in as provided under the provisions of SEBI ICDR Regulations and the Equity Shares so offered, issued and allotted shall rank *pari passu* with the existing equity shares of the Company in all respects including payment of Dividend.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorize to do all such acts, deeds, matters and things as it may needs absolute discretion deem necessary, desirable and expedient for such purpose including without limitations to issue and allot Equity Shares and settle any question, difficulty or doubt that may arise from time to time in relation thereto.

RESOLVED FURTHER THAT the Board be and is hereby further authorized to delegate all or any of the powers herein conferred by this resolution to any director (s) or any committee of Directors, as permitted under the law, to give effect to the aforesaid resolution.”

ITEM NO. 2: Issue of Share Warrants on Preferential basis:

To Consider and if thought fit, to pass, with or without modifications, the following resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 42 & 62 and all other applicable provisions, if any, of the Companies Act, 2013, read with the rules made thereunder (including any statutory modification (s) or re-enactment(s) thereof for time being in force) and in accordance with the enabling provisions of Memorandum & Articles of Association of the Company and in accordance of the rules, regulations and guidelines of the Securities and Exchange Board of India (SEBI) (Issue of Capital and Disclosure Requirements) Regulations 2009 as amended (ICDR Regulations), SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015 as amended (LODR Regulations) and subject to the approval (s), consent(s), permission (s) and sanction(s) of any authorities as may be necessary, and subject to such conditions and modifications as may be prescribed or imposed if any of the appropriate authorities, institutions, as may be required and subject to such other conditions as may be prescribed by any of them while granting any such approval (s), consents (s), permission (s) and sanction (s), which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the “**Board**” which term shall be deemed to include any Committee of Directors duly constituted or to be constituted thereof to exercise its powers conferred by this resolution), the approval of the members of the Company be and is hereby accorded to the Board to offer, issue and allot from time to time upto 1,00,00,000/- (One Crore Only) Share Warrants of a face value of Rs. 2/- each of the Company on a preferential basis to the person/Body Corporate as mentioned herein below, in such proportion and on such terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this meeting at such price not less than the price determined in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 [SEBI ICDR Regulations]:

S. No.	Name	No. of Warrants
1	Mr. Naresh Lakshman Singh Kothari	50,00,000/-
2	M/s. Zen Garden Hotel Private Limited	50,00,000/-

RESOLVED FURTHER THAT the offer, issue and allotment of the aforesaid Warrants to the Proposed Allottees and the Equity Shares resulting from the exercise of the entitlement of the said Warrants, shall be subject to applicable guidelines, notifications, rules and regulations and on the terms and conditions given herein below:

- a) The "Relevant Date" pursuant to Regulation 71 of the SEBI (ICDR) Regulations in relation to the above mentioned Preferential Issue of Warrants, shall be Wednesday, **15th February, 2017** which is a date 30 days prior to the date when the results of the postal ballot are to be announced.
- b) The proposed allottee(s) of Warrants shall be entitled to apply for and obtain, in one or more tranches allotment of one equity share of face value of Rs. 2/- (Rupees Two only) each of the Company against each Warrant within a period of 18 (eighteen) months from the date of allotment of such warrants.
- c) An amount equivalent to 25% of the Issue Price shall be payable at the time of subscription and allotment of each Warrant. The balance 75% of the Issue Price shall be payable by the Warrant holder upon exercise of the entitlement attached to Warrant(s) to subscribe for Equity Share(s). The amount paid against Warrants shall be adjusted / set off against the Issue Price of the resultant Equity Shares;
- d) The proposed allottees of Warrants will be entitled to apply for and obtain allotment of one equity share of face value of Rs.2 (Rupees Two) each of the Company against each Warrant at any time after the date of allotment but on or before the expiry of 18 (Eighteen) months from the date of allotment thereof, in one or more tranches.
- e) In case the Warrant holder(s) do not apply for the conversion of the outstanding Warrants into equity shares of the Company within 18 (eighteen) months from the date of allotment of the said Warrants, then the consideration paid upon each of the said outstanding Warrants shall be forfeited and all the rights attached to the said Warrants shall lapse automatically.
- f) The Equity shares issued and allotted on conversion thereof shall be subject to lock-in for such period as prescribed under the SEBI (ICDR) Regulations.
- g) Warrants so allotted under this resolution shall not be sold or transferred, in any manner during the period of lock-in as provided under SEBI (ICDR) Regulations except to the extent and in the manner permitted there under.
- h) The said Warrants by itself do not give to the Warrant holder any rights of the Shareholders or Debenture holders of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to issue and allot such equity shares as may be required to be issued and allotted upon conversion of the said Warrants and that equity shares shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari passu in all respects, including entitlement for dividend, with the existing equity shares of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to decide and approve other terms and conditions of the issue of the Warrants and/or equity shares and shall also be entitled to vary, modify or alter any of the terms and conditions, as it may deem fit, subject however to the compliance with the applicable guidelines, notifications, rules and regulations.”

