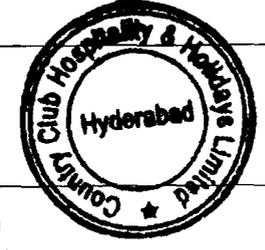
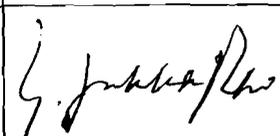
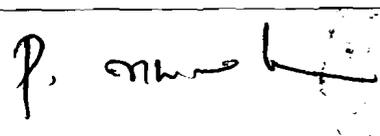




**FORM - A**

1.	Name of the Company:	Country Club Hospitality & Holidays Limited
2.	Annual financial statements for the year ended	31 <sup>st</sup> March, 2015
3.	Type of Audit observation	No Qualification
4.	Frequency of observation	Whether appeared first time / Repetitive / since how long period  NIL
5.	To be signed by-	
	Y. Siddharth Reddy, Vice Chairman, JMD & CEO	
	K. Phaneendra Rao, Chief Financial Officer	 
	Y. Subba Rao, Audit Committee Chairman	
	P. Murali Mohana Rao, Auditor of the company	 

**COUNTRY CLUB HOSPITALITY & HOLIDAYS LIMITED**  
(Formerly known as Country Club (India) Limited)

**Corporate Office :** Country Club Kool, #6-3-1219, 4th & 5th Floor, Begumpet, Hyderabad -16, Ph: 040 6684 8888, Fax : 040 6636 0609  
**Reg. Office :** Amrutha Castle, 5-9-16, Saifabad, Secretariat, Hyderabad - 500 063. **CIN NO.** L70102AP1991PLC012714

Country Club Hospitality & Holidays Limited  
**Annual Report 2014 - 15**



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# Corporate Information

## Board of 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
Shri D. Krishna Kumar Raju	Vice Chairman & 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	Director

**Company Secretary :** Smt V. Sreelatha

## Contacts

Registered Office  
'Amrutha Castle',  
5-9-16, Saifabad,  
Opp: Secretariat,  
Hyderabad - 500 063

Corporate Office  
Country Club Kool,  
#6-3-1219, 4<sup>th</sup> & 5<sup>th</sup> Floor,  
Begumpet, Hyderabad- 500016

Phone: +91 40 6684 8888  
Fax: +91 40 6684 3444  
Website: [www.countryclubindia.net](http://www.countryclubindia.net)

## Registrar and Share Transfer Agents

Aarathi 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](http://www.aarthiconsultants.com)  
E-mail: [info@arthiconsultants.com](mailto:info@arthiconsultants.com)

## Auditor

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

## Bankers

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

## Listed on

**Equity :** Bombay Stock Exchange Limited, Mumbai  
National Stock Exchange of India Limited, Mumbai, w.e.f., 3rd February, 2015

**Book Closure Dates :** 23<sup>rd</sup> September, 2015 to 30<sup>th</sup> September, 2015 (Both days inclusive)

Country Club Hospitality & Holidays Limited  
(Formerly known as Country Club (India) Limited)  
CIN: L70102AP1991PLC012714

## Notice

**NOTICE** is hereby given that the 24<sup>th</sup> Annual General Meeting of the members of M/s. Country Club Hospitality & Holidays Limited (**Formerly known as Country Club (India) Limited**) will be held on Wednesday, the 30<sup>th</sup> day of September, 2015 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 financial statements (including audited consolidated financial statements) of the Company for the financial year ended March 31, 2015 together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Y. Varun Reddy (DIN: 01905757), Director who retires by rotation and being eligible offers himself for re-appointment.
3. To ratify the appointment of M/s. P. Murali & Co., Chartered Accountants, Hyderabad (Registration No. 007257S) as approved by Members at the Twenty Third Annual General Meeting as Statutory Auditors of the Company, to hold office till the conclusion of Twenty Fifth Annual General Meeting, at such remuneration, plus service tax as may be applicable and reimbursement of actual out of pocket expenses as may be incurred in the performance of their duties, as the Board of Directors may fix in this behalf.”

### Special Business:

4. To re-appoint Sri Y. Siddharth Reddy (DIN: 00815456) as Vice-Chairman, JMD & CEO:  
  
To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:  
  
**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable

provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded for the Re-appointment of Sri Y. Siddharth Reddy (DIN: 00815456), as Vice-Chairman, JMD & Chief Executive Officer of the Company for a further period of 5 (five) years with effect from 1<sup>st</sup> September, 2015 to 31st August, 2020 and at such remuneration perquisites and benefits for a period of three years from the date of re-appointment i.e upto 31st August, 2018 on the following terms and conditions and the details as set out in the explanatory statement annexed.

- A) Salary of Rs. 2,50,000/- (Rupees Two Lakhs Fifty Thousand Only) per month. This includes dearness allowance and all other allowances not otherwise specified herein.
- B) In addition, he shall be entitled to the following:
  - I. Perquisites as under not exceeding Rs.25,000/- per month:
    - a) Housing: Rent-free accommodation will be provided to him from whom 10% of his salary shall be recovered. In case no accommodation is provided by the Company, house rent allowance at 60% of the salary shall be paid. In addition, he shall be allowed free use of the Company owned furniture and other consumable durables, if required.
    - b) The expenditure incurred by him for gas, electricity, water and furnishings shall be reimbursed by the Company.
    - c) All medical expenses incurred by him shall be reimbursed.

- d) Leave travel concession for him will be allowed once in a year as may be decided by the Board.
  - e) Fees of Club shall be reimbursed subject to the maximum of two clubs; Admission Fees and Life Membership Fees.
  - f) Personal accident insurance – the premium of which shall not exceed Rs.10000/- per annum.
  - g) Contribution to the provident fund, superannuation fund, annuity fund to the extent the same are not taxable under the Income Tax Act.
  - h) Provision of Car with driver for use on Company's business and Mobile phone and Telephone at the residence.
  - i) Gratuity is payable at a rate not exceeding Half Month Salary for each completed year of Service.
  - j) Encashment of earned leave at the rate of 30 days per annum at the end of his tenure.
- II. Commission: He shall be paid performance based commission up to 5% (Five Percentage) (including salary and perquisites hereafter stated) of the net profits calculated in accordance with Section 198 of the Companies Act, 2013 for each financial year.

**RESOLVED FURTHER THAT** the above remuneration payable to Sri Y. Siddharth Reddy, (DIN: 00815456), as Vice-Chairman, JMD & Chief Executive Officer during the tenure of office shall be subject to the limits prescribed under Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board 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.”

5. To re-appoint Sri Y. Rajeev Reddy (DIN: 00115430) as Chairman & Managing Director:

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

**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the Re-appointment of Sri Y. Rajeev Reddy (DIN: 00115430) as Chairman & Managing Director of the Company for a further period of 5 (five) years with effect from 1<sup>st</sup> April, 2016, to 31<sup>st</sup> March, 2021 and at such remuneration perquisites and benefits for a period of three years from the date of re-appointment i.e upto 31<sup>st</sup> March, 2019 on the following terms and conditions and the details as set out in the explanatory statement annexed.

- A) Salary of Rs. 3,00,000/- (Rupees Three Lakhs Only) per month. This includes dearness allowance and all other allowances not otherwise specified herein.
- B) In addition, he shall be entitled to the following:
- Brand ambassador fee: He shall be paid Rs. 4,00,000 (Rupees four lakhs only) per month for acting as a Brand Ambassador of the Company for the promotion of the memberships and products of the Company.

- Perquisites as under not exceeding Rs.50,000/- per month:
  - Housing: Rent-free accommodation will be provided to him from whom 10% of his salary shall be recovered. In case no accommodation is provided by the Company, house rent allowance at 60% of the salary shall be paid. In addition, he shall be allowed free use of the Company owned furniture and other consumable durables, if required.
  - The expenditure incurred by him for gas, electricity, water and furnishings shall be reimbursed by the Company.
  - All medical expenses incurred by him shall be reimbursed.
  - Leave travel concession for him will be allowed once in a year as may be decided by the Board.
  - Fees of Club shall be reimbursed subject to the maximum of two clubs; Admission Fees and Life Membership Fees.
  - Personal accident insurance – the premium of which shall not exceed Rs.10000/- per annum.
  - Contribution to the provident fund, superannuation fund, annuity fund to the extent the same are not taxable under the Income Tax Act.
  - Provision of Car with driver for use on Company's business and Mobile phone and Telephone at the residence.
  - Gratuity is payable at a rate not exceeding Half Month Salary for each completed year of Service.

- Encashment of earned leave at the rate of 30 days per annum at the end of his tenure.

- II. Commission: He shall be paid performance based commission up to 5% (Five Percentage) (including salary and perquisites hereafter stated) of the net profits calculated in accordance with Section 198 of the Companies Act, 2013 for each financial year.

**Overall Remuneration:** The aggregate of the salary, Commission, perquisites and other emoluments in any financial year shall not exceed the limits prescribed from time to time under Sections 196, 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act, as may for the time being be in force.

**Revision in Remuneration:** The remuneration payable to Mr. Y. Rajeev Reddy, as Chairman & Managing Director shall be subject to revision, from time to time (annually and / or otherwise), by the Board of Directors of the Company at their discretion”.

**RESOLVED FURTHER THAT** the above remuneration payable to Sri Y. Rajeev Reddy, (DIN: 00115430), as Chairman and Managing Director during the tenure of office shall be subject to the limits prescribed under Schedule V of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board 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.

**For and on behalf of the Board of Directors  
For Country Club Hospitality & Holidays Limited**

**Y. Varun Reddy**  
Vice Chairman, JMD & COO  
DIN: 01905757

Place: Hyderabad  
Date: 13<sup>th</sup> August, 2015

## Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto.
  2. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company carrying voting rights. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Corporate Office at Country Club Kool, #6-3-1219, 4<sup>th</sup> & 5<sup>th</sup> Floor, Begumpet, Hyderabad-500016, duly completed and signed, not later than 48 hours before the commencement of the meeting.
  3. A Proxy Form is annexed to this Report. Members/Proxies should bring duly filled attendance slips sent herewith for attending the meeting along with the copies of Annual Reports to the Annual General Meeting. Pursuant to Section 113 of the Companies Act, 2013 Corporate Members intending to send their authorized representatives to attend the Meeting are requested to send a certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the AGM.
  4. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository Participant for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email addresses with the Company, physical copies of the Annual Report are being sent by the permitted mode. Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the registration counter to attend the AGM.
  5. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 23<sup>rd</sup> September, 2015 to Wednesday, 30<sup>th</sup> September, 2015 (both days inclusive).
  6. The amount which was lying in the Un-claimed Dividend Account of the Company for the FY 2006 – 2007 of Rs. 7,13,028 (Rupees Seven Lakhs Thirteen Thousand and Twenty Eight Only) has been transferred to Investor Education & Protection Fund Account (IEPF).
  7. The due date for transfer of unpaid dividend amount to the Investor Education and Protection Fund (IEPF) of the Financial Year 2007 – 08 is 04<sup>th</sup> October, 2015, for Financial Year 2008 – 09 is 29<sup>th</sup> October, 2016, for the Financial Year 2009 – 10 is 29<sup>th</sup> October, 2017, for the Financial Year 2010 – 11 is 29<sup>th</sup> October, 2018, for the Financial Year 2011 – 12 is 28<sup>th</sup> October, 2019, for the Financial Year 2012 – 13 is 29<sup>th</sup> October, 2020 and for the Financial Year 2013 – 14 is 29<sup>th</sup> October, 2021 Further the details of the un-claimed dividend for the above said years are also placed on the Company's Website i.e. [www.countryclubindia.net](http://www.countryclubindia.net).
  8. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, as amended from time to time, 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 Tuesday, 22<sup>nd</sup> September, 2015, i.e. the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the dispatch of the Annual Report and before the book closure may approach the NSDL/ RTA for issuance of the User ID and Password for exercising their right to vote by electronic means. The e-voting period will commence at 9.00 a.m. on Sunday, 27<sup>th</sup> September, 2015 and will end at 5.00 p.m. on Tuesday, 29<sup>th</sup> September, 2015. The Company has appointed Smt. Rashida Adenwala (Membership No. FCS 4020), Practising Company Secretary, Partner at R & A Associates, Company Secretaries to act as the Scrutinizer, for conducting the scrutiny of the votes cast in a fair and transparent manner. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.
  9. Members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
- ### 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 Hospitality & Holidays Limited**. For and EVEN, you can login any number of times on e-voting platform of NSDL till you have voted on the resolution during the voting period.
- g. Now you are ready for “e-voting” as “Cast Vote” Page opens.
- h. Cast your vote by selecting appropriate option and click “Submit” and also “Confirm” when prompted. Kindly note that vote once cast cannot be modified.
- i. Institutional members (i.e. members other than individuals, HUF, NRIs, etc.) are also required to send scanned copy (PDF/JPG format) of the relevant board resolution / authority letter, etc. together with the attested specimen signature(s) of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through email at : [scrutinizer@countryclubmail.com](mailto:scrutinizer@countryclubmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
- j. The e-voting period will commence at 9.00 a.m. on Sunday, 27<sup>th</sup> September,

2015 and will end at 5.00 p.m. on Tuesday, 29<sup>th</sup> September, 2015. 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](mailto:evoting@nsdl.co.in)

1. 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.
2. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / M/s. Aarathi Consultants Private Limited, (Unit: Country Club Hospitality & Holidays Limited).
3. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
4. Members holding shares in physical form are requested to notify / send any change in their address to the Company's share transfer agents, M/s. Aarathi Consultants Private Limited, (Unit: Country Club Hospitality & Holidays Limited),

1-2-285, Domalguda, Hyderabad - 500 029, Telangana, or to the Company at its Registered Office with their Folio Number(s).

5. Members holding shares in dematerialised form are requested to notify/send any changes in their address to the concerned Depository Participant(s).
6. 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.
7. 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.
8. 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.
9. 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.
10. 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.
11. Section 72 of the Companies Act, 2013 extends the nomination facility to individual shareholders of the Company. Therefore, the shareholders willing to avail this facility may make nomination in Form SH-13 for initial registration of nomination and Form SH-14 for cancellation and variation of nomination as per Companies Act, 2013 to the Company's R.T.A. This nomination form should be submitted at Registrar and Share Transfer Agent (R. T. A.) as per the address mentioned in the Corporate Governance Report.

## Explanatory statement pursuant to section 102 (1) of the companies act, 2013:

### Item No. 4:

Sri Y. Siddharth Reddy, was re-appointed as the Vice-Chairman, Joint Managing Director & CEO by the Members of the Company at the 19<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2010 for a period of 5 years w.e.f 1<sup>st</sup> September, 2010 to 31<sup>st</sup> August, 2015.

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

The Board reviewed the performance achieved by the Company under his leadership and appreciated the same. Further in order to avail his uninterrupted services for the growth of the company, and upon the recommendations made by the Nomination and Remuneration Committee, the board has proposed to reappoint him as the Vice Chairman, Joint Managing Director and CEO of the Company for a further period of 5 years w.e.f 1<sup>st</sup> September, 2015 to 31<sup>st</sup> August, 2020 on the same terms and conditions as mentioned in the resolution in the board meeting held on 13th August, 2015.

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

The re-appointment of Sri Y. Siddharth Reddy, as Vice-Chairman, Joint Managing Director & CEO of the Company requires the approval of Members in General Meeting by way of Resolution pursuant to Section 196 of the Companies Act, 2013, Hence the Members approval is being sought for the said resolution

### I. GENERAL INFORMATION :

1	Nature of industry	HOSPITALITY & HOLIDAYS		
2	Date or expected date of commencement of commercial production	Commercial Operations of the Company have started during the year 1991		
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable		
4	Financial performance based on given indicators	2014-15 (in lakhs)	2013-14 (in lakhs)	2012-13 (in lakhs)
	Income from Operations (Gross)	27,318.08	32,140.82	31,873.85
	Profit/Loss Before tax	(654.84)	1,175.96	3,043.15
	Profit /Loss after Tax	(1,129.18)	96.14	1681.75
5	Foreign investments or collaborations, if any	The Company has made investment in the following overseas subsidiaries:- 1. Country Club Babylon Resort Private Limited, Sri Lanka 2. Country Vacations International Limited, Dubai		

## II. INFORMATION ABOUT THE APPOINTEE :

### 1. Background Details :

Y. Siddharth Reddy is a natural leader and a thorough bred entrepreneur who stepped into a dream to achieve new levels of corporatism. He was only the 3<sup>rd</sup> person in his high schools 75 year old history to be appointed to four leadership positions simultaneously including the Deputy Head Boy. He then went on to become the youngest speaker ever to be invited to speak at various institutions including most at the business school at The University of Texas at Austin.

He worked with Merrill Lynch just before his senior year and refused 5 employment offers with companies like IBM, Intel, etc before he decided to move to India to work with his father. Siddharth joined Country Club Hospitality & Holidays Ltd in 2005 to transform Country Club Hospitality & Holidays Ltd to large size along with his father initially and later on with brother into the huge leisure giant it has become today.

### 2. Past remuneration :

He has been drawing the following remuneration:

Salary (including HRA)	Commission	Other	Total
30,00,000	2.5% of the Net Profits	NIL	30,00,000

3. Recognition or awards : Nil

4. Job profile and his suitability:

Mr. Y. Siddharth Reddy, Vice-Chairman, JMD & CEO has been taking care of Accounts, Finance, Cash Management System & Compliance Departments, Since his tenure as Joint Managing Director, he has steered the Company with total dedication, hard work and effective leadership into diversified activities.

5. Remuneration proposed:

The company is proposing to continue paying him with the existing remuneration what he is currently availing. The Company intends to pay the amount prescribed under Section II of Part II of Schedule V of the Companies Act, 2013 and hence it is proposed to pass the special resolutions in this regard.

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

The remuneration payable to appointee has been benchmarked with the remuneration being drawn by similar positions in Hospitality Industry and has been considered by the Nomination & Remuneration Committee of the Company at their meeting held on August 13, 2015.

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

Sri Siddharth Reddy, has no pecuniary relationship directly or indirectly with the Company except to the extent of his remuneration and shareholdings in the Company.

### III. Other information:

(1) Reasons of loss or inadequate profits:

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

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

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

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

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

**Item No. 5:**

Sri Y. Rajeev Reddy, was re-appointed as the Chairman & Managing Director by the Members of the Company at the 20<sup>th</sup> Annual General Meeting held on 30<sup>th</sup> September, 2011 for a period of 5 years w.e.f 1<sup>st</sup> April, 2011 to 31<sup>st</sup> March, 2016.

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

The Board reviewed the performance achieved by the Company under his leadership and appreciated the same. Further in order to avail his uninterrupted services for the growth of the company, and upon the recommendations made by the Nomination and Remuneration Committee, the board has proposed to reappoint him as the Chairman & Managing Director of the Company for a further period of 5 years w.e.f 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2021 on the same terms and conditions as mentioned in the resolution in the Board Meeting held on 13th August, 2015..

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

The re-appointment of Sri Y. Rajeev Reddy, as Chairman & Managing Director of the Company requires the approval of Members in General Meeting by way of Resolution pursuant to Section 196 of the Companies Act, 2013.

**I. GENERAL INFORMATION :**

1	Nature of industry	HOSPITALITY & HOLIDAYS		
2	Date or expected date of commencement of commercial production	Commercial Operations of the Company have started during the year 1991		
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable		
4	Financial performance based on given indicators	2014-15 (in lakhs)	2013-14 (in lakhs)	2012-13 (in lakhs)
	Income from Operations (Gross)	27,318.08	32,140.82	31,873.85
	Profit/Loss Before tax	(654.84)	1,175.96	3,043.15
	Profit /Loss after Tax	(1,129.18)	96.14	1681.75
5	Foreign investments or collaborations, if any	The Company has made investment in the following overseas subsidiaries:- 1. Country Club Babylon Resort Private Limited, Sri Lanka 2. Country Vacations International Limited, Dubai		

**II. INFORMATION ABOUT THE APPOINTEE :****1. Background details :**

Mr. Rajeev Reddy is the Founding Chairman & Managing Director of Country Club Hospitality & Holidays Ltd (CCHHL) - a Multicore Entertainment and leisure Infrastructure conglomerate.

His is the story of vision and hard work, a story typical of an entrepreneur. As a graduate in commerce he decided to endeavor into Real Estate and Construction when he was 21 years old. With minimum capital, Mr. Reddy started a real estate company with name of Amrutha Estates named after his mother in the year 1981. The first ambitious project he undertook was Ashiana, a residential complex consisting of 20 deluxe flats, in the capital city of Andhra Pradesh. Since then he has completed over 25 prestigious projects in Chennai and Hyderabad. Mr. Y. Rajeev Reddy has vast experience in the field of real estate, construction and the lesiure/hotel industry.

2. **Past remuneration :**

Presently he is drawing the following remuneration:

Salary (including HRA)	Commission	Other	Total
36,00,000	5% of the Net Profits	48,00,000 (Brand Ambassador Fees)	84,00,000

3. **Recognition or awards:**

ET Inspiring Entrepreneurs of India - 2015 - One of the India's Top 50 Entrepreneurs Award from Economic Times held @ Delhi

In the year 2014, Mr. Y. Rajeev Reddy is listed among the enviable super 100 entrepreneurial Indians in both Middle East and Africa.

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

Mr. Y. Rajeev Reddy is the Founder, Chairman & Managing Director and Brand Ambassador of the Company. With a vast experience in Leisure and Hospitality Industry he is representing the Company and introducing the Industry globally.

5. **Remuneration proposed:**

The Company intends to pay double the amount prescribed under Section II of Part II of Schedule V of the Companies Act, 2013 and hence it is proposed to pass the special resolutions in this regard.

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

The remuneration payable to Sri Y. Rajeev Reddy, has been benchmarked with the remuneration being drawn by similar positions in Hospitality Industry and has been considered by the Nomination & Remuneration Committee of the Company at their meeting held on August 13, 2015.

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

Sri Y. Rajeev Reddy, have no pecuniary relationship directly or indirectly with the Company except to the extent of his remuneration and shareholdings in the Company.

III. **Other information:**

(1) Reasons of loss or inadequate profits:

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

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

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

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

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

For and on behalf of the Board of Directors  
For Country Club Hospitality & Holidays Limited

**Y. Varun Reddy**  
Vice Chairman, JMD & COO  
DIN: 01905757

Place: Hyderabad  
Date: 13<sup>th</sup> August, 2015

## 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 : **Sri Y. Rajeev Reddy**  
DIN : 001115430  
Age : 59 Years  
Qualification : B. Com (Hon)  
Expertise : Vast Experience in Leisure and Hospitality Industry.  
Other Directorships : 9 Public Companies & 3 Private Companies
1. Country Condo's Limited
  2. Aquarian Realtors Private Limited\*
  3. Bright Resorts Private Limited\*
  4. Bush Betta Holiday Ownership Wildlife Adventure Resort Private Limited\*
  5. Chanakyapuri Resorts Private Limited\*
  6. Club Arzee Limited
  7. J.J Arts and Entertainments Private Limited\*
  8. Kolet Resort Club Private Limited\*
  9. Maruti Waterpark & Entertainments Pvt Ltd\*
  10. Amrutha Estates Private Limited
  11. Apurva Holiday Homes Private Limited
  12. Vyshnavi Holiday Inn Private Limited
- Membership(s)  
Chairmanship(s) of Board : NIL  
Committees in other Companies :  
Shareholding in the Company : 106337986 (65.05%)
- 

2. Name : **Sri Y. Varun Reddy**  
DIN : 01905757  
Age : 30 Years  
Qualification : B.A (Eco), B.A (Corporate Communication)  
Expertise : Marketing and Corporate Communication  
Other Directorships : 9 Public Companies & 1 Private Companies
1. Country Condo's Limited
  2. Bush Betta Holiday Ownership Wildlife Adventure Resort Private Limited\*
  3. Chanakyapuri Resorts Private Limited\*
  4. Club Arzee Limited

		5. J.J Arts and Entertainments Private Limited*
		6. Kolet Resort Club Private Limited*
		7. Maruti Waterpark & Entertainments Pvt Ltd*
		8. Swami Vivekanand Training And Education Centre Private Limited*
		9. Swimwel Investment And Trading Private Limited*
		10. Zen Garden Hotel Private Limited
Membership(s) /		
Chairmanship(s) of Board	:	NIL
Committees in other Companies	:	
Shareholding in the Company	:	2081000 (1.27%)

3. Name	:	<b>Sri Y. Siddharth Reddy</b>
DIN	:	00815456
Age	:	32 Years
Qualification	:	Degree in Finance from University of Texas, Austin
Expertise	:	Experience in Financial Planning and Financial Management
Other Directorships	:	9 Public Companies & 3 Private Companies
		1. Country Condo's Limited
		2. Bright Resorts Private Limited*
		3. Club Arzee Limited
		4. International Country Holidays Private Limited*
		5. Jade Resorts Private Limited*
		6. Kolet Resort Club Private Limited*
		7. Maruti Waterpark & Entertainments Pvt Ltd*
		8. Swami Vivekanand Training And Education Centre Private Limited*
		9. Swimwel Investment And Trading Private Limited*
		10. Apurva Holiday Homes Private Limited
		11. New Era Heights Private Limited
		12. Country World Realty Private Limited
Membership(s) /		
Chairmanship(s) of Board	:	1 (CSR Committee)
Committees in other Companies	:	
Shareholding in the Company	:	3526750 (2.13%)

NOTE: \* Private Companies which are Subsidiary of Public Company

# Directors' Report

To  
The Members of  
**M/s. Country Club Hospitality & Holidays Limited**

The Directors are pleased in presenting the 24<sup>th</sup> Annual Report of the Company together with Audited Annual Accounts for the year ended 31<sup>st</sup> March, 2015.

