



SOLID FOUNDATION EXPRESS GROWTH

Country Club (INDIA) Limited
Annual Report 2013-14

A man and a woman are sitting on a rocky peak, looking out over a vast, hazy landscape. The man is standing, wearing a white t-shirt and shorts, with a large black backpack. The woman is sitting, wearing a patterned tank top and shorts, with a large black backpack and a rolled-up mat. The background is a vast, hazy landscape with mountains and a body of water under a cloudy sky.

**CCIL is the
fastest growing
entertainment
and leisure
conglomerate
globally.**



vision

To be world leaders in family clubbing in today's disintegrating society and create a cohesive force in relationship between man and men; man and nature and man and his environs embedded in current realities and inherit by legacy to the generation next.



mission

To deliver experiences that nurture relationships and contribute to a wholesome wellness lifestyles in a stress free, eco-friendly environment to member community with a win-win situation for all involved in furthering the cause of such ecosystems.





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 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 230-plus Indian and global affiliations (via Country Vacations) and 3,900 resorts (via RCI affiliation) and also listed on the BSE.
- 📌 Headquartered in Hyderabad (India)

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 more than 400,000 members comprising 650 corporate clients (Microsoft, Hind. Unilever, Brooke Bond Lipton (India) Ltd, CMC Ltd and Dr. Reddy's Laboratories Ltd. among others)
- 📌 Strategic monthly installment collaborations with ICICI Bank, Citibank, Standard Chartered, HDFC bank, SBI, Kotak Bank and Axis Bank for interested members.
- 📌 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.
- ↑ Offers wide range of member centric facilities including real-time online Holiday Booking & 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 & Sauna facilities, floating spa, jungle safari, Ayurvedic & Naturopathy therapies, Yoga facilities, and many more.
- ↑ We offer unique transferability of membership from one city to another.

Our geographical presence:

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

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

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 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 Club Mango Grove: Located in Bangalore.
- 📌 Country Spa Country Club Coconut Grove: First major 100% eco-friendly leisure infrastructure project.



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

Adopted a business strategy to enter into multiple genres of tourism

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

2008

Completed GDR issue/QIP issue

2009

Foray 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

New Guinness world record is set by celebrating world earth hour in all CCIL properties. 7 Fitness centres added in Mumbai, Thane, Jaipur, Delhi, Chandigarh, Kolkata & Ahmadabad. Associate properties added in Trirupathi, Mahabaleshwar, goa, puri and Vellakani online member response kiosks with real-time member feedback installed.

2013

Sania Mirza appointed as the brand ambassador for Country Club Fitness. 8 New fitness centres opened in Mumbai, Bangalore, Chennai, Pune, Nagpur & Vizag. Country Club Fitness launched at Dubai and Abu Dhabi.

2014

CC Fitness Centre added in Pune & Amritsar
Luxurious real-estate project Osadia Garden City is launched in Bangalore. Country club mobile app for ios and android smart phones are unveiled.
CCIL's respected CMD, Mr. Rajeev Reddy was recently listed among the enviable Super 100 entrepreneurial Indians in both Middle East & Africa.

milestones

“The total market size of the tourism and hospitality industry in India stood at US\$ 117.7 billion in 2011 and is anticipated to touch US\$ 418.9 billion by 2022.”



Mr. Rajeev Reddy, CMD, Country Club (India) Ltd.
outlines the reasons for optimism for the company in the future.



The tourism and hospitality industry is one of the largest segments under the services sector of the Indian economy.

Tourism in India is a key growth driver and a significant source of foreign exchange earnings. In India, the sector's direct contribution to gross domestic product (GDP) is expected to grow at 7.8 per cent per annum during the period 2013-2023.

The tourism sector in India is flourishing due to an increase in foreign tourist arrivals (FTA) and a larger number of Indians travelling to domestic destinations. According to statistics available with the World Travel and Tourism Council (WTTC), revenues gained from domestic tourism rose by 5.1 per cent in 2013 and is expected to increase by 8.2 per cent this year. Hotels are also an extremely important component of the tourism industry. The Indian hospitality sector has been growing at a cumulative annual growth rate of 14 per cent every year, adding significant amount of foreign exchange to the economy.

The role of the Indian government, which has provided policy and infrastructural support, has been instrumental in the growth and development of the industry. The tourism policy of the government aims at speedy implementation of tourism projects, development of integrated tourism circuits, special capacity building in the hospitality sector and new marketing strategies.



India is projected to be number one for growth globally in the wellness tourism sector in the next five years, clocking over 20 per cent gains annually through 2017, according to a study conducted by SRI International.

Market size

The total market size of the tourism and hospitality industry in India stood at US\$ 117.7 billion in 2011 and is anticipated to touch US\$ 418.9 billion by 2022.

FTAs during the period January-June 2014 stood at 3.54 million as compared to FTAs of 3.36 million during the corresponding period of 2013, registering a growth of 4.5 per cent. FTAs during June 2014 were 492,000 as compared to 451,000 during June 2013, a growth of 11.5 per cent.

Foreign exchange earnings (FEE) during January-June 2014 stood at Rs 56,760 crore (US\$ 9.44 billion) as compared to FEEs of Rs 51,587 crore (US\$ 8.58 billion) during the same period last year, registering a growth of 17.9 per cent. FEEs during June 2014 were Rs 8,458 crore (US\$ 1.41 billion).

The number of tourists availing the tourist Visa on Arrival (VOA) scheme during January-June 2014 have recorded a growth of 28.1 percent. During the period, a total number of 11,953 VOAs have been issued as compared to 9,328 VOAs during the corresponding period of 2013.

Investments

The foreign direct investment (FDI) inflows in hotel and tourism sector during the period April 2000–March 2014 stood at US\$ 7,348.09 million, as per the data released by Department of Industrial Policy and Promotion (DIPP).

Government Initiatives

The Ministry of Tourism has launched a web-based Public Delivery System to ease the process of filing applications by the travel trade service providers seeking recognition from the Ministry, and also to bring in transparency in granting the approvals. All the applications will now be examined, processed and approved within 45 days from the receipt of completed applications.

Tripigator.com, a travel planning engine, was launched in Delhi in partnership with Incredible India of Ministry of Tourism, on May 5, 2014. The website instantly generates personalised travel itineraries with fewer inputs and significantly reduces users' efforts by replacing 10 tabs with one tab.

The Ministry has also launched a campaign 'Clean India' to sensitise all sections of the society on the importance of cleanliness and hygiene in public places, particularly monuments and tourist destinations. The campaign is a blend of persuasion, education, training, demonstration and sensitisation of all sections of the society.

The Ministry of Tourism has been making efforts to develop quality tourism infrastructure at tourist destinations and circuits in the country. It has sanctioned Rs 4,090.31 crore (US\$ 680.52 million) for a total number of 1,226 tourism projects, which includes projects related to Product/Infrastructure Development for Destination and Circuits (PIDDC), Human Resource Development (HRD), Fairs and Festivals, and Adventure and Rural Tourism for infrastructure augmentation.

Road Ahead

India is projected to be number one for growth globally in the wellness tourism sector in the next five years, clocking over 20 per cent gains annually through 2017, according to a study conducted by SRI International.

The government's decision to introduce the electronic visa facility (e-Visa) will give a much needed boost to inbound travel in India. Enforcing the electronic travel authorisation (ETA) before the next tourism season, which starts in November, will result in a clear jump of at least 15 per cent.

The hospitality sector in India expects 52,000 new hotel rooms to be added in five years (2013-17), according to a survey by Cushman & Wakefield. This will lead to a rise of over 65 per cent in total hotel inventory in India. The National Capital Region (NCR) is expected to contribute around one-third to the total expected hotel rooms supply during the period.



Over **230** getaways across the globe (3,900 affiliated resorts).

largest family clubbingchain in the world



33 owned clubs in India.

21 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.



A team size of over 7,000 professionals

In an industry marked by the highest levels of attrition, CCIL has a low percent employee turnover.

Work culture at CCIL:

Self-awareness - The ability to recognize personal strengths and weaknesses.

Balanced processing of information - An analytical approach to digesting data and making informed decisions.

Internalized moral perspective - A code of ethics that governs the way someone sees the world.

Relational transparency - Open and honest communication skills.



At CCIL, each function has role models who demonstrate that they truly care about their employees. These are the ways by which the company promotes authentic leadership within the organization:

↑ **Making performance reviews meaningful – and more frequent:** Rather than the typical once-a-year check-in, managers regularly sit down with employees to tell them what they're doing well and how they can improve.

↑ **Focus on the long-term:** While CCIL works in a business environment that demands rapid results, employees want to feel like they're part of something bigger. The big-picture vision is outlined for everyone during periodic offsite reviews to help employees feel more invested in the long-term payoff.

↑ **Everyone is given a sense of ownership:** Trusting employees and empowering them to develop their own approach to completing assignments and finding solutions.



- 📌 Spread across 55 destinations spanning India, Middle East, Bangkok and Sri Lanka.
- 📌 Enjoys a 220-plus Indian and global affiliations (via Country Vacations) and 3900 resorts (via RCI affiliation) and also listed on the BSE.
- 📌 Cochin – Delhi – Dubai – Ahmedabad – Bangalore – Bandipur – Baroda – Chennai – Cochin – Delhi - Goa - Hyderabad - Hubli – Indore- Jaipur - Kovalam – Kolkata – Kodaikanal – Lucknow – Mangalore – Mysore – Mumbai – Pune – Surat - Vizag.
- 📌 Internationally present in: Dubai - Kandy (Sri Lanka) - Bangkok, Phillippines, among others.

Globally present in over 10 countries



Resplendent events at Country Club





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 K. Satyanarayana Raju	Director
Shri Indukuri Venkata Subba Raju	Director
Shri Y. Subba Rao	Director
Shri Venkateswara Dontireddy Reddy	Additional Director

Company Secretary : Smt V. Sreelatha

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

Aarthi 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.aarthiconsultants.com
E-mail: info@arthiconsultants.com

Auditor

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

Bankers

National Bank of Fujairah
Canara Bank
Central Bank of India
Saraswat Co-Operative Bank Limited
Union Bank of India
Cosmos Co-Operative Bank Limited
Vijaya Bank
Bank of India
Oriental Bank of Commerce

Listed on

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

Book Closure Dates: 23rd September, 2014 to 30th September, 2014 (Both days inclusive)

Country Club (India) Limited

CIN: L91990AP1991PLC012714

Notice

NOTICE is hereby given that the 23rd Annual General Meeting of the members of M/s. Country Club (India) Limited will be held on **Tuesday, the 30th day of September, 2014 at 11.00 A.M at Crown Villa Gardens, 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 2014 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 Smt. Y. Manjula Reddy (DIN: 00115485), Director who retires by rotation and being eligible offers herself for re-appointment.
4. 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 139 of the Companies Act, 2013 and the Rules made thereunder, and pursuant to the recommendations of the audit committee of the Board of Directors, M/s. P. Murali & Co., Chartered Accountants, Hyderabad (Registration No. 007257S), be and are hereby re-appointed as the auditors of the Company, to hold office from the conclusion of this AGM to the Conclusion of the Third consecutive AGM (subject to ratification of the appointment by the members at every AGM held after this AGM), at such remuneration, plus service tax as may 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:

5. To Appoint Sri K. Satyanarayana Raju (DIN: 00979484) as an Independent Director:

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 Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule IV to the said Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Sri K. Satyanarayana Raju (DIN: 00979484), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Sri K. Satyanarayana Raju as a candidate for the office of director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 30th September, 2014, not liable to retire by rotation."

6. To Appoint Sri Indukuri Venkata Subba Raju (DIN: 02274771) as an Independent Director:

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

Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule IV to the said Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Sri Indukuri Venkata Subba Raju (DIN: 02274771), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Sri Indukuri Venkata Subba Raju as a candidate for the office of director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 30th September, 2014, not liable to retire by rotation."

7. To Appoint Sri Y. Subba Rao (DIN: 03030193) as an Independent Director:

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 Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule IV to the said Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Sri Y. Subba Rao (DIN: 03030193), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to

propose Sri Y. Subba Rao as a candidate for the office of director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 30th September, 2014, not liable to retire by rotation."

8. To Appoint Sri D. V. Ratna Kishore (DIN: 01017518), as an Independent Director:

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 Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule IV to the said Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Sri D. V. Ratna Kishore (DIN: 01017518), Director of the Company who retires by rotation at the said Annual General Meeting and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Sri D. V. Ratna Kishore as a candidate for the office of director of the Company, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 30th September, 2014, not liable to retire by rotation."

9. To Appoint Sri Venkateswara Dontireddy Reddy (DIN: 06955859), as an Independent Director:

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 Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014

(including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Sri Venkateswara Dontireddy Reddy (DIN: 06955859), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 30th September, 2014, not liable to retire by rotation."

10. Adoption of new Articles of Association in conformity with Companies Act, 2013:

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 Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

11. To regularize the Contract entered with M/s. Country Condo's Limited:

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 section 188 and other applicable provisions if any, of the companies Act, 2013 (the 'Act') read with applicable rules under Companies (Meetings of Board and its powers) Rules, 2014 and in terms of applicable provisions of Listing Agreement executed with the Stock Exchanges (including any amendment, modification or re-enactment thereof), and subject to such other approvals, consents, sanctions and permissions as may be necessary, consent of the members of the company be and is hereby accorded to the Board of Directors for the ratification of the related party transaction entered into with M/s. Country Condo's Limited (Related party within the meaning of the Act), which is engaged in the activity of acquiring and selling of lands and other real estate activities and the detailed terms and conditions of which are mentioned in Item no. 11 of the explanatory statement annexed to this notice for the purpose of availing the services with such related party.

RESOLVED FURTHER THAT the Board of Directors of the company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this resolution."

12. To approve the payment of remuneration to Executive Directors:

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 Sections 197, 198 and all other applicable

provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Executive Directors of the Company (i.e. the Managing Director and the Whole-time Directors) be paid, remuneration by way of salary, perquisites and allowances, incentive / bonus / performance linked incentive, remuneration based on net profits, etc. as per their respective terms of appointment, as the Board of Directors may from time to time determine, not exceeding in aggregate Ten percent of the net profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT the Board of Directors of the Company (including the Nomination and Remuneration Committee) be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

13. To approve the payment of remuneration to Non-Executive Directors:

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 Sections 197, 198 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of

Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Non-Executive Directors of the Company be paid, remuneration, in addition to the sitting fee for attending the meetings of the Board of Directors or Committees thereof, as the Board of Directors may from time to time determine, not exceeding in aggregate one percent of the net profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Companies Act, 2013, or any statutory modification(s) or re-enactment thereof;

RESOLVED FURTHER THAT the Board of Directors of the Company (including the Nomination and Remuneration Committee) be and is hereby authorised to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

14. Change of name of the Company:

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

“**RESOLVED THAT** pursuant to the provisions of Section 13, 14 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, any other applicable law(s), regulation(s), policy(ies) or guideline(s), the provisions of the Memorandum and Articles of Association of the Company and the listing agreement entered into by the

Company with the Bombay Stock Exchange Limited (the “Stock Exchange”) and Madras Stock Exchange (the “Stock Exchange”) and subject to the approval of the Registrar of Companies – Hyderabad (the “ROC”) and other regulatory authorities, as may be applicable, consent of the Shareholders of the Company be and is hereby accorded to change the name of the Company from “Country Club (India) Limited” to “Country Club Hospitality & Holidays Limited”.

RESOLVED FURTHER THAT post aforesaid approvals, the name “Country Club (India) Limited” whereby occurs in the Memorandum and Articles of Association and other documents and papers of the Company be substituted by the name “Country Club Hospitality & Holidays Limited”.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and are hereby authorized to make necessary application(s) and to sign, execute and file all such forms, papers and documents as may be considered necessary or expedient including appointing attorneys or authorized representatives under appropriate Letter(s) of Authority to appear before the office of the ROC and other regulatory authorities, as may be applicable, for making application to give effect to the above resolution and to file required documents and information to the Stock Exchange and such other authority(s) as may be required from time to time and to do all such acts, deeds and things as may be required in this connection”.

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

Y. Rajeev Reddy
Chairman & Managing Director

Place: Hyderabad
Date: 14th August, 2014

Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Annual General Meeting (AGM) is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting.
3. A Proxy Form is annexed to this Report. Members/Proxies should bring duly filled attendance slips sent herewith for attending the meeting along with the copies of Annual Reports to the Annual General Meeting. Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the AGM.
4. As per the provisions of the Companies Act, 2013, Independent Directors are required to be appointed for a term of upto five consecutive years and are not liable to retire by rotation. Accordingly, resolutions proposing appointment

of Independent Directors are given at item nos. 5 to 9. 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.

5. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository Participant for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses with the Company, physical copies of the Annual Report are being sent by the permitted mode. Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 23rd September, 2014 to Tuesday, 30th September, 2014 (both days inclusive).
7. Dividend on Equity Shares, if declared at the Meeting, 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 22nd September, 2014. Dividend warrants are scheduled to be posted on or after 4th October, 2014. 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. Aarthi Consultants Private Limited, 1-2-285, Domalguda, Hyderabad 500 029, for re-validation of the warrants.

8. 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 124 (Section 205A of the erstwhile Companies Act, 1956) in terms of Section 125 of the Companies Act, 2013. 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 Financial Year i.e. 2012 – 13 is 29th October, 2020 and For the Current Financial Year i.e. 2013 – 14 is 29th October, 2021 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.
9. 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.

10. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, 29th August,

2014 are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may approach the Company for issuance of the User ID and Password for exercising their right to vote by electronic means. The e-voting period will commence at 9.00 a.m. on Wednesday, 24th September, 2014 and will end at 5.00 p.m. on Friday, 26th September, 2014. The Login id & password for e-voting along with process manner and instructions for e-voting is being sent to members along with physical copy of the Notice. The Company has appointed Smt. Rashida Adenwala (Membership No. FCS 4020), Practising Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

PROCEDURE FOR E-VOTING

- I. The Company has entered into an arrangement with National Securities Depository Limited (NSDL) for facilitating e-voting for AGM. The instructions for e-voting are as under:
 - (a) **In case of Members receiving an e-mail from NSDL:**
 - a. Open your web browser during the voting period and log on to the e-voting website <https://www.evoting.nsdl.com>
 - b. Click on "Shareholder-Login:
 - c. Put user ID and Password noted in step (a) above as the initial password. Click login. If you are already registered with NSDL for e-voting then you can use your existing User ID and Password for Login.
 - d. If you are logging in for the first time, Password Change Menu appears. Change

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

- e. Home page of "e-voting" opens. Click on "e-voting": Active Voting Cycles.
- f. Select "EVEN (E-Voting Event Number)" of Country Club (India) Limited. For and EVEN, you can login any number of times on e-voting platform of NSDL till you have voted on the resolution during the voting period.
- g. Now you are ready for "e-voting" as "Cast Vote" Page opens.
- h. Cast your vote by selecting appropriate option and click "Submit" and also "Confirm" when prompted. Kindly note that vote once cast cannot be modified.
- i. Institutional members (i.e. members other than individuals, HUF, NRIs, etc.) are also required to send scanned copy (PDF/JPG format) of the relevant board resolution / authority letter, etc. together with the attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through email at : scrutinizer@countryclubmail.com with a copy marked to evoting@nsdl.co.in.
- j. The e-voting period will commence at 9.00 a.m. on Wednesday, 24th September, 2014 and will end at 5.00 p.m. on Friday, 26th September, 2014. During this period members, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall be disabled by NSDL thereafter. Please note

that once the vote on a resolution has been cast, members cannot change it subsequently.

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

11. The results shall be declared on or after the AGM. The results along with the Scrutinizer's Report shall also be placed on the website of the Company.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / M/s. Aarthi Consultants Private Limited, (Unit: Country Club (India) Limited).
13. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements

in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

14. Members holding shares in physical form are requested to notify / send any change in their address to the Company's share transfer agents, M/s. Aarthi Consultants Private Limited, (Unit: Country Club (India) Limited), 1-2-285, Domalguda, Hyderabad - 500 029, Andhra Pradesh, or to the Company at its Registered Office with their Folio Number(s).
15. Members holding shares in dematerialised form are requested to notify/send any changes in their address to the concerned Depository Participant (s).
16. For convenience of the Members and proper conduct of the meeting, entry to the meeting venue will be regulated by Attendance Slip. Members are requested to sign at the place provided on the Attendance Slip and hand it over at the registration counter.
17. 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.

18. 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.

19. Members desiring any information relating to the accounts are requested to write to the Company well in advance so as to enable the management to keep the information ready.

20. 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.

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

Explanatory Statement

[Pursuant to Section 102 (1) of the Companies Act, 2013]

Item # 5 to 8:

In accordance with the relevant provisions of the Articles of Association of the Company and the erstwhile provisions of the Companies Act, 1956, Sri D. V. Ratna Kishore and Sri K. Satyanarayana Raju were appointed by the Company on 30th October, 2006, Sri Indukuri Venkata Subba Raju was appointed by the Company on 01st July, 2008 and Sri Y. Subba Rao was appointed by the Company on 20th March, 2010 as Independent Directors of the Company. The provisions of the Companies Act, 2013 and rules made thereunder and as per Clause 49 of the Listing Agreement, with respect to appointment and tenure of the Independent Directors have come into effect. As per the said provisions, the Independent Directors shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation at every AGM.

The Board of Directors of the Company has decided to adopt the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and the amended Listing Agreement. Accordingly, the Independent Directors will serve for not more than two terms of five years each on the Board of the Company. This is consistent with the provisions of Companies Act, 2013. With the above changes, the Company would not have any upper age limit of retirement of Independent Directors from the Board and their appointment and tenure will be governed by the provisions of Companies Act, 2013.

Sri D. V. Ratna Kishore, Sri K. Satyanarayana Raju , Sri Indukuri Venkata Subba Raju and Sri Y. Subba Rao, who retires by rotation at the Annual General Meeting as per the erstwhile applicable provisions of the Companies Act, 1956, In terms of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule IV to the said Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, In line with the requirements of the Companies Act, 2013, it is therefore proposed to appoint Sri D. V. Ratna Kishore, Sri K. Satyanarayana Raju , Sri Indukuri Venkata Subba Raju and Sri Y. Subba Rao, as Independent Directors on the Board of the Company for a term upto five consecutive years, commencing from 30th September, 2014 not liable to retire by rotation. A brief profile of proposed Independent Directors, including nature of their expertise, is given in the Annexure to this Notice.

The Company has received the notice in writing under the provisions of Section 160 of the Companies Act, 2013, from members proposing the candidature of Sri D. V. Ratna Kishore, Sri K. Satyanarayana Raju, Sri Indukuri Venkata Subba Raju and Sri Y. Subba Rao for the office of Independent Director.

The Company has received from Sri D. V. Ratna Kishore, Sri K. Satyanarayana Raju , Sri Indukuri Venkata Subba Raju and Sri Y. Subba Rao (i) consent in writing to act as directors in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules 2014, and (ii) Intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to effect that they are not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Independent Directors for their appointment, is concerned or interested, financially or otherwise, in the Resolution set forth at Item No. 5 to 8 of the Notice.

The Board recommends the resolution set forth at Item No. 5 to 8 of the Notice for the

approval of the members.

Item # 9:

The Board, at its meeting held on May 30, 2014, appointed Sri Venkateswara Dontireddy Reddy as an Additional Director of the Company pursuant to Section 161 of the Companies Act, 2013, read with Article 94 of Articles of Association of the Company.

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

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

In terms of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule IV to the said Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, In line with the requirements of the Companies Act, 2013, it is therefore proposed to appoint Sri Venkateswara Dontireddy Reddy as Independent Director on the Board of the Company for a term upto five consecutive years, commencing from 30th September, 2014 not liable to retire by rotation. A brief profile of Sri Venkateswara Dontireddy Reddy, including nature of his expertise, is given in the Annexure to this Notice.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Sri Venkateswara Dontireddy Reddy for his appointment, is concerned or interested, financially or otherwise, in the Resolution set forth at Item No. 9 of the Notice.

The Board recommends the resolution set forth in Item no. 9 for the approval of the members.

Item # 10:

The existing Articles of Association (AoA) is based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Act. Hence several provisions of the AoA which have turned redundant either under the Companies Act, 1956 or with the coming into force of the Companies Act, 2013 ("the Act") or to reflect the factual position need to be deleted/altered.

Section 6 of the Act explicitly provides that in case of any conflict between the provisions of the Act, and the Memorandum/Articles of Association of the Company, the provisions of the Act will prevail. In light of the same, substantial changes have not been carried out to the Articles of Association of the Company and existing articles have been streamlined and aligned so as to comply with the requirements of the Act. Provisions of the rules framed under the Act are subject to change which may require frequent alterations in the AoA. Hence we propose to alter only significant provisions of the AoA so as to comply with

provisions of the Act and the rules framed thereunder.

The draft AoA is available for inspection at the registered office of the Company on all working days, except Saturday between 11.00 a.m. and 1.00 p.m.

The Directors recommend the Resolution at Item No. 10 of the accompanying Notice, for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their relatives is directly or indirectly concerned or interested in this Resolution.

Item # 11:

On 1st April, 2011 Country Club (India) Limited (CCIL) has entered into a Memorandum of Understanding (MOU) with Country Condo's Limited (CCL), a company registered under the Companies Act, 1956 and having its registered office located at 8-2-703, Mahogany Complex, ground floor, Amrutha Valley, Road no. 12, Banjara Hills, Hyderabad-34 and which is engaged in the activity of acquiring and selling of lands and other real estate activities for the purpose of availing services from CCL for implementing a scheme for improving its member base whereby a piece of land is given as a free gift

on enrolment of every new member.

Further on 30th June, 2014 in continuation with the Existing Memorandum of Understanding (MOU), the board entered a Supplemental Agreement with CCL with certain modifications.

Further as per the circular issued by Securities and Exchange Board of India (SEBI) dated 17th April, 2014 all existing material related party contracts or arrangements as on the date of this circular which are likely to continue beyond 31st March, 2015 shall be placed for approval of the shareholders in the first General Meeting subsequent to 1st October, 2014. However, a company may choose to get such contracts approved by the shareholders even before 1st October, 2014.

Subsequently, the Board of Directors of the company in their meeting held on 14th August, 2014 has approved the ratification of the related party transaction entered into with CCL on 1st April, 2011 & 30th June, 2014 and hence the Board of Directors recommends the resolution for the Members approval by way of Special resolution.

Information pursuant to Rule 15(3) of Companies (Meetings of Board and its Powers) Rules, 2014:

S. No	Particulars	Details of Existing Agreement entered on 1st April, 2011	Details of Supplemental Agreement entered on 30th June, 2014
1.	Name of the related party	Country Condo's Limited	Country Condo's Limited
2.	Name of the Director or Key Managerial who is related	Rajeev Reddy Yedaguri, Manjula Reddy Yedaguri, Siddharth Reddy Yedaguri, Varun Reddy Yedaguri, Krishna Kumar Raju Datla.	Rajeev Reddy Yedaguri, Manjula Reddy Yedaguri, Siddharth Reddy Yedaguri, Varun Reddy Yedaguri, Krishna Kumar Raju Datla.
3.	Nature of Relationship	Common Directors & Share holders	Common Directors & Share holders
4.	Nature of the contract	Memorandum of Understanding (MOU) entered on 01st day of April, 2011.	Supplemental Agreement in continuation with the existing agreement entered on 01st April, 2011.
5.	Material terms and particulars of the contract	<ul style="list-style-type: none"> a) CCL shall identify lands around various cities across India and acquire them directly or indirectly. b) CCL shall obtain residential land use certificate for the lands so acquired. c) CCL shall develop the lands into layouts by making plots and provide various amenities like roads, electricity, water, drainage etc. by obtaining permissions from relevant civic authorities. d) CCL shall register the said developed plots in the names of the members of CCIL or its nominees by way of executing a gift deed. 	<ul style="list-style-type: none"> a) CCL shall identify lands around various cities across India and acquire them directly or indirectly. b) CCL obtain necessary statutory permissions for conversion of the lands into residential land use from the concerned authorities. c) CCL shall also arrange for making plans and drawings for residential layouts on the lands purchased and get the same approved from the local civic authorities d) CCL shall develop the layouts and provide various amenities like motorable roads, electricity and plantation of trees for common area e) CCL shall hold the inventory of plots in the above developed layouts and transfer the individual plots in favour of the CCIL or in favour of it's members as identified by the CCIL or in favour of any of it's nominees by collecting the additional amount towards registration, documentation, legal, consultation, basic development works like Plot Marking, Plot Numbering, Road Markings, Maintenance etc. as decided by both the parties by mutual consent.

S. No	Particulars	Details of Existing Agreement entered on 1st April, 2011	Details of Supplemental Agreement entered on 30th June, 2014
6.	Consideration payable	CCIL shall pay an amount of ₹12,500/- (Rupees Twelve thousand five hundred only) per plot all inclusive.	1. CCL shall incur all expenditure on their own in procurement, conversion and development of the lands. However, the CCIL may pay advances to the CCL as per mutual agreement from time to time. These advances shall however be adjusted against consideration payable by the CCIL. 2. CCIL shall pay an amount of ₹25,000/- to ₹2,00,000/- per plot of 150 square yards or proportionate thereof (all inclusive).
7.	Any other information relevant or important for the members to take a decision on the proposed resolution	NIL	NIL

The copy of the said contracts will be available for inspection by the members at the Annual General Meeting.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Rajeev Reddy Yedaguri, Manjula Reddy Yedaguri, Siddharth Reddy Yedaguri, Varun Reddy Yedaguri and Krishna Kumar Raju Datla, is concerned or interested, financially or otherwise, in the Resolution set forth at Item No. 11 of the Notice.

The Board recommends the resolution set forth at Item No. 11 of the Notice for the approval of the members.

Item # 12 & 13:

Under the Act, Directors have been entrusted with new responsibilities to make their role more objective and purposeful. Keeping in view the enhanced role, responsibilities and duties of directors, it is considered appropriate that the remuneration payable to the Directors by the Company should be commensurate with their increased role, responsibilities and duties.

Section 197 of the Act provides for payment of remuneration to the directors as under:

- Payment of remuneration to more than one managing director / whole-time director shall not exceed 10% of the net profits of the Company to all such directors; and
- Payment of remuneration to directors who are neither managing directors nor whole-time directors (that is non-executive directors) shall not exceed 1% of the net profits of the Company.

The Board of Directors of the Company has, subject to the approval of members of the Company, proposed to remunerate the Directors as under:

- The executive directors (i.e. the Managing Director and the Whole-time Directors), may be paid remuneration not exceeding in aggregate Ten percent of the net profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Act; and
- The non-executive directors (i.e. directors other than the Managing Director and the Whole-time Directors) may be paid remuneration not exceeding in aggregate one percent of the net profits of the Company for each financial year, as computed in the manner laid down in Section 198 of the Act.

The said remuneration to non-executive directors shall be in addition to the sitting fee payable to them for attending meetings of the Board and Committees thereof.

Save and except all the executive directors of the Company and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 12 of the Notice.

Save and except all the non-executive directors of the Company and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 13 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 12 and Item No. 13 of the Notice for approval by the shareholders.

Item # 14:

The Board of Directors of the Company proposed that in order to ensure that the name of the Company adequately reflects the businesses being carried on by the Company, it is proposed to appropriately change the name of the Company from Country Club (India) Limited to Country Club Hospitality & Holidays Limited. The management of the company is in process of expansion of business and proposes to change the name. So your directors are proposing for the change of the name of the Company pursuant to section 13 and other applicable provisions thereof. In consideration of the above, your directors recommend you to pass the resolution provided above.

The draft copy of the Memorandum of Association of the Company is available for inspection at the Registered Office of the Company on any working day during business hours.

None of the Directors, Key Managerial Personnel and relatives thereof is interested or concerned in the proposed Special resolution except to the extent of their shareholding.

The Directors consider the proposed Special Resolution in the interest of the Company and recommend the same for your approval at AGM or through e-voting process, as the case may be, for passing the Special Resolutions under Item No. 14 as set out in this Notice.

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

Y. Rajeev Reddy
Chairman & Managing Director

Place: Hyderabad
Date: 14th August, 2014

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	: Smt. Y. Manjula Reddy
DIN	: 00115485
Age	: 54 years
Qualification	: MA and MBA
Expertise	: Vast Experience in Management, Administration, Fashion And Interior Designing
Other Directorships	: 6 Public Companies & 4 Private Companies
Shareholding in the Company	: 6654525 (4.07%)
2. Name	: Sri D. V. Ratna Kishore
DIN	: 01017518
Age	: 75 Years
Qualification	: B. Tech.
Expertise	: Vast Experience in Textile Industry
Other Directorships	: NIL
Shareholding in the Company	: NIL
3. Name	: Sri K. Satyanarayana Raju
DIN	: 00979484
Age	: 67 Years
Qualification	: Undergraduate
Expertise	: Vast Experience in Construction and Real Estate
Other Directorships	: NIL
Shareholding in the Company	: NIL
4. Name	: Sri Indukuri Venkata Subba Raju
DIN	: 02274771
Age	: 58 Years
Qualification	: L.M.E
Expertise	: Vast Experience in different Manufacturing Industries
Other Directorships	: NIL
Shareholding in the Company	: NIL
5. Name	: Sri Y. Subba Rao
DIN	: 03030193
Age	: 76 Years
Qualification	: B. Com
Expertise	: Vast Experience in Administration, Finance, Accounts and Audit
Other Directorships	: NIL
Shareholding in the Company	: NIL
6. Name	: Sri Venkateswara Dontireddy Reddy
DIN	: 06955859
Age	: 63 Years
Qualification	: Graduate
Expertise	: Vast Experience in Administration, Finance, Accounts and Audit
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 23rd Annual Report of the Company together with Audited Annual Accounts for the year ended 31st March, 2014.

Financial results

(₹ in Lakhs)

Particulars	Consolidated (Mar' 14)		Standalone (Mar' 14)	
	Current Year	Previous year	Current Year	Previous year
Total Income	49695.01	47,569.86	3,2140.82	31,873.85
Operating profit before interest, depreciation and tax	12,109.71	15,641.31	7918.14	9,517.98
Interest and financial charges	4,668.58	4,477.91	3919.49	4,109.38
Depreciation	4,601.84	4,136.92	2,822.70	2,365.44
Profit before taxation	2,839.29	7,026.48	1,175.96	3,043.16
Tax	1,118.24	1,413.46	1,079.82	1,361.41
Profit after taxation	1,721.05	5,613.03	96.14	1,681.75
Transfer to General Reserves	Nil	Nil	Nil	Nil
Provision for dividend	42.83	89.46	42.83	89.46
Provision for dividend tax	7.28	14.51	7.28	14.51
Surplus carried to Balance Sheet	1,670.94	5,509.05	46.03	1,577.78

Results of operations

During the year under review, the turnover of the Company was ₹496.95 Crores as compared to ₹475.70 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

Keeping in view of the current year's low Profit as compare to previous year's profit your Directors are pleased to recommend a dividend of 5%, only to the Non- Promoter members on the equity share capital of ₹8,56,54,698/- resulting in a cash outflow of ₹50.10 Lacks including Dividend Tax. Dividend on Equity Share Capital for the year ended 31st March, 2014, 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 (₹)
2012 – 2013	2,72,011
2011 – 2012	2,46,973
2010 – 2011	2,34,381
2009 – 2010	2,47,422
2008 – 2009	7,60,834
2007 – 2008	5,44,080
2006 – 2007	7,13,228

Share Capital

Your Company has allotted 7,40,00,000/- new Equity Shares of ₹2/- each to the shareholders of M/s. Amrutha Estates & Hospitality Private Limited (AEHPL) in the Financial Year 2013-14 by virtue of Amalgamation.