RESOLVED FURTHER THAT the Board be and is hereby authorised to accept the terms, conditions, modifications and stipulations as the GOI, RBI, SEBI or Stock Exchanges or any other regulatory authority may stipulate while granting approval to the Company for issue of the Warrants and/or equity shares as aforesaid.

RESOLVED FURTHER THAT the Board is hereby authorised to take necessary steps for listing of the equity shares allotted upon conversion of Warrants on Stock Exchanges, where the Company’s shares are listed, as per the terms and conditions of the Listing Agreement, and in accordance with such other guidelines, rules and regulations as may be applicable with regard to such listing.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to take such steps and to do all such acts, deeds, matters and things as the Board may, in its absolute discretion, deem necessary, expedient, usual, proper, incidental or desirable and to settle any question, difficulties or doubts that may arise in this regard and in regard to the issue, allotment of the Warrants and/or equity shares and utilisation of the issue proceeds, to prescribe the forms of applications, enter and execute all such deeds, documents, agreements or other instruments, and to take such actions/directions as they may consider as being necessary or desirable and to obtain any approval, permissions, sanctions which may be necessary or desirable as they may deem fit.

By order of the Board

For Country Club Hospitality & Holidays Limited

Date: 13th February, 2017
Place: Hyderabad

Y. Rajeev Reddy
Chairman & Managing Director
DIN: 00115430

NOTES:

1. The explanatory statement and reasons for the proposed resolutions pursuant to Section 102 of the Companies Act, 2013 ("Act"), read with, Rule 22 of the Companies (Management and Administration) Rules, 2014 setting out material facts is annexed hereto.
2. The Company has appointed Mrs. Rashida Adenwala, Practicing Company Secretary, to act as the Scrutinizer for conducting the postal ballot process in a fair and transparent manner.
3. The postal ballot notice is being sent to all the Members by the prescribed mode under the rules, whose names appear in the Register of Members /Statement of beneficial ownership maintained by the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), as on the record date, i.e., on close of business hours on February 10, 2017.
4. The Members whose name appears in the register of members/list of beneficial owners as on February 10, 2017 will only be considered for voting.
5. In accordance with the provisions of Section 101 of the Act, read with, Rules 18 and 22 of the Companies (Management and Administration) Rules, 2014, this postal ballot notice is being sent by e-mail to those Members who have registered their e-mail address with the Company (in respect of shares held in physical form) or with their Depository Participants (DP) (in respect of shares held in electronic form) and made available to the Company by the Depositories. Members who have not registered their e-mail address will receive this postal ballot notice along with the postal ballot form through post.
6. In compliance with the provisions of Section 110 of the Act, read with, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended the Company is offering e-voting facility to all its Members as an alternate mode to exercise their right to vote. For this purpose, the Company has entered into an agreement with "NSDL" for facilitating e-voting to enable the Members to cast their votes electronically. Please note that e-voting is optional.
7. Voting period commences on February 15, 2017 and ends on March 16, 2017.
8. Kindly note that the Members can opt for only one mode of voting i.e., either by postal ballot or e-voting. If the Members opt for e-voting, then they should not vote by postal ballot and vice versa. However, in case Members cast their vote by postal ballot and e-voting, then voting done through e-voting shall prevail and voting done by postal ballot will be treated as invalid.
9. The voting rights of the Members shall be in proportion to their shares in the total paid-up equity share capital of the Company as on February 10, 2017. The special resolutions mentioned herein shall be declared as passed if the number of votes cast in its favour is not less than three times the number of votes cast against the special resolution.

