

THE
POWER
OF **#** **1**

Country Club (India) Limited
Annual Report 2012-13

Forward-looking statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management’s plans and assumptions. We have tried wherever possible to identify such statements by using words such as ‘anticipate’, ‘estimate’, ‘expects’, ‘projects’, ‘intends’, ‘plans’, ‘believes’, and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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Why is #1
interesting?



#1 growth rate.

#1 largest member base.

#1 senior personnel
retention rate.

#1 number of properties
owned.

Welcome to
Country Club!
Your one stop shop.



Vision:

To become the global one stop shop for our customers in the leisure space.

Mission:

To deliver unparalleled experiences and contribute in increasing happiness in the world.

company
Many credentials.



About us:

- CCIL was conceived in the year 1989
- A service-driven organization of repute that comprises over 7,000 people
- Hiring employees over 17 nationalities
- Consists of a varied range of owned and franchised properties across geographies
- Range of properties include 53 properties in total (33 owned, 17 associated properties and 3 leased properties)
- Spread across 55 destinations spanning India, Middle East, Bangkok and Sri Lanka
- Enjoys a 260-plus Indian and global affiliations (via Country Vacations) and 5,134 resorts (via RCI affiliation) and also listed on the BSE & MSE.

Our pride:

- We are the country's biggest chain of family clubs (recognized by the *Limca Book of World Records*)
- We are a company of 3,50,000 members comprising 650 corporate clients (Microsoft, Satyam Computers Brooke Bond Lipton (India) Ltd, CMC Ltd and Dr. Reddy's Laboratories Ltd among others)
- Strategic zero-interest monthly installment collaborations with ICICI Bank, Citibank, Standard Chartered, HSBC, HDFC, Kotak Bank and SBI for interested members.
- The Guinness Book of World Records has recognized CCIL's Earth Hour social responsibility. Thus, we can now call ourselves recognized by the Guinness Book of World Records.

Our offerings:

- State-of-the-art clubbing facilities, innovative family holiday packages and star-studded entertainment events.
- A wide range of member-centric facilities including real-time online Holiday Booking and Payment Gateway, state-of-the-art Club Houses, luxuriously furnished and fully-equipped guest cottages, suites and rooms, multi-cuisine restaurants, lounge & resto-bars, modern gyms with Spa, Massage, Steam and Sauna facilities, floating spa, jungle safari, Ayurvedic and Naturopathy therapies, Yoga facilities, and many more.
- Unique transferability of membership from one city to another.

Our luxurious destinations:

- **Country Club Bandipur:** Wildlife destination in Karnataka offering guided tours of the jungle.
- **Country Club International:** First five-star standard club in Sarjapur (Bangalore) offering a 24 hour gym and 'Moksh' spa.
- **Country Club de Goa:** One-stop water sports club along the Anjuna Beach, Goa.
- **Country Club Kovalam:** First-ever floating spa in Kerala.
- **Country Club Golf Village:** Exclusive club across five destinations (two in Bangalore, one in Mumbai, Chennai and Hyderabad).
- **Country Spa Country Club Coconut Grove:** First major 100 per cent eco-friendly leisure infrastructure project.



Our geographical presence:

- Ahmedabad ■ Bandipur ■ Bangalore ■ Baroda ■ Chennai ■ Cochin ■ Delhi ■ Goa ■ Hyderabad ■ Hubli
- Indore ■ Jaipur ■ Kolkata ■ Kodaikanal ■ Kovalam ■ Lucknow ■ Mangalore ■ Mumbai ■ Mysore ■ Pune ■ Surat ■ Vizag.

Internationally present in: ■ Bangkok ■ Dubai ■ Kandy (Sri Lanka), among others.

milestones

1989



CCIL started its first club in Begumpet, Hyderabad

1995



Completed Hotel Amrutha Castle in Hyderabad

1997



Expanded into Bangalore

2000



Entered into Chennai

2001



Came to Mumbai

2002



Adopted a business strategy to enter into multiple genres of tourism

2005



Entered wildlife with Country Club Bandipur and first international property and foray into leisure infrastructure properties

2007



CCIL entered Delhi (fifth metro), Ahmedabad (sixth metro) Pune (seventh metro) and Kolkata (eighth metro). CCIL launched city Clubs through CK 27 model. CCIL launched its medical tourism venture through Country Spa

2009



Forayed into the Middle East with an international property in Dubai (Bur Dubai)

2010



Entered into the consolidation phase with the acquisition of 3 subsidiaries

2011



International expansion to other parts of the Middle East

2012



Opened ten fitness centres at Ahmedabad, Chandigarh, Jaipur, Thane, Juhu, Delhi, Nagpur, Kurla and Kolkata(2)

2013



Opened six more fitness centres in the first half of 2013 at Pune, Ghatkopar, Bhandup, Bangalore, Chennai & Vizag

something for every

1



At Country Club, this holds true.

Vacation.Clubbing.Fitness.Events.



Over 260 getaways across the globe (5,134 affiliated resorts). 33 owned clubs in India. 16 gym and spas in India, Middle East, Sri Lanka, London. Over 100 events hosted every year.

Country Club is a one stop solution for all your leisure needs.

the
power of

1



At Country Club, this holds true.

The company has been in its consolidation phase over the last few years with myriad benefits.

Increased revenues.

Beneficial alliances.

Increased economies of scale.



In 2012-13, the company has increased its footprint across 10 countries and increased its affiliated resorts by 20 per cent.



In 2012-13, the company has increased its topline from ₹372 crore in 2011-12 to ₹476 crore in 2012-13.



In 2012-13, the company has increased its EBITDA from ₹119 crore in 2011-12 to ₹156 crore in 2012-13.



In 2012-13, the company has consolidated its processes and systems, eliminating all duplicate overheads that has led to greater operational efficiencies and higher bottomlines.





Mr. Y. Rajeev Reddy, CMD, Country Club (India) Ltd.
reviews the previous financial year and lays down
future reasons of optimism in the company.

“Why go any

Friends,

It gives me great pleasure to share your company’s performance, in the year under review, with you. While the rest of this report will share the micro perspectives, such as the Company’s growth in terms of numbers, footprints, internal efficiencies and consolidation, I am more excited about the macro canvas.

Let me tell you why:

where else?"

- Today, tourism is the most exciting tertiary sector and has a strong hold on the economy. The sector contributes 6.23 per cent to the national gross domestic product (GDP) and 8.78 per cent of the total employment in India.

- India stands 42nd in the world ranking in terms of foreign tourist arrivals (FTAs) in the country, according to a report titled 'Competitiveness of Tourism Sector in India with Selected Other Countries of the World' by the Ministry of Tourism, India. The World Travel and Tourism Council (WTTC) named India as one of the fastest growing tourism industries for the next 10 to 15 years.

- India has also developed as one of the world's most cost-efficient medical tourism destinations and is anticipated that the Indian medical tourism market will register a compound annual growth rate (CAGR) of 27 per cent during 2011-15, as per a RNCOS report titled 'Booming Medical Tourism in India'.

- The amount of foreign direct investments (FDI) inflow into the hotel and tourism sector during April 2000 to January 2013 was worth US\$ 6,561.78 million, as per data provided by the Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce.

- FTAs have shown a growth of 2.8 per cent in March 2013 over March 2012 while the growth rate in Foreign Exchange Earnings (FEEs) from tourism stood at 21 per cent over the same period in rupee terms. FTA during March 2013 was recorded at 640,000 as compared to 623,000 during the month of March 2012.

- The Visa on Arrival (VoA) Scheme of the Government of India has registered a growth of 54.6 per cent in February 2013. A total number of 1,947 VoAs were issued last month as compared to 1,259 VoAs issued in February 2012.

I have my reasons as to why the industry in which your company operates is poised for a gigantic leap. The tourism sector can be considered as the backbone for allied sectors, like hospitality, civil aviation and transport. Domestic tourism is very huge in the country, promoted by various intents. Pilgrim and leisure tourism are two very important sectors.

Positive government intervention

All these achievements, enlisted above, would not have been possible without positive government intervention in the country. The Ministry of Tourism, Government of India, has consistently been working on improving India as a prime destination for tourists. It further aims at promoting various Indian tourism products vis-à-vis competition faced from various destinations and to increase India's share of the global tourism market.

The Government of India allows 100 per cent foreign direct investment (FDI) in the hotel sector on an automated basis.

The allocation for Ministry of Tourism in the Union Budget 2013-14 has been increased by ₹87.66 crore (US\$ 16.03 million) to ₹1,297.66 crore (US\$ 237.23 million).

Moreover, the Indian companies in the hotel sector, with a total project cost of ₹250 crore (US\$ 45.70 million) or more, irrespective of their geographical location, have been allowed to tap the external commercial borrowing (ECB) route. The maximum ECB by an individual company or group, as a whole, has been restricted to US\$ 3 billion.

Foreseeable future

I have my reasons as to why the industry in which your company operates is poised for a gigantic leap. The tourism sector can be considered as the backbone for allied sectors, like hospitality, civil aviation, and transport. Domestic tourism is very huge in the country, promoted by various intents. Pilgrim and leisure tourism are two very important sectors.

The Ministry of Tourism has also played an important role in the development of the industry, initiating advertising campaigns such as the 'Incredible India' campaign, which promoted India's culture and tourist attractions in a fresh and memorable way. The industry has been witnessing an upswing for the last few years partially due to an excellent 'Incredible India' campaign and is expected to increase up to US\$ 431.7 billion by the end of 2020.

On the other front, India has the potential to develop the rural tourism industry. This can benefit the local community economically and socially, and enable interaction between tourists and locals for a mutually enriching experience.

In this exciting scenario and at the cusp of unprecedented growth is Country Club. Having undertaken intensive consolidation activities internally, its basket of hospitality offerings has also been consolidated to make it a one-stop solution provider of organized leisure and entertainment. Efforts are conscientiously on to increase our operational efficiency, minimize overheads, strengthen services, expand footprints and generally increase returns to our stakeholders.

As I say to all our members, "Why go anywhere else?"

Y Rajeev Reddy



The (tourism) sector contributes 6.23 per cent to the national gross domestic product (GDP) and 8.78 per cent of the total employment in India.

Resplendent events at Country Club



The Country Club India Ltd, India's largest and fastest growing leisure and Entertainment Company spread a lot of joy and cheer as more than 300,000 people across India and Middle East participated in Asia's biggest New Year Bash 2013. The seventh edition of Asia's biggest New Year Bash 2013 at Country Club India Ltd was organized across 14 cities in India and the Middle East on December 31, 2012.

New Year is the biggest of all the festivals celebrated around the world. Hosting events on such occasions is a Herculean task that needs a lot of hard work. Country Club takes pride in hosting such events. It celebrated Asia's biggest new year bash around the country with several celebrities. Coming to the event in Hyderabad, the Country Club Hyderabad hosted a wonderful dance show to accost the accession of 2013. The Country Club Hyderabad location had a well-known Bollywood diva Sophie Chaudhary to perform the dance.



Country ClubFitness

Brand ambassador, Sania Mirza launching the Country Club fitness centre in Mumbai.



Corporate Social Responsibility



Country Club, Hyderabad in association with the Indian Red Cross Society had organized a Blood Donation camp for corporates as a part of CSR activity. Many corporates came forward to support the event.

School uniforms are just an added burden for poor families. Because of a lack of money and miserable conditions of life, many families are very poor and are unable to purchase school uniforms for their children. This gesture of Country Club's CSR Division is one of the initiatives for the education of very poor and underprivileged children.

Corporate Information

Board of Directors

Shri Y. Rajeev Reddy	Chairman and Managing Director
Shri Y. Siddharth Reddy	Vice-Chairman, Joint Managing Director and CEO
Shri Y. Varun Reddy	Vice-Chairman, Joint Managing Director and COO
Shri D. Krishna Kumar Raju	Vice-Chairman & Executive Director
Smt. Y. Manjula Reddy	Director
Shri D. Venkata Ratna Kishore	Director
Shri D. Venkata Krishnam Raju	Director
Shri K. Satyanarayana Raju	Director
Shri Indukuri Venkata Subba Raju	Director
Shri Y. Subba Rao	Director

Company Secretary : Shri G. Someswara Rao

Contacts

Registered Office

'Amrutha Castle',
5-9-16, Saifabad,
Opp: Secretariat,
Hyderabad - 500 063
Phone: +91 40 6684 8888
Fax: +91 40 6684 3444
Website: www.countryclubindia.net

Registrar and Share Transfer Agents

Aarhi Consultants Private Limited
1-2-285, Domalguda,
Hyderabad - 500 029
Phone: +91 40 2763 8111
+91 40 2763 4445
Fax: +91 40 2763 2184
Website: www.aarhiconsultants.com
E-mail: info@aarhiconsultants.com

Auditor

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

Bankers

Union Bank of India
Bank of India,
Vijaya Bank,
Oriental Bank of Commerce,
Saraswat Co-Operative Bank Limited,
Ratnakar Bank,
Cosmos Co-Operative Bank Limited,
Bank of Baroda

Listed on

Equity : Bombay Stock Exchange Limited, Mumbai
Madras Stock Exchange Limited, Chennai

Book Closure Dates: 27th September, 2013 to 30th September, 2013 (Both days inclusive)

Notice

NOTICE is hereby given that the 22nd Annual General Meeting of the members of M/s. Country Club (India) Limited will be held on **Monday, the 30th day of September, 2013 at 11.00 A.M at Crown Villa Gardens (Le Palais Royal), "Ibrahim Mahal", 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad - 500 003** to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the audited statement of Profit & Loss for the year ended on 31st March 2013 and the audited Balance Sheet as on that date together with the notes thereto and the Reports of the Auditors and Directors thereon.
2. To declare dividend on the equity shares of the Company.
3. To appoint a Director in place of Shri D. Krishna Kumar Raju, Director who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Sri I. Venkata Subba Raju, Director who retires by rotation and being eligible offers himself for re-appointment.
5. To consider, and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 224 of the Companies Act, 1956, 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 Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, 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:

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

"RESOLVED THAT pursuant to the provisions of Sections 81(1), 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification(s) or enactment thereof, for the time being in force) and pursuant to the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations") as are in force and subject to all other applicable rules, regulations, notifications and circulars of the Securities and Exchange Board of India ("SEBI"), the applicable provisions of Foreign Exchange Management Act, 1999 ("FEMA"), rules, regulations, guidelines, notifications and circulars issued under FEMA including but not limited to Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000, provisions of Issue of Foreign Currency Convertible Bonds and Ordinary Shares (through Depository Receipt Mechanism) Scheme, 1993 and enabling provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchange (s) where the shares of the Company are listed and subject to requisite approvals, consents, permissions and/or sanctions of SEBI, the Stock Exchange(s), Reserve Bank of India ("RBI"), the Department of

Industrial Policy and Promotion, Ministry of Commerce, the Foreign Investment Promotion Board ("FIPB") and all other authorities as may be required, whether in India or outside India, (hereinafter collectively referred to as "Appropriate Authorities") and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and/or sanction (hereinafter referred to as "Requisite Approvals"), which may be agreed to in this regard by the Board of Directors of the Company (hereinafter referred to as "Board" which term shall be deemed to include any Committee constituted/to be constituted by the Board to exercise its powers conferred by this Resolution), consent of the Company be and is hereby accorded to the Board of Directors of the Company to create, offer, issue and allot in one or more tranches, in the course of domestic/international offerings to one or more persons as the Board may determine at its absolute discretion, whether or not they are members of the Company, including but not limited to Domestic Investors/Foreign Investors whether having presence in India or not /Institutional Investors/Foreign Institutional Investors, Members, Employees, Non-Resident Indians, Companies or Bodies Corporate whether incorporated in India or abroad, Trusts, Mutual Funds, Banks, Financial Institutions, Venture Capital Funds, Foreign Venture Capital Investors, State Industrial Development Corporations, Insurance Companies, Pension Funds, Individuals or otherwise, whether shareholders of the Company or not, through a Follow on Public Issue, Rights Issue, with or without an over-allotment option, with or without

reservation on firm and/or competitive basis of such part of the issue for such person or categories of persons as may be permitted, equity shares and/or equity shares through depository receipts including Global Depository Receipts (“GDRs”) and/or American Depository Receipts (“ADRs”) and/or Foreign Currency Convertible Bonds (“FCCBs”) and/or any Securities convertible into equity shares at the option of the Company and/or holder(s) of the Securities and/or Securities linked to equity shares and/or Securities with warrants including any instruments or Securities representing either equity shares and/or Foreign Currency Convertible Bonds or Convertible Securities or Securities linked to equity shares / fully convertible debentures/partly convertible debentures or any Securities other than warrants, which are convertible or exchangeable with equity shares at a later date, to Qualified Institutional Buyers (“QIBs”) under Chapter VIII of the SEBI ICDR Regulations or a combination of the foregoing (hereinafter collectively referred to as “Securities”), secured or unsecured, listed on any stock exchange inside India or any international stock exchange outside India, through an offer document and/or prospectus and/or offer letter and/or offering circular and/or information memorandum and/or any other offering document(s) including an umbrella or shelf offering document, and/or listing particulars, as the Board in its sole discretion may at any time or times hereafter decide, for an amount not exceeding USD 150 Million (US dollars One Hundred and Fifty Million only) inclusive of such premium from time to time as may be determined by the Board of Directors

and as permitted by the prescribed authorities, such issue and allotment to be made at such time or times in one or more tranches, denominated in one or more currencies, at such price or prices as may be determined by book building process or any other process, at a discount or premium to market price or prices in such manner and where necessary in consultation with the Lead Managers and/or Underwriters and/or Stabilizing Agents and/or other Advisors or otherwise on such terms and conditions as the Board may, in its absolute discretion, decide at the time of issue of Securities or on any other date considering the prevalent market conditions and other applicable laws/factors in this regard.

RESOLVED FURTHER THAT the equity shares to be so allotted shall be subject to the Memorandum of Association and Articles of Association of the Company and shall rank *pari passu* in all respects with the existing equity shares of the Company including rights in respect of dividend.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue, transfer or allotment of equity shares, the Board be and is hereby authorized to do all such acts, deeds, matters and things, as it may at its discretion deem necessary or desirable for such purpose, including without limitation to determine the terms of the Issue, including the class of investors to whom the equity shares are to be allotted, the number of equity shares to be allotted in each tranche, issue price, premium/discount to the then prevailing market price, amount of issue, discount to issue price to a class of investors (such as retail public, employees and existing

shareholders), flexibility of part payment at the time of application by a class of investors (such as retail public, employees and existing shareholders), including through Application Supported by Blocked Amount (ASBA) and payment of balance amount on allotment of shares, exercise of a green-shoe option, if any, listing on one or more stock exchanges in India or abroad as the Board in its absolute discretion deems fit and to do all such acts, deeds, matters and things and execute such deeds, documents and agreements, as it may, in its absolute discretion, deem necessary, proper or desirable and to settle or give instructions or directions for settling any questions, difficulties or doubts that may arise in regard to a public issue and the transfer, allotment and utilization of the issue proceeds, and to accept and to give effect to such modifications, changes, variations, alterations, deletions, additions as regards to the terms and conditions, as it may, in its absolute discretion, deem fit and proper in the best interests of the Company, without requiring any further approval of the members and that all or any of the powers conferred on the Company and the Board vide this resolution may be exercised by the Board or by any Committee of the Board thereof or by the Managing Director of the Company, or any Director(s) or Officers of the Company as the Board may constitute/authorize in this behalf.

RESOLVED FURTHER THAT over subscription to the extent of 10% of the Issue be retained for the purpose of rounding off while finalizing the basis of allotment, and the number of shares as specified above, be increased for such allotment.

RESOLVED FURTHER THAT for the purpose of

giving effect to any or all of the foregoing, the Board or any Committee thereof, duly constituted by the Board, be and is hereby, authorized to prescribe and finalise the Offer Document, Form of Application in respect of such further Securities, appoint Lead Manager(s)/Book-running Lead Manager(s), Registrars, Bankers, Printers, Advertising Agencies and other intermediaries as specified in the applicable laws, rules, regulations and guidelines, for the time being in force, and do all such acts, deeds and things as it may, in its sole discretion, deem necessary and settle any or all matters arising with respect to the issue, allotment and utilization of the proceeds of the issue of Securities and further do all such acts,

deeds and things and finalise and execute all such deeds, documents, agreements and writings, as may be necessary for the purpose of giving effect to the resolution.

RESOLVED FURTHER THAT the Board or any Committee thereof, duly constituted by the Board, be entitled to vary, modify, or alter any of the foregoing terms and conditions to conform to those as may be approved by the SEBI, RBI or any other appropriate authorities and departments.

RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board or any Committee thereof, duly constituted by the Board, be and is hereby, authorized to do all

such things as necessary to the issue and allotment of the said Securities/Equity Shares and to take such action or give such directions as may be necessary or desirable and to accept any modifications in the proposal and terms of the issue, including the price of the Equity Shares to be so issued, as may be considered necessary by the Board or any Committee thereof, duly constituted by the Board, or as may be prescribed in granting approvals to the Issue and which may be acceptable to the Board or any Committee thereof, duly constituted by the Board and to decide the Basis of Allocation and settle any question or difficulty that may arise in regard to the Issue and Allotment of the New Equity Shares or Securities”.