The New Paid-up Share Capital of your Company stands at ₹32,69,29,470 (Rupees Thirty Two Crores Sixty Nine Lakhs Twenty Nine Thousand Four Hundred and Seventy Only) as on 31st March, 2014.

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):

The Hon'ble High Court of Andhra Pradesh has passed the order of Amalgamation of M/s. Amrutha Estates & Hospitality Private Limited with your Company on 1st April, 2013 in the Financial Year 2013-14 and the Company has received the said copy of Order on 18th April, 2013, which is being a part of the Memorandum and Articles of Association of the Company. Pursuant to the said Amalgamation, the financials of M/s. Amrutha Estates & Hospitality Private Limited has been considered in the Annual Results of the FY 2013-14.

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	NIL
Foreign Currency Expenditure / Outflow	₹24,64,066/-

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
DIN	00115430
Total Remuneration (in ₹)	₹84,00,000 (36,00,000 is paid as Managing Director Remuneration and ₹48,00,000 is paid towards brand ambassador fee).
Qualification	B. Com (Hons)
Exp. (in years)	27 years
Date of commencement of Employment	17-05-1991
Age	57 years
Last Employment held	Amrutha Group

Directors

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Smt. Y. Manjula Reddy, Director of the Company who retire by rotation at the 23rd Annual General Meeting and being eligible, offer herself for re-appointment. Brief profile of the Director proposed to be re-appointed stating the nature of her expertise in specific functional areas, her shareholding along with other relevant details are given at the end of the Notice of the Annual General Meeting. The Board recommends her reappointment by the Members at the ensuing 23rd Annual General Meeting.

Further Sri D. V. Ratna Kishore, Sri K. Satyanarayana Raju , Sri Indukuri Venkata Subba Raju and Sri Y. Subba Rao, who retires by rotation at the Annual General Meeting, In line with the requirements of the Companies Act, 2013, it is therefore proposed to appoint Sri D. V. Ratna Kishore, Sri K. Satyanarayana Raju , Sri Indukuri Venkata Subba Raju and Sri Y. Subba Rao, as Independent Directors on the Board of the Company for a term upto five consecutive years, commencing from 30th September, 2014 not liable to retire by rotation. A brief profile of proposed Independent Directors, including 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 23rd Annual General Meeting.

Further Sri Venkateswara Dontireddy Reddy, who was appointed as an Additional Director by the Board, proposed to be appointed as Independent Director on the Board of the Company for a term upto five consecutive years, commencing from 30th

September, 2014 not liable to retire by rotation. A brief profile of Sri Venkateswara Dontireddy Reddy including nature of his expertise in specific functional areas, his 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 23rd Annual General Meeting.

None of the directors of the Company are disqualified from being appointed as directors as specified in section 164 of the Companies Act, 2013, as amended.

Directors' Responsibility Statement

As required under Section 217 (2AA) of the Companies Act, 1956, Your Directors hereby state:

- i) That in the preparation of the Annual Accounts for the year ended 31st March 2014, 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 2014 and of the Profit of the Company for the Financial Year ended 31st March 2014.
- 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 2014

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 141 of the Companies Act, 2013. 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 FY 2014-15.

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, 2014

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, Profit and Loss Account 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, 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: 14th August, 2014

Y. Rajeev Reddy
Chairman & Managing Director

Y. Siddharth Reddy
Vice-Chairman, JMD & CEO

Management Discussion and Analysis

The tourism and hospitality industry is one of the largest segments under the services sector of the Indian economy. Tourism in India is a key growth driver and a significant source of foreign exchange earnings. In India, the sector's direct contribution to gross domestic product (GDP) is expected to grow at 7.8 per cent per annum during the period 2013-2023.

The tourism sector in India is flourishing due to an increase in foreign tourist arrivals (FTA) and a larger number of Indians travelling to domestic destinations. According to statistics available with the World Travel and Tourism Council (WTTC), revenues gained from domestic tourism rose by 5.1 per cent in 2013 and is expected to increase by 8.2 per cent this year. Hotels are also an extremely important component of the tourism industry. The Indian hospitality sector has been growing at a cumulative annual growth rate of 14 per cent every year, adding significant amount of foreign exchange to the economy.

The role of the Indian government, which has provided policy and infrastructural support, has been instrumental in the growth and development of the industry. The tourism policy of the government aims at speedy implementation of tourism projects, development of integrated tourism circuits, special capacity building in the hospitality sector and new marketing strategies.

Market size

The total market size of the tourism and hospitality industry in India stood at US\$ 117.7 billion in 2011 and is anticipated to touch US\$ 418.9 billion by 2022.

FTAs during the period January-June 2014 stood at 3.54 million as compared to FTAs of 3.36 million during the corresponding period of 2013, registering a growth of 4.5 per cent. FTAs during June 2014 were 492,000 as compared to 451,000 during June 2013, a growth of 11.5 per cent.

Foreign exchange earnings (FEE) during January-June 2014 stood at Rs 56,760 crore (US\$ 9.44 billion) as compared to FEEs of Rs 51,587 crore (US\$ 8.58 billion) during the same period last year, registering a growth of 17.9 per cent. FEEs during June 2014 were Rs 8,458 crore (US\$ 1.41 billion).

The number of tourists availing the tourist Visa on Arrival (VOA) scheme during January-June 2014 have recorded a growth of 28.1 per cent. During the period, a total number of 11,953 VOAs have been issued as compared to 9,328 VOAs during the corresponding period of 2013.

Investments

The foreign direct investment (FDI) inflows in hotel and tourism sector during the period April 2000-March 2014 stood at US\$ 7,348.09 million,

as per the data released by Department of Industrial Policy and Promotion (DIPP).

Government Initiatives

The Ministry of Tourism has launched a web-based Public Delivery System to ease the process of filing applications by the travel trade service providers seeking recognition from the Ministry, and also to bring in transparency in granting the approvals.

Tripigator.com, a travel planning engine, was launched in Delhi in partnership with Incredible India of Ministry of Tourism, on May 5, 2014. The website instantly generates personalised travel itineraries with fewer inputs and significantly reduces users' efforts by replacing 10 tabs with one tab.

The Ministry has also launched a campaign 'Clean India' to sensitise all sections of the society on the importance of cleanliness and hygiene in public places, particularly monuments and tourist destinations. The campaign is a blend of persuasion, education, training, demonstration and sensitisation of all sections of the society.

The Ministry of Tourism has been making efforts to develop quality tourism infrastructure at tourist destinations and circuits in the country. It has sanctioned Rs 4,090.31 crore (US\$ 680.52 million) for a total number of 1,226 tourism projects, which includes projects related to Product/Infrastructure Development for Destination and Circuits (PIDDC),

Human Resource Development (HRD), Fairs and Festivals, and Adventure and Rural Tourism for infrastructure augmentation.

Niche Tourism Products

The Ministry of Tourism has also taken the initiative of identifying, diversifying, developing and promoting the nascent/upcoming niche products of the tourism industry. This is done in order to overcome the aspect of seasonality to promote India as a 365 days destination, attract tourists with specific interests and to ensure repeat visits for the products in which India has comparative advantage.

Accordingly, the following Niche Products have been identified by the Ministry of

Tourism for development and Promotion:

- i) Cruise
- ii) Adventure

- iii) Medical
- iv) Wellness
- v) Golf
- vi) Polo
- vii) Meetings Incentives Conferences and Exhibitions (MICE)
- viii) Eco-Tourism
- ix) Film Tourism

Road Ahead

India is projected to be number one for growth globally in the wellness tourism sector in the next five years, clocking over 20 per cent gains annually through 2017, according to a study conducted by SRI International.

The government's decision to introduce the electronic visa facility (e-Visa) will give a much needed boost to inbound travel in India. Enforcing the electronic travel authorisation (ETA) before the

next tourism season, which starts in November, will result in a clear jump of at least 15 per cent, and this is only the start.

The hospitality sector in India expects 52,000 new hotel rooms to be added in five years (2013-17), according to a survey by Cushman & Wakefield. This will lead to a rise of over 65 per cent in total hotel inventory in India.

Indian tourism has vast potential for generating employment and earning large sums of foreign exchange besides giving a flip to the country's overall economic and social development. Much has been achieved by way of increasing air seat capacity, increasing trains and railway connectivity to important tourist destinations, four-laning of roads connecting important tourist centers and increasing availability of accommodation by adding heritage hotels to the hotel industry and encouraging paying guest accommodation.

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:

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

2. Board of Directors

a) 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
	Sri Venkateswara Dontireddy Reddy	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, 2014, for which the details are as follows:

No. of Quarters	Quarter I	Quarter II	Quarter III	Quarter IV
Dates of Board Meetings	30th May, 2013	9th July, 2013	14th November, 2013	14th February, 2014
		14th August, 2013		31st March, 2014
		7th September, 2013		

The last Annual General Meeting was held on 30th September 2013.

(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
Sri Y. Rajeev Reddy	14	NIL	5	Yes
Sri Y. Siddharth Reddy	14	NIL	3	No
Sri Y. Varun Reddy	10	NIL	6	Yes
Sri D. Krishna Kumar Raju	7	NIL	5	Yes
Smt. Y. Manjula Reddy	6	NIL	6	No
Sri D. Venkata Krishnam Raju*	NIL	NIL	5	No
Sri D. Venkata Ratna Kishore	NIL	NIL	6	Yes
Sri K. Satyanarayana Raju	NIL	NIL	6	No
Sri Indukuri Subba Raju	NIL	NIL	5	Yes
Sri Y. Subba Rao	NIL	NIL	5	No

¹ The 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.

² In 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.

* Sri D. Venkata Krishnam Raju passed away on 23rd March, 2014, 6 meetings were held during his tenure.

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 14th August, 2014. 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

Mrs. V. Sreelatha, Company Secretary has acted as the Secretary to the Committee w.e.f 7th September, 2013. Prior to that Mr. G. Someswara 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 30th May 2013; 14th August

2013; 14th November 2013 and 14th February 2014. 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	2

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. Nomination and Remuneration Committee

a) The Nomination and 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) During the year, there was no meeting of the members of the Remuneration Committee held, as the remuneration paid to the Director's is the same as of the Previous Year.

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	

Mrs. V. Sreelatha, Company Secretary has acted as the Secretary to the Committee w.e.f 7th September, 2013. Prior to that Mr. G. Someswara Rao, Company Secretary has acted as the Secretary to the Committee.

The total number of complaints received during the year 2013 – 2014 was 02 and all the complaints were resolved. No complaints were outstanding as on 31st March, 2014.

6. General Body Meetings

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

AGM	Year	Venue	Date	Time
22nd	2012-13	Crown Villa Gardens (Le Palais Royal), "Ibrahim Mahal", 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad - 500 003	30-09-2013	11:00 a.m
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.

b) Special resolutions passed in the previous three AGMs

Date of the AGM	No. of Special resolutions passed	Details of the Special Resolutions
30th Sep, 2013	01	<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).
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 (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

c) No Special Resolution was passed through Postal Ballot during the financial year 2013-14.

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 2014-15.

11. General shareholder information:

a) Details of 23rd Annual General Meeting

Date : 30th September, 2014

Time : 11.00 A.M

Venue : Crown Villa Gardens, 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad - 500 003

b) Financial calendar 2014-15 (tentative schedule)

- (i) AGM for the financial year ended on 31st

March, 2015 : Before the end of September, 2015

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

■ 30th June, 2014	: Second Week of August, 2014
■ 30th September, 2014	: Second Week of November, 2014
■ 31st December, 2014	: Second Week of February, 2015
■ 31st March, 2015	: Before the End of May, 2015

c) Date of book closure :

23rd September, 2014 to 30th September, 2014 (both days inclusive)

d) Dividend payment date(s) :

Dividend will be paid on or after 4th October, 2014.

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

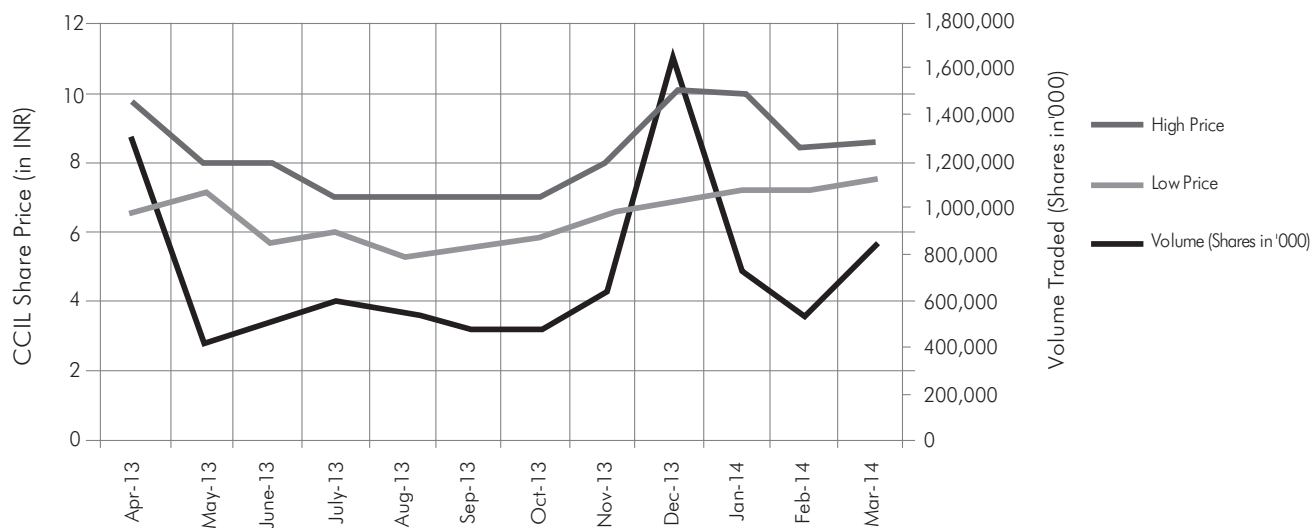
II) Demat ISIN Number

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, 2013	9.44	6.45	12,95,193
May, 2013	7.86	6.87	4,27,173
June, 2013	7.79	5.50	5,14,558
July, 2013	6.75	5.72	6,10,635
August, 2013	6.80	5.14	5,53,763
September, 2013	6.70	5.45	4,76,861
October, 2013	6.98	5.65	4,88,418
November, 2013	7.75	6.28	6,32,045
December, 2013	9.90	6.71	16,46,625
January, 2014	9.60	7.01	7,33,322
February, 2014	8.30	6.94	5,23,171
March, 2014	8.29	7.17	8,55,458



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, 2013	9.44	6.45	7.33	19,622.68	18,144.22	19,504.18
May, 2013	7.86	6.87	7.00	20,443.62	19,451.26	19,760.30
June, 2013	7.79	5.50	6.21	19,860.19	18,467.16	19,395.81
July, 2013	6.75	5.72	5.87	20,351.06	19,126.82	19,345.70
August, 2013	6.80	5.14	5.76	19,569.20	17,448.71	18,619.72
September, 2013	6.70	5.45	6.00	20,739.69	18,166.17	19,379.77
October, 2013	6.98	5.65	6.37	21,205.44	19,264.72	21,164.52
November, 2013	7.75	6.28	6.70	21,321.53	20,137.67	20,791.93
December, 2013	9.90	6.71	9.39	21,483.74	20,568.70	21,170.68
January, 2014	9.60	7.01	7.20	21,409.66	20,343.78	20,513.85
February, 2014	8.30	6.94	7.80	21,140.51	19,963.12	21,120.12
March, 2014	8.29	7.17	7.65	22,467.21	20,920.98	22,386.27

Stock Performance



i) Registrar and transfer agent

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

j) Share Transfer system is maintained by

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

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, 2014:

No. of Shares Slab	No. of Shareholders		No. of Shares		Share Amount	
	Total	%	Total	%	Total (₹)	%
1 – 5000	16248	88.96	9456434	5.78	18912868	5.78
5001 – 10000	1037	5.68	3874786	2.37	7749572	2.37
10001 – 20000	489	2.68	3700560	2.26	7401120	2.26
20001 – 30000	138	0.76	1756468	1.07	3512936	1.07
30001 – 40000	77	0.42	1391820	0.85	2783640	0.85
40001 – 50000	58	0.32	1326502	0.81	2653004	0.81
50001 – 100000	99	0.54	3507754	2.15	7015508	2.15
100001 & Above	118	0.65	138450411	84.7	276900822	84.7
TOTAL	18264	100	163464735	100	326929470	100

m) Shareholding Pattern:

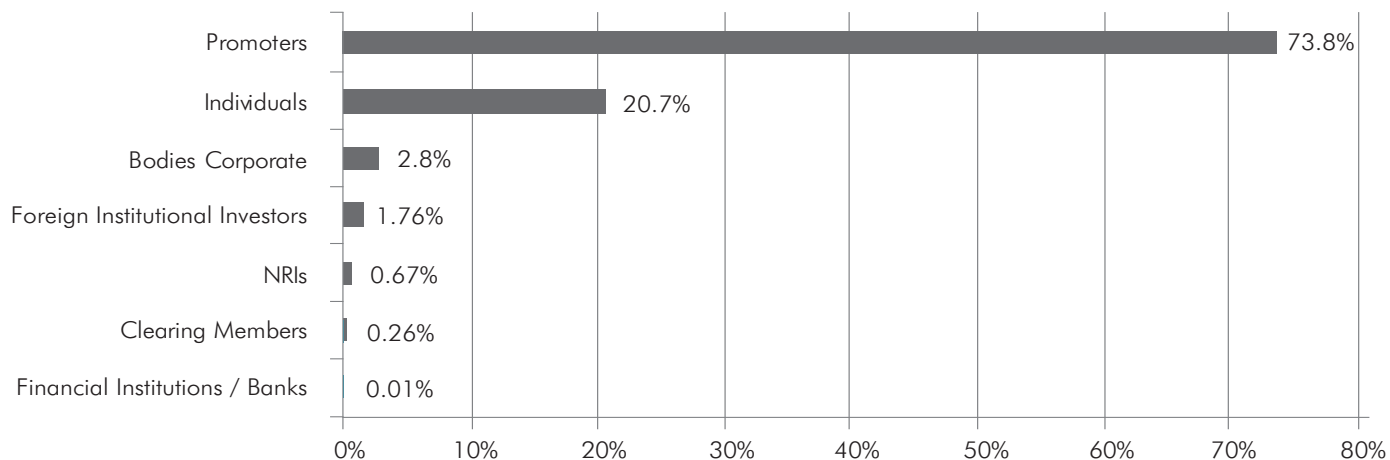
Category of Shareholder	As on 31st March, 2014			As on 31st March, 2013		
	No. of Shareholders	Total No. of shares	%	No. of Shareholders	Total No. of shares	%
Promoter's Holding						
Indian Promoters ¹	5*	120637386	73.8	5*	46637386	52.13
Total Promoter's Holding (A)	5*	120637386	73.8	5*	46637386	52.13
Public Shareholding²						
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	1.76	4	2880729	3.22
Foreign Companies	Nil	Nil	Nil	Nil	Nil	Nil
Non-Institutional Investors						
Bodies Corporate	232	4571458	2.8	294	5266404	5.89
Individuals	17789	33850231	20.7	18689	33547459	37.50
Others						
Non Resident Indians	176	1088339	0.67	180	1070924	1.20
Overseas Corporate Bodies	Nil	Nil	Nil	Nil	Nil	Nil
Trusts	Nil	Nil	Nil	Nil	Nil	Nil
Clearing Members	56	423593	0.26	19	48834	0.05
Total Public Shareholding (B)	18259	42827349	26.2	19188	42827349	47.87
Shares held by Custodian against Depository Receipts (C)	Nil	Nil	Nil	Nil	Nil	Nil
TOTAL (A+B+C)	18264	163464735	100	19193	89464735	100

¹ For definitions of "Promoter Shareholding" and "Promoter Group", refer to Clause 40A of Listing Agreement.

² For definition of "Public Shareholding", refer to Clause 40A of the Listing Agreement.

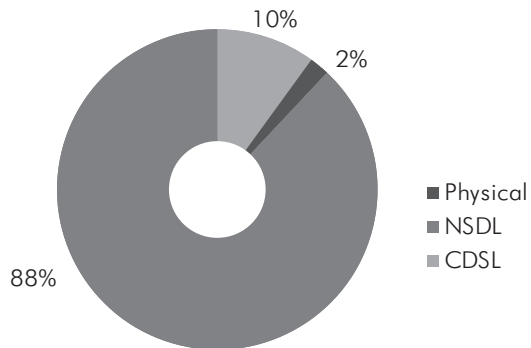
*As per disclosure under regulation 30(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, furnished by the promoters.

Graph representing the Shareholding Pattern as on 31st March 2014:



n) Dematerialisation of shares and liquidity

Shares held in Physical and Dematerialised form as on 31st March, 2014



o) 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

Place: Hyderabad
Date: 14th August, 2014

Y. Rajeev Reddy
Chairman & Managing Director

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

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, 2014 Compliance with the Code of Conduct of the Company laid down for them.

Place: Hyderabad
Date: 14th August, 2014

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, 2014 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 am 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: 14th August, 2014

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, 2014 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. 023412)

Place : Hyderabad
Date : 14th August, 2014

Independent Auditors' Report on Consolidated Financials

To
The Members of
Country Club (India) Limited

Report on Consolidate Financial Statements:

We have audited the accompanying consolidated financial statements of Country Club (India) Limited ("the Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2014, and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements:

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 Company in accordance with accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated 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 consolidated 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 consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, 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 Company'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, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. 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 consolidated financial statements.

We did not audited the financial statements of its two subsidiaries namely Country Club Babylon resorts private limited, Srilanka and Country vacations international limited, Dubai whose total revenue amounting to ₹165,52,21,583/- and total assets amounting to ₹610,27,08,245/- was considered for the purpose of financial statements. These financial statements have been audited by Jawaamil Associates, Chartered Accountants, Colombo, Srilanka and Horwath MAK, Auditors ,Dubai respectively whose reports have been furnished to us for the purpose of consolidation and our opinion in so far as it relates to the amounts included in respect of the subsidiaries are based solely on reports of the other auditors.

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 consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- In the case of the consolidated Balance Sheet, of the state of affairs of Group as at March 31, 2014;
- In the case of the consolidated Statement of Profit and Loss Account, of the profit for the year ended on that date; and
- In the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For **P. Murali & Co.,**
Chartered Accountants
Firm's Registration Number: 0072575

P. Murali Mohana Rao
Partner
Membership Number: 023412

Place : Hyderabad
Date : 30-05-2014

Consolidated Balance Sheet as at March 31, 2014

(Amount in ₹)

Particulars	Note Nos.	As at 31-03-2014	As at 31-03-2013
I EQUITY AND LIABILITIES			
1. Shareholders Funds			
(a) Capital	1	326,929,470	178,929,470
(b) Reserves & Surplus	2	9,415,507,287	9,142,982,809
2. Non-Current Liabilities			
(a) Long - Term Borrowings	3	3,001,736,067	2,326,221,088
(b) Deferred Tax Liabilities (Net)	4	557,938,817	455,022,987
(c) Deferred Income - Advance towards Members Facilities		65,937,771	99,342,374
(d) Other Long Term Liabilities	5	17,080,254	11,005,038
(e) Long Term Provisions	6	16,121,333	13,008,035
3. Current Liabilities			
(a) Trade Payables	7	243,298,805	430,446,786
(b) Deferred Income - Advance towards Members Facilities		33,418,222	67,984,769
(c) Other Current Liabilities	8	1,638,708,289	1,507,859,254
(d) Short - Term Provisions	9	725,326,580	404,157,471
TOTAL		16,042,002,895	14,636,960,081
II ASSETS			
1. Non - Current Assets			
(a) Fixed Assets	10		
(i) Tangible Assets		10,741,193,535	8,878,613,590
(ii) Intangible Assets		843,649,240	708,507,356
(iii) Capital Work in progress		1,797,914,378	1,892,310,232
(b) Long-Term Loans and Advances	11	863,076,001	1,161,857,723
(c) Other Non Current Assets	12	395,029	573,843
2. Current Assets			
(a) Current Investments	13	1,323,000	323,000
(b) Inventories	14	36,916,260	40,992,486
(c) Trade Receivables	15	135,877,284	108,988,599
(d) Cash and Cash Equivalents	16	243,832,584	231,334,227
(e) Short-Term Loans and Advances	17	1,085,979,672	1,550,005,209
(f) Other Current Assets	18	291,845,912	63,453,816
TOTAL		16,042,002,895	14,636,960,081

Significant Accounting Policies & Notes to Financial Statements

1 to 42

As per our report of even date

for **P. Murali & Co.**
Chartered Accountants
FRN: 0072575

P. Murali Mohana Rao
Partner
Membership No. 023412
Place: Hyderabad
Date : 30-05-2014

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

V. Sreelatha
Company Secretary

Statement of Consolidated Profit and Loss for the year ended March 31, 2014

(Amount in ₹)

Particulars	Note Nos.	Ended 31-03-2014	Ended 31-03-2013
1. INCOME			
Revenue From Operations	19	4,957,896,039	4,713,993,192
Other Income	20	11,605,672	42,993,021
TOTAL REVENUE		4,969,501,711	4,756,986,213
2. EXPENDITURE			
Cost of Material Consumed	21	166,615,132	160,605,216
Employee Benefit Expenses	22	1,700,607,461	1,491,580,339
Finance Cost	23	466,856,996	447,791,218
Depreciation and Amortisation Expenses	10	460,184,404	413,692,372
Other Expenses	24	1,891,308,540	1,540,668,778
TOTAL EXPENDITURE		4,685,572,533	4,054,337,923
3. PROFIT			
Profit Before Exceptional and Tax (1 - 2)		283,929,178	702,648,290
Profit Before Tax		283,929,178	702,648,290
Tax Expense:			
- Current Tax		24,648,698	61,474,005
- Deferred Tax		87,175,743	79,871,665
Profit for the Year		172,104,737	561,302,620
Earning Per Share			
- Basic		1.20	6.27
- Diluted		1.20	6.27

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. 023412

Y. Rajeev Reddy
Chairman & Managing Director

Y. Siddharth Reddy
Vice-Chairman, JMD & CEO

V. Sreelatha
Company Secretary

Place: Hyderabad
Date : 30-05-2014

Consolidated Cash Flow Statement for the year ended March 31, 2014

(Amount in ₹)

Particulars	Current Year	Previous Year
I. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit Before Tax	283,929,178	702,648,290
Adjustments for : -		
Depreciation	460,184,404	413,692,372
Interest Paid	466,856,996	447,791,218
Foreign Currency Translation Reserve	104,025,033	107,157,054
Excess Amount Charged in Reserves & Surplus	1,184,704	-
Excess Amount Charged in Deferred tax Liability	15,740,087	-
Interest Income	(1,074,915)	(12,838,100)
Operating Cash Flow before Working Capital Changes	1,330,845,487	1,684,127,034
(Increase) / Decrease in Inventory	4,076,226	(8,047,041)
(Increase) / Decrease in Trade Receivables	(26,888,685)	(26,818,367)
(Increase) / Decrease in Short Term Loans & Advances	464,025,537	45,426,468
(Increase) / Decrease in Current Investments	(1,000,000)	-
(Increase) / Decrease in Other Current Assets	(228,392,096)	36,088,286
Increase / (Decrease) in Deferred Income(Current)	(34,566,547)	(14,219,268)
Increase / (Decrease) in Trade Payables	(187,147,981)	75,115,686
Increase / (Decrease) in Other Current Liabilities	130,849,035	219,069,053
Increase / (Decrease) in Short Term Provisions	291,509,825	(25,780,038)
CASH GENERATED FROM OPERATIONS	1,743,310,801	1,984,961,812
Add: Prior Period Expenses	-	-
Less: Income Tax Paid	-	-
CASH GENERATED FROM OPERATING ACTIVITIES	1,743,310,801	1,984,961,812
II. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase/Sale of fixed Assets	(2,457,906,233)	(390,063,799)
Capital Work in Progress, Pre-operative Expenses	94,395,854	(1,335,687,200)
Interest Income	1,074,915	(12,838,100)
Misc Expenses	178,814	178,816
(Increase) / Decrease in Long Term Loans & Advances	298,781,722	272,884,075
NET CASH AVAILABLE FROM INVESTING ACTIVITIES	(2,063,474,928)	(1,465,526,208)
III. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds of Share Capital	148,000,000	-
Proceeds/(Repayment) of Loan	675,514,979	(61,805,476)
Statutory Reserves	220,590	360,750
Interest Paid	(466,856,996)	(447,791,218)
Increase / (Decrease) in Other Long Term Liabilities	9,188,514	(880,707)
Proceeds/(Repayment) of Membership Fees	(33,404,603)	(67,932,337)
NET CASH USED IN FINANCING ACTIVITIES	332,662,484	(578,048,989)
NET INCREASE IN CASH AND CASH EQUIVALENTS (I+II+III)	12,498,357	(58,613,385)
Opening Balance of Cash & Cash Equivalents	231,334,227	289,947,613
Closing Balance of Cash & Cash Equivalents	243,832,584	231,334,227

As per our report of even date

for **P. Murali & Co.**

Chartered Accountants

FRN: 007257S

P. Murali Mohana Rao

Partner

Membership No. 023412

Place: Hyderabad

Date : 30-05-2014

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

V. Sreelatha

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, 2014. 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, 2014 to the members of the Company.

Yours faithfully,

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

Place : Hyderabad
Date : 30-05-2014

P. Murali Mohana Rao
Partner

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014

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.

Based of preparation of financial Statement:

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles ("GAAP") under the historical cost convention basis, GAAP companies mandatory accounting standards as specified in the Companies (Accounting Standards) Rule, 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 subsidiary 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.

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.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014

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.

The management estimates the useful lives for the fixed assets as follows:

Buildings	30 years
Furniture & fixtures	16 years
Plant & Machinery	20 years
Computers	6 years
Vehicles	10 years
Software & Development	6 years

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 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

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014

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 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.

Investments

Trade investments are the investments made to enhance the group's business interest. Investments are classified either as current or long term investments based on the management's intention at the time of purchase. Current investments are carried at the lower of cost and fair value of each investment individually. Cost for overseas investments comprises the Indian rupee value of the consideration paid for the investment translated at the exchange rate prevalent at the date of investment. Long term investments are carried at cost less provision recorded to recognize any decline, other than temporary, in the carrying value of each investment.

Cash and Cash equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The group considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

Cash Flow Statement

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of non cash nature, any deferrals, accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing or financing activities of the group are segregated.

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 Consolidated Financial Statements for the year ended 31st March, 2014

(Amount in ₹)

Particulars	As at 31-03-2014	As at 31-03-2013
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:	326,929,470	178,929,470
163464735 Equity Shares (Previous Year 89464735 Equity Shares)		
	326,929,470	178,929,470
Par Value per Share	2	2

Notes:

1a. Terms /rights attached to equity shares

- 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
- The Dividend proposed by the Board of Directors is subject to approval of the Shareholders in the Annual General Meeting
- For the year ended March 31,2014 the amount of per share dividend proposed for non promoter equity shareholders is ₹0.10. The total dividend appropriation for the year ended March 31,2014 amounted to ₹42,82,375 and tax on proposed dividend of ₹7,27,851

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 - Amalgamation	74,000,000	
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	163,464,735	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	106,337,986	33,788,386
- % held in the Company	65.05	37.77
Y. Manjula Reddy		
- No of Shares		6,647,125
- % held in the Company		7.42

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014

(Amount in ₹)

Particulars	As at 31-03-2014	As at 31-03-2013
NOTE NO. 2: RESERVES AND SURPLUS		
Capital Reserve		
As per last year Balance Sheet	308,740,299	308,740,299
Add: Current Year Transfer		
	308,740,299	308,740,299
Securities Premium Account	4,966,551,969	4,966,551,969
Foreign Currency Translation Reserve	494,790,656	390,765,623
Revaluation Reserve	43,655,099	43,655,099
Statutory Reserve	2,439,765	2,219,175
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	3,347,750,644	2,796,845,840
Add: Subsequent period to Amalgamation	1,184,704	–
Add: Current year Profit	172,104,737	561,302,620
	3,521,040,085	3,358,148,460
Appropriations:		
Transfer to General Reserve	–	–
Proposed Final Dividend on Equity Shares	4,282,735	8,946,474
Tax on Proposed Dividend	727,851	1,451,342
	5,010,586	10,397,816
	3,516,029,499	3,347,750,644
	9,415,507,287	9,142,982,809

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014

(Amount in ₹)

Particulars	As at 31-03-2014	As at 31-03-2013
NOTE NO. 3: LONG-TERM BORROWINGS		
Secured		
Term loans From Banks		
- Oriental Bank of Commerce Loan	39,999,687	81,515,832
- Oriental Bank of Commerce Loan - 2 (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	20,000,000	30,506,126
- UBI Loan (for repayment of FCCBs and secured by way of Hypothecation of Land & Buildings)	338,700,000	379,200,000
- Vijaya Bank Loan (for repayment of FCCBs and secured by way of Hypothecation of Land & Buildings)	248,888,887	269,788,887
- Bank of India Loan (for repayment of FCCBs and secured by way of Hypothecation of Land & Buildings)	147,627,678	162,627,678
- Central Bank of India (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	426,620,000	-
- Canara Bank (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	484,906,836	-
- Saraswat Co Op Bank Loan I	35,978,741	87,499,999
- Saraswat Co Op Bank Loan II (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	317,742,869	400,000,000
- Cosmos Bank Loan I	37,466,580	67,158,623
- Cosmos Bank Loan II	50,026,027	89,834,740
- Cosmos Bank Loan III (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	239,208,954	241,846,000
- Ratnakar Bank Loan - I	-	63,067,735
- Ratnakar Bank Loan - II (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	-	67,673,404
- National Bank of Fujiah - NBF (for expansion of existing Hotel and Mortgage of Country Club Hotel, Dubai .)	570,498,431	206,074,247
Equipment Finance (Loan from Citibank, HDFC Bank & Saraswath Co-Op Bank Ltd for Vehicles and the same were secured by way of hypothecation of the Vehicles)	1,125,968	773,569
Lease Finance (Loan from NOIDA Authority for Plot and the same was secured)	-	15,282,000
Term loans From Other Parties		
- Religare Finvest Ltd - Loan (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	10,204,141	23,852,200
- Karvy Financial Services limited (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	-	60,000,000
	2,968,994,799	2,246,701,040
Unsecured		
Loans and Advances From Related Parties		
- Y. Rajeev Reddy	23,373,995	23,373,995
- Y. Varun Reddy	-	45,980,000
- Amrutha Estates & Hospitality Pvt Limited	-	59,020
- Zen Garden Hotel Pvt Ltd	2,743,979	2,082,895
- Bright Resorts	-	590,280
- Country Condos-Bang	49,020	49,020
Other Loans and Advances	6,574,274	7,384,838
	32,741,268	79,520,048
Total	3,001,736,067	2,326,221,088