10. The Scrutinizer will submit the report to the Chairman after completion of the scrutiny and the results of the Postal Ballot will be announced on **March 17, 2017** at the Registered Office of the Company. The results of the Postal Ballot will be hosted on the Company's website at www.countryclubindia.net for information of the Members, besides being communicated to the stock exchanges on which the shares of the Company are listed. The date of declaration of the Postal Ballot results will be taken as the date of passing the Resolutions.
11. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.
12. A copy of this notice has been placed on the website of the Company www.countryclubindia.net and shall remain on the website until the last date for receipt of the postal ballots from the shareholders.
13. Shareholders are requested to read carefully the instructions printed on the postal ballot form, return the form duly completed in the attached self-addressed pre-paid postage envelope, so as to ensure that votes reach the Scrutinizer on or before 6.00 P.M. on the **16th March, 2017**, ("Last Date"). However, envelopes containing Postal Ballots, if sent by courier or registered / speed post at the expense of the Shareholders will also be accepted.

Please note that any postal ballot form(s) received after the Last Date (i.e. 6.00 P.M. 16/03/2017) will be treated as not having been received.
14. Shareholders who have received Postal Ballot Notice by e-mail and who wish to vote through Physical Postal Ballot Form can download Postal Ballot Form sent along with the email or download from the link <https://www.evoting.nsdl.com/> or from the website of the Company www.countryclubindia.net, fill in the details and send the same to the Scrutinizer.
15. The documents referred to in this notice and explanatory statement are open for inspection by the shareholders at the registered office of the Company on all working days of the Company (except Saturdays, Sundays and any Public Holidays) between 11 A.M. and 5.00 P.M. up to 16th March, 2017.

E-VOTING FACILITY

Process and Manner for members opting for e-voting is as under:-

Members are requested to follow the instructions below to cast their vote through e-voting:

- a. Open your web browser during the voting period and log on to the e-voting website <https://www.evoting.nsdl.com>
- b. Click on "Shareholder-Login:
- c. Put user ID and Password noted in step (a) above as the initial password. Click login. If you are already registered with NSDL for e-voting then you can use your existing User ID and Password for Login.
- d. If you are logging in for the first time, Password Change Menu appears. Change the

Password of your choice with minimum 8 digits / characters or a combination thereof. Please note the new Password for all the future e-voting cycles offered on NSDL e-voting Platform. It is strongly recommended not to share your Password with any other person and take utmost care to keep your Password confidential.

- e. Home page of “e-voting” opens. Click on “e-voting”: Active Voting Cycles.
- f. Select “EVEN (E-Voting Event Number)” of **Country Club Hospitality & Holidays Limited**. For and EVEN, you can login any number of times on e-voting platform of NSDL till you have voted on the resolution during the voting period.
- g. Now you are ready for “e-voting” as “Cast Vote” Page opens.
- h. Cast your vote by selecting appropriate option and click “Submit” and also “Confirm” when prompted. Kindly note that vote once cast cannot be modified.
- i. Institutional members (i.e. members other than individuals, HUF, NRIs, etc.) are also required to send scanned copy (PDF/JPG format) of the relevant board resolution / authority letter, etc. together with the attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through email at : scrutinizer@countryclubmail.com with a copy marked to evoting@nsdl.co.in.
- j. The e-voting period will commence on Wednesday, February 15, 2017 (09:00 A.M.) and end on Thursday, March 16, 2017 (5:00 P.M) (both days inclusive). During this period members, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled by NSDL thereafter. Please note that once the vote on a resolution has been cast, members cannot change it subsequently.