**For and on behalf of the Board
For Country Club (India) Limited**

Y. Rajeev Reddy

Chairman & Managing Director

Place: Hyderabad
Date: 30th May, 2013

Notes:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF OR HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE AT LEAST 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.**
- The Register of Members and Share Transfer Books of the Company will remain closed from 27th September, 2013 to 30th September, 2013 (both days inclusive).
- Voting is by show of hands unless a poll is demanded by a member or members present in person, or by proxy, holding at least one-tenth of the total shares entitled to vote on the resolution or by those holding paid-up capital of atleast Rs. 50,000. A proxy shall not vote except on a poll.
- Dividend, if declared, will be paid to all the beneficial owners in respect of shares held in electronic form as per the data as may be made available by the National Securities Depository Limited and the Central Depository Services (India) Limited as of the close of the business hours on 26th September, 2013. Dividend warrants are scheduled to be posted on or after 4th October, 2013. . Dividend warrant is valid for payment by the Company's bankers for three months from the date of issue. Thereafter, you may contact our Registrar and Share Transfer Agent i.e. M/s. Aarathi Consultants Private Limited, 1-2-285, Domalguda, Hyderabad 500 029, for re-validation of the warrants.
- You are advised to encash your dividend warrants immediately as the dividend amount remaining unclaimed/unpaid at the expiry of seven years from the date that becomes due for payment are required to be transferred by the company to the Investor Education and Protection Fund under Section 205C in terms of Section 205A of the Companies Act, 1956. The due date for transfer of unpaid dividend amount to the Investor Education and Protection Fund (IEPF) of the Financial Year 2006 – 07 is 28th October, 2014 For Financial Year 2007 – 08 is 04th October, 2015 For Financial Year 2008 – 09 is 29th October, 2016 For the Financial Year i.e. 2009 – 10 is 29th October, 2017, For the Financial Year i.e. 2010 – 11 is 29th October, 2018, For the Financial Year i.e. 2011 – 12 is 28th October, 2019 For the Current Financial Year i.e. 2012 – 13 is 29th October, 2020 is the due date for the transfer of unpaid dividend amount to the Investor Education and Protection Fund subject to the approval of the members of the Company.
- Payment of Dividend through Electronic Clearing Services (ECS).
The Securities and Exchange Board of India (SEBI) has made mandatory for the Companies to use ECS facility, wherever available, for distributing dividends or other cash benefits etc., to the investors. This facility provides instant credit of dividend amount to your Bank account electronically at no extra cost. ECS also eliminates the delay in postal transit and fraudulent encashment of warrants.
Under this facility the amount of dividend payable to you would be directly credited to your bank account. Your bank's branch will credit your account and indicate the credit entry as 'ECS' in your pass book / statement account. We would be issuing an advice to you directly after the transaction is effected.
In case you wish to have your dividends paid through ECS and are holding the Company's shares in electronic form, you may kindly fill in the enclosed ECS mandate form and submit it to your Depository Participant. However, in case you are holding the Company's Share in physical form and wish to have your future dividends paid through ECS, you may kindly return the said ECS mandate form duly completed and signed by you at our Share Transfer Agent mentioned elsewhere in this report.
If you do not wish to opt for ECS facility, we strongly recommend to provide the details of your Bank's Name, Branch, type of Account and Account Number to your Depository Participant, in cases where shares are held in electronic form and to us in cases where shares are held in physical form for printing the same on the dividend warrants which will be dispatched to you. In the event of any change or correction in the details provided earlier, kindly send revised particulars to your Depository Participants or to us as the case may be, at an early date.
- It may be noted that no claim will be entertained against the Company or the Investor Education and Protection Fund in respect of the said unclaimed dividend amount transferred to the fund.
- Members who hold shares in dematerialized form are requested to write their client ID and DP ID. Those who hold shares in physical form are required to write their Folio Number in the Attendance slip for attending the meeting.
- Members holding shares in physical form are requested to notify/send any change in their address to the Company's Share Transfer Agents or to the Company at its Registered Office.
- Members holding shares in dematerialised form are requested to notify/send any changes in their address to the concerned Depository Participant (s).
- 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.
- 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.
- Section 109A of the Companies Act, 1956 extends the nomination facility to individual shareholders of the Company. Therefore, the shareholders willing to avail this facility may make nomination in Form 2B. 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.
- 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 the requirement of Corporate Governance code under the Listing Agreement entered into by the Company, the information about the Directors proposed to be appointed/re-appointed is given in the Annexure to this Notice.

Explanatory Statement

[Pursuant to Section 173(2) of the Companies Act 1956]

Item # 6

Approval for Further Issue of Securities:

The Company is planning expansion programme and to finance the capital expenditure in respect of expansion, general corporate expenditure requirements, etc., it is proposed to create, issue, offer, allot equity shares and/or equity shares through depository receipts including Global Depository Receipts ("GDRs") and/or American Depository Receipts ("ADRs") and/or Foreign Currency Convertible Bonds ("FCCBs") and/or any Securities convertible into equity shares at the option of the Company.

As per Section 81(1A) of the Companies Act, 1956 issue of further shares to any person other than the existing shareholders of the Company requires approval of the Members by way of Special Resolution. So your Directors propose the above resolution for your approval.

None of the Directors is interested in the above resolution except to the extent to which they may participate in the proposed issue.

**For and on behalf of the Board
For Country Club (India) Limited**

Place: Hyderabad

Date: 30th May, 2013

Y. Rajeev Reddy

Chairman & Managing Director

Additional information

(As per Clause 49 of the Listing Agreement)

As required under the Listing Agreement, the particulars of Directors who seek appointment/re-appointment are given below:

- | | | |
|-----------------------------|---|---|
| 1. Name | : | Shri D. Krishna Kumar Raju |
| Age | : | 56 years |
| Qualification | : | B Com (Hons.) |
| Expertise | : | Vast Experience in Finance, Pharma and Hotel Management |
| Other Directorships | : | 7 |
| Shareholding in the Company | : | 0.25% |
| 2 Name | : | Sri Indukuri Venkata Subba Raju |
| Age | : | 57 Years |
| Qualification | : | L.M.E. |
| Expertise | : | Vast Experience in different Manufacturing Industries |
| Other Directorships | : | NIL |
| Shareholding in the Company | : | NIL |

Directors' Report

To
The Members of
M/s. Country Club (India) Limited

The Directors have pleasure in presenting the 22nd Annual Report of the Company together with Audited Annual Accounts for the year ended 31st March, 2013.

Financial results

(₹ in Lakhs)

Particulars	Consolidated (Mar' 13)		Standalone (Mar' 13)	
	Current Year	Previous year	Current Year	Previous year
Total Income	47569.86	37204.41	31873.85	24695.53
Operating profit before interest, depreciation and tax	15641.31	11892.96	9517.98	6462.84
Interest	4477.91	2498.21	4109.38	1935.68
Depreciation	4136.92	3130.60	2365.44	1950.46
Profit before taxation	7026.48	6264.15	3043.16	2576.69
Provisions for taxation	1413.46	1305.74	1361.41	1241.43
Profit after taxation	5613.03	4958.41	1681.75	1335.26
Transfer to General Reserves	Nil	Nil	Nil	Nil
Provision for dividend	89.46	89.46	89.46	89.46
Provision for dividend tax	14.51	14.51	14.51	14.51
Surplus carried to Balance Sheet	5509.05	4854.44	1577.78	1231.29

Results of operations

During the year under review, the turnover of the Company was Rs.475.70 Crores as compared to Rs.372.04 Crores for the previous year. The Company is constantly striving to improve its membership, and hopes to achieve better results in the forthcoming year.

Outlook

India's travel and tourism industry is one of the most profitable industries in the country, and also credited with contributing a substantial amount of foreign exchange. Indian tourism offers a potpourri of different cultures, traditions, festivals and places of interest.

The country will definitely be one of the favourite tourist destinations from 2009 to 2018, according to world travel and tourism Council (WTTC). Further, the Travel and Tourism Competitiveness Report by World Economic Forum, has ranked India at the sixth place in tourism and hospitality.

Key segments of the Indian tourism and hospitality industry are:

- Accommodation and catering
- Transportation
- Attractions
- Travel agents
- Tour operators

The Indian tourism industry has been upswing for

last few years partially due to an excellent 'Incredible India' campaign and is expected to rise up to US\$ 431.7 billion by the end of 2020.

The presence of world-class hospitals and skilled medical professionals make India a preferred destination for medical tourism. Tour operators are teaming up with hospitals to tap this market.

Cruise shipping is one of the most dynamic and fastest growing components of the global leisure industry. India with a vast and beautiful coastline, virgin forests, and undisturbed idyllic islands can be a fabulous tourist destination for cruise tourists.

India has potential to develop the rural tourism

industry as most of its population resides in rural areas. This can benefit the local community economically and socially, and enable interaction between tourists and locals for a mutually enriching experience.

Dividend and Transfer to Reserves

Your Directors are pleased to recommend a dividend of 5% on the equity share capital of Rs.17,89,29,470/- resulting in a cash outflow of Rs. 1.04 Cr including Dividend Tax. Dividend on Equity Share Capital for the year ended 31st March, 2013, which if approved by the Members at the forthcoming Annual General Meeting, will be paid out of current year profits within 30 days of declaration.

Un-Paid / Un-claimed Dividend Amount

Following amounts are lying in the Un-paid / Un-claimed Dividend Account of the Company:

Financial Year	Amount (₹)
2011 – 20 12	2,46,973
2010 – 2011	2,34,381
2009 – 2010	2,47,422
2008 – 2009	7,60,835
2007 – 2008	5,44,080
2006 – 2007	7,13,228

Share Capital

The Paid-up Share Capital of your Company stands at Rs.17,89,29,470 (Rupees Seventeen Crores Eighty Nine Lakhs Twenty Nine Thousand Four Hundred and Seventy Only) as on 31st March, 2013.

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

Amalgamation of M/s. Amrutha Estates & Hospitality Private Limited (AEHPL):

As you are aware that M/s. Amrutha Estates & Hospitality Private Limited was in a process of amalgamation with your Company. In this said process, Hon'ble High Court of Andhra Pradesh has passed the order and the Company has received the said copy of Order on 18th April, 2013. Further the Copy of the Order has been filed with Registrar of Companies, Hyderabad, Andhra Pradesh.

Further the financials of Country Club (India) Limited, considering the M/s. Amrutha Estates & Hospitality Private Limited amalgamation would be restated effective the annual results of 2013-14 onwards.

Management Discussion and Analysis

Pursuant to Clause 49 of the Listing Agreement, 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 217(1) (e) of the Companies Act, 1956:

(a) Conservation of energy	The Company is continuously monitoring the consumption of energy and implements wherever necessary the required measures for conserving it.
(b) (i) Technology absorption, adaptation and innovation	No technology – indigenous or foreign – is involved.
(ii) Research and development (R&D)	No research and development was carried out.
(c) Foreign Currency Earnings/Inflow	Rs. 8,14,40,795/-
Foreign Currency Expenditure / Outflow	Rs. 53,76,338/-

Particulars of Employees receiving remuneration of ₹60,00,000/- or more per annum or ₹5,00,000/- or more per month are given below:

Name of the employee	Mr. Y. Rajeev Reddy
Designation	Chairman & Managing Director
Total Remuneration (in ₹)	Rs. 84,00,000 (36,00,000 is paid as Managing Director Remuneration and Rs. 48,00,000 is paid towards brand ambassador fee).
Qualification	B. Com (Hons)
Exp. (in years)	26 years
Date of commencement of Employment	17-05-1991
Age	56 years
Last Employment held	Amrutha Group

Directors

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Shri D. Krishna Kumar Raju & Shri. I. Venkata Subba Raju, Directors of the Company retire by rotation at the 22nd Annual General Meeting and being eligible, offer themselves for re-appointment. Brief profile of the Directors proposed to be re-appointed stating the nature of their expertise in specific functional areas, their shareholding along with other relevant details are given at the end of the Notice of the Annual General Meeting. The Board recommends their reappointment by the Members at the ensuing 22nd Annual General Meeting.

None of the directors of the Company are disqualified from being appointed as directors as specified in section 274(1) (g) of the Companies Act, 1956, as amended.

Directors' Responsibility Statement

The Directors of the Company hereby state:

- i) That in the preparation of the Annual Accounts for the year ended 31st March 2013, the applicable accounting standards have been followed and there are no material departures.
- ii) That they have selected appropriate 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 on 31st March 2013 and of the Profit of the Company for the Financial Year ended 31st March 2013.
- iii) That they have taken proper and sufficient care for the maintenance of adequate accounting

records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

- iv) That they have prepared the annual accounts for the Financial Year ended 31st March 2013 on a going concern basis.

Auditors

M/s. P. Murali & Co., Chartered Accountants, will retire by rotation as Auditors of the Company at the ensuing Annual General Meeting and being eligible, offered themselves for re-appointment. M/s. P. Murali & Co. has furnished a certificate of their eligibility under Section 224 (1B) of the Companies Act, 1956. Board of Directors recommends their re-appointment.

Statement pursuant to the Listing Agreement

The Company's equity shares are listed on the Bombay Stock Exchange Limited (BSE) and Madras Stock Exchange Limited (MSE) and the Company has paid the annual listing fees up to 2013-14.

Corporate Governance

As required by Clause 49 of the Listing Agreement, 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.

Subsidiary Companies

The Company has twenty two (22) subsidiary outfits as on 31st March, 2013:

Domestic Subsidiaries:

1. Aquarian Realtors Private Limited
2. Bush Betta Holiday Ownership Wildlife Adventure Resort Private Limited
3. Bright Resorts Private Limited
4. Chanakyapuri Resorts Private Limited
5. Club Arzee Limited
6. International Country Holidays Private Limited
7. Jade Resorts Private Limited
8. J J Arts & Entertainments Private Limited
9. Kolet Resort Club Private Limited
10. Maruti Waterpark and Entertainments Private Limited
11. Country Vacations International Limited, India
12. Swami Vivekanand Training and Education Centre Private Limited
13. Swimwel Investment and Trading Private Limited

International Subsidiaries:

1. Country Club Babylon Resort Private Limited, Sri Lanka
2. Country Vacations International Limited, Dubai
3. Country Vacations International LLC, Dubai*
4. Country Vacations International LLC, Oman*
5. Country Vacations International LLC, Abu Dhabi*
6. Country Vacations International W.L.L, Bahrain*
7. Country Club and Vacations WLL, Qatar*
8. Country Vacations International SDN BHD, Malaysia*
9. Country Vacations International Limited, London*

*Has become subsidiary of the Company under Section 4(1) (c) of the Companies Act, 1956.

The Ministry of Corporate Affairs (MCA) has through its General Circular No. 2/2011 dated 08th February 2011, has granted general exemption to all the Companies from the

requirement to attach various documents in respect of Subsidiary Companies, as set out in sub-section (1) of Section 212 of the Companies Act 1956. Accordingly Balance sheet, Statement of Profit and Loss and other documents of the Subsidiary Companies are not being attached with the balance sheet of the Company.

Further your Company hereby undertakes that Annual Accounts of the Subsidiary Companies and the related detailed information shall be made available to the Shareholders of the Company and Subsidiary Companies seeking such information at any point of time. The Annual Accounts of the Subsidiary Companies shall also be kept open for inspection for the Shareholders at the Registered

Office of the Company and of the Subsidiary Companies concerned. The Company shall furnish a hard copy of details of Accounts of Subsidiaries to any shareholder on demand.

Personnel

The relationship between the management and the staff was very cordial throughout the year under review. Your Directors take this opportunity to record their appreciation for the cooperation and loyal services rendered by the employees.

Deposits

The Company has not accepted any deposits falling under Section 58A of the Companies Act, 1956, during the year under review.

Acknowledgments

Your Directors wish to place on record their appreciation for the support extended by government authorities, bankers, customers and shareholders of the Company.

Your Directors also wish to place on record their appreciation for the sincere services rendered by the employees of your Company during the year. Their dedication, teamwork and efficiency have been commendable.

**For and on behalf of the Board
For Country Club (India) Limited**

Place: Hyderabad
Date: 30th May, 2013

Y. Rajeev Reddy
Chairman & Managing Director

Y. Siddharth Reddy
Vice-Chairman, JMD & CEO

Management Discussion and Analysis

India has the second largest number of hotels under construction with 292 first class and luxury hotels, after 592 hotels that are coming up in China of the total 17,000 hotels being built in Asia over the next three years.

Growth trends

India's hospitality sector is likely to see investment in excess of \$200 billion over the next three years, with investors shifting their focus to Asia's growing economies. According to a recent report by global database and research service for hotel construction projects, around 300 branded hotels will come up in India over the next three years, constituting about 17% of Asia's hotel construction pipeline.

The Hospitality Industry is a major service sector in the world economy. Indian Hospitality industry is projected to grow at a rate of 8.8 per cent during 2007-16, placing India as the second-fastest growing tourism market in the world.

The Indian tourism and hospitality industry experienced a growth of 24.6% during 2009–2010 time frame. The industry is the third-largest foreign exchange earner, accounting for 6.2% of India's GDP and 8.8% of India's total employment, according to a report by the Planning Commission.

Travel and tourism constitutes USD 32 billion business in India, according to industry estimates; in addition, the hospitality sector is sized at USD 23 billion and it is expected that this sector will witness an inflow of USD 12.17 billion in investments over the next two years, according to a reputed market research company. It is expected that the hospitality sector is expected to see an additional US\$12.17 billion in inbound investments over the next two

years, based on their estimates.

Government initiatives

The government of India has announced a scheme of granting tourist visa on arrival (T-VoA) for the citizens of Finland, Japan, Luxembourg, New Zealand and Singapore. The government has stepped up various reforms to accelerate the industry growth with liberalization in the regulatory framework, investment friendly schemes, extensive support for creating a world class infrastructure, initiating better air and land connectivity, incentivizing regional set-up in tier III and IV cities, exploring the untapped geographical resources. Currently 29 mega tourism projects are being initiated across 22 states.

Foreign Direct Investment

According to the data of the Department of Industrial Policy and Promotion (DIPP), the sector has attracted FDI worth \$3.21 billion during April-February 2012-13. The Indian hotel industry is seeing huge spurt of foreign investment and international brands entering the foray. The emergence of branded budget and economy segment hotels present tremendous opportunities.

Market Size

The amount of foreign direct investments (FDI) inflow into the hotel and tourism sector during April 2000 to January 2013 was worth US\$ 6,561.78 million, as per data provided by Department of Industrial Policy and Promotion (DIPP), Ministry of Commerce.

Scope and future prospect

In the Indian context, the hospitality industry contributed only 2% of the GDP in 2003-04. This

year the number of tourists visiting India is estimated to have touched the figure of 4.4 million. Today, the tourism is the most vibrant tertiary sectors and has a strong hold on the economy. The sector contributes 6.23 per cent to the national gross domestic product (GDP) and 8.78 per cent of the total employment in India. With this huge figure, India is becoming the hottest tourist destination. The arrival of foreign tourists has shown a compounded annual growth of 6% over past 10 years. Besides travel, tourism is the second highest foreign exchange earner for India. Moreover, it is also estimated that the tourism sector will account for nearly 5.3 per cent of GDP and 5.4 per cent of total employment.

Hospitality sector is expected to grow further over the next few years due to the changes taking place on the demand and supply sides. The factors that will account for the further growth of hospitality and tourism will include the following:

- Change in standards of living
- More disposable income
- Better education
- Long leisure time
- Aging population

The Indian hospitality industry is going great guns presently, with high operating margins and increase in the number of travellers visiting India - both inbound and outbound. Thus, the only direction left for the sector points upwards.

Hospitality industry

The hotel industry in India thrives largely due to the growth in tourism and travel. Due to the increase in tourism with rising foreign and domestic tourists, hotel sector is bound to grow as it will provide lodging and food to these tourists. Emergence of

budget hotels in India to cater to the majority of the population who seek affordable stay has materialized into an effective driver for growth. This sector will benefit due to certain Government regulations that will steer this sector towards growth.

The factors for growth of the market includes growth in tourism, opening of the aviation sector, emergence of budget hotels, shortage of hotel rooms and major events. India being a land of rich natural diversity has consistently been on the tourists' radar and tourism has been on a growth trajectory. India is presently considered as a provider of low cost medical treatments which has led to the development of India as a destination for medical tourism. These factors have contributed to the growth of tourism which is a powerful driver for growth of the hotel sector. The opening up of the aviation sector has provided the needed thrust. Major players diversifying into the mid-market segment to develop budget hotels has also been an added driving force. Such hotels are constructed to tap prospective consumers who seek stay at affordable price. International companies are increasingly looking at setting up such hotels. Imbalance in increase in tourists both domestic and foreign not been supported with equal number of rooms is a latent source of opportunity for growth. Additionally, the rise in major events being organized in India has also posed as a chief driver for the sector.

By 2015, the Indian Hotel Industry is expected to reach Rs 230 billion, growing at a robust CAGR of over 12.2%. A total investment of Rs 448 billion is expected in the next five years.

India is currently ranked 12th in the Asia Pacific region and 68th overall in the list of the world's attractive destinations, according to the Travel and Tourism Competitiveness Report 2011 by the World Economic Forum (WEF).

Despite global economic woes, development of hotels in India has been one of the most lucrative

investments. As per Cygnus estimates, total supply (number of hotel rooms) in India is expected to reach more than 180,000 within five years. Various domestic and international brands have made significant inroads into this space and more are expected to follow; around 40 international brands will enter the country in the next five years.

Indian Hotel Industry holds a huge potential due to the positive impact of demand-supply scenario, growth drivers, investments and government initiatives for hotel and tourism sector. To develop a better understanding of the industry, Cygnus has come out with a comprehensive Industry insight - Indian hotel industry, which brings out the past performance, trends and future prospects keeping in mind the various factors.

Investments

Foreign direct investment (FDI) of up to 100 per cent is permissible in the sector through the automatic route. The term hotels include restaurants, beach resorts, and other tourist complexes providing accommodation and/or catering and food facilities to tourists. According to data released by the Department of Industrial Policy and Promotion (DIPP), the hotel and tourism sector has attracted FDI worth Rs 14,770.58 crore (US\$ 2.64 billion) between April 2000 and January 2013.

The India connect

With 740 million domestic travellers (in 2011) and over 6.3 million FTAs, India, after China, is considered one of the most lucrative hotel markets in the world and has the second largest construction pipeline in Asia. Growing affluence and the increasing role India is expected to play in the global economy are likely to drive both leisure and business travel in the coming years. For most global hotel majors a significant part of their hotel pipeline is centered on faster growing developing markets like India. India has an estimated 1,70,000 hotel rooms of which around 60,000 are branded. Even

with the expected addition of another 60,000 hotel rooms (across segments) over the next three to five years, the industry is expected to fall short of meeting the long term demands of an economy growing at 7-9% p.a.

The future scenario

ICRA expects a mild recovery in the Indian hotels industry's operating metrics with the start of the next season in Q3, 2013-14, supported by improving economic activity. With inflation expected to moderate in the coming quarters, ICRA expects the industry to post margin improvement supported by ARR growth of ~5-8%. ICRA further expect sustained traction in the industry to return by 2013-14. However, we expect the heavy supply pipeline in markets like the NCR, Chennai, Hyderabad and Kolkata to pressure tariffs over the next two-three years. Also, any unexpected adverse development in the global economy would have a direct bearing on discretionary corporate and leisure travel from overseas, besides also impacting the domestic economic growth. Over the medium term we expect a structural change, with supply in the industry diversifying across price points. Further with the entry of international brands in the economy segment standardization of product offerings is expected. The market is expected to move towards a sustainable value-for-money proposition.

Cautionary statement

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

Annexure “A” to Directors’ Report

Corporate Governance

(Pursuant to Clause 49 of the Listing Agreement)

1. Company’s Philosophy

“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 Club (India) 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 complies with the requirements regarding Corporate Governance as stipulated under Clause 49 of the Listing Agreement of the Stock Exchange

where its shares are listed.

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

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

2. Board of Directors

a) Composition

The composition of Board of Directors of the Company meets the stipulated requirements. The Board consists of 10 Directors, out of which 5 are Independent Directors. Composition of the Board and category of Directors are as follows:

Category	Name of the Directors	Designation
Promoter Directors	Shri Y. Rajeev Reddy,	Chairman & Managing Director
	Shri Y. Siddharth Reddy	Vice – Chairman, Joint Managing Director & CEO
	Shri Y. Varun Reddy	Vice – Chairman, Joint Managing Director & COO
	Smt. Y. Manjula Reddy	Non – Executive Director
Executive Director	Shri D. Krishna Kumar Raju	Vice – Chairman & Executive Director
Independent Directors	Shri D. Venkata Ratna Kishore	Independent Non-Executive Director
	Shri D. Venkata Krishnam Raju	Independent Non-Executive Director
	Shri K. Satyanarayana Raju	Independent Non-Executive Director
	Shri Indukuri Subba Raju	Independent Non-Executive Director
	Shri Y. Subba Rao	Independent Non-Executive Director

b) Attendance of Directors at the Board meetings and the last AGM:

(i) No. of Board Meeting held during the Financial Year ended on 31st March, 2013, for which the details are as follows:

No. of Quarters	Quarter I	Quarter II	Quarter III	Quarter IV
Dates of Board Meetings	15th May, 2012	06th August, 2012	03rd October, 2012	18th January, 2013
		14th August, 2012	14th November, 2012	
	29th June, 2012	3rd September, 2012	04th December, 2012	14th February, 2013
		13th September, 2012		

The last Annual General Meeting was held on 29th September 2012.