## Financial Results

(Rupees in Lakhs)

Particulars	Consolidated (Mar' 15)		Standalone (Mar' 15)	
	Current Year	Previous Year	Current Year	Previous Year
Total Income	50046.83	49695.01	27318.08	32140.82
Operating profit before interest, depreciation and tax	12111.71	12109.71	5304.98	7918.15
Interest and financial charges	4911.06	4668.58	4059.83	3919.49
Depreciation	4000.35	4601.84	1899.99	2822.70
Profit before taxation	3200.30	2839.29	(654.84)	1175.96
Tax	523.10	1118.24	474.35	1079.82
Profit after taxation	2677.20	1721.05	(1129.19)	96.14
Transfer to General Reserves	Nil	Nil	Nil	Nil
Provision for dividend	Nil	42.83	Nil	42.83
Provision for dividend tax	Nil	7.28	Nil	7.28
Surplus carried to Balance Sheet	2677.20	1670.94	Nil	46.03

### Results of Operations :

During the year under review, the turnover of the Company was **Rs. 500.46 Crores** as compared to **Rs. 496.95 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 is one of the favorite tourist destinations from the year 2009 and will continue to be one of the favorite till 2018, in accordance 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 on an 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 its 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.

**Number of meetings of the board :**

9 Board Meetings held during the Financial Year 2014-15.

**Un-Paid / Un-claimed Dividend Amount :**

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

Financial Year	Amount
2013 – 2014	273276
2012 – 2013	270121
2011 – 2012	244778
2010 - 2011	234126
2009 – 2010	247067
2008 – 2009	759900
2007 – 2008	543860

**Investor Education & Protection Fund :**

The amount which was lying in the Un-claimed

Dividend Account of the Company for the FY 2006 – 2007 of Rs. 7,13,028 (Rupees Seven Lakhs Thirteen Thousand and Twenty Eight Only) has been transferred to Investor Education & Protection Fund Account (IEPF).

**Share Capital :**

The Paid-up Share Capital of the Company stands at Rs. 32,69,29,470 (Rupees Thirty Two Crores Sixty Nine Lakhs Twenty Nine Thousand Four Hundred and Seventy Only) as on 31<sup>st</sup> March, 2015.

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

**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**

Information as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 forming part of Directors Report for the year ended 31<sup>st</sup> March, 2015.

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

A. Conservation of energy

- (i) The steps taken or impact on conservation of Energy: The Company is continuously monitoring the consumption of energy and implements wherever necessary the required measures for conserving it.
- (ii) The Steps taken by the Company for utilising alternate sources of Energy: NIL
- (iii) The Capital Investment on energy conservation equipments: NIL

B. Technology absorption:

- (i) The efforts made towards technology absorption : No technology – indigenous or foreign - is involved.
- (ii) The benefits derived like product Improvement, cost reduction, product Development or import substitution : Not applicable
- (iii) in case of imported technology (imported during the last three years reckoned from the beginning of the Financial year) :No technology has been imported during the year.
- (a) The details of technology imported : Nil

- (b) The year of import : Not applicable
- (c) Whether the technology been fully Absorbed : Not applicable
- (d) If not fully absorbed, areas where If not fully absorbed, : Not applicable  
areas where absorption has not taken place, and the reasons thereof;
- (iv) The expenditure incurred on Research and Development : Nil
- C. Foreign exchange earnings and outgo:

	2014-15	2013-14
Foreign Currency Earnings/Inflow	28,21,01,336/-	NIL
Foreign Currency Expenditure / Outflow	NIL	24,64,066/-

#### Extracts of Annual Return and other disclosures under Companies (Appointment & Remuneration) Rules, 2014

The Extract of Annual Return in Form No. MGT-9 as per Section 134 (3) (a) of the Companies Act, 2013 read with Rule 8 of Companies Act (Accounts) Rules 2014 and Rule 12 of Companies (Management & Administration) Rules, 2014 is enclosed as Annexure I to this report.

#### Particulars of Employees:

#### Information as per Rule 5(1) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name of Director	Designation	Remuneration FY 14-15	Remunerat ion in FY 13-14	% of remuneration in 2015 as compared to 2014	Ratio of remuneration to MRE	Ratio of remuneration to	
						Revenues FY 14-15	Net Profit FY 14-15)
Y. Rajeev Reddy	Chairman & Managing Director	84,00,000	84,00,000	Nil	70 times	0.0031	-0.074
Y. Siddharth Reddy	Vice-Chairman, JMD & CEO	30,00,000	30,00,000	Nil	25 times	0.0011	-0.026
Y. Varun Reddy	Vice-Chairman, JMD & COO	30,00,000	30,00,000	Nil	25 times	0.0011	-0.026
D. Krishna Kumar Raju	Vice-Chairman & Director	15,00,000	30,00,000	Nil	25 times	0.0011	-0.026
Kudligi Phaneendra Rao	Chief Financial Officer	18,18,000	18,18,000	Nil	15.15 times	6.70	-0.016
Sreelatha V	Company Secretary	2,55,000	2,40,000	6.25	2.13 times	9.40	-0.002
<b>Total Remuneration of KMP's</b>		<b>1,79,73,000</b>	<b>1,94,58,000</b>	<b>0.08</b>	-	<b>16.1064</b>	<b>-0.17</b>

1. The Median Remuneration of the employees of the Company during the financial year was Rs. 10,000/-
2. In the financial year, there was an increase of 10% in the median remuneration employees.
3. There are 6006 permanent Employees on the Rolls of the Company as on 31<sup>st</sup> March, 2015.
4. Variations in the market capitalization of the Company:
  - a) The Market Capitalisation of the Company as on 31<sup>st</sup> March, 2015 was Rs. 174.08 Crores as compared to Rs. 125.05 Crores as on 31.03.2014
  - b) The price earnings ratio of the Company was (15.43) as at 31st March, 2015 and was 109.29 as at 31st March, 2014
  - c) The closing share price of the Company at BSE Limited on 31st March, 2015 being Rs. 10.65/- per equity share of face value of Re. 2/- each has grown 5.3 times since the last offer for sale made in the year 1994 (Offer Price was Rs. 10/- per equity share of face value of Rs. 10/- each).
5. The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee.
6. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – N.A. and
7. It is hereby confirmed that the remuneration is as per the remuneration policy of the Company.

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

<b>Name of the employee</b>	<b>Mr. Y. Rajeev Reddy</b>
<b>Designation</b>	Chairman & Managing Director
<b>DIN</b>	00115430
<b>Total Remuneration (in Rs.)</b>	Rs.84,00,000/- (Rs.36,00,000/- paid as Managing Director and Rs.48,00,000/- is paid towards brand ambassador Fee).
<b>Qualification</b>	B. Com (Hons)
<b>Exp.(in years)</b>	29 years
<b>Date of Commencement of Employment</b>	17-05-1991
<b>Age</b>	59 years
<b>Last Employment held</b>	Amrutha Group
<b>Percent of holding shares</b>	65.05

**Directors :**

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Sri. Y. Varun Reddy, Vice-Chairman, JMD & COO of the Company who retire by rotation at the 24<sup>th</sup> Annual General Meeting and being eligible, offer himself for re-appointment.

The board has proposed for re-appointment of Sri Y. Siddharth Reddy , who has completed his tenure as Vice-Chairman, JMD & CEO on 01.09.2015 and Sri Y. Rajeev Reddy, who shall complete his tenure as Chairman & Managing Director on 31.03.2016, z for a further period of 5 (five) years with effect from the respective dates.

Brief profile of the Directors proposed to be re-appointed stating the nature of their expertise in specific functional areas, their shareholding along with other relevant details are given at the end of the Notice of the Annual General Meeting. The Board recommends their reappointment by the Members at the ensuing 24<sup>th</sup> 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.

**Statement on Declaration given by Independent Directors under Sub-Section (6) of Section 149 of the Companies Act, 2013:**

The Independent Directors have submitted the Declaration of Independence, as required pursuant to Section 149 (7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in Sub-Section (6) of section 149 of Companies Act, 2013.

**Details of Directors or key Managerial Personnel who were appointed or have resigned during the year :**

Mr. K. Phaneendra Rao, was appointed as Chief Financial Officer of the Company on 14.08.2014

**Directors' Responsibility Statement:**

Pursuant to the requirements under Section 134 of the Companies Act, 2013 with respect to the Directors' Responsibility Statement, the Board of Directors of the Company hereby confirms:

- (a) that in the preparation of the annual accounts for the Financial year ended 31<sup>st</sup> March, 2015, the applicable accounting standards have been followed;
- (b) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2015, and Profit and Loss Statement of the Company for that period;
- (c) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the directors have prepared the annual accounts for the financial year ended 31<sup>st</sup> March, 2015, on a going concern basis;
- (e) that the directors have laid down internal controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (f) that the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

**Related Party Transactions:**

All the related party transactions are entered on arms length basis and are in compliance with the applicable provisions of the Act and the listing agreement. There are no materially significant related party transactions made by the Company during the Financial Year 2014-15 which may have the potential conflict with the interest of the company at large.

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

Further in accordance with the requirements of the listing agreement, the company has formulated policies on related party transactions and material subsidiaries. The policy is available on the website: [www.countryclubindia.net](http://www.countryclubindia.net)

**Auditors:**

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

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

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

### Types of Committees:

The Company has 4 different Committees, they are:

a) Audit Committee

#### Composition of the Audit Committee:

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

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

Mrs. V. Sreelatha, Company Secretary has acted as the Secretary to the Committee.

b) Nomination & Remuneration Committee

The Nomination and Remuneration Committee for the year was constituted of the following members:

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

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

c) Stakeholders Relationship Committee

The Stakeholders Relationship Committee was constituted of the following Directors:

Name of the Member	Category
1. Shri 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.

d) Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee was constituted of the following Directors:

Name of the Member	Category
1. Sri Venkateswara Dontireddy Reddy, Chairman	Independent Directors
2. Sri Indukuri Venkata Subba Raju, Member	
3. Sri Y. Siddharth Reddy, Member	

The Report on Corporate Social Responsibility as per Rule 8 of (Corporate Social Responsibility Policy) Rules, 2014 is prepared and the same is given in the Corporate Governance Report.

### Statement pursuant to the Listing Agreement :

The Company's equity shares are listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) and the Company has paid the annual listing fees up to Financial Year 2015-16.

The Company got listed on M/s. National Stock Exchange Of India Limited (NSE) on 3<sup>rd</sup> February, 2015.

The Company has delisted its shares from M/s. Madras Stock Exchange(MSE) due to exit of MSE from Trading Business.

### 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.

### Secretarial Audit

The Board of Directors have appointed M/s R. & A Associates, a firm of practicing Company Secretaries, Hyderabad as the Secretarial Auditor to conduct Secretarial Audit of the Company for the Financial year ended 31<sup>st</sup> March, 2015 in compliance with the provisions of Section 204 of the Companies Act, 2013.

The report of the Secretarial Audit Report by M/s. R & A Associates, in Form MR-3 is enclosed as **Annexure - II** to this Report.

Replies to the observations made by the Secretarial Audit report :

Mr. K. Phaneendra Rao, was acting as Deputy General Manager (DGM) of the Company and keeping in view of his expertise and services rendered to the Company., the board has designated Mr. K. Phaneendra Rao, as the Chief Financial Officer of the Company at their Meeting held on 14<sup>th</sup> August, 2014.

Due to inadvertence, the company has not made the necessary filings, submissions with the Registrar

of Companies and the stock Exchanges and the company ensures to comply with the same in future

The board is reforming the existing internal control systems of the Company in order to ensure foremost compliances of the applicable rules, laws and regulations

**Vigil Mechanism/Whistle Blower Policy :**

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

**Details of adequacy of internal financial controls**

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

**Change in the Nature of Business:**

There has been no change in the nature of business of the Company during the financial year under review, however the company has inserted Real Estate Business in the Main Objects with the members approval through Postal Ballot.

**The details of significant material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future:**

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

**Change of Name of the Company:**

The Company has changed its Name from Country Club (India) Limited to Country Club Hospitality & Holidays Limited. The said change was approved in the 23rd Annual General Meeting of the Company held on 30<sup>th</sup> September, 2014 and the Registrar of Companies, Telangana & Andhra Pradesh has issued a fresh certificate of incorporation on 27<sup>th</sup> November, 2014 consequent to the change.

**Material changes and Commitments:**

There were no material changes and commitments in the business operations of the Company from the Financial Year ended 31<sup>st</sup> March, 2015 to the date of

signing of the Director's Report.

**Risk Management Policy**

The Company has policy for identifying risk and established controls to effectively manage the risk. Further the company has laid down various steps to mitigate the identified risk.

**Mechanism for Board Evaluation:**

Clause 49 of the Listing Agreement states that the board shall monitor and review the board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies act, 2013 states that the performance evaluation of the independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The Directors evaluation was broadly based on the parameters such as understanding of the Company's vision and objective, skills, knowledge and experience, participation and attendance in Board/ Committee meetings; governance and contribution to strategy; interpersonal skills etc.

The Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as evaluation of the working of its Board Committees. A structures questionnaire was prepared covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board Culture, execution and performance of specific duties, obligations and governance.

A meeting of the Independent Directors was also held which reviewed the performance of Non-Independent Directors, Chairman and the quality, quantity and timelines of flow of information between the Company management and Board.

**Disclosure pertaining to sexual harassment of women at workplace:**

During the Financial year ended 31<sup>st</sup> March, 2015 the Company has neither received any complaints nor there are any pending complaints pertaining to sexual harassment.

**Subsidiary Companies:**

Pursuant to Section 129(3) of the Companies Act, 2013, a statement consisting salient features of financial statements of subsidiaries, associates and joint venture companies in Form AOC-1 is enclosed as Annexure - III. The Company has twenty two (22) subsidiary outfits as on 31<sup>st</sup> March, 2015:

**Domestic Subsidiaries:**

- Aquarian Realtors Private Limited
- Bush Betta Holiday Ownership Wildlife Adventure Resort Private Limited
- Bright Resorts Private Limited

Chanakyapuri Resorts Private Limited  
Club Arzee Limited  
International Country Holidays Private Limited  
Jade Resorts Private Limited\*  
JJ Arts & Entertainments Private Limited  
Kolet Resort Club Private Limited  
Maruti Waterpark and Entertainments Private Limited  
Country Vacations International Limited, India  
Swami Vivekanand Training and Education Centre Private Limited  
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 2(87) of the Companies Act, 2013.

The Ministry of Corporate Affairs (MCA) has through its General Circular No. 2/2011 dated 08<sup>th</sup> February 2011, has granted general exemption to all the Companies from the requirement to attach various documents in respect of Subsidiary Companies, as set out in sub-section (1) of Section 212 of the Companies Act 1956. Accordingly Balance sheet, Statement of Profit and Loss

and other documents of the Subsidiary Companies are not being attached with the balance sheet of the Company.

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

**Particulars of Loans, Guarantees and Investments:**

There were no fresh loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review.

The details of the existing Guarantees given below:

The Company has given the Corporate Guaranty to National Bank of Fujairah, Dubai, in respect of loan taken by M/s. Country Vacations International Ltd-Dubai. The Outstanding Balance as on 31.03.2015 is Rs.86,29,05,958/-

**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 of Directors  
For Country Club Hospitality & Holidays Limited**

Place: Hyderabad  
Date: 13<sup>th</sup> August, 2015

**Y. Varun Reddy**  
Vice Chairman, JMD & COO  
DIN: 01905757

**Y. Siddharth Reddy**  
Vice-Chairman, JMD & CEO  
DIN: 00815456

# Annexures To Directors' Report

## Annexure-I

EXTRACT OF ANNUAL RETURN (MGT-9) as on the financial year ended on 31<sup>st</sup> March 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

### I. REGISTRATION AND OTHER DETAILS

i) CIN	:	L70102AP1991PLC012714
ii) Registration Date	:	17.05.1991
iii) Name of the Company	:	Country Club Hospitality & Holidays Limited
iv) Category / Sub-Category of the Company	:	Company limited by Shares & Indian Non Government Company
v) Address	:	Amrutha Castle, 5-9-16, Saifabad, Opp Secretariat, Hyderabad - 500 063, Telangana, India
vi) Whether listed company Yes / No	:	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Aarathi Consultants Private Limited, 1-2-285, Domalguda, Hyderabad, Telangana- 500 029 040-27638111, 27634445

### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Hospitality Services	5510	100

### III. Particulars of holding, subsidiary and associate companies

No. of Companies for which information is being filled:

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Aquarian Realtors Private Limited	U70101GA1995PTC001789	Subsidiary	100	2(87)
2	Bright Resorts Private Limited	U55102KL1992PTC006863	Subsidiary	100	2(87)
3	Bush Betta Holiday Ownership Wildlife Adventure Resort Private Limited	U24222KA1996PTC019942	Subsidiary	100	2(87)
4	Chanakyapuri Resorts Private Limited	U55103WB2000PTC092219	Subsidiary	100	2(87)
5	Club Arzee Limited	U50101GJ1996PLC029970	Subsidiary	100	2(87)
6	Country Vacations International Limited	U85110TG2005PLC047136	Subsidiary	100	2(87)
7	International Country Holidays Private Limited	U55101MH1984PTC032585	Subsidiary	100	2(87)
8	Jade Resorts Private Limited	U55101TN1996PTC037201	Step Down Subsidiary	100	2(87)
9	J J Arts And Entertainments Private Limited	U92199KL2001PTC015098	Subsidiary	100	2(87)
10	Kolet Resort Club Private Limited	U67120GJ1995PTC026712	Subsidiary	100	2(87)
11	Maruti Waterpark And Entertainments Private Limited	U92199KA2003PTC032367	Subsidiary	100	2(87)
12	Swami Vivekanad Training And Education Centre Private Limited	U55101MH1997PTC112380	Subsidiary	100	2(87)
13	Swimwel Investment And Trading Private Limited	U55101MH1981PTC025856	Subsidiary	100	2(87)
14	Country Club Babylon Resorts Private Limited	N.A.	Subsidiary	100	2(87)
15	Country Vacations International Limited, Dubai	N.A.	Subsidiary	100	2(87)
16	Country Vacations International LLC, Dubai*	N.A.	Step Down Subsidiary	100	2(87)
17	Country Vacations International LLC, Oman*	N.A.	Step Down Subsidiary	100	2(87)
18	Country Vacations International LLC, Abu Dhabi*	N.A.	Step Down Subsidiary	100	2(87)
19	Country Vacations International W.L.L, Bahrain*	N.A.	Step Down Subsidiary	100	2(87)
20	Country Club and Vacations WLL, Qatar*	N.A.	Step Down Subsidiary	100	2(87)
21	Country Vacations International SDN BHD, Malaysia*	N.A.	Step Down Subsidiary	100	2(87)
22	Country Vacations International Limited, London*	N.A.	Step Down Subsidiary	100	2(87)

IV. Shareholding pattern (equity share capital break up as percentage of total equity)

A) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
a. Individual/HUF	120637386	0	120637386	73.8	120637386	0	120637386	73.8	0
b. Central Govt	0	0	0	0	0	0	0	0	
c. State Govt (s)	0	0	0	0	0	0	0	0	
d. Bodies Corp.	0	0	0	0	0	0	0	0	
e. Banks / FI	0	0	0	0	0	0	0	0	
f. Any Other....									
<b>Sub-total (A) (1):-</b>	120637386	0	120637386	73.8	120637386	0	120637386	73.8	0
(2) <b>Foreign</b>									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	
b) Other – Individuals	0	0	0	0	0	0	0	0	
c) Bodies Corp.	0	0	0	0	0	0	0	0	
d) Banks / FI	0	0	0	0	0	0	0	0	
e) Any Other....	0	0	0	0	0	0	0	0	
<b>Sub-total (A) (2):-</b>									
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	120637386	0	120637386	73.8	120637386	0	120637386	73.8	0
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	
b) Banks / FI	12999	0	12999	0.01	4750	0	4750	0.00	(0.01)
c) Central Govt	0	0	0	0.00	0	0	0	0.00	
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	
g) FIIs	2880729	0	2880729	1.76	1872083	0	1872083	1.15	(0.61)
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	
i) Others (specify)	0	0	0	0.00	0	0	0	0.00	
<b>Sub-total (B)(1):-</b>									
<b>2. Non-Institutions</b>	2893728	0	2893728	1.77	1876833	0	1876833	1.15	(0.62)
a) Bodies Corp.	4533958	37500	4571458	2.80	5804062	37500	5841562	3.57	0.77

b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	20264131	2316673	22580804	13.81	19343227	2266483	21609710	13.22	(0.59)
ii) Individual shareholders holding share capital in excess of Rs 1 lakh	11158927	110500	11269427	6.89	11667265	110500	11777765	7.21	0.32
c) Others									
i) NRI's	931839	156500	1088339	0.67	679958	156500	836458	0.51	(0.16)
ii) Clearing Members	423593	0	423593	0.26	835021	0	835021	0.51	0.25
iii) Trusts	0	0	0	0.00	50000	0	50000	0.03	0.03
<b>Sub-total (B)(2):-</b>	<b>37312448</b>	<b>2621173</b>	<b>39933621</b>	<b>24.43</b>	<b>38379533</b>	<b>2570983</b>	<b>40950516</b>	<b>25.05</b>	<b>0.62</b>
Total Public Shareholding (B)=(B)(1)+(B)(2)	40206176	2621173	42827349	26.20	40256366	2570983	42827349	26.20	0.00
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Grand Total (A+B+C)</b>	<b>160843562</b>	<b>2621173</b>	<b>163464735</b>	<b>100</b>	<b>160893752</b>	<b>2570983</b>	<b>163464735</b>	<b>100</b>	<b>0.00</b>

#### B) Shareholding of Promoters:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the Year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Y. Rajeev Reddy	106337986	65.05	0.00	106337986	65.05	0.00	0.00
2	Y. Manjula Reddy	6654525	4.07	0.00	6654525	4.07	0	0.00
3	Y. Siddharth Reddy	3526750	2.16	0.00	3526750	2.16	0	0.00
4	Y. Varun Reddy	2081000	1.27	0.00	2081000	1.27	0	0.00
5	Y. Nikhila Reddy	2037125	1.25	0.00	2037125	1.25	0	0.00
	<b>Total</b>	<b>120637386</b>	<b>73.80</b>	<b>0.00</b>	<b>12037386</b>	<b>73.80</b>	<b>0</b>	<b>0.00</b>

**C. Change in Promoters' Shareholding:**

Sl No.		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	At the beginning of the year	120637386	73.80	120637386	73.80
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat 99 equity etc):	NIL	NIL	NIL	NIL
3	At the End of the year	120637386	73.80	120637386	73.80

**D. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl No.		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Goldman Sachs Investments (Mauritius) I Limited	1628729	1.00	797083	0.49
2	Emerging India Focus Funds	1077000	0.66	900000	0.55
3	Priority Securities Private Limited	788260	0.48	788260	0.48
4	Latha Megharaj	527712	0.32	269187	0.16
5	Kaushal Shah	504104	0.31	339745	0.21
6	Kishore Kumar Megharaj	352840	0.22	5000	0.003
7	Shah Manish Ramanlal	324107	0.20	343832	0.21
8	Daya Dass	324011	0.20	20701	0.01
9	Netesoft India Limited	309656	0.19	259656	0.16
10	Kotak Mahindra Investments Ltd	304116	0.19	0	0.00
11	Anfin Investments Private Limited	0	0	713950	0.44
12	Ketan Babulal Jain	0	0	561300	0.34
13	Top Class Capital Markets Private Limited	0	0	447695	0.27
14	Moneyplex Securities Private Limited	0	0	429566	0.26
15	Beenu Gupta	117000	0.07	350000	0.21

**E. Shareholding of Directors and Key Managerial Personnel:**

Sl No.	Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Shri Y. Rajeev Reddy	106337986	65.05	106337986	65.05
2	Shri Y. Siddharth Reddy	3526750	2.16	3526750	2.16
3	Shri Y. Varun Reddy	2081000	1.27	2081000	1.27
4	Shri D. Krishna Kumar Raju	210215	0.13	210215	0.13
5	Smt Y. Manjula Reddy	6654525	4.07	6654525	4.07
6	Shri D. Venkata Ratna Kishore	0	0.00	0	0.00
7	Shri K. Satyanarayana Raju	0	0.00	0	0.00
8	Shri Indukuri Venkata Subba Raju	0	0.00	0	0.00
9	Shri Y. Subba Rao	0	0.00	0	0.00
10	Shri Venkateswara Dontireddy Reddy	0	0.00	0	0.00
11	Smt V. Sreelatha (Company Secretary)	0	0.00	0	0.00
12	Shri K. Phaneendra Rao (CFO)	0	0.00	0	0.00

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment:

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,08,91,56,101	30,81,70,419	92,21,498	3,40,65,48,018
ii) Interest due but not paid	11,75,354			11,75,354
iii) Interest accrued but not due.	3,50,49,569			3,50,49,569
Total (i+ii+iii)	3,12,53,81,024	30,81,70,419	92,21,498	3,44,27,72,941
Change in Indebtedness during the financial year				
· Addition	11,48,65,821	9,96,48,209	6,00,000	21,51,14,030
· Reduction	(18,06,92,891)			18,06,92,891
Net Change	(6,58,27,070)	9,96,48,209	6,00,000	3,44,21,139
Indebtedness at the end of the financial year				
i) Principal Amount	3,01,01,69,512	40,78,18,628	98,21,498	3,42,78,09,638
ii) Interest due but not paid	2,01,95,872			2,01,95,872
iii) Interest accrued but not due	2,91,88,570			2,91,88,570
Total (i+ii+iii)	3,05,95,53,954	40,78,18,628	98,21,498	3,47,71,94,080

**VI. A. Remuneration of directors and key managerial personnel:**

Sl No.	Name	Name of MD/WTD/Manager				Total Amount
		Sri Y. Rajeev Reddy	Sri Y. Siddharth Reddy	Sri Y. Varun Reddy	Sri. D. Krishna Kumar Raju	
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2)Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	36,00,000	30,00,000	30,00,000	15,00,000	1,11,00,000
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-	-
5	Others, please specify	48,00,000 (Brand Ambassador fee)	-	-	-	48,00,000
	Total (A)	84,00,000	30,00,000	30,00,000	15,00,000	1,59,00,000
	Ceiling as per the Act					4,57,34,500

**B. Remuneration to other directors:**

Sl No.	Particulars of Remuneration	Name of Directors						Total Amount
		Sri.D. Venkata Ratna Kishore	Sri K. Satyanarayana Raju	Shri Venkateswara Dontireddy Reddy	Sri Indukuri Subba Raju	Sri Y. Subba Rao	*Sri D. Krishna Kumar Raju	
1	1. Independent Directors Fee for attending board / committee meetings Commission Others, please specify	65,000 0 0	40,000 0 0	37,500 0 0	47,500 0 0	70,000 0 0	0 0 0	2,60,000 0 0
2	Total (1)	65,000	40,000	37,500	47,500	70,000	0	2,60,000
3	2. Other Non-Executive Directors Fee for attending board / committee meeting Commission Others, please specify	0 0 0	0 0 0	0 0 0	0 0 0	0 0 0	25,000 0 0	25,000 0 0
4	Total (2)	0	0	0	0	0	25,000	25,000
5	Total (B)=(1+2)	65,000	40,000	37,500	47,500	70,000	25,000	2,85,000
6	Total Managerial Remuneration	1,59,00,00	1,59,00,00	1,59,00,00	1,59,00,00	1,59,00,00	1,59,00,00	1,59,00,00
	Overall Ceiling as per the Act							

\* Sri D. Krishna Kumar Raju was appointed as Non-Executive Director with effect from 6<sup>th</sup> October, 2014, prior to which he held the position of an Executive Director.

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:**

Sl No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO*	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	2,55,000	18,18,000	20,73,000
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission - as % of profit -others, specify...	0	0	0
5	Others, please specify	0	0	0
	Total	2,55,000	18,18,000	20,73,000

\* Mr. K. Phaneendra Rao was appointed as Chief Financial Officer of the Company w.e.f 14<sup>th</sup> August, 2014.

**VII. Penalties / Punishment/ Compounding of Offences:**

	Section of the Companies Act	Brief description	Details of penalty/ punishment/ compounding fees imposed	Authority (RD/NCLT/ COURT)	Appeal made, if any (give details)
<b>A.COMPANY</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

## Annexure - II

Form No. MR-3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015

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

To,  
The Members,  
Country Club Hospitality & Holidays Limited,  
Amrutha Castle, 5-9-16,  
Saifabad, Secretariat,  
Hyderabad, Telangana - 500 063

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Country Club Hospitality & Holidays Limited** (hereinafter called “the company”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March 2015 according to the provisions of :

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):—
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (**Not applicable to the Company during the Audit Period**)
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (**Not applicable to the Company during the Audit Period**)
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on 28 October 2014; (**Not applicable to the Company during the Audit Period**)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during the Audit Period**);

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not applicable to the Company during the Audit Period)**;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**; and
  - (b) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period)**.
- (vi) Relying on the representation given by the Company and its officers with regard to the Other laws applicable specifically to the Company and its Compliance and the limited review done by us, we opine that the Company has generally complied with the following laws to the extent specifically applicable the company :
- Food Safety & Standards Act, 2006 and its rules and regulations
  - Consumer Protection Act, 1986

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India **(Not applicable to the Company during the Audit Period)**
- (ii) The Listing Agreement entered into by the Company with BSE Limited;
- (iii) The Listing Agreement entered into by the Company with the Madras Stock Exchange Limited;
- (iv) The Listing Agreement entered into by the Company with National Stock Exchange Limited (The approval letter for listing has been received from NSE dated 30<sup>th</sup> January, 2015).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. The Company has appointed Mr. K. Phaneendra Rao as Chief Financial Officer of the Company with effect from 14th August, 2014 in the board meeting held on even date, however pursuant to the provisions of Section 203 of the Companies Act, 2013 read with rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to appoint Chief Financial Officer of the Company with effect from 01st April, 2014.
2. The Company has borrowed an amount of Rs 160.28 Crores on consortium lending (from Bank of India, Vijaya Bank & Union Bank of India) and passed the necessary resolution in the board meeting held on 14<sup>th</sup> November, 2014. However as required under Section 117 and 179 of the Companies Act, 2013 the said resolution is yet to be filed with the Registrar of Companies, Andhra Pradesh & Telangana.
3. The Company has granted loans / made investments in its subsidiaries during the audit period. Due to unavailability of sufficient information and documents we are unable to comment on the same.
4. There was a delay in submitting the Annual Report for the Financial Year 2013-14 to the BSE Ltd and Madras Stock Exchange Limited as required under clause 31(a) of the Listing agreement. In this regard, the Company had paid a penalty of Rs. 13,483 to BSE Ltd.
5. The Company has not forwarded the Financial Results within the prescribed time for the quarter ended 30<sup>th</sup> September, 2014 to both BSE Ltd and Madras Stock Exchange Limited within the prescribed time, pursuant to clause 41 (I) (f) of the listing agreement. In this regard, the Company had paid a penalty of Rs. 11,236 to BSE.

**We further report that;**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice of at least seven days is given to all directors to schedule the Board Meetings, the agenda and detailed notes on agenda were generally sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

Relying on the representations given by the Company and its officers with regard to adequate systems and processes in the Company to monitor and ensure the

compliance with applicable laws, rules etc and based on the review done by us, we report that there are systems and processes to ensure compliance with applicable laws, rules, regulations and guidelines and there is need for improvement for its adequacy.

We further report that during the audit period, the Company has;

- Listed its Equity Shares in National Stock Exchange Limited with effect from 30<sup>th</sup> January, 2015 and the Trading Permission was granted with effect from 3<sup>rd</sup> February, 2015.
- Conducted the Postal Ballot and passed the following special resolutions on 23<sup>rd</sup> August, 2014:
  - Altered its Main Objects in the Memorandum of Association of the Company
  - Altered its Other Objects in the Memorandum of Association of the Company
- Changed its name from Country Club (India) Limited to Country Club Hospitality and Holidays Limited with effect from 27<sup>th</sup> November, 2014.

**For and Behalf of R & A Associates**

**R. Ramakrishna Gupta**

Partner

FCS No.: 5523

C P No.: 6696

101 Saptagiri Residency, 1-10-98/A

Chikoti Gardens, Begumpet

Hyderabad, Telangana, 500016

Date : 13<sup>th</sup> August, 2015

Place: Hyderabad

*This report is to be read with our letter of even date, which is annexed as “Annexure – A” and forms an integral part of this*

*“Annexure to MR-3”*

To,  
The Members,  
Country Club Hospitality & Holidays Limited,  
Amrutha Castle, 5-9-16,  
Saifabad, Secretariat,  
Hyderabad, Telangana - 500 063

Our report of even date is to be read along with this letter:

1. Maintenance of secretarial records is the responsibility of the management of **Country Club Hospitality & Holidays Limited** (“the Company”). Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis. With regard to compliance of the other laws, rules and regulations, we have relied on the minutes of the Board Meetings and representation given by the Company.
5. With respect to the compliance of the fiscal laws like Income Tax Act, Service Tax, Luxury Tax, etc., we have relied on the report of the other professional.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.
7. We have relied up on the information provided by the Management with respect to related party transactions for its compliance.

**For and Behalf of R & A Associates**

**R. Ramakrishna Gupta**

Partner

FCS No.: 5523

C P No.: 6696

101 Sapthagiri Residency, 1-10-98/A,

Chikoti Gardens, Begumpet,

Hyderabad, Telangana, 500016

Date: 13<sup>th</sup> August, 2015

Place: Hyderabad

## “Annexure – III

Pursuant to Section 129(3) of the Companies Act, 2013, a statement consisting salient features of financial statements of subsidiaries, associates and joint venture companies in Form AOC - 1:

Name of the Subsidiary Company	Issued and Subscribed Share Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover / Total Income	Profit before taxation/ (Loss)	Provision for taxation	Profit after taxation/ loss	Proposed dividend	% of share-holding
Aquarian Realtors Pvt. Ltd.	100,000	(83,416,457)	509,295,278	509,295,278	Nil	59,623,635	(22,048,725)	35,48,922	(25,597,647)	Nil	100%
International Country Holidays Pvt. Ltd.	1,000,000	(25,54,747)	3,76,99,698	3,76,99,698	Nil	300,000	(130,197)	Nil	(130,197)	Nil	100%
Bush Betta Holiday Ownership Wildlife Adventure Resort Pvt. Ltd.	10,500,200	(4,23,18,723)	17,70,198	17,70,198	Nil	Nil	(1,242,723)	Nil	(1,242,723)	Nil	100%
J.J. Arts and Entertainments Pvt. Ltd.	1,500,000	(1,72,22,316)	2,72,14,771	2,72,14,771	Nil	47,50,924	(43,57,142)	86,187	(44,43,329)	Nil	100%
Chanakyapuri Resorts Pvt. Ltd.	7,000,000	(2,52,13,136)	14,937,647	14,937,647	Nil	11,44,701	(60,51,186)	Nil	(60,51,186)	Nil	100%
Bright Resorts Pvt. Ltd.	1,845,000	(7,08,98,819)	2,48,37,226	2,48,37,226	Nil	1,69,04,793	(1,71,06,399)	Nil	(1,71,06,399)	Nil	100%
Kolet Resorts Club Pvt. Ltd.	14,998,000	(1,05,03,515)	448,816,328	448,816,328	50,000	21,79,620	(33,67,971)	Nil	(33,67,971)	Nil	100%
Maruti Waterpark & Entertainments Pvt. Ltd.	2,324,000	6,52,002	30,93,418	30,93,418	48,000	Nil	(22,472)	Nil	(22,472)	Nil	100%
Country Vacations International Ltd. - India	500,000	(1,70,048)	47,13,234	47,13,234	Nil	Nil	(11,236)	Nil	(11,236)	Nil	100%
Swimwel Investment & Trading Pvt. Ltd.	100,000	(78,415,400)	4,590,151	4,590,151	Nil	88,71,439	(11,965,227)	Nil	(11,965,227)	Nil	100%
Swami Vivekanand Training & Education Centre Pvt. Ltd.	4,990,800	(2,19,66,671)	15,15,78,892	15,15,78,892	1,00,000	Nil	(36,48,972)	14,65,885	(51,14,857)	Nil	100%
Club Arzee Ltd.	57,266,000	84,76,282	86,201,332	86,201,332	Nil	3,00,98,259	(38,77,341)	225,740	(3,651,601)	Nil	100%
Country Club Babylon Resorts Pvt. Ltd. Srilanka '@	25,792,235	(36,348,946)	49,161,616	49,161,616	Nil	568,776	(3,486,907)	Nil	(3,486,907)	Nil	100%
Country Vacations International Ltd. - Dubai '#	1,996,174,211	3,868,075,319	7,362,380,226	7,362,380,226	Nil	2,148,432,625	462,830,727	Nil	462,830,727	Nil	100%

**Note:**

**Reporting period for all the subsidiary concerned, is same as the holding company's reporting period i.e.01<sup>st</sup> April to 31<sup>st</sup> March**

@ Conversion rate of Srilanka Re.1/- (LKR) equal to Indian Rs.0.48315 on 31-03-2015.

# Conversion rate of Dubai AED.1/- (Dhiram) equal to Indian Rs.17.0218 on 31-03-2015.

## Management Discussion Analysis

The Indian tourism and hospitality industry has emerged as one of the key drivers of growth among the services sector in India. Tourism in India is a potential game changer. It is a sun rise industry, an employment generator, a significant source of foreign exchange for the country and an economic activity that helps local and host communities.

Tourism is the third-largest foreign exchange earner after gems, jewellery and readymade garments in India.

### Growth trends:

The tourism and hospitality sector is among the top 15 sectors in India to attract the highest foreign direct investment (FDI). At present, 1 in every 11 people worldwide are employed by the Tourism sector, with the industry generating US \$ 7.6 trillion or 10% of the Global GDP in 2014. (Source: WTTC Travel & Tourism Economic Impact 2015). It is expected to rise by 2% p.a accounting for 356,911,000 jobs in 2025.

During the period April 2000-February 2015, this sector attracted around US\$ 7,862.08 million of FDI, according to the data released by Department of Industrial Policy and Promotion (DIPP).

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

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

Tourism in India accounts for 6.8 per cent of the GDP and is the third largest foreign exchange earner for the country. The tourism and hospitality sector's direct contribution to GDP totaled US\$

44.2 billion in 2015. Over 2006–15, direct contribution is expected to register a CAGR of 10.5 per cent. The direct contribution of travel and tourism to GDP is expected to grow 7.2 per cent per annum to US\$ 88.6 billion (2.5 per cent of GDP) by 2025.

### Government initiatives

The Indian government has realized the country's potential in the tourism industry and has taken several steps to make India a global tourism hub. The government of India has announced a scheme of granting Tourist Visa on Arrival (T-VoA) for the citizens of Finland, Japan, Luxembourg, New Zealand and Singapore. The government has stepped up various reforms to accelerate the industry growth with liberalization in the regulatory framework, investment friendly schemes, extensive support for creating a world class infrastructure, initiating better air and land connectivity, incentivizing regional set-up in tier III and IV cities, exploring the untapped geographical resources. World-class tourist facilities are also being developed to promote Sarnath-Gaya-Varanasi Buddhist circuit. Currently 29 mega tourism projects are being initiated across 22 states. The Government initiated many policies and schemes for encouraging the growth of Tourism and Travel Industry. Some initiatives are given as below:

- Prime Minister Shri Narendra Modi has approved to enter into a memorandum of understanding (MoU) between India and Oman for strengthening cooperation in the field of tourism.
- Under 'Project Mausam' the Government of India has proposed to establish cross cultural linkages and to revive historic maritime cultural and economic ties with 39 Indian Ocean countries.
- The Government of India has set aside Rs 500 crore (US\$ 79.17 million) for the first phase of the National Heritage City Development and Augmentation Yojana

(HRIDAY). The 12 cities in the first phase are Varanasi, Amritsar, Ajmer, Mathura, Gaya, Kanchipuram, Vellankani, Badami, Amaravati, Warangal, Puri and Dwarka.

- The launch of several branding and marketing initiatives by the Government of India such as Incredible India! and Athiti Devo Bhava provides a focused impetus to growth.
- Recently, the Indian government has also released a fresh category of visa – the medical visa or M visa, to encourage medical tourism in India.

### Foreign Direct Investment

100% FDI is allowed under the automatic route in tourism and hospitality, subject to applicable regulations and laws. According to the data of the Department of Industrial Policy and Promotion (DIPP), the sector has attracted FDI worth (US\$ 7,862.08 million USD) which is 3.2% of the total Foreign Inflow during from April, 2000 to February, 2015. The Indian hotel industry is seeing huge spurt of foreign investment and international brands entering the foray. The emergence of branded budget and economy segment hotels present tremendous opportunities.

### Market Size

- The number of Foreign Tourist Arrivals (FTAs) has grown steadily in the last three years reaching around 7.46 million during January–December 2014. Foreign exchange earnings (FEEs) from tourism in terms of US dollar grew by 7.1 per cent during January–December 2014 as compared to 5.9 per cent over the corresponding period of 2013. FTAs during the Month of December 2014 were Rs 120,083 crore (US\$ 19.02 billion) as compared to FTAs of Rs 107,671 crore (US\$ 17.05 million) during January–December 2013 over the corresponding period of 2012. There has been a growth

of 6.8 per cent in December 2014 over December 2013.

- Foreign Exchange Earnings (FEEs) during the month of December 2014 were Rs 12,875 crore (US\$ 2.03 billion) as compared to Rs 11,994 crore (US\$1.9 billion) in December 2013 and Rs 10,549 crore (US\$1.67 billion) in December 2012. The growth rate in FEEs in rupee terms in December 2014 over December 2013 was 7.3 per cent. FEEs from tourism in rupee terms during January-December 2014 were Rs 120,083 (US\$ 1,902.53) with a growth of 11.5 per cent over the corresponding period of 2013.
- The Tourist Visa on Arrival (TVoA) scheme enabled by Electronic Travel Authorisation (ETA), launched by the Government of India on November 27, 2014 for 43 countries has led to a growth of 1,214.9 percent recently. For example, during the month of January 2015, a total of 25,023 tourist arrived by availing TVoA as compared to 1,903 TVoA during the month of January 2014.
- Hospitality, a major segment of tourism, has grown by 10-15 per cent on the back of better consumer sentiment with the change of Government. As demand is going up occupancies are improving.

#### Scope and future prospect

Eco-tourism is at a nascent stage, but there are conscious efforts to save the fragile Himalayan ecosystem and the culture and heritage of indigenous people. The segment offers opportunities across various sub-segments such as timeshare resorts, convention centres, motels, heritage hotels and the like. This year the number of tourists visiting India is estimated to have touched the figure of 4.4 million. Today, the tourism is the most vibrant tertiary sectors and has a strong hold on the economy. The sector contributes 6.23 per cent to the national gross domestic product (GDP) and 8.78 per cent of the total employment in India. With this huge figure, India is becoming the hottest

tourist destination. The arrival of foreign tourists has shown a compounded annual growth of 6% over past 10 years. Besides travel, tourism is the second highest foreign exchange earner for India. Moreover, it is also estimated that the tourism sector will account for nearly 5.3 per cent of GDP and 5.4 per cent of total employment.

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

#### OPPORTUNITIES & THREATS

##### Opportunities

###### 1. Strong Growth Potential

Growth prospects for the amusement park industry are strong, with a 15-18% CAGR projected over the next few years. Positive demographics of a country like India offers a substantial potential customer base for the industry.

###### 2. Rise in Domestic Tourism

The Indian travel and tourism industry is likely to see a spurt in growth this year on the back of reforms, according to a report by the World Travel and Tourism Council. India's travel and tourism economy is poised to grow 7.5% in 2015 over last year, exceeding the 6.9% growth that the global forum has predicted for the South Asian region. In 2014, the industry contributed Rs. 7.64 trillion to the Indian economy. By the end of 2015, the travel and tourism sector will contribute Rs. 8.22 trillion or 7% of India's Gross Domestic Product (GDP).

##### Threats/ Risks and Concerns

###### Brand Dilution

Maintaining brand equity is essential to expanding the business. Continuous investment is a must in branding and advertising efforts to help the brand preserve itself and evolve. Dilution of the brand can adversely impact our ability to compete and increase the number of visitors. Our Company has invested significantly in developing the brand and will continue to invest in marketing and advertising programs to communicate and interact effectively

with its target audience in order to promote the brand

##### Maintaining cleanliness & hygiene

Maintaining cleanliness and hygienic conditions at the hotels is a must, since unhygienic conditions can leave a bad impression in the minds of guests. Tourism & travels industry involve congregation of people, outbreak of any epidemic or contagious diseases in the city may actually restrict people from visiting to public places, and can impact footfalls. Our Company takes adequate measures to ensure proper cleanliness and hygiene. This is being done with extensive water filtering facilities, recycling systems for each pool and a quality control laboratory to carry out quality checks on samples of water collected at regular intervals.

##### Hospitality Industry:

The hotel industry in India thrives largely due to the growth in tourism and travel. Due to the increase in tourism with rising foreign and domestic tourists, hotel sector is bound to grow as it will provide lodging and food to these tourists. Emergence of budget hotels in India to cater to the majority of the population who seek affordable stay has materialized into an effective driver for growth.

India being a land of rich natural diversity has consistently been on the tourists' radar and tourism has been on a growth trajectory. India is presently considered as a provider of low cost medical treatments which has led to the development of India as a destination for medical tourism. These factors have contributed to the growth of tourism which is a powerful driver for growth of the hotel sector. Such hotels are constructed to tap prospective consumers who seek stay at affordable price. International companies are increasingly looking at setting up such hotels. Imbalance in increase in tourists both domestic and foreign not been supported with equal number of rooms is a latent source of opportunity for growth. Additionally, the rise in major events being organized in India has also posed as a chief driver for the sector.

By 2015, the Indian Hotel Industry is expected to

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

India is currently ranked 12<sup>th</sup> in the Asia Pacific region and 55<sup>th</sup> overall in the list of the world's attractive destinations, according to the Travel and Tourism Competitiveness Report 2015 by the World Economic Forum (WEF).

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

To develop a better understanding of the industry, Cygnus has come out with a comprehensive Industry insight - Indian hotel industry, which brings out the past performance, trends and future prospects keeping in mind the various factors.

#### Investments

The presence of world-class hospitals and skilled medical professionals make India a preferred destination for medical tourism. Foreign direct investment (FDI) of up to 100 per cent is permissible in the sector through the automatic route. Investment opportunities in the setting up of tour operations and travel agencies cater to burgeoning tourist inflow. The term hotels include restaurants, beach resorts, and other tourist complexes providing accommodation and/or catering and food facilities to tourists.

#### The India connect:

India, after China, is considered one of the most lucrative hotel markets in the world and has the second largest construction pipeline in Asia. Growing affluence and the increasing role India is expected to play in the global economy are likely to drive both leisure and business travel in the coming years. For most global hotel majors a significant part of their hotel pipeline is centered on faster growing

developing markets like India. India has an estimated 1,70,000 hotel rooms of which around 60,000 are branded. Even with the expected addition of another 60,000 hotel rooms (across segments) over the next three to five years, the industry is expected to fall short of meeting the long term demands of an economy growing at 7-9% p.a.

Below is the graph of Foreign Tourists Arrivals In India For the Period 1998-2014:



#### The future scenario: (Road Ahead)

India's travel and tourism industry has huge growth potential. The medical tourism market in India is projected to hit US\$ 3.9 billion mark this year having grown at a compounded annual growth rate (CAGR) of 27 per cent over the last three years, according to a joint report by FICCI and KPMG. Also, inflow of medical tourists is expected to cross 320 million by 2015 compared with 85 million in 2012. The tourism industry is also looking forward to the E-visa scheme. ICRA Ltd rating agency expects the revenue growth of Indian hotel industry strengthening to 9-11 per cent in 2015-16.

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.

#### Cautionary statement:

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

## Annexure 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 Hospitality & Holidays 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:

	Name of the Directors	Designation
<b>Promoter Directors</b>	<div style="display: flex; align-items: center;"> <div style="font-size: 3em; margin-right: 10px;">{</div> <div style="margin-left: 10px;"> <p>Sri Y. Rajeev Reddy</p> <p>Sri Y. Siddharth Reddy</p> <p>Sri Y. Varun Reddy</p> <p>Smt. Y. Manjula Reddy</p> </div> </div>	<p>Chairman &amp; Managing Director</p> <p>Vice – Chairman, Joint Managing Director &amp; CEO</p> <p>Vice – Chairman, Joint Managing Director &amp; COO</p> <p>Non – Executive Director</p>
<b>Non-Executive Director</b>	<div style="display: flex; align-items: center;"> <div style="font-size: 3em; margin-right: 10px;">{</div> <div style="margin-left: 10px;"> <p>Sri D. Krishna Kumar Raju*</p> </div> </div>	<p>Vice-Chairman &amp; Non-Executive Director</p>
<b>Independent Director</b>	<div style="display: flex; align-items: center;"> <div style="font-size: 3em; margin-right: 10px;">{</div> <div style="margin-left: 10px;"> <p>Sri D. Venkata Ratna Kishore</p> <p>Sri Venkateswara Dontireddy Reddy</p> <p>Sri K. Satyanarayana Raju</p> <p>Sri Indukuri Subba Raju</p> <p>Sri Y. Subba Rao</p> </div> </div>	<p>Independent Non-Executive Director</p>

\*Sri D. Krishna Kumar Raju was appointed as Non-Executive Director with effect from 6<sup>th</sup> October, 2014, prior to which he held the position of an Executive Director.

b) Details of Board meetings and the last AGM:

(i) No. of Board Meeting held during the Financial Year ended on 31<sup>st</sup> March, 2015, for which the details are as follows:

No. of Quarters	Quarter I	Quarter II	Quarter III	Quarter IV
Dates of Board Meetings	30 <sup>th</sup> May, 2014	16 <sup>th</sup> July, 2014	6 <sup>th</sup> October, 2014	5 <sup>th</sup> January, 2015
	23 <sup>rd</sup> June, 2014	14 <sup>th</sup> August, 2014	14 <sup>th</sup> November, 2014	13 <sup>th</sup> February, 2015
				25 <sup>th</sup> March, 2015

The last Annual General Meeting was held on 30<sup>th</sup> September 2014.

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 Director-ships <sup>1</sup>	No. of Memberships / Chairmanships of Board Committees in other Companies <sup>2</sup>	Attendance	
			No. of Board Meetings	Last AGM
Sri Y. Rajeev Reddy	12	NIL	7	Yes
Sri Y. Siddharth Reddy	12	NIL	7	Yes
Sri Y. Varun Reddy	10	NIL	6	Yes
Sri D. Krishna Kumar Raju	16	1	7	Yes
Smt. Y. Manjula Reddy	13	NIL	4	Yes
Sri Venkateswara Dontireddy Reddy	NIL	NIL	7	Yes
Sri D. Venkata Ratna Kishore	NIL	NIL	8	Yes
Sri K. Satyanarayana Raju	NIL	NIL	7	Yes
Sri Indukuri Subba Raju	NIL	NIL	7	Yes
Sri Y. Subba Rao	NIL	NIL	9	Yes

<sup>1</sup>The Directorships held by Directors as mentioned above do not include Alternate Directorships and Directorships in Foreign Companies and Companies Registered under Section 8 of the Companies Act, 2013.

<sup>2</sup>In accordance with Clause 49, Memberships / Chairmanships of only the Audit Committee, Nomination & Remuneration Committee, Corporate Social Responsibility Committee and Shareholders' / Investors' Grievance Committee in all Public Limited Companies (excluding Country Club Hospitality & Holidays Limited) have been considered.

**c) Information available to the Board of Directors:**

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

- Annual operating plans and budgets, capital budgets and updates.
- Quarterly results of our operating divisions or business segments.
- Minutes of meetings of audit, nomination & remuneration, risk management and investor grievance, corporate social responsibility 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](http://www.countryclubindia.net). All the members of the Board and Senior Management Personnel have affirmed their compliance with the Code of Conduct. A declaration regarding the Code of Conduct's Compliances has been given at the end of the Corporate Governance Report, signed by the Vice-Chairman, JMD & CEO.

**3. Audit Committee:**

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

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

The terms of reference of the Audit Committee are in conformity with the provisions of Clause 49 of the Listing Agreement entered with the Bombay Stock Exchange Limited and National Stock Exchange Of India 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. Sri Y. Subba Rao, Chairman	Independent Directors
2. Sri D. V. Ratna Kishore, Member	
3. Sri D. Krishna Kumar Raju, Member	Non-Executive Director

Mrs. V. Sreelatha, Company Secretary has acted as the Secretary to the Committee.

**b) Attendance of Members at the Audit Committee Meetings:**

During the year, Four Audit Committee Meetings were held for approval of unaudited / audited financial results on 30<sup>th</sup> May 2014; 14<sup>th</sup> August 2014; 14<sup>th</sup> November 2014 and 13<sup>th</sup> February 2015. Following are the attendance of each member in the Audit Committee Meetings:

Name of the Director	No. of Meetings	
	Held	Attended
Sri Y. Subba Rao	4	4
Sri D. V. Ratna Kishore	4	4
Sri D. Krishna Kumar Raju	4	3

**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. Sri K. Satyanarayana Raju, Chairman	} Independent Directors
2. Sri Y. Subba Rao, Member	
3. Sri D. V. Ratna Kishore, Member	

**b) During the year, Two Nomination and Remuneration Committee meetings were held on 30<sup>th</sup> May, 2014 & 14<sup>th</sup> August, 2014. The attendance of each member of the Committee is given below:**

Name of the Director	No. of Meetings	
	Held	Attended
Sri K. Satyanarayana Raju	2	2
Sri Y. Subba Rao	2	2
Sri D. V. Ratna Kishore	2	2

#### Role of Remuneration Committee:

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

However, the remuneration of the Key Managerial Personnel is subject to approval of the Board and Managing/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:

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

#### 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
Sri Y. Rajeev Reddy	Related to Smt. Y. Manjula Reddy, Sri Y. Siddharth Reddy and Sri Y. Varun Reddy	Promoter Director Chairman and Managing Director	Nil	NA	36,00,000	Nil	36,00,000
Sri Y. Siddharth Reddy	Related to Sri Y. Rajeev Reddy, Smt. Y. Manjula Reddy, Sri Y. Varun Reddy	Vice-Chairman and Joint Managing Director & CEO	Nil	NA	30,00,000	Nil	30,00,000
Sri Y. Varun Reddy	Related to Sri Y. Rajeev Reddy, Smt. Y. Manjula Reddy, Sri Y. Siddharth Reddy	Vice-Chairman and Joint Managing Director and COO	Nil	NA	30,00,000	Nil	30,00,000
Sri. D. Krishna Kumar Raju	Not Applicable	Vice-Chairman & Non-Executive Director	Nil	25,000	15,00,000	Nil	15,25,000

Apart from the above mentioned Directors remuneration, Mr. Rajeev Reddy is entitled to Brand Ambassador fee of Rs.48,00,000/- per annum and Sri D. Krishna Kumar Raju was appointed as Non-Executive Director with effect from 6<sup>th</sup> October, 2014, prior to which he held the position of an Executive Director.

#### 5. Stakeholders Relationship 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 Stakeholders Relationship Committee was constituted of the following Directors:

Name of the Member	Category
1. Shri Y. Subba Rao, Chairman	} <b>Independent Directors</b>
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.

The total number of complaints received during the year 2014 – 2015 was 03 and all the complaints were resolved. No complaints were outstanding as on 31<sup>st</sup> March, 2015.

#### 6. Corporate Social Responsibility

The Corporate Social Responsibility Committee was constituted of the following Directors:

Name of the Member	Category
1. Sri Venkateswara Dontireddy Reddy, Chairman	} <b>Independent Directors</b>
2. Sri Indukuri Venkata Subba Raju, Member	
3. Sri Y. Siddharth Reddy, Member	

#### Report on Corporate Social Responsibility as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Company's CSR Policy seeks to touch and transform people's lives by promoting health care, education and employment opportunities. Indeed it seeks to evaluate the quality of people especially the disadvantaged sections of the society.

#### Identified Areas of Engagement:

- Promoting education, including special education and employment enhancing vocational skills among children and women.
- Eradicating hunger and poverty and malnutrition and sanitation and making available safe drinking water and
- Animal Welfare.

#### Average Net profits of last three Financial Years:

Net Profits for the preceding three Financial year	2011-12 (Rs.)	2012-13 (RS.)	2013-14 (RS.)
	13,35,26,095/-	16,81,75,321/-	96,13,709/-
<b>Average</b>	10,37,71,708/-		
<b>Prescribed CSR Expenditure (2% of Average Net profits)</b>	<b>20,75,434/-</b>		
Amount unspent, if any	16,75,434/-		

CSR Activities	Amounts
Free Health Check-up	2,00,000
Food Packets Distribution to Cancer Patients	1,00,000
Free Educational Books Distributed to Orphanage	1,00,000
Incase the company has failed to spend the 2% of the average net profit of the last 3 financial years or any part thereof, the company shall provide the reasons for not spending the amount in its boards report	Due to insufficient profits during the year

7. General Body Meetings:

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

AGM	Year	Venue	Date	Time
23 <sup>rd</sup>	2013-14	Crown Villa Gardens, 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad - 500 003	30-09-2014	11.00 A.M
22 <sup>nd</sup>	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
21 <sup>st</sup>	2011-12	Agrasen Bhavan, 149, Brig Sayeed Road, Sappers Line, Paradise, Secunderabad – 500 003	29-09-2012	10.30 A.M

b) Special Resolutions passed in the previous three AGMs

Date of AGM	No. of Special resolutions passed	Details of the Special Resolutions
30 <sup>th</sup> Sep, 2014	03	Adoption of new Articles of Association inconformity with Companies Act, 2013 Regularization of the Contract entered with M/s. Country Condo's Limited Approval for Change of Name of the Company from "Country Club (India) Limited" to "Country Club Hospitality & Holidays Limited".
30 <sup>th</sup> Sep, 2013	01	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 <b>USD 150 Million (US dollars One Hundred and Fifty Million only).</b>
29 <sup>th</sup> Sep, 2012	02	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 <b>USD 100 Million (US dollars One Hundred Million only).</b> Re-appointment of <b>Mr. D. Krishna Kumar Raju</b> as the Vice-Chairman & Executive Director for a further period of 5 (Five) Years with effect from 1 <sup>st</sup> October, 2012

C) Special Resolution passed through Postal Ballot (both in Physical & Electronic Mode) during the financial year 2014-15:

Date of AGM	No. of Special resolutions passed	Details of the Special Resolutions
23 <sup>rd</sup> August, 2014	05	<ul style="list-style-type: none"> <li>❖ Alteration in the Object Clause of the Company.</li> <li>❖ Alteration in the Other Object Clause of the Company.</li> <li>❖ Creation of Charge for providing Security on Company's Property.</li> <li>❖ Approval for Power to Borrow under Section 180 1 (C).</li> <li>❖ Alteration of Articles of Association under Section 14</li> </ul>

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

Result of the Postal Ballot is available at the Website of the Company at [www.countryclubindia.net](http://www.countryclubindia.net)

8. 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 to Accounts on 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:

The company has paid the penalty of Rs 13483 to BSE limited for delay in submitting the annual report for the financial year 2013-14

The company has paid the penalty of Rs 11236 to BSE limited for not forwarding the financial results for the quarter ended 30th September, 2014

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.

4. The Board of Directors of the Company had adopted the Whistle Blower Policy. Employees can report the Management concerned unethical behavior, act suspected fraud or violation of the Company's Code of Conduct policy. None of the personnel has been denied access to the audit Committee
5. The Company has submitted the compliance report on corporate governance to the stock exchanges where the company's shares are listed with in the stipulated time.

6. CEO and CFO Certificate :

Sri Y. Siddharth Reddy, Vice Chairman, JMD & CEO of the Company and Sri K. Phaneendra Rao, Chief Financial Officer have given a Certificate to the Board of Directors as contemplated in clause 49 of the listing agreement and the same is disclosed at the end 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.

#### 9. 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 Electronic Mails to those shareholders whose Email Id's are registered with their Depository Participant / RTA / Company or through post/courier.

- 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 website : [www.countryclubindia.net](http://www.countryclubindia.net)

- 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.

#### 10. Management discussion and analysis:

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

#### 11. Statement pursuant to Clause 38 of the Listing Agreement:

The Company's equity shares are currently listed on Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) and the Company has paid the Annual Listing Fees for the Financial Year 2015-16.

#### 12. General shareholder information:

##### a) Details of 24<sup>th</sup> Annual General Meeting

Date : 30<sup>th</sup> September, 2015

Time : 11.00 A.M

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

##### b) Financial Calendar : 1st April to 31st March

##### c) Date of book closure : 23<sup>rd</sup> September, 2015 to 30<sup>th</sup> September, 2015 (both days inclusive)

##### d) Dividend payment date(s) : Nil

##### 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.

National Stock Exchange of India Limited (NSE), Exchange Plaza, Bandra – Kurla Complex, Bandra (East), Mumbai – 400 051

##### f) Stock code/ ISIN

I) Stock Code BSE Scrip Code : 526550

BSE Scrip ID : CCHHL

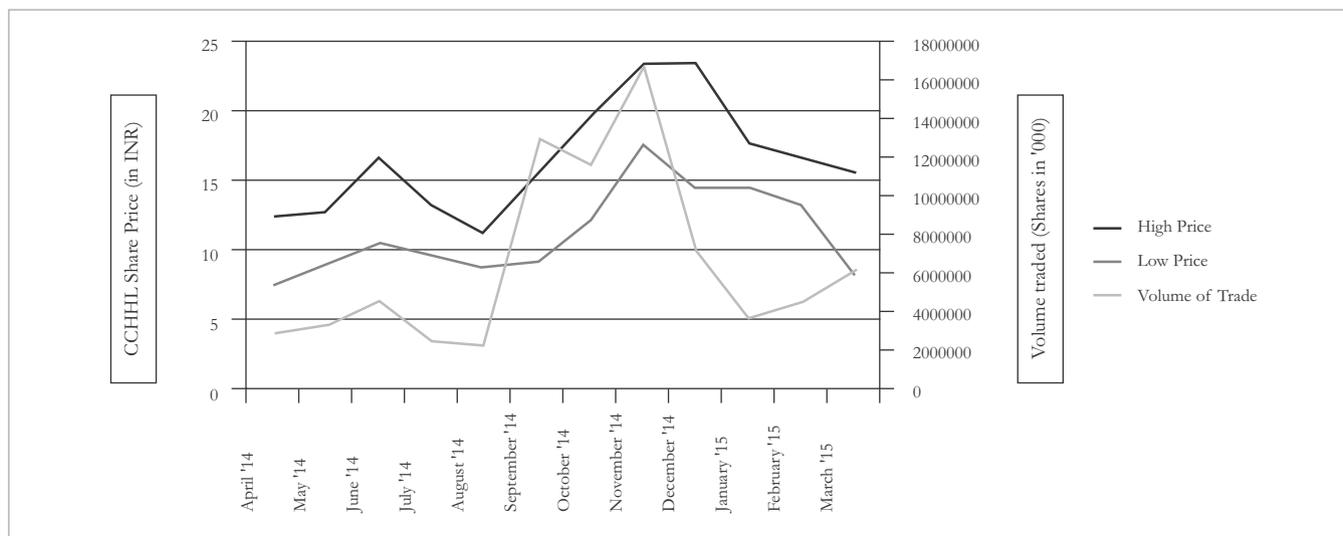
NSE Symbol : CCHHL

II) Demat ISIN Number CDSL & NSDL (Equity Shares) : INE652 F01027

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

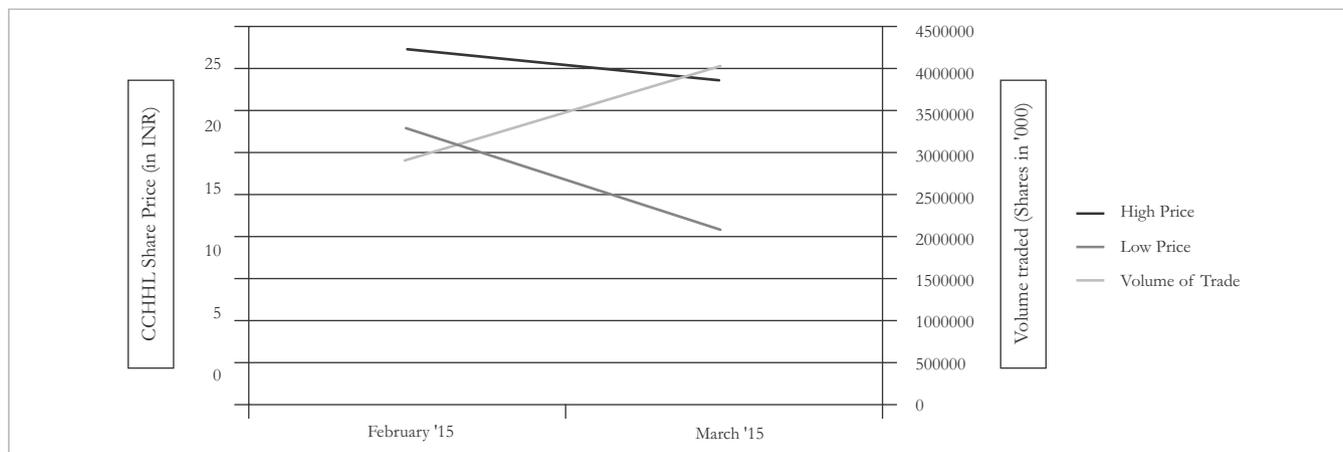
Company's shares are being traded on BSE the high and low prices during each month are given below:

Month	Bombay Stock Exchange Limited		
	High Price (Rs.)	Low Price (Rs.)	Volume of Shares Traded
April, 2014	12.50	7.55	29,13,208
May, 2014	12.89	9.20	34,10,607
June, 2014	16.70	10.41	45,84,134
July, 2014	13.37	9.39	25,51,923
August, 2014	11.34	8.80	22,91,815
September, 2014	15.43	9.10	1,30,27,706
October, 2014	19.70	12.13	1,16,73,999
November, 2014	23.35	17.60	1,66,90,089
December, 2014	23.50	14.50	71,58,706
January, 2015	17.70	14.40	37,26,495
February, 2015	16.80	13.20	45,28,897
March, 2015	15.65	8.22	61,24,013



The Company got listed on M/s. National Stock Exchange Of India Limited (NSE) on 3<sup>rd</sup> February, 2015. Company's shares are being traded on NSE the high and low prices during each month from 3<sup>rd</sup> February, 2015 (Date of Trading Approval) are given below:

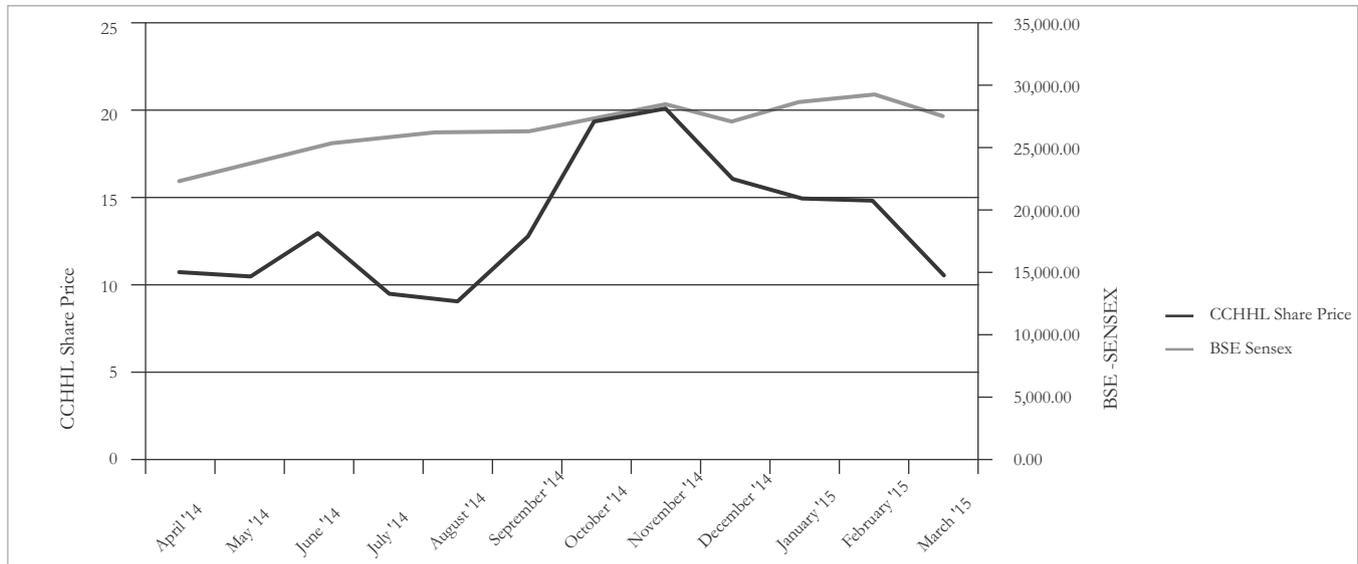
Month	National Stock Exchange of India Limited		
	High Price (Rs.)	Low Price (Rs.)	Volume of Shares Traded
February, 2015	16.90	13.10	29,08,604
March, 2015	15.40	8.35	40,06,961



Since, there is no trading of shares on the Madras Stock Exchange Limited, the above information is not provided in respect of this Exchange and the Company has delisted its shares from M/s. Madras Stock Exchange(MSE) due to exit of MSE from Trading Business.

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

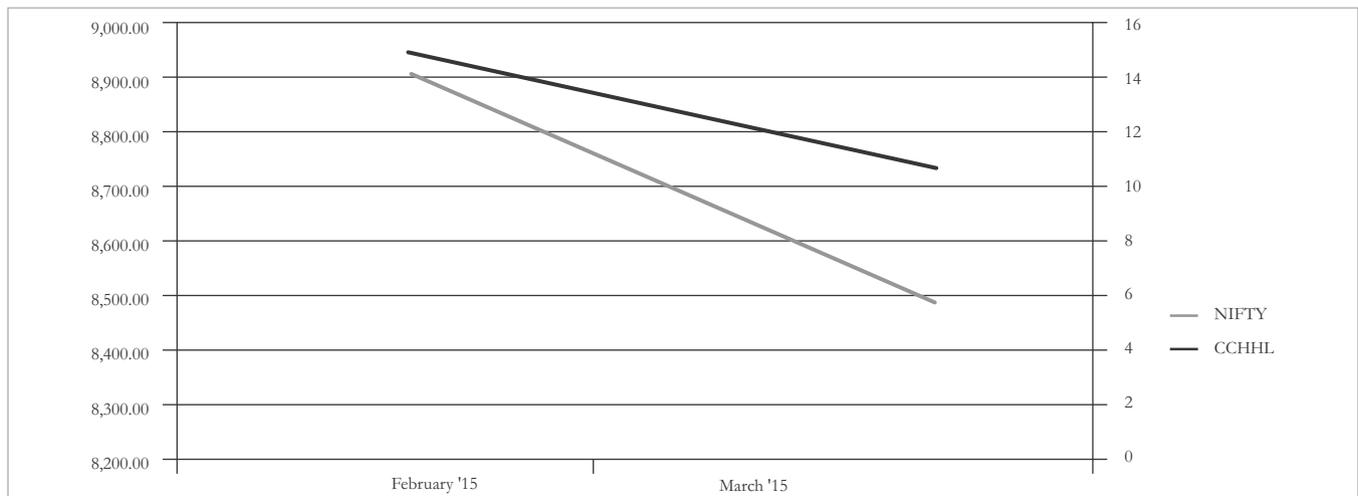
Month	Share Price in BSE			BSE – Sensex		
	High	Low	Close	HIGH	LOW	CLOSE
April, 2014	12.50	7.55	10.87	22,939.31	22,197.51	22,417.80
May, 2014	12.89	9.20	10.64	25,375.63	22,277.04	24,217.34
June, 2014	16.70	10.41	13.05	25,725.12	24,270.20	25,413.78
July, 2014	13.37	9.39	9.64	26,300.17	24,892.00	25,894.97
August, 2014	11.34	8.80	9.22	26,674.38	25,232.82	26,638.11
September, 2014	15.43	9.10	12.89	27,354.99	26,220.49	26,630.51
October, 2014	19.70	12.13	19.47	27,894.32	25,910.77	27,865.83
November, 2014	23.35	17.60	20.20	28,822.37	27,739.56	28,693.99
December, 2014	23.50	14.50	16.25	28,809.64	26,469.42	27,499.42
January, 2015	17.70	14.40	15.20	29,844.16	26,776.12	29,182.95
February, 2015	16.80	13.20	14.85	29,560.32	28,044.49	29,361.50
March, 2015	15.65	8.22	10.65	30,024.74	27,248.45	27,957.49



Stock performance in comparison to broad based indices such as NSE Nifty:

(in INR `)

Month	Share Price in BSE			BSE – Sensex		
	High	Low	Close	HIGH	LOW	CLOSE
February, 2015	16.90	13.10	14.95	8,941.10	8,470.50	8,901.85
March, 2015	15.40	8.35	10.75	9,119.20	8,269.15	8,491.00



i) Registrar and Transfer Agent

M/s. Aarathi 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@aarthiconsultants.com

j) Share Transfer system is maintained by:

M/s. Aarathi 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@aarthiconsultants.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 de-materializes 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) Information in respect of unclaimed dividends due for remittance into Investor Education and Protection Fund (IEPF):**

Investor Education and Protection Fund under Section 205A of the Companies Act, 1956, the due date for transfer of unpaid dividend amount to the Investor Education and Protection Fund (IEPF) of the Financial Year 2007 – 08 is 04<sup>th</sup> October, 2015, for Financial Year 2008 – 09 is 29<sup>th</sup> October, 2016, for the Financial Year 2009 – 10 is 29<sup>th</sup> October, 2017, for the Financial Year 2010 – 11 is 29<sup>th</sup> October, 2018, for the Financial Year 2011 – 12 is 28<sup>th</sup> October, 2019, for the Financial Year 2012 – 13 is 29<sup>th</sup> October, 2020 and for the Financial Year 2013 – 14 is 29<sup>th</sup> October, 2021.

**m) Distribution of Shareholdings as on 31<sup>st</sup> March, 2015:**

No. of Shares Slab	No. of Shareholders		No. of Shares		Share Amount	
	Total	%	Total	%	Total	%
1 – 5000	15018	88.58	8541722	5.23	17083444	5.23
5001 – 10000	980	5.78	3691150	2.26	7382300	2.26
10001 – 20000	465	2.74	3612914	2.21	7225828	2.21
20001 – 30000	131	0.77	1641014	1.00	3282028	1.00
30001 – 40000	83	0.49	1506073	0.92	3012146	0.92
40001 – 50000	49	0.29	1118832	0.68	2237664	0.68
50001 – 100000	106	0.63	3804203	2.33	7608406	2.33
100001 & Above	122	0.72	139548827	85.37	279097654	85.37
<b>TOTAL</b>	<b>16954</b>	<b>100.00</b>	<b>163464735</b>	<b>100.00</b>	<b>326929470</b>	<b>100.00</b>

n) Shareholding Pattern:

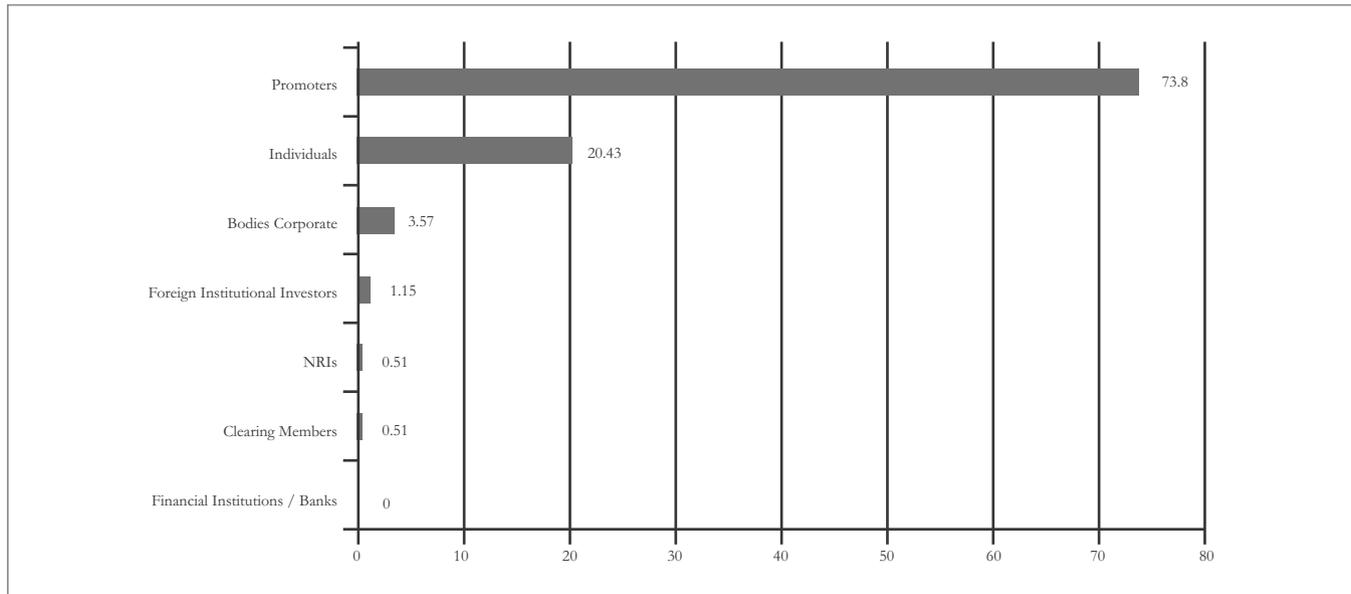
Category of Shareholder	As on 31 <sup>st</sup> March, 2015			As on 31 <sup>st</sup> March, 2014		
	No. of Share holders	Total No. of Shares	%	No. of Share holders	Total No. of Shares	%
Promoter's Holding						
Indian Promoters <sup>1</sup>	5	120637386	73.80	5*	120637386	73.80
Total Promoter's Holding (A)	5	120637386	73.80	5*	120637386	73.80
Public Shareholding <sup>2</sup>						
Institutional Investors						
Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil
Financial Institutions/Banks	2	4750	0.00	2	12999	0.01
Foreign Institutional Investors	4	1872083	1.15	4	2880729	1.76
Foreign Companies	Nil	Nil	Nil	Nil	Nil	Nil
Non – Institutional Investors						
Bodies Corporate	246	5841562	3.57	232	4571458	2.80
Individuals	16465	33387475	20.43	17789	33850231	20.70
Others						
Non Resident Indians	157	836458	0.51	176	1088339	0.67
Overseas Corporate Bodies	Nil	Nil	Nil	Nil	Nil	Nil
Trusts	1	50000	0.03	Nil	Nil	Nil
Clearing Members	74	835021	0.51	56	423593	0.26
Total Public Shareholding (B)	16949	42827349	26.20	18259	42827349	26.20
Shares held by Custodian against Depository Receipts (C)	Nil	Nil	Nil	Nil	Nil	Nil
TOTAL (A+B+C)	16954	163464735	100.00	18264	163464735	100.00

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

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

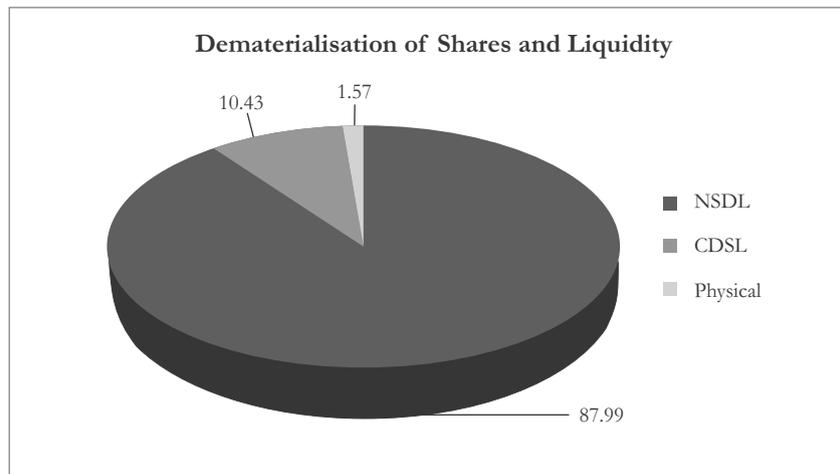
\*As per disclosure under regulation 30(2) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, furnished by the promoters.

Graph representing the Shareholding Pattern as on 31<sup>st</sup> March 2015:



**o) Dematerialization of shares and liquidity**

Shares held in Physical and Dematerialised form as on 31<sup>st</sup> March, 2015



p) Address for investor correspondence

**M/s. Aarathi 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](http://www.aarthiconsultants.com)

Email: [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com)

**M/s. Country Club Hospitality & Holidays Limited**

'AmruthaCastle', 5-9-16, Saifabad

Opp: Secretariat, Hyderabad - 500 063

Telangana

Email: [inv.grievance@countryclubmail.com](mailto:inv.grievance@countryclubmail.com)

Phone : + 91 40 6684 8888

Fax : + 91 40 6636 0609

Website : [www.countryclubindia.net](http://www.countryclubindia.net)

**For and on behalf of the Board  
For Country Club Hospitality & Holidays Limited**

Place: Hyderabad

Date: 13<sup>th</sup> August, 2015

**Y. Varun Reddy**

Vice Chairman, JMD & COO

DIN: 01905757

**Y. Siddharth Reddy**

Vice-Chairman, JMD & CEO

DIN: 00815456

**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 Hospitality & Holidays Limited** hereby declare that all the Board Members and Senior managerial Personnel have affirmed for the year ended 31<sup>st</sup> March, 2015 Compliance with the Code of Conduct of the Company laid down for them.

**Place: Hyderabad**

**Date: 13<sup>th</sup> August, 2015**

**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 and K. Phaneendra Rao, Chief Financial Officer of **M/s. Country Club Hospitality & Holidays Limited** certify:

1. That we have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2015 and to the best of our knowledge and belief;  
These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and  
These statements present a true and fair view of the Company's affair and are in compliance with the existing accounting standards, applicable laws and regulations.
2. That there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violation of the Company's code of conduct;
3. That we accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which we are aware and the steps that we have taken or purpose to take and rectify the identified deficiencies; and
4. That we have informed the Auditors and the Audit Committee of:
  - a) Significant changes in the internal control during the year;
  - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c) There are no instances of significant fraud of which we have become aware.

Place: Hyderabad  
Date: 13<sup>th</sup> August, 2015

**Y. Siddharth Reddy**  
Vice-Chairman, JMD & CEO

**K. Phaneendra Rao**  
Chief Financial Officer

# Compliance Certificate on Corporate Governance

To

The Members,

Country Club Hospitality & Holidays 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 Hospitality & Holidays Limited (“the Company”) for the year ended 31<sup>st</sup> March, 2015 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)

Place: Hyderabad  
Date: 13<sup>th</sup> August, 2015

**P. Murali Mohana Rao**  
Partner  
(Membership No. 023412)

# Independent Auditor's Report On Consolidated Financial Statements

## To the Members of Country Club Hospitality & Holidays Limited

### Report on the consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **Country Club Hospitality & Holidays Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2015, 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 Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation 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 the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 financial control relevant to the Company's preparation 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 whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the group as at 31st March 2015, and their consolidated profit and their consolidated cash flows for the year ended on that date.

We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS)-21-Consolidated Financial Statements, and Accounting Standard (AS) 27-Financial Reporting of Interest in Joint Ventures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014

### Other Matter

We did not audit the financial statements and financial information of two Subsidiary Companies namely Country Club Babylon Resorts Pvt. Ltd., Srilanka and Country Vacations International Ltd. Dubai, which are included in the consolidated financials, and whose financial statements reflect total assets Rs. 744,67,08,067/- as at 31<sup>st</sup> March, 2015 and total revenue of Rs. 214,90,01,401/- for the year ended 31<sup>st</sup> March 2015. The above two subsidiary companies financial statements and other financial information are unaudited and have been furnished to us by the management and our opinion on these consolidated financial results and the year to date results is based solely on such unaudited financial statements and other financial information.

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

**P. Murali Mohana Rao**  
Partner

Place : Hyderabad  
Date : 30-05-2015

Membership Number: 023412

## Consolidated Balance Sheet As At 31-03-2015

Amount in ₹

Particulars	Note Nos.	As at 31-03-2015	As at 31-03-2014
<b>I EQUITY AND LIABILITIES</b>			
<b>1. Shareholders Funds</b>			
(a) Share Capital	1	326,929,470	326,929,470
(b) Reserves & Surplus	2	9,847,649,941	9,415,507,287
<b>2. Non-Current Liabilities</b>			
(a) Long - Term Borrowings	3	4,014,396,714	3,001,736,067
(b) Deferred Tax Liabilities (Net)	4	610,248,679	557,938,817
(c) Deferred Income - Advance towards Members Facilities		65,937,771	65,937,771
(d) Other Long Term Liabilities	5	17,369,758	17,080,254
(e) Long Term Provisions	6	20,697,981	16,121,333
<b>3. Current Liabilities</b>			
(a) Trade Payables	7	208,225,058	243,298,805
(b) Deferred Income - Advance towards Members Facilities		-	33,418,222
(c) Other Current Liabilities	8	838,781,537	1,638,708,289
(d) Short - Term Provisions	9	491,387,624	725,326,580
<b>TOTAL</b>		<b>16,44,16,24,533</b>	<b>16,04,20,02,895</b>
<b>II ASSETS</b>			
<b>1. Non - Current Assets</b>			
(a). Fixed Assets			
(i) Tangible Assets	10	11,761,177,396	10,741,193,535
(ii) Intangible Assets		839,027,354	843,649,240
(iii) Capital Work in progress		1,050,789,811	1,797,914,378
(iv) Work in progress		22,936,931	-
(b). Long-Term Loans and Advances	11	760,709,505	863,076,001
(c). Other Non Current Assets	12	216,215	395,029
<b>2. Current Assets</b>			
(a) Current Investments	13	1,323,000	1,323,000
(b) Inventories	14	30,096,979	36,916,260
(c) Trade Receivables	15	386,138,175	135,877,284
(d) Cash and Cash Equivalents	16	457,405,507	243,832,584
(e) Short-Term Loans and Advances	17	775,612,538	1,085,979,672
(f) Other Current Assets	18	356,191,122	291,845,912
<b>TOTAL</b>		<b>16,44,16,24,533</b>	<b>16,04,20,02,895</b>

Significant Accounting Policies & Notes to Financial Statements

1 to 40

As per our report of even date  
for **For P. Murali & Co.**,  
Chartered Accountants  
FRN: 007257S

**For and on behalf of the Board of Directors**  
**For Country Club Hospitality & Holidays Limited**

**P. Murali Mohana Rao**  
Partner  
Membership Number: 023412

**Y. Rajeev Reddy**  
Chairman & Managing Director

**Y. Siddharth Reddy**  
Vice-Chairman, JMD & CEO

**V. Sreelatha**  
Company Secretary

Place : Hyderabad  
Date : 30-05-2015

## Consolidated Profit & Loss Account For The Year Ended 31-03-2015

Amount in ₹

Particulars	Note Nos.	Ended 31-03-2015	Ended 31-03-2014
<b>1. INCOME</b>			
Revenue From Operations	19	4,972,365,970	4,957,896,039
Other Income	20	32,317,126	11,605,672
<b>TOTAL REVENUE</b>		<b>5,00,46,83,096</b>	<b>4,96,95,01,711</b>
<b>2. EXPENDITURE</b>			
Cost of Material Consumed	21	189,247,846	166,615,132
Employee Benefit Expenses	22	1,688,571,325	1,700,607,461
Finance Cost	23	491,105,641	466,856,996
Depreciation and Amortisation Expenses	10	400,034,697	460,184,404
Other Expenses	24	1,915,693,101	1,891,308,540
<b>TOTAL EXPENDITURE</b>		<b>4,68,46,52,610</b>	<b>4,685,572,533</b>
<b>3. PROFIT</b>			
Profit Before Exceptional and Tax (1 - 2)		32,00,30,486	283,929,178
Profit Before Tax		32,00,30,486	283,929,178
<b>Tax Expense:</b>			
- Current Tax		-	24,648,698
- Deferred Tax		5,23,09,862	8,71,75,743
Profit for the Year		26,77,20,624	172,104,737
Earning Per Share			
- Basic		1.64	1.20
- Diluted		1.64	1.20

Significant Accounting Policies & Notes to Financial Statements

1 to 40

As per our report of even date  
for **For P. Murali & Co.,**  
Chartered Accountants  
FRN: 007257S

For and on behalf of the Board of Directors  
For Country Club Hospitality & Holidays Limited

**P. Murali Mohana Rao**  
Partner  
Membership Number: 023412

**Y. Rajeev Reddy**  
Chairman & Managing Director

**Y. Siddharth Reddy**  
Vice-Chairman, JMD & CEO

**V. Sreelatha**  
Company Secretary

Place : Hyderabad  
Date : 30-05-2015

## Consolidated Cash Flow Statement for the year ended 31.03.2015

Amount in ₹

Particulars	Current Year	Previous Year
<b>I. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Profit Before Tax	320,030,486	283,929,178
Adjustments for :-		
Depreciation	400,034,697	460,184,404
Interest Paid	491,105,641	466,856,996
Foreign Currency Translation Reserve	360,838,678	104,025,033
Excess amount charged in Reserves and Surplus	(193,976,884)	1,184,704
Excess amount charged in Deferred Tax Liability	-	15,740,087
Interest Income	(1,298,072)	(1,074,915)
<b>Operating Cash Flow before Working Capital Changes</b>	<b>1,376,734,547</b>	<b>1,330,845,487</b>
(Increase) / Decrease in Inventory	6,819,281	4,076,226
(Increase) / Decrease in Trade Receivables	(250,260,891)	(26,888,685)
(Increase) / Decrease in Short Term Loans & Advances	310,367,134	464,025,537
(Increase) / Decrease in Other Current Assets	(64,345,210)	(228,392,096)
(Increase) / Decrease in Current Investments	-	(1,000,000)
Increase / (Decrease) in Deferred Income( Current)	(33,418,222)	(34,566,547)
Increase / (Decrease) in Trade Payables	(35,073,747)	(187,147,981)
Increase / (Decrease) in Other Current Liabilities	(799,926,752)	130,849,035
Increase / (Decrease) in Short Term Provisions	(233,938,956)	291,509,825
<b>CASH GENERATED FROM OPERATIONS</b>	<b>276,957,183</b>	<b>1,743,310,801</b>
Add: Prior Period Expenses	-	-
Less: Income Tax Paid	-	-
<b>CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>276,957,183</b>	<b>1,743,310,801</b>
<b>II. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase/Sale of fixed Assets	(1,415,396,672)	(2,457,906,233)
Capital Work in Progress, Pre-operative Expenses	724,187,637	94,395,854
Interest Income	1,298,072	1,074,915
Miscellaneous Expenses	178,814	178,814
(Increase) / Decrease in Long Term Loans & Advances	102,366,496	298,781,722
<b>NET CASH AVAILABLE FROM INVESTING ACTIVITIES</b>	<b>(587,365,653)</b>	<b>(2,063,474,928)</b>
<b>III. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds From Issue of Equity Shares	-	148,000,000
Proceeds/(Repayment) of Loan	1,012,660,647	675,514,979
Statutory Reserve	(2,439,765)	220,590
Interest Paid	(491,105,641)	(466,856,996)
Increase / (Decrease) in Other Long Term Liabilities	4,866,152	9,188,514
Proceeds/(Repayment) of Membership Fees	-	(33,404,603)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(523,981,393)</b>	<b>332,662,484</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS(I+II+III)</b>	<b>213,572,923</b>	<b>12,498,357</b>
<b>Opening Balance of Cash &amp; Cash Equivalents</b>	<b>243,832,584</b>	<b>231,334,227</b>
<b>Closing Balance of Cash &amp; Cash Equivalents</b>	<b>457,405,507</b>	<b>243,832,584</b>

As per our report of even date  
for **For P. Murali & Co.,**  
Chartered Accountants  
FRN: 007257S

**P. Murali Mohana Rao**  
Partner  
Membership Number: 023412

**Y. Rajeev Reddy**  
Chairman & Managing Director

**Y. Siddharth Reddy**  
Vice-Chairman, JMD & CEO

**V. Sreelatha**  
Company Secretary

For and on behalf of the Board of Directors  
For Country Club Hospitality & Holidays Limited

Place : Hyderabad  
Date : 30-05-2015

# Notes to the Consolidated Financial Statements for the year ended 31<sup>st</sup> march 2015

## Significant Accounting Policies

### 1. Basis of preparation of financial statement:

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### Basis of consolidation :

The Group financial statements are prepared in accordance with the principles and procedures required for the preparation and presentation of consolidation 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 asset, 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 transaction 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 investments in the subsidiaries over the company's portion of equity of the subsidiary is recognized in the financial statements as Good will or Capital reserve.

The following subsidiaries are taken into account for the preparation of Consolidating Financial Statements

Sl.No	Relationship	Name of the Subsidiary
1	Subsidiaries of Country Club Hospitality & Holidays Limited	Aquarian Realtors Private Limited
2		Bright Resorts Private Limited
3		Bush Betta Holiday Ownership Wildlife Adventure Resort Pvt Ltd
4		Chanakyapuri Resorts Pvt Ltd
5		Country Club Babylon Resorts Pvt Ltd
6		Country Vacations International Ltd – Dubai
7		Country Vacations International Ltd – India
8		International Country Holidays Private Limited (formerly known as Aakruti Engineers Private Limited)
9		J.J. Arts & Entertainments Pvt Ltd
10		Kolet Resort Club Pvt Ltd
11		Maruti Waterpark & Entertainments Pvt Ltd
12		Swami Vivekanand Training & Education Centre Private Limited
13		Swimwel Investment & Trading Private Limited
14		Club Arzee Limited
1	Step-Down Subsidiaries of Country Vacations International Ltd – Dubai	Country Club & Vacations W.L.L – Qatar
2		Country Vacations International Limited – London
3		Country Vacations International LLC – Dubai
4		Country Vacations International LLC – Oman
5		Country Vacations International LLC–Abu Dhabi
6		Country Vacations International SDN BHD, Malaysia
7		Country Vacations International W.L.L – Bahrain
8	Step-Down Subsidiary of Aquarian Realtors Pvt Ltd	Jade Resorts Pvt Ltd

## 2. Revenue Recognition:

- (a) The company's business is to sell Vacation ownership, provide holiday facilities, guest accommodation, training/coaching in recreational activities relating to art, culture & sports, fitness training and clubbing to its members for a specified period, 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.

## 3. 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.

## 4. 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.

## 5. 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.

## 6. Depreciation:

Depreciation on fixed assets is provided using the straight-line method over the useful life of the assets specified in Schedule II to the Companies Act, 2013. Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed. Assets acquired on finance leases are depreciated over the period of the lease agreement or the useful life whichever is shorter.

With effect to the changes in the useful life of the assets as per schedule II to the Companies Act 2013, the carrying amount of the assets as on date is depreciated over its remaining useful life and the carrying amount of the assets whose remaining useful is nil is adjusted against the general reserves of the company.

As per schedule II to the Companies Act 2013 estimates the useful lives for the fixed assets as follows:

Buildings	: 60 years
Furniture & fixtures	: 8 years
Plant & Machinery	: 15 years
Computers	: 3 years
Vehicles	: 8 years
Software & Development	: 3 years

## 7. Capital Work-in-Progress:

The Capital Work-in-Progress includes cost of

Fixed Assets under installation, advances for Project cost and unallocated expenditure.

## 8. 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.

## 9. 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.

## 10. 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.

#### 11. 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.

#### 12. 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.

#### 13. 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.

#### 14. Provisions and contingent liabilities:

A provision is recognized when the company has a present obligation as result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which reliable estimate can be made. Contingent liabilities are disclosed in the notes.

#### 15. 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

#### 16. 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.

#### 17. 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.

#### 18. 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 31 st March 2015

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE NO. 1 : SHARE CAPITAL</b>		
<b>Authorised Capital</b>	<b>440,000,000</b>	<b>4400,000,000</b>
220000000 Equity Shares (Previous Year 220000000 Equity Shares)		
<b>Issued, Subscribed &amp; Fully Paid up:</b>	<b>326,929,470</b>	<b>326,929,470</b>
163464735 Equity Shares (Previous Year 163464735 Equity Shares)		
	<b>326,929,470</b>	<b>326,929,470</b>
<b>Par Value per Share</b>	<b>2</b>	<b>2</b>
Notes:		
3 a. Terms /rights attached to equity shares		
i. The Company has only one class of shares referred to as equity shares having a par value of Rs.2/- . Each Equity shareholder is entitled to one vote per share		
<b>Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period</b>		
Total No of shares at opening accounting period	163,464,735	89,464,735
<b>Add:</b> No of shares issued during the year - Amalgamation	-	74,000,000
<b>Add:</b> No of shares issued during the year - Bonus Issue	-	-
<b>Add:</b> No of shares issued during the year - Cash Issue	-	-
<b>Less :</b> No of shares Forfeited/Bought Back during the year	-	-
Total No of shares at end of accounting period	<b>163,464,735</b>	<b>163,464,735</b>
<b>Shares in the Company held by each shareholder holding more than 5% shares of the Company</b>		
<b>Name of the Shareholder</b>		
<b>Y.Rajeev Reddy</b>		
- No of Shares	106,337,986	106,337,986
- % held in the Company	65.05	65.05

## Notes to the Consolidated Financial Statements for the year ended 31 st March 2015

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE NO. 2 : RESERVES AND SURPLUS</b>		
<b>Capital Reserve</b>		
As per last year Balance Sheet	308,740,299	308,740,299
	<b>308,740,299</b>	<b>308,740,299</b>
<b>Securities Premium Account</b>	4,966,551,969	4,966,551,969
<b>Foreign Currency Translation Reserve</b>	855,629,334	494,790,656
<b>Revaluation Reserve</b>	43,655,099	43,655,099
<b>Statutory Reserve</b>	-	<b>2,439,765</b>
<b>General Reserve</b>		
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
<b>Surplus:</b>	-	
<b>Surplus in Statement of Profit and Loss</b>		
As per last year Balance Sheet	3,516,029,499	3,347,750,644
Add. Subsequent period to Amalgamation	-	1,184,704
Less. Amount transfer to Retained Earning in pursuant of schedule II to the Companies Act. 2013	(193,976,884)	-
Add. Current Year profit	2,67,720,624	172,104,737
	<b>3,589,773,239</b>	<b>3,521,040,085</b>
<b>Appropriations:</b>		
Transfer to General Reserve	-	-
Proposed Final Dividend on Equity Shares	-	4,282,735
Tax on Proposed Dividend	-	727,851
	-	<b>5,010,586</b>
Surplus After Appropriations	3,589,773,239	3,516,029,499
<b>Total Reserves and Surplus</b>	<b>9,847,649,941</b>	<b>9,415,507,287</b>

## Notes to the Consolidated Financial Statements for the year ended 31 st March 2015

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE NO. 3 : LONG-TERM BORROWINGS</b>		
<b>Secured</b>		
<b>Term loans From Banks</b>		
- Oriental Bank of Commerce Loan - I	81,663,457	39,999,687
- Oriental Bank of Commerce Loan - II (Secured by way of Hypothecation of Land & Buildings)	40,460,496	20,000,000
- UBI Loan (Secured by way of Hypothecation of Land & Buildings)	449,601,117	338,700,000
- Vijaya Bank Loan (Secured by way of Hypothecation of Land & Buildings)	325,636,713	248,888,887
- Bank of India Loan (Secured by way of Hypothecation of Land & Buildings)	197,193,550	147,627,678
- Central Bank of India (Secured by way of Hypothecation of Land & Buildings)	440,281,665	426,620,000
- Canara Bank (Secured by way of Hypothecation of Land & Buildings)	471,650,243	484,906,836
- Saraswat Co Op Bank Loan I	88,526,808	35,978,741
- Saraswat Co Op Bank Loan II (Secured by way of Hypothecation of Land & Buildings)	430,260,726	317,742,869
- Cosmos Bank Loan I	63,841,646	37,466,580
- Cosmos Bank Loan II	85,738,394	50,026,027
- Cosmos Bank Loan III (Secured by way of Hypothecation of Land & Buildings)	231,183,610	239,208,954
- National Bank of Fujjarah - NBF (Secured by way of Hypothecation of Land & Buildings)	961,741,913	570,498,431
<b>Equipment Finance &amp; Other Loans</b> (Loan from HDFC Bank Ltd., Saraswath Co-Op Bank Ltd, Ratnakar Bank Ltd. and Religare Finvest. Ltd. and the same were secured by way of hypothecation of the Vehicles)	3,606,111	11,330,109
	<b>3,871,386,449</b>	<b>2,968,994,799</b>
<b>Unsecured</b>		
Loans and Advances From Related Parties		
- Loan from Promoters	134,522,159	23,373,995
- Zen Garden Hotel Pvt. Ltd.	3,412,212	2,743,979
- Country Condos Limited	49,020	49,020
- Other Loans and Advances	5,026,874	6,574,274
	<b>143,010,265</b>	<b>32,741,268</b>
	<b>4,014,396,714</b>	<b>3,001,736,067</b>
<b>NOTE NO. 4 : DEFERRED TAX LIABILITIES (NET)</b>		
Opening Deferred tax Liability	557,938,817	455,022,987
Add: Deferred Tax Liability from Amalgamation	-	15,740,087
Add: Deferred Tax Liability for the year ( Due to SLM and WDV Difference )	52,309,862	87,175,743
	<b>610,248,679</b>	<b>557,938,817</b>

## Notes to the Consolidated Financial Statements for the year ended 31 st March 2015

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE NO. 5 : OTHER LONG-TERM LIABILITIES</b>		
<b>Unsecured</b>		
Deposits	17,369,758	17,080,254
	<b>17,369,758</b>	<b>17,080,254</b>
<b>NOTE NO. 6 : LONG-TERM PROVISIONS</b>		
Employee's end of service benefits	20,697,981	16,121,333
	<b>20,697,981</b>	<b>16,121,333</b>
<b>NOTE NO. 7 : TRADE PAYABLES</b>		
Total Outstanding Dues to Micro and Small Enterprises	-	-
Others	208,225,058	243,298,805
	<b>208,225,058</b>	<b>243,298,805</b>
<b>NOTE NO. 8 : OTHER CURRENT LIABILITIES</b>		
Current Maturities of Long-Term Debt	515,067,064	1,026,678,571
Advance Received from Customers	2,919,393	3,198,565
Unpaid Dividends	2,573,128	3,016,470
Dues to Statutory Authorities	116,444,653	107,524,556
Other Liabilities	167,772,083	243,079,543
Creditors for Capital Goods	34,005,216	255,210,584
	<b>838,781,537</b>	<b>1,638,708,289</b>
<b>NOTE NO. 9 : SHORT-TERM PROVISIONS</b>		
Provision for Employee Benefits		-
- Salaries Payable (Includes Incentives)	341,872,892	421,744,981
- PF Payable	17,840,715	20,784,097
- ESIC Payable	6,218,247	8,049,975
- PT Payable	4,171,585	4,130,547
Others		
- Provision for Income Tax	-	24,648,698
- Consultancy & Professional Charges Payable	4,155,260	2,916,490
- TDS Payable	91,606	84,924
- Provision for Expenses	117,037,319	237,956,282
- Proposed Dividend	-	4,282,735
- Tax on Proposed Dividend	-	727,851
	<b>491,387,624</b>	<b>725,326,580</b>

# Notes to the Consolidated Financial Statements for the year ended 31 st March 2015

Amount in ₹

## NOTE NO. 10 : FIXED ASSETS

PARTICULARS	Gross Block				Depreciation				NET BLOCK AS ON 31-03-2015	NET BLOCK AS ON 31-03-2014
	GROSS BLOCK AS ON 01-04-2014	ADDITIONS DURING THE YEAR	DELETIONS DURING THE YEAR	GROSS BLOCK AS ON 31-03-2015	DEPRECIATION UP TO 01.04.2014	DEPRECIATION DURING THE YEAR	DELETION DEP DURING THE YEAR	DEPRECIATION AS ON 31-03-2015		
<b>Tangible Assets</b>										
Land & Site Development	730,002,641	426,555,955	-	1,156,558,596	-	-	-	-	1,156,558,596	730,002,641
Buildings	9,842,033,934	882,898,096	-	10,724,932,030	1,272,627,706	187,285,768	-	1,459,913,474	9,265,018,556	8,569,406,228
Furniture & Fixtures	1,334,031,104	52,566,411	298,840,545	1,087,756,970	413,046,664	138,462,997	150,504,412	401,005,249	686,751,721	920,984,440
Plant & Machinery	744,029,103	225,345,677	75,430,961	893,943,819	289,984,000	48,740,181	60,851,336	277,872,845	616,070,974	454,045,103
Computers	103,718,625	5,918,681	78,808,972	30,828,334	75,814,586	11,037,800	56,585,645	30,266,741	561,593	27,904,039
Vehicles	98,159,670	17,641,939	26,579,569	89,222,040	59,308,586	8,951,643	15,254,145	53,006,084	36,215,956	38,851,084
<b>Total - A</b>	<b>12,851,975,077</b>	<b>1,610,926,759</b>	<b>479,660,047</b>	<b>13,983,241,788</b>	<b>2,110,781,542</b>	<b>394,478,389</b>	<b>283,195,539</b>	<b>2,222,064,393</b>	<b>11,761,177,396</b>	<b>10,741,193,535</b>
Previous Year	10,511,035,984	2,349,086,492	8,147,400	12,851,975,077	1,632,422,394	455,869,043	7,373,003	2,110,781,542	10,741,193,535	8,878,613,590
<b>Intangible Assets</b>	-	-	-				-	-		
Goodwill	818,874,153	-	-	818,874,153			-	-	818,874,153	818,874,153
Brand Development	9,474,059	-	-	9,474,059	7,368,712	1,052,673	-	8,421,385	1,052,674	2,105,347
Software & Development	22,045,596	934,422	-	22,980,018	10,765,617	4,503,635	-	15,269,252	7,710,766	11,279,979
Intangible Assets	11,389,761	-	-	11,389,761	-	-	-	-	11,389,761	11,389,761
<b>Total - B</b>	<b>861,783,569</b>	<b>934,422</b>	-	<b>862,717,991</b>	<b>18,134,329</b>	<b>5,556,308</b>		<b>23,690,637</b>	<b>839,027,354</b>	<b>843,649,240</b>
Previous Year	722,286,939	139,496,630		861,783,569	13,779,583	4,315,361	-	18,134,329	843,649,240	708,507,356
<b>Grand Total - (A+B)</b>	<b>13,713,758,646</b>	<b>1,611,861,181</b>	<b>479,660,047</b>	<b>14,845,959,779</b>	<b>2,128,915,870</b>	<b>400,034,697</b>	<b>283,195,539</b>	<b>2,245,755,031</b>	<b>12,600,204,750</b>	<b>11,584,842,775</b>
Total Previous Year	11,233,323,923	2,488,583,122	8,147,400	13,713,758,646	1,646,201,977	460,184,404	7,373,003	2,128,915,870	11,584,842,775	9,587,120,946

## Notes to the Consolidated Financial Statements for the year ended 31 st March 2015

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE NO. 11 : LONG-TERM LOANS AND ADVANCES</b>		
<b>Unsecured Considered Good</b>		
Capital advance	217,957,085	285,774,453
Security Deposit	218,313,122	259,706,908
Loans and Advances to Related Parties		
Others	8,082,751	23,343,525
Other loans And advances	316,356,547	294,251,115
	<b>760,709,505</b>	<b>863,076,001</b>
<b>NOTE NO. 12 : OTHER NON CURRENT ASSETS</b>		
Unamortized Selling and Preliminary Expenses		
Selling Deferred Expenses	178,162	356,325
Preliminary Expenses Not Written Off	38,053	38,704
	<b>216,215</b>	<b>395,029</b>
<b>NOTE NO. 13 : CURRENT INVESTMENTS</b>		
Investment-The Saraswat Coop Bank	25,000	25,000
Investment-CANARA ROBECO Mutual Fund	1,000,000	1,000,000
Investment-The Cosmos Co-op Bank	100,000	100,000
Investment - KCCB Bank Shares	50,000	50,000
Investment - The Urban Co-Op Bank	48,000	48,000
Investment - Bharat Co-Op Bank Ltd.	1,00,000	1,00,000
	<b>1,323,000</b>	<b>1,323,000</b>
<b>NOTE NO. 14 : INVENTORIES</b>		
Inventories (at lower of cost & net realisable value)	-	-
Stores :		
Food, Beverages, Smokes & Operating Supplies	14,323,655	17,162,429
Gifts	15,773,324	19,753,831
	<b>30,096,979</b>	<b>36,916,260</b>
<b>NOTE NO. 15 : TRADE RECEIVABLES</b>		
Receivables outstanding for more than six months from the date they are due for payment	6,023,220	3,245,637
Unsecured & Considered Good		
Receivables outstanding for less than six months from the date they are due for payment	380,114,955	132,631,647
Unsecured & Considered Good		
	<b>386,138,175</b>	<b>135,877,284</b>

## Notes to the Consolidated Financial Statements for the year ended 31 st March 2015

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE NO. 16 : CASH AND CASH EQUIVALENTS</b>		
Cash on hand	20,671,322	17,054,046
Balances with banks :		
- Current Accounts	402,131,684	192,778,570
- Fixed Deposits - with maturity of less/more than	31,251,114	30,919,067
Earmarked Accounts		
- Unpaid Dividend Accounts	3,351,387	3,080,901
	<b>457,405,507</b>	<b>243,832,584</b>
<b>NOTE NO. 17 : SHORT TERM LOANS AND ADVANCES</b>		
Advance to Suppliers	4,908,535	5,093,458
Loans and Advances to Employees	15,622,395	63,599,193
Advances Recoverable in Cash or Kind - (Unsecured, Considered Good)	719,098,628	989,238,168
Advances with Statutory Authorities	35,982,980	28,048,853
	<b>775,612,538</b>	<b>1,085,979,672</b>
<b>NOTE NO. 18 : OTHER CURRENT ASSETS</b>		
VAT Receivables	6,583,463	11,582,809
TDS/TCS Receivables	8,471,030	6,746,774
Prepaid Expenses	327,470,153	249,899,545
Service Tax Credit Receivables	13,606,401	23,616,784
Interest Accrued on Deposits	60,075	-
	<b>356,191,122</b>	<b>291,845,912</b>
<b>NOTES TO STATEMENT OF PROFIT &amp; LOSS</b>		
<b>NOTE NO. 19 : REVENUE FROM OPERATIONS</b>		
<b>Sales of Services</b>		
Income from Sale of Membership, Vacation Ownership & Guest Accommodation & Training/coaching in recreational activities relating to art, culture & sports	4,206,607,215	4,303,752,948
Income from Hotel, Clubs & Resorts	394,893,633	336,477,497
- Food & Beverages from Restaurant & Banquets		
Annual Subscription Fee	370,865,122	317,665,594
	<b>4,972,365,970</b>	<b>4,957,896,039</b>

## Notes to the Consolidated Financial Statements for the year ended 31 st March 2015

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE NO. 20 : OTHER INCOME</b>		
Interest Income		
- On Deposits with Bank	1,298,072	1,074,915
Miscellaneous Income / Lease Rent	31,019,054	10,530,757
	<b>32,317,126</b>	<b>11,605,672</b>
<b>NOTE NO. 21 : COST OF MATERIAL CONSUMED</b>		
Opening Stock of Food & Beverages, Stores and Operating Supplies	17,162,429	17,204,167
Add: Purchases	185,904,277	166,573,394
Less: Closing Stock of Food & Beverages, Stores and Operating Supplies	13,818,860	17,162,429
	<b>189,247,846</b>	<b>166,615,132</b>
<b>NOTE NO. 22 : EMPLOYEE BENEFIT EXPENSES</b>		
Salaries & Other Benefits	1,607,628,349	1,619,117,841
Contribution to Provident & Other Funds	45,348,637	42,920,867
Staff Welfare Expenses	35,594,339	38,568,753
	<b>1,688,571,325</b>	<b>1,700,607,461</b>
<b>NOTES TO STATEMENT OF PROFIT &amp; LOSS</b>		
<b>NOTE NO. 23 : FINANCE COST</b>		
Interest on Term Loans	491,105,641	466,856,996
	<b>491,105,641</b>	<b>466,856,996</b>

## Notes to the Consolidated Financial Statements for the year ended 31 st March 2015

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE NO. 24 : OTHER EXPENSES</b>		
Upkeep & Service Cost		
- Building Maintenance	6,295,509	4,511,350
- Repairs, Maintenance to other assets.	38,191,877	31,372,892
- Vehicle Maintenance & Running Exp.	4,366,100	5,203,813
- Other Maintenance	93,295,669	81,948,514
Power & Fuel	152,606,103	142,068,245
Rent including Lease Rent	390,049,563	373,910,287
Rates & Taxes	54,283,462	56,676,317
Insurance	11,237,608	12,363,108
Finance Charges	163,392,993	189,039,210
Travelling & Conveyance	106,984,254	99,038,543
Printing & Stationery	36,005,515	40,194,340
Postage, Telegram & Telephones	111,424,228	113,069,316
Advertisement & Other Marketing Expenses	470,860,191	474,048,647
Other Administrative Expenses	178,426,637	174,626,238
Miscellaneous Expenses Written Off	178,814	178,814
Legal & Professional Charges.	96,880,047	91,845,747
Auditors Remuneration Includes		
- Audit Fee	714,531	713,159
- For Taxation Matters	2,00,000	2,00,000
- For Other Services	3,00,000	3,00,000
	<b>1,915,693,101</b>	<b>1,891,308,540</b>

## Notes To The Financial Statements

25. Particulars of Key Managerial Personnel and remuneration paid to them

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	15,00,000

26. Particulars relating to Managing Director

Amount in ₹

Particulars	Current Year	Previous Year
Directors' Remuneration	1,11,00,000	1,26,00,000
Brand Ambassador Fee	48,00,000	48,00,000

27. Detailed information regarding quantitative particulars under part II of Schedule III to the Companies Act, 2013.

- 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.

28. Earnings and Expenditure in Foreign Currency

- a) Foreign Currency expenditure/out flow as follows

Amount in ₹

Particulars	Current Year	Previous Year
Traveling Expenses	(12,626)	(24,64,066)
From Subsidiary Company	282,101,336	-
Total Net Flow	282,088,710	(2,464,066)

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.

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

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

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
Deferred Tax	52,309,862	87,175,743

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

Relationship	Name of the Related Party
Subsidiary Companies	a) Aquarian Realtors Pvt Ltd
	b) Bright Resorts Pvt Ltd
	c) Bush Betta Holiday Ownership Wildlife Adventure Resort Pvt Ltd
	d) Chanakyapuri Resorts Pvt Ltd
	e) Country Club Babylon Resorts Pvt Ltd
	f) Country Vacations International Ltd – Dubai
	g) Country Vacations International Ltd – India
	h) International Country Holidays Private Limited (formerly known as Aakruti Engineers Private Limited)
	i) J.J. Arts & Entertainments Pvt Ltd
	j) Kolet Resort Club Pvt Ltd
	k) Maruti Waterpark & Entertainments Pvt Ltd
	l) Swami Vivekanand Training & Education Centre Pvt Ltd
	m) Swimwel Investment & Trading Pvt Ltd
	n) Club Arzee Ltd
Step-Down Subsidiaries	a) Country Club & Vacations W.L.L – Qatar
	b) Country Vacations International Limited – London
	c) Country Vacations International LLC – Dubai
	d) Country Vacations International LLC – Oman
	e) Country Vacations International LLC–Abu Dhabi
	f) Country Vacations International SDN BHD, Malaysia
	g) Country Vacations International W.L.L – Bahrain
	h) Jade Resorts Pvt Ltd
Associated Companies	a) Amrutha Estetes Pvt Ltd
	b) Country Condos' Limited
	c) Country Vacations International – Dubai
	d) Zen Garden Hotel Private Limited
Vice-Chairman, JMD&COO	Y. Varun Reddy
CMD	Y. Rajeev Reddy
Director	Y. Manjula Reddy

B. Transactions during the year with Related Parties.

Nature of Transaction	Subsidiary Companies including Step-Down Subsidiaries	Associate Companies	Other Related Parties
Lease Rentals Payable	21,00,000	6,87,000	56,86,560
Land	-	1,85,000	-
Directors Remuneration	-	-	1,11,00,000
Brand Ambassador Fee	-	-	48,00,000

34. The Basic and Diluted EPS is Calculated as under

Particulars	March 31 <sup>st</sup> 2015	March 31 <sup>st</sup> 2014
a) Profit after Tax (Rs.)	267,720,625	172,104,737
b) Earnings available to Equity Shareholders for Basic & Diluted EPS (Rs.)	267,720,625	172,104,737
c) Weighted average Number of Shares taken for computation of EPS	16,34,64,735	14,33,93,502
- Basic		
- Diluted		
d) Earning per Share		
- Basic	1.64	1.20
- Diluted	1.64	1.20
e) Nominal Value per Share	2	2

35. Contingent Liabilities:

The Company jointly with Mr. Y. Rajeev Reddy (Managing Director) and Country Vacations International LLC, Dubai has provided corporate guaranty of ₹86,29,05,958/- to National Bank of Fujairah, Dubai in respect of the facilities granted to M/s. Country Vacations International Ltd- Dubai. The guarantee was provided during the financial year 2013-14.

36. Secured Loans:

From Banks

- a) 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 lakarpur, EROS Regency Township, Surajkund, Faridabad, Harayana. The Outstanding Balance for the Current year is ₹12,21,23,953/- (Previous Year ₹ 11,13,80,163/-)
- b) Term Loans from Union Bank of India, Vijaya Bank and Bank of India of Rs. ₹115 crores has been taken for repayment of FCCB's and secured by way of properties located in Hyderabad, Bangolre, Chennai and Kodaikanal. Further, the charge has been created on Delhi & Karnataka cash flows for servicing of the above loan. Additionally, the personal guarantees has also been given by three Directors (i.e. Mr Y Rajeev Reddy, Y. Siddharth Reddy & Y.

Varun Reddy). The Outstanding Balance for the Current year is ₹ 97,24,31,380/- (Previous Year ₹90,06,84,611/-).

- c) Term Loan from Central Bank of India of ₹50 Crores to carry out interior, Gym/Fitness Centres and Civil works of the Company's 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 ₹50,14,81,665/- (Previous Year ₹49,42,92,919/-).
- d) Term Loan from Canara Bank of ₹50 Crores for the Company's expansion plan at Kolkatta, Cochin and Andheri, Mumbai and normal ongoing capex at various locations. Further charge has been 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 ₹50,32,50,243/- (Previous Year ₹50,45,16,418/-).
- 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 ₹ 8,85,26,808/- (Previous Year ₹8,70,04,348/-)

- f) Term Loan from Saraswat Co Op Bank 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 ₹43,02,60,726/- (Previous Year ₹42,32,71,502/-).
- 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 ₹15,77,63,040/- (Previous Year ₹17,17,01,513/-)
- 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”, 7th Km, Khandwa Road, Kasturbaagram, Indore owned by the Company. The Outstanding Balance for
- the Current Year is ₹24,28,01,610/- (Previous Year ₹24,72,96,302/-).
- i) Term Loans from National Bank of Fujjarah-NBF, Dubai loan of ₹875,382,754/- for expansion of existing Dubai Hotel and secured by way of mortgage of Country Club Hotel, Dubai. The outstanding Balance for the current year is ₹1,311,466,233/- (Previous year ₹870,292,347/-). The term loan taken from Bank of Baroda, Dubai is repaid by National Bank of Fujjarah-NBF.
- Equipment Finance and Other Loans
- i) Equipment Finance & Other Loans from HDFC Bank Ltd., Saraswat Co-op Bank Ltd, Ratnakar Bank Ltd, ENDB, Dubai Islamic Bank, NBAD & RAK Banks of ₹274,942,140/- and Religare Finvest Ltd. Loan of ₹4.25 crores for Vehicles and for expansion of existing Clubs and the same were secured by way of hypothecation of the Vehicles & mortgage of Club Arzee
- Limited, Survey no.623 & 624/2 adajan, Surat, Gujarat respectively . The Outstanding Balance for the Current year is ₹43,065,856/- (Previous Year ₹74,286,573/-).
- 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 ₹1,32,82,000/-).
37. 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.
38. 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 (Rs.)
Unpaid Dividend for the year 2013-14	273,276
Unpaid Dividend for the year 2012-13	270,121
Unpaid Dividend for the year 2011-12	244,778
Unpaid Dividend for the year 2010-11	234,126
Unpaid Dividend for the year 2009-10	247,067
Unpaid Dividend for the year 2008-09	759,900
Unpaid Dividend for the year 2007-08	543,860

39. Previous year's figures have been regrouped wherever necessary.

40. The figures have been rounded off to the nearest rupee.

As per our report of even date  
for **For P. Murali & Co.,**  
Chartered Accountants  
FRN: 007257S

**For order of the Board of Directors**  
**For Country Club Hospitality & Holidays Limited**

**P. Murali Mohana Rao**  
Partner  
Membership Number: 023412

**Y. Rajeev Reddy**  
Chairman & Managing Director

**Y. Siddharth Reddy**  
Vice-Chairman, JMD & CEO

**V. Sreelatha**  
Company Secretary

Place : Hyderabad  
Date : 30-05-2015

# Standalone Financial Section

# Independent Auditors' Report

To

The Members of,  
**Country Club Hospitality & Holidays Limited**

## Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Country Club Hospitality & Holidays Limited** ("the Company"), which comprises the Balance Sheet as at March 31, 2015, 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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2015, its loss and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters Specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we further report that:
  - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
  - e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There is no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund during the year ended 31<sup>st</sup> March 2015.

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

**P. Murali Mohana Rao**  
Partner

Place : Hyderabad  
Date : 30-05-2015

Membership Number: 023412

## Annexure to the Auditors' Report

### Annexure referred to in paragraph 1 of Our Report of even date to the members of Country Club Hospitality & Holidays Limited on the accounts of the company for the year ended 31st March, 2015 Under “Report on other Legal & Regulatory Requirements”

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) As explained to us, fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification.
- ii. (a) The Inventory has been physically verified during the year by the Management and in our opinion, the frequency of verification is reasonable.
  - (b) In our opinion, the procedures of the physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
  - (c) The Company is maintaining proper records of inventory and as explained to us, no material discrepancies were noticed on physical verification of stocks as compared to book records.
- iii. In our opinion and according to the information and explanation given to us, the company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, no major weakness has been noticed or reported.
- v. The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
- vi. The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services rendered by the Company
- vii. (a) According to the information and explanations given to us and based on the records of the company examined by us, the company is regular in depositing the undisputed statutory dues in most cases subject to a few delayed payments, including Provident Fund, Employees' State Insurance, Income-tax, and other material statutory dues as applicable, with the appropriate authorities in India.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, , Employees' State Insurance, Income-tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues in arrears as at 31st March 2015 for a period of more than 6 months for the date they became payable.
  - (c) According to the information and explanations given to us and based on the records of the company examined by us, the company has disputed Income Tax dues amounting to Rs. 11,34,56,266/- which belongs to various Assessment Years, which has not been deposited on account of disputes
  - (d) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the company.
- viii. The Company does not have accumulated losses at the end of the financial year and the company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- ix. In our opinion, and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institution/banks. The company has not issued any debentures.
- x. In our opinion, and according to the information and explanations given to us, the terms and conditions of guarantees given by the Company for loan taken by others from bank or financial institutions are not prejudicial to the interest of the company.
- xi. In our opinion, and according to the information and explanations given to us, the term loans have been applied, on an overall basis, for the purposes for which they were obtained.
- xii. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the company has been noticed or reported during the year.

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

**P. Murali Mohana Rao**

Partner

Place : Hyderabad  
Date : 30-05-2015

Membership Number: 023412

## Balance Sheet As At 31-03-2015

Amount in ₹

Particulars	Note Nos.	As at 31-03-2015	As at 31-03-2014
<b>I EQUITY AND LIABILITIES</b>			
<b>1. Shareholders Funds</b>			
(a) Share Capital	1	326,929,470	326,929,470
(b) Reserves & Surplus	2	6,606,489,130	6,913,384,367
<b>2. Non-Current Liabilities</b>			
(a) Long-Term Borrowing	3	3,317,463,164	2,706,666,787
(b) Deferred Tax Liabilities (Net)	4	576,320,134	528,885,526
(c) Other Long Term Liabilities	5	9,821,498	9,221,498
<b>3. Current Liabilities</b>			
(a) Trade Payables	6	167,077,590	203,489,919
(b) Deferred Income - Advance towards Members Facilities		-	33,418,222
(c) Other Current Liabilities	7	381,077,479	1,219,168,341
(d) Short-Term Provisions	8	373,181,734	618,970,820
<b>TOTAL</b>		<b>11,758,360,199</b>	<b>12,560,134,950</b>
<b>II ASSETS</b>			
<b>1. Non-Current Assets</b>			
(a) Fixed Assets	9		
(i) Tangible Assets		7,236,988,061	6,980,848,288
(ii) Intangible Assets		149,852,506	153,345,895
(iii) Capital Work in progress		99,060,875	1,188,203,656
(iv) Work in progress		22,936,931	
(b) Non-Current Investments	10	2,401,458,339	2,401,458,339
(c) Long-Term Loans and Advances	11	1,360,372,434	1,350,949,906
<b>2. Current Assets</b>			
(a) Current Investments	12	1,125,000	1,125,000
(b) Inventories	13	19,173,170	24,735,577
(c) Trade Receivables	14	61,202,936	57,548,471
(d) Cash and Cash Equivalents	15	132,328,388	131,332,438
(e) Short-Term Loans and Advances	16	240,773,221	226,276,564
(f) Other Current Assets	17	33,088,338	44,310,816
<b>TOTAL</b>		<b>11,758,360,199</b>	<b>12,560,134,950</b>

Significant Accounting Policies & Notes to Financial Statements

1 to 39

As per our report of even date  
for **For P. Murali & Co.,**  
Chartered Accountants  
FRN: 007257S

**For and on behalf of the Board of Directors**  
**For Country Club Hospitality & Holidays Limited**

**P. Murali Mohana Rao**  
Partner  
Membership Number: 023412

**Y. Rajeev Reddy**  
Chairman & Managing Director

**Y. Siddharth Reddy**  
Vice-Chairman, JMD & CEO

**V. Sreelatha**  
Company Secretary

Place : Hyderabad  
Date : 30-05-2015

## Statement of Profit and Loss account for the year ended 31 st March 2015

Amount in ₹

Particulars	Note Nos.	As at 31-03-2015	As at 31-03-2014
<b>1. INCOME</b>			
Revenue From Operations	18	2,712,103,309	3,205,010,765
Other Income	19	19,705,016	9,071,724
<b>TOTAL REVENUE</b>		<b>2,731,808,325</b>	<b>3,214,082,489</b>
<b>2. EXPENDITURE</b>			
Cost of Material Consumed	20	82,295,707	74,051,542
Employee Benefit Expenses	21	1,037,170,495	1,146,823,975
Finance Cost	22	405,983,066	391,948,633
Depreciation and Amortisation Expenses	9	189,998,811	282,270,023
Other Expenses	23	1,081,843,991	1,201,392,370
<b>TOTAL EXPENDITURE</b>		<b>2,797,292,070</b>	<b>3,096,486,543</b>
<b>3. PROFIT</b>			
Profit Before Tax (1- 2)		(65,483,745)	117,595,946
<b>Tax Expense:</b>			
- Current Tax		-	24,648,698
- Deferred Tax		47,434,608	83,333,539
<b>Profit for the Year</b>		<b>(112,918,353)</b>	<b>9,613,709</b>
<b>Earning Per Share</b>			
- Basic		(0.69)	0.07
- Diluted		(0.69)	0.07

Significant Accounting Policies & Notes to Financial Statements

1 to 39

As per our report of even date  
for **For P. Murali & Co.**,  
Chartered Accountants  
FRN: 007257S

**For and on behalf of the Board of Directors**  
**For Country Club Hospitality & Holidays Limited**

**P. Murali Mohana Rao**  
Partner  
Membership Number: 023412

**Y. Rajeev Reddy**  
Chairman & Managing Director

**Y. Siddharth Reddy**  
Vice-Chairman, JMD & CEO

**V. Sreelatha**  
Company Secretary

Place : Hyderabad  
Date : 30-05-2015

## Cash Flow Statement for the year ended 31 st March 2015

Amount in ₹

Particulars	Current Year	Previous Year
<b>I. CASH FLOW FROM OPERATING ACTIVITIES:</b>	-	-
Profit Before Tax	(65,483,745)	117,595,946
<b>Adjustments for :-</b>		
Depreciation	189,998,811	282,270,023
Interest Paid	405,983,066	391,948,633
Excess amount charged to surplus in Reserves and Surplus	(193,976,884)	1,184,704
Excess amount charged to Deferred Tax in Deferred Tax Liability	-	15,740,087
Interest Income	(1,298,072)	(1,074,915)
<b>Operating Cash Flow before Working Capital Changes</b>	<b>335,223,176</b>	<b>807,664,478</b>
(Increase) / Decrease in Inventory	5,562,407	4,243,150
(Increase) / Decrease in Trade Receivables	(3,654,465)	(1,496,325)
(Increase) / Decrease in Short Term Loans & Advances	(14,496,657)	1,063,655,040
(Increase) / Decrease in Other Current Assets	11,222,478	(23,720,012)
(Increase) / Decrease in Current Investments	-	(1,000,000)
Increase / (Decrease) in Deferred Income( Current)	(33,418,222)	(34,566,546)
Increase / (Decrease) in Trade Payables	(36,412,329)	(101,411,296)
Increase / (Decrease) in Other Current Liabilities	(838,090,862)	(545,950,726)
Increase / (Decrease) in Short Term Provisions	(245,789,086)	247,810,576
<b>CASH GENERATED FROM OPERATIONS</b>	<b>(819,853,560)</b>	<b>1,415,228,339</b>
Add: Prior Period Expenses	-	-
Less: Income Tax Paid	-	-
<b>CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>(819,853,560)</b>	<b>1,415,228,339</b>
<b>II. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchase/Sale of fixed Assets	(442,645,195)	(1,486,153,269)
Capital Work in Progress, Pre-operative Expenses	1,066,205,850	(268,845,074)
Interest Income	1,298,072	1,074,915
(Increase) / Decrease in Long Term Loans & Advances	(9,422,528)	44,827,784
<b>NET CASH AVILABLE FROM INVESTING ACTIVITIES</b>	<b>615,436,199</b>	<b>(1,709,095,644)</b>
<b>III. CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds From Issue of Equity Shares	-	148,000,000
Proceeds/(Repayment) of Loan	610,796,377	503,364,249
Share Premiun and Capital Reserve	-	-
Interest Paid	(405,983,066)	(391,948,633)
Increase / (Decrease) in Other Long Term Liabilities	600,000	300,000
Proceeds/(Repayment) of Membership Fees	-	(33,404,604)
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	<b>(205,413,311)</b>	<b>226,311,012</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS(I+II+III)</b>	<b>995,950</b>	<b>(67,556,293)</b>
<b>Opening Balance of Cash &amp; Cash Equivalents</b>	<b>131,332,438</b>	<b>198,888,731</b>
<b>Closing Balance of Cash &amp; Cash Equivalents</b>	<b>132,328,388</b>	<b>131,332,438</b>

As per our report of even date  
for For P. Murali & Co.,  
Chartered Accountants  
FRN: 007257S

For and on behalf of the Board of Directors  
For Country Club Hospitality & Holidays Limited

**P. Murali Mohana Rao**  
Partner  
Membership Number: 023412

**Y. Rajeev Reddy**  
Chairman & Managing Director

**Y. Siddharth Reddy**  
Vice-Chairman, JMD & CEO

**V. Sreelatha**  
Company Secretary

Place : Hyderabad  
Date : 30-05-2015

# Notes to the Financial Statements for the year ended 31<sup>st</sup> March 2015

## SIGNIFICANT ACCOUNTING POLICIES

### 1. Basis of preparation of financial statement:

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 (the Act) read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

### 2. Revenue Recognition:

- (a) The company's business is to sell Vacation ownership and provide 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.

### 3. 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.

### 4. 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.

### 5. 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.

### 6. Depreciation:

Depreciation on fixed assets is provided using the straight-line method over the useful life of the assets specified in Schedule II to the Companies Act, 2013. Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or

disposed. Assets acquired on finance leases are depreciated over the period of the lease agreement or the useful life whichever is shorter.

With effect to the changes in the useful life of the assets as per schedule II to the Companies Act 2013, the carrying amount of the assets as on date is depreciated over its remaining useful life and the carrying amount of the assets whose remaining useful is nil is adjusted against the general reserves of the company.

As per schedule II to the Companies Act 2013 estimates the useful lives for the fixed assets as follows:

Buildings	: 60 years
Furniture & fixtures	: 8 years
Plant & Machinery	: 15 years
Computers	: 3 years
Vehicles	: 8 years
Software & Development	: 3 years

### 7. Capital Work-in-Progress:

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

### 8. 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.

### 9. 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.

#### 10. 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.

#### 11. 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.

#### 12. 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.

#### 13. 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.

#### 14. Provisions and contingent liabilities:

A provision is recognized when the company has a present obligation as a result of a past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which reliable estimate can be made. Contingent liabilities are disclosed in the notes.

#### 15. 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

#### 16. 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.

#### 17. 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.

#### 18. Impairment of assets:

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

## Notes to the Financial Statements for the year ended 31 st March 2015

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE NO. 1 : SHARE CAPITAL</b>		
<b>Authorised Capital</b>	<b>440,000,000</b>	<b>440,000,000</b>
220000000 Equity Shares (Previous Year 220000000 Equity Shares)		
<b>Issued, Subscribed &amp; Fully Paid up:</b>	<b>326,929,470</b>	<b>326,929,470</b>
163464735 Equity Shares (Previous Year 163464735 Equity Shares)		
	<b>326,929,470</b>	<b>326,929,470</b>
<b>Par Value per Share</b>	<b>2</b>	<b>2</b>
Notes:		
3 a. Terms /rights attached to equity shares		
i. The Company has only one class of shares referred to as equity shares having a par value of Rs.2/- . Each Equity shareholder is entitled to one vote per share		
<b>Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period</b>		
Total No of shares at opening accounting period	163,464,735	89,464,735
<b>Add:</b> No of shares issued during the year - Amalgamation		74,000,000
<b>Add:</b> No of shares issued during the year - Bonus Issue	-	-
<b>Add:</b> No of shares issued during the year - Cash Issue	-	-
<b>Less :</b> No of shares Forfeited/Bought Back during the year	-	-
Total No of shares at end of accounting period	<b>163,464,735</b>	<b>163,464,735</b>
<b>Shares in the Company held by each shareholder holding more than 5% shares of the Company</b>		
<b>Name of the Shareholder</b>		
<b>Y.Rajeev Reddy</b>		
- No of Shares	106,337,986	106,337,986
- % held in the Company	65.05	65.05

## Notes to the Financial Statements for the year ended 31 st March 2015

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE NO. 2 : RESERVES AND SURPLUS</b>		
<b>Capital Reserve</b>		
As per last year Balance Sheet	305,088,694	305,088,694
	<b>305,088,694</b>	<b>305,088,694</b>
<b>Securities Premium Account</b>	4,962,471,969	4,962,471,969
<b>Revaluation Reserve</b>	24,270,349	24,270,349
<b>General Reserve</b>		
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
<b>Surplus:</b>	-	
<b>Surplus in Statement of Profit and Loss</b>		
As per last year Balance Sheet	1,538,253,355	1,532,465,528
Amount transferred to retained earning in pursuant of schedule II to the Companies Act. 2013	(193,976,884)	1,184,704
Current year Profit/(Loss)	(112,918,353)	9,613,709
	<b>1,231,358,118</b>	<b>1,543,263,941</b>
<b>Appropriations:</b>		
Proposed Final Dividend on Equity Shares	-	4,282,735
Tax on Proposed Dividend	-	727,851
	-	<b>5,010,586</b>
Surplus After Appropriations	1,231,358,118	1,538,253,355
<b>Total Reserves and Surplus</b>	<b>6,606,489,130</b>	<b>6,913,384,367</b>

## Notes to the Financial Statements for the year ended 31 st March 2015

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE NO. 3 : LONG-TERM BORROWINGS</b>		
<b>Secured</b>		
<b>Term loans From Banks</b>		
- Oriental Bank of Commerce Loan	81,663,457	39,999,687
- Oriental Bank of Commerce Loan (Secured by way of Hypothecation of Land & Buildings)	40,460,496	20,000,000
- UBI Loan (Secured by way of Hypothecation of Land & Buildings)	449,601,117	338,700,000
- Vijaya Bank Loan (Secured by way of Hypothecation of Land & Buildings)	325,636,713	248,888,887
- Bank of India Loan (Secured by way of Hypothecation of Land & Buildings)	197,193,550	147,627,678
- Central Bank of India (Secured by way of Hypothecation of Land & Buildings)	440,281,665	426,620,000
- Canara Bank (Secured by way of Hypothecation of Land & Buildings)	471,650,243	484,906,836
- Saraswat Co Op Bank Loan I	88,526,808	35,978,741
- Saraswat Co Op Bank Loan II (Secured by way of Hypothecation of Land & Buildings)	430,260,726	317,742,869
- Cosmos Bank Loan I	63,841,646	37,466,580
- Cosmos Bank Loan II	85,738,394	50,026,027
- Cosmos Bank Loan III (Secured by way of Hypothecation of Land & Buildings)	231,183,610	239,208,954
<b>Equipment Finance &amp; Other Loans</b> (Loan from HDFC Bank Ltd & Saraswath Co-Op Bank Ltd, Ratnakar Bank Ltd. & Religare Finvest Ltd. for Vehicles and the same were secured by way of hypothecation of the Vehicles/Land & Buildings)	3,606,111	11,330,109
	<b>2,909,644,536</b>	<b>2,398,496,368</b>
<b>Unsecured</b>		
<b>Loans and Advances From Related Parties</b>		
- Country Vacations International Limited - Dubai	270,176,928	270,176,928
- Country Vacations International Limited - India	3,119,541	3,119,541
- Kolet Resorts Pvt Ltd	-	11,499,955
- Loan from promoters	134,522,159	23,373,995
	407,818,628	<b>308,170,419</b>
	<b>3,317,463,164</b>	<b>2,706,666,787</b>

## Notes to the Financial Statements for the year ended 31 st March 2015

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE NO. 4 : DEFERRED TAX LIABILITIES (NET)</b>		
Opening Deferred tax Liability	528,885,526	429,811,900
Add: Deferred Tax Liability from Amalgamation	-	15,740,087
Add: Deferred Tax Liability for the year (Due to SLM and WDV Difference )	47,434,608	83,333,539
	<b>576,320,134</b>	<b>528,885,526</b>
<b>NOTE NO. 5 : OTHER LONG-TERM LIABILITIES</b>		
Unsecured Deposits	9,821,498	9,221,498
	<b>9,821,498</b>	<b>9,221,498</b>
<b>NOTE NO. 6 : TRADE PAYABLES</b>		
Total Outstanding Dues to Micro and Small Enterprises Others	167,077,590	203,489,919
	<b>167,077,590</b>	<b>203,489,919</b>
<b>NOTE NO. 7 : OTHER CURRENT LIABILITIES</b>		
Current Maturities of Long-Term Debt	149,909,419	726,884,656
Advance Received from Customers	2,152,694	2,449,464
Unpaid Dividends	2,573,128	3,016,470
Dues to Statutory Authoritoes	101,342,211	92,462,984
Other Liabilities	94,289,643	141,899,384
Creditors for Capital Goods	30,810,384	252,455,383
	<b>381,077,479</b>	<b>1,219,168,341</b>
<b>NOTE NO. 8 : SHORT-TERM PROVISIONS</b>		
Provision for Employee Benefits		
- Salaries Payable (Includes Incentives)	242,744,630	331,048,612
- PF Payable	16,186,429	18,216,171
- ESIC Payable	6,020,058	7,404,589
- PT Payable	3,904,479	3,772,052
Others		
- Provision for Income Tax	-	24,648,698
- Consultancy & Professional Charges Payable	3,558,066	2,534,466
- Provision for Expenses	100,768,072	226,335,646
- Proposed Dividend	-	4,282,735
- Tax on Proposed Dividend	-	727,851
	<b>373,181,734</b>	<b>618,970,820</b>

## Notes to the Financial Statements for the year ended 31 st March 2015

### NOTE NO. 9 : FIXED ASSETS

Amount in ₹

PARTICULARS	Gross Block			Depreciation				NET BLOCK AS ON 31-03-2015	NET BLOCK AS ON 31-03-2014	
	GROSS BLOCK AS ON 01-04-2014	ADDITIONS DURING THE YEAR	DELETIONS DURING THE YEAR	GROSS BLOCK AS ON 31-03-2015	DEPRECIATION UP TO 31-3-2014	DEPRECIATION DURING THE YEAR	DELETION DEP DURING THE YEAR			DEPRECIATION AS ON 31-03-2015
<b>Tangible Assets</b>										
Land & Site Development	566,376,592	-	-	566,376,592	-	-	-	-	566,376,592	566,376,592
Buildings	6,541,586,787	587,642,438	-	7,129,229,225	969,524,460	103,397,916	-	1,072,922,376	6,056,306,849	5,572,062,327
Furniture & Fixtures	570,806,320	19,452,215	298,440,545	291,817,990	181,726,236	33,817,960	150,504,412	65,039,784	226,778,206	389,080,084
Plant & Machinery	568,965,617	24,578,763	75,430,961	518,113,419	171,816,016	32,276,274	53,665,890	150,426,400	367,687,019	397,149,601
Computers	101,987,512	5,841,431	78,808,972	29,019,971	74,831,554	10,774,062	56,585,645	29,019,971	-	27,155,958
Vehicles	60,957,552	1,590,382	20,724,070	41,823,864	31,933,826	5,304,788	15,254,145	21,984,469	19,839,395	29,023,726
<b>Total - A</b>	<b>8,410,680,380</b>	<b>639,105,229</b>	<b>473,404,548</b>	<b>8,576,381,061</b>	<b>1,429,832,092</b>	<b>185,571,000</b>	<b>276,010,092</b>	<b>1,339,393,000</b>	<b>7,236,988,061</b>	<b>6,980,848,289</b>
Previous Year	7,034,780,708	1,377,320,397	1,420,724	8,410,680,380	1,121,544,215	279,071,095	646,327	1,429,832,092	6,980,848,288	5,913,236,493
<b>Intangible Assets</b>			-				-	-		
Goodwill	141,816,525		-	141,816,525			-	-	141,816,525	141,816,525
Software & Development	22,019,346	934,422	-	22,953,768	10,489,976	4,427,811	-	14,917,787	8,035,981	11,529,370
<b>Total - B</b>	<b>163,835,871</b>	<b>934,422</b>	<b>-</b>	<b>164,770,293</b>	<b>10,489,976</b>	<b>4,427,811</b>	<b>-</b>	<b>14,917,787</b>	<b>149,852,506</b>	<b>153,345,895</b>
Previous Year	24,365,491	139,470,380		163,835,871	7,291,048	3,198,928	-	10,489,976	153,345,895	17,074,443
<b>Grand Total - (A+B)</b>	<b>8,574,516,251</b>	<b>640,039,651</b>	<b>473,404,548</b>	<b>8,741,151,354</b>	<b>1,440,322,068</b>	<b>189,998,811</b>	<b>276,010,092</b>	<b>1,354,310,787</b>	<b>7,386,840,567</b>	<b>7,134,194,183</b>
Total Previous Year	7,059,146,199	1,516,790,777	1,420,724	8,574,516,251	1,128,835,263	282,270,023	646,327	1,440,322,068	7,134,194,183	5,930,310,936

# Notes to the Financial Statements for the year ended 31 st March 2015

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE NO. 10 : NON-CURRENT INVESTMENTS</b>		
<b>Long Term Investments (At Cost,Un Quoted)</b>		
<b>Investment in Equity Shares of Subsidiaries(Non Trade Fully Paid Up)</b>		
- Aquarian Realtors Private Limited 1,000 Equity Shares of Rs. 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 Rs.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, 10,50,020 Equity Shares of Rs.10/- Each	18,500,000	18,500,000
- Kolet Resorts Private Limited 14,99,800 Equity Shares of Rs.10/- Each	30,000,000	30,000,000
- J.J. Arts And Entertainment Private Limited 1,50,000 Equity Shares of Rs.10/- Each	55,000,001	55,000,001
- Chanakyapuri Resorts Private Limited 70,000 Equity Shares of Rs.100/- Each	13,500,000	13,500,000
- Bright Resorts Private Limited 18,450 Equity Shares of Rs.10/- Each	38,924,220	38,924,220
- Maruti Water Park & Entertainments Private Limited 2,32,400 Equity Shares of Rs.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 Rs.10/- Each	636,000	636,000
- Swami Vivekanand Training & Education Centre Pvt .Ltd 1,008 Equity Shares of Rs.100/- Each	141,010,000	141,010,000
- Swimwel Investment and Trading Private Limited 10,000 Equity Shares of Rs.10/- Each	100,000	100,000
- Club Arzee Limited 57,26,600 Equity Shares of Rs.10/- Each	126,532,000	126,532,000
<b>Investment in Preference Shares of Subsidiaries (Non Trade Fully Paid Up)</b>		
- Swami Vivekanand Training & Education Centre Pvt .Ltd 48,900 Preference Shares of Rs.100/- Each	4,890,000	4,890,000
	<b>2,401,458,339</b>	<b>2,401,458,339</b>

## Notes to the Financial Statements for the year ended 31 st March 2015

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE NO. 11 : LONG-TERM LOANS AND ADVANCES</b>		
<b>Unsecured Considered Good</b>		
Capital advance	193,647,442	246,861,580
Security Deposit	193,370,015	235,933,139
Loans and Advances to Related Parties		
Advances given to Subsidiary Companies	964,947,491	859,747,701
Other loans And advances	8,407,486	8,407,486
	<b>1,360,372,434</b>	<b>1,350,949,906</b>
<b>NOTE NO. 12 : CURRENT INVESTMENTS</b>		
Investment-The Saraswat Coop Bank	25,000	25,000
Investment-CANARA ROBECO Mutual Fund	1,000,000	1,000,000
Investment-The Cosmos Coop Bank	100,000	100,000
	<b>1,125,000</b>	<b>1,125,000</b>
<b>NOTE NO. 13 : INVENTORIES</b>		
Inventories (at lower of cost & net realisable value)		
Stores :		
Food, Beverages, Smokes & Operating Supplies	3,399,846	4,981,746
Gifts	15,773,324	19,753,831
	<b>19,173,170</b>	<b>24,735,577</b>
<b>NOTE NO. 14 : TRADE RECEIVABLES</b>		
Receivables outstanding for more than six months from the date they are due for payment	6,023,220	3,245,637
Unsecured & Considered Good		
Receivables outstanding for less than six months from the date they are due for payment	55,179,716	54,302,834
Unsecured & Considered Good		
	<b>61,202,936</b>	<b>57,548,471</b>

## Notes to the Financial Statements for the year ended 31 st March 2015

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE NO. 15 : CASH AND CASH EQUIVALENTS</b>		
Cash on hand	9,012,321	3,180,397
Balances with banks :		
- Current Accounts	88,713,566	94,152,073
- Fixed Deposits - with maturity of less/more than	31,251,114	30,919,067
Earmarked Accounts		
- Unpaid Dividend Accounts	3,351,387	3,080,901
	<b>132,328,388</b>	<b>131,332,438</b>
<b>NOTE NO. 16 : SHORT TERM LOANS AND ADVANCES</b>		
Advance to Suppliers	4,857,568	5,017,468
Loans and Advances to Employees	5,249,481	9,051,943
Advances Recoverable in Cash or Kind - (Unsecured, Considered Good)	199,380,582	185,589,977
Advances with Statutory Authorities	31,285,590	26,617,176
	<b>240,773,221</b>	<b>226,276,564</b>
<b>NOTE NO. 17 : OTHER CURRENT ASSETS</b>		
VAT Receivables	6,583,463	11,582,809
TDS/TCS Receivables	6,743,025	4,932,636
Prepaid Expenses	6,158,449	4,363,982
Service Tax Credit Receivables	13,603,401	23,431,389
	<b>33,088,338</b>	<b>44,310,816</b>
<b>NOTES TO STATEMENT OF PROFIT &amp; LOSS</b>		
<b>NOTE NO. 18 : REVENUE FROM OPERATIONS</b>		
<b>Sales of Services</b>		
Income from Sale of Membership, Vacation Ownership & Guest Accommodation & Training/coaching in recreational activities relating to art, culture & sports	2,200,272,913	2,758,703,576
Income from Hotel, Clubs & Resorts	140,965,274	128,645,778
- Food & Beverages from Restaurant & Banquets		
Annual Subscription Fee	370,865,122	317,661,411
	<b>2,712,103,309</b>	<b>3,205,010,765</b>

## Notes to the Financial Statements for the year ended 31 st March 2015

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE NO. 19 : OTHER INCOME</b>		
Interest Income		
- On Deposits with Bank	1,298,072	1,074,915
Miscellaneous Income	18,406,944	7,996,809
	<b>19,705,016</b>	<b>9,071,724</b>
<b>NOTE NO. 20 : COST OF MATERIAL CONSUMED</b>		
Opening Stock of Food & Beverages, Stores and Operating Supplies	4,981,746	5,190,408
Add: Purchases	80,713,807	73,842,880
Less: Closing Stock of Food & Beverages, Stores and Operating Supplies	3,399,846	4,981,746
	<b>82,295,707</b>	<b>74,051,542</b>
<b>NOTE NO. 21 : EMPLOYEE BENEFIT EXPENSES</b>		
Salaries & Other Benefits	965,254,215	1,071,294,282
Contribution to Provident & Other Funds	43,029,695	40,544,946
Staff Welfare Expenses	28,886,585	34,984,747
	<b>1,037,170,495</b>	<b>1,146,823,975</b>
<b>NOTES TO STATEMENT OF PROFIT &amp; LOSS</b>		
<b>NOTE NO. 22 : FINANCE COST</b>		
Interest on Term Loans	405,983,066	391,948,633
	<b>405,983,066</b>	<b>391,948,633</b>

## Notes to the Financial Statements for the year ended 31 st March 2015

Amount in ₹

Particulars	As at 31-03-2015	As at 31-03-2014
<b>NOTE NO. 23 : OTHER EXPENSES</b>		
Upkeep & Service Cost		
- Building Maintenance	4,776,293	4,204,638
- Repairs, Maintenance to other assets.	8,995,506	8,680,668
- Vehicle Maintenance & Running Exp.	3,913,175	4,498,572
- Other Maintenance	38,629,355	34,853,937
Power & Fuel	91,356,048	86,919,871
Rent including Lease Rent	269,566,725	285,675,092
Rates & Taxes	46,662,060	49,955,747
Insurance	8,811,472	8,892,001
Finance Charges	83,393,686	125,222,348
Travelling & Conveyance	58,911,357	64,861,022
Printing & Stationery	25,142,254	35,140,313
Postage, Telegram & Telephones	72,363,336	77,360,166
Advertisement & Other Marketing Expenses	266,242,786	298,503,040
Other Administrative Expenses	74,985,885	86,852,812
Legal & Professional Charges.	27,094,053	28,772,143
Auditors Remuneration Includes		
- Audit Fee	500,000	500,000
- For Taxation Matters	200,000	200,000
- For Other Services	300,000	300,000
	<b>1,081,843,991</b>	<b>1,201,392,370</b>

## NOTES TO THE FINANCIAL STATEMENTS

### 24. Particulars of Key Managerial Personnel and remuneration paid to them

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	15,00,000

### 25. Particulars relating to managing director

Amount in ₹

Particulars	Current Year	Previous Year
Directors' Remuneration	1,11,00,000	1,26,00,000
Brand Ambassador Fee	48,00,000	48,00,000

### 26. Detailed information regarding quantitative particulars under part II of Schedule III to the Companies Act, 2013.

- 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.

### 27. Earnings and Expenditure in Foreign Currency

Foreign Currency expenditure/out flow as follows

Amount in ₹

Particulars	Current Year	Previous Year
Traveling Expenses	(12,626)	(24,64,066)
From Subsidiary Company	282,101,336	-
Total Net Flow	282,088,710	(24,64,066)

28. 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.

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

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

31. 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
Deferred Tax	4,74,34,608	8,33,33,539

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

Relationship	Name of the Related Party
Subsidiary Companies	a) Aquarian Realtors Pvt Ltd
	b) Bright Resorts Pvt Ltd
	c) Bush Betta Holiday Ownership Wildlife Adventure Resort Pvt Ltd
	d) Chanakyapuri Resorts Pvt Ltd
	e) Country Club Babylon Resorts Pvt Ltd
	f) Country Vacations International Ltd – Dubai
	g) Country Vacations International Ltd – India
	h) International Country Holidays Private Limited (formerly known as Aakruti Engineers Private Limited)
	i) JJ. Arts & Entertainments Pvt Ltd
	j) Kolet Resort Club Pvt Ltd
	k) Maruti Waterpark & Entertainments Pvt Ltd
	l) Swami Vivekanand Training & Education Centre Pvt Ltd
	m) Swimwel Investment & Trading Pvt Ltd
	n) Club Arzee Ltd
Step-Down Subsidiaries	a) Country Club & Vacations W.L.L – Qatar
	b) Country Vacations International Limited – London
	c) Country Vacations International LLC – Dubai
	d) Country Vacations International LLC – Oman
	e) Country Vacations International LLC–Abu Dhabi
	f) Country Vacations International SDN BHD, Malaysia
	g) Country Vacations International W.L.L – Bahrain
	h) Jade Resorts Pvt Ltd
Associated Companies	a) Amrutha Estetes Pvt Ltd
	b) Country Condos' Limited
	c) Country Vacations International – Dubai
	d) Zen Garden Hotel Private Limited
Vice-Chairman,JMD&COO	Y. Varun Reddy
CMD	Y. Rajeev Reddy
Director	Y. Manjula Reddy

**B. Transactions during the year with Related Parties.**

Nature of Transaction	Subsidiary Companies including Step-Down Subsidiaries	Associate Companies	Other Related Parties
Lease Rentals Payable	15,00,000	6,87,000	56,86,560
Land	-	1,85,000	-
Directors Remuneration	-	-	1,11,00,000
Brand Ambassador Fee	-	-	48,00,000

**33. The Basic and Diluted EPS is Calculated as under**

Particulars	March 31 <sup>st</sup> 2015	March 31 <sup>st</sup> 2014
a) Profit after Tax (Rs.)	(11,29,18,353)	96,13,709
b) Earnings available to Equity Shareholders for Basic & Diluted EPS (Rs.)	(11,29,18,353)	96,13,709
c) Weighted average Number of Shares taken for computation of EPS	16,34,64,735	14,33,93,502
- Basic		
- Diluted		
d) Earning per Share		
- Basic	(0.69)	0.07
- Diluted	(0.69)	0.07
e) Nominal Value per Share	<b>2</b>	<b>2</b>

**34. Contingent Liabilities:**

The Company jointly with Mr. Y. Rajeev Reddy (Managing Director) and Country Vacations International LLC, Dubai has provided corporate guaranty of ₹86,29,05,958/- to National Bank of Fujairah, Dubai in respect of the facilities granted to M/s. Country Vacations International Ltd- Dubai. The guarantee was provided during the financial year 2013-14.

**35. Secured Loans:**

From Banks

a) 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, Harayana. The Outstanding Balance for the Current year is ₹12,21,23,953/- (Previous Year

₹11,13,80,163/-)

- b) Term Loans from Union Bank of India, Vijaya Bank and Bank of India of ₹ 115 crores has been taken for repayment of FCCB's and secured by way of properties located in Hyderabad, Bangolre, Chennai and Kodaikanal. Further, the charge has been created on Delhi & Karnataka cash flows for servicing of the above loan. Additionally, the personal guarantees has also been given by three Directors (i.e. Mr Y Rajeev Reddy, Y. Siddharth Reddy & Y. Varun Reddy). The Outstanding Balance for the Current year is ₹97,24,31,380/- (Previous Year ₹90,06,84,611/-).
- c) Term Loan from Central Bank of India of ₹50 Crores to carry out interior, Gym/Fitness Centres and Civil works of the Company's 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 ₹ 50,14,81,665/- (Previous Year ₹49,42,92,919/-).

- d) Term Loan from Canara Bank of ₹50 Crores for the Company's expansion plan at Kolkatta, Cochin and Andheri, Mumbai and normal ongoing capex at various locations. Further charge has been 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 ₹50,32,50,243/- (Previous Year ₹50,45,16,418/-).
- 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 ₹8,85,26,808/- (Previous Year ₹8,70,04,348/-)
- f) Term Loan from Saraswat Co Op Bank 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 ₹43,02,60,726/- (Previous Year ₹42,32,71,502/-).

- 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 ₹15,77,63,040/- (Previous Year ₹17,17,01,513/-)
- 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 ₹24,28,01,610/- . (Previous Year ₹24,72,96,302/-).

#### Equipment Finance and Other Loans

- i) Equipment Finance & Other Loans from HDFC Bank Ltd., Saraswat Co-op Bank Ltd, Ratnakar Bank Ltd of ₹253,497,000/- & Religare Finvest Ltd. Loan of ₹4.25 crores Crores for Vehicles and for expansion of existing Clubs and the same were secured by way of hypothecation of the Vehicles & mortgage of Club Arzee Limited, Survey no.623 & 624/2 adajan, Surat, Gujarat respectively. The Outstanding Balance for the Current year is ₹27,632,530/- (Previous Year ₹74,286,573/-).
- j) Lease Finance Loan from NOIDA Authority of ₹ 2.37 Crores for Plot and the same is secured against the plot no. N-14, Sector – 18, Noida, Uttar Pradesh. The Outstanding Balance for the Current year is ₹1,32,82,000/- (Previous Year ₹1,32,82,000/-).
- 36 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.
- 37 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 (Rs.)
Unpaid Dividend for the year 2013-14	273,276
Unpaid Dividend for the year 2012-13	270,121
Unpaid Dividend for the year 2011-12	244,778
Unpaid Dividend for the year 2010-11	234,126
Unpaid Dividend for the year 2009-10	247,067
Unpaid Dividend for the year 2008-09	759,900
Unpaid Dividend for the year 2007-08	543,860

38. Previous year's figures have been regrouped wherever necessary.

39. The figures have been rounded off to the nearest rupee.

As per our report of even date  
for **For P. Murali & Co.,**  
Chartered Accountants  
FRN: 007257S

**By order of the Board of Directors**  
**For Country Club Hospitality & Holidays Limited**

**P. Murali Mohana Rao**  
Partner  
Membership Number: 023412

**Y. Rajeev Reddy**  
Chairman & Managing Director

**Y. Siddharth Reddy**  
Vice-Chairman, JMD & CEO

**V. Sreelatha**  
Company Secretary

Place : Hyderabad  
Date : 30-05-2015

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# 24<sup>th</sup> Annual General Meeting

## Country Club Hospitality & Holidays Limited

CIN: L70102AP1991PLC012714

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

Form No. MGT-11

### PROXY FORM

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

Name of the member(s): Registered address:		E-mail Id: Folio No/ Client Id & DP Id:	
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I/We, being the Member/Members of \_\_\_\_\_ Shares of Country Club Hospitality & Holidays 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 24<sup>th</sup> Annual General Meeting of the Company, to be held on Wednesday, 30<sup>th</sup> September, 2015 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	To receive, consider and adopt the Audited Financial Statements of the Company for the Financial year ended 31st March, 2015, together with the reports of the Board of Directors and the Auditors thereon.		
2	To appoint a Director in place of Mr. Y. Varun Reddy, Director who retires by rotation and being eligible offers himself for re-appointment.		
3	Appointment of M/s. P. Murali & Co., Chartered Accountants, as Statutory Auditors of the Company and to fix their remuneration for the financial year ending 31 <sup>st</sup> March, 2016.		
4	To Re-appoint Sri Y. Siddharth Reddy as Vice-Chairman, JMD & CEO for the period of 5 Years		
5	To Re-appoint Sri Y. Rajeev Reddy as Chairman & Managing Director for the period of 5 Years:		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015

\_\_\_\_\_  
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

**Notes:**

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Corporate Office of the Company at Country Club Kool, #6-3-1219, 4<sup>th</sup> & 5<sup>th</sup> Floor, Begumpet, Hyderabad- 500016, 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 "✓" 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.

# 24<sup>th</sup> Annual General Meeting

Country Club Hospitality & Holidays Limited

CIN: L70102AP1991PLC012714

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

## *ATTENDANCE SLIP*

Date	Venue	Time
30 <sup>th</sup> September, 2015	Crown Villa Gardens, 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad - 500 003	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 24<sup>th</sup> Annual General Meeting of the Company held on 30<sup>th</sup> September, 2015 at Crown Villa Gardens, 150, Brigadier Sayeed Road, Opp. Gymkhana Grounds, Secunderabad - 500 003

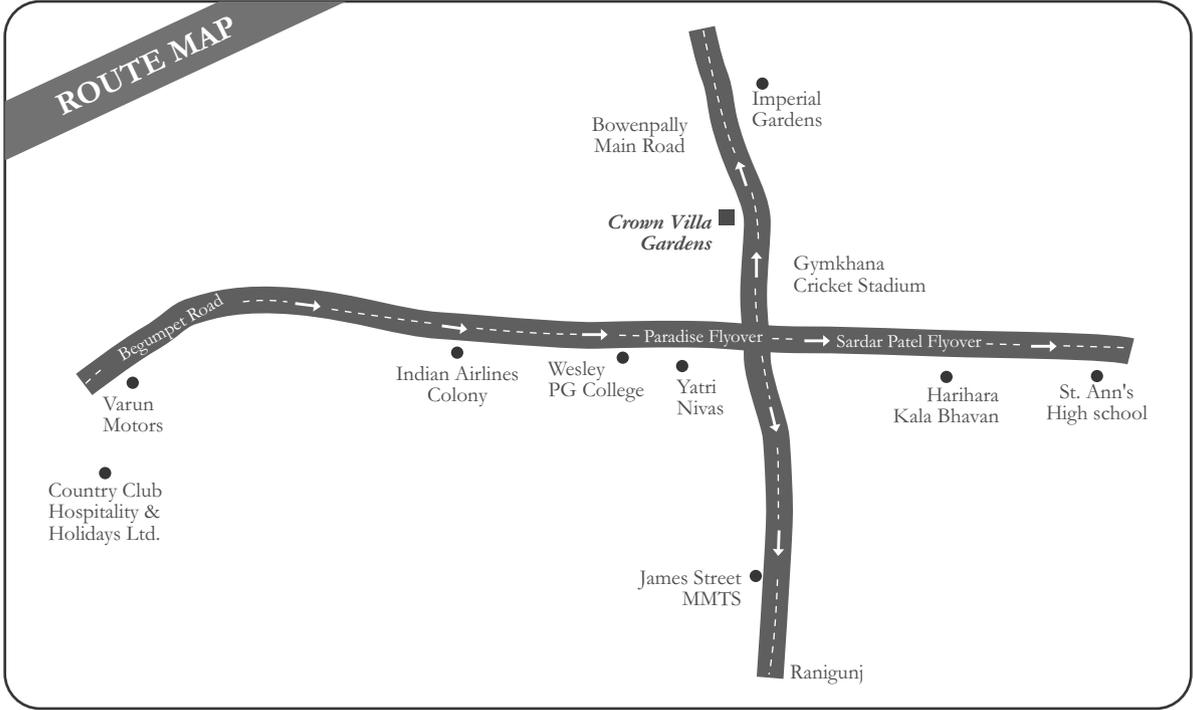
**Member's/Proxy Signature**

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

\* Applicable for investors holding shares in electronic form.

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

***No gifts / gift coupons shall be distributed to the shareholders at or in connection with the AGM.***





[www.countryclubindia.net](http://www.countryclubindia.net)