In case of any queries you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the “downloads” section of <https://www.evoting.nsdl.com> or contact NSDL by email at evoting@nsdl.co.in

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

Item # 1: Approval for Further issue of Equity Shares on Preferential basis:

There is a need to restructure the existing capital to maintain proper debt equity ratio and to improve Credit ratings of the Company to fetch competitive pricing of interest rates. Keeping in view of this, the Company proposed to restructure the existing capital of the Company by way of issue fresh Equity shares on preferential basis.

The Board at its meeting held on 13th February, 2017 subject to the approval of the shareholders by way of postal ballot and on receipt of requisite approvals has proposed to offer upto 50,00,000 equity shares to Mr. Naresh Kothari S/o. Lakshman Singh Hukam Singh Kothari resident of C-2601 & 2602, Floor 26th, Plot - 302/6, C Wing, Orbit Heights, Javji Dadaji Marg, Near Nana Chowk, Grant Road, Mumbai - 400 007.

Pursuant to Section 62 of the Companies Act, 2013 further issue of equity shares may be offered by the Company to such persons in the manner whatsoever if a special resolution to that effect is passed by the Company and hence the proposed resolution. The equity shares issued in terms of this resolution shall be issued at a price not less than the price determined in terms of SEBI ICDR Regulations and the said allottee has expressed his consent to subscribe at the price so determined.

The acquisition of shares or voting rights by promoters individually and collectively does not increase by more than 5 % on the post issued equity share capital of the Company pursuant to this issue.

The disclosures in accordance with the Companies Act, 2013, the SEBI ICDR Regulations and other applicable provisions of law in relation to the special resolution set out in the accompanying notice are as follows:

1. Object of the preferential issue :

The proposed issue is mainly to restructure the existing capital by issue of fresh equity shares to maintain proper debt equity ratio and to improve Credit ratings of the Company to fetch competitive pricing of interest rates.

Total No of Shares to be issued:

50,00,000 Equity shares of Rs. 2/- each

Class of Proposed Allottee(s):

The Company is proposed to issue, offer and allot 50,00,000 Equity shares of Rs. 2 each to Mr. Naresh Lakshman Singh Kothari,

2. The proposal of the promoters/Key Managerial Persons to subscribe the offer :

The promoters of the Company have proposed to subscribe Mr. Naresh Lakshman Singh Kothari to 50,00,000 equity shares under the preferential issue subject to compliance with the SEBI (Substantial Acquisition of shares and Takeovers) Regulations, 2011 as may be amended from time to time.

3. Shareholding pattern before and after the preferential issue :

S.No.	Category	Pre Issue		Post Issue after considering 6,00,000 Equity Shares	
		No. of Shares held	% of shareholding	No. of shares held	% of shareholding
A	Promoters' holding:				
1	Indian:				
	Individuals	120637386	73.80	120637386	71.61
	Bodies Corporate	0	0	0	0
	Sub Total	120637386	73.80	120637386	71.61
2	Foreign Promoters	0	0	0	0
	Sub Total (A)	120637386	73.80	120637386	71.61
B	Non-Promoters' holding:				
1	Institutional Investors	1511494	0.92	1511494	0.90
2	Non-Institutions:				
	Bodies Corporate	3408440	2.09	3408440	2.02
	Individuals	35916090	21.97	40916090	24.29
	Others (including NRIs)	1991325	1.22	1991325	1.18
	Sub Total (B)	42827349	26.20	47827349	28.39
	GRAND TOTAL (A+B)	163464735	100	168464735	100

4. Proposed time within which the preferential issue shall be completed :

The allotment of Equity shares shall be completed within a period of 15 days from the date of passing of resolution by the share holders provided where the allotment is pending on account of any approval from any regulatory authority the allotment shall be completed by the Company within a period of 15 days from the date of such approval.

