



*Goa in a resort*

**FOMENTO RESORTS AND HOTELS LIMITED**

**BOARD OF DIRECTORS**

MRS. ANJU TIMBLO  
MR. AUDUTH TIMBLO  
MR. V. P. RAIKAR  
MR. SHARDUL THACKER  
MR. P. G. KAKODKAR (Resigned w.e.f. August 1, 2014)  
MR. JAMSHED DELVADAVALA  
MR. RAGHUNANDAN MALUSTE  
MR. REYAZ MAMA  
MR. APOORVA MISRA (Appointed w.e.f. February 13, 2015)

**CHIEF FINANCIAL OFFICER**

MR. M. A. HAJARE

**COMPANY SECRETARY**

MS. ASMEETA MATONDKAR

**AUDITOR**

H. K. APARANJI  
Chartered Accountants

**BANKERS**

IDBI BANK  
HDFC BANK  
ICICI BANK

**REGISTERED OFFICE**

CIDADE DE GOA,  
VAINGUINIM BEACH,  
GOA - 403004

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**Disclaimer/ Forward Looking Statement**

In this Annual Report we have disclosed forward looking information to enable investors to comprehend our prospects and take informed investment decisions. The report and other statements – written and oral that we periodically make, contain forward looking statements that set out anticipated results based on the management plans and assumptions. We cannot guarantee that these forward looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks in uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.



## Cidade de Goa

Cidade de Goa – Goa’s premium 5-star deluxe resort is owned by Fomento Resorts and Hotels Limited. Situated in the land of sun, sea and surf, the property comprises of 207 rooms that showcase the unique Goan Portuguese architecture and ambience. The property is preferred by discerning travelers worldwide due to its proximity to the beach and its courteous staff that lay emphasis on providing warm Goan hospitality.

Cidade de Goa provides Goan experience and feel to its guests. It is situated on Vainguinim Beach and has a distinctive advantage with its proximity to the Capital Panaji and most of Goa’s frequently visited locations.

Cidade de Goa is also a holiday destination by itself as it has something for everyone. For the foodie at heart, one can find a variety of restaurants namely **Alfama**, Chef’s Speciality restaurant that serves authentic Goan and Portuguese cuisine. Alfama has also been ranked amongst India’s 30 best restaurants by an independent customer survey conducted by a leading Media House.

**Barbeque**, the evening restaurant with a live kitchen. The Beachside Barbeque allows one a unique dining experience of grilled seafood, meats and vegetables with sound of waves serenading.

**Cafe Azul** – Our poolside coffee shop provides the ambience of an Italian café with a choice of versatile menu and wood fired pizzas. One can savour global cuisines at our buffet restaurant **Laranja**. Other Food & Beverage options include **Doçaria** a charming tea and coffee lounge operating round the clock ; **Taverna** – the lobby bar; **Bar Latino**, the pool side bar and **The Flag Service**, the unique garden and beach service which is there for visitors at the flick of a flag.

Visitors can try their luck at the **Goldfinger** Casino or de stress with the state of the art Health Club- **Clube Saúde** and **Pavitra** – The Ayurveda Spa. For the adventurous at heart, Cidade de Goa offers a vast array of options that include water sports, tennis, bird watching and an outdoor chess.

For the business traveler, Cidade de Goa offers a variety of conference and banqueting facilities along with its Business Centre.

One can sum up Cidade de Goa as “Goa in a resort”.

**DIRECTORS' REPORT**

To  
The Members,

The Board of Directors of your Company takes pleasure in presenting the Forty Fourth Annual Report on business and operations of your Company along with the Audited Financial Statements and Cash Flow Statement for the year ended March 31, 2015.

**1. FINANCIAL RESULTS AND APPROPRIATION**

(Rs. in lakhs)

Particulars	F. Y. 2014 - 2015	F. Y. 2013 - 2014
<b>Income</b>	<b>6,087.97</b>	<b>5,433.60</b>
Operating Expenses	3,997.67	3,727.67
Gross Operating Profit(PBIDT)	2,090.30	1,705.93
Less:		
Interest and Financial Charges	59.50	22.02
Depreciation	364.44	372.04
Profit before Extra Ordinary and Exceptional items & Tax	1,666.36	1,311.87
Exceptional Items	394.52	-
<b>Profit before tax (PBT)</b>	<b>2,060.88</b>	<b>1,311.87</b>
Tax Expense	720.12	496.16
<b>Profit/(Loss) after tax (PAT)</b>	<b>1,340.76</b>	<b>815.71</b>
Add Surplus/ (Deficit) brought forward from the previous year	4,192.80	3,645.85
<b>Profit available for appropriation</b>	<b>5,533.56</b>	<b>4,461.56</b>
<b>Appropriation</b>		
a) Transfer to General Reserve	134.08	81.57
b) Proposed Dividend on Preference shares	84.00	-
c) Proposed Dividend on Equity shares	160.00	160.00
d) Tax on Dividend	49.67	27.19
e) Additional Depreciation on Fixed Assets	4.40	-
Balance carried to Balance Sheet	5,101.41	4,192.80
<b>Total</b>	<b>5,533.56</b>	<b>4,461.56</b>
<b>Earnings per share before Exceptional Item(Basic and Diluted) (Rs.)</b>	<b>6.14</b>	<b>5.10</b>
<b>Earnings per share after Exceptional Item (Basic and Diluted) (Rs.)</b>	<b>7.75</b>	<b>5.10</b>

**2. OPERATIONS REVIEW:**

Your Directors are pleased to report that inspite of steep competition, your Company achieved a higher turnover of Rs. 6,087.97 lakhs as compared to Rs. 5,433.60 lakhs in the previous year. On account of increase in the segment of weddings and conference, profitability of the Company improved. The Company earned a higher pre-tax profit of Rs. 1,666.36 lakhs (before exceptional items) for the year under review as against Rs. 1,311.87 lakhs in the previous year.

**3. DIVIDEND:**

The Board of Directors recommended the following dividend for approval by the members at the ensuing Annual General Meeting:

- (i) A dividend of Rs.1.20/- per share on 70,00,000 Cumulative, Non-Convertible, Redeemable Preference shares allotted on January 10, 2015 on pro rata basis for the year ended 31st March 2015.

- (ii) Dividend of Re. 1/- per share on Equity shares for the year ended 31st March, 2015.

#### 4. RESERVES:

The Board of Directors propose to carry an amount of Rs. 134.08 lakhs to General Reserve.

#### 5. INTERNAL FINANCIAL CONTROLS:

The Board has adopted the processes for ensuring the orderly and efficient conduct of its business.

During the financial year 2014-15 the company has strengthened its internal control systems. The systems provide for adequate checks and balances, adherence to applicable statutes, accounting policies and approval procedures and for ensuring optimum use of available resources. The systems are regularly reviewed by the Audit Committee and improved upon as per the necessity and requirement. Regular assessments and audits help ensure that every department consistently implements the controls and standards and follows the Standard Operating Procedures.

Your Company has sound internal control systems and procedures. The Audit Committee of the Board oversees the adequacy of the internal control environment through regular reviews of the audit findings and monitors implementation of internal audit recommendations through the compliance reports submitted to them by the internal auditor.

#### 6. STATUTORY AUDITORS:

The Members had at the 43rd Annual General Meeting held on 27th September 2014, approved the appointment of M/s. H.K. Aparanji, Chartered Accountants, Firm Registration No. 000199S, as Statutory Auditors of the Company for the next three (3) financial years i.e. 2014-15, 2015-16 & 2016-17.

Pursuant to Rule 3(7) of the Company (Audit and Auditors) Rules, 2014, the aforesaid appointment needs to be ratified by the members at the forthcoming Annual General Meeting. Accordingly, the appointment of M/s. H. K. Aparanji, Chartered Accountants, as the Statutory Auditors of the Company to hold office until the conclusion of the Annual General Meeting to be held in financial year 2015-16 is commended for ratification by the members.

A certificate from M/s. H.K. Aparanji, Chartered Accountants that their appointment is within the prescribed limits under Section 141 of the Companies Act, 2013 has been obtained.

#### 7. CHANGES IN SHARE CAPITAL:

The Company's Authorised share capital is Rs. 1,00,00,00,000/- consisting of 3,00,00,000 Equity shares of Rs.10/- each and 70,00,000 Cumulative, Non-Convertible, Redeemable preference shares of Rs. 100/- each.

During the year under review, your Company allotted 70,00,000 7.5% Cumulative, Non-Convertible, Redeemable Preference shares of Rs. 100/- each at par aggregating to Rs. 70,00,00,000/- to Prime Minerals Exports Private Limited on January 10, 2015.

Prime Mineral Exports Private Limited and Fomento (Karnataka) Mining Company Private Limited got amalgamated with Fomento Resources Private Limited w.e.f. January 28, 2015.

Consequently, the paid up share capital of the Company has increased to Rs. 86,00,00,000/- consisting of 1,60,00,000 fully paid equity shares of Rs. 10/- each and 70,00,000 7.5% Cumulative, Non-convertible, Redeemable fully paid up preference shares of Rs. 100/- each.

The Audit Committee has been monitoring the uses and application of funds raised through Private Placement by major category such as meeting the project cost and working capital on a quarterly basis. The Company has not utilised the funds generated out of private placement for any purpose other than those stated in the letter of offer.

These preference shares will not be listed on any stock exchange.

#### 8. COMPOSITION OF AUDIT COMMITTEE:

The Board has constituted the Audit Committee which comprises of Mr. Jamshed Delvadavala as the Chairman and Mr. V. P. Raikar, Mr. Reyaz Mama and Mr. Raghunandan Maluste as the members. More details on the committee are given in the Corporate Governance Report.

#### 9. RELATED PARTY TRANSACTIONS:

There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel or other designated persons which may have conflict with the interest of the company at large. All Related Party Transactions are presented to the Audit Committee and the Board. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

The Related Party Transactions Policy as approved by the Board is uploaded on the company's website at the web link: <http://www.cidadedegoa.com/images/Related-Party-transactions-Policy-of-Fomento.pdf>

The Company has entered into contract / arrangements with related parties in the ordinary course of business and on arm's length basis. Particulars of contracts / arrangements made with related parties is annexed to Board's Report as "Annexure A"

#### 10. FIXED DEPOSITS:

Your Company has not accepted any deposits within the meaning of section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

**11. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:**

As a part of its initiatives under “Corporate Social Responsibility” (CSR), the Company has contributed funds for the schemes of eradicating hunger and poverty, promotion of education and medical aid. The contributions in this regard have been made to a registered trust which is undertaking these schemes. The Company has also undertaken schemes of distributing food items to the old age home and daily meals to the orphanage directly as part of the CSR initiative.

The amount spent on the CSR activities is annexed herewith as “Annexure B”.

**12. SUBSIDIARY COMPANIES:**

The Company does not have any subsidiary.

**13. CODE OF CONDUCT:**

The Board of Directors have approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day affairs of the Company. The code lays down principles and standards that should govern their actions which is expected to be followed by the Directors and the designated employees in their business affairs and in particular on matters relating to integrity at work place, in business practices and in dealing with stakeholders. All the Board Members and the Senior Management personnel have confirmed compliance with the code. The code has been posted on the Company’s website [www.cidadedegoa.com](http://www.cidadedegoa.com)

**14. VIGILMECHANISM/WHISTLE BLOWER POLICY:**

The Company is committed to developing a culture where it is safe for all employees to raise genuine concerns, if any and to adhere to the highest standards of ethical, moral and legal conduct of business operations. The Vigil mechanism policy provides a channel to the employees and Directors to report to the management concerns about unethical behaviour, actual or suspected frauds or violation of the code of conduct of policy and also provides safeguards against victimization.

The policy ensures that strict confidentiality of all matters and disclosure of information, if required only to the extent or with those persons as required for the completion of the process of investigation.

A vigilance and ethics officer has been appointed to whom the complaints should be addressed who reports to the Audit Committee. The policy also addresses the concerns directly to the Chairman of the Audit Committee/Managing Director/Chairman in exceptional cases. The Audit Committee recommends the disciplinary or corrective action it deems fit to the Board of Directors. The policy is available on the website of the Company and forms part of the Directors Report as “Annexure C”.

The Vigil Mechanism Policy as approved by the Board is uploaded on the Company’s website at the weblink:<http://www.cidadedegoa.com/images/WhistleBlowerPolicy.pdf>

**15. PREVENTION OF INSIDER TRADING:**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The code requires pre-clearance for dealing in the Company’s shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board of Directors and the designated employees have confirmed compliance with the Code.

**16. EXTRACT OF THE ANNUAL RETURN:**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as “Annexure D”.

**17. RISK MANAGEMENT:**

Pursuant to section 134(3) (n) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company has constituted a Risk Management Committee. The risk management framework is discussed in detail in the Management Discussion and Analysis report forming part of this Annual Report.

**18. PARTICULARS OF EMPLOYEES:**

Information required pursuant to section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the employees of the Company is annexed as Annexure E.

The statement containing particulars of employees as required under section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, is not provided since there were no employees who were drawing remuneration more than Rs 5 lakhs per month during whole or part of the year.

**19. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:**

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet with the criteria of their Independence laid down in Section 149(6).

**20. DIRECTORS' RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, the Board hereby confirm that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) The directors had 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 on March 31, 2015 and the profit of the Company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) The directors had prepared the annual accounts on a going concern basis and
- e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**21. DIRECTORS:**

Pursuant to Section 149 of the Act and other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement your Directors are seeking appointment of Mr. Shardul Thacker and Mr. Raghunandan Maluste as Independent Directors at the ensuing Annual General Meeting to hold office for a term upto 31st March, 2019.

All Independent Directors have made declarations that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

The Company has received notices in writing under the provision of Section 160 of the Act from members along with deposit of the prescribed amount signifying their intention to propose the appointment of Mr. Shardul Thacker and Mr. Raghunandan Maluste as Independent Directors in the forthcoming Annual General Meeting.

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Mr. Auduth Timblo shall retire by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. The Directors recommend Mr. Auduth Timblo for re-appointment.

Mr. Apoorva Misra was appointed as an Additional Director (Non-Executive, Non Independent) of the Company effective from February 13, 2015 and holds office upto the date of the forthcoming Annual General Meeting and notice has been received from a Member proposing the candidature of Mr. Apoorva Misra for being appointed as a Director of the Company.

Mr. P. G. Kakodkar has resigned as Director of the Company w.e.f. August 1, 2014 due to ill health. The Directors would like to place on record their sincere appreciation for his assistance and guidance during his tenure as on the Board since 2001.

Mr. M.A. Hajare has been appointed as the Chief Financial Officer and designated as Key Managerial Personnel of the Company w.e.f. September 1, 2014.

**Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an evaluation of its performance, the directors individually, the evaluation of the Overall Board and Fellow Board Member's Evaluation. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

**Meetings**

During the year Six Board Meetings and Four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the Listing agreement.

**22. POLICY ON APPOINTMENT OF DIRECTORS AND SENIOR MANAGEMENT:**

The Policy on appointment of Directors and Senior Management is as per "Annexure F" to the Directors Report.

**23. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report for the year under review, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges, is given separately and forms part of this Annual Report.



**24. CORPORATE GOVERNANCE:**

A report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report. A Certificate from the Auditors of the Company, confirming compliance with the provisions of Corporate Governance, is attached to this Annual Report.

**25. DELISTING:**

The Board of Directors have approved the delisting proposal of the Promoters to voluntarily delist the equity shares of the Company from the BSE Limited and Ahmedabad Stock Exchange Limited and provide liquidity and exit opportunity to the public equity shareholders of the Company. A special resolution was passed by the shareholders of the Company through postal ballot in accordance with the provisions of Section 110 of the Companies Act, 2013 (the "Companies Act") read with the applicable rules of the Companies (Management and Administration) Rules, 2014 on December 23, 2014, approving the proposed delisting of the Equity Shares from the Stock Exchanges in accordance with the Companies Act and Delisting Regulations.

The Company has received In-Principle approval from BSE Limited and Ahmedabad Stock Exchange Limited.

**26. TECHNOLOGY ABSORPTION AND CONSERVATION OF ENERGY:**

The Company is in hospitality industry and therefore no technology absorption is required. The Company also does not fall under the list of industries, which should furnish this information in Form A annexed to the aforesaid Rules.

The Company constantly upgrades conserving energy equipments by installing solar panels, CFL and new LED products. Solar Panels are used for generating hot water consumed by the Central Kitchen thereby reducing the diesel consumption of the main boiler. This results in substantial saving in consumption of electricity. The Company is constantly upgrading its old machinery which is resulting in saving of energy.

**27. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Total foreign exchange earnings and outgo is stated in Notes forming part of the Financial Statements.

**28. EMPLOYEES:**

Relations between the management and the employees were cordial throughout the year. Your Directors are pleased to record their appreciation of the devotion and sense of commitment shown by all the employees in the organisation. As on March 31, 2015, the Company has an Organizational strength of 205 employees.

**29. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:**

The Board of Directors of the Company appointed Mr. Shivaram Bhat, Practising Company Secretary, to conduct the Secretarial Audit. The Secretarial Audit Report for the financial year ended March 31, 2015, is provided in the Annual Report.

The Report of the Secretarial auditor is annexed as "Annexure G".

**30. ANTI-SEXUAL HARASSMENT INITIATIVE:**

Our Anti-Sexual Harassment Initiative (ASHI) allows employees to report sexual harassment cases at the workplace. There are no complaints relating to sexual harassment in the last financial year. Further, the Company has formed an Internal Complaints Committee where employees can register their complaints against sexual harassment. This is supported by the Sexual Harassment Policy which ensures a free and fair enquiry process.

**31. ACKNOWLEDGEMENTS:**

Your Directors gratefully acknowledges the support and goodwill extended by the Government of Goa, Central Government, Other Regulatory Authorities, Company's Bankers, Vendors, Tour Operators, Travel Agents, Valued Guests and Esteemed Shareholders.

For and on behalf of the Board of Directors

**Anju Timblo**  
Managing Director & CEO

**Apoorva Misra**  
Director

Place: Vainguinim Beach – Goa  
Date: May 30, 2015

## ANNEXURE A

## PARTICULARS OF CONTRACTS/ARRANGEMENTS MADE WITH RELATED PARTIES

[Pursuant to Clause (h) of Sub-Section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014 – AOC-2]

This form pertains to the disclosures of particulars of contracts / arrangements entered into by the Company with related parties referred to in Sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

**Details of Contracts or arrangements or transactions not at arm's length basis:**

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2015, which were not at arm's length basis.

**Details of material contracts or arrangements or transactions at arm's length basis:**

The details of contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2015 are as follows:

Name of Related Party	Nature of relationship	Duration of contract	Salient terms	Amount in lakhs
<b>Nature of Contract</b>				
<b>Sale of Services (Room, Food, beverages and other services)</b>				
Sociedade de Fomento Industrial Pvt. Ltd.	Associate	April 1, 2014 – March 31, 2017	N.A.	Rs. 105.99
Infrastructure Logistics Pvt. Ltd.	Associate	April 1, 2014 – March 31, 2017	N.A.	Rs. 5.94
Fomento Resources Pvt. Ltd.	Associate	April 1, 2014 – March 31, 2017	N.A.	Rs. 3.18
<b>Sharing of expenses</b>				
Sociedade de Fomento Industrial Pvt. Ltd.	Associate	April 1, 2014 – March 31, 2017	Yearly at Actual	
Infrastructure Logistics Pvt. Ltd.	Associate	April 1, 2014 – March 31, 2017	Yearly at Actual	
Fomento Resources Pvt. Ltd.	Associate	April 1, 2014 – March 31, 2017	Yearly at Actual	
<b>Interest</b>				
Fomento Resources Pvt. Ltd.	Associate	3 years	N.A.	244.35
<b>Renting of Premises</b>				
Sociedade de Fomento Industrial Pvt. Ltd.	Associate	3 years	At actual Yearly with 10% increase	34.95
Infrastructure Logistics Pvt. Ltd.	Associate	3 years	At actual Yearly with 10% increase	10.11

For and on behalf of the Board of Directors

Anju Timblo  
Managing Director & CEO

Apoorva Misra  
Director

## Annexure B

### CSR Report

1	A brief outline of the company's CSR policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs.	The Company has framed its CSR policy in compliance with the policies of the Company's Act, 2013 . The Company's CSR policy intends to strive for economic development that positively impacts the society at large, by promoting education, providing health care & destitute care. The CSR activities at FRHL are carried through: (a) Ashiyana, a registered charitable trust, (b) Directly by the Company. The policy of the Company is available at <a href="http://cidadedegoa.com/images/CSR-policy-of-Fomento.pdf">http://cidadedegoa.com/images/CSR-policy-of-Fomento.pdf</a>
2	The Composition of the CSR Committee	1. Mr. Reyaz Mama 2. Mr. Shardul Thacker 3. Mr. Jamshed Delvadavala 4. Mrs. Anju Timblo
3	Average Net profit of the Company for last three financial years (Amount in lakhs)	Rs. 1120.25 lakhs
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above) (Amount in lakhs)	Rs. 22.41 lakhs
5	Details of CSR spent during the financial year 1. Total amount spent for the F.Y. 2. Amount unspent, if any; 3. Manner in which the amount spent during the financial year is detailed below:	Rs. 22.50 lakhs

1	2	3	4	5	6	7	8
S. No.	CSR project or activity Identified	Sector in which the project is covered	Projects or Programs (1) Local area or other (2) Specify the state and district where projects or programs were undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs (1) Direct Expenditure on projects or programs (2) Overhead	Cumulative Expenditure upto the reporting period	Amount spent: Direct or through implementing agency
1.	Medical Relief	Health Care	In the state of Goa	11.25 lakhs	11.25 lakhs	11.25 lakhs	Through implementing agency
2.	Educational Aid	Literacy	In the state of Goa	11.25 lakhs	11.25 lakhs	11.25 lakhs	Through implementing agency
	Total			22.50 lakhs	22.50 lakhs	22.50 lakhs	

\*Details of implementing agency: Aashiyana Charitable Trust

The CSR committee confirms that the implementation of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

Sd/-  
Anju Timblo  
Managing Director & CEO

Sd/-  
Reyaz Mama  
Chairman – CSR Committee

## Annexure C

### 1. PREAMBLE

- 1.1. Section 177 (9) of the Companies Act, 2013 requires every listed company to establish a vigil mechanism for the directors and employees to report genuine concerns in such manner as may be prescribed. The Company has adopted a Code of Conduct for Directors and Senior Management (“the Code”), which lays down the principles and standards that should govern their actions. Any actual or potential violation of the Code, howsoever insignificant or perceived as such, is a matter of serious concern for the Company and should be brought to the attention of the concerned. A vigil mechanism shall provide for adequate safeguards against victimization of persons who can also use such mechanism for reporting genuine concerns including above. It also makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.
- 1.2. Clause 49 of the Listing Agreement between listed companies and the Stock Exchanges, inter alia, provides for all listed companies to establish a mechanism called ‘Whistle Blower Policy’ for employees to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the company’s code of conduct.
- 1.3. Under these circumstances, the Company, being a Listed Company proposes to establish a Whistle Blower Policy/ Vigil Mechanism and to formulate a policy for the same.

### 2. DEFINITIONS

- a. **“Alleged wrongful conduct”** shall mean violation of law, infringement of Company’s rules, misappropriation of monies, actual or suspected fraud, substantial and specific danger to public health and safety or abuse of authority”.
- b. **“Audit Committee”** means a Committee constituted by the Board of Directors of the Company in accordance with the guidelines of Listing Agreement and Companies Act, 2013.
- c. **“Board”** means the Board of Directors of the Company.
- d. **“Code”** means Code of Conduct for Director and Senior management adopted by Fomento Resorts and Hotels Limited.
- e. **“Employee”** means all the present employees and whole time Directors of the Company (Whether working in India or abroad).
- f. **“Protected Disclosure”** means a concern raised by an employee or group of employees of the Company, through a written communication and made in good faith which discloses or demonstrates information about an unethical or improper activity under the title

“SCOPE OF THE POLICY” with respect to the Company. It should be factual and not speculative or in the nature of an interpretation / conclusion and should contain as much specific information as possible to allow for proper assessment of the nature and extent of the concern.

- g. **“Subject”** means a person or group of persons against or in relation to whom a Protected Disclosure is made or evidence gathered during the course of an investigation.
- h. **“Vigilance and Ethics Officer”** means an officer appointed to receive protected disclosures from whistle blowers, maintaining records thereof, placing the same before the Audit Committee for its disposal and informing the Whistle Blower the result thereof.
- i. **“Whistle Blower”** is an employee or group of employees who make a Protected Disclosure under this Policy and also referred in this policy as complainant.

### 3. POLICY OBJECTIVES

- 3.1 The Company is committed to developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct.
- 3.2 The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.
- 3.3 A Vigil (Whistle Blower) mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Code of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman/ Managing Director/ Chairman of the Audit Committee in exceptional cases.
- 3.4 This neither releases employees from their duty of confidentiality in the course of their work nor can it be used as a route for raising malicious or unfounded allegations about a personal situation.

### 4. The Guiding Principles

- 4.1 To ensure that this Policy is adhered to, and to assure that the concern will be acted upon seriously, the Company will:
- 4.2 Ensure that the Whistle Blower and/or the person processing the Protected Disclosure is not victimized for doing so;

- 4.3 Treat victimization as a serious matter including initiating disciplinary action on such person/(s);
  - 4.4 Ensure complete confidentiality;
  - 4.5 Not attempt to conceal evidence of the Protected Disclosure;
  - 4.6 Take disciplinary action, if any one destroys or conceals evidence of the Protected Disclosure made/to be made;
- Provide an opportunity of being heard to the persons involved especially to the Subject;

**5. SCOPE**

- 5.1 The Policy covers malpractices and events which have taken place/ suspected to take place involving:
  - a. Abuse of authority
  - b. Breach of contract
  - c. Negligence causing substantial and specific danger to public health and safety
  - d. Manipulation of company data/records
  - e. Financial irregularities, including fraud, or suspected fraud
  - f. Criminal offence
  - g. Pilferation of confidential/propriety information
  - h. Deliberate violation of law/regulation
  - i. Wastage/misappropriation of company funds/assets
  - j. Breach of employee Code of Conduct or Rules
- 5.2 The Policy is a channel to reinforce a robust implementation of the Company’s Code. Through this Policy, the Company seeks to provide a procedure for all the employees of the Company to disclose any unethical and improper practice taking place in the Company for appropriate action and reporting.

**6. DISQUALIFICATIONS**

- 6.1. While it will be ensured that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment as herein set out, any abuse of this protection will warrant disciplinary action.
- 6.2 Protection under this Policy would not mean protection from disciplinary action arising out of false allegations made by a Whistle Blower knowing it to be false or with a mala fide intention.
- 6.3 Whistle Blowers, who make any Protected Disclosures, which have been subsequently found to be mala fide, frivolous or malicious shall be liable to be prosecuted under Company’s Code of Conduct.

**7. ELIGIBILITY**

All Employees of the Company including directors are eligible to make Protected Disclosures under the Policy in relation to matters concerning the Company.

**8. RECEIPT AND DISPOSAL OF PROTECTED DISCLOSURES.**

- 8.1 All Protected Disclosures should be reported in writing by the complainant as soon as possible after the Whistle

Blower becomes aware of the same so as to ensure a clear understanding of the issues raised and should either be typed or written in a legible handwriting in English.

- 8.2 The Protected Disclosure should be submitted in a closed and secured envelope and should be superscribed as **“Protected disclosure under the Whistle Blower policy”**. Alternatively, the same can also be sent through email with the subject **“Protected disclosure under the Whistle Blower policy”**. If the complaint is not super scribed and closed as mentioned above, it will not be possible for the Audit Committee to protect the complainant and the protected disclosure will be dealt with as if a normal disclosure. In order to protect identity of the complainant, the Vigilance and Ethics Officer will not issue any acknowledgement to the complainants and they are advised neither to write their name / address on the envelope nor enter into any further correspondence with the Vigilance and Ethics Officer. The Vigilance and Ethics Officer shall assure that in case any further clarification is required he will get in touch with the complainant.
- 8.3 Anonymous / Pseudonymous disclosure shall not be entertained by the Vigilance and Ethics Officer.
- 8.4 The Protected Disclosure should be forwarded under a covering letter signed by the complainant. The Vigilance and Ethics Officer / Chairman of the Audit Committee/ Managing Director/ Chairman as the case may be, shall detach the covering letter bearing the identity of the Whistle Blower and process only the Protected Disclosure.
- 8.5 All Protected Disclosures should be addressed to the Vigilance and Ethics Officer of the Company or to the Chairman of the Audit Committee/ Managing Director/ Chairman in exceptional cases. The contact details of the Vigilance and Ethics Officer is as under:-  
**Name and Address – Mr. K. Sainath Shetty**  
**Designation: Manager - HR, Security & Administration- Corporate**  
**Address: Cidade de Goa, Vainguinim beach, Goa - 403004**  
**Email- whistleblower@cidadedegoa.com**
- 8.6 Protected Disclosure against the Vigilance and Ethics Officer should be addressed to the Chairman of the Company and the Protected Disclosure against the Chairman of the Company should be addressed to the Chairman of the Audit Committee. The contact details of the Chairman, Managing Director and the Chairman of the Audit Committee are as under:  
**Name and Address of Chairman**  
**Mr. Auduth Timblo**  
**Address: Fomento Resorts and Hotels Limited,**  
**Cidade de Goa,**  
**Vainguinim beach,**  
**Goa - 403004**

**Name and Address of Managing Director**

Mrs. Anju Timblo  
Address: Fomento Resorts and Hotels Limited,  
Cidade de Goa,  
Vainguinim beach,  
Goa - 403004

**Name and Address of the Chairman of the Audit Committee**

Mr. Jamshed Delvadavala  
Address: Fomento Resorts and Hotels Limited,  
Cidade de Goa,  
Vainguinim beach,  
Goa - 403004

8.7 On receipt of the protected disclosure the Vigilance and Ethics Officer / Chairman/ Managing Director/ Chairman of the Audit Committee, as the case may be, shall make a record of the Protected Disclosure and also ascertain from the complainant whether he was the person who made the protected disclosure or not. He shall also carry out initial investigation either himself or by involving any other Officer of the Company or an outside agency before referring the matter to the Audit Committee of the Company for further appropriate investigation and needful action. The record will include:

- i. Brief facts;
- ii. Whether the same Protected Disclosure was raised previously by anyone, and if so, the outcome thereof;
- iii. Whether the same Protected Disclosure was raised previously on the same subject;
- iv. Details of actions taken by Vigilance and Ethics Officer / Chairman/ Managing Director for processing the complaint
- v. Findings of the Audit Committee
- vi. The recommendations of the Audit Committee/ other action(s).
- h. The Audit Committee, if deems fit, may call for further information or particulars from the complainant.

**9. INVESTIGATION**

- 9.1 All Protected Disclosures under this policy will be recorded and thoroughly investigated. The Audit Committee may investigate and may at its discretion consider involving any other Officer of the Company and/ or an outside agency for the purpose of investigation.
- 9.2 The decision to conduct an investigation is by itself not an accusation and is to be treated as a neutral fact finding process.
- 9.3 Subject(s) will normally be informed in writing of the allegations at the outset of a formal investigation and have opportunities for providing their inputs during the investigation.

- 9.4 Subject(s) shall have a duty to co-operate with the Audit Committee or any of the Officers appointed by it in this regard.
- 9.5 Subject(s) have a right to consult with a person or persons of their choice, other than the Vigilance and Ethics Officer / Investigators and/or members of the Audit Committee and/or the Whistle Blower.
- 9.6 Subject(s) have a responsibility not to interfere with the investigation. Evidence shall not be withheld, destroyed or tampered with and witness shall not be influenced, coached, threatened or intimidated by the subject(s).
- 9.7 Unless there are compelling reasons not to do so, Subject(s) will be given the opportunity to respond to material findings contained in the investigation report. No allegation of wrong doing against a Subject(s) shall be considered as maintainable unless there is good evidence in support of the allegation.
- 9.8 Subject(s) have a right to be informed of the outcome of the investigations. If allegations are not sustained, the Subject should be consulted as to whether public disclosure of the investigation results would be in the best interest of the Subject and the Company.
- 9.9 The investigation shall be completed normally within 90 days of the receipt of the protected disclosure and is extendable by such period as the Audit Committee deems fit.
- 9.10 Any member of the Audit Committee or other officer having any conflict of interest with the matter shall disclose his/her concern /interest forthwith and shall not deal with the matter.

**10. DECISION AND REPORTING**

- 10.1 If an investigation leads the Vigilance and Ethics Officer / Chairman of the Audit Committee to conclude that an improper or unethical act has been committed, the Vigilance and Ethics Officer / Chairman of the Audit Committee shall recommend to the Board of Directors of the Company to take such disciplinary or corrective action as he may deem fit. It is clarified that any disciplinary or corrective action initiated against the Subject as a result of the findings of an investigation pursuant to this Policy shall adhere to the applicable personnel or staff conduct and disciplinary procedures.
- 10.2 The Vigilance and Ethics Officer shall submit a report to the Chairman of the Audit Committee on a regular basis about all Protected Disclosures referred to him/her since the last report together with the results of investigations, if any.
- 10.3 In case the Subject is the Chairman/Managing Director of the Company, the Chairman of the Audit Committee after examining the Protected Disclosure shall forward the protected disclosure to other members of the Audit Committee if deemed fit. The Audit Committee shall appropriately and expeditiously investigate the Protected Disclosure.

- 10.4 If the report of investigation is not to the satisfaction of the complainant, the complainant has the right to report the event to the appropriate legal or investigating agency.
- 10.5 A complainant who makes false allegations of unethical & improper practices or about alleged wrongful conduct of the Subject to the Vigilance and Ethics Officer or the Audit Committee shall be subject to appropriate disciplinary action in accordance with the rules, procedures and policies of the Company.
- 10.6 A quarterly report with number of complaints received under the Policy and their outcome shall be placed before the Audit Committee and the Board.

#### **11. SECRECY/CONFIDENTIALITY**

The complainant, Vigilance and Ethics Officer, Members of Audit Committee, the Subject and everybody involved in the process shall:

- i. Maintain confidentiality of all matters under this Policy
- ii. Discuss only to the extent or with those persons as required under this policy for completing the process of investigations.
- iii. Not keep the papers unattended anywhere at any time
- iv. Keep the electronic mails / files under password.

#### **12. CONFIDENTIALITY & PROTECTION**

- 12.1 No unfair treatment will be meted out to a Whistle Blower by virtue of his/ her having reported a Protected Disclosure under this policy. The company, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Whistle Blowers. Complete protection will, therefore, be given to Whistle Blowers against any unfair practice like retaliation, threat or intimidation of termination / suspension of service, disciplinary action, transfer, demotion, refusal of promotion or the like including any direct or indirect use of authority to obstruct the Whistle Blower's right to continue to perform his duties / functions including making further Protected Disclosure. The company will take steps to minimize difficulties, which the Whistle Blower may experience as a result of making the Protected Disclosure. Thus if the Whistle Blower is required to give evidence in criminal or disciplinary proceedings, the Company will arrange for the Whistle Blower to receive advice about the procedure, etc.
- 12.2 A Whistle Blower may report any violation of the above clause to the Chairman of the Audit Committee, who shall investigate into the same and recommend suitable action to the management.
- 12.3 The identity of the Whistle Blower shall be kept confidential to the extent possible and permitted under law. The identity of the complainant will not be revealed unless he himself has made either his details public or disclosed his identity to any other office or authority. In

the event of the identity of the complainant being disclosed, the Audit Committee is authorized to initiate appropriate action as per extant regulations against the person or agency making such disclosure. The identity of the Whistle Blower, if known, shall remain confidential to those persons directly involved in applying this policy, unless the issue requires investigation by law enforcement agencies, in which case members of the organization are subject to subpoena.

- 12.4 Any other Employee assisting in the said investigation shall also be protected to the same extent as the Whistle Blower.
- 12.5 Provided however that the complainant before making a complaint has reasonable belief that an issue exists and he has acted in good faith. Any complaint not made in good faith as assessed as such by the Audit Committee shall be viewed seriously and the complainant shall be subject to disciplinary action as per the Rules / certified standing orders of the Company. This policy does not protect an employee from an adverse action taken independent of his disclosure of unethical and improper practice etc. unrelated to a disclosure made pursuant to this policy.

#### **13. ACCESS TO CHAIRMAN OF THE AUDIT COMMITTEE**

The Whistle Blower shall have right to access Chairman of the Audit Committee directly in exceptional cases and the Chairman of the Audit Committee is authorized to prescribe suitable directions in this regard.

#### **14. COMMUNICATION**

A whistle Blower policy cannot be effective unless it is properly communicated to employees. Employees shall be informed through by publishing in notice board and the website of the company.

#### **15. RETENTION OF DOCUMENTS**

All Protected disclosures in writing or documented along with the results of Investigation relating thereto, shall be retained by the Company for a period of 7 (seven) years or such other period as specified by any other law in force, whichever is more.

#### **16. ADMINISTRATION AND REVIEW OF THE POLICY**

The Board of Directors shall be responsible for the administration, interpretation, application and review of this policy. The Board also shall be empowered to bring about necessary changes to this Policy, if required at any stage with the concurrence of the Audit Committee.

#### **17. AMENDMENT**

The Company reserves its right to amend or modify this Policy in whole or in part, at any time without assigning any reason whatsoever. However, no such amendment or modification will be binding on the Employees and Directors unless the same is notified to them in writing.

**Annexure D**

Form No. MGT - 9

Extract of Annual Return

as on the financial year ended on 31st 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:**

1.	CIN	L55101GA1971PLC000113
2.	Registration Date	30th March, 1971
3.	Name of the Company	Fomento Resorts and Hotels Limited
4.	Category/Sub-Category of the Company	Public Company limited by shares
5.	Whether listed Company (Yes/No)	Yes
6.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Private Limited Unit: Fomento Resorts and Hotels Limited E/2, Ansa Industrial Estate, Saki- Vihar Road, Sakinaka – Andheri (E), Mumbai - 400072  Phone No. 022-40430200 Fax No. 022-28475207 Email id: investor@bigshareonline.com

**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:

Sr. No.	Name and Description of Main Product/Services	NIC Code of the Product	% to total turnover of the company
1.	Sale of Room Nights Food & Beverage and Allied Services	0708	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Sr. No.	Name and Address of the Company	CIN/GIN	Holding/Subsidiary of the Company	% of shares held	Applicable section
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.



**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

## i. Category-wise Share Holding.

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>1. Indian</b>									
a. Individual/HUF	1,19,99,768	Nil	1,19,99,768	75.00%	1,19,99,768	Nil	1,19,99,768	75.00%	Nil
b. Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c. State Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d. Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e. Bank/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f. Any Other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total- A-(1)	1,19,99,768	Nil	1,19,99,768	75.00%	1,19,99,768	Nil	1,19,99,768	75.00%	Nil
<b>2. Foreign</b>									
a. NRI-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b. Other Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c. Body Corporate	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d. Bank/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e. Any Others	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub Total –A(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Share Holding of Promoters (A)	1,19,99,768	Nil	1,19,99,768	75.00%	1,19,99,768	Nil	1,19,99,768	75.00%	Nil
<b>B. Institution</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
a. Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b. Bank/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c. Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d. State Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e. Venture Capital	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f. Insurance Co.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g. FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h. Others	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total-B (1)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>3. Non- Institution</b>									
a. Body Corp.	5,807	15,800	21,607	0.14%	2,0458	15,650	36,108	0.23%	0.09%
b. Individual									
i. Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	32,79,090	33,597	33,12,687	20.70%	32,86,638	Nil	32,86,638	20.54%	-0.16%
ii. Individual shareholders holding nominal share capital upto Rs. 1 Lakh	3,91,579	63,136	4,54,715	2.84%	1,13,250	3,59,684	4,72,934	2.96%	-0.12%
c. Others									
(i) NRI	4,000	2,06,923	2,10,923	1.32%	11,100	1,91,973	2,03,073	1.27%	-0.05%
(ii) Foreign National	-	-	-	-	-	-	-	-	-
(iii) Trust	-	-	-	-	50	-	50	0.00%	0.00%
(iv) HUF	-	300	300	0.00%	321	250	571	0.00%	0.00%
(v) Clearing Member	-	-	-	-	858	-	858	0.00%	0.00%
Sub-Total B (2)	36,80,476	3,19,756	40,00,232	25.00%	34,32,675	5,67,557	40,00,232	25.00%	Nil
Total Public Shareholding (B)=(b)(1)+(B) (2)	36,80,476	3,19,756	40,00,232	25.00%	34,32,675	5,67,557	40,00,232	25.00%	Nil
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
<b>Grand Total (A+B+C)</b>	<b>1,56,80,244</b>	<b>3,19,756</b>	<b>1,60,00,000</b>	<b>100%</b>	<b>1,54,32,443</b>	<b>5,67,557</b>	<b>1,60,00,000</b>	<b>100%</b>	<b>Nil</b>

## ii Shareholding of Promoters:

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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.	Mrs. Anju Timblo	98,87,629	61.80%	Nil	98,87,629	61.80%	Nil	No Change
2.	Mr. Auduth Timblo	21,12,139	13.20%	Nil	21,12,139	13.20%	Nil	No Change
		1,19,99,768	75.00%	Nil	1,19,99,768	75.00%	Nil	

## iii. Change in Promoter's Shareholding (Please specify, if there is no change)

There is no change in the shareholding of the Promoters.

## iv. Shareholding Pattern of top ten shareholders (other than Directors and Promoters)

Sr. No.	Name	Date	Changes in the shareholdings(-) denotes transfer	Shareholding at the beginning /end of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Dhanesh Suresh Ajmera	1-Apr-14	0	8,17,100	5.11	8,17,100	5.11
		31-Mar-15	0	8,17,100	5.11	8,17,100	5.11
2	Ajmera Suresh Jayantilal	1-Apr-14	0	8,17,100	5.11	8,17,100	5.11
		31-Mar-15	0	8,17,100	5.11	8,17,100	5.11
3	Siddharth Suresh Ajmera	1-Apr-14	0	8,17,100	5.11	8,17,100	5.11
		31-Mar-15	0	8,17,100	5.11	8,17,100	5.11
4	Ajmera Suresh Jayantilal	31-Mar-14	0	8,17,100	5.11	8,17,100	5.11
		31-Mar-15	0	8,17,100	5.11	8,17,100	5.11
5	Sharad K. Shah	1-Apr-14	0	18,497	0.12	18,497	0.12
		16-Jan-15	-3,402			15,095	0.09
		23-Jan-15	-12,132			2,963	0.02
		30-Jan-15	-2,963			0	0.00
		31-Mar-15			0		0
6	Aurora Abreu	1-Apr-14		0		0	0.00
		28-Nov-14	1,850			1,850	0.01
		19-Dec-14	5,371			7,221	0.05
		16-Jan-15	11,017			18,238	0.11
		31-Mar-15	0		18,238	0.11	18,238
7	Kamal Kumar Dugar	1-Apr-14	0	15,100	0.09	15,100	0.09
		12-Sep-14	-15,050			50	0.00
		31-Mar-15	0		50	0.00	50
8	Sharekhan Limited	1-Apr-14	0	0	0.00	0	0.00

Sr. No.	Name	Date	Changes in the shareholdings(-) denotes transfer	Shareholding at the beginning /end of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
		4-Apr-14	10			10	0.00
		11-Apr-14	-10			0	0.00
		16-May-14	100			100	0.00
		23-May-14	-71			29	0.00
		30-May-14	-29			0	0.00
		6-Jun-14	75			75	0.00
		13-Jun-14	-75			0	0.00
		15-Aug-14	100			100	0.00
		22-Aug-14	-100			0	0.00
		24-Oct-14	150			150	0.00
		31-Oct-14	-50			100	0.00
		7-Nov-14	99			199	0.00
		12-Nov-14	40			239	0.00
		14-Nov-14	-100			139	0.00
		21-Nov-14	1,000			1,139	0.01
		28-Nov-14	150			1,289	0.01
		5-Dec-14	985			2,274	0.01
		12-Dec-14	3,997			6,271	0.04
		19-Dec-14	-2,468			3,803	0.02
		31-Dec-14	4,034			7,837	0.05
		2-Jan-15	346			8,183	0.05
		9-Jan-15	1,694			9,877	0.06
		16-Jan-15	-7,877			2,000	0.01
		23-Jan-15	3,535			5,535	0.03
		30-Jan-15	3,209			8,744	0.05
		6-Feb-15	338			9,082	0.06
		13-Feb-15	1,600			10,682	0.07
		20-Feb-15	250			10,932	0.07
		6-Mar-15	963			11,895	0.07
		13-Mar-15	1,100			12,995	0.08
		20-Mar-15	1,009			14,004	0.09
		31-Mar-15	-100			13,904	0.09
		31-Mar-15	0	13,904	0.09	13,904	0.09
9	D Jayachandra Reddy	1-Apr-14	0	10,690	0.07	10,690	0.07
		16-May-14	500			11,190	0.07
		5-Sep-14	-115			11,075	0.07
		12-Sep-14	-472			10,603	0.07
		17-Oct-14	-3,318			7,285	0.05

Sr. No.	Name	Date	Changes in the shareholdings(-) denotes transfer	Shareholding at the beginning /end of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
		31-Oct-14	-712			6,573	0.04
		7-Nov-14	-819			5,754	0.04
		12-Dec-14	-3,865			1,889	0.01
		19-Dec-14	-1,655			234	0.00
		31-Dec-14	-50			184	0.00
		2-Jan-15	-184			0	0.00
		31-Mar-15	0			0	0.00
10	Sanjiv D. Shah	1-Apr-14	0	9,850	0.06	9,850	0.06
		31-Mar-15	0	9,850	0.06	9,850	0.06
11	Dileep Verleker	1-Apr-14	0	6,850	0.04	6,850	0.04
		13-Jun-14	-150			6,700	0.04
		31-Mar-15	0	6,700	0.04	6,700	0.04
12	Goa Plast Pvt. Ltd.	1-Apr-14	0	5,450	0.03	5,450	0.03
		31-Mar-15	0	5,450	0.03	5,450	0.03
13	Rohit Kumar Manot	1-Apr-14	0	0	0	0	0.00
		27-Sep-14	5,000			5,000	0.03
		31-Mar-15		5,000	0.03	5,000	0.03

**v Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Top Ten Shareholders	Shareholding at the beginning of the year- 1st April, 2014		Shareholding at the end of the year - 31st March, 2015	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	Mr. V. P. Raikar	6,700	0.04	6,700	0.04

**V. Indebtedness**

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

PARTICULARS	SECURED LOANS EXCLUDING DEPOSITS	UNSECURED LOANS	DEPOSITS	TOTAL INDEBTEDNESS
Indebtedness at the beginning of the financial year 01.04.2014				
1) Principal Amount	Nil	27,73,90,701	Nil	27,73,90,701
2) Interest due but not paid	Nil	1,13,44,925	Nil	1,13,44,925
3) Interest accrued but not due	Nil	-	Nil	-
Total of (1+2+3)	Nil	28,87,35,626	Nil	28,87,35,626
Change in Indebtedness during the financial year				
+ Addition	Nil	19,50,00,000	Nil	19,50,00,000
- Reduction	Nil	84,46,632	Nil	84,46,632
Net Change	Nil	18,65,53,368	Nil	18,65,53,368
Indebtedness at the end of the financial year - 31.03.2015				
1) Principal Amount	Nil	14,39,44,069	Nil	14,39,44,069
2) Interest due but not paid	Nil	3,33,36,775	Nil	3,33,36,775
3) Interest accrued but not due	Nil	Nil	Nil	Nil
Total of (1 + 2+ 3)	Nil	17,72,80,844	Nil	17,72,80,844

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL****A. Remuneration to Managing Director, Whole-Time Director and/or Manager:**

Sr. No.	Particulars of Remuneration	Name of MD/ Mrs. Anju Timblo	Total Amount (Rs. In lakhs)
1.	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act	36,00,000	36,00,000
	(b) Value of perquisites U/s 17(2) Income Tax Act, 1961	Nil	
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	Nil	
2.	Stock Option	Nil	
3.	Sweat Equity	Nil	
4.	Commission - As % of Profit - Others, specify	Nil	
5.	Others, please specify Provident Fund & Other Funds	4,32,000	4,32,000
	Performance Bonus	Nil	Nil
	Total (A)	40,32,000	40,32,000
	Ceiling as per the Act	5% of net profit of the Company	

**B. Remuneration to other directors**

Sl. No.	Particulars of Remuneration	Name of Directors							Total Amount
		Auduth Timblo	V.P. Raikar	Jamshed Delvadavala	Shardul Thacker	Raghunandan Maluste	Reyaz Mama	Apoorva Misra	
1	Independent Directors Fees for attending board/ committee meetings	-	45,000	1,00,000	20,000	90,000	80,000	-	3,35,000
	Commission	-	Nil	Nil	Nil	Nil	Nil	-	Nil
	Others, please specify	-	Nil	Nil	Nil	Nil	Nil	-	Nil
	Total (1)	-	45,000	1,00,000	20,000	90,000	80,000	-	3,35,000
2	Other Non – Executive Directors								
	Fees for attending board/ committee meetings	50,000	-	-	-	-	-	10,000	60,000
	Commission	Nil	-	-	-	-	-	Nil	Nil
	Others, please specify	Nil	-	-	-	-	-	Nil	Nil
	Total (2)	50,000	-	-	-	-	-	10,000	60,000
	Total (B) = (1 + 2)								3,95,000
	Total Managerial Remuneration								3,96,556
	Overall Ceiling as per the Act								1% of net profits of the Company

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		CFO	Company Secretary	
1.	Gross Salary	16,77,081*	9,75,000	26,52,081
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	Nil	Nil	Nil
	(b) Value of perquisites U/s 17(2) Income Tax Act, 1961 Nil	Nil	Nil	
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission			
	- As % of profit			
	- Others, specify..	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil
	Total ( C )	16,77,081*	9,75,000	26,52,081

\*The C.F.O is appointed w.e.f September 1, 2014.

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS			NIL		
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

## ANNEXURE E

**(A) DETAILS PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

- a) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year 2014-15 as follows:

Sr. No.	Name of the Director	Ratio of remuneration of director to the Median remuneration
1	Mrs. Anju Timblo	17.23:1
2	Mr. Auduth Timblo	N.A.
3	Mr. V. P. Raikar	N.A.
4	Mr. Jamshed Delvadavala	N.A.
5	Mr. Shardul Thacker	N.A.
6	Mr. Reyaz Mama	N.A.
7	Mr. Raghunandan Maluste	N.A.
8	Mr. Apoorva Misra	N.A.
9	Mr. P. G. Kakodkar#	N.A.

# Mr. P. G. Kakodkar, resigned w.e.f. August 1, 2014

- b) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2014-15 as follows:

Sr. No.	Name of the Director/KMP	Increase
		%
1	Mrs. Anju Timblo\$	Nil
2	Mr. Auduth Timblo	NA
3	Mr. V. P. Raikar	NA
4	Mr. Jamshed Delvadavala	NA
5	Mr. Shardul Thacker	NA
6	Mr. Reyaz Mama	NA
7	Mr. Raghunandan Maluste	NA
8	Mr. Apoorva Misra	NA
9	Mr. P. G. Kakodkar#	NA
10	Mr. M.A. Hajare@	NA
11	Ms. Asmeeta Matondkar	140%*

\$ There has been no increase in the remuneration paid to the Managing Director & CEO for the financial year 2014-15.

# Mr. P. G. Kakodkar, resigned w.e.f. August 1, 2014

@Mr. M.A. Hajare has been appointed as a C.F.O w.e.f. September 1, 2014

\*The % increase in remuneration is higher on account of performance incentive pertaining to the financial year 2013-2014 and 2014-15 paid during the financial year 2014-15.

C)	The percentage increase in the median remuneration of employees (excluding resigned and employed part of the year) in financial year 2014-15	10%
d)	The number of permanent employees on the rolls of the Company as on March 31, 2015	205 Employees
e)	The explanation on the relationship between average increase in remuneration and performance of the Company	The increase in average remuneration of all employees in the financial year 2014-15 as compared to the financial year 2013-14 was 11.20% (% excludes employees resigned and employed part of the year). The turnover of the Company increased by 12.04 % & profit before exceptional and extraordinary item and tax increased by 27.02%
f)	Comparison of the remuneration of the Key managerial Personnel against the performance of the Company	The profit before exceptional and extraordinary item and tax increased by 27.02% in 2014-15, compared to 2013-14. The remuneration of KMPs is 1.10% of the total revenue.

## g) Details of Share price and market capitalization;

- (i) The details of variation in the market capitalization and price earnings ratio as at the closing date of the current and previous financial years are as follows:

	2014-15	2013-14	Increase
	Rs.	Rs.	%
Price Earnings Ratio	14.50	11.16	29.93
Market Capitalization*	1,42,48,00,000	91,04,00,000	56.50
*BSE closing share price considered			

- (ii) The Equity shares of the Company are listed on the Stock Exchanges since the year 1982. The closing traded share price on BSE Limited as on March 31, 2015 is Rs. 89.05/-.

## h) Comparison of average percentage increase in salary of employees other than the key managerial personnel and the percentage increase in the key managerial remuneration

	Increase %
Average Salary of all employees (other than Key Managerial Personnel)	11.20%
Key Managerial Personnel	
MD & CEO	Nil
CFO *	NA
CS#	140%

#Percentage increase is higher on account of payment of performance incentive pertaining to the financial year 2013-14 and 2014-15 paid during the year.

\*CFO has been appointed w.e.f September 1, 2014

- i) Key parameters for the variable component of remuneration to the Directors are decided by the Nomination and Remuneration Committee.
- j) The ratio of the remuneration of the highest paid director to that of the employees during the year who are not directors but receive remuneration in excess of the highest paid director;  
Not Applicable
- k) Affirmation that the remuneration is as per the remuneration policy of the Company;  
Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the Remuneration Policy of your Company.



**(B) STATEMENT SHOWING PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

Persons employed for the full year ended March 31, 2015 who were in receipt of the remuneration which in the aggregate was not less than Rs. 60,00,000/- p.a.

Sr.No.	Employee Name	Designation	Gross Remuneration* (in Rupees)	Qualification	Total Exp. In Yrs.	Date of commencement of Employment	Age in Yrs.	Last Employer & Designation Held
Not Applicable								

There was no Person employed for the full year ended March 31, 2015 who was in receipt of the remuneration which in the aggregate was not less than Rs. 60,00,000/- p.a.

Persons employed for part of the year ended March 31, 2015 who were in receipt of the remuneration which in the aggregate was not less than Rs. 5,00,000/- p.m.

Sr.No.	Employee Name	Designation	Gross Remuneration* (in Rupees)	Qualification	Total Exp. In Yrs.	Date of commencement of Employment	Age in Yrs.	Last Employer & Designation Held
Not Applicable								

There was no Person employed for the part of the year ended March 31, 2015 who was in receipt of the remuneration which in the aggregate was not less than Rs. 5,00,000/- p.m.

## Annexure F

### 1. Preamble

- 1.1 The remuneration policy provides a framework for remuneration paid to the members of the Board of Directors (“Board”), Key Managerial Personnel (“KMP”) and the Senior Management Personnel (“SMP”) of the Company (collectively referred to as “Managers and Executives”). The expression “Senior Management” means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.
- 1.2 The policy would be reviewed every year by the Nomination and Remuneration Committee of the Board of Directors.

### 2. Aims & Objectives

#### 2.1 The aims and objectives of this remuneration policy may be summarized as follows:

- 2.1.1 To formulate a criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director (executive/non-executive) and recommend to the Board policies relating to remuneration of directors, KMPs and other employees.
- 2.1.2 To formulate a criteria for evaluation of performance of all the directors on the Board;
- 2.1.3 To devise a policy on Board diversity.
- 2.1.4 The remuneration policy aims to enable the company to attract, retain and motivate highly qualified members at the Managerial level to pursue the Company’s long term growth.
- 2.1.5 The remuneration policy seeks to enable the company to provide a well-balanced and performance-related compensation package, taking into account industry standards and performance of the Company.
- 2.1.6 The remuneration policy will ensure that remuneration to Directors and Executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

### 3. Principles of remuneration

- 3.1 **Support for Strategic Objectives:** Remuneration and reward frameworks and decisions shall be developed in a manner that is consistent with, supports and reinforces the achievement of the Company’s vision and strategy.
- 3.2 **Transparency:** The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.
- 3.3 **Internal equity:** The Company shall remunerate the board members and the Executives in terms of their

roles within the organisation. Positions shall be formally evaluated to determine their relative weight in relation to other positions within the Company.

- 3.4 **External equity:** The Company strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Therefore the Company will remain logically mindful of the ongoing need to attract and retain high quality people and the influence of external remuneration pressures.
- 3.5 **Performance-Driven Remuneration:** The Company shall entrench a culture of performance driven remuneration through the implementation of the Performance Incentive System.
- 3.6 **Affordability and Sustainability:** The Company shall ensure that remuneration is affordable on a sustainable basis.

### 4. Nomination and Remuneration Committee

- 4.1 The Remuneration Committee of the Board of Directors shall be reconstituted and re-named as Nomination and Remuneration Committee. Members of the Committee shall be appointed by the Board and shall comprise of three or more non-executive directors out of which not less than one-half shall be independent directors.

#### 4.2 The Committee shall be responsible for

- 4.2.1 Formulating framework for remuneration, terms of employment including service contracts, policy for and scope of pension arrangements, etc for Executives and reviewing it on a periodic basis;
- 4.2.2 Formulate the criteria for determining qualifications, positive attributes and independence of a director and terms of remuneration for the Directors.
- 4.2.3 Identifying persons who are qualified to become directors and who may be appointed as Executives in accordance with the criteria laid down in this policy, recommend to the Board their appointment and removal and carry out their evaluation.
- 4.2.4 Formulating terms for cessation of employment and ensure that any payments made are fair to the individual and the company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;

#### 4.3 The Committee shall:

- 4.3.1 review the ongoing appropriateness and relevance of the remuneration policy;
- 4.3.2 ensure that all provisions regarding disclosure of remuneration, are fulfilled;
- 4.3.3 obtain reliable, up-to-date information about remuneration in other companies;
- 4.3.4 ensure that no director or Executive is involved in any decisions as to their own remuneration.
- 4.3.5 review the terms of executive Directors' service

contracts from time to time.

## 5. Procedure for selection and appointment of the Board Members

### 5.1 Board membership criteria

The Committee, along with the Board, reviews on an annual basis, appropriate skills, characteristics and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience in business, academics, experience and insights in sectors areas relevant to the Company, finance, economics, law and an ability to contribute to the Company's growth.

In evaluating the suitability of individual Board members, the Committee takes into account educational and professional background and personal achievements.

In addition, Directors must be willing to devote sufficient time in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.

The Committee evaluates each individual with the objective of having a group that best enables the success of the Company's business.

### 5.2 Selection of Board Members/ extending invitation to a potential director to join the Board

One of the roles of the Committee is to periodically identify competency gaps in the Board, evaluate potential candidates as per the criteria laid above, ascertain their availability and make suitable recommendations to the Board. The objective is to ensure that the Company's Board is appropriate at all points of time to be able to take decisions commensurate with the size and scale of operations of the Company. The Committee also identifies suitable candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member. Based on the recommendations of the Committee, the Board evaluates the candidate(s) and decides on the selection of the appropriate member.

The Board then makes an invitation (verbal / written) to the new member to join the Board as a Director. On acceptance of the same, the new Director is appointed by the Board.

## 6. Procedure for selection and appointment of Executives other than Board Members

- 6.1 The Committee shall actively liaise with the relevant departments of the Company to study the requirement for management personnel, and produce a written document thereon;
- 6.2 The Committee may conduct a wide-ranging search for candidates for the positions of Employees within the Company, its associate companies and on the human resources market;

6.3 The professional, academic qualifications, professional titles, detailed work experience and all concurrently held positions of the initial candidates shall be compiled as a written document;

6.4 A meeting of the Committee shall be convened, and the qualifications of the initial candidates shall be examined on the basis of the conditions for appointment of the Employees;

6.5 Before the selection of Employee, the recommendations of and relevant information on the relevant candidate(s) shall be submitted to the Board of Directors;

6.6 The Committee shall carry out other follow-up tasks based on the decisions of and feedback from the Board of Directors.

## 7. Compensation Structure

### (a) Remuneration to Non-Executive Directors:

The Non-executive Directors of the company are paid remuneration by way of sitting fees only for attending the meetings of the Board of Directors and its Committees. The sitting fees paid to the Non-executive Directors for attending meetings of Board of Directors and Audit Committee of Board of Directors is Rs. 10,000/- per meeting and Rs.10,000 per meeting respectively. However, sitting fees for attending other Committee meetings i.e. Nomination and Remuneration Committee, Shareholders Grievance Committee meeting, Risk Management Committee, Corporate Social Responsibility Committee is Rs. 5,000/- per meeting. No fees will be paid to the Independent Directors for attending a separate meeting of the Independent Directors. Besides the sitting fees they are also entitled to reimbursement of expenses. The Non-executive Directors of the Company are not paid any other remuneration or commission.

The sitting fees of the Non-executive Directors for attending meetings of Board of Directors and the Committees of Board of Directors may be modified or implemented from time to time only with the approval of the Board in due compliance of the provisions of Companies Act, 2013.

### (b) Remuneration to Executive Directors, Key Managerial Personnel(s) (KMPs) & Senior Management Personnel (s) (SMPs):

The Company has a credible and transparent framework in determining and accounting for the remuneration of the Managing Director / Whole Time Directors (MD/WTDs), Key Managerial Personnel(s) (KMPs) and Senior Management Personnel(s) (SMPs). Their remuneration shall be governed by the external competitive environment, track record, potential, individual performance and performance of the company as well as industry standards. The remuneration determined for MD/WTDs, KMPs and SMPs are subjected to the approval of the Board of Directors in due compliance of the provisions of Companies Act, 2013. The remuneration for the KMP and the SMP at the time of

the appointment has to be approved by the Board but any subsequent increments shall be approved by the Managing Director of the Company as per the HR policy of the Company. A company shall appoint or re-appoint any person as its Managing Director and CEO for a term not exceeding five years at a time. No re-appointment shall be made one year earlier before the expiry.

As a policy, the Executive Directors are neither paid sitting fee nor any commission.

#### 8. Independent Director

An independent director shall hold office for a term of upto five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report.

No independent director shall hold office for more than two consecutive terms, but such independent director shall be eligible for appointment after the expiry of three years of ceasing to become a independent director. Provided that an independent director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has served as an independent director for five years or more in the Company on April 1, 2014 or such other date as may be prescribed by the Committee as per regulatory requirement, he/she shall be eligible for appointment for one more term of five years only.

##### 8.1 Role of Independent Directors

- a The Committee shall, in consultation with the Independent Directors of the Company, prepare and submit this policy to the Board for its approval.
- b The Independent Directors shall have power and authority to determine appropriate levels of remuneration of executive directors and Employees and have a prime role in appointing and where necessary recommend removal of executive directors and Employees.
- c The Independent Directors shall submit its recommendations/ proposals/ decisions to the Committee which the Committee shall consult and take to the Board of Directors.

#### 9. Board Evaluation

The Board shall follow a formal mechanism for evaluating performance of the directors individually, the evaluation of the overall Board, fellow Board members including Chairman of the Board as well as that of its Committees. The performance evaluation of Independent Directors must be done by the entire Board of Directors excluding the Directors being evaluated. The evaluation process must cover various aspects of the Board's functioning such as composition of the Board & Committees, experience and competences, performance of specific duties and obligations, governance issues, inflow of information, decision making, company's performance, company's strategy etc. on a scale of one to five. Feedback on each

directors from the fellow director shall be provided. Individual Directors including the Board Chairman's evaluation shall be on parameters such as attendance, participation in Board and Committee meeting, contribution at the meetings and meetings and otherwise, independent judgment etc.

#### 10. Board diversity:

The Company recognizes and embraces the benefits of having a diverse Board that possesses a balance of skills, experience, expertise and diversity of perspectives appropriate to the requirements of the business of the Company. The Company sees increasing diversity at Board level as an essential element in maintaining a competitive advantage.

#### 11. General

The remuneration to be paid to the Managing director shall be in accordance with the provisions of the Companies Act, 2013 and the rules made thereunder.

Where any insurance is taken by the Company on behalf of its managing director, Chief financial officer, the Company secretary and any other employees for indemnifying them against any liability the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

#### 12. Approval and publication

- 12.1 This remuneration policy as framed by the Committee shall be recommended to the Board of Directors for its approval.
- 12.2 This policy shall be hosted on the Company's website.
- 12.3 The policy shall form part of Director's report to be issued by the Board of Directors in terms of Companies Act, 2013.

#### 13. Supplementary provisions

13.1 This Policy shall formally be implemented from the date on which they are adopted pursuant to a resolution of the Board of Directors.

This policy is framed based on the provisions of the Companies Act, 2013 and rules thereunder and requirements of Clause 49 of the Listing Agreement with the stock exchanges.

Incase of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulation which makes any of the provisions in the policy inconsistent with the Act or regulations, the provisions of the Act or regulations would prevail over the policy, and the provisions in the policy would be modified in due course to make it consistent with the law.

- 13.2 The right to interpret this Policy vests in the Board of Directors of the Company.
- 13.3 The policy shall be reviewed by the nomination and remuneration committee as and when changes need to be incorporated in the policy due to changes in regulations as may be felt appropriate by the committee. Any change or modification in the policy as recommended by the committee would be given for the approval of the Board.

## Annexure G

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st 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,  
**Fomento Resorts and Hotels Limited**  
Cidade De Goa,  
Vainguinim Beach, Goa 403004

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Fomento Resorts and Hotels Limited (hereinafter called the 'Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 ( hereinafter referred to as the " Audit Period") generally 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:

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

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment (*provisions not applicable to the Company during the Audit Period*) ;
- 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;
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (*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;
  - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009); and
  - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (*Not applicable to the Company during the audit period*).
- vi. The following laws and Regulations applicable specifically to the Company viz.,
- a) Prevention of Food Adulteration Act, 1954
  - b) Food Safety and Standards Act, 2006
  - c) The Legal Metrology Act, 2009
  - d) The Foreign Exchange Management Act (FEMA), 1999
  - e) The Air (Prevention and Control of Pollution) Act, 1981
  - f) The Water (Prevention and Control of Pollution) Act, 1974

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India (*During the Audit Period, not notified under the Act and hence not applicable*).
- ii. The Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above. *During the Audit Period, the Company passed a Special Resolution approving delisting of its securities listed on BSE Limited and Ahmadabad Stock Exchange Limited. In principle approval for delisting has also been received by the Company and the Company is yet to make public announcement.*

**I 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 as prescribed. 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 is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days 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.

Majority decision is carried through while the dissenting members' views are captured and/or recorded as part of the minutes during the audit period.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period the company has issued and allotted on preferential basis 70,00,000 7.5% cumulative non-convertible redeemable Preference Shares of Rs.100/- each at par.

Place : Panaji, Goa

Date : May 28, 2015

-----  
**Shivaram Bhat**  
**Practising Company Secretary**  
**ACS No. 10454 & CP No. 7853**

This Report is to be read with my letter of even date which is annexed as **Annexure A** and Forms an integral part of this report.

**‘ANNEXURE A’**

(My report of even date is to be read along with this Annexure.)

1. Maintenance of Secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I 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. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
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.

Place : Panaji, Goa

Date : May 28, 2015

-----  
**Shivaram Bhat**  
**Practising Company Secretary**  
**ACS No. 10454 & CP No. 7853**

## MANAGEMENT DISCUSSION AND ANALYSIS

### 1. Economic Overview:

India has come a long way in terms of its economic development. We have got everything a tourist wants. Each state has completely different experiences to offer, making India a sensor delight for even the most jaded traveler, yet our share in the international tourist traffic is 0.65 per cent with the country being ranked 41 in the world in international tourist arrivals. The World Economic Forum's influential Travel & Tourism Competitiveness Index, placed India at the 65th position among 140 nations in 2014. It is pertinent to note that on their three pillars of competitiveness, India was well assessed in terms of its human, natural and cultural resource endowments with a rank of 21, but scored an abysmally low position of 110 globally in its regulatory framework for travel and tourism and 67 on business environment and infrastructure. It is thus amply evident that India has been unable to convert its inherent comparative advantages into a sustainable competitive advantage for our hospitality and tourism sector.

The hospitality industry has been seeking infrastructure status so that it gets land cheaper and electricity at Industrial rates to offset the high cost of capital, which has made returns on investment our biggest worry and development of hotels a nightmare. The cost of operating hotels is rising exponentially yearly, especially because of rising salaries, bank interest charges and energy cost. There's no escaping these costs because our industry is that never sleeps.

The mining crisis in Goa has also affected the flow of business guests and the disposable income of local and non-resident guests to some extent.

As a result of rupee value decreasing in comparisons to USD, inbound tourists increased as they benefited from it, while the domestic tourist segments, also grew stronger as it was a better option to choose India over foreign destination. Foreign tourists have not grown substantially because of political uncertainty in this year 2014-15.

### 2. Hospitality & Tourism Industry Overview:

2014-15 was an average year with occupancy and Average Daily Rates (ADR) figures for some cities and/or months behaving erratically. Domestic market was the strongest.

### 3. Market Overview:

Though 2014-2015 was a tough year for many markets in India, Goa performed strongly, backed by an average inbound and strong domestic tourist demand, MICE promotions through the year and weekend demand for leisure travelers. Tourist arrival to Goa in 2014-15 was 41, 13,026 which were 23% increase over tourist arrival in 2013-14. Occupancy for Cidade de Goa was 75% for 2014-15.

### 4. Future Expansion Plans:

#### Cidade de Goa

The Company commenced the civil works to set up a 5 star convention hotel consisting of 280 rooms at Vainguinim Beach, Goa.

### Investment in hotel at Aarvli

The company is setting up a 5 star (luxury) 32 room boutique resort at Aarvli, Sindhudurg, Maharashtra which will open its door to the guests by mid 2016.

**5. Financials:** The turnover and the financial performance of your Company is as below.

#### Revenues:

Income has increased by 12% to Rs.6,087.97 lakhs from Rs. 5,433.60 lakhs in the previous year. The room revenues rose by 10 % to Rs. 3,368.42 lakhs from Rs. 3,074.57 lakhs in the previous year. The Food & beverage income increased by 10% to Rs. 1,868.84 lakhs from Rs. 1,697.78 lakhs in the previous year.

#### Expenditure:

The total Operating expenditure increased by 7% to Rs. 3,997.67 lakhs from Rs. 3,727.67 lakhs as against the previous year.

#### Earnings before Interest, Depreciation, tax and Amortisation (EBIDTA):

EBIDTA registered an increase of 23% to Rs. 2,090.30 lakhs from Rs. 1,705.93 lakhs as against the previous year.

#### Profit before Tax (before exceptional items):

The PBT increased by 27% to Rs. 1,666.36 lakhs from Rs. 1,311.87 lakhs in the previous year.

#### Profit after Tax (before exceptional items):

The PAT increased by 33% to Rs. 1,089.05 lakhs from Rs. 815.71 lakhs in the previous year.

### 6. Risks and Concerns

The risk and safety management system adopted by the Company will enable the Company to identify problem areas with respect to regulations, competition, business risk, development risks, investments, acquisition and retention of talent, health & safety. Business risk, inter- alia, further includes financial risk, political risk, fidelity risk, legal risk, employee, guest, asset safety and safety of community and to establish a prevention system to safeguard the future.

The adopted approach involves identification and characterization of threats, development of a safety policy, risk assessment, development and implementation of risk control strategies, consultation and training, followed by formulation, maintenance and review of strategies. The Principles of risk management should:

- Create value
- Be an integral part of the organizational process
- Be part of the decision making process
- Explicitly address uncertainty and assumptions
- Be systematic and structured process
- Be based on best available information
- Capable of customization

The Board of Directors of the Company determines Company's tolerance for risk and is committed to a risk management system

that balances the need to preserve long term values, prudently manages the hotel properties, maintain good relationships with stakeholders and facilitates a culture of innovation. The Company's risk management system is designed to assist the Company to achieve its strategic and operational objectives with the vision, strategy, processes, technology and governance of the Company and provides for:

- a. appropriate levels of risk taking
- b. an effective system for the management of risk.
- c. protection against incidents causing personal injury and property damage.
- d. development of risk management and control plans to reduce or minimize unforeseen or unexpected costs.
- e. ability to identify, prioritize and respond to risk in a manner that maximizes opportunities.
- f. reliable financial reporting and compliance with laws, regulations and standards.
- g. sound insurance management practice.
- h. protection of assets from planned and unplanned events .

The risk management function is supported by the risk management committee.

#### **RISK STRATEGY**

The Company believes that risk cannot be eliminated. However, it can be:

- Transferred to another party, who is willing to take risk, say by buying an insurance policy or entering into a forward contract
- Reduced, by having good internal controls
- Avoided, by not entering into risky businesses
- Retained, to either avoid the cost of trying to reduce risk or in anticipation of higher profits by taking on more risk
- Shared, by following a middle path between retaining and transferring risk

For managing risk more efficiently, the Company would need to identify the risks that it faces in trying to achieve its objectives. Once these risks are identified, these would need to be evaluated to see which of them will have critical impact on the Company and which of them are not significant enough to deserve further attention. As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

#### **RISK MANAGEMENT FRAMEWORK**

Objectives are clearly defined before management can identify potential risks affecting their achievement. Risk management ensures that management has in place a process to set objectives and that the chosen objectives support and align with the entity's mission and are consistent with its risk appetite.

The objectives of the Company can be classified into:

#### **Strategic:**

- Organizational Growth
- Sustenance and growth of strong relationships with guest/ customers/clients/vendors.

#### **Operations:**

- Consistent revenue growth
- Consistent profitability growth
- High quality hotel and guest services
- Attract and retain quality, trained employees and associates and augmenting their training

#### **Reporting:**

- Maintain high standards of Corporate Governance and public disclosure

#### **Compliance:**

- Ensure stricter adherence to policies, procedures and laws/ rules/regulations/ standards

In principle, risks always result as a consequence of activities or as a consequence of non-activities. Risk Management and Risk Monitoring are important in recognizing and controlling risks. The entirety of Enterprise Risk Management is monitored and modifications are made as necessary.

Controlling of Risk/Risk mitigation is an exercise aiming to reduce the loss or injury arising out of various risk exposures.

The Company adopts systematic approach to mitigate risks associated with accomplishment of objectives, operations, development, revenues and regulations. The Company believes that this would ensure mitigating steps proactively and help to achieve stated objectives.

The Company has constituted a Risk management Committee which submits its report to the Audit Committee/ Board about the measures taken for mitigation of Risk in the organization.

The activities at all levels of the organization are considered in the risk management framework. All these components are interrelated and drive the Risk Management System with focus on three key elements, viz.

1. Risk Assessment
2. Risk Management
3. Risk Monitoring

#### **RISK ASSESSMENT**

Risks are analyzed, considering likelihood and impact, as a basis for determining how they should be managed. Risk Assessment consists of a detailed study of threats and vulnerability and resultant exposure to various risks.

To meet the above stated objectives and for exploiting



opportunities, effective strategies are evolved and as a part of this, key risks are identified and plans for managing the same are laid out.

### **RISK MANAGEMENT AND RISK MONITORING**

In risk management and monitoring, the probability of risk is estimated with available data/ information and appropriate risk treatments are worked out in the following areas:

#### **1. Economic Environment and Market conditions**

The hospitality industry is prone to impacts due to fluctuations in the economy caused by changes in global and domestic economies, changes in local market conditions, excess hotel room supply, reduced international or local demand for hotel rooms and associated services, competition in the industry, government policies and regulations, fluctuations in interest rates and foreign exchange rates and other social factors. Since demand for hotels is affected by world economic growth, a global recession could also lead to a downturn in the hotel industry.

#### **2. Socio-political risks**

In addition to economic risks, the Company also faces risks from the socio-political environment and is affected by events like political instability, conflict between nations, threat of terrorist activities, occurrence of infectious diseases, extreme weather conditions and natural calamities, etc. which may affect the level of travel and business activity.

#### **3. Competition**

The Indian subcontinent and the state of Goa with vast opportunities and potential for high growth has become the focus area of major international chains. Several of these chains have established and others have their plans to establish hotels to take advantage of these opportunities. These entrants are expected to intensify the competitive environment. The success of the Company will be dependent upon its ability to compete in areas such as room rates, quality of accommodation, service level and convenience of location and also to some extent, the quality and scope of other amenities, including food and beverage facilities.

#### **4. Revenue Concentration**

High concentration in any single business segment exposes the Company to the risks inherent in that segment. The quest for diversified activities within the existing realm of overall management after due consideration of the advantages and disadvantages of each activity is consistent with company policy of increasing business volumes with minimum exposure to undue risks. Concentration of revenue from any particular brand or segment of industry is sought to be minimized over the long term by careful extension into other activities, particularly in areas where the Company has some basic advantage.

To counter pricing pressures caused by strong competition, the Company has been increasing operational efficiency and continues to take initiatives to move up the guest satisfaction scale besides cost reduction and cost control initiatives.

#### **5. Inflation and Cost Structure**

The industry in general has a high operating leverage. At organizational level, cost optimization and cost reduction initiatives are implemented and are closely monitored. The Company controls costs through budgetary mechanism and its review against actual performance with the key objective of aligning them to the financial budgets. The focus on these initiatives will further inculcate across the organization the importance of cost reduction and control.

#### **6. Financial Reporting Risks**

Changing laws, regulations and standards relating to accounting, corporate governance and public disclosure can create uncertainty for companies. These new or changed laws, regulations and standards may lack specificity and are subject to varying interpretations. Their application in practice may evolve over time, as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs of compliance as a result of ongoing revisions to such corporate governance standards.

The Company is committed to maintaining high standards of compliances, corporate governance and public disclosure and complying with evolving laws, regulations and standards in this regard would further help us address these issues.

The Company has followed the Accounting Standard specified under section 133 of the Companies Act, 2013 read with rule 7 of the companies (Accounts) rules, 2014, requires us to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of our financial statements and the reported amounts of revenue and expenses during the reporting period. Management bases its estimates and judgments on historical experience and on various other factors that are believed to be reasonable under the circumstances including consultation with experts in the field, scrutiny of published data for the particular sector or sphere, comparative study of other available corporate data, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. These may carry inherent reporting risks.

#### **7. Risk of Corporate accounting fraud:**

Accounting fraud or corporate accounting fraud are business scandals arising out of misusing or misdirecting of funds, overstating revenues, understating expenses etc. The Company in order to mitigate this risk considers the following :

- Understanding the applicable laws and regulations
- Conducting risk assessments
- Instituting and monitoring code of conduct and Whistle blower/vigil mechanism
- Deploying a strategy and process for implementing the new controls

- Adhering to internal control practices that prevent collusion and concentration of authority
- Employing mechanisms for multiple authorization of key transactions with cross checks
- Scrutinizing of management information data to pinpoint dissimilarity of comparative figures and ratios
- Creating a favorable atmosphere for internal auditors in reporting and highlighting any instances of even minor non-adherence to policies and Standard operating procedures and a host of other steps throughout the organization

### 8. Legal Risk

Legal risk is the risk in which the Company is exposed to legal action. As the Company is governed by various laws and has to do its business within four walls of law, where it is exposed to legal risk exposure. Focus is to be given on evaluating the risks involved in a contract, ascertaining our responsibilities under the applicable law of the contract, restricting our liabilities under the contract, and covering the risks involved, so that adherence to all contractual commitments can be ensured.

Management places and encourages its employees to place full reliance on professional guidance and opinion and discuss impact of all laws and regulations to ensure company's total compliance. Advisories and suggestions from professional agencies and industry bodies etc. are carefully studied and acted upon where relevant.

The Company has established a compliance management system in the organization and the quarterly compliance reports from functional heads are taken and the non-compliances and delays, if any, are reported to the Audit Committee and the Board of Directors.

### 9. Compliance with Local Laws

The Company is subject to additional risks related to complying with a variety of local laws, restrictions. The Company strives to place robust process with the help of consultants to mitigate and minimize such compliance risk under municipal laws of the land.

### 10. Quality and Project Management

Our commitment towards total Quality Management is to forge the Human Resources of our organization into a team that promotes continual improvement in quality of hotels and services. Considerable focus is given to adherence to targeted dates and commitment to quality in every project and customer feedback is studied by adopting various methods including personal interaction, wherever required, during and after project completion.

### 11. Environmental Risk Management

The Company endeavors to protect the environment in all its activities, as a social responsibility and strives to avoid any situation causing a risk to the environment and community at large.

### 12. Human Resource Management

The Company's Human Resources (HR) Department adds value to all its hotel unit by ensuring that the right person is assigned to the right job and that they grow and contribute towards organizational excellence. Our growth has been driven by our ability to attract good quality talent and effectively engage them in right jobs.

Risk in matters of human resources are sought to be minimized and contained by following a policy of providing equal opportunity to every employee, inculcate in them a sense of belonging and commitment and also effectively train them in spheres other than their own specialization. Employees are encouraged to make suggestions on innovations, cost saving procedures, free exchange of other positive ideas relating to hospitality industry etc. It is believed that a satisfied and committed employee will give his best and create an atmosphere that cannot be conducive to risk exposure.

Employee-compensation is always subjected to fair appraisal systems with the participation of the employee and is consistent with job content, peer comparison and individual performance. Packages are inclusive of the proper incentives and take into account welfare measures for the employee and his family.

We seek to provide an environment that rewards entrepreneurial initiative and performance.

### RISKS SPECIFIC TO THE HOTEL AND THE MITIGATION MEASURES

- 1) **Business dynamics:** The key risk is variation of the occupancy rates including seasonal occupancy rates.

#### Risk mitigation measures:

Based on experience gained from the past and by following the market dynamics as they evolve, the Company is able to predict the demand during a particular period and accordingly an advance operational policy is formed for maximum customer satisfaction and to mitigate any consequential losses.

- 2) **Business Operations Risks:** These risks relate broadly to the Company's organization and management, such as planning, monitoring and reporting systems in the day to day management process namely:

- Organisation and management risks,
- Time, cost and quality risks related to development,
- Business interruption risks,
- Profitability

#### Risk mitigation measures:

- The Company functions under a well-defined organization structure.

- Flow of information is well defined to avoid any conflict or communication gap between two or more Departments.
- Proper policies are followed in relation to maintenance of inventories of raw materials, consumables.
- Effective steps are being taken to reduce cost of services without compromising on the quality of the services on a continuing basis taking various changing scenarios in the market.

**3) Credit Risks**

- Risks in settlement of dues by customers/travel agents
- Provision for bad and doubtful debts

**Risk Mitigation Measures:**

- Systems are put in place for assessment of creditworthiness of customers/travel agents
- Provision for bad and doubtful debts made to arrive at correct financial position of the Company
- Appropriate recovery management and follow up

**4) Logistics Risks**

Use of outside contractual sources/vendors

**Risk Mitigation Measures:**

- Exploring possibility of an in-house or better logistic mechanism if the situation demands

**6) Market Risks/Industry Risks**

- Demand and Supply Risks
- Quantities, Qualities, Suppliers, lead time, interest rate risks
- Interruption in the supply of products for use in hotels

**Risk Mitigation Measures:**

- Products are procured from different sources at competitive prices
- Alternative sources are developed for uninterrupted supply
- Demand and supply are external factors on which company has no control, but however the Company makes its plans from the experience gained in the past and an on-going study and appraisal of the market dynamics, movement by competition, economic policies and growth patterns of different segments of users of company's services
- The Company takes specific steps to reduce the gap between demand and supply by expanding its customer base, improvement in its product profile, delivery mechanisms, technical inputs and advice on various aspects of de-bottlenecking procedures, enhancement of capacity utilization etc
- Proper inventory control systems have been put in place

**7) Human Resource Risks**

**Mitigation Measures:**

- Company has proper recruitment policy for recruitment of personnel at various levels in the organization. Proper appraisal system for revision of compensation on a periodical basis is evolved.
- Employees are trained at regular intervals to upgrade their skills.
- Labor problems are obviated by negotiations and conciliation.
- Activities relating to the Welfare of employees are undertaken.
- Employees are encouraged to make suggestions and discuss any problems with their Superiors.

**8) Disaster Risks**

- Natural risks like fire, floods, earthquakes, etc.

**Risk Mitigation Measures:**

- The properties of the Company are insured against natural risks, like fire, flood, earthquakes, etc. with periodical review of adequacy, rates and risks covered under professional advice
- Fire extinguishers are placed at fire sensitive locations
- First aid training is given to watch and ward staff and safety personnel
- Workmen of the Company are covered under ESI, EPF, etc., to serve the welfare of the workmen

**9) IT System Risks**

- System capability
- System reliability
- Data integrity risks
- Coordinating and interfacing risks

**Risk Mitigation Measures:**

- Engineering department maintains, repairs and upgrades the systems on a continuous basis with personnel who are trained in software and hardware
- Password protection is provided at different levels to ensure data integrity
- Licensed software is being used in the systems
- Company ensures "Data Security", by having access control/ restrictions

**10) Legal Risks**

These risks relate to the following:

- Contract Risks
- Contractual Liability
- Frauds
- Judicial Risks

- Insurance Risks
- Health and Safety Hazards

**Risk Mitigation Measures:**

- A study of contracts with focus on contractual liabilities, deductions, penalties and interest conditions is undertaken on a regular basis. The Finance department and Legal team vet and finalizes all legal and contractual documents with legal advice from Legal professionals/outside counsels as per the requirement.
- Internal control systems for proper control on the operations of the Company to detect any frauds
- Insurance policies are audited to avoid any later disputes
- Timely payment of insurance and full coverage of properties of the Company under insurance
- Regular medical check-up of the employees located at the hotels to avoid any cause, infection or spread etc. of any communicable diseases

**11) Project Implementation Risk:**

The Company may be impacted by delays in implementation of project which would result in increasing project cost and loss of potential revenue.

**Risk Mitigation measure:**

To mitigate the risk, the Company has in place an experienced project team supported by the leading external technical consultants and dedicated project management team. The Company will endeavour to complete its projects on time at optimal cost so as to maximize the profitability.

**RISK TOLERANCE LEVEL**

The Company's risk tolerance will always be limited by its focus on the need to maximize long term distributions and the fundamental long term value of its properties and services. The Company has adopted a risk management strategy that aims to identify and minimize the potential for loss, while also maximizing strategic opportunities for growth in enhanced service delivery and profitability.

**ROLES AND RESPONSIBILITIES**

*(a) Board responsibility*

The Board is responsible for the oversight of the risk management framework. This includes: policies and procedures related to risk management, risk profile, risk management and assessing the effectiveness of risk oversight and management.

*(b) Audit Committee*

The Audit Committee is responsible for advising the Board on risk management and compliance management and to assist the Board in fulfilling its risk management and oversight responsibilities.

*(c) Risk Management Committee*

The Risk Management Committee will drive the process of risk

management and report new risks or changes to existing risks to the Audit Committee and will submit its half yearly report to the Audit Committee/ Board about the measures taken for mitigation of Risk in the organization.

*(d) Function Heads and Hotel General Manager responsibility*

All Function Head, and the Hotel General Manager are responsible to ensure that systems, processes and controls in the Company and its hotels are in place to position identified risk at an acceptable level.

*(e) Employee responsibility*

All employees of the Company must report any new risks or changes to existing risks (if any) to their managers or supervisors as soon as they become aware of the risk.

*(f) External auditor*

The external auditor is responsible for providing an independent opinion of the financial results of the Company. In undertaking this role, the auditor also provides comments on the management of risk and assists the Company in the identification of risk.

**REPORTING**

The Risk Management Committee must report new risks or changes to existing risks to the Chairman of the Audit Committee as soon as practicable after becoming aware of such risks. The intended outcomes of the risk management programme include:

- the establishment of a robust risk management framework and internal control system that enhances Company's ability to meet its strategic objectives;
- improved operating performance and reliable internal and external reporting;
- increased awareness and management of risk;
- compliance with policies and procedures and applicable laws and regulations.

**7. Internal Controls:**

Your Company's Internal Auditors carry out audit of the transactions of the Company periodically, in order to ensure that recording and reporting are adequate and proper. The Internal Audit also verifies whether internal controls and checks & balances in the systems are adequate and proper. Corrective actions for any weaknesses in the system that may be disclosed by the Audits are taken. The internal audit is based on an exhaustive list of parameters which identifies the critical issues needing immediate management attention. Processes are strengthened as and where required.

The Audit Committee of the Board reviews the important observations of the Internal Audit and suggests corrective actions for the management to implement. The Internal Audit team also assesses the risk facing the company, steps taken to mitigate the risk and holds discussions with the management on the subject in order to create awareness of the risks and to take appropriate actions for reducing the impact and frequency of occurrence of the risks.

The Audit Committee of the Company meets periodically to review and recommend quarterly, half-yearly and annual financial statements of the Company. The Committee also holds discussions with the internal auditors, statutory auditors and the management on the matters relating to internal controls, auditing and financial reporting. The Committee also reviews with the statutory auditors, the scope and observations of the audits.

Mystery audits and monitoring systems by an independent external auditor to ensure service parameters are as per international standards, are carried out periodically. Internally cross audits, total quality management and intensive trainings are conducted regularly.

Guest feedback are taken up seriously and responded to within 24 hours to ensure maximum guest delight and repeat business.

## 8. Human Resources:

### Recognition & Communication

Your Company has inculcated the best practices of Human Resources to weigh its Human resources capital. An assessment of every employee is done by his/her departmental head and also an employee satisfaction survey is conducted periodically. Acts of excellence are recognized by displaying the names of the employees on the notice boards. Recognition system is being followed to motivate the associates who excel in their service standards and reward them accordingly.

## 9. Outlook

The Indian hotel industry witnessed a huge influx of room inventory in the form of new hotels of existing local brands as well as entry of International brands. This will put pressure on the Average Room Rates and thus profitability. It will be an ongoing task to keep net contributions positive.

In the current challenging economic environment, leading hospitality companies are leveraging social media and business analytic platforms to gain insight into customer preferences and drivers of customer loyalty.

## 10. Guest Experience:

Your Company's hotel 'Cidade de Goa' continues to offer highest consistency in quality of service and style and provide warm hospitality and crisp & courteous service.

Guest feedback is taken on regular basis and the hotel always tries to better its service standards. Introducing new services while improving the ones existing and product upgrades lead your company's hotel to offer their guests a truly memorable experience.

Refurbishment of 24 rooms along with a suite was taken up in 2014-15. The rooms have already won many accolades and rave reviews.

## 11. Sales & Marketing Initiatives:

The Hotel constantly offers various holiday packages to groups and families to ensure that Cidade de Goa gets its fair market share. The packages are structured in a way to attract maximum guests. It is pertinent to note that leisure still remains the core segment for Goa tourism industry.

The wedding and MICE segment has also been growing substantially. The hotel has tailor made packages on offer to tap this market segment.

## 12. Safety, Health And Environment:

Your Company is giving utmost importance to safety, health and environment related issues. Safety is now the integral part of the culture at the work place. We continue to improve our safety standards to maintain high awareness levels. The employees are continuously educated and trained to improve their awareness and skills. Training cell is entrusted with the responsibility.

All statutory requirements are being complied with. Periodic safety audits are conducted to identify and eliminate possible potential causes of accidents. Medical checkup for the employees is being conducted at the pre-employment stage and thereafter periodical check-up is undertaken during the continuance of the employment period. The company also adheres to various food safety standards and regular testing of its food products in its in-house well equipped laboratory.

Requirements of environmental acts and regulations are complied with. Monitoring and analysis of water is undertaken periodically to verify whether levels of environmental parameters are well within the specific limit.

## 13. Cautionary Statement:

Statement in the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be "forward looking statements" within the meaning of applicable securities law and regulations. Actual results would differ materially due to impact of supply and demand forces, price conditions in domestic and overseas market. As forward looking statements are based on certain assumptions and expectations of future events over which the Company exercises no control, the company cannot guarantee their accuracy nor can it warrant that the same will be realized by the company. The company assumes no responsibility to publicly amend, modify or revise any forward looking statements on the basis of any subsequent development or on event of any loss that any investor may incur by investing in the shares of the company based on the "forward looking statements."

## CORPORATE GOVERNANCE REPORT

### 1. The Company's Corporate Governance Policies

We believe that it is imperative for us to manage our business affairs in the most fair and transparent manner with a firm commitment to our values. The corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. Our corporate governance framework is a reflection of our culture, our policies, our relationships with shareholders and our commitment to values. Accordingly, we always seek to ensure that our performance is driven by integrity. This is vital to gain and retain the trust of our stakeholders.

The Securities and Exchange Board of India (SEBI) amended the Listing Agreement effective October 1, 2014, to bring in additional corporate governance norms for listed entities. These provides for stricter disclosures and protections of Investors rights, including equitable treatment for minority and foreign shareholders.

The amended rules requires companies to get shareholders approval for related party transactions, establish whistleblower mechanisms, elaborate disclosures on pay package and have at least one woman director on their board. The amended norms are aligned with the provision of the Companies Act, 2013, and are aimed to encourage companies to 'adopt best practices on corporate governance'.

Our corporate governance framework ensures that we make timely disclosures and share accurate information regarding

our financials and performance, as well as the leadership and governance of the Company.

Our corporate governance philosophy is based on the following principles:

- Corporate governance standards should satisfy both the spirit of the law and the letter of the law.
- Ensure transparency and maintain a high level of disclosure.
- Clearly distinguish between personal conveniences and corporate resources.
- Communication externally, and truthfully, about how the Company is run internally.
- Have a simple and transparent corporate structure driven solely by business needs.
- The management is the trustee of the shareholders' capital and not the owner.

### 2. Board of Directors

As on March 31, 2015 the Company's Board consisted of Eight Directors comprising a Managing Director and Seven Non- Executive Directors. Board consists of Five independent Directors. None of the Directors on the Board is a Member of more than Ten Committees and Chairman of more than Five Committees across all the companies in which he is a Director. The necessary disclosures regarding Committee positions have been made by Directors.

#### Composition, Category of Directors and their other directorship as on March 31, 2015.

Name of the Director	Category of Directorship	No. of Directorship in other Public & Pvt. Ltd. Companies	Committee Positions*	
			Chairman	Member
Mr. Auduth Timblo DIN00181589	Chairman ( Promoter & Non- Executive)	7	Nil	Nil
Mrs. Anju Timblo DIN00181722	Managing Director (Executive)	Nil	Nil	Nil
Mr. V. P. Raikar DIN00739726	Independent Director (Non – Executive)	4	Nil	Nil
Mr. Jamshed Delvadavala DIN00047470	Independent Director (Non – Executive)	6	Nil	2
Mr. Shardul Thacker DIN00153001	Independent Director (Non – Executive)	3	Nil	1
Mr. Reyaz Mama DIN02130452	Independent Director (Non – Executive)	3	Nil	Nil
Mr. Raghunandan Maluste DIN01302477	Independent Director (Non – Executive)	4	Nil	Nil
#Mr. Apoorva Misra DIN02722155	Non Independent Director (Non – Executive)	9	Nil	Nil

Note:

1. #Mr. Apoorva Misra has been appointed as an Additional Director of the Company with effect from February 13, 2015
2. \*Committee positions includes only Audit Committee and Stakeholders' Relationship Committee of public limited Companies whether listed or not.

**Induction & Training of Board Members:**

On appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. Each newly appointed Independent Director is taken through a formal induction programme. The induction for Independent Directors include interactive sessions with the Functional Heads.

**Board Evaluation:**

One of the key functions of Board is to monitor and review the Board evaluation framework. During the year, the Board adopted a formal mechanism for evaluating performance of the directors individually, the evaluation of the Overall Board, Fellow Board Members including Chairman of the Board as well as that of its Committees. The performance evaluation of Independent Directors is done by the entire Board of Directors excluding the Director being evaluated. The exercise was carried out through a structured evaluation process covering various aspects of the Board's functioning such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, governance issues, inflow of information, decision making, company's performance, company strategy etc. on a scale of one to five. Feedback on each director is encouraged to be provided. Individual Directors including the Board Chairman's evaluation was on parameters such as attendance, participation in Board and Committee meetings, contribution at the meetings and otherwise, independent judgement etc.

**Code of Conduct:**

The code of conduct for the members of the Board of Directors is detailed out in Director's Report.

**Whistle Blower Policy:**

The Company has in place a Vigil mechanism for Directors and Employees. The details of Whistle Blower policy are set out in Directors Report.

**Board Meetings, Annual General Meeting and Attendance during the year :**

The Board generally meets 5 times during the year. Additional meetings are held when necessary. During the year ended on March 31, 2015 the Board of Directors had 6 meetings. These were held on 30th May, 2014, August 8, 2014, November 12, 2014, January, 10, 2015, February 13, 2015 and March 13, 2015. The last Annual General Meeting (AGM) was held on September 27, 2014. The attendance record of the Directors at the Board Meetings during the year ended on March 31, 2015 and at the last AGM is as under:

Name of the Director	No. of Board Meetings held	No. of Board Meetings attended	Attendance at last AGM
Mr. Auduth Timblo	6	5	Yes
Mrs. Anju Timblo	6	6	Yes
Mr. V. P. Raikar	6	3	Yes
Mr. Jamshed Delvadavala	6	6	Yes
Mr. Shardul Thacker	6	2	Yes
Mr. Pandurang G. Kakodkar*	Nil	Nil	-
Mr. Reyaz Mama	6	5	Yes
Mr. Raghunandan Maluste	6	5	No
Mr. Apoorva Misra	6	1	-

\*Mr. P. G. Kakodkar has resigned from the office of the Director w.e.f August 1, 2014.

Managing Director & CEO's and Non -Executive Directors compensation and Disclosure:

Emoluments & benefits paid to Managing Director & CEO is Rs. 40,32,000/- p.a. Non-Executive Directors who attend the Board/Audit Committee meetings are paid sitting fees. During the Financial year a sum of Rs. 3,95,000/- has been paid as sitting fees for Board and other Committee Meetings.

**Separate Meeting of Independent Directors:**

Pursuant to Schedule IV of the Companies Act, 2013 and the Rules made thereunder, the independent directors of the

Company shall hold atleast one meeting in a year, without the attendance of non-independent directors and members of the Management. All the independent directors shall strive to be present at such meetings. The meeting shall review the performance of non-independent directors and the Board as a whole, review the performance of the chairman of the board taking into account the views of the Executive director and Non-executive directors.

A separate meeting of the Independent Directors of the Company was held on February 13, 2015 wherein Independent Directors Mr. Jamshed Delvadavala, Mr. Raghunandan Maluste,

Mr. Shardul Thacker and Mr. Reyaz Mama met without any Non-Independent Directors and Senior Management Personnel. The performance of Non-Independent Directors (including Chairman) and the Board as a whole was reviewed. The Independent Directors also reviewed the quality, content and timelines of the flow of information between the Management and the Board and its Committees which is necessary to effectively and reasonably perform and discharge their duties.

**3. Audit Committee**

**(a) Qualified and Independent Audit Committee**

The Company complies with section 177 of the Companies Act, 2013 as well as requirement under the listing agreement pertaining to the Audit committee. Its functioning is as under:

- The audit committee presently consists of the four Independent Directors
- Majority of the Members of the Committee are financially literate and having the requisite financial management expertise;
- The Chairman of the Audit Committee is an Independent Director;
- The chairman of the Audit Committee was present at the last Annual General Meeting held on 27th September, 2014.

**B) Terms of reference**

The terms of reference of the Audit Committee include inter-alias:

- Oversight of the Company's financial reporting process and the disclosures of its financial information.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company.
- Approval of payment to statutory auditors for any other services rendered by them.
- Reviewing, with the management, the annual financial statements and auditor's report thereon.
- Matter required to be included in the Directors responsibility statements to be included in the Board's report.
- Changes, if any, accounting policies and practices and reason for the same.
- Major accounting entries involving estimates based on the exercise of judgment by management.
- Significant adjustment made in the financial statements arising out of audit findings.
- Compliance with listing and other legal requirements relating to financial statements.
- Approval of related party transactions as per policy of the company.

- Review and monitor the auditor's independence and performance, and effectiveness of audit process.
- Scrutiny of inter-corporate loans and investments.
- Evaluation of inter financial controls and risk management system.
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control system.
- Reviewing the adequacy of internal audit function, if any, including frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow up there on.
- Reviewing the finding of any internal observation by the internal auditors into matter where there is irregularity or a failure of internal control system of a material nature and reporting the matter to the board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To review the functioning of the vigil mechanism.
- Management discussion