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014

(Amount in ₹)

Particulars	As at 31-03-2014	As at 31-03-2013
NOTE NO. 4: DEFERRED TAX LIABILITIES (NET)		
Opening Deferred tax Liability	455,022,987	375,151,322
Add: Deferred Tax Liability from Amalgamation	15,740,087	–
Add: Deferred Tax Liability for the year (Due to SLM and WDV Difference)	87,175,743	79,871,665
	557,938,817	455,022,987

NOTE NO. 5: OTHER LONG-TERM LIABILITIES

Unsecured		
Deposits	17,080,254	11,005,038
	17,080,254	11,005,038

NOTE NO. 6: LONG-TERM PROVISIONS

Employees' end of service benefits	16,121,333	13,008,035
	16,121,333	13,008,035

NOTE NO. 7: TRADE PAYABLES

Total Outstanding Dues to Micro and Small Enterprises	–	–
Others	243,298,805	430,446,786
	243,298,805	430,446,786

NOTE NO. 8: OTHER CURRENT LIABILITIES

Current Maturities of Long-Term Debt	1,026,678,571	673,902,740
Advance Received from Customers	3,198,565	11,501,614
Unpaid Dividends	3,016,470	2,746,919
Dues to Statutory Authorities	107,524,556	29,062,411
Other Liabilities	243,079,543	564,221,885
Creditors for Capital Goods	255,210,584	226,423,685
	1,638,708,289	1,507,859,254

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014

(Amount in ₹)

Particulars	As at 31-03-2014	As at 31-03-2013
NOTE NO. 9: SHORT-TERM PROVISIONS		
Provision for Employee Benefits		
- Salaries Payable (Includes Incentives)	421,744,981	183,070,460
- PF Payable	20,784,097	8,070,013
- ESIC Payable	8,049,975	4,159,033
- PT Payable	4,130,547	2,684,319
Others		
- Provision for Income Tax	24,648,698	61,474,005
- TDS Payable	84,924	17,934,826
- Consultancy & Profesional Charges Payable	2,916,490	1,561,654
- Provision for Expenses	237,956,282	114,805,345
- Proposed Dividend	4,282,735	8,946,474
- Tax on Proposed Dividend	727,851	1,451,342
	725,326,580	404,157,471

NOTE NO. 10: CONSOLIDATED FIXED ASSETS

(Amount in ₹)

Particulars	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	Gross Block as on 01-04-2013	Additions during the year	Deletions/ adjustments during the year	Gross Block as on 31-03-2014	Depreciation upto 01-04-2013	Accumulated Depreciation Amalgamation	Depreciation during the year	Deletion/ adjustments depreciation during the year	Depreciation as on 31-03-2014	Net Block as on 31-03-2014	Net Block as on 31-03-2013
Tangible Assets											
Land & Site Development	587,077,001	142,925,640		730,002,641				-	-	730,002,641	587,077,001
Building	8,417,558,197	1,424,475,737		9,842,033,934	957,464,787	6,322,825	308,840,094	-	1,272,627,706	8,569,406,228	7,460,093,410
Furniture & Fixtures	722,223,034	618,763,356	6,955,286	1,334,031,104	313,415,511	19,997,217	86,361,088	6,727,152	413,046,664	920,984,440	408,807,523
Plant & Machinery	614,860,086	129,169,017		744,029,103	248,390,452	1,972,726	39,620,822	-	289,984,000	454,045,103	366,469,634
Computers	88,318,144	15,400,481		103,718,625	62,519,316	733,267	12,562,003	-	75,814,586	27,904,039	25,798,827
Vehicles	80,999,523	18,352,261	1,192,114	98,159,670	50,632,327	837,074	8,485,036	645,851	59,308,586	38,851,084	30,367,195
Total - A	10,511,035,984	2,349,086,492	8,147,400	12,851,975,077	1,632,422,394	29,863,109	455,869,043	7,373,003	2,110,781,542	10,741,193,535	8,878,613,590
Previous Year	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
Intangible Assets											
Goodwill	680,175,238	138,698,915		818,874,153					-	818,874,153	680,175,238
Brand Development	9,474,059			9,474,059	6,316,039		1,052,673		7,368,712	2,105,347	3,158,020
Software & Development	21,247,881	797,715		22,045,596	7,463,544	39,385	3,262,688		10,765,617	11,279,979	13,784,337
Intangible Assets	11,389,761			11,389,761			-		-	11,389,761	11,389,761
Total - B	722,286,939	139,496,630	-	861,783,569	13,779,583	39,385	4,315,361	-	18,134,329	843,649,240	708,507,356
Previous Year	709,717,133	12,569,806		722,286,939	11,129,499		2,650,084		13,779,583	708,507,356	698,587,634
Grand Total - A+B	11,233,322,923	2,488,583,122	8,147,400	13,713,758,646	1,646,201,977	29,902,494	460,184,404	7,373,003	2,128,915,870	11,584,842,775	9,587,120,946
Total Previous Year	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	9,610,749,521

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014

(Amount in ₹)

Particulars	As at 31-03-2014	As at 31-03-2013
NOTE NO. 11: LONG-TERM LOANS AND ADVANCES		
Unsecured Considered Good		
Capital advance	285,774,453	372,439,560
Security Deposit	259,706,908	238,437,981
Loans and Advances to Related Parties		
- Country Club International, Dubai	-	537,218
Country Club Canada Holdings Limited, Canada	-	413,210
Country Club Fitness Center, Abu Dhabi	-	6,271,581
Others	23,343,525	-
Other loans And advances	294,251,115	543,758,173
	863,076,001	1,161,857,723
NOTE NO. 12: OTHER NON-CURRENT ASSETS		
Unamortised Selling and Preliminary Expenses		
Selling Deferred Expenses	356,325	534,488
Preliminary Expenses Not Written off	38,704	39,355
	395,029	573,843
NOTE NO. 13: CURRENT INVESTMENTS		
Investment-The Saraswat Co-op Bank	25,000	25,000
Investment-CANARA ROBECO Mutual Fund	1,000,000	-
The Cosmos Co-op Bank	100,000	100,000
Investment - 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
	1,323,000	323,000
NOTE NO. 14: INVENTORIES		
Inventories (at lower of cost & net realisable value) stores		
Food, Beverages, Smokes & Operating Supplies	17,162,429	17,204,167
Gifts	19,753,831	23,788,319
	36,916,260	40,992,486
NOTE NO. 15: TRADE RECEIVABLES		
Receivables outstanding for more than six months from the date they are due for payment Unsecured & Considered Good	3,245,637	2,935,774
Receivables outstanding for less than six months from the date they are due for payment Unsecured & Considered Good	132,631,647	106,052,825
	135,877,284	108,988,599

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014

(Amount in ₹)

Particulars	As at 31-03-2014	As at 31-03-2013
NOTE NO. 16: CASH AND CASH EQUIVALENTS		
Cash on hand	17,054,046	37,277,963
Balances with banks :		
- Current Accounts	192,778,570	170,851,255
- Fixed Deposits - with maturity of less/more than	30,919,067	20,394,773
Earmarked Accounts		
- Unpaid Dividend Accounts	3,080,901	2,810,236
	243,832,584	231,334,227

NOTE NO. 17: SHORT-TERM LOANS AND ADVANCES

Advance to Suppliers	5,093,458	2,924,184
Loans and Advances to Employees	63,599,193	79,917,953
Advances Recoverable in Cash or Kind - (Unsecured, Considered Good)	989,238,168	1,441,842,653
Advances with Statutory Authorities	28,048,853	25,320,419
	1,085,979,672	1,550,005,209

NOTE NO. 18: OTHER CURRENT ASSETS

VAT Receivables	11,582,809	11,203,335
TDS/TCS Receivables	6,746,774	5,822,616
Prepaid Expenses	249,899,545	46,353,850
Interest Accrued on Deposits	-	63,413
Service Tax Credit Receivables	23,616,784	10,602
	291,845,912	63,453,816

NOTE NO. 19: REVENUE FROM OPERATIONS

Sales of Services		
Income from Sale of Membership & Vacation Ownership	3,704,180,841	3,548,461,027
Income from Hotel, Clubs & Resorts		
- Guest Accommodation	448,165,912	477,529,934
- Food & Beverages from Restaurant & Banquets	173,240,198	190,040,032
- Others (Including Facilities)	314,643,494	247,829,439
Annual Subscription Fee	317,665,594	250,132,760
	4,957,896,039	4,713,993,192

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014

(Amount in ₹)

Particulars	Ended 31-03-2014	Ended 31-03-2013
NOTE NO. 20: OTHER INCOME		
Interest Income		
- On Deposits with Bank	1,074,915	12,838,100
Miscellaneous Income/Lease Rent	10,530,757	30,154,921
	11,605,672	42,993,021

NOTE NO. 21: COST OF MATERIAL CONSUMED

Opening Stock of Food & Beverages, Stores and Operating Supplies	17,204,167	14,194,580
Add: Purchases	166,573,394	163,614,803
Less: Closing Stock of Food & Beverages, Stores and Operating Supplies	17,162,429	17,204,167
	166,615,132	160,605,216

NOTE NO. 22: EMPLOYEE BENEFIT EXPENSES

Salaries & Other Benefits	1,619,117,841	1,422,494,338
Contribution to Provident & Other Funds	42,920,867	39,683,704
Staff Welfare Expenses	38,568,753	29,402,297
	1,700,607,461	1,491,580,339

NOTE NO. 23: FINANCE COST

Interest on Term Loans	466,856,996	432,423,765
Interest on other borrowings	—	15,367,453
	466,856,996	447,791,218

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014

(Amount in ₹)

Particulars	Ended 31-03-2014	Ended 31-03-2013
NOTE NO. 24: OTHER EXPENSES		
Upkeep & Service Cost		
- Building Maintenance	4,511,350	3,342,207
- Repairs, Maintenance to other assets.	31,372,892	23,700,389
- Vehicle Maintenance & Running Exp.	5,203,813	4,269,435
- Other Maintenance	81,948,514	75,032,772
Power & Fuel	142,068,245	133,921,517
Rent including Lease Rent	373,910,287	224,015,916
Rates & Taxes	56,676,317	57,512,788
Insurance	12,363,108	9,910,629
Finance Charges	189,039,210	129,671,097
Travelling & Conveyance	99,038,543	84,137,833
Printing & Stationery	40,194,340	56,020,044
Postage, Telegram & Telephones	113,069,316	97,205,881
Advertisement & Other Marketing Expenses	474,048,647	379,657,132
Other Administrative Expenses	174,626,238	172,821,523
Miscellaneous Expenses Written Off	178,814	178,814
Legal & Professional Charges.	91,845,747	88,067,260
Auditors Remuneration Includes		
- Audit Fee	713,159	703,541
- For Taxation Matters	200,000	200,000
- For Other Services	300,000	300,000
	1,891,308,540	1,540,668,778

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014

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	36,00,000
2	Mr. Y. Siddharth Reddy	Vice-Chairman, JMD & CEO	30,00,000
3	Mr. Y. Varun Reddy	Vice-Chairman, JMD & COO	30,00,000
4	Mr. D. Krishna Kumar Raju	Vice-Chairman & Executive Director	30,00,000

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	7,13,159	703,541
Tax Audit Fee	2,00,000	200,000
Certification Fee	3,00,000	300,000

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.

ii) Income of the Company includes the following:

(Amount in ₹)

Particulars	Current year	Previous year
Guest Accommodation, Restaurants & Banquets	936,049,604	915,399,404
Subscription from Members & Others	4,021,846,435	3,798,593,788
Other Income	11,605,672	42,993,021
Total	4,969,501,711	4,756,986,213

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014

iii) Consumption of Provisions and Stores:

(Amount in ₹)

Provisions & Stores	Opening Stock	Purchases	Closing Stock	Consumption
Current year	1,72,04,167	16,65,73,394	1,71,62,429	16,66,15,132
Previous year	1,41,94,580	16,36,14,803	1,72,04,167	16,06,05,216

NOTE NO. 29

Earnings and Expenditure in Foreign Currency

a) Foreign Currency expenditure/out flow as follows

(Amount in ₹)

Particulars	Current Year	Previous Year
Travelling expenses	24,64,066	46,13,530
Legal Expenses	-	7,62,808

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.

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	2,46,48,698	6,14,74,005
Deferred Tax	8,71,75,743	7,98,71,665

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014

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.	Zen Garden Hotel Pvt Ltd	Associate Company
3.	Country Condos' Limited	Associate Company
4.	Aquarian Realtors Pvt Ltd	Subsidiary Company
5.	International Country Holidays Private Limited (formerly known as Aakruti Engineers Private Limited)	Subsidiary Company
6.	Bush Betta Holiday Ownership Wildlife Adventure Resort Pvt Ltd	Subsidiary Company
7.	Country Club Babylon Resorts Pvt Ltd	Subsidiary Company
8.	J.J. Arts & Entertainments Pvt Ltd	Subsidiary Company
9.	Kolet Resort Club Pvt Ltd	Subsidiary Company
10.	Bright Resorts Pvt Ltd	Subsidiary Company
11.	Chanakyapuri Resorts Pvt Ltd	Subsidiary Company
12.	Jade Resorts Pvt Ltd	Step-Down Subsidiary Company
13.	Maruti Waterpark & Entertainments Pvt Ltd	Subsidiary Company
14.	Country Vacations International Ltd – India	Subsidiary Company
15.	Swimwel Investment & Trading Pvt Ltd	Subsidiary Company
16.	Swami Vivekanand Training & Education Centre Pvt Ltd	Subsidiary Company
17.	Country Vacations International LLC – Dubai	Step-Down Subsidiary Company
18.	Country Vacations International Ltd – Dubai	Subsidiary Company
19.	Country Vacations International LLC – Oman	Step-Down Subsidiary Company
20.	Y. Rajeev Reddy	CMD
21.	Country Club & Vacations W.L.L – Qatar	Step-Down Subsidiary Company
22.	Y. Manjula Reddy	Director
23.	Y. Varun Reddy	Vice-Chairman, JMD & COO
24.	Club Arzee Ltd	Subsidiary Company
25.	Country Vacations International LLC–Abu Dhabi	Step-Down Subsidiary Company
26.	Country Vacations International W.L.L – Bahrain	Step-Down Subsidiary Company
27.	Country Vacations International – Dubai	Associate Company
28.	Country Vacations International SDN BHD, Malaysia	Step-Down Subsidiary Company
29.	Country Club International Limited – London	Step-Down Subsidiary Company

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	21,00,000	7,20,000	56,46,110
Directors Remuneration	-	-	1,26,00,000
Brand Ambossador Fee	-	-	48,00,000

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014

NOTE NO. 35

The Basic and Diluted EPS is Calculated as under

Particulars	31st March, 2014	31st March, 2013
a) Profit after Tax (₹)	17,21,04,737	56,13,02,620
b) Earnings available to Equity Shareholders for Basic & Diluted EPS (₹)	17,21,04,737	56,13,02,620
c) Weighted average Number of Shares taken for computation of EPS		
- Basic	14,33,93,502	8,94,64,735
- Diluted		
d) Earning per Share		
- Basic (₹)	1.20	6.27
- Diluted (₹)	1.20	6.27
e) Nominal Value per Share (₹)	2	2

NOTE NO. 36

Contingent Liabilities

The Company has outstanding corporate guarantee of ₹86,29,05,958/- as on 31.03.2014 to National Bank of Fujairah, Dubai in respect of the Corporate guarantee given by the Company in favour of National Bank of Fujairah, in respect of loan taken by M/s. Country Vacations International Ltd - Dubai. The details of corporate guarantee are as

- Personal guarantees of Mr. Y.Rajeev Reddy, Managing Director of M/s Country Club (India) Limited for ₹86,29,05,958/-
- Corporate Guarantees of M/s Country Club (India) Limited and Country Vacations International LLC, Dubai for ₹86,29,05,958/-each.
- Corporate Guarantees of M/s country Vacations international LLC, Oman; country vacations international LLC, Abu Dhabi; Country Vacations International WLL, Bahrain; The country Club Hotel, Dubai and Country Club & Vacations WLL, Qatar.

NOTE NO. 37

Secured Loans

- Term Loans from Oriental Bank of Commerce Loans I & II of ₹25 crores for expansion of existing Clubs and secured by The Country Club (EROS Regency) situated at land Bearing killa no. 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 ₹11,13,80,163/- (Previous Year ₹16,20,21,957/-)
- Term Loans from Vijaya Bank, Bank of India & Union Bank of India Loan of ₹115 crores for repayment towards FCCB's. and secured by way of properties located in Hyderabad, Bangalore, Chennai and Kodaikanal. Further the 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 & Y. Varun Reddy). The Outstanding Balance for the Current year is ₹90,06,84,611/- (Previous Year ₹96,16,16,565/-).
- During the year the company has obtained Term Loan from Central Bank of India of ₹50 Crores to carry out Interior, Gym/Fitness Centres and Civil work of the Company property at multiple locations. Further charge has been created on Company's properties (movable/immovable) at Bangalore, Trivandrum and Bandipur. Additionally the personal guarantees are also given by three Directors (i.e. Mr Y Rajeev Reddy, Y. Siddharth Reddy & Y. Varun Reddy). The Outstanding (Including Interest) Balance for the Current year is ₹49,42,92,919/- (Previous Year Nil).
- During the year the company has obtained Term Loan from Canara Bank, loan of ₹75 Crores for the Company's expansion plan at Kolkatta, Cochin and Andheri, Mumbai and normal ongoing capex at various locations. However during the year disbursement from the Bank is only ₹50 Crores. Further charge has been

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014

NOTE NO. 37 (Contd...)

created on Company's properties (movable/immovable) at Kolkatta, Cochin and Andheri, Mumbai. Additionally the personal guarantees are also given by three Directors (i.e. Mr Y Rajeev Reddy, Y. Siddharth Reddy & Y. Varun Reddy). The Outstanding (Including Interest) Balance for the Current year is ₹50,45,16,418/- (Previous Year Nil).