5. Relevant date, pricing of the issue and basis on which the price was arrived:

At a such price determined on the relevant date (15th February' 2017) or at a price not less than the price determined in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009

The said price shall be computed in accordance with regulation 76 of the SEBI ICDR regulations.

6. Auditors Certificate:

A Copy of the Certificate from the Independent Auditors M/s. Sankar & Raja Chartered Accounts, Hyderabad certifying that the above issue of equity shares is made in accordance with the SEBI ICDR Regulations is placed on the website of the Company and is open for inspection by the Members.

7. Particulars of proposed Allottee and the identity of the natural person who are ultimate beneficial owners of Equity Shares to be allotted and/or who ultimately control the proposed Allottee. The percentage of post preferential issue capital that may be held by them:

S. No.	Subscriber to the issue	Existing holding		New Subscription	Post offer of capital	
		No of Shares	% of holding		No of Shares	% of holding
1.	Mr. Naresh Lakshman Singh Kothari	0	0.00%	50,00,000	50,00,000	2.97%

8. Change in control, if any, in the Company that would occur consequent to the preferential offer:

There is no change in control or management consequent to subscription of preferential issue of equity shares even though, the shares are being subscribed by the Non-promoter of the Company.

9. Lock - in:

The equity shares allotted shall be subject to lock in as per SEBI ICDR Regulations. Such locked in equity shares may however be transferable to and amongst the promoters/promoters group subject to the provisions of ICDR regulations.

The entire pre-preferential allotment share holding of the above mentioned allottee's if any shall be locked in from the relevant date upto the period of 6 months from the date of preferential allotment as per the regulation 78 (6) of SEBI ICDR Regulations.

10. No. of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well :

During the year, no preferential allotment has been made to any other person.

11. The Company undertakes that if required the price shall be recomputed in terms of the provisions of the SEBI ICDR Regulations. Further the Company undertakes that if the amount payable upon the re-computation is not paid within the stipulated time as mentioned in the SEBI ICDR Regulations, the specified securities shall continue to be locked-in with such amount is paid by the Allottee.
12. The Board at its meeting held on 13th February, 2017 have approved the issue and allotment of Equity shares on preferential basis in the manner stated above.
13. Pursuant of the provisions of Section 62 of the Companies Act, 2013 and regulation 72(1)(a) of the SEBI ICDR Regulations, the above Preferential Issue requires approval of shareholders by way of a Special Resolution.
14. The Company hereby undertakes that:
 - a) It would re-compute the price of the Securities specified above in terms of the provisions of the SEBI (ICDR) Regulations, 2009 if it is required to do so.
 - b) If the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, 2009, the above specified securities shall continue to be locked in till the time such amount is paid by allottees.
15. The Board of Directors recommends passing of this Special Resolution by way of postal ballot. None of the Directors, Promoters, Key managerial Personnel of the Company or any Relatives of such Directors are in any way concerned or interested financially or otherwise in the proposed resolution.

Item # 2: Approval for Further issue of Shares Warrants on Preferential basis:

There is a need to restructure the existing capital to maintain proper debt equity ratio and to improve Credit ratings of the Company to fetch competitive pricing of interest rates. Keeping in view of this, the Company proposed to restructure the existing capital of the Company by way of issue of fresh Share Warrants on preferential basis. Promoters have expressed their interest for the same.

The Board at its meeting held on 13th February, 2017 subject to the approval of the shareholders by way of postal ballot and on receipt of requisite approvals has proposed to offer upto 1,00,00,000 Share Warrants of which 50,00,000 Share Warrants to Mr. Naresh Kothari S/o. Lakshman Singh Hukam Singh Kothari resident of C-2601 & 2602, Floor 26th, Plot - 302/6, C Wing, Orbit Heights, Javji Dadaji Marg, Near Nana Chowk, Grant Road, Mumbai - 400 007 and remaining 50,00,000 Share Warrants to M/s. Zen Garden Hotel Private Limited, A Company incorporated under the Companies Act, 1956 and having its Registered Office at 8-2-703, Amrutha Valley, Road No. 12, Banjara Hills, Hyderabad, Telangana - 500034.