(ii) Attendance of Directors at Board Meetings, last Annual General Meeting (AGM) and number of other Directorships and Chairmanships / Memberships of Committees of each Director in various companies:

Name of the Director	No. of Other Directorships ¹	No. of Memberships/Chairmanships of Board Committees in other Companies ²	Attendance	
			No. of Board Meetings	Last AGM
Shri Y. Rajeev Reddy	14	NIL	10	Yes
Shri Y. Siddharth Reddy	14	NIL	10	Yes
Shri Y. Varun Reddy	10	NIL	9	Yes
Shri D. Krishna Kumar Raju	7	NIL	10	Yes
Smt. Y. Manjula Reddy	5	NIL	10	No
Shri D. Venkata Krishnam Raju	NIL	NIL	11	Yes
Shri D. Venkata Ratna Kishore	NIL	NIL	10	Yes
Shri K. Satyanarayana Raju	NIL	NIL	10	No
Shri Indukuri Subba Raju	NIL	NIL	10	Yes
Shri Y. Subba Rao	NIL	NIL	10	No

¹The Directorships held by Directors as mentioned above do not include Alternate Directorships and Directorships in Foreign Companies, Companies Registered under Section 25 of the Companies Act, 1956 and Private Limited Companies.

²In accordance with Clause 49, Memberships / Chairmanships of only the Audit Committees and Shareholders' / Investors' Grievance Committees in all Public Limited Companies (excluding Country Club India Limited) have been considered.

c) 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, compensation, nominations, risk management and investor grievance committees as well as abstracts of circular resolutions passed
- The Board minutes of the subsidiary companies.

- General notices of interest received from directors.
- Dividend data.
- 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, subsidiaries 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 non-payment of dividend and delays in share transfer.

d) Code of Conduct

In pursuance with the Sub – Clause (D) of Clause 49 of the Listing Agreement, 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.countryclubindia.net. All the members of the Board and Senior Management Personnel have affirmed their compliance with the Code of Conduct, as at 30th May, 2013.. A declaration regarding the Code of Conduct's Compliances has been given at the end of the Corporate Governance Report, signed by the Chairman & Managing 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 provisions of Clause 49 of the Listing Agreement entered with the Bombay Stock Exchange Limited and Madras Stock Exchange Limited.

a) Composition of the Audit Committee

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

Name of the Member	Category
1. Shri Y. Subba Rao, Chairman	Independent Directors
2. Shri D. V. Ratna Kishore, Member	
3. Shri D. Krishna Kumar Raju, Member	Executive Director

Mr. G. Someswara Rao, Company Secretary has acted as the Secretary to the Committee w.e.f 14th February, 2013. Prior to that Mr. S. Subba Rao, 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 15th May 2012; 14th August

2012; 14th November 2012 and 14th February 2013. Following are the attendance of each member in the Audit Committee Meetings:

Name of the Director	No. of Meetings	
	Held	Attended
Shri Y. Subba Rao	4	4
Shri D. V. Ratna Kishore	4	4
Shri D. Krishna Kumar Raju	4	4

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 Clause 49 of the Listing Agreement:

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 the Clause 49 of the Listing Agreement.

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. Remuneration Committee

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

Name of the Member	Category
1. Shri K. Satyanarayana Raju, Chairman	Independent Directors
2. Shri Y. Subba Rao, Member	
3. Shri D. V. Ratna Kishore, Member	

b) Attendance of Members at the Remuneration Committee Meeting:

During the year, one remuneration Committee Meetings was held on 3rd September, 2012 for purpose of approving the re-appointments of Mr. D. Krishna Kumar Raju, Vice-Chairman and Executive Director of the Company w.e.f. 1st October, 2012 respectively. Following are the attendance of each member in the remuneration Committee Meetings:

Name of the Director	No. of Meetings	
	Held	Attended
Shri K. Satyanarayana Raju, Chairman	1	1
Shri Y. Subba Rao, Member	1	1
Shri D. V. Ratna Kishore, Member	1	1

c) Role of Remuneration Committee:

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

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

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

- To fix the remuneration packages of Executive Directors i.e., Managing Directors and Whole-time Directors, etc.
- To decide on the elements of remuneration package of all the Directors i.e. salary, benefits, bonus, stock options, pensions, etc.

(iii) Details of remuneration to the Directors for the year

Name of the 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 (₹)
Shri Y. Rajeev Reddy	Related to Smt. Y. Manjula Reddy, Shri Y. Siddharth Reddy and Shri Y. Varun Reddy	Promoter Director Chairman and Managing Director	NA	NA	36,00,000	NA	36,00,000
Shri Y. Siddharth Reddy	Related to Shri Y. Rajeev Reddy, Smt. Y. Manjula Reddy, Shri Y. Varun Reddy	Vice-Chairman and Joint Managing Director & CEO	NA	NA	30,00,000	NA	30,00,000
Shri Y. Varun Reddy	Related to Shri Y. Rajeev Reddy, Smt. Y. Manjula Reddy, Shri Y. Siddharth Reddy	Vice-Chairman and Joint Managing Director and COO	NA	NA	30,00,000	NA	30,00,000
Shri. D. Krishna Kumar Raju	Not Applicable	Vice-Chairman & Executive Director	NA	NA	30,00,000	NA	30,00,000

Note: Apart from the above mentioned Directors remuneration, Mr. Rajeev Reddy is entitled to Brand Ambassador fee of ₹48,00,000 per annum.

5. Shareholders'/Investors' Grievance Committee

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

The Shareholders'/Investors' Grievance Committee was constituted of the following Directors:

Name of the Member	Category
1. Shri Y. Subba Rao, Chairman	} Independent Directors
2. Shri Indukuri Venkata Subba Raju, Member	
3. Shri D. V. Ratna Kishore, Member	

Mr. G. Someswara Rao, Company Secretary has acted as the Secretary to the Committee w.e.f 14th February, 2013. Prior to that Mr. S. Subba Rao, Company Secretary has acted as the Secretary to the Committee.

The total number of complaints received during the year 2012 – 2013 was 05 and all the complaints were resolved. No complaints were outstanding as on 31st March, 2013.

6. General Body Meetings

a) Location and time of the last three AGMs (Annual General Meetings):

AGM	Year	Venue	Date	Time
21st	2011-12	Agrasen Bhavan, 149, Brig Sayeed Road, Sappers Line, Paradise, Secunderabad – 500 003	29-09-2012	10.30 a.m
20th	2010-11	Agrasen Bhavan, 149, Brig Sayeed Road, Sappers Line, Paradise, Secunderabad – 500 003	30-09-2011	11:00 a.m.
19th	2009-10	Agrasen Bhavan, 149, Brig Sayeed Road, Sappers Line, Paradise, Secunderabad – 500 003	30-09-2010	12:00 noon

b) Special resolutions passed in the previous three AGMs

Date of the AGM	No. of Special resolutions passed	Details of the Special Resolutions
29th Sep, 2012	02	<ul style="list-style-type: none"> ■ Approval from the shareholders of the company pursuant to Section 81(1A) of the companies Act 1956, to raise the funds to an extent of USD 100 Million (US dollars One Hundred Million only). ■ Re-appointment of Mr. D. Krishna Kumar Raju as the Vice-Chairman & Executive Director for a further period of 5 (Five) Years with effect from 1st October, 2012
30th Sep, 2011	03	<ul style="list-style-type: none"> ■ Approval from the shareholders of the Company pursuant to Section 81(1A) of the Companies Act, 1956, to raise the funds to an extent of USD 150 Million (US dollars One Hundred and Fifty Million only). ■ Re-appointment of Mr. Y. Rajeev Reddy as the Chairman & Managing Director for a further period of 5 (Five) Years with effect from 1st April, 2011. ■ Re-appointment of Mr. Y. Varun Reddy as Joint Managing Director, Vice-Chairman and Chief Operating Officer for a period of 5 (Five) Years with effect from 1st August, 2011
30th Sep, 2010	01	<ul style="list-style-type: none"> ■ Re-appointment of Mr. Y. Siddharth Reddy as the Vice Chairman, Joint Managing Director & CEO of the Company for further period of 5 years w.e.f. 01st September 2010.

c) No Special Resolution was passed through Postal Ballot during the Financial year 2012-13.

d) On need basis, Special Resolutions are proposed to be passed through Postal Ballot during the year.

7. Disclosures

1. Disclosure on materially significant related-party transactions i.e. transactions of the Company of material nature with its Promoters, Directors or the management, 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 on Accounts to Standalone and Consolidated Accounts in the Annual Report of the Company. None of the transaction with the related parties is in conflict with the interest of the Company.
2. Details of non-compliance by the Company, penalties and strictures imposed on it by Stock Exchange(s) or SEBI or any statutory authority on any matter related to capital markets during the last three years: **None**
3. Details of compliance with mandatory requirements and adoption of non-mandatory requirements of this clause:

Your Company has complied with all the mandatory requirements of the Clause 49 of the Listing Agreement. The details of these compliance's have been given in the relevant sections of this report.

Notes on Directors' appointment/ re-appointment

Relevant details are given as additional Information forming part of the Notice of the Annual General Meeting/Directors' Report.

8. Means of communication:

- a) **Financial Results:** The Company's quarterly, half-yearly and annual results are published in newspapers as per the Clause 41 of the Listing Agreement. The Annual Report and other communication will be sent to the Shareholders through post.

- b) The financial and other results were published in the following newspapers at Hyderabad:

1. *Business Standard*
2. *Andhra Prabha*

- c) The results are also displayed on the Company's websites, www.countryclubindia.net / www.countryclubindia.com

- d) The website also displays the official news releases.

As per the listing requirements, the Company publishes periodical financial results in *Business Standard* in English and *Andhra Prabha* in Telugu.

9. Management discussion and analysis:

This has been discussed in a separate section annexed to the Directors' Report.

10. Statement pursuant to Clause 38 of the Listing Agreement:

The Company's equity shares are currently listed on Bombay Stock Exchange Limited (BSE) and Madras Stock Exchange Limited (MSE) and the Company has paid the Annual Listing Fees and Annual Custodian Fees to Depositors for the year 2013-14.

11. General shareholder information:

a) Details of 22nd Annual General Meeting

Date : 30th September, 2013

Time : 11.00 A.M

Venue : Crown Villa Gardens (Le Palais Royal), "Ibrahim Mahal",
150, Brigadier Sayeed Road,
Opp. Gymkhana Grounds,
Secunderabad - 500 003

b) Financial calendar 2013-14 (tentative schedule)

- (i) AGM for the financial year ended on 31st March, 2014 : Before the end of September, 2014

- (ii) Adoption of quarterly results for the quarter ending:

■ 30th June, 2013 : Second Week of August, 2013

■ 30th September, 2013 : Second Week of November, 2013

■ 31st December, 2013 : Second Week of February, 2014

■ 31st March, 2014 : Before the End of May, 2014

c) Date of book closure :

27th September, 2013 to 30th September, 2013 (both days inclusive)

d) Dividend payment date(s) :

Dividend will be paid on or after 4th October, 2013.

e) Listing on Stock Exchanges :

Presently, the Company's equity shares are listed at:

- Bombay Stock Exchange Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.
- Madras Stock Exchange Limited (MSE), No. 30, Second Line Beach, Chennai, 600 001, Tamilnadu, India.

f) Stock code/ ISIN

I) Stock Code

BSE Scrip Code : 526550

BSE Scrip ID : COUNCLB

MSE Trading code : CONTRYCLUB

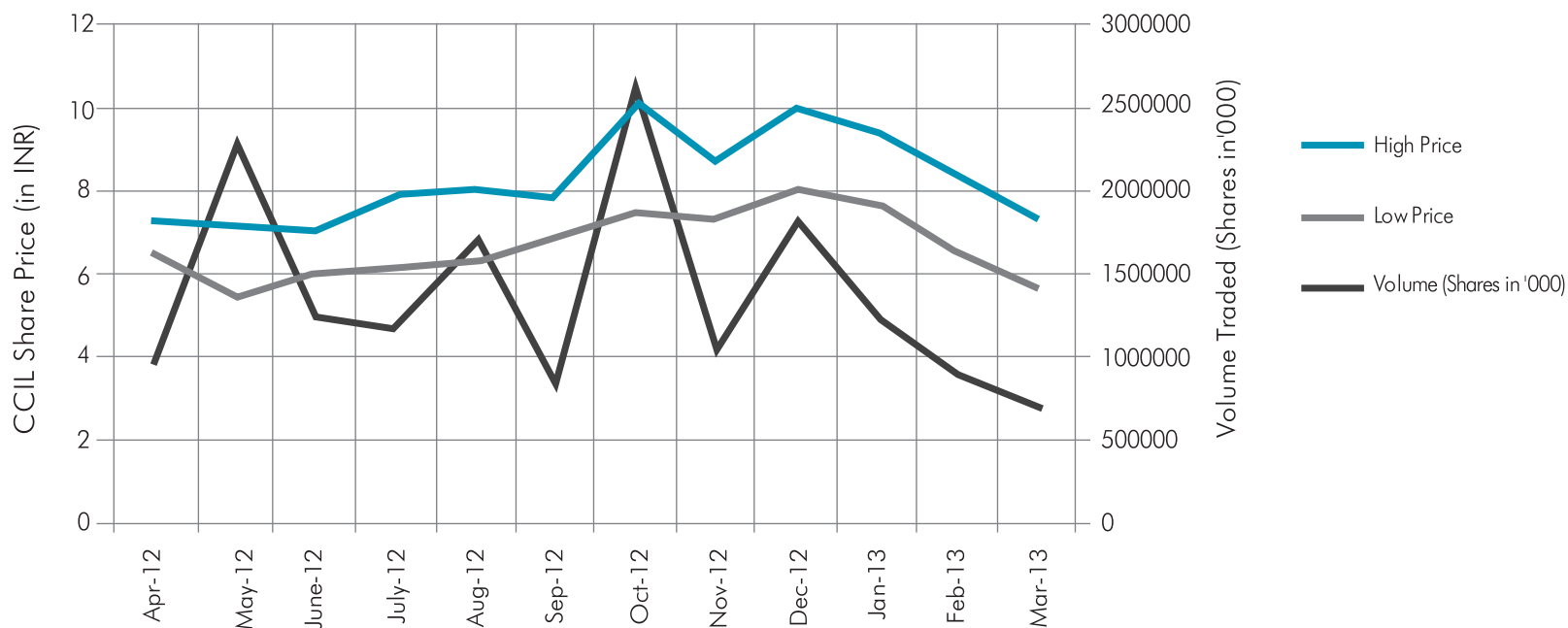
II) Demat ISIN Number

CDSL & NSDL : INE652 F01027
(Equity Shares)

g) Market price date high and low during each month in the last financial year:

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

Month	Bombay Stock Exchange Limited		
	High Price (in ₹)	Low Price (in ₹)	Volume (Shares in '000)
April, 2012	7.25	6.45	9,66,613
May, 2012	7.10	5.40	22,65,689
June, 2012	6.97	6.00	12,12,998
July, 2012	7.81	6.11	11,66,984
August, 2012	7.99	6.30	17,03,484
September, 2012	7.80	6.85	8,11,596
October, 2012	10.10	7.50	26,04,000
November, 2012	8.65	7.30	10,25,281
December, 2012	9.98	7.97	17,98,135
January, 2013	9.37	7.63	12,27,818
February, 2013	8.30	6.50	8,90,393
March, 2013	7.30	5.65	7,01,207



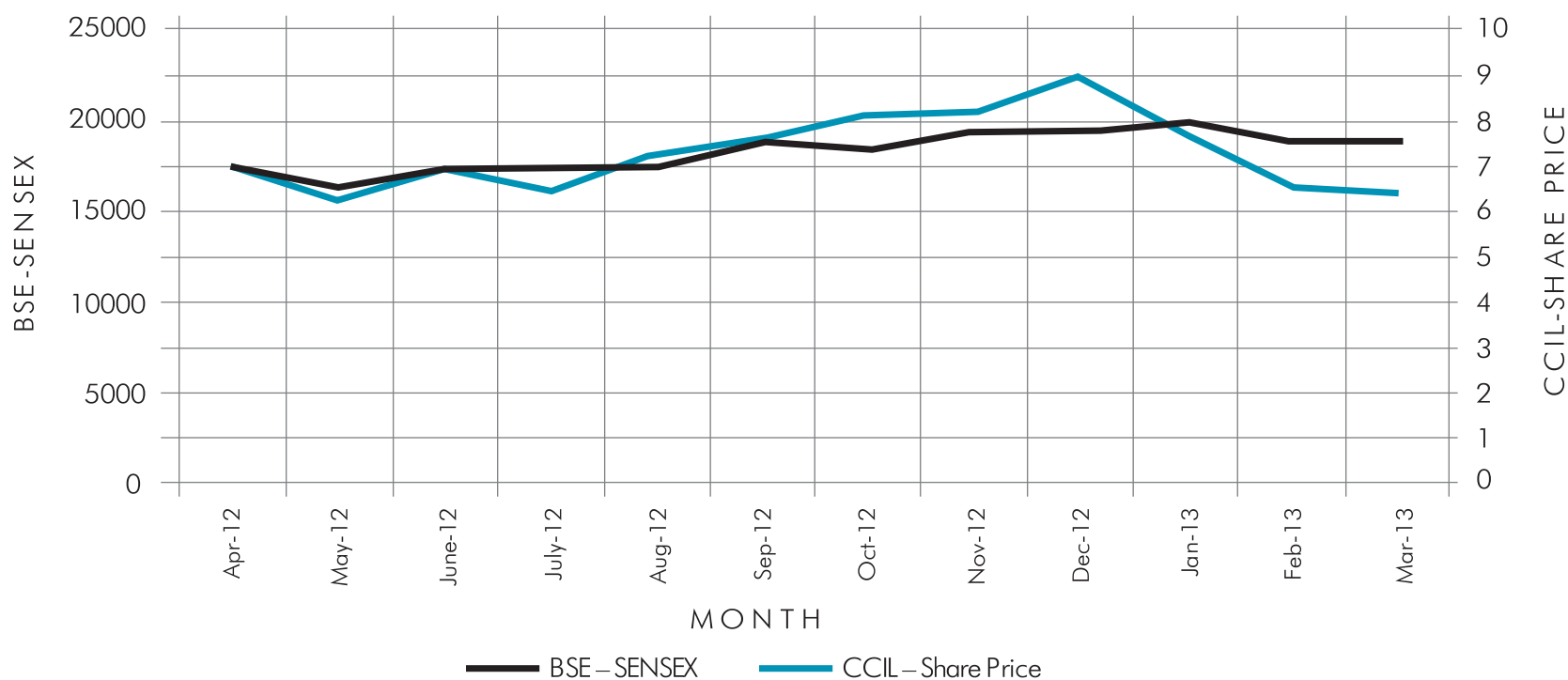
Since, there is no trading of shares on the Madras Stock Exchange Limited, the above information is not provided in respect of this exchange.

h) Stock performance in comparison to broad based indices such as BSE Sensex:

(in INR ₹)

Month	Share Price in BSE			BSE - Sensex		
	High Price	Low Price	Closing Price	High Price	Low Price	Closing Price
April, 2012	7.25	6.45	6.88	17,664.10	17,010.16	17,318.81
May, 2012	7.10	5.40	6.23	17,432.33	15,809.71	16,218.53
June, 2012	6.97	6.00	6.86	17,448.48	15,748.98	17,429.98
July, 2012	7.81	6.11	6.47	17,631.19	16,598.48	17,236.18
August, 2012	7.99	6.30	7.21	17,972.54	17,026.97	17,429.56
September, 2012	7.80	6.85	7.60	18,869.94	17,250.80	18,762.74
October, 2012	10.10	7.50	8.09	19,137.29	18,393.42	18,505.38
November, 2012	8.65	7.30	8.17	19,372.70	18,255.69	19,339.90
December, 2012	9.98	7.97	9.00	19,612.18	19,149.03	19,426.71
January, 2013	9.37	7.63	7.66	20,203.66	19,508.93	19,894.98
February, 2013	8.30	6.50	6.60	19,966.69	18,793.97	18,861.54
March, 2013	7.30	5.65	6.39	19,754.66	18,568.43	18,835.77

Stock Performance



i) Registrar and transfer agent

M/s. Aarthi Consultants Private Limited
 1-2-285, Domalguda, Hyderabad - 500 029
 Ph: 040 2763 8111; 040 2763 4445
 Fax: 040 2763 2184
 Website: www.aarthiconsultants.com
 Email: info@arthiconsultants.com

j) Share Transfer system is maintained by

M/s. Aarthi Consultants Private Limited
 1-2-285, Domalguda, Hyderabad - 500 029
 Ph: 040 2763 8111; 040 2763 4445
 Fax: 040 2763 2184
 Website: www.aarthiconsultants.com
 Email: info@arthiconsultants.com

k) Share and Transfer System:

With a view to expedite the process of share transfers, the Board of Directors of the Company has delegated the power of share transfers to the Committee of Directors. The shares for transfer which are received in physical form are processed and the share certificates returned within a period of 10 to 15 days from the date of receipt, subject to the documents being valid and complete in all respects.

The Company has, as per SEBI Guidelines, offered the facility of transfer-cum-demat. Under the said system, after the share transfer is effected, an option letter is sent to the transferee indicating the details

of the transferred shares and requesting him, in case he wishes to demat the shares, to approach a Depository Participant (DP) with the option letter. The DP, based on the option letter, generates a demat request and sends the same to the Company along with the option letter issued by the Company. On receipt of the same, the Company dematerializes the shares. In case the transferee does not wish to de-materialise the shares, he need not exercise the option and the Company will dispatch the share certificates after 15 days from the date of such option letter.