- e) 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, Secretarial Road Hyderabad solely belonging to the company. The Outstanding Balance for the Current year is ₹8,70,04,348/- (Previous Year ₹13,74,99,999/-)
- f) 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 Secretariate, 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 ₹42,32,71,502/- (Previous Year ₹50,00,00,000/-).
- g) 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 ₹17,17,01,513/- (Previous Year ₹22,69,93,363/-)
- h) 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 ₹24,72,96,302/- (Previous Year ₹25,00,00,000/-).
- i) 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, Deeparabeesanahalli, Varthur Hobli, off Sarjapur Road, Bangalore South. The Outstanding Balance for the Current year is ₹4,93,27,689/- (Previous Year ₹21,29,42,316/-).
- j) During the year the Company has obtained Term loan from National Bank of Fujjarah –NBF, Dubai loan of ₹87,53,82,754/- for expansion of existing Dubai Hotel and secured by mortgage of Country Club Hotel, Dubai. The outstanding Balance for the current year is ₹87,02,92,347/- (Previous year Nil) The term loan taken from Bank of Baroda, Dubai is repaid by National Bank of Fujjarah- NBF.
- k) Equipment Finance loans from Olypmus Motors Pvt Ltd (Vehicle Loan of ₹21,54,000/- taken in current year) Magma Fincorp & Saraswath Co-Op Bank Ltd of ₹63.72 Crores for Vehicles and the same were secured by way of hypothecation of the Vehicles. The Outstanding Balance for the Current year is ₹27,22,469/- (Previous Year ₹15,63,025/-).
- l) 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 ₹1,32,82,000/- (Previous Year ₹1,52,82,000/-).
- m) Term Loan from Religare Finvest Ltd, Loan of ₹4.25 Crores for expansion of existing Clubs and secured by way of mortgage of Club Arzee Limited, Survey no.623 & 624/2 adajan, Surat, Gujarat. The Outstanding Balance for the Current year is ₹2,22,36,415/- (Previous Year ₹3,02,51,839/-)
- n) 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 Bush Betta Holiday Ownership Wildlife Adventure Resort Pvt Ltd, Bright Resorts Pvt Ltd and CK 27 Koramangala (Bangalore) and properties at Mysore Road and Shamshabad (Hyderabad). The Outstanding Balance for the current year is ₹9,84,35,766/- (Previous Year ₹14,00,00,000/-)

Notes to the Consolidated Financial Statements for the year ended 31st March, 2014

NOTE NO. 38

M/s Amrutha Estates & Hospitality Private Limited was amalgamated with M/s. Country Club (India) Limited as per court order dated 18-04-2013. The country club (India) Ltd has been taken over all assets and liabilities at their book values by allotting 7,40,00,000 equity shares of ₹2/- each fully paid up. Thereby the paid up capital of the company has increased to ₹32,69,29,470/-. Further, the financials of Country Club (India) Limited, considering the M/s Amrutha Estates & Hospitality Pvt Ltd amalgamation in the annual results of 2013-14.

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 on public share holding @ 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 2012-13	272,011
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	760,834
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. 023412

Place: Hyderabad
Date : 30-05-2014

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

Y. Rajeev Reddy
Chairman & Managing Director

Y. Siddharth Reddy
Vice-Chairman, JMD & CEO

V. Sreelatha
Company Secretary

Statement 212

Statement Pursuant to 212 of the Companies Act, 1956, related to Subsidiary Companies for the year ended 31st March, 2014

Sl. No.	Particulars Name of the Subsidiary Company	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
			Number of Shares	%	Financial Year Ended on March 31, 2014 (Amount in INR)	Previous Year (Amount in INR)		
1	Aquarian Realtors Private Limited	31st Mar., 2014	1,000 Equity Shares of ₹100 each	100	(9,876,969)	(8,693,830)	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., 2014	10,000 Equity Shares of ₹100 each	100	(691,209)	(590,070)	-do-	-do-
3	Bush Betta Holiday Ownership Wildlife Adventure Resort Private Limited	31st Mar., 2014	10,00,000 Equity Shares of ₹10 each	100	(1,242,723)	(1,242,723)	-do-	-do-
4	Country Club Babylon Resorts Private Limited	31st Mar., 2014	50,000 Equity Shares of LKR 1,000 each	100	(2,326,588)	(2,482,868)	-do-	-do-
5	Chanakypuri Resorts Private Limited	31st Mar., 2014	70,000 Equity Shares of ₹100 each	100	(2,627,390)	(2,679,127)	-do-	-do-
6	JJ Arts and Entertainments Private Limited	31st Mar., 2014	1,50,000 Equity Shares of ₹10 each	100	(1,098,963)	(535,012)	-do-	-do-
7	Kolet Resort Club Private Limited	31st Mar., 2014	14,99,800 Equity Shares of ₹10 each	100	37,651	(2,613,092)	-do-	-do-
8	Bright Resorts Private Limited	31st Mar., 2014	18,450 Equity Shares of ₹100 each	100	(15,352,482)	(9,235,413)	-do-	-do-
9	Maruti Water Park & Entertainments Private Limited	31st Mar., 2014	2,32,400 Equity Shares of ₹10 each	100	(29,972)	(30,298)	-do-	-do-
10	Country Vacations International Limited, Dubai	31st Mar., 2014	16,11,18,222 Equity Shares of UAE Dirhams 1 each	100	211,300,183	439,532,633	-do-	-do-
11	Swami Vivekanand Education and Training Centre Private Limited	31st Mar., 2014	1008 Equity Shares of ₹100 each	100	(4,880,775)	(5,181,446)	-do-	-do-
		31st Mar., 2014	48,900 Preference Shares of ₹100 each	100				
12	Swimwel Investment and Trading Private Limited	31st Mar., 2014	10,000 Equity Shares of ₹10 each	100	(9,343,214)	(9,715,446)	-do-	-do-
13	Country Vacations International Limited, India	31st Mar., 2014	50,000 Equity Shares of ₹10 each	100	(11,236)	657,733	-do-	-do-
14	Club Arzee Limited	31st Mar., 2014	29,76,600 Equity Shares of ₹10 each	100	(1,365,285)	515,795	-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, 2014

(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	Number of shares held by CCIL along with its nominees	Extent of interest held by CCIL along with its nominees
Aquarian Realtors Pvt. Ltd.	100,000	(57,818,810)	501,581,855	501,581,855	Nil	44,688,010	(7,787,182)	2,089,787	(9,876,969)	Nil	1,000	100%
International Country Holidays Pvt. Ltd.	1,000,000	(2,424,550)	38,069,349	38,069,349	Nil	300,000	(691,209)	Nil	(691,209)	Nil	10,000	100%
Bush Betta Holiday Ownership Wildlife Adventure Resort Pvt. Ltd.	10,500,200	(41,076,000)	3,001,685	3,001,685	Nil	Nil	(1,242,723)	Nil	(1,242,723)	Nil	1,000,000	100%
J.J. Arts and Entertainments Pvt. Ltd.	1,500,000	(12,778,987)	23,506,849	23,506,849	Nil	2,418,789	(1,021,715)	77,248	(1,098,963)	Nil	150,000	100%
Chanakypuri Resorts Pvt. Ltd.	7,000,000	(19,161,950)	15,570,619	15,570,619	Nil	1,080,753	(2,627,390)	Nil	(2,627,390)	Nil	70,000	100%
Bright Resorts Pvt. Ltd.	1,845,000	(53,292,421)	18,195,314	18,195,314	Nil	22,044,908	(15,352,482)	Nil	(15,352,482)	Nil	18,450	100%
Kolet Resorts Club Pvt. Ltd.	14,998,000	(7,135,545)	31,357,473	31,357,473	Nil	1,921,748	37,651	Nil	37,651	Nil	1,499,800	100%
Maruti Waterpark & Entertainments Pvt. Ltd.	2,324,000	674,474	3,163,508	3,163,508	Nil	Nil	(29,972)	Nil	(29,972)	Nil	232,400	100%
Country Vacations International Ltd. - India	500,000	181,284	4,762,254	4,762,254	Nil	Nil	(11,236)	Nil	(11,236)	Nil	50,000	100%
Swimwel Investment & Trading Pvt. Ltd.	100,000	(66,450,173)	1,010,455	1,010,455	Nil	7,487,590	(9,343,214)	Nil	(9,343,214)	Nil	10,000	100%
Swami Vivekanand Training & Education Centre Pvt. Ltd.	4,990,800	(16,851,814)	154,792,735	154,792,735	Nil	Nil	(3,095,946)	1,784,829	(4,880,775)	Nil	49,908	100%
Club Arzee Ltd.	57,266,000	12,579,362	94,120,777	94,120,777	Nil	22,358,642	(1,474,945)	109,660	(1,365,285)	Nil	2,976,600	100%
Country Club Babylon Resorts Pvt. Ltd. Srilanka '@	25,792,235	(22,990,493)	28,992,824	28,660,267	Nil	2,053,780	(2,326,588)	Nil	(2,326,588)	Nil	50,000	100%
Country Vacations International Ltd. - Dubai '#	1,996,174,211	2,989,987,788	6,035,653,524	6,035,653,524	Nil	1,653,167,803	211,300,183	Nil	211,300,183	Nil	161,118,222	100%

@ Conversion rate of Srilanka Re.1/- (LKR) equal to Indian Rs.0.4853 on 31-03-2014.

Conversion rate of Dubai AED.1/- (Dhiram) equal to Indian Rs.16.2651 on 31-03-2014.

Notes:

1. 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, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the 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 of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013, dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. 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 judgement, 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 but not for the purpose of expressing an opinion on the effectiveness of the entities internal control. 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, 2014;

- (b) In the case of the Statement of Profit and Loss Account, 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 notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013, dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, 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
Firm's Registration Number: 007257S

Place : Hyderabad
Date : 30-05-2014

P. Murali Mohana Rao
Partner
Membership Number: 023412

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 on 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 Inventories 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 inventories 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 ₹85.97 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.	has given corporate guarantee for loan taken by its subsidiary company namely M/s. Country Vacations International Limited, Dubai from National Bank of Furjiorah, Dubai. The terms and conditions are not prejudicial to the interest of the company.
IX.	<p>(a) The Company is regular in depositing statutory dues including PF, ESI, Income Tax, Cess, and any other statutory dues with the appropriate authorities there were no amounts outstanding which were due for more than 6 months from the date they became payable.</p> <p>(b) According to the information and explanations given to us, no disputed amounts are payable in respect of PF, ESI and any other statutory dues as at the end of the period.</p>	XVI. According to the information and explanation given to us, the term Loans were applied for the purpose for which they were obtained.
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.	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.
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.	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.
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.	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.
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.	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.
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.	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.
XV.	According to the information and explanations given to us, the company	

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

P. Murali Mohana Rao
Partner
Membership No. 023412

Place : Hyderabad
Date : 30-05-2014

Balance Sheet as at March 31, 2014

(Amount in ₹)

Particulars	Note Nos.	As at 31-03-2014	As at 31-03-2013
I EQUITY AND LIABILITIES			
1. Shareholders Funds			
(a) Capital	1	326,929,470	178,929,470
(b) Reserves & Surplus	2	6,913,384,367	6,907,596,540
2. Non-Current Liabilities			
(a) Long-Term Borrowings	3	2,706,666,787	2,203,302,538
(b) Deferred Tax Liabilities (Net)	4	528,885,526	429,811,900
(c) Deferred Income - Advance towards Members Facilities		-	33,404,604
(d) Other Long-Term Liabilities	5	9,221,498	8,921,498
3. Current Liabilities			
(a) Trade Payables	6	203,489,919	304,901,214
(b) Deferred Income - Advance towards Members Facilities		33,418,222	67,984,769
(c) Other Current Liabilities	7	1,219,168,341	1,765,119,066
(d) Short-Term Provisions	8	618,970,820	341,500,959
TOTAL		12,560,134,950	12,241,472,558
II ASSETS			
1. Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	9	6,980,848,288	5,913,236,493
(ii) Intangible Assets		153,345,895	17,074,443
(iii) Capital Work in progress		1,188,203,656	919,358,581
(b) Non-Current Investments	10	2,401,458,339	2,401,458,339
(c) Long-Term Loans and Advances	11	1,350,949,906	1,395,777,690
2. Current Assets			
(a) Current Investments	12	1,125,000	125,000
(b) Inventories	13	24,735,577	28,978,727
(c) Trade Receivables	14	57,548,471	56,052,146
(d) Cash and Cash Equivalents	15	131,332,438	198,888,731
(e) Short-Term Loans and Advances	16	226,276,564	1,289,931,604
(f) Other Current Assets	17	44,310,816	20,590,804
TOTAL		12,560,134,950	12,241,472,558

Significant Accounting Policies & Notes to Financial Statements

1 to 41

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. 023412

Place: Hyderabad

Date : 30-05-2014

Y. Rajeev Reddy

Chairman & Managing Director

Y. Siddharth Reddy

Vice-Chairman, JMD & CEO

V. Sreelatha

Company Secretary

Statement of Profit and Loss for the year ended March 31, 2014

(Amount in ₹)

Particulars	Note Nos.	Ended 31-03-2014	Ended 31-03-2013
1. INCOME			
Revenue From Operations	18	3,205,010,765	3,145,231,821
Other Income	19	9,071,724	42,153,429
TOTAL REVENUE		3,214,082,489	3,187,385,250
2. EXPENDITURE			
Cost of Material Consumed	20	74,051,542	71,872,702
Employee Benefit Expenses	21	1,146,823,975	1,119,071,759
Finance Cost	22	391,948,633	395,570,217
Depreciation and Amortisation Expenses	9	282,270,023	236,543,823
Other Expenses	23	1,201,392,370	1,060,010,533
TOTAL EXPENDITURE		3,096,486,543	2,883,069,034
3. PROFIT			
Profit Before Tax (1 - 2)		117,595,946	304,316,216
Tax Expense:			
- Current Tax		24,648,698	60,886,828
- Deferred Tax		83,333,539	75,254,067
Profit for the Year		9,613,709	168,175,321
Earning Per Share			
- Basic		0.07	1.88
- Diluted		0.07	1.88

Significant Accounting Policies & Notes to Financial Statements

1 to 41

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. 023412

Y. Rajeev Reddy
Chairman & Managing Director

Y. Siddharth Reddy
Vice-Chairman, JMD & CEO

V. Sreelatha
Company Secretary

Place: Hyderabad
Date : 30-05-2014

Cash Flow Statement for the year ended March 31, 2014

(Amount in ₹)

Particulars	Current Year	Previous Year
I. CASH FLOW FROM OPERATING ACTIVITIES:		
Profit Before Tax	117,595,946	304,316,216
Adjustments for : -		
Depreciation	282,270,023	236,543,823
Interest Paid	391,948,633	410,937,670
Excess amount charged to surplus in Reserves and Surplus	1,184,704	
Excess amount charged to Deferred Tax in Deferred Tax Liability	15,740,087	
Interest Income	(1,074,915)	(12,838,100)
Operating Cash Flow before Working Capital Changes	807,664,478	938,959,609
(Increase) / Decrease in Inventory	4,243,150	(5,418,019)
(Increase) / Decrease in Trade Receivables	(1,496,325)	(13,775,736)
(Increase) / Decrease in Short-Term Loans & Advances	1,063,655,040	36,609,315
(Increase) / Decrease in Other Current Assets	(23,720,012)	37,228,584
(Increase) / Decrease in Current Investments	(1,000,000)	
Increase / (Decrease) in Deferred Income(Current)	(34,566,546)	(14,219,268)
Increase / (Decrease) in Trade Payables	(101,411,296)	72,202,541
Increase / (Decrease) in Other Current Liabilities	(545,950,726)	119,739,689
Increase / (Decrease) in Short-Term Provisions	247,810,576	(33,002,710)
Cash Generated From Operations	1,415,228,339	1,138,324,005
Add: Prior Period Expenses	-	-
Less: Income Tax Paid		
Cash Generated From Operating Activities	1,415,228,339	1,138,324,005
II. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase/Sale of fixed Assets	(1,486,153,269)	(367,726,789)
Capital Work in Progress, Pre-operative Expenses	(268,845,074)	(463,764,312)
Interest Income	1,074,915	12,838,100
(Increase) / Decrease in Long-Term Loans & Advances	44,827,784	155,674,835
Net Cash Available From Investing Activities	(1,709,095,644)	(662,978,166)
III. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds From Issue of Equity Shares	148,000,000	-
Proceeds/(Repayment) of Loan	503,364,249	(60,849,225)
Share Premium and Capital Reserve	-	-
Interest Paid	(391,948,633)	(410,937,670)
Increase / (Decrease) in Other Long-Term Liabilities	300,000	21,498
Proceeds/(Repayment) of Membership Fees	(33,404,604)	(67,932,334)
Net Cash Used in Financing Activities	226,311,012	(539,697,731)
Net Increase in Cash And Cash Equivalents (I+II+III)	(67,556,293)	(64,351,892)
Opening Balance of Cash & Cash Equivalents	198,888,731	263,240,623
Closing Balance of Cash & Cash Equivalents	131,332,438	198,888,731

As per our report of even date

for **P. Murali & Co.**

Chartered Accountants

FRN: 007257S

P. Murali Mohana Rao

Partner

Membership No. 023412

Place: Hyderabad

Date : 30-05-2014

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

V. Sreelatha

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, 2014. 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, 2014 to the members of the Company.