Pursuant to Section 62 of the Companies Act, 2013 further issue of Share Warrants may be offered by the Company to such persons in the manner whatsoever if a special resolution to that effect is passed by the Company and hence the proposed resolution. The Share Warrants issued in terms of this resolution shall be issued at a price not less than the price determined in terms of SEBI ICDR Regulations and the said allottees have expressed their consent to subscribe at the price so determined.

The acquisition of shares or voting rights by promoters individually and collectively does not increase by more than 5 % on the post issued equity share capital of the Company pursuant to this issue.

The disclosures in accordance with the Companies Act, 2013, the SEBI ICDR Regulations and other applicable provisions of law in relation to the special resolution set out in the accompanying notice are as follows:

1. Object of the preferential issue :

The proposed issue is mainly to restructure the existing capital by issue of fresh Share Warrants to maintain proper debt equity ratio and to improve Credit ratings of the Company to fetch competitive pricing of interest rates.

Total No of Shares to be issued:

1,00,00,000/- (One Crore Only) Share Warrants of a face value of Rs. 2/-

Class of Proposed Allottee(s):

The Company is proposed to issue, offer and allot 1,00,00,000/- (One Crore Only) Share Warrants of a face value of Rs. 2/- each to the persons mentioned in this notice.

2. The proposal of the promoters/Key Managerial Persons to subscribe the offer :

The Company falling under the Promoter group i.e. M/s. Zen Garden Hotel Private Limited have indicated their intention to subscribe to the offer. No warrants are being offered to the Directors or Key Managerial Personnel of the Company

3. Shareholding pattern before and after the preferential issue :

S.No.	Category	Pre Issue		Post Issue (Assuming full conversion of 1,00,00,000 Share Warrants)*	
		No. of Shares held	% of shareholding	No. of shares held	% of shareholding
A	Promoters' holding:				
1	Indian:				
	Individuals	120637386	73.8	120637386	69.55
	Bodies Corporate	0	0	5000000	2.88
	Sub Total	120637386	73.8	125637386	72.43
2	Foreign Promoters	0	0	0	0
	Sub Total (A)	120637386	73.8	125637386	72.43
B	Non-Promoters' holding:				
1	Institutional Investors	1511494	0.92	1511494	0.87
2	Non-Institutions:				
	Bodies Corporate	3408440	2.09	3408440	1.96
	Individuals	35916090	21.97	40916090	23.59
	Others (including NRIs)	1991325	1.22	1991325	1.15
	Sub Total (B)	42827349	26.20	47827349	27.57
	GRAND TOTAL (A+B)	163464735	100	173464735	100

**the figures in the shareholding pattern are on the assumption that all the warrants will be subscribed, pursuant to the shareholders resolution and all said warrants will be exercised/ converted into equity shares. However, if any warrants are not issued /allotted and the warrants are not exercised, the figures will change accordingly*

4. Proposed time within which the preferential issue shall be completed :

The allotment of Shares Warrants shall be completed within a period of 15 days from the date of passing of resolution by the share holders provided where the allotment is pending on account of any approval from any regulatory authority the allotment shall be completed by the Company within a period of 15 days from the date of such approval.

5. Relevant date, pricing of the issue and the basis on which the price was arrived :

At a such price determined on the relevant date (15th February' 2017) or at a price not less than the price determined in accordance with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009

The said price shall be computed in accordance with regulation 76 of the SEBI ICDR regulations.

6. Auditors Certificate:

A Copy of the Certificate from the Independent Auditors M/s. Sankar & Raja Chartered Accounts, Hyderabad certifying that the above issue of Share Warrants is made in accordance with the SEBI ICDR Regulations is placed on the website of the Company and is open for inspection by the Members.