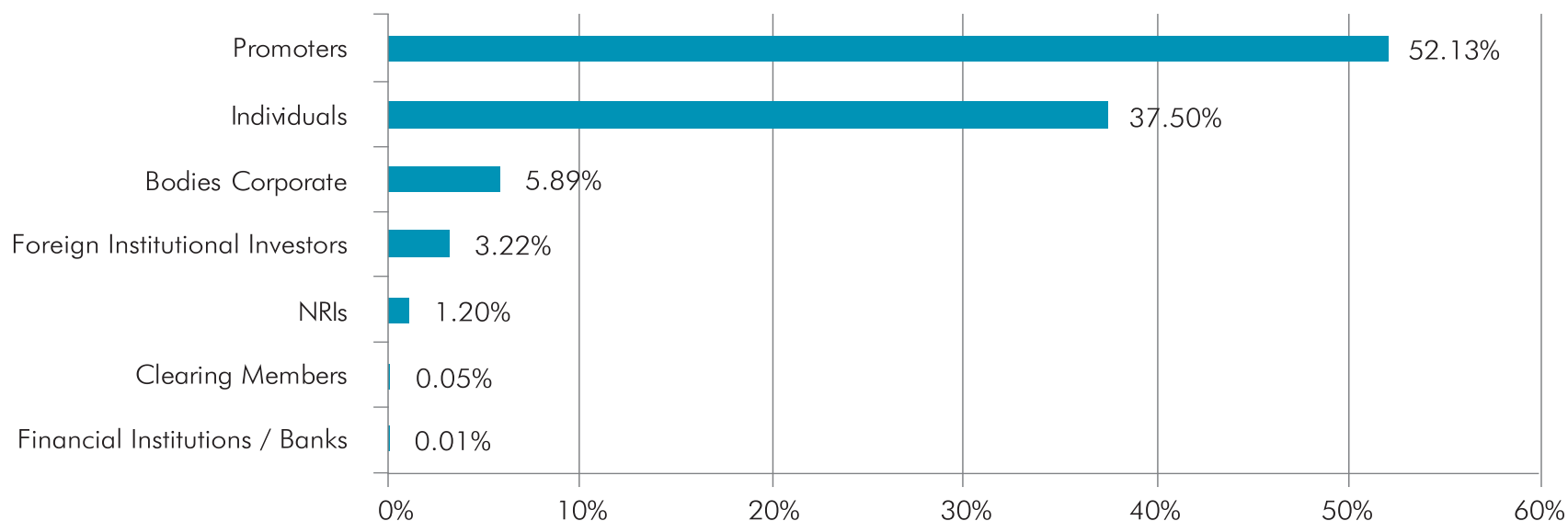
l) Distribution of Shareholdings as on 31st March, 2013:

No. of Shares Slab	No. of Shareholders		No. of Shares		Share Amount	
	Total	%	Total	%	Total (₹)	%
1 – 5000	17108	89.14	9957891	11.13	19915782	11.13
5001 – 10000	1086	5.66	4067105	4.55	8134210	4.55
10001 – 20000	497	2.59	3765541	4.21	7531082	4.21
20001 – 30000	139	0.72	1751344	1.96	3502688	1.96
30001 – 40000	81	0.42	1479527	1.65	2959054	1.65
40001 – 50000	54	0.28	1243430	1.39	2486860	1.39
50001 – 100000	104	0.54	3701264	4.14	7402528	4.14
100001 & Above	124	0.65	63498633	70.98	126997266	70.98
TOTAL	19193	100	89464735	100	178929470	100

m) Shareholding Pattern:

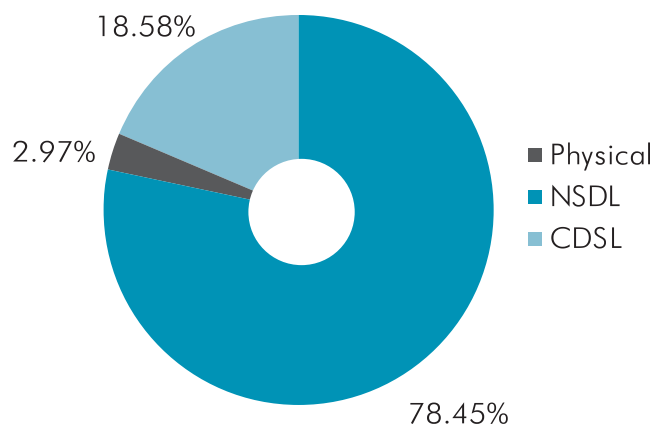
Category of Shareholder	As on 31st March, 2013			As on 31st March, 2012		
	No. of Shareholders	Total No. of shares	%	No. of Shareholders	Total No. of shares	%
Promoter's Holding						
Indian Promoters*	5	46637386	52.13	5	46637386	52.13
Total Promoter's Holding (A)	5	46637386	52.13	5	46637386	52.13
Public Shareholding						
Institutional Investors						
Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil
Financial Institutions/Banks	2	12999	0.01	2	12999	0.01
Foreign Institutional Investors	4	2880729	3.22	5	3763548	4.21
Foreign Companies	Nil	Nil	Nil	Nil	Nil	Nil
Non-Institutional Investors						
Bodies Corporate	294	5266404	5.89	333	5841756	6.53
Individuals	18689	33547459	37.50	19704	32209848	36.00
Others						
Non Resident Indians	180	1070924	1.20	181	964827	1.08
Overseas Corporate Bodies	Nil	Nil	Nil	Nil	Nil	Nil
Trusts	Nil	Nil	Nil	Nil	Nil	Nil
Clearing Members	19	48834	0.05	21	34371	0.04
Total Public Shareholding (B)	19188	42827349	47.87	20246	42827349	47.87
Shares held by Custodian against Depository Receipts (C)	Nil	Nil	Nil	Nil	Nil	Nil
TOTAL (A+B+C)	19193	89464735	100	20251	89464735	100

Graph representing the Shareholding Pattern as on 31st March 2013:



n) Dematerialisation of shares and liquidity

Shares held in Physical and Dematerialised form as on 31st March, 2013



o) Outstanding Instruments:

FCCB:

As on 31st March 2012, there were outstanding FCCBs amounting to \$ 5 Million.

During the financial year 2012-13 the company redeemed FCCBs amounting to \$5 Million at face value and the Outstanding FCCBs as on 31.03.2013 Stands Nil.

p) Address for investor correspondence:

M/s. Aarthi Consultants Private Limited

1-2-285, Domalguda, Hyderabad - 500 029

Ph: 040 2763 8111; 040 2763 4445

Fax: 040 2763 2184

Website: www.aarthiconsultants.com

Email: info@arthiconsultants.com

M/s. Country Club (India) Limited

'AmruthaCastle', 5-9-16, Saifabad

Opp: Secretariat, Hyderabad - 500 063

Andhra Pradesh

Email: investorsgrievance@countryclubmail.com

Phone: +91 40 6684 8888

Fax: +91 40 6684 3444

Website: www.countryclubindia.net

**For and on behalf of the Board
For Country Club (India) Limited**

Place: Hyderabad

Date: 30th May, 2013

Y. Rajeev Reddy

Chairman & Managing Director

Y. Siddharth Reddy

Vice-Chairman, JMD & CEO

Declaration regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

I, Y. Rajeev Reddy, Chairman & Managing Director of **M/s. Country Club (India) Limited** hereby declare that all the Board Members and Senior managerial Personnel have affirmed for the year ended 31st March, 2013 Compliance with the Code of Conduct of the Company laid down for them.

Place: Hyderabad
Date: 30th May, 2013

Y. Rajeev Reddy
Chairman & Managing Director

Certificate by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO)

I, Y. Siddharth Reddy, Vice-Chairman, Joint Managing Director and CEO of **M/s. Country Club (India) Limited** certify:

1. That I have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2013 and to the best of my 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 my knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violation of the Company's code of conduct;
3. That I accept responsibility for establishing and maintaining internal controls, I have evaluated the effectiveness of the internal control systems of the Company and I have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which I was aware and the steps that I have taken or purpose to take and rectify the identified deficiencies; and
4. That I 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) There are no instances of significant fraud of which I have become aware.

Place: Hyderabad
Date: 30th May, 2013

Y. Siddharth Reddy
Vice-Chairman, JMD & CEO

Compliance Certificate on Corporate Governance

To
The Members,
Country Club (India) 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 Club (India) Limited ("the Company") for the year ended 31st March, 2013 as stipulated in Clause 49 of the Listing Agreement 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
(Registration No. 007257S)

P. Murali Mohana Rao
Partner
(Membership No. 23412)

Place : Hyderabad
Date : 30th May, 2013

Independent Auditors' Report on Consolidated Financials

To
The Members of
Country Club (India) Limited

Report on Consolidated Financial Statements

1. We have audited the accompanying consolidated financial statements of Country Club (India) Ltd's (the "Company") and its subsidiaries (collectively referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

2. Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedure selected depends on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated 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 evaluation and the appropriateness of accounting policies used and the reasonableness of accounting estimates

made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

5. We did not audit the financial statements of Subsidiary entities namely, Country Club Babylon Resorts Pvt. Ltd., Srilanka, Country Vacations International Limited., Dubai for the year ended, whose consolidated financial statements reflect total assets of Rs. 501,91,32,583/- and total revenue of Rs. 147,67,78,492/-. These financial statements and other financial information of Country Club Babylon Resorts Pvt. Ltd and Country Vacations International Limited., Dubai have been audited by Jawaamil Associates, Chartered Accountants, Colombo, Srilanka, and Horwath MAK, Auditors, Dubai whose reports have been furnished to us and our opinion in respect thereof is based solely on the report of such other auditors.

Opinion

6. In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditors on the financial statements / consolidated financial statements of the subsidiaries and associates as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.

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

For **P. Murali & Co.**,
Chartered Accountants
FRN: 007257S

P. Murali Mohana Rao
Partner
Membership No. 23412

Place : Hyderabad
Date : 30-05-2013

Consolidated Balance Sheet as at March 31, 2013

(Amount in ₹)

Particulars	Note Nos.	As at 31-03-2013	As at 31-03-2012
I EQUITY AND LIABILITIES			
1. Shareholders Funds			
(a) Capital	1	178,929,470	178,929,470
(b) Reserves & Surplus	2	9,142,982,809	8,484,560,201
2. Non-Current Liabilities			
(a) Long - Term Borrowings	3	2,326,221,088	2,388,026,563
(b) Deferred Tax Liabilities (Net)	4	455,022,987	375,151,322
(c) Deferred Income - Advance towards Members Facilities		99,342,374	167,274,709
(d) Other Long Term Liabilities	5	11,005,038	15,850,500
(e) Long Term Provisions	6	13,008,035	9,043,280
3. Current Liabilities			
(a) Trade Payables	7	430,446,786	355,331,100
(b) Deferred Income - Advance towards Members Facilities		67,984,769	82,204,037
(c) Other Current Liabilities	8	1,507,859,254	1,288,790,201
(d) Short - Term Provisions	9	404,157,471	358,065,689
TOTAL		14,636,960,081	13,703,227,072
II ASSETS			
1. Non - Current Assets			
(a) Fixed Assets	10		
(i) Tangible Assets		8,878,613,590	8,912,161,886
(ii) Intangible Assets		708,507,356	698,587,634
(iii) Capital Work in progress		1,892,310,232	556,623,032
(b) Long-Term Loans and Advances	11	1,161,857,723	1,434,741,798
(c) Other Non Current Assets	12	573,843	752,657
2. Current Assets			
(a) Current Investments	13	323,000	323,000
(b) Inventories	14	40,992,486	32,945,445
(c) Trade Receivables	15	108,988,599	82,170,231
(d) Cash and Cash Equivalents	16	231,334,227	289,947,613
(e) Short-Term Loans and Advances	17	1,550,005,209	1,595,431,678
(f) Other Current Assets	18	63,453,816	99,542,098
TOTAL		14,636,960,081	13,703,227,072

Significant Accounting Policies & Notes to Financial Statements

1 to 43

As per our report of even date

for **P. Murali & Co.**
Chartered Accountants
FRN: 007257S

P. Murali Mohana Rao
Partner
Membership No. 23412

Place: Hyderabad
Date : 30-05-2013

Y. Rajeev Reddy
Chairman & Managing Director

for and on behalf of the Board of Directors
Country Club (India) Limited

Y. Siddharth Reddy
Vice-Chairman, JMD & CEO

G. Someswara Rao
Company Secretary

Statement of Consolidated Profit and Loss for the year ended March 31, 2013

(Amount in ₹)

Particulars	Note Nos.	Ended 31-03-2013	Ended 31-03-2012
1. INCOME			
Revenue From Operations	19	4,713,993,192	3,692,131,693
Other Income	20	42,993,021	28,309,379
TOTAL REVENUE		4,756,986,213	3,720,441,072
2. EXPENDITURE			
Cost of Material Consumed	21	160,605,216	142,679,092
Employee Benefit Expenses	22	1,491,580,339	1,172,198,688
Finance Cost	23	447,791,218	249,821,429
Depreciation and Amortisation Expenses	10	413,692,372	313,006,027
Other Expenses	24	1,540,668,778	1,216,320,685
TOTAL EXPENDITURE		4,054,337,923	3,094,025,921
3. PROFIT			
Profit Before Exceptional and Tax (1 - 2)		702,648,290	626,415,151
Profit Before Tax		702,648,290	626,415,151
Tax Expense:			
- Current Tax		61,474,005	53,136,217
- Deferred Tax		79,871,665	77,437,605
Profit for the Year		561,302,620	495,841,329
Earning Per Share			
- Basic		6.27	5.54
- Diluted		6.27	

Significant Accounting Policies & Notes to Financial Statements

1 to 43

As per our report of even date

for **P. Murali & Co.**
Chartered Accountants
FRN: 007257S

for and on behalf of the Board of Directors
Country Club (India) Limited

P. Murali Mohana Rao
Partner
Membership No. 23412

Y. Rajeev Reddy
Chairman & Managing Director

Y. Siddharth Reddy
Vice-Chairman, JMD & CEO

G. Someswara Rao
Company Secretary

Place: Hyderabad
Date : 30-05-2013

Consolidated Cash Flow Statement for the year ended March 31, 2013

(Amount in ₹)

Particulars	Current Year	Previous Year
I. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit Before Tax	702,648,290	626,415,151
Adjustments for :-		
Depreciation	413,692,372	313,006,027
Interest Paid	447,791,218	244,336,415
Foreign Currency Translation Reserve	107,157,054	341,158,076
Interest Income	12,838,100	(28,309,379)
Operating Cash Flow before Working Capital Changes	1,684,127,034	1,496,606,290
(Increase) / Decrease in Inventory	(8,047,041)	1,187,188
(Increase) / Decrease in Trade Receivables	(26,818,367)	(1,958,369)
(Increase) / Decrease in Short Term Loans & Advances	45,426,468	(927,418,387)
(Increase) / Decrease in Other Current Assets	36,088,286	(4,412,868)
Increase / (Decrease) in Deferred Income(Current)	(14,219,268)	(16,523,609)
Increase / (Decrease) in Trade Payables	75,115,686	(66,650,750)
Increase / (Decrease) in Other Current Liabilities	219,069,053	(455,785,059)
Increase / (Decrease) in Short Term Provisions	(25,780,038)	(324,299,475)
CASH GENERATED FROM OPERATIONS	1,984,961,812	(299,255,039)
Add: Prior Period Expenses	-	-
Less: Income Tax Paid		
CASH GENERATED FROM OPERATING ACTIVITIES	1,984,961,812	(299,255,039)
II. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase/Sale of fixed Assets	(390,063,799)	(2,166,392,219)
Capital Work in Progress, Pre-operative Expenses	(1,335,687,200)	1,646,139,027
Interest Income	(12,838,100)	28,309,379
Misc Expenses	178,816	156,615
(Increase) / Decrease in Long Term Loans & Advances	272,884,075	181,426,103
NET CASH AVAILABLE FROM INVESTING ACTIVITIES	(1,465,526,208)	(310,361,095)
III. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds From Issue of Share Warrants	-	(187,500,000)
Proceeds/(Repayment) of Loan	(61,805,476)	1,069,943,936
Statutory Reserves	360,750	187,500,000
Interest Paid	(447,791,218)	(244,336,415)
Increase / (Decrease) in Other Long Term Liabilities	(880,707)	5,990,501
Proceeds/(Repayment) of Membership Fees	(67,932,337)	(82,204,033)
NET CASH USED IN FINANCING ACTIVITIES	(578,048,989)	749,393,989
NET INCREASE IN CASH AND CASH EQUIVALENTS(I+II+III)	(58,613,385)	139,777,855
Opening Balance of Cash & Cash Equivalents	289,947,613	150,169,758
Closing Balance of Cash & Cash Equivalents	231,334,227	289,947,613

As per our report of even date

for **P. Murali & Co.**

Chartered Accountants

FRN: 007257S

P. Murali Mohana Rao

Partner

Membership No. 23412

Place: Hyderabad

Date : 30-05-2013

for and on behalf of the Board of Directors

Country Club (India) Limited

Y. Rajeev Reddy

Chairman & Managing Director

Y. Siddharth Reddy

Vice-Chairman, JMD & CEO

G. Someswara Rao

Company Secretary

Certificate

To
The Board of Directors,
Country Club (India) Limited
Hyderabad

We have examined the attached Consolidated Cash Flow Statement of **M/s COUNTRY CLUB (INDIA) LIMITED** for the year ended 31st March, 2013. The statement has been prepared by the Company in accordance with the requirements of Clause 32 of the listing agreement with the Stock Exchanges and is based on and in agreement with the corresponding Statement of Profit & Loss and Balance Sheet of the Company covered by our report of 30th May, 2013 to the members of the Company.

Yours faithfully,

For **P. Murali & Co.,**
Chartered Accountants

Place : Hyderabad
Date : 30-05-2013

P. Murali Mohana Rao
Partner

Notes to the Consolidated Financial Statements for the year ended 31st March, 2013

GROUP OVERVIEW

Country Club (India) Limited ("the Company") with its subsidiaries (collectively referred to as "the Group") is the leading Holidaying, Clubbing and Entertainment Company. The Group is one of the fastest growing entertainment and leisure conglomerates in India having ownership of more than 50 properties in India and abroad.

SIGNIFICANT ACCOUNTING POLICIES

General:

The financial statements of Country Club (India) Limited have been prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises accounting standards notified by the Central Government of India under Section 211 (3C) of the Companies Act, 1956, other pronouncements of Institute of Chartered Accountants of India, the provisions of Companies Act, 1956 and guidelines issued by Securities and Exchange Board of India.

Basis of preparation of financial statements:

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention basis. GAAP comprises mandatory accounting standards as specified in the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Indian Companies Act, 1956. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The management evaluates all recently issued or revised accounting standards on an ongoing basis.

Basis of Consolidation:

The Group financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidated financial statements as laid down under the accounting standard on Consolidated Financial Statements issued by the Institute of Chartered Accountants of India. Subsidiaries are those entities that are controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. Subsidiaries are consolidated from the date on which control is acquired by the Group and no longer consolidated from the date such control ceases. The financial statements of the parent company and subsidiaries have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances and transactions and any resulting unrealized gain/loss arising from intra group transactions. Unrealized losses resulting from intra group transactions are also eliminated unless cost cannot be recovered. Amounts reported in the financial statements of subsidiaries have been adjusted, where necessary, to ensure consistency with the accounting policies adopted by the Group.

The difference between cost of Investment in the subsidiaries over the Company's portion of equity of the subsidiary is recognized in the financial statements as Goodwill or Capital Reserve.

Use of Estimates:

In preparing the financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of financial statements, the amounts of revenues and expenses during the reported period. Actual results could differ from those of estimates. Any revision to such estimates is recognized in the period the same is determined.

Revenue Recognition:

(a) The company's business is to sell Vacation holiday facilities and clubbing to members for a specified period each year, over a number of years, for which membership fee is collected either in full up front, or on installment basis. Membership fees, which is non-refundable, is recognized as income on admission of

Notes to the Consolidated Financial Statements for the year ended 31st March, 2013

a member. Requests for cancellation of membership are accounted for when it is accepted by the Company. In respect of installments considered doubtful of recovery by the management, the same is treated as a cancellation and accounted for accordingly.

(b) Annual subscription fee dues from members are recognized as income on receipt basis.

(c) Income from resorts includes income from room rentals, food and beverages, etc. and is recognized when services are rendered.

Use of Estimates:

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

Investments:

Long-term investments are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment. The reduction in the carrying amount is reversed when there is a rise in the value of the investment or if the reasons for the reduction no longer exist.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment.

Fixed Assets:

Fixed assets are carried at the cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized.

Advances paid towards the acquisition of fixed assets outstanding at each balance sheet date and the cost of fixed assets not ready for their intended use before such date are disclosed under capital work-in-progress.

Depreciation:

Depreciation on fixed assets is provided using the straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956 or based on the useful life of the assets as estimated by Management, whichever is higher. Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed. Individual assets costing less than 5,000/- are depreciated in full in the year of acquisition. Assets acquired on finance leases are depreciated over the period of the lease agreement or the useful life whichever is shorter.

Capital Work-in-Progress:

The Capital Work-in-Progress includes cost of Fixed Assets under installation, advances for Project cost and unallocated expenditure.

Inventories:

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Taxation:

Income tax expense comprises current tax and deferred tax charge or credit.

Current tax: The current charge for income taxes is calculated in accordance with the relevant tax regulations applicable to the Company.

Deferred tax: Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there

Notes to the Consolidated Financial Statements for the year ended 31st March, 2013

is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and is written-down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realized. The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company has a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

Earnings per Share:

The basic earnings per share ("EPS") is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax for the year and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed to be converted as of the beginning of the period, unless they have been issued at a later date. The diluted potential equity shares have been adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares) as per Accounting Standard – 20.

Provisions and contingent liabilities:

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Retirement benefits to employees:

Provident fund

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

Leases:

Assets taken on lease where the company acquires substantially the entire risks and rewards incidental to ownership are classified as finance leases. The amount recorded is the lesser of the present value of minimum lease rental and other incidental expenses during the lease term or the fair value of the assets taken on lease.

The rental obligations, net of interest charges, are reflected as secured loans. Leases that do not transfer substantially all the risks and rewards of ownership are classified as operating leases and recorded as expense as and when the payments are made over the lease term.

Borrowing Cost:

Borrowing cost that are attributable to the acquisition, construction or production of qualifying asset are capitalized as part of cost of such asset till such time as the asset is ready for its intended to use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized as expenses in the period in which they are incurred.

Impairment of assets:

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2013

(Amount in ₹)

Particulars	As at 31-03-2013	As at 31-03-2012
NOTE NO. 1: SHARE CAPITAL		
Authorised Capital	400,000,000	400,000,000
200000000 Equity Shares (Previous Year 200000000 Equity Shares)		
Issued, Subscribed & Fully Paid up:	178,929,470	178,929,470
89464735 Equity Shares (Previous Year 89464735 Equity Shares)		
	178,929,470	178,929,470
Par Value per Share	2	2

Notes:

1a. Terms /rights attached to equity shares

- i. The Company has only one class of shares referred to as equity shares having a par value of ₹2/-. Each Equity shareholder is entitled to one vote per share
- ii. The Dividend proposed by the Board of Directors is subject to approval of the Shareholders in the Annual General Meeting
- iii. For the year ended March 31, 2013 the amount of per share dividend proposed for equity shareholders is ₹0.10. The total dividend appropriation for the year ended March 31, 2013 amounted to ₹8,946,474/- and tax on proposed dividend of ₹1,451,342/-

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Total No of shares at opening accounting period	89,464,735	89,464,735
Add: No of shares issued during the year - Bonus Issue	–	–
Add: No of shares issued during the year - Cash Issue	–	–
Less : No of shares Forfeited/Bought Back during the year	–	–
Total No of shares at end of accounting period	89,464,735	89,464,735

Shares in the Company held by each shareholder holding more than 5% shares of the Company

Y.Rajeev Reddy		
- No of Shares	33,788,386	33,537,386
- % held in the Company	37.77	37.49
Y.Manjula Reddy		
- No of Shares	6,647,125	6,647,125
- % held in the Company	7.42	7.42

Notes to the Consolidated Financial Statements for the year ended 31st March, 2013

(Amount in ₹)

Particulars	As at 31-03-2013	As at 31-03-2012
NOTE NO. 2: RESERVES AND SURPLUS		
Capital Reserve		
As per last year Balance Sheet	308,740,299	121,240,299
Add: Current Year Transfer (Previous year transfer of forfeited 3,00,00,000 warrants upfront money)	–	187,500,000
	308,740,299	308,740,299
Securities Premium Account		
	4,966,551,969	4,966,551,969
Foreign Currency Translation Reserve		
	390,765,623	283,608,569
Revaluation Reserve		
	43,655,099	43,655,099
Statutory Reserve		
	2,219,175	1,858,425
General Reserve		
As per last year Balance Sheet	83,300,000	83,300,000
Add: Transfer from statement of Profit and Loss account	–	–
	83,300,000	83,300,000
Surplus:		
Surplus in Statement of Profit and Loss		
As per last year Balance Sheet	2,796,845,840	2,311,402,327
Add: Current year Profit	561,302,620	495,841,329
	3,358,148,460	2,807,243,656
Appropriations:		
Transfer to General Reserve	–	–
Proposed Final Dividend on Equity Shares	8,946,474	8,946,474
Tax on Proposed Dividend	1,451,342	1,451,342
	10,397,816	10,397,816
Surplus After Appropriations	3,347,750,644	2,796,845,840
Total Reserves and Surplus	9,142,982,809	8,484,560,201

Notes to the Consolidated Financial Statements for the year ended 31st March, 2013

(Amount in ₹)

Particulars	As at 31-03-2013	As at 31-03-2012
NOTE NO. 3: LONG-TERM BORROWINGS		
Secured		
Term loans From Banks		
- Oriental Bank of Commerce Loan	81,515,832	121,863,791
- Oriental Bank of Commerce Loan - 2 (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	30,506,126	40,646,085
- UBI Loan (for repayment of FCCBs and secured by way of Hypothecation of Land & Buildings)	379,200,000	519,200,000
- Vijaya Bank Loan (for repayment of FCCBs and secured by way of Hypothecation of Land & Buildings)	269,788,887	370,792,161
- Bank of India Loan (for repayment of FCCBs and secured by way of Hypothecation of Land & Buildings)	162,627,678	222,340,853
- Saraswat Co Op Bank Loan I	87,499,999	139,689,639
- Saraswat Co Op Bank Loan II (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	400,000,000	-
- Cosmos Bank Loan I	67,158,623	94,001,734
- Cosmos Bank Loan II	89,834,740	124,712,437
- Cosmos Bank Loan III (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	241,846,000	-
- Ratnakar Bank Loan - I	63,067,735	115,426,189
- Ratnakar Bank Loan - II (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	67,673,404	100,092,518
- Bank of Baroda (for expansion of existing Hotel and Mortgage of Country Club Hotel, Dubai.)	206,074,247	242,137,067
Equipment Finance (Loan from Saraswat Co-Op Bank, Magma Fin Corp Ltd., RAK Bank Ltd & NBAD for Vehicles and the same were secured by way of hypothecation of the Vehicles)	773,569	5,071,641
Lease Finance (Loan from NOIDA Authority for Plot and the same was secured)	15,282,000	23,743,180
Term loans from Other Parties		
- Religare Finvest Ltd - Loan (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	23,852,200	30,278,168
- Karvy Financial Services limited (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	60,000,000	160,000,000
	2,246,701,040	2,309,995,463
Unsecured		
Loans and Advances From Related Parties		
- Y. Rajeev Reddy	23,373,995	19,700,099
- Y. Varun Reddy	45,980,000	48,889,092
- Zen Garden Hotel Pvt Ltd	2,082,895	2,036,594
- Bright Resorts Pvt. Ltd.	590,280	-
- Amrutha Estates & Hospitality Private Limited	59,020	59,020
- Country Condos Ltd.	49,020	49,020
Other Loans and Advances	7,384,838	7,297,275
	79,520,048	78,031,100
	2,326,221,088	2,388,026,563

Notes to the Consolidated Financial Statements for the year ended 31st March, 2013

(Amount in ₹)

Particulars	As at 31-03-2013	As at 31-03-2012
NOTE NO. 4: DEFERRED TAX LIABILITIES (NET)		
Opening Deferred tax Liability	375,151,322	297,713,717
Add: Deferred Tax Liability for the year (Due to SLM and WDV Difference)	79,871,665	77,437,605
	455,022,987	375,151,322
NOTE NO. 5: OTHER LONG-TERM LIABILITIES		
Unsecured		
Deposits	11,005,038	15,850,500
	11,005,038	15,850,500
NOTE NO. 6: LONG-TERM PROVISIONS		
Employees' end of service benefits	13,008,035	9,043,280
	13,008,035	9,043,280
NOTE NO. 7: TRADE PAYABLES		
Total Outstanding Dues to Micro and Small Enterprises	–	–
Others	430,446,786	355,331,100
	430,446,786	355,331,100
NOTE NO. 8: OTHER CURRENT LIABILITIES		
Current Maturities of Long-Term Debt	673,902,740	451,173,242
Unpaid Matured FCCBs	–	259,260,500
Advance Received from Customers	11,501,614	4,583,359
Unpaid Dividends	2,746,919	2,520,226
Dues to Statutory Authorities	29,062,411	20,066,229
Other Liabilities	564,221,885	183,450,102
Creditors for Capital Goods	226,423,685	367,736,543
	1,507,859,254	1,288,790,201

Notes to the Consolidated Financial Statements for the year ended 31st March, 2013

(Amount in ₹)

Particulars	As at 31-03-2013	As at 31-03-2012
NOTE NO. 9: SHORT-TERM PROVISIONS		
Provision for Employee Benefits		
- Salaries Payable (Includes Incentives)	183,070,460	135,059,499
- PF Payable	8,070,013	6,537,642
- ESIC Payable	4,159,033	2,551,465
- PT Payable	2,684,319	2,302,569
Others		
- Provision for Income Tax	61,474,005	53,136,217
- TDS Payable	17,934,826	16,798,787
- Consultancy & Profesional Charges Payable	1,561,654	1,924,198
- Provision for Expenses	114,805,345	129,357,496
- Proposed Dividend	8,946,474	8,946,474
- Tax on Proposed Dividend	1,451,342	1,451,342
	404,157,471	358,065,689

NOTE NO. 10: CONSOLIDATED FIXED ASSETS

(Amount in ₹)

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	Gross Block as on 01-04-2012	Additions during the year	Deletions/ adjustments during the year	Gross Block as on 31-03-2013	Depreciation upto 01-04-2012	Depreciation during the year	Deletion/ adjustments depreciation during the year	Depreciation as on 31-03-2013	Net Block as on 31-03-2013	Net Block as on 31-03-2012
Tangible Assets										
Land & Site Development	583,324,001	3,753,000	-	587,077,001	-	-	-	-	587,077,001	583,324,001
Buildings	8,176,855,921	264,543,276	23,841,000	8,417,558,197	685,417,033	273,009,846	962,092	957,464,787	7,460,093,410	7,491,438,888
Furniture & Fixtures	683,215,533	52,666,747	13,659,246	722,223,034	246,303,861	67,111,650	-	313,415,511	408,807,523	436,911,672
Plant & Machinery	543,584,924	71,850,883	575,722	614,860,085	198,358,883	50,031,569	-	248,390,452	366,469,633	345,226,041
Computers	76,967,242	11,375,342	24,440	88,318,144	52,021,434	10,500,552	2,670	62,519,316	25,798,828	24,945,808
Vehicles	70,667,647	10,588,919	257,043	80,999,523	40,352,171	10,388,671	108,514	50,632,328	30,367,195	30,315,476
Total - A	10,134,615,268	414,778,167	38,357,451	10,511,035,984	1,222,453,382	411,042,288	1,073,276	1,632,422,394	8,878,613,590	8,912,161,886
Previous Year	7,978,316,013	2,252,646,516	96,347,261	10,134,615,268	921,987,310	310,453,387	9,987,314	1,222,453,382	8,912,161,886	7,056,328,705
Intangible Assets										
Goodwill	680,175,238	-	-	680,175,238	-	-	-	-	680,175,238	680,175,238
Brand Development	9,474,059	-	-	9,474,059	5,263,366	1,052,673	-	6,316,039	3,158,020	4,210,693
Software & Development	8,678,075	12,569,806	-	21,247,881	5,866,133	1,597,411	-	7,463,544	13,784,337	2,811,942
Intangible Assets	11,389,761	-	-	11,389,761	-	-	-	-	11,389,761	11,389,761
Total - B	709,717,133	12,569,806	-	722,286,939	11,129,499	2,650,084	-	13,779,583	708,507,356	698,587,634
Previous Year	709,611,483	105,650	-	709,717,133	8,576,859	2,552,640	-	11,129,499	698,587,634	701,034,624
Grand Total - (A+B)	10,844,332,401	427,347,973	38,357,451	11,233,322,923	1,233,582,881	413,692,372	1,073,276	1,646,201,977	9,587,120,946	9,610,749,520
Total Previous Year	8,687,927,496	2,252,752,166	96,347,261	10,844,332,401	930,564,168	313,006,027	9,987,314	1,233,582,881	9,610,749,520	7,757,363,329

Notes to the Consolidated Financial Statements for the year ended 31st March, 2013

(Amount in ₹)

Particulars	As at 31-03-2013	As at 31-03-2012
NOTE NO. 11: LONG-TERM LOANS AND ADVANCES		
Unsecured Considered Good		
Capital advance	372,439,560	563,995,755
Security Deposit	238,437,981	216,355,290
Loans and Advances to Related Parties		
- Country Club International, Dubai	537,218	377,258
- Country Club Canada Holdings Limited, Canada	413,210	-
- Country Club Fitness Center, Abu Dhabi	6,271,581	-
Other loans And advances	543,758,173	654,013,495
	1,161,857,723	1,434,741,798
NOTE NO. 12: OTHER NON-CURRENT ASSETS		
Unamortised Selling and Preliminary Expenses		
Selling Deferred Expenses	534,488	712,651
Preliminary Expenses Not Written off	39,355	40,006
	573,843	752,657
NOTE NO. 13: CURRENT INVESTMENTS		
The Saraswat Coop Bank	25,000	25,000
The Cosmos Co-op Bank	100,000	100,000
KCCB Bank Shares	50,000	50,000
The Urban Co-Operative Bank	48,000	48,000
Bharat Co-op.Bank Ltd.	100,000	100,000
	323,000	323,000
NOTE NO. 14: INVENTORIES		
Inventories (at lower of cost & net realisable value) stores		
Food, Beverages, Smokes & Operating Supplies	17,204,167	14,194,580
Gifts	23,788,319	18,750,865
	40,992,486	32,945,445
NOTE NO. 15: TRADE RECEIVABLES		
Receivables outstanding for more than six months from the date they are due for payment Unsecured & Considered Good	2,935,774	1,895,121
Receivables outstanding for less than six months from the date they are due for payment Unsecured & Considered Good	106,052,825	80,275,110
	108,988,599	82,170,231

Notes to the Consolidated Financial Statements for the year ended 31st March, 2013

(Amount in ₹)

Particulars	As at 31-03-2013	As at 31-03-2012
NOTE NO. 16: CASH AND CASH EQUIVALENTS		
Cash on hand	37,277,963	12,954,338
Balances with banks :		
- Current Accounts	170,851,255	159,590,145
- Fixed Deposits - with maturity of less/more than	20,394,773	114,876,195
Earmarked Accounts		
- Unpaid Dividend Accounts	2,810,236	2,526,935
	231,334,227	289,947,613

NOTE NO. 17: SHORT-TERM LOANS AND ADVANCES

Advance to Suppliers	2,924,184	5,501,291
Loans and Advances to Employees	79,917,953	75,172,567
Advances Recoverable in Cash or Kind - (Unsecured, Considered Good)	1,441,842,653	1,491,154,594
Advances with Statutory Authorities	25,320,419	23,603,226
	1,550,005,209	1,595,431,678

NOTE NO. 18: OTHER CURRENT ASSETS

VAT Receivables	11,203,335	10,322,159
TDS/TCS Receivables	5,822,616	3,576,424
Prepaid Expenses	46,353,850	45,852,329
Interest Accrued on Deposits	63,413	-
Service Tax Credit Receivables	10,602	39,791,186
	63,453,816	99,542,098

NOTE NO. 19: REVENUE FROM OPERATIONS

Sales of Services		
Income from Sale of Membership & Vacation Ownership	3,548,461,027	2,656,774,428
Income from Hotel, Clubs & Resorts		
- Guest Accommodation	477,529,934	421,777,553
- Food & Beverages from Restaurant & Banquets	190,040,032	174,622,553
- Others (Including Facilities)	247,829,439	257,312,703
Annual Subscription Fee	250,132,760	181,644,456
	4,713,993,192	3,692,131,693

Notes to the Consolidated Financial Statements for the year ended 31st March, 2013

(Amount in ₹)

Particulars	Ended 31-03-2013	Ended 31-03-2012
NOTE NO. 20: OTHER INCOME		
Interest Income		
- On Deposits with Bank	12,838,100	4,935,398
Miscellaneous Income/Lease Rent	30,154,921	23,373,981
	42,993,021	28,309,379

NOTE NO. 21: COST OF MATERIAL CONSUMED

Opening Stock of Food & Beverages, Stores and Operating Supplies	14,194,580	12,661,988
Add: Purchases	163,614,803	144,211,684
Less: Closing Stock of Food & Beverages, Stores and Operating Supplies	17,204,167	14,194,580
	160,605,216	142,679,092

NOTE NO. 22: EMPLOYEE BENEFIT EXPENSES

Salaries & Other Benefits	1,422,494,338	1,115,174,081
Contribution to Provident & Other Funds	39,683,704	28,274,871
Staff Welfare Expenses	29,402,297	28,749,736
	1,491,580,339	1,172,198,688

NOTE NO. 23: FINANCE COST

Interest on Term Loans	432,423,765	244,336,415
Interest on Other Borrowings	15,367,453	5,485,014
	447,791,218	249,821,429

Notes to the Consolidated Financial Statements for the year ended 31st March, 2013

(Amount in ₹)

Particulars	Ended 31-03-2013	Ended 31-03-2012
NOTE NO. 24: OTHER EXPENSES		
Upkeep & Service Cost		
- Building Maintenance	3,342,207	2,247,453
- Repairs, Maintenance to other assets.	23,700,389	22,581,569
- Vehicle Maintenance & Running Exp.	4,269,435	2,873,428
- Other Maintenance	75,032,772	62,375,232
Power & Fuel	133,921,517	105,181,749
Rent including Lease Rent	224,015,916	165,963,539
Rates & Taxes	57,512,788	55,289,590
Insurance	9,910,629	8,163,751
Finance Charges	129,671,097	94,641,414
Travelling & Conveyance	84,137,833	54,650,683
Printing & Stationery	56,020,044	38,824,863
Postage, Telegram & Telephones	97,205,881	73,809,346
Advertisement & Other Marketing Expenses	379,657,132	360,632,283
Other Administrative Expenses	172,821,523	-
Miscellaneous Expenses Written Off	178,814	178,814
Legal & Professional Charges.	88,067,260	67,798,741
Net Loss on Foreign Currency Transaction and Translation (other than considered as finance cost)	-	99,930,525
Auditors Remuneration Includes		
- Audit Fee	703,541	677,705
- For Taxation Matters	200,000	200,000
- For Other Services	300,000	300,000
	1,540,668,778	1,216,320,685

Notes to the Consolidated Financial Statements for the year ended 31st March, 2013

NOTE NO. 25

Particulars of Employees in accordance with Sub-section (2A) of Section 217 of the Companies Act, 1956 read with Companies (Particulars of Employees) Rule 1975.

(Amount in ₹)

S. No	Name of the Directors	Designation	Remuneration
1.	Mr. Y. Rajeev Reddy	Chairman & Managing Director	3,600,000
2.	Mr. Y. Siddharth Reddy	Vice-Chairman, JMD & CEO	3,000,000
3.	Mr. Y. Varun Reddy	Vice-Chairman, JMD & COO	3,000,000
4.	Mr. D. Krishna Kumar Raju	Vice-Chairman & Executive Director	3,000,000

NOTE NO. 26

In relation of Managerial Remuneration:

(Amount in ₹)

Particulars	Current Year	Previous Year
Directors' Remuneration	12,600,000	12,600,000
Brand Ambassador Fee	4,800,000	4,800,000

NOTE NO. 27

Auditor's Remuneration:

(Amount in ₹)

Particulars	Current Year	Previous Year
Audit Fees	703,541	677,705
Tax Audit Fee	200,000	200,000
Certification Fee	300,000	300,000

NOTE NO. 28

During the financial year 2012-13 the Company redeemed FCCBs amounting to \$5 million at face value and the Outstanding FCCBs as on 31-03-2013 stands Nil.

NOTE NO. 29

Detailed information regarding quantitative particulars under part II of Schedule VI to the Companies Act, 1956.

i) As the turnover of the Company is in respect of supply of food and beverages, it is not possible to give quantity-wise details of turnover.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2013

NOTE NO. 29 (Contd...)

ii) Income of the Company includes the following:

(Amount in ₹)

Particulars	Current year	Previous year
Guest Accommodation, Restaurants & Banquets and Facilities	915,399,405	853,712,809
Subscription and Membership from Members & Others	3,798,593,787	2,838,418,884
Other Income	42,993,021	28,309,379
Grand Total	4,756,986,213	3,720,441,072

iii) Consumption of Provisions and Stores:

(Amount in ₹)

Provisions & Stores	Opening Stock	Purchases	Closing Stock	Consumption
Current Year	14,194,580	163,614,803	17,204,167	160,605,215
Previous Year	12,661,988	144,211,684	14,194,580	142,679,091

NOTE NO. 30

Earnings and Expenditure in Foreign Currency

a) Foreign Currency Earnings

(Amount in ₹)

Particulars	Current Year	Previous Year
Foreign Currency Earnings (Foreign Currency earnings includes Membership Fee)	–	69,812,905

b) Foreign Currency expenditure/out flow as follows

(Amount in ₹)

Particulars	Current Year	Previous Year
Travelling Expenses	4,613,530	4,016,150
Legal Expenses	762,808	–
Loan to Subsidiary Company	–	290,000,000

NOTE NO. 31

The Company has not made any provision for Leave Encashment and Gratuity to its employees, Leave Encashment and Gratuity are accounted as and when payments are made and as such the Liability has not been ascertained.

NOTE NO. 32

There no dues to SSI Units outstanding for more than 30 days.

NOTE NO. 33

The Closing balances shown under the heads debtors/creditors, loans and advances are subject to confirmations as at year end.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2013

NOTE NO. 34

In accordance with Accounting Standard 22 (AS - 22) issued by the ICAI, the Company has accounted for deferred tax and income tax as given below:

(Amount in ₹)

Particulars	Current year	Previous year
Income Tax	61,474,005	53,136,217
Deferred Tax	79,871,665	77,437,605

NOTE NO. 35

As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties.

A.

Sl. No	Name of the Related Party	Relationship
1.	Amrutha Estates Pvt Ltd	Associate Company
2.	Amrutha Estates & Hospitality Pvt Ltd	Associate Company
3.	Zen Garden Hotel Pvt Ltd	Associate Company
4.	Country Condo's Limited	Associate Company
5.	Aquarian Realtors Pvt Ltd	Subsidiary Company
6.	International Country Holidays Private Limited (formerly known as Aakruti Engineers Private Limited)	Subsidiary Company
7.	Bush Betta Holiday Ownership Wildlife Adventure Resort Pvt Ltd	Subsidiary Company
8.	Country Club Babylon Resorts Pvt Ltd	Subsidiary Company
9.	J.J. Arts & Entertainments Pvt Ltd	Subsidiary Company
10.	Kolet Resort Club Pvt Ltd	Subsidiary Company
11.	Bright Resorts Pvt Ltd	Subsidiary Company
12.	Chanakyapuri Resorts Pvt Ltd	Subsidiary Company
13.	Jade Resorts Pvt Ltd	Step-Down Subsidiary Company
14.	Maruti Waterpark & Entertainments Pvt Ltd	Subsidiary Company
15.	Country Vacations International Ltd - India	Subsidiary Company
16.	Swimwel Investment & Trading Pvt Ltd	Subsidiary Company
17.	Swami Vivekanand Training & Education Centre Pvt Ltd	Subsidiary Company
18.	Country Vacations International LLC – Dubai	Step-Down Subsidiary Company
19.	Country Vacations International Ltd - Dubai	Subsidiary Company
20.	Country Vacations International LLC - Oman	Step-Down Subsidiary Company
21.	Y. Rajeev Reddy	CMD
22.	Country Club & Vacations W.L.L - Qatar	Step-Down Subsidiary Company
23.	Y. Manjula Reddy	Director
24.	Y. Varun Reddy	Vice-Chairman, JMD & COO
25.	Club Arzee Limited	Subsidiary Company
26.	Country Vacations International LLC - Abu Dhabi	Step-Down Subsidiary Company
27.	Country Vacations International W.L.L - Bahrain	Step-Down Subsidiary Company
28.	Country Club International - Dubai	Associate Company
29.	Country Vacations International SDN BHD, Malaysia	Step-Down Subsidiary Company
30.	Country Vacations International Limited, London	Step-Down Subsidiary Company

Notes to the Consolidated Financial Statements for the year ended 31st March, 2013

NOTE NO. 35 (Contd...)

B. Transactions during the year with Related Parties.

(Amount in ₹)

Nature of Transaction	Subsidiary Companies including Step-Down Subsidiaries	Associate Companies	Other Related Parties
Lease Rentals	1,500,000	1,368,000	5,485,800
Land	–	26,594,785	–
Directors' Remuneration	–	–	12,600,000
Brand Ambassador Fee	–	–	4,800,000
Loan Recovery from Subsidiary	81,716,095	–	–

NOTE NO. 36

The Basic and Diluted EPS is Calculated as under

Particulars	31st March, 2013	31st March, 2012
a) Profit after Tax (₹)	561,302,620	495,841,329
b) Earnings available to Equity Shareholders for Basic & Diluted EPS (₹)	561,302,620	495,841,329
c) Weighted average Number of Shares taken for computation of EPS		
- Basic	89,464,735	89,464,735
- Diluted	–	–
d) Earning per Share		
- Basic (₹)	6.27	5.54
- Diluted (₹)	6.27	–
e) Nominal Value per Share (₹)	2	2

NOTE NO. 37

Contingent Liabilities

The Company has outstanding Corporate guaranty of ₹27,01,83,550/- as on 31.03.2013 to bank, in respect of the Corporate guarantee given by the Company in favour of Bank of Baroda, Dubai in respect of loan taken by M/s. Country Vacations International Limited - Dubai .

NOTE NO. 38

Secured Loans

- Term Loans from Oriental Bank of Commerce, Loan I & II of ₹25 crores for expansion of existing Clubs and secured by The Country Club (EROS Regency) situated at land Bearing Villa Nos. 2,9,10/1,10/2 & 11/4 at village Iakarpur, EROS Regency Township, Surajkund, Faridabad, Haryana. The Outstanding Balance for the Current year is ₹16,20,21,957.50 (Previous Year ₹21,25,09,876/-)
- Term Loans from consortium of three banks i.e. Union Bank of India, Vijaya Bank and Bank of India, loan of ₹115 Crore towards repayment of FCCBs and secured by way of properties located in Hyderabad, Bangalore, Chennai and Kodaikanal. Further a charge has been created on Delhi & Karnataka cash flows for servicing of the above loan. Additionally, the personal guarantees are also given by three directors (i.e. Mr. Y. Rajeev Reddy, Y. Siddharth Reddy &

Notes to the Consolidated Financial Statements for the year ended 31st March, 2013

NOTE NO. 38 (Contd...)

- Y. Varun Reddy). The Outstanding Balance for the Current year is ₹ 96,16,16,565/- (Previous Year ₹114,68,33,014/-)
- c) Term Loans from Saraswat Co Op Bank, Loan of ₹25 Crores for expansion of existing Clubs and secured by way of mortgage by deposit of title deed immovable property being land and building known as Hotel Amrutha Castle Constructed on plot of land bearing municipal nos. 5-9-16, 5-9-17, snf 6-9-18 and adjoining plot and land bearing municipal nos. 5-9-19, and 5-9-18/3 situated at Saifabad, Secretariat Road Hyderabad solely belonging to the company. The Outstanding Balance for the Current year is ₹13,74,99,999.10 (Previous Year ₹18,96,89,696.10)
- d) During the year the Company has obtained Term Loan from Saraswat Co Op Bank, Loan of ₹50 Crores secured by way of mortgage by deposit of title deed of immovable property located at Country club Golden Star # 623,624 Next to Pramukh Swami Hospital Adajan, Surat 395 009 owned by Club Arzee Ltd. , immovable property at Country Club Resort, Plot No. 496, Bhuvan Village, Kolad, Dist. Raigad. Owned by Amruta Estates Pvt. Ltd., immovable property Hotel Amruta Castle, opp Secretariat, Saifabad, Hyderabad and additional charge on immovable property at The Country Club, Balamatta Road, Mangalore 575 001. belonging to the Company. The Outstanding Balance for the Current Year is ₹50 Crores (Previous Year Nil)
- e) Term Loans from Cosmos Bank, Loan – I & II of ₹35 crores for expansion of existing Clubs and secured by “The Country Club De Goa” no.836/1, Anjuna, Bardez, Goa and “the Country Club Spring” situated at C.T.S no. 1104/03 of village Kandivali, parekh Nagar, Kandivali, Mumbai. The Outstanding Balance for the Current year is ₹22,69,93,363/-(Previous Year ₹28,87,14,171/-)
- f) During the year the Company has obtained Term Loan from Cosmos Bank, Loan of ₹25 Crores for refurbishment and modernization of its clubs located at Pune, Kolkatta, Goa and Indore, secured by way of additional charge on property located at “The Country Club De Goa” No.836/1, Anjuna Bardez, Goa owned by Aquarian Realtors Pvt. Ltd. and “The Country Club Spring” situated at C.T.S No. 1104/03 of village Kandivali, Parekh Nagar, Kandival owned by M/s Swami Vivekanand Training and Education Centre Pvt. Ltd and additional security by way of registered equitable mortgage on “Country Club Fun & Food”, 7thKm, Khandwa Road, Kasturbaagram, Indore owned by the Company. The Outstanding Balance for the Current Year is ₹25 Crores (Previous Year Nil)
- g) Term Loans from Ratnakar Bank, Loan – I & II of ₹45 Crores for expansion of existing Clubs are secured by way of mortgage of plot lying and hereon constructed thereon forming part of land bearing Survey no.47 & 87 and bearing new city survey no. 723/A, Veera Desai Extension Road, Oshiwara, Andheri (West) Mumbai and freehold lands and premises situated at that plot of land forming part of land bearing survey No. 55/1, Khata No.144/131 (K) KIADB,Deevarabeeshanalli, Varthur Hubli, off Sarjapur Road, Bangalore South. The Outstanding Balance for the Current Year is ₹21,29,42,316.40 (Previous Year ₹29,77,19,884/-)
- h) Term Loan from Bank of Baroda, Dubai, Loan of AED 26 Millions for refurbishment of Dubai Hotel, and secured by mortgage of Country Club Hotel, Dubai. The Outstanding Balance for the Current year is ₹27,01,83,550/- (Previous Year ₹30,06,36,887/-)
- i) Equipment Finance loans from Saraswath Co-Op Bank Ltd, Magma Fincorp Ltd & RAK Bank of ₹3.49 Crores for Vehicles and the same were secured by way of hypothecation of the Vehicles. The Outstanding Balance for the Current year is ₹1,38,12,190/- (Previous Year ₹20,19,424/-).
- j) Lease Finance Loan from NOIDA Authority of ₹2.37 Crores for Plot and the same is secured against the plot no. N-14, Sector – 18, Noida, Uttar Pradesh. The Outstanding Balance for the Current year is ₹1,52,82,000/- (Previous Year ₹2,37,43,180/-).
- k) Term Loan from Religare Finvest Ltd, Loan of ₹ 4.25 Crores for expansion of existing Clubs and secured by way of mortgage of property at Kolet, Ahmedabad. The Outstanding Balance for the Current year is ₹3,02,51,839/- (Previous Year ₹3,66,77,087/-)
- l) Term Loan from Karvy Financial services ltd amounting to ₹22 Crores for the corporate purpose and secured by way of mortgage of properties belonging to M/S Bushbetta Holiday Ownership Wildlife Adventure Resorts Pvt Ltd, Bright Resorts Pvt Ltd and CK27 Koramangala (Bangalore) and properties at Kovalam, Mysore Road and Shamsabad (Hyderabad). The Outstanding Balance for the current year is ₹14 Crores. (Previous Year ₹22 Crores.)

Notes to the Consolidated Financial Statements for the year ended 31st March, 2013

NOTE NO. 39

M/s Amrutha Estates and Hospitality Private Limited was in process of Amalgamation with M/s Country Club (India) Limited. In this process, Hon'ble High Court of Andhra Pradesh has passed the Order and the Company has received the said copy of Order on 18th April, 2013. Further the copy of the Order has been filed with Registrar of Companies, Hyderabad, Andhra Pradesh.

Further, the financials of Country Club (India) Limited, considering the M/s Amrutha Estates and Hospitality Private Limited amalgamation would be restated effective the annual results of 2013-14 onwards.

NOTE NO. 40

As per AS 17 Segment report, it is difficult to identify segment wise profitability and Capital Employed considering that infrastructure is common for all the revenue activities of the Company.

NOTE NO. 41

During the Current Year the Company has declared a dividend @ 5% on the Equity Shares of ₹2/- Face Value. Pertaining to unclaimed dividend, no amount is due and outstanding as unclaimed dividend for more than seven years to be transferred to Investor Education & Protection Fund.

Particulars	Amount (₹)
Unpaid Dividend for the year 2011-12	246,973
Unpaid Dividend for the year 2010-11	234,381
Unpaid Dividend for the year 2009-10	247,422
Unpaid Dividend for the year 2008-09	760,835
Unpaid Dividend for the year 2007-08	544,080
Unpaid Dividend for the year 2006-07	713,228

NOTE NO. 42

Previous year's figures have been regrouped wherever necessary.

NOTE NO. 43

The figures have been rounded off to the nearest rupee.

As per our report of even date

for **P. Murali & Co.**
Chartered Accountants
FRN: 007257S

P. Murali Mohana Rao
Partner
Membership No. 23412

Place: Hyderabad
Date : 30-05-2013

By Order of the Board of Directors
Country Club (India) Limited

Y. Rajeev Reddy
Chairman & Managing Director

Y. Siddharth Reddy
Vice-Chairman, JMD & CEO

G. Someswara Rao
Company Secretary

Statement 212

Statement Pursuant to 212 of the Companies Act, 1956, related to Subsidiary Companies for the year ended 31st March, 2013

Particulars		Financial Year	Shareholding		The net aggregate of profit/(loss) of the Subsidiary for the above financial year so far as they concern the members of the Company and is not dealt with in the accounts of the Company		Change in the holding Companies interest in the subsidiaries between the end of the financial year of the subsidiary and the end of the holding Company's financial year	Material Changes which have occurred between the end of the aforesaid financial year of the subsidiaries and the end of the holding Company's financial year in respect
Sl. No.	Name of the Subsidiary Company		Number of Shares	%	Financial Year Ended on March 31, 2013 (Amount in INR)	Previous Year (Amount in INR)		
1	Aquarian Realtors Private Limited	31st Mar., 2013	1,000 Equity Shares of ₹100 each	100	(86,93,831)	(1,20,97,168)	Not applicable as financial year coincides with that of the holding Company	As the financial year of both holding and Subsidiary Companies coincide, there are no particulars to furnish
2	International Country Holidays Private Limited	31st Mar., 2013	10,000 Equity Shares of ₹100 each	100	(590,070)	(605,288)	-do-	-do-
3	Bush Betta Holiday Ownership Wildlife Adventure Resort Private Limited	31st Mar., 2013	1,000,000 Equity Shares of ₹10 each	100	(12,42,723)	(1,249,608)	-do-	-do-
4	Country Club Babylon Resorts Private Limited	31st Mar., 2013	50,000 Equity Shares of LKR 1,000 each	100	(24,82,868)	(3,332,715)	-do-	-do-
5	Chanakyapuri Resorts Private Limited	31st Mar., 2013	70,000 Equity Shares of ₹100 each	100	(26,79,127)	(1,433,542)	-do-	-do-
6	JJ Arts and Entertainments Private Limited	31st Mar., 2013	150,000 Equity Shares of ₹10 each	100	(535,012)	(255,839)	-do-	-do-
7	Kolet Resort Club Private Limited	31st Mar., 2013	1,499,800 Equity Shares of ₹10 each	100	(26,13,093)	15,575	-do-	-do-
8	Bright Resorts Private Limited	31st Mar., 2013	18,450 Equity Shares of ₹100 each	100	(92,35,414)	1,019,534	-do-	-do-
9	Maruti Water Park & Entertainments Private Limited	31st Mar., 2013	232,400 Equity Shares of ₹10 each	100	(30,298)	(15,655)	-do-	-do-
10	Country Vacations International Limited, Dubai	31st Mar., 2013	161,118,222 Equity Shares of UAE Dirhams 1 each	100	439,532,633	393,540,413	-do-	-do-
11	Swami Vivekanand Education and Training Centre Private Limited	31st Mar., 2013	1,008 Equity Shares of ₹100 each	100	(51,81,446)	(6,433,336)	-do-	-do-
12	Swimwel Investment and Trading Private Limited	31st Mar., 2013	48,900 Preference Shares of ₹100 each 10,000 Equity Shares of ₹10 each	100	(97,15,446)	(8,359,595)	-do-	-do-
13	Country Vacations International Limited, India	31st Mar., 2013	50,000 Equity Shares of ₹10 each	100	657,733	(612,669)	-do-	-do-
14	Club Arzee Limited	31st Mar., 2013	2,976,600 Equity Shares of ₹10 each	100	515,795	2,135,229	-do-	-do-

Statement pursuant to approval of the Central Government U/s 212(8) of the Companies Act, 1956 about the Financial Information of Subsidiary Companies for the year ended 31st March, 2013

(Amount in ₹)

Name of the Subsidiary company	Issued and Subscribed Share Capital	Reserves	Total Assets	Total Liabilities	Details of Investment (Except in case of investment in subsidiaries)	Turnover/ Total Income	Profit before taxation / (Loss)	Provision for taxation	Profit after taxation / loss	Proposed dividend / share	Number of interest held by CCIL along with its nominees	Extent of held by CCIL along with its nominees
Aquarian Realtors Pvt. Ltd.	1 00,000	(47,941,842)	495,861,318	495,861,318	Nil	3 5,566,609	(6,215,877)	2,477,954	(8,693,831)	Nil	10,000	100%
International Country Holidays Pvt. Ltd.	1,000,000	(1,733,341)	460,571,507	460,571,507	Nil	300,000	(590,070)	Nil	(590,070)	Nil	10,000	100%
Bush Betta Holiday Ownership Wildlife Adventure Resort Pvt. Ltd.	10,500,200	(39,833,277)	4,233,172	4,233,172	Nil	Nil	1,242,723	Nil	(1,242,723)	Nil	1,000,000	100%
J.J. Arts and Entertainments Pvt. Ltd.	1,500,000	(11,680,024)	23,571,749	23,571,749	Nil	2,607,864	(443,037)	91,974	(535,012)	Nil	150,000	100%
Chanakyapuri Resorts Pvt. Ltd.	7,000,000	(16,534,560)	16,134,554	16,134,554	Nil	1,015,749	(2,679,127)	Nil	(2,679,127)	Nil	70,000	100%
Bright Resorts Pvt. Ltd.	1,845,000	(37,939,940)	23,568,277	23,568,276	Nil	20,780,992	(9,235,414)	Nil	(9,235,414)	Nil	18,450	100%
Kolet Resorts Club Pvt. Ltd.	14,998,000	(7,173,197)	31,308,585	31,308,585	Nil	529,459	(2,613,093)	Nil	(2,613,093)	Nil	1,499,800	100%
Maruti Waterpark & Entertainments Pvt. Ltd.	2,324,000	704,446	3,163,508	3,163,508	Nil	Nil	(30,298)	Nil	(30,298)	Nil	232,400	100%
Country Vacations International Ltd. - India	5 00,000	192,520	5,088,874	5,088,874	Nil	1,019,759	951,857	294,124	657,733	Nil	50,000	100%
Swimwel Investment & Trading Pvt. Ltd.	1 00,000	(57,106,959)	951,617	951,617	Nil	6,952,065	(9,715,446)	Nil	(9,715,446)	Nil	10,000	100%
Swami Vivekanand Training & Education Centre Pvt. Ltd.	4,990,800	(6,789,594)	160,947,154	160,947,154	Nil	Nil	(4,403,350)	2,029,986	(6,433,336)	Nil	49,908	100%
Club Arzee Ltd.	57,266,000	13,944,649	95,823,167	95,823,167	Nil	25,549,973	763,519	338,384	515,795	Nil	2,976,600	100%
Country Club Babylon Resorts Pvt. Ltd. Srilanka '@	25,792,235	17,579,365	67,865,454	67,865,454	Nil	1,729,171	(2,482,868)	Nil	(2,482,868)	Nil	50,000	100%
Country Vacations International Ltd. - Dubai '#	1,996,174,211	2,193,527,307	4,908,150,829	4,908,150,829	Nil	1,475,049,321	439,532,633	Nil	439,532,633	Nil	1,996,174,211	100%

@ Conversion rate of Srilanka ₹ 1/- (LKR) equal to Indian ₹ 0.4286 on 31-03-2013.

Conversion rate of Dubai AED.1/- (Dhiram) equal to Indian ₹ 14.7945 on 31-03-2013.

Notes:

The Company will make available the Annual Accounts of the Subsidiary Companies and the related detailed information sought by the members of the company or its subsidiaries. Further, the annual accounts of the subsidiary companies will also be kept for inspection by any member of the company or its subsidiary at the registered office of the company and that of the subsidiary company concerned.

Standalone Financial Section

Independent Auditors' Report

To

The Members of,

Country Club (India) Limited

Report on the Financial Statements:

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

Management's Responsibility for the Financial Statements:

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

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

Opinion:

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

(a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;

(b) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date; and

(c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;

c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account and with the returns received from branches not visited by us;

d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;

e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **P. Murali & Co.**,
Chartered Accountants
FRN: 007257S

P. Murali Mohana Rao
Partner
Membership No. 23412

Place : Hyderabad
Date : 30-05-2013

Annexure to the Auditors' Report

- I. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets on the basis of available information.
(b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets.
- II. (a) The Inventory has been physically verified during the year by the Management, in our opinion, the frequency of verification is reasonable.
(b) In our opinion and according to the information and explanations given to us, the procedures of the physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to book records.
- III. In respect of the loans, secured or unsecured, granted or taken by the Company to/ from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
 - (a) The Company has granted loans to the companies, covered in the register maintained under section 301 of the companies' act 1956. The yearend balance of Loans granted to such parties were ₹83.35 crores.
 - (b) The Company has granted loans, the rate of interest & other terms and conditions on which loans have been granted to parties listed in the register maintained under section 301 is not prejudicial to the interest of Company.
 - (c) The receipt of interest & principal amount from parties are not prejudicial to the Company.
 - (d) There is no overdue of amount of loans granted to Companies, Firms and other parties listed in the register U/S 301 of the Companies Act, 1956.
 - (e) The Company has taken loans and advances from related parties covered in the register maintained U/s.301 of the Companies Act, 1956. The yearend balances of Loans taken from such parties were ₹20.87 Crores.
 - (f) The Company has taken loans, and the rate of interest & other terms and conditions on which loans have been taken from parties listed in the register maintained under section 301 is not prejudicial to the interest of the company.
 - (g) The repayment of interest & principal amount to parties, are not prejudicial to the company.
- IV. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed assets and for sale of goods. During the course of our audit, we have not observed any continuing failure by the company to correct major weaknesses in internal control system.
- V. In respect of the contracts or arrangements referred in section 301 of the Companies Act, 1956.
 - (a) In our opinion and according to the information and explanation given to us, since no contracts or arrangements referred to in sec 301 of the companies act, 1956 have been made by company in respect of any party in the financial year the entry in the register U/S 301 of the Companies Act, 1956 does not arise.
 - (b) In our opinion and according to the information and explanations given to us, as no such contracts or arrangements made by the Company, the applicability of the clause of the charging the reasonable price having regard to the prevailing market prices at the relevant time does not arise.
- VI. In our opinion and according to the information and explanation given to us, the company has not accepted deposits from the public and therefore, the provisions section 58A and 58AA of the Companies Act, 1956 and rules therefore not applicable to the Company.
- VII. In our opinion, the company is having internal audit system, commensurate with its size and nature of its business.

- VIII. In respect of the company, the Central Government has not prescribed the maintenance of cost records under clause (d) of subsection (1) of section 209 of the Companies Act, 1956.
- IX. The Company is regular in depositing statutory dues including PF, ESI, Income Tax, Cess, and any other statutory dues with the appropriate authorities. However there were no undisputed amounts outstanding which were due for more than 6 months from the date they became payable.
- X. The Company has been registered for a period of not less than 5 years, and the company has no accumulated losses at the end of the financial year and the company has not incurred cash losses in this financial year and in the immediately preceding such financial year.
- XI. According to the information and explanations given to us, the company has not defaulted in the repayment of dues to financial institutions, banks or debenture holders.
- XII. According to the information and explanations given to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities and hence the applicability of the clause regarding maintenance of adequate documents in respect of loans does not arise.
- XIII. This clause is not applicable to this Company as the Company is not covered by the provisions of special statute applicable to Chit Fund in respect of Nidhi/Mutual Benefit Fund/Societies.
- XIV. According to the information and explanations given to us, the company is not dealing or trading in shares, Securities, Debentures and other investments and hence the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order 2003, are not applicable to the Company.
- XV. According to the information and explanations given to us, the company has given corporate guarantee for loan taken by its subsidiary company namely M/s. Country Vacations International Limited, Dubai from Bank of Baroda, Dubai. The terms and conditions are not prejudicial to the interest of the company.
- XVI. According to the information and explanation given to us, the term Loans were applied for the purpose for which they were obtained.
- XVII. According to the information and explanations given to us, we report that funds raised by the Company on short-term basis have not been utilized for long term basis.
- XVIII. According to the information and explanations given to us, the Company has not made preferential allotment of Shares to parties and Companies covered in the Register maintained under section 301 of the Companies Act, 1956 and hence the applicability of the clause regarding the price at which shares have been issued and whether the same is not prejudicial to the interest of the Company does not arise.
- XIX. According to the information and explanations given to us, the company has not issued any debentures during the year and the clause of creating security of charge in respect of issue of debentures does not arise.
- XX. According to information and explanations given to us, the company has not raised money by way of public issues during the year, hence the clause regarding the disclosure by the management on the end use of money raised by Public Issue is not applicable.
- XXI. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year under audit.

For **P. Murali & Co.,**
Chartered Accountants
FRN: 007257S

P. Murali Mohana Rao
Partner
Membership No. 23412

Place : Hyderabad
Date : 30-05-2013

Balance Sheet as at March 31, 2013

(Amount in ₹)

Particulars	Note Nos.	As at 31-03-2013	As at 31-03-2012
I EQUITY AND LIABILITIES			
1. Shareholders Funds			
(a) Capital	1	178,929,470	178,929,470
(b) Reserves & Surplus	2	6,907,596,540	6,749,819,035
2. Non-Current Liabilities			
(a) Long-Term Borrowings	3	2,249,282,538	2,310,131,763
(b) Deferred Tax Liabilities (Net)	4	429,811,900	354,557,833
(c) Deferred Income - Advance towards Members Facilities		33,404,604	101,336,938
(d) Other Long-Term Liabilities	5	8,921,498	8,900,000
3. Current Liabilities			
(a) Trade Payables	6	304,901,214	232,698,673
(b) Deferred Income - Advance towards Members Facilities		67,984,769	82,204,037
(c) Other Current Liabilities	7	1,719,139,066	1,599,399,376
(d) Short-Term Provisions	8	341,500,959	303,219,026
TOTAL		12,241,472,558	11,921,196,151
II ASSETS			
1. Non - Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	9	5,913,236,493	5,793,095,722
(ii) Intangible Assets		17,074,443	6,032,249
(iii) Capital Work in progress		919,358,581	455,594,267
(b) Non-Current Investments	10	2,401,458,339	2,401,458,339
(c) Long-Term Loans and Advances	11	1,395,777,690	1,551,452,525
2. Current Assets			
(a) Current Investments	12	125,000	125,000
(b) Inventories	13	28,978,727	23,560,708
(c) Trade Receivables	14	56,052,146	42,276,409
(d) Cash and Cash Equivalents	15	198,888,731	263,240,623
(e) Short-Term Loans and Advances	16	1,289,931,604	1,326,540,920
(f) Other Current Assets	17	20,590,804	57,819,389
TOTAL		12,241,472,558	11,921,196,151

Significant Accounting Policies & Notes to Financial Statements

1 to 42

As per our report of even date

for **P. Murali & Co.**
Chartered Accountants
FRN: 007257S

for and on behalf of the Board of Directors
Country Club (India) Limited

P. Murali Mohana Rao
Partner
Membership No. 23412

Y. Rajeev Reddy
Chairman & Managing Director

Y. Siddharth Reddy
Vice-Chairman, JMD & CEO

G. Someswara Rao
Company Secretary

Place: Hyderabad
Date : 30-05-2013

Statement of Profit and Loss for the year ended March 31, 2013

(Amount in ₹)

Particulars	Note Nos.	Ended 31-03-2013	Ended 31-03-2012
1. INCOME			
Revenue From Operations	18	3,145,231,821	2,444,866,216
Other Income	19	42,153,429	24,686,766
TOTAL REVENUE		3,187,385,250	2,469,552,982
2. EXPENDITURE			
Cost of Material Consumed	20	71,872,702	68,296,533
Employee Benefit Expenses	21	1,119,071,759	865,554,056
Finance Cost	22	410,937,670	193,568,452
Depreciation and Amortisation Expenses	9	236,543,823	195,046,503
Other Expenses	23	1,044,643,080	889,418,778
TOTAL EXPENDITURE		2,883,069,034	2,211,884,322
3. PROFIT			
Profit Before Tax (1 - 2)		304,316,216	257,668,660
Tax Expense:			
- Current Tax		60,886,828	51,553,701
- Deferred Tax		75,254,067	72,588,864
Profit for the Year		168,175,321	133,526,095
Earning Per Share			
- Basic		1.88	1.49
- Diluted		1.88	

Significant Accounting Policies & Notes to Financial Statements

1 to 42

As per our report of even date

for **P. Murali & Co.**
Chartered Accountants
FRN: 007257S

for and on behalf of the Board of Directors
Country Club (India) Limited

P. Murali Mohana Rao
Partner
Membership No. 23412

Y. Rajeev Reddy
Chairman & Managing Director

Y. Siddharth Reddy
Vice-Chairman, JMD & CEO

G. Someswara Rao
Company Secretary

Place: Hyderabad
Date : 30-05-2013

Cash Flow Statement for the year ended March 31, 2013

(Amount in ₹)

Particulars	Current Year	Previous Year
I. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit Before Tax	304,316,216	257,668,660
<i>Adjustments for :-</i>		
Depreciation	236,543,823	195,046,503
Interest Paid	410,937,670	188,083,438
Interest Income	(12,838,100)	(24,686,766)
Operating Cash Flow before Working Capital Changes	938,959,609	616,111,835
(Increase) / Decrease in Inventory	(5,418,019)	2,058,170
(Increase) / Decrease in Trade Receivables	(13,775,736)	7,208,664
(Increase) / Decrease in Short-Term Loans & Advances	36,609,315	(369,998,226)
(Increase) / Decrease in Other Current Assets	37,228,584	42,263,115
Increase / (Decrease) in Deferred Income(Current)	(14,219,268)	(16,523,609)
Increase / (Decrease) in Trade Payables	72,202,541	67,706,363
Increase / (Decrease) in Other Current Liabilities	119,739,689	(733,208,301)
Increase / (Decrease) in Short-Term Provisions	(33,002,710)	(58,198,251)
Cash Generated from Operations	1,138,324,005	(442,580,240)
Add: Prior Period Expenses	-	-
Less: Income Tax Paid	-	-
Cash Generated from Operating Activities	1,138,324,005	(442,580,240)
II. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed Assets	(367,726,789)	(1,511,654,662)
Capital Work in Progress, Pre-operative Expenses	(463,764,312)	1,088,550,426
Expenses	-	-
Interest Income	12,838,100	24,686,766
(Increase) / Decrease in Long-Term Loans & Advances	155,674,835	125,505,125
Net Cash available from Investing Activities	(662,978,166)	(272,912,345)
III. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds From Issue of Share Warrants	-	(187,500,000)
Proceeds/(Repayment) of Loan	(60,849,225)	1,105,939,901
Share Premium and Capital Reserve	-	187,500,000
Interest Paid	(410,937,670)	(188,083,438)
Increase / (Decrease) in Other Long-Term Liabilities	21,498	8,600,000
Proceeds From Membership Fees	(67,932,334)	(82,204,034)
Net Cash used in Financing Activities	(539,697,731)	844,252,429
Net increase in Cash and Cash Equivalents (I+II+III)	(64,351,892)	128,759,844
Opening balance of Cash & Cash Equivalents	263,240,623	134,480,779
Closing balance of Cash & Cash Equivalents	198,888,731	263,240,623

As per our report of even date

for **P. Murali & Co.**

Chartered Accountants

FRN: 007257S

P. Murali Mohana Rao

Partner

Membership No. 23412

Place: Hyderabad

Date : 30-05-2013

Y. Rajeev Reddy

Chairman & Managing Director

for and on behalf of the Board of Directors

Country Club (India) Limited

Y. Siddharth Reddy

Vice-Chairman, JMD & CEO

G. Someswara Rao

Company Secretary

Certificate

To
The Board of Directors,
Country Club (India) Limited
Hyderabad

We have examined the attached Cash Flow Statement of **M/s COUNTRY CLUB (INDIA) LIMITED** for the year ended 31st March, 2013. The statement has been prepared by the Company in accordance with the requirements of Clause 32 of the listing agreement with the Stock Exchanges and is based on and in agreement with the corresponding Statement of Profit & Loss and Balance Sheet of the Company covered by our report of 30th May, 2013 to the members of the Company.

Yours faithfully,

For **P. Murali & Co.,**
Chartered Accountants

Place : Hyderabad
Date : 30-05-2013

P. Murali Mohana Rao
Partner

Notes to the Financial Statements for the year ended 31st March, 2013

SIGNIFICANT ACCOUNTING POLICIES

General:

The financial statements of Country Club (India) Limited have been prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises accounting standards notified by the Central Government of India under Section 211 (3C) of the Companies Act, 1956, other pronouncements of Institute of Chartered Accountants of India, the provisions of Companies Act, 1956 and guidelines issued by Securities and Exchange Board of India.

Revenue Recognition:

- (a) The company's business is to sell Vacation holiday facilities and clubbing to members for a specified period each year, over a number of years, for which membership fee is collected either in full up front, or on installment basis. Membership fees, which is non-refundable, is recognized as income on admission of a member. Requests for cancellation of membership are accounted for when it is accepted by the Company. In respect of installments considered doubtful of recovery by the management, the same is treated as a cancellation and accounted for accordingly.
- (b) Annual subscription fee dues from members are recognized as income on receipt basis.
- (c) Income from resorts includes income from room rentals, food and beverages, etc. and is recognized when services are rendered.

Use of Estimates:

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

Investments:

Long-term investments are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment. The reduction in the carrying amount is reversed when there is a rise in the value of the investment or if the reasons for the reduction no longer exist.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investment.

Fixed Assets:

Fixed assets are carried at the cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes non-refundable taxes, duties, freight and other incidental expenses related to the acquisition and installation of the respective assets. Borrowing costs directly attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalized.

Advances paid towards the acquisition of fixed assets outstanding at each balance sheet date and the cost of fixed assets not ready for their intended use before such date are disclosed under capital work-in-progress.

Depreciation:

Depreciation on fixed assets is provided using the straight-line method at the rates specified in Schedule XIV to the Companies Act, 1956 or based on the useful life of the assets as estimated by Management, whichever is higher. Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed. Individual assets costing less than 5,000/- are depreciated in full in the year of acquisition. Assets acquired on finance leases are depreciated over the period of the lease agreement or the useful life whichever is shorter.

Capital Work-in-Progress:

The Capital Work-in-Progress includes cost of Fixed Assets under installation, advances for Project cost and unallocated expenditure.

Inventories:

Inventories are valued at the lower of cost and net realizable value. Cost of inventories comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Taxation:

Income tax expense comprises current tax and deferred tax charge or credit.

Notes to the Financial Statements for the year ended 31st March, 2013

Current tax: The current charge for income taxes is calculated in accordance with the relevant tax regulations applicable to the Company.

Deferred tax: Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and is written-down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realized. The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company has a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

Earnings per Share:

The basic earnings per share ("EPS") is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit after tax for the year and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed to be converted as of the beginning of the period, unless they have been issued at a later date. The diluted potential equity shares have been adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares) as per Accounting Standard – 20.

Provisions and contingent liabilities:

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Retirement benefits to employees:

Provident fund

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

Leases:

Assets taken on lease where the company acquires substantially the entire risks and rewards incidental to ownership are classified as finance leases. The amount recorded is the lesser of the present value of minimum lease rental and other incidental expenses during the lease term or the fair value of the assets taken on lease.

The rental obligations, net of interest charges, are reflected as secured loans. Leases that do not transfer substantially all the risks and rewards of ownership are classified as operating leases and recorded as expense as and when the payments are made over the lease term.

Borrowing Cost:

Borrowing cost that are attributable to the acquisition, construction or production of qualifying asset are capitalized as part of cost of such asset till such time as the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognized as expenses in the period in which they are incurred.

Impairment of assets:

Consideration is given at each balance sheet date to determine whether there is any indication of impairment of the carrying amount of the company's fixed assets. If any indication exists, an asset's recoverable amount is estimated. An impairment loss is recognized whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the net selling price and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value based on an appropriate discount factor.

Notes to the Financial Statements for the year ended 31st March, 2013

(Amount in ₹)

Particulars	As at 31-03-2013	As at 31-03-2012
NOTE NO. 1: SHARE CAPITAL		
Authorised Capital	400,000,000	400,000,000
200000000 Equity Shares (Previous Year 200000000 Equity Shares)		
Issued, Subscribed & Fully Paid up:	178,929,470	178,929,470
89464735 Equity Shares (Previous Year 89464735 Equity Shares)		
	178,929,470	178,929,470
Par Value per Share	2	2

Notes:

1 a. Terms /rights attached to equity shares

- i. The Company has only one class of shares referred to as equity shares having a par value of ₹2/-. Each Equity shareholder is entitled to one vote per share
- ii. The Dividend proposed by the Board of Directors is subject to approval of the Shareholders in the Annual General Meeting
- iii. For the year ended March 31, 2013 the amount of per share dividend proposed for equity shareholders is ₹0.10. The total dividend appropriation for the year ended March 31, 2013 amounted to ₹8,946,474 and tax on proposed dividend of ₹1,451,342

Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Total No of shares at opening accounting period	89,464,735	89,464,735
Add: No of shares issued during the year - Bonus Issue	-	-
Add: No of shares issued during the year - Cash Issue	-	-
Less : No of shares Forfeited/Bought Back during the year	-	-
Total No of shares at end of accounting period	89,464,735	89,464,735

Shares in the Company held by each shareholder holding more than 5% shares of the Company

Y.Rajeev Reddy		
- No of Shares	33,788,386	33,788,386
- % held in the Company	37.77	37.77
Y.Manjula Reddy		
- No of Shares	6,647,125	6,647,125
- % held in the Company	7.42	7.42

Notes to the Financial Statements for the year ended 31st March, 2013

(Amount in ₹)

Particulars	As at 31-03-2013	As at 31-03-2012
NOTE NO. 2: RESERVES AND SURPLUS		
Capital Reserve		
As per last year Balance Sheet	305,088,694	117,588,694
Add: Current Year Transfer (Previous Year Transfer of forfeited 30,000,000 warrants upfront money)	–	187,500,000
	305,088,694	305,088,694
Securities Premium Account		
	4,962,471,969	4,962,471,969
Revaluation Reserve		
	24,270,349	24,270,349
General Reserve		
As per last year Balance Sheet	83,300,000	83,300,000
Add: Transfer from statement of Profit and Loss account	–	–
	83,300,000	83,300,000
Surplus:		
Surplus in Statement of Profit and Loss		
As per last year Balance Sheet	1,374,688,023	1,251,559,744
Add: Current year Profit	168,175,321	133,526,095
Available for Appropriations	1,542,863,344	1,385,085,839
Appropriations:		
Transfer to General Reserve	–	–
Proposed Final Dividend on Equity Shares	8,946,474	8,946,474
Tax on Proposed Dividend	1,451,342	1,451,342
	10,397,816	10,397,816
Surplus After Appropriations	1,532,465,528	1,374,688,023
Total Reserves and Surplus	6,907,596,540	6,749,819,035

Notes to the Financial Statements for the year ended 31st March, 2013

(Amount in ₹)

Particulars	As at 31-03-2013	As at 31-03-2012
NOTE NO. 3: LONG-TERM BORROWINGS		
Secured		
Term loans From Banks		
- Oriental Bank of Commerce Loan	81,515,832	121,863,791
- Oriental Bank of Commerce Loan - 2 (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	30,506,126	40,646,085
- UBI Loan (for repayment of FCCBs and secured by way of Hypothecation of Land & Buildings)	379,200,000	519,200,000
- Vijaya Bank Loan (for repayment of FCCBs and secured by way of Hypothecation of Land & Buildings)	269,788,887	370,792,161
- Bank of India Loan (for repayment of FCCBs and secured by way of Hypothecation of Land & Buildings)	162,627,678	222,340,853
- Saraswat Co Op Bank Loan I	87,499,999	139,689,639
- Saraswat Co Op Bank Loan II (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	400,000,000	-
- Cosmos Bank Loan I	67,158,623	94,001,734
- Cosmos Bank Loan II	89,834,740	124,712,437
- Cosmos Bank Loan III (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	241,846,000	-
- Ratnakar Bank Loan - I	63,067,735	115,426,189
- Ratnakar Bank Loan - II (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	67,673,404	100,092,518
Equipment Finance (Loan from Saraswath Co-Op Bank & Magma Fin Corp Ltd for Vehicles and the same were secured by way of hypothecation of the Vehicles)	773,569	1,070,484
Lease Finance (Loan from NOIDA Authority for Plot and the same was secured)	15,282,000	23,743,180
Term loans from Other Parties		
- Religare Finvest Ltd - Loan (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	23,852,200	30,278,168
- Karvy Financial Services limited (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	60,000,000	160,000,000
	2,040,626,793	2,063,857,239
Unsecured		
Loans and Advances From Related Parties		
- Country Vacations International Limited - Dubai	123,508,134	160,393,359
- Country Vacations International Limited - India	3,446,161	2,697,110
- Kolet Resorts Pvt Ltd	12,347,455	14,594,864
- Y.Rajeev Reddy	23,373,995	19,700,099
- Y.Varun Reddy	45,980,000	48,889,092
	208,655,745	246,274,524
	2,249,282,538	2,310,131,763

Notes to the Financial Statements for the year ended 31st March, 2013

(Amount in ₹)

Particulars	As at 31-03-2013	As at 31-03-2012
NOTE NO. 4: DEFERRED TAX LIABILITIES (NET)		
Opening Deferred tax Liability	354,557,833	281,968,969
Add: Deferred Tax Liability for the year (Due to SLM and WDV Difference)	75,254,067	72,588,864
	429,811,900	354,557,833
NOTE NO. 5: OTHER LONG-TERM LIABILITIES		
Unsecured		
Deposits	8,921,498	8,900,000
	8,921,498	8,900,000
NOTE NO. 6: TRADE PAYABLES		
Total Outstanding Dues to Micro and Small Enterprises	–	–
Others	304,901,214	232,698,673
	304,901,214	232,698,673
NOTE NO. 7: OTHER CURRENT LIABILITIES		
Current Maturities of Long-Term Debt	597,544,272	386,140,664
Unpaid Matured FCCBs	–	259,260,500
Advance Received from Customers	2,597,644	2,606,072
Unpaid Dividends	2,746,919	2,520,226
Dues to Statutory Authorities	22,632,867	15,437,404
Other Liabilities	635,535,618	570,726,207
Creditors for Capital Goods	458,081,746	362,708,303
	1,719,139,066	1,599,399,376
NOTE NO. 8: SHORT-TERM PROVISIONS		
Provision for Employee Benefits		
- Salaries Payable (Includes Incentives)	132,108,504	95,271,852
- PF Payable	6,669,130	5,585,791
- ESIC Payable	3,792,372	2,411,672
- PT Payable	2,474,137	2,176,520
Others		
- Provision for Income Tax	60,886,828	51,553,701
- TDS Payable	16,323,082	15,219,321
- Consultancy & Professional Charges Payable	1,357,785	1,581,082
- Provision for Expenses	107,491,305	119,021,271
- Proposed Dividend	8,946,474	8,946,474
- Tax on Proposed Dividend	1,451,342	1,451,342
	341,500,959	303,219,026

Notes to the Financial Statements for the year ended 31st March, 2013

NOTE NO. 9: FIXED ASSETS

(Amount in ₹)

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	Gross Block as on 01-04-2012	Additions during the year	Deletions during the year	Gross Block as on 31-03-2013	Depreciation upto 1-04-2012	Depreciation during the year	Deletion depreciation during the year	Depreciation as on 31-03-2013	Net Block as on 31-03-2013	Net Block as on 31-03-2012
Tangible Assets										
Land & Site Development	419,697,952	3,753,000	–	423,450,952	–	–	–	–	423,450,952	419,697,952
Building	5,409,901,018	259,785,320	23,841,000	5,645,845,338	577,477,954	180,589,213	962,092	757,105,075	4,888,740,263	4,832,423,064
Furniture & Fixtures	348,081,520	38,805,843	–	386,887,363	107,200,361	21,760,842	–	128,961,203	257,926,160	240,881,159
Plant & Machinery	384,713,678	63,351,266	–	448,064,944	126,929,064	18,977,851	–	145,906,915	302,158,029	257,784,614
Computers	75,612,343	11,146,803	24,440	86,734,706	51,361,025	10,344,261	2,670	61,702,616	25,032,090	24,251,318
Vehicles	42,690,492	1,363,956	257,043	43,797,405	24,632,877	3,344,043	108,514	27,868,406	15,928,999	18,057,615
Total - A	6,680,697,003	378,206,188	24,122,483	7,034,780,708	887,601,281	235,016,210	1,073,276	1,121,544,215	5,913,236,493	5,793,095,722
Previous Year	5,179,135,305	1,597,908,959	96,347,261	6,680,697,003	703,939,362	193,649,233	9,987,314	887,601,281	5,793,095,722	4,475,195,943
Intangible Assets										
Goodwill	3,117,610	–	–	3,117,610	–	–	–	–	3,117,610	3,117,610
Software & Development	8,678,075	12,569,806	–	21,247,881	5,763,436	1,527,613	–	7,291,048	13,956,833	2,914,639
Total - B	11,795,685	12,569,806	–	24,365,491	5,763,436	1,527,613	–	7,291,048	17,074,443	6,032,249
Previous Year	11,690,035	105,650	–	11,795,685	4,366,166	1,397,270	–	5,763,436	6,032,249	7,323,869
Grand Total - (A+B)	6,692,492,688	390,775,994	24,122,483	7,059,146,199	893,364,717	236,543,823	1,073,276	1,128,835,263	5,930,310,936	5,799,127,971
Total Previous Year	5,190,825,340	1,598,014,609	96,347,261	6,692,492,688	708,305,528	195,046,503	9,987,314	893,364,717	5,799,127,971	4,482,519,812

Notes to the Financial Statements for the year ended 31st March, 2013

(Amount in ₹)

Particulars	As at 31-03-2013	As at 31-03-2012
NOTE NO. 10: NON-CURRENT INVESTMENTS		
Long Term Investments (At Cost, Un Quoted)		
Investment in Equity Shares of Subsidiaries (Non Trade Fully Paid Up)		
- Aquarian Realtors Private Limited 1,000 Equity Shares of ₹100/- Each	9,200,000	9,200,000
- International Country Holidays Private Limited (Formerly known as Aakruti Engineering Pvt Ltd) 10,000 Equity Shares of ₹100/- Each	127,000,000	127,000,000
- Country Club Babylon Resorts Private Limited 50,000 Equity Shares of LKR.1000/- Each	48,410,323	48,410,323
- Bush Betta Holiday Ownership Wildlife Adventure Resort Pvt Ltd, 1,000,000 Equity Shares of ₹10/- Each	18,500,000	18,500,000
- Kolet Resorts Private Limited 1,499,800 Equity Shares of ₹10/- Each	30,000,000	30,000,000
- J.J. Arts And Entertainment Private Limited 150,000 Equity Shares of ₹10/- Each	55,000,001	55,000,001
- Chanakyapuri Resorts Private Limited 70,000 Equity Shares of ₹100/- Each	13,500,000	13,500,000
- Bright Resorts Private Limited 18,450 Equity Shares of ₹10/- Each	38,924,220	38,924,220
- Maruti Water Park & Entertainments Private Limited 232,400 Equity Shares of ₹10/- Each	3,021,200	3,021,200
- Country Vacations International Limited - Dubai	1,784,734,595	1,784,734,595
- Country Vacations International Limited - India 50,000 Equity Shares of ₹10/- Each	636,000	636,000
- Swami Vivekanand Training & Education Centre Pvt .Ltd 1,008 Equity Shares of ₹100/- Each	141,010,000	141,010,000
- Swimwel Investment and Trading Private Limited 10,000 Equity Shares of ₹10/- Each	100,000	100,000
- Club Arzee Limited 2,976,600 Equity Shares of ₹10/- Each	126,532,000	126,532,000
Investment in Preference Shares of Subsidiaries (Non Trade Fully Paid Up)		
- Swami Vivekanand Training & Education Centre Pvt .Ltd 48,900 Preference Shares of ₹100/- Each	4,890,000	4,890,000
	2,401,458,339	2,401,458,339

Notes to the Financial Statements for the year ended 31st March, 2013

(Amount in ₹)

Particulars	As at 31-03-2013	As at 31-03-2012
NOTE NO. 11: LONG-TERM LOANS AND ADVANCES		
Unsecured Considered Good		
Capital advance	333,947,571	510,283,602
Security Deposit	219,912,753	204,045,884
Loans and Advances to Related Parties		
- Advances given to Subsidiary Companies		
- Aquarian Realtors Pvt Ltd	102,774,602	117,667,482
- Jade Resorts Pvt Ltd	57,906,950	55,209,434
- Bright Resorts Pvt Ltd	12,455,808	4,659,739
- Chanakyapuri Resorts Pvt Ltd	3,620,105	1,745,587
- JJ Arts & Entertainment Pvt Ltd Loan	4,385,204	3,942,038
- Bush Betta Holiday Ownership Wild Life Adventure Resorts Pvt Ltd	79,820	57,760
- Swami Vivekanand Training & Edu.Centre	103,733,133	103,711,073
- Swimwell Investment & Trading Pvt. Ltd	46,351,670	38,007,696
- International Country Holidays Pvt Ltd (formerly known as Aakruti Engineers Pvt Ltd)	460,713,632	460,592,072
- Maruti Water Park & Entertainment Private Limited	62,590	40,530
- Club Arzee Ltd	19,502,034	21,157,810
- Advance to Babylon Resorts Pvt Ltd	21,924,332	21,924,332
Other loans And advances	8,407,486	8,407,486
	1,395,777,690	1,551,452,525
NOTE NO. 12: CURRENT INVESTMENTS		
Investment - The Saraswat Coop Bank Ltd	25,000	25,000
Investment - The Cosmos Co-operative Bank Ltd.	100,000	100,000
	125,000	125,000
NOTE NO. 13: INVENTORIES		
Inventories (at lower of cost & net realisable value) stores		
Food, Beverages, Smokes & Operating Supplies	5,190,408	4,809,843
Gifts	23,788,319	18,750,865
	28,978,727	23,560,708
NOTE NO. 14: TRADE RECEIVABLES		
Receivables outstanding for more than six months from the date they are due for payment Unsecured & Considered Good	2,935,774	1,859,483
Receivables outstanding for less than six months from the date they are due for payment Unsecured & Considered Good	53,116,372	40,416,926
	56,052,146	42,276,409

Notes to the Financial Statements for the year ended 31st March, 2013

(Amount in ₹)

Particulars	As at 31-03-2013	As at 31-03-2012
NOTE NO. 15: CASH AND CASH EQUIVALENTS		
Cash on hand	24,483,006	8,360,930
Balances with banks :		
- Current Accounts	151,200,716	137,476,563
- Fixed Deposits - with maturity of less/more than	20,394,773	114,876,195
Earmarked Accounts		
- Unpaid Dividend Accounts	2,810,236	2,526,935
	198,888,731	263,240,623

NOTE NO. 16: SHORT-TERM LOANS AND ADVANCES

Advance to Suppliers	2,858,719	5,435,696
Loans and Advances to Employees	9,298,267	7,647,389
Advances Recoverable in Cash or Kind - (Unsecured, Considered Good)	1,252,603,782	1,290,857,835
Advances with Statutory Authorities	25,170,836	22,600,000
	1,289,931,604	1,326,540,920

NOTE NO. 17: OTHER CURRENT ASSETS

VAT Receivables	10,880,861	9,988,533
TDS/TCS Receivables	4,308,147	2,473,611
Prepaid Expenses	5,401,796	5,566,059
Service Tax Credit Receivables	–	39,791,186
	20,590,804	57,819,389

NOTE NO. 18: REVENUE FROM OPERATIONS

Sales of Services		
Income from Sale of Membership & Vacation Ownership	2,579,118,579	1,958,884,872
Income from Hotel, Clubs & Resorts		
- Guest Accommodation	94,750,453	89,936,503
- Food & Beverages from Restaurant & Banquets	147,777,666	142,439,801
- Others (Including Facilities)	73,459,216	71,974,728
Annual Subscription Fee	250,125,907	181,630,312
	3,145,231,821	2,444,866,216

Notes to the Financial Statements for the year ended 31st March, 2013

(Amount in ₹)

Particulars	Ended 31-03-2013	Ended 31-03-2012
NOTE NO. 19: OTHER INCOME		
Interest Income		
- On Deposits with Bank	12,838,100	4,935,398
Miscellaneous Income	29,315,329	19,751,368
	42,153,429	24,686,766

NOTE NO. 20: COST OF MATERIAL CONSUMED

Opening Stock of Food & Beverages, Stores and Operating Supplies	4,809,843	4,148,233
Add: Purchases	72,253,267	68,958,143
Less: Closing Stock of Food & Beverages, Stores and Operating Supplies	5,190,408	4,809,843
	71,872,702	68,296,533

NOTE NO. 21: EMPLOYEE BENEFIT EXPENSES

Salaries & Other Benefits	1,055,924,777	813,550,723
Contribution to Provident & Other Funds	37,562,680	27,075,446
Staff Welfare Expenses	25,584,302	24,927,887
	1,119,071,759	865,554,056

NOTE NO. 22: FINANCE COST

Interest on Term Loans	395,570,217	188,083,438
Interest on Other Borrowings	15,367,453	5,485,014
	410,937,670	193,568,452

Notes to the Financial Statements for the year ended 31st March, 2013

(Amount in ₹)

Particulars	Ended 31-03-2013	Ended 31-03-2012
NOTE NO. 23: OTHER EXPENSES		
Upkeep & Service Cost		
- Building Maintenance	3,159,010	1,602,352
- Repairs, Maintenance to other assets.	11,525,958	12,117,443
- Vehicle Maintenance & Running Exp.	3,774,839	2,466,308
- Other Maintenance	33,341,419	32,130,684
Power & Fuel	79,935,760	61,968,629
Rent including Lease Rent	182,874,238	136,605,407
Rates & Taxes	53,311,074	52,098,362
Insurance	7,558,452	6,043,341
Finance Charges	123,494,999	91,166,999
Travelling & Conveyance	74,329,419	41,272,080
Printing & Stationery	47,526,266	34,422,281
Postage, Telegram & Telephones	70,855,976	54,422,000
Advertisement & Other Marketing Expenses	228,840,672	150,502,409
Other Administrative Expenses	71,470,498	66,498,547
Legal & Professional Charges.	51,644,500	45,171,411
Net Loss on Foreign Currency Transaction and Translation(other than considered as finance cost)	–	99,930,525
Auditors Remuneration Includes		
- Audit Fee	500,000	500,000
- For Taxation Matters	200,000	200,000
- For Other Services	300,000	300,000
	1,044,643,080	889,418,778

Notes to the Financial Statements for the year ended 31st March, 2013

NOTE NO. 24

Particulars of Employees in accordance with Sub-section (2A) of Section 217 of the Companies Act, 1956 read with Companies (Particulars of Employees) Rule 1975.

(Amount in ₹)

S. No	Name of the Directors	Designation	Remuneration
1.	Mr. Y. Rajeev Reddy	Chairman & Managing Director	3,600,000
2.	Mr. Y. Siddharth Reddy	Vice-Chairman, JMD & CEO	3,000,000
3.	Mr. Y. Varun Reddy	Vice-Chairman, JMD & COO	3,000,000
4.	Mr. D. Krishna Kumar Raju	Vice-Chairman & Executive Director	3,000,000

NOTE NO. 25

In relation of Managerial Remuneration:

(Amount in ₹)

Particulars	Current year	Previous year
Directors' Remuneration	12,600,000	12,600,000
Brand Ambassador Fee	4,800,000	4,800,000

NOTE NO. 26

Auditors Remuneration:

(Amount in ₹)

Particulars	Current year	Previous year
Audit Fees	500,000	500,000
Tax Audit Fee	200,000	200,000
Certification Fee	300,000	300,000

NOTE NO. 27

During the financial year 2012-13 the Company redeemed FCCBs amounting to \$ 5 million at face value and the Outstanding FCCBs as on 31-03-2013 stands Nil.

NOTE NO. 28

Detailed information regarding quantitative particulars under part II of Schedule VI to the Companies Act, 1956.

i) As the turnover of the Company is in respect of supply of food and beverages, it is not possible to give quantity-wise details of turnover.

Notes to the Financial Statements for the year ended 31st March, 2013

NOTE NO. 28 (Contd...)

ii) Income of the Company includes the following:

(Amount in ₹)

Particulars	Current year	Previous year
Income from Guest Accommodation, Restaurants & Banquets and Facilities	3 15,987,335	304,351,033
Subscription and Membership from Members	2,829,244,486	2,140,515,184
Other Income	42,153,429	24,686,766
Total	3,187,385,250	2,469,552,982

iii) Consumption of Provisions and Stores:

(Amount in ₹)

Provisions & Stores	Opening Stock	Purchases	Closing Stock	Consumption
Current Year	4,809,843	72,253,267	5,190,408	71,872,703
Previous Year	4,148,233	68,958,143	4,809,843	68,296,533

NOTE NO. 29

Earnings and Expenditure in Foreign Currency

a) Foreign Currency Earnings

(Amount in ₹)

Particulars	Current Year	Previous Year
Foreign Currency Earnings (Foreign Currency earnings includes Membership Fee)	–	69,812,905

b) Foreign Currency expenditure/out flow as follows

(Amount in ₹)

Particulars	Current Year	Previous Year
Travelling Expenses	4,613,530	4,016,150
Legal Expenses	762,808	–
Loan to Subsidiary Company	–	290,000,000

NOTE NO. 30

The Company has not made any provision for Leave Encashment and Gratuity to its employees, Leave Encashment and Gratuity are accounted as and when payments are made and as such the Liability has not been ascertained.

NOTE NO. 31

There are no dues to SSI Units outstanding for more than 30 days.

NOTE NO. 32

The Closing balances shown under the heads debtors/creditors, loans and advances are subject to confirmations as at year end.

Notes to the Financial Statements for the year ended 31st March, 2013

NOTE NO. 33

In accordance with Accounting Standard 22 (AS - 22) issued by the ICAI, the Company has accounted for deferred tax and income tax as given below:

(Amount in ₹)

Particulars	Current year	Previous year
Income Tax	60,886,828	51,553,701
Deferred Tax	75,254,067	72,588,854

NOTE NO. 34

As per Accounting Standard 18, issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties.

A.

Sl. No	Name of the Related Party	Relationship
1.	Amrutha Estates Pvt Ltd	Associate Company
2.	Amrutha Estates & Hospitality Pvt Ltd	Associate Company
3.	Zen Garden Hotel Pvt Ltd	Associate Company
4.	Country Condo's Limited	Associate Company
5.	Aquarian Realtors Pvt Ltd	Subsidiary Company
6.	International Country Holidays Private Limited (formerly known as Aakruti Engineers Private Limited)	Subsidiary Company
7.	Bush Betta Holiday Ownership Wildlife Adventure Resort Pvt Ltd	Subsidiary Company
8.	Country Club Babylon Resorts Pvt Ltd	Subsidiary Company
9.	J.J. Arts & Entertainments Pvt Ltd	Subsidiary Company
10.	Kolet Resort Club Pvt Ltd	Subsidiary Company
11.	Bright Resorts Pvt Ltd	Subsidiary Company
12.	Chanakyapuri Resorts Pvt Ltd	Subsidiary Company
13.	Jade Resorts Pvt Ltd	Step-Down Subsidiary Company
14.	Maruti Waterpark & Entertainments Pvt Ltd	Subsidiary Company
15.	Country Vacations International Ltd - India	Subsidiary Company
16.	Swimwel Investment & Trading Pvt Ltd	Subsidiary Company
17.	Swami Vivekanand Training & Education Centre Pvt Ltd	Subsidiary Company
18.	Country Vacations International LLC – Dubai	Step-Down Subsidiary Company
19.	Country Vacations International Ltd - Dubai	Subsidiary Company
20.	Country Vacations International LLC - Oman	Step-Down Subsidiary Company
21.	Y. Rajeev Reddy	CMD
22.	Country Club & Vacations W.L.L - Qatar	Step-Down Subsidiary Company
23.	Y. Manjula Reddy	Director
24.	Y. Varun Reddy	Vice-Chairman, JMD & COO
25.	Club Arzee Limited	Subsidiary Company
26.	Country Vacations International LLC - Abu Dhabi	Step-Down Subsidiary Company
27.	Country Vacations International W.L.L - Bahrain	Step-Down Subsidiary Company
28.	Country Club International - Dubai	Associate Company
29.	Country Vacations International SDN BHD, Malaysia	Step-Down Subsidiary Company
30.	Country Vacations International Limited, London	Step-Down Subsidiary Company

Notes to the Financial Statements for the year ended 31st March, 2013

NOTE NO. 34 (Contd...)

B. Transactions during the year with Related Parties.

(Amount in ₹)

Nature of Transaction	Subsidiary Companies including Step-Down Subsidiaries	Associate Companies	Other Related Parties
Lease Rentals	900,000	1,368,000	5,485,800
Land	–	26,594,785	–
Directors' Remuneration	–	–	12,600,000
Brand Ambassador Fee	–	–	4,800,000
Loan Recovery from Subsidiary	81,716,095	–	–

NOTE NO. 35

The Basic and Diluted EPS is Calculated as under

Particulars	31st March, 2013	31st March, 2012
a) Profit after Tax (₹)	168,175,321	133,526,095
b) Earnings available to Equity Shareholders for Basic & Diluted EPS (₹)	168,175,321	133,526,095
c) Weighted average Number of Shares taken for computation of EPS		
- Basic	89,464,735	89,464,735
- Diluted	–	–
d) Earning per Share		
- Basic (₹)	1.88	1.49
- Diluted (₹)	1.88	–
e) Nominal Value per Share (₹)	2.00	2.00

NOTE NO. 36

Contingent Liabilities

The Company has outstanding Corporate guaranty of ₹27,01,83,550/- as on 31.03.2013 to bank, in respect of the Corporate guarantee given by the Company in favour of Bank of Baroda, Dubai in respect of loan taken by M/s. Country Vacations International Limited - Dubai.

NOTE NO. 37

Secured Loans

- Term Loans from Oriental Bank of Commerce, Loan I & II of ₹25 crores for expansion of existing Clubs and secured by The Country Club (EROS Regency) situated at land Bearing Villa Nos. 2,9,10/1,10/2 & 11/4 at village lakarpur, EROS Regency Township, Surajkund, Faridabad, Haryana. The Outstanding Balance for the Current year is ₹16,20,21,957.50 (Previous Year ₹21,25,09,876/-)
- Term Loans from consortium of three banks i.e. Union Bank of India, Vijaya Bank and Bank of India, loan of ₹115 Crore towards repayment of FCCBs and secured by way of properties located in Hyderabad, Bangalore, Chennai and Kodaikanal. Further a charge has been created on Delhi & Karnataka cash flows

Notes to the Financial Statements for the year ended 31st March, 2013

NOTE NO. 37 (Contd...)

for servicing of the above loan. Additionally, the personal guarantees are also given by three directors (i.e. Mr. Y. Rajeev Reddy, Y. Siddharth Reddy & Y. Varun Reddy). The Outstanding Balance for the Current year is ₹96,16,16,565/- (Previous Year ₹114,68,33,014/-)

- c) Term Loans from Saraswat Co Op Bank, Loan of ₹25 crores for expansion of existing Clubs and secured by way of mortgage by deposit of title deed immovable property being land and building known as Hotel Amrutha Castle Constructed on plot of land bearing municipal nos. 5-9-16, 5-9-17, snf 6-9-18 and adjoining plot and land bearing municipal nos. 5-9-19, and 5-9-18/3 situated at Saifabad, Secretariat Road Hyderabad solely belonging to the company. The Outstanding Balance for the Current year is ₹13,74,99,999 (Previous Year ₹18,96,89,696)
- d) During the year the Company has obtained Term Loan from Saraswat Co Op Bank, Loan of ₹50 Crores secured by way of mortgage by deposit of title deed of immovable property located at Country club Golden Star # 623,624 Next to Pramukh Swami Hospital Adajan, Surat 395 009 owned By Club Arzee Ltd., immovable property at Country Club Resort, Plot No. 496, Bhuvan Village, Kolad, Dist. Raigad. Owned by Amrutha Estates Pvt. Ltd., immovable property Hotel Amrutha Castle, opp Secretariat, Saifabad, Hyderabad and additional charge on immovable property at The Country Club, Balamatta Road, Mangalore 575 001 belonging to the Company. The Outstanding Balance for the Current Year is ₹50 Crores (Previous Year Nil)
- e) Term Loans from Cosmos Bank, Loan – I & II of ₹35 crores for expansion of existing Clubs and secured by “The Country Club De Goa” no. 836/1, Anjuna, Bardez, Goa and “the Country Club Spring” situated at C.T.S no. 1104/03 of village Kandivali, parekh Nagar, Kandivali, Mumbai. The Outstanding Balance for the Current year is ₹22,69,93,363/-(Previous Year ₹28,87,14,171/-)
- f) During the year the Company has obtained Term Loan from Cosmos Bank, Loan of ₹25 Crores for refurbishment and modernization of its clubs located at Pune, Kolkatta, Goa and Indore, secured by way of additional charge on property located at “The Country Club De Goa” No.836/1, Anjuna Bardez, Goa owned by Aquarian Realtors Pvt. Ltd. and “The Country Club Spring” situated at C.T.S No. 1104/03 of village Kandivali, Parekh Nagar, Kandival owned by M/s Swami Vivekanand Training and Education Centre Pvt. Ltd and additional security by way of registered equitable mortgage on “Country Club Fun & Food”, 7thKm, Khandwa Road, Kasturbaagram, Indore owned by the Company. The Outstanding Balance for the Current Year is ₹25 Crores (Previous Year Nil)
- g) Term Loans from Ratnakar Bank, Loan – I & II of ₹45 crores for expansion of existing Clubs are secured by way of mortgage of plot lying and hereon constructed thereon forming part of land bearing Survey no.47 & 87 and bearing new city survey no. 723/A, Veera Desai Extension Road, Oshiwara, Andheri (West) Mumbai and freehold lands and premises situated at that plot of land forming part of land bearing survey No.55/1, Khata No.144/131 (K) KIADB,Deevarabeeshanalli, Varthur Hubli, off Sarjapur Road, Bangalore South. The Outstanding Balance for the Current Year is ₹21,29,42,316.40 (Previous Year ₹29,77,19,884/-)
- h) Equipment Finance loans from Saraswath Co-Op Bank Ltd & Magma Fincorp Ltd of ₹63.72 Lakhs for Vehicles and the same were secured by way of hypothecation of the Vehicles. The Outstanding Balance for the Current year is ₹15,63,025/- (Previous Year ₹20,19,424/-).
- i) Lease Finance Loan from NOIDA Authority of ₹2.37 Crores for Plot and the same is secured against the plot no. N-14, Sector – 18, Noida, Uttar Pradesh. The Outstanding Balance for the Current year is ₹1,52,82,000/- (Previous Year ₹2,37,43,180/-).
- j) Term Loan from Religare Finvest Ltd, Loan of ₹4.25 Crores for expansion of existing Clubs and secured by way of mortgage of property at Kolet, Ahmedabad. The Outstanding Balance for the Current year is ₹3,02,51,839/- (Previous Year ₹3,66,77,087/-)
- k) Term Loan from Karvy Financial services ltd amounting to ₹22 Crores for the corporate purpose and secured by way of mortgage of properties belonging to M/S Bushbetta Holiday Ownership Wildlife Adventure Resorts Pvt Ltd, Bright Resorts Pvt Ltd and CK27 Koramangala (Bangalore) and properties at Kovalam, Mysore Road and Shamsabad (Hyderabad). The Outstanding Balance for the current year is ₹14 Crores. (Previous Year ₹22 Crores.)

NOTE NO. 38

M/s Amrutha Estates and Hospitality Private Limited was in process of Amalgamation with M/s.Country Club (India) Limited. In this said process, Hon'ble High Court of Andhra Pradesh has passed the Order and the Company has received the said copy of Order on 18th April,2013. Further the copy of the Order has been filed with Registrar of Companies, Hyderabad, Andhra Pradesh.

Further, the financials of Country Club (India) Limited, considering the M/s Amrutha Estates and Hospitality Private Limited amalgamation would be restated effective the annual results of 2013-14 onwards.

Notes to the Financial Statements for the year ended 31st March, 2013

NOTE NO. 39

As per AS 17 Segment report, it is difficult to identify segment wise profitability and Capital Employed considering that infrastructure is common for all the revenue activities of the Company.

NOTE NO. 40

During the Current Year the Company has declared a dividend @ 5% on the Equity Shares of ₹2/- Face Value. Pertaining to unclaimed dividend, no amount is due and outstanding as unclaimed dividend for more than seven years to be transferred to Investor Education & Protection Fund.

Particulars	Amount (₹)
Unpaid Dividend for the year 2011-12	246,973
Unpaid Dividend for the year 2010-11	234,381
Unpaid Dividend for the year 2009-10	247,422
Unpaid Dividend for the year 2008-09	760,835
Unpaid Dividend for the year 2007-08	544,080
Unpaid Dividend for the year 2006-07	713,228

NOTE NO. 41

Previous year's figures have been regrouped wherever necessary.

NOTE NO. 42

The figures have been rounded off to the nearest rupee.

As per our report of even date

for **P. Murali & Co.**
Chartered Accountants
FRN: 007257S

P. Murali Mohana Rao
Partner
Membership No. 23412

Place: Hyderabad
Date : 30-05-2013

By Order of the Board of Directors
Country Club (India) Limited

Y. Rajeev Reddy
Chairman & Managing Director

Y. Siddharth Reddy
Vice-Chairman, JMD & CEO

G. Someswara Rao
Company Secretary

ELECTRONIC CLEARING SERVICE (ECS) MANDATE FORM

Member's Authorization to receive dividends through Electronic Credit Clearing Mechanism

To

M/s. Aarathi Consultants India Private Limited.

(Unit: Country Club (India) Limited)

H. No. 1-2-285, Domalguda,

Hyderabad – 500 029

Shareholders authorization to receive dividends through Electronic Credit Clearing Mechanism

Registered Folio No:	ECS Ref. No.: (For office use only)
Name of the first / Sole Shareholder	
Bank Name	
Branch Address & Telephone No. of Branch	
Bank Account Number (As appearing on the Cheque Books)	
9 digit code number of the Bank and Branch appearing on the MICR cheque issued by the Bank (Please attach a blank cancelled cheque, or a photocopy (Xerox copy) of a Cheque issued to you by your bank, for verification of the above particulars).	
Account Type (Please tick the option)	
	Savings
	Current
	Cash Credit
Bank Account Ledger Folio No. (if any)	
Effective date of this mandate	

I hereby declare that the particulars given above are correct and complete. If the payment transaction is delayed or not effected at all for any reasons, including but not limited to incomplete or incorrect information, I will not hold M/s. Country Club (India) Limited responsible. I agree to discharge the responsibility expected of me as a participant under the scheme.

I, further undertake to inform the Company of any subsequent change(s) in the above particulars.

Place:

Name of the First Holder : _____

Date:

Signature of the First Holder : _____

Note:

1. Please fill in the information in CAPITAL LETTERS in ENGLISH ONLY.
2. In case of shareholders holding the equity shares in demat form, the shareholders are requested to provide details to their respective Depository participants. Shareholders are also requested to note that changes, if any, intimated by the Demat Account holders directly to the Company will not be considered.

22nd Annual General Meeting

Country Club (India) Limited

Registered office: "Amrutha Castle", 5-9-16, Saifabad, Opp: Secretariat, Hyderabad 500 063, Andhra Pradesh

Attendance Slip

Date

30th September, 2013

Venue

Crown Villa Gardens (Le Palais Royal),
"Ibrahim Mahal", 150, Brigadier Sayeed Road,
Opp. Gymkhana Grounds, Secunderabad - 500 003

Time

11:00 A.M.

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 22nd Annual General Meeting of the Company.

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.

22nd Annual General Meeting

Country Club (India) Limited

Registered office: "Amrutha Castle", 5-9-16, Saifabad, Opp: Secretariat, Hyderabad 500 063, Andhra Pradesh

Proxy Form

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

I/We _____ of _____ being Member/Members of Country Club (India) Limited hereby appoint _____ of _____ as my/our proxy to attend and vote for me/us on my/our behalf at the 22nd Annual General Meeting of the Company to be held on Monday, 30th September, 2013 at 11:00 a.m. at Crown Villa Gardens (Le Palais Royal), "Ibrahim Mahal", 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad - 500 003 and at any adjournment thereof.

As witness my/our hand (s) this _____ day of _____ of 2013

Signed by the said _____

Affix ₹1
revenue
stamp and
sign across

Note: 1) The Proxy need not be a member of the Company.

2) The Proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting.





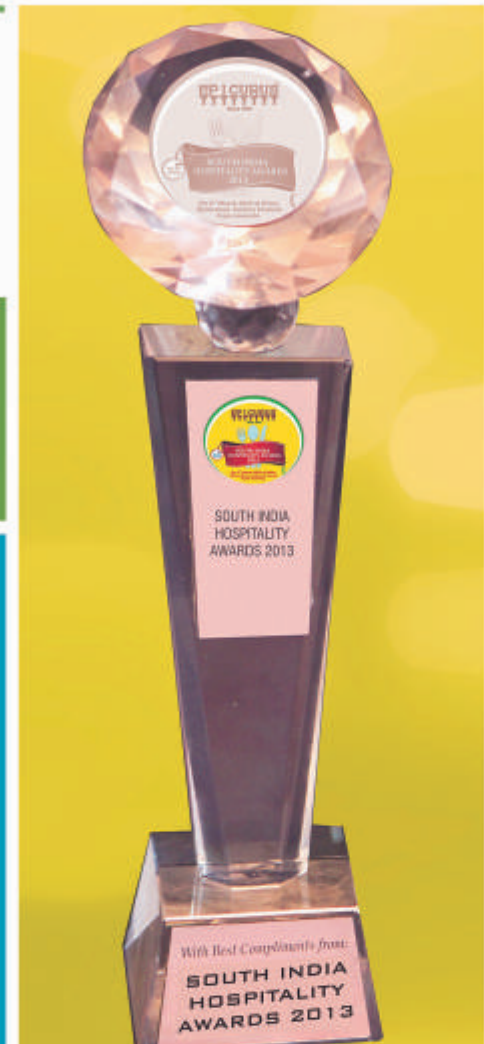
Certificate of Excellence

2013 WINNER



Country Club Wildlife Resort

Awards and Accolades



Best Holiday Ownership Company – Country Vacations



Best Holiday Resort – Country Club De Goa



Best Event Management Company – Country Club Events



Why go anywhere else

www.countryclubindia.net

www.adva.comunique.com