Yours faithfully,

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

Place : Hyderabad
Date : 30-05-2014

P. Murali Mohana Rao
Partner

Notes to the Financial Statements for the year ended 31st March, 2014

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.

The management estimates the useful lives for the fixed assets as follows:

Buildings	30 years
Furniture & fixtures	16 years
Plant & Machinery	20 years
Computers	6 years
Vehicles	10 years
Software & Development	6 years

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.

Notes to the Financial Statements for the year ended 31st March, 2014

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 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 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.

Investments

Trade investments are the investments made to enhance the group's business interest. Investments are classified either as current or long term investments based on the management's intention at the time of purchase. Current investments are carried at the lower of cost and fair value of each investment individually. Cost for overseas investments comprises the Indian rupee value of the consideration paid for the investment translated at the exchange rate prevalent at the date of investment. Long term investments are carried at cost less provision recorded to recognize any decline, other than temporary, in the carrying value of each investment.

Cash and Cash equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The group considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

Cash Flow Statement

Cash flows are reported using indirect method, whereby profit before tax is adjusted for the effects of transactions of non cash nature, any deferrals, accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing or financing activities of the group are segregated.

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.

Notes to the Financial Statements for the year ended 31st March, 2014

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.

(Amount in ₹)

Particulars	As at 31-03-2014	As at 31-03-2013
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:	326,929,470	178,929,470
163464735 Equity Shares (Previous Year 89464735 Equity Shares)		
	326,929,470	178,929,470
Par Value per Share	2	2

Notes:

1a. Terms /rights attached to equity shares

- 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
- The Dividend proposed by the Board of Directors is subject to approval of the Shareholders in the Annual General Meeting
- For the year ended March 31,2014 the amount of per share dividend proposed for non promoter equity shareholders is ₹0.10. The total dividend appropriation for the year ended March 31, 2014 amounted to ₹42,82,375 and tax on proposed dividend of ₹7,27,851.

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 - Amalgamation	74,000,000	-
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	163,464,735	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	106,337,986	33,788,386
- % held in the Company	65.05	37.77
Y. Manjula Reddy		
- No of Shares		6,647,125
- % held in the Company		7.42

Notes to the Financial Statements for the year ended 31st March, 2014

(Amount in ₹)

Particulars	As at 31-03-2014	As at 31-03-2013
NOTE NO. 2: RESERVES AND SURPLUS		
Capital Reserve		
As per last year Balance Sheet	305,088,694	305,088,694
	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	1,532,465,528	1,374,688,023
Subsequent period to Amalgamation	1,184,704	-
Add: Current year Profit	9,613,709	168,175,321
	1,543,263,941	1,542,863,344
Appropriations:		
Transfer to General Reserve	-	-
Proposed Final Dividend on Equity Shares	4,282,735	8,946,474
Tax on Proposed Dividend	727,851	1,451,342
	5,010,586	10,397,816
Surplus After Appropriations	1,538,253,355	1,532,465,528
Total Reserves and Surplus	6,913,384,367	6,907,596,540

Notes to the Financial Statements for the year ended 31st March, 2014

(Amount in ₹)

Particulars	As at 31-03-2014	As at 31-03-2013
NOTE NO. 3: LONG-TERM BORROWINGS		
Secured		
Term loans From Banks		
- Oriental Bank of Commerce Loan	39,999,687	81,515,832
- Oriental Bank of Commerce Loan - 2 (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	20,000,000	30,506,126
- UBI Loan (for repayment of FCCBs and secured by way of Hypothecation of Land & Buildings)	338,700,000	379,200,000
- Vijaya Bank Loan (for repayment of FCCBs and secured by way of Hypothecation of Land & Buildings)	248,888,887	269,788,887
- Bank of India Loan (for repayment of FCCBs and secured by way of Hypothecation of Land & Buildings)	147,627,678	162,627,678
- Central Bank of India (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	426,620,000	-
- Canara Bank (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	484,906,836	-
- Saraswat Co Op Bank Loan I	35,978,741	87,499,999
- Saraswat Co Op Bank Loan II (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	317,742,869	400,000,000
- Cosmos Bank Loan I	37,466,580	67,158,623
- Cosmos Bank Loan II	50,026,027	89,834,740
- Cosmos Bank Loan III (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	239,208,954	241,846,000
- Ratnakar Bank Loan - I	-	63,067,735
- Ratnakar Bank Loan - II (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	-	67,673,404
Equipment Finance (Loan from Magma Fincorp, HDFC & Saraswath Co-Op Bank Ltd for Vehicles and the same were secured by way of hypothecation of the Vehicles)	1,125,968	773,569
Lease Finance (Loan from NOIDA Authority for Plot and the same was secured)	-	15,282,000
Term loans From Other Parties		
- Religare Finvest Ltd - Loan (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	10,204,141	23,852,200
- Karvy Financial Services Limited (for expansion of existing Clubs and secured by way of Hypothecation of Land & Building)	-	60,000,000
	2,398,496,368	2,040,626,793
Unsecured		
Loans and Advances From Related Parties		
- Country Vacations International Limited - Dubai	270,176,928	123,508,134
- Country Vacations International Limited - India	3,119,541	3,446,161
- Kolet Resorts Pvt Ltd	11,499,955	12,347,455
- Y. Rajeev Reddy	23,373,995	23,373,995
	308,170,419	162,675,745
	2,706,666,787	2,203,302,538

Notes to the Financial Statements for the year ended 31st March, 2014

(Amount in ₹)

Particulars	As at 31-03-2014	As at 31-03-2013
NOTE NO. 4: DEFERRED TAX LIABILITIES (NET)		
Opening Deferred tax Liability	429,811,900	354,557,833
Add: Deferred Tax Liability from Amalgamation	15,740,087	-
Add: Deferred Tax Liability for the year (Due to SLM and WDV Difference)	83,333,539	75,254,067
	528,885,526	429,811,900
NOTE NO. 5: OTHER LONG-TERM LIABILITIES		
Unsecured		
Deposits	9,221,498	8,921,498
	9,221,498	8,921,498
NOTE NO. 6: TRADE PAYABLES		
Total Outstanding Dues to Micro and Small Enterprises	-	-
Others	203,489,919	304,901,214
	203,489,919	304,901,214
NOTE NO. 7: OTHER CURRENT LIABILITIES		
Current Maturities of Long-Term Debt	726,884,656	643,524,272
Advance Received from Customers	2,449,464	2,597,644
Unpaid Dividends	3,016,470	2,746,919
Dues to Statutory Authorities	92,462,984	22,632,867
Other Liabilities	141,899,384	635,535,618
Creditors for Capital Goods	252,455,383	458,081,746
	1,219,168,341	1,765,119,066
NOTE NO. 8: SHORT-TERM PROVISIONS		
Provision for Employee Benefits		
- Salaries Payable (Includes Incentives)	331,048,612	132,108,504
- PF Payable	18,216,171	6,669,130
- ESIC Payable	7,404,589	3,792,372
- PT Payable	3,772,052	2,474,137
Others		
- Provision for Income Tax	24,648,698	60,886,828
- Consultancy & Professional Charges Payable	2,534,466	1,357,785
- Provision for Expenses	226,335,646	123,814,387
- Proposed Dividend	4,282,735	8,946,474
- Tax on Proposed Dividend	727,851	1,451,342
	618,970,820	341,500,959

Notes to the Financial Statements for the year ended 31st March, 2014

NOTE NO. 9: FIXED ASSETS

(Amount in ₹)

Particulars	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	Gross Block as on 01-04-2013	Additions during the year	Deletions/ adjustments during the year	Gross Block as on 31-03-2014	Depreciation upto 01-04-2013	Accumulated Depreciation Amalgamation	Depreciation during the year	Deletion/ adjustments depreciation during the year	Depreciation as on 31-03-2014	Net Block as on 31-03-2014	Net Block as on 31-03-2013
Tangible Assets											
Land & Site Development	423,450,952	142,925,640		566,376,592					–	566,376,592	423,450,952
Building	5,645,845,338	895,741,449		6,541,586,787	757,105,075	6,322,825	206,096,560		969,524,460	5,572,062,327	4,888,740,264
Furniture & Fixtures	386,887,363	184,147,567	228,610	570,806,320	128,961,203	19,997,217	32,768,292	476	181,726,236	389,080,084	257,926,160
Plant & Machinery	448,064,944	120,900,674		568,965,617	145,906,915	1,972,726	23,936,375		171,816,016	397,149,601	302,158,029
Computers	86,734,706	15,252,806		101,987,512	61,702,616	733,267	12,395,671		74,831,554	27,155,958	25,032,090
Vehicles	43,797,405	18,352,261	1,192,114	60,957,552	27,868,406	837,074	3,874,197	645,851	31,933,826	29,023,726	15,928,999
Total - A	7,034,780,708	1,377,320,397	1,420,724	8,410,680,380	1,121,544,215	29,863,109	279,071,095	646,327	1,429,832,092	6,980,848,288	5,913,236,493
Previous Year	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
Intangible Assets											
Goodwill	3,117,610	138,698,915		141,816,525					–	141,816,525	3,117,610
Software & Development	21,247,881	771,465		22,019,346	7,291,048		3,198,928		10,489,976	11,529,370	13,956,833
Total - B	24,365,491	139,470,380	–	163,835,871	7,291,048	–	3,198,928	–	10,489,976	153,345,895	17,074,443
Previous Year	11,795,685	12,569,806		24,365,491	5,763,436		1,527,613		7,291,048	17,074,443	6,032,249
Grand Total - (A+B)	7,059,146,199	1,516,790,777	1,420,724	8,574,516,251	1,128,835,263	29,863,109	282,270,023	646,327	1,440,322,068	7,134,194,183	5,930,310,936
Total Previous Year	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

Notes to the Financial Statements for the year ended 31st March, 2014

(Amount in ₹)

Particulars	As at 31-03-2014	As at 31-03-2013
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 10,00,000 Equity Shares of ₹10/- Each	18,500,000	18,500,000
- Kolet Resorts Private Limited 14,99,800 Equity Shares of ₹10/- Each	30,000,000	30,000,000
- J.J. Arts And Entertainment Private Limited 1,50,000 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 2,32,400 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 29,76,600 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, 2014

(Amount in ₹)

Particulars	As at 31-03-2014	As at 31-03-2013
NOTE NO. 11: LONG-TERM LOANS AND ADVANCES		
Unsecured Considered Good		
Capital advance	246,861,580	333,947,571
Security Deposit	235,933,139	219,912,753
Loans and Advances to Related Parties		
- Advances given to Subsidiary Companies		
- Aquarian Realtors Pvt Ltd	450,686,866	102,774,602
- Jade Resorts Pvt Ltd	59,795,585	57,906,950
- Bright Resorts Pvt Ltd	58,257,103	12,455,808
- Chanakyapuri Resorts Pvt Ltd	22,964,148	3,620,105
- JJ Arts & Entertainment Pvt Ltd Loan	31,196,136	4,385,204
- Bush Betta Holiday Ownership Wild Life Adventure Resorts Pvt Ltd	79,820	79,820
- Swami Vivekanand Training & Edu.Centre	103,740,633	103,733,133
- Swimwel Trading Investment Pvt. Ltd	52,842,753	46,351,670
- International Country Holidays Pvt Ltd (formerly known as Aakruti Engineers Pvt Ltd)	38,891,447	460,713,632
- Maruti Water Park & Entertainment Private Limited	70,090	62,590
- Club Arzee Ltd	19,298,788	19,502,034
- Advance to Babylon Resorts Pvt Ltd	21,924,332	21,924,332
Other loans and advances	8,407,486	8,407,486
	1,350,949,906	1,395,777,690
NOTE NO. 12: CURRENT INVESTMENTS		
Investment-The Saraswat Coop Bank	25,000	25,000
Investment-CANARA ROBECO Mutual Fund	1,000,000	-
Investment-The Cosmos Coop Bank	100,000	100,000
	1,125,000	125,000
NOTE NO. 13: INVENTORIES		
Inventories (at lower of cost & net realisable value) stores		
Food, Beverages, Smokes & Operating Supplies	4,981,746	5,190,408
Gifts	19,753,831	23,788,319
	24,735,577	28,978,727
NOTE NO. 14: TRADE RECEIVABLES		
Receivables outstanding for more than six months from the date they are due for payment	3,245,637	2,935,774
Unsecured & Considered Good		
Receivables outstanding for less than six months from the date they are due for payment	54,302,834	53,116,372
Unsecured & Considered Good		
	57,548,471	56,052,146

Notes to the Financial Statements for the year ended 31st March, 2014

(Amount in ₹)

Particulars	As at 31-03-2014	As at 31-03-2013
NOTE NO. 15: CASH AND CASH EQUIVALENTS		
Cash on hand	3,180,397	24,483,006
Balances with banks :		
- Current Accounts	94,152,073	151,200,716
- Fixed Deposits - with maturity of less/more than	30,919,067	20,394,773
Earmarked Accounts		
- Unpaid Dividend Accounts	3,080,901	2,810,236
	131,332,438	198,888,731

NOTE NO. 16: SHORT-TERM LOANS AND ADVANCES

Advance to Suppliers	5,017,468	2,858,719
Loans and Advances to Employees	9,051,943	9,298,267
Advances Recoverable in Cash or Kind - (Unsecured, Considered Good)	185,589,977	1,252,603,782
Advances with Statutory Authorities	26,617,176	25,170,836
	226,276,564	1,289,931,604

NOTE NO. 17: OTHER CURRENT ASSETS

VAT Receivables	11,582,809	10,880,861
TDS/TCS Receivables	4,932,636	4,308,147
Prepaid Expenses	4,363,982	5,401,796
Service Tax Credit Receivables	23,431,389	-
	44,310,816	20,590,804

NOTE NO. 18: REVENUE FROM OPERATIONS

Sales of Services		
Income from Sale of Membership & Vacation Ownership	2,588,017,868	2,579,118,579
Income from Hotel, Clubs & Resorts		
- Guest Accommodation	101,676,599	94,750,453
- Food & Beverages from Restaurant & Banquets	128,645,778	147,777,666
- Others (Including Facilities)	69,009,109	73,459,216
Annual Subscription Fee	317,661,411	250,125,907
	3,205,010,765	3,145,231,821

Notes to the Financial Statements for the year ended 31st March, 2014

(Amount in ₹)

Particulars	Ended 31-03-2014	Ended 31-03-2013
NOTE NO. 19: OTHER INCOME		
Interest Income		
- On Deposits with Bank	1,074,915	12,838,100
Miscellaneous Income	7,996,809	29,315,329
	9,071,724	42,153,429

NOTE NO. 20: COST OF MATERIAL CONSUMED

Opening Stock of Food & Bevarages, Stores and Operating Supplies	5,190,408	4,809,843
Add: Purchases	73,842,880	72,253,267
Less: Closing Stock of Food & Bevarages, Stores and Operating Supplies	4,981,746	5,190,408
	74,051,542	71,872,702

NOTE NO. 21: EMPLOYEE BENEFIT EXPENSES

Salaries & Other Benefits	1,071,294,282	1,055,924,777
Contribution to Provident & Other Funds	40,544,946	37,562,680
Staff Welfare Expenses	34,984,747	25,584,302
	1,146,823,975	1,119,071,759

NOTE NO. 22: FINANCE COST

Interest on Term Loans	391,948,633	395,570,217
	391,948,633	395,570,217

Notes to the Financial Statements for the year ended 31st March, 2014

(Amount in ₹)

Particulars	Ended 31-03-2014	Ended 31-03-2013
NOTE NO. 23: OTHER EXPENSES		
Upkeep & Service Cost		
- Building Maintenance	4,204,638	3,159,010
- Repairs, Maintenance to other assets.	8,680,668	11,525,958
- Vehicle Maintenance & Running Exp.	4,498,572	3,774,839
- Other Maintenance	34,853,937	33,341,419
Power & Fuel	86,919,871	79,935,760
Rent including Lease Rent	285,675,092	182,874,238
Rates & Taxes	49,955,747	53,311,074
Insurance	8,892,001	7,558,452
Finance Charges	125,222,348	138,862,452
Travelling & Conveyance	64,861,022	74,329,419
Printing & Stationery	35,140,313	47,526,266
Postage, Telegram & Telephones	77,360,166	70,855,976
Advertisement & Other Marketing Expenses	298,503,040	228,840,672
Other Administrative Expenses	86,852,812	71,470,498
Legal & Professional Charges.	28,772,143	51,644,500
Auditors Remuneration Includes		
- Audit Fee	500,000	500,000
- For Taxation Matters	200,000	200,000
- For Other Services	300,000	300,000
	1,201,392,370	1,060,010,533

Notes to the Financial Statements for the year ended 31st March, 2014

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	36,00,000
2.	Mr. Y. Siddharth Reddy	Vice-Chairman, JMD & CEO	30,00,000
3.	Mr. Y. Varun Reddy	Vice-Chairman, JMD & COO	30,00,000
4.	Mr. D. Krishna Kumar Raju	Vice-Chairman & Executive Director	30,00,000

NOTE NO. 25

In relation of Managerial Remuneration:

(Amount in ₹)

Particulars	Current year	Previous year
Directors' Remuneration	1,26,00,000	1,26,00,000
Brand Ambassador Fee	48,00,000	48,00,000

NOTE NO. 26

Auditors Remuneration:

(Amount in ₹)

Particulars	Current year	Previous year
Audit Fees	5,00,000	5,00,000
Tax Audit Fee	2,00,000	2,00,000
Certification Fee	3,00,000	3,00,000

NOTE NO. 27

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.

ii) Income of the Company includes the following:

(Amount in ₹)

Particulars	Current year	Previous year
Guest Accommodation, Restaurants & Banquets	29,93,31,486	31,59,87,334
Subscription from Members	290,56,79,279	282,92,44,487
Other Income	90,71,724	4,21,53,429
Total	321,40,82,488	318,73,85,250

Notes to the Financial Statements for the year ended 31st March, 2014

NOTE NO. 27 (Contd...)

iii) Consumption of Provisions and Stores:

(Amount in ₹)

Provisions & Stores	Opening Stock	Purchases	Closing Stock	Consumption
Current year	51,90,408	7,38,42,880	49,81,746	7,40,51,542
Previous year	48,09,843	7,22,53,267	51,90,408	7,18,72,703

NOTE NO. 28

Earnings and Expenditure in Foreign Currency

a) Foreign Currency expenditure/out flow as follows

(Amount in ₹)

Particulars	Current Year	Previous Year
Travelling expenses	24,64,066	46,13,530
Legal Expense	-	7,62,808

NOTE NO. 29

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. 30

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

NOTE NO. 31

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

NOTE NO. 32

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	2,46,48,698	6,08,86,828
Deferred Tax	8,33,33,539	7,52,54,067

Notes to the Financial Statements for the year ended 31st March, 2014

NOTE NO. 33

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.	Zen Garden Hotel Pvt Ltd	Associate Company
3.	Country Condos' Limited	Associate Company
4.	Aquarian Realtors Pvt Ltd	Subsidiary Company
5.	International Country Holidays Private Limited (formerly known as Aakruti Engineers Private Limited)	Subsidiary Company
6.	Bush Betta Holiday Ownership Wildlife Adventure Resort Pvt Ltd	Subsidiary Company
7.	Country Club Babylon Resorts Pvt Ltd	Subsidiary Company
8.	J.J. Arts & Entertainments Pvt Ltd	Subsidiary Company
9.	Kolet Resort Club Pvt Ltd	Subsidiary Company
10.	Bright Resorts Pvt Ltd	Subsidiary Company
11.	Chanakyapuri Resorts Pvt Ltd	Subsidiary Company
12.	Jade Resorts Pvt Ltd	Step-Down Subsidiary Company
13.	Maruti Waterpark & Entertainments Pvt Ltd	Subsidiary Company
14.	Country Vacations International Ltd – India	Subsidiary Company
15.	Swimwel Investment & Trading Pvt Ltd	Subsidiary Company
16.	Swami Vivekanand Training & Education Centre Pvt Ltd	Subsidiary Company
17.	Country Vacations International LLC – Dubai	Step-Down Subsidiary Company
18.	Country Vacations International Ltd – Dubai	Subsidiary Company
19.	Country Vacations International LLC – Oman	Step-Down Subsidiary Company
20.	Y. Rajeev Reddy	CMD
21.	Country Club & Vacations W.L.L – Qatar	Step-Down Subsidiary Company
22.	Y. Manjula Reddy	Director
23.	Y. Varun Reddy	Vice-Chairman, JMD & COO
24.	Club Arzee Ltd	Subsidiary Company
25.	Country Vacations International LLC–Abu Dhabi	Step-Down Subsidiary Company
26.	Country Vacations International W.L.L – Bahrain	Step-Down Subsidiary Company
27.	Country Vacations International – Dubai	Associate Company
28.	Country Vacations International SDN BHD, Malaysia	Step-Down Subsidiary Company
29.	Country Club International Limited – London	Step-Down Subsidiary Company

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 payable	15,00,000	7,20,000	56,46,110
Directors Remuneration	-	-	1,26,00,000
Brand Ambassador fee	-	-	48,00,000

Notes to the Financial Statements for the year ended 31st March, 2014

NOTE NO. 34

The Basic and Diluted EPS is Calculated as under

Particulars	31st March, 2014	31st March, 2013
a) Profit after Tax (₹)	96,13,709	16,81,75,321
b) Earnings available to Equity Shareholders for Basic & Diluted EPS (₹)	96,13,709	16,81,75,321
c) Weighted average Number of Shares taken for computation of EPS		
- Basic	14,33,93,502	8,94,64,735
- Diluted		
d) Earning per Share		
- Basic (₹)	0.07	1.88
- Diluted (₹)	0.07	1.88
e) Nominal Value per Share (₹)	2	2

NOTE NO. 35

Contingent Liabilities

The Company has outstanding corporate guarantee of ₹86,29,05,958/- as on 31.03.2014 to National Bank of Fujairah, Dubai in respect of the Corporate guarantee given by the Company in favour of National Bank of Fujairah, in respect of loan taken by M/s. Country Vacations International Ltd - Dubai. The details of corporate guarantee are as

- Personal guarantees of Mr. Y. Rajeev Reddy, Managing Director of M/s Country Club (India) Limited for ₹86,29,05,958/-
- Corporate Guarantees of M/s Country Club (India) Limited and Country Vacations International LLC, Dubai for ₹86,29,05,958/-each.

NOTE NO. 36

Secured Loans

- Term Loans from Oriental Bank of Commerce Loans I & II of ₹25 crores for expansion of existing Clubs and secured by The Country Club (EROS Regency) situated at land Bearing killa no. 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 ₹11,13,80,163/- (Previous Year ₹16,20,21,957/-)
- Term Loans from Vijaya Bank, Bank of India & Union Bank of India Loan of ₹115 crores for repayment towards FCCB's. and secured by way of properties located in Hyderabad, Bangalore, Chennai and Kodaikanal. Further the 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 & Y. Varun Reddy). The Outstanding Balance for the Current year is ₹90,06,84,611/- (Previous Year ₹96,16,565/-).
- During the year the company has obtained Term Loan from Central Bank of India of ₹50 Crores to carry out Interior, Gym/Fitness Centres and Civil work of the Company property at multiple locations. Further charge has been created on Company's properties (movable/immovable) at Bangalore, Trivendrum and Bandipur. Additionally the personal guarantees are also given by three Directors (i.e. Mr Y Rajeev Reddy, Y. Siddharth Reddy & Y. Varun Reddy). The Outstanding (Including Interest) Balance for the Current year is ₹49,42,92,919/- (Previous Year Nil).
- During the year the company has obtained Term Loan from Canara Bank, loan of ₹75 Crores for the Company's expansion plan at Kolkatta, Cochin and Andheri, Mumbai and normal ongoing capex at various locations. However during the year disbursement from the Bank is only ₹50 Crores. Further charge has been

Notes to the Financial Statements for the year ended 31st March, 2014

NOTE NO. 36 (Contd...)

created on Company's properties (movable/immovable) at Kolkatta, Cochin and Andheri, Mumbai. Additionally the personal guarantees are also given by three Directors (i.e. Mr Y Rajeev Reddy, Y. Siddharth Reddy & Y. Varun Reddy). The Outstanding (Including Interest) Balance for the Current year is ₹50,45,16,418/- (Previous Year Nil).

- e) 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 ₹8,70,04,348/- (Previous Year ₹13,74,99,999/-)
- f) 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 ₹42,32,71,502/- (Previous Year ₹50,00,00,000/-).
- g) 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 ₹17,17,01,513/- (Previous Year ₹22,69,93,363/-)
- h) 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 ₹24,72,96,302/- (Previous Year ₹25,00,00,000/-).
- i) 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, Devarabeesanahalli, Varthur Hobli, off Sarjapur Road, Bangalore South. The Outstanding Balance for the Current year is ₹4,93,27,689/- (Previous Year ₹21,29,42,316/-).
- j) Equipment Finance loans from Olympus Motors Pvt Ltd (Vehicle Loan of ₹21,54,000/- taken in current year) Magma Fincorp & Saraswath Co-Op Bank Ltd of ₹63.72 Crores for Vehicles and the same were secured by way of hypothecation of the Vehicles. The Outstanding Balance for the Current year is ₹27,22,469/- (Previous Year ₹15,63,025/-).
- k) 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 ₹1,32,82,000/- (Previous Year ₹1,52,82,000/-).
- l) Term Loan from Religare Finvest Ltd, Loan of ₹4.25 Crores for expansion of existing Clubs and secured by way of mortgage of Club Arzee Limited, Survey no.623 & 624/2 adajan, Surat, Gujarat. The Outstanding Balance for the Current year is ₹2,22,36,415/- (Previous Year ₹3,02,51,839/-)
- m) 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 Bush Betta Holiday Ownership Wildlife Adventure Resort Pvt Ltd, Bright Resorts Pvt Ltd and CK 27 Koramangala (Bangalore) and properties at Mysore Road and Shamshabad (Hyderabad). The Outstanding Balance for the current year is ₹9,84,35,766/- (Previous Year ₹14,00,00,000/-)

Notes to the Financial Statements for the year ended 31st March, 2014

NOTE NO. 37

M/s Amrutha Estates & Hospitality Private Limited was amalgamated with M/s. Country Club (India) Limited as per court order dated 18-04-2013. The country club (India) Ltd has been taken over all assets and liabilities at their book values by allotting 7,40,00,000 equity shares of ₹2/- each fully paid up. Thereby the paid up capital of the company has increased to ₹32,69,29,470/-. Further, the financials of Country Club (India) Limited, considering the M/s Amrutha Estates & Hospitality Pvt Ltd amalgamation in the annual results of 2013-14.

NOTE NO. 38

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. 39

During the Current year the company has declared a dividend on Public Shareholding @ 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 2012-13	272,011
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	760,834
Unpaid Dividend for the year 2007-08	544,080
Unpaid Dividend for the year 2006-07	713,228

NOTE NO. 40

Previous year's figures have been regrouped wherever necessary.

NOTE NO. 41

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

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

P. Murali Mohana Rao
Partner
Membership No. 023412

Y. Rajeev Reddy
Chairman & Managing Director

Y. Siddharth Reddy
Vice-Chairman, JMD & CEO

V. Sreelatha
Company Secretary

Place: Hyderabad
Date : 30-05-2014

ELECTRONIC CLEARING SERVICE (ECS) MANDATE FORM

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

To

M/s. Aarthi 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.

23rd Annual General Meeting
Country Club (India) Limited

CIN : L91990AP1991PLC012714

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

Attendance Slip

Date

30th September, 2014

Venue

Crown Villa Gardens, 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 23rd Annual General Meeting of the Company held on 30th September, 2014 at Crown Villa Gardens, 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad - 500 003.

Member's/Proxy signature

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

* Applicable for investors holding shares in electronic form.

23rd Annual General Meeting
Country Club (India) Limited

CIN : L91990AP1991PLC012714

Registered office: AMRUTHA CASTLE, 5-9-16, SAIFABAD, SECRETARIAT, HYDERABAD, Andhra Pradesh

Form No. MGT-11

Proxy Form

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

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

I/We, being the Member/Members of _____ Shares of Country Club (India) Limited, hereby appoint:

- 1) _____ of _____ having e-mail id _____ or failing him
2) _____ of _____ having e-mail id _____ or failing him
3) _____ of _____ having e-mail id _____ and whose

signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23rd Annual General Meeting of the Company, to be held on Tuesday, 30th September, 2014 at 11:00 a.m. at Crown Villa Gardens, 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad - 500 003 and at any adjournment thereof in respect of such resolutions as are indicated below:

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

Res. No	Description	For	Against
1	Adoption of Annual Accounts and Reports thereon for the financial year ended 31st March, 2014		
2	Declaration of dividend.		
3	Re-appointment of Y. Manjula Reddy as Director		
4	Appointment of M/s. P. Murali & Co., Chartered Accountants, as Statutory Auditors of the Company and to fix their remuneration for the financial year ending 31st March, 2015.		
5	To Appoint Sri K. Satyanarayana Raju (DIN: 00979484) as an Independent Director		
6	To Appoint Sri Indukuri Venkata Subba Raju (DIN: 02274771) as an Independent Director		
7	To Appoint Sri Y. Subba Rao (DIN: 03030193) as an Independent Director		
8	To Appoint Sri D. V. Ratna Kishore (DIN: 01017518), as an Independent Director		
9	To Appoint Sri Venkateswara Dontireddy Reddy (DIN: 06955859), as an Independent Director		
10	Adoption of new Articles of Association in conformity with Companies Act, 2013		
11	To regularize the Contract entered with M/s. Country Condo's Limited		
12	To approve the payment of remuneration to Executive Directors		
13	To approve the payment of remuneration to Non-Executive Directors		
14	Change of Name of the Company		

Signed this _____ day of _____ 2014

Signature of the Shareholder

Affix a 15
Paise
Revenue
Stamp and
Sign Across

Signature of first Proxy holder

Signature of Second Proxy holder

Signature of third Proxy holder

Note:

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



COUNTRY CLUB (INDIA) LIMITED
CIN: L91990AP1991PLC012714

Regd. Office: 'Amrutha Castle', 5-9-16, Saifabad, Opp. Secretariat, Hyderabad - 500063
Tel: 040-66848888, Fax: 040-66360609, E-mail: contact@countryclubmail.com, Website: www.countryclubindia.net

BALLOT FORM

Ballot Sr. No. _____

1. Name(s) of Shareholder(s) (in block letters) (including joint holders, if any) :				
2. Registered address of the Sole/ First named shareholder :				
3. DP ID No./ Client ID No./ Registered Folio No./ * (Applicable to investors holding shares in Physical form) :				
4. Number of shares held :				
5. I/We hereby exercise my/our vote in respect of the following resolution to be passed through AGM for the business stated in the Notice of the Company by sending my/our assent or dissent to the said resolution by placing the tick (✓) mark at the appropriate box below.				
Sl. No.	Description	Type of Resolution	I/We assent to the resolution	I/We dissent to the resolution
1	Adoption of Annual Accounts and Reports thereon for the financial year ended 31st March, 2014	Ordinary		
2	Declaration of dividend	Ordinary		
3	Re-appointment of the Y, Manjula Reddy as Director	Ordinary		
4	Appointment of M/s. P. Murali & Co., Chartered Accountants, as Statutory Auditors of the Company and to fix their remuneration for the financial year ending 31st March, 2015	Ordinary		
5	To Appoint Sri K. Satyanarayana Raju (DIN: 00979484) as an Independent Director	Ordinary		
6	To Appoint Sri Indukuri Venkata Subba Raju (DIN: 02274771) as an Independent Director	Ordinary		
7	To Appoint Sri Y. Subba Rao (DIN: 03030193) as an Independent Director	Ordinary		
8	To Appoint Sri D. V. Ratna Kishore (DIN: 01017518), as an Independent Director	Ordinary		
9	To Appoint Sri Venkateswara Dontireddy Reddy (DIN: 06955859), as an Independent Director	Ordinary		
10	Adoption of new Articles of Association in conformity with Companies Act, 2013	Special		
11	To regularize the Contract entered with M/s. Country Condo's Limited	Special		
12	To approve the payment of remuneration to Executive Directors	Ordinary		
13	To approve the payment of remuneration to Non-Executive Directors	Ordinary		
14	Change of Name of the Company	Special		

Place:

Date:

Signature of the Shareholder (s)

Electronic Voting Particulars

EVEN(Electronic Voting Event Number)	User ID	Password

Note: For e-voting, please refer the instructions under "E-Voting Facility" in the Postal Ballot Notice attached herewith.

Instructions for e-voting are as under:

- (i) The Notice of the 23rd AGM of the Company *inter alia* indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form is being dispatched to all the Members. Initial password is provided at the bottom of the Ballot Form for the 23rd AGM:
- (ii) NSDL shall also be sending the User-ID and Password, to those members whose shareholding is in the dematerialized format and whose email addresses are registered with the Company/Depository Participants(s). For members who have not registered their email address, can use the details as provided above.
- (iii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iv) Click on Shareholder – [Login](#)
- (v) Put user ID and password as initial password noted in step (i) above. Click Login.
- (vi) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vii) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
- (viii) Select “EVEN” of Country Club (India) Limited
- (ix) Now you are ready for e-Voting as Cast Vote page opens
- (x) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
- (xi) Upon confirmation, the message “Vote cast successfully” will be displayed
- (xii) Once you have voted on the resolution, you will not be allowed to modify your vote
- (xiii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail scrutinizer@countryclubmail.com with a copy marked to evoting@nsdl.co.in.
 - I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com.
 - II. If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.
 - III. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - IV. The e-voting period commences at 9.00 a.m. on Wednesday, 24th September, 2014 and will end at 5.00 p.m. on Friday, 26th September, 2014. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, may cast their vote electronically. The e-voting module shall also be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
 - V. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on, Friday, 29th August, 2014.
 - VI. Since the Company is required to provide members facility to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of August 29, 2014 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
 - VII. The Scrutinizer shall within a period of not exceeding three(3) working days from the conclusion of the e-Voting period unlock the votes in the presence of atleast two(2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 - VIII. The Results shall be declared on or after the 23rd Annual General Meeting of the Company. The Results declared alongwith the Scrutinizer’s Report shall be placed on the Company’s website www.countryclubindia.net and on the website of NSDL within two(2) days of passing of the resolutions at the 23rd Annual General Meeting of the Company on 30th September, 2014 and communicated to the Stock Exchanges.