7. Particulars of proposed Allottee and the identity of the natural person who are ultimate beneficial owners of Equity Shares to be allotted and/or who ultimately control the proposed Allottee. The percentage of post preferential issue capital that may be held by them:

S. No.	Subscriber to the issue	Existing holding		New Subscription	Post offer of capital	
		No of Shares	% of holding		No of Shares	% of holding
1.	Mr. Naresh Lakshman Singh Kothari	0	0.00%	50,00,000	50,00,000	2.88%
2.	M/s. Zen Garden Hotel Private Limited	0	0.00%	50,00,000	50,00,000	2.88%

8. Change in control, if any, in the Company that would occur consequent to the preferential offer:

There is no change in control or management consequent to subscription of preferential issue of Share Warrants even though, the shares are being subscribed by the Non-promoter of the Company.

9. Lock - in:

The equity shares after conversion of Warrants shall be subject to lock in as per SEBI ICDR Regulations. Such locked in equity shares may however be transferable to and amongst the promoters/promoters group subject to the provisions of ICDR regulations.

The entire pre-preferential allotment share holding of the above mentioned allottee's if any shall be locked in from the relevant date upto the period of 6 months from the date of preferential allotment as per the regulation 78 (6) of SEBI ICDR Regulations.

CONVERSION PERIOD:

Conversion of Period Warrants holder shall be entitled to apply for the equity shares within specified period of 18 (eighteen) months from the date of allotment.

Terms of Payment

An amount equivalent to 25 (twenty five) per cent of the issue price shall be payable on subscription to the warrants. The warrant holders shall be entitled to apply for and be allotted, in one or more tranches, one equity share of the face value of Re. 2 (Rupees Two) each of the Company per warrant, any time after the date of allotment of such warrants. Upon exercise of the right to apply for equity shares, the warrant holders will be liable to make the payment of the balance amount, being 75 (Seventy Five) per cent of the issue price. The amount paid will be adjusted / set off against the issue price of the resultant equity shares. The Board (or a Committee thereof) upon receipt of the entire payment towards issue price, shall allot one equity share per warrant. If the entitlement against the warrants to apply for the equity shares is not exercised within the specified period of 18 months, such entitlement shall lapse and the amount paid on such warrants shall stand forfeited.

10. No. of persons to whom allotment on preferential basis has already been made during the year, in terms of number of securities as well :

During the year, the Company has issued and proposed to allot 50,00,000 Equity shares of Rs. 2 each to Mr. Naresh Kothari..

11. The Company undertakes that if required the price shall be recomputed in terms of the provisions of the SEBI ICDR Regulations. Further the Company undertakes that if the amount payable upon the re-computation is not paid within the stipulated time as mentioned in the SEBI ICDR Regulations, the specified securities shall continue to be locked-in with such amount is paid by the Allottee.
12. The Board at its meeting held on 13th February, 2017 have approved the issue and allotment of Share Warrants on preferential basis in the manner stated above.
13. Pursuant of the provisions of Section 62 of the Companies Act, 2013 and regulation 72(1)(a) of the SEBI ICDR Regulations, the above Preferential Issue requires approval of shareholders by way of a Special Resolution.
14. The Company hereby undertakes that:
 - a) It would re-compute the price of the Securities specified above in terms of the provisions of the SEBI (ICDR) Regulations, 2009 if it is required to do so.

b) If the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, 2009, the above specified securities shall continue to be locked in till the time such amount is paid by allottees.

15. The Board of Directors recommends passing of this Special Resolution by way of postal ballot. The Promoters of the Company are concerned or interested in the proposed Resolution. Except above none of the Directors, Key managerial Personnel of the Company or any Relatives of such Directors are in any way concerned or interested financially or otherwise in the proposed resolution.

By order of the Board

For Country Club Hospitality & Holidays Limited

Date: 13th February, 2017
Place: Hyderabad

Y. Rajeev Reddy
Chairman & Managing Director
DIN: 00115430

The address to be printed on the self-addressed envelopes

Mrs. RASHIDA ADENWALA
(SCRUTINIZER FOR POSTAL BALLOT)
COUNTRY CLUB HOSPITALITY & HOLIDAYS LIMITED
Office: **Country Club Kool, # 6-3-1219, 5th Floor, Begumpet, Hyderabad - 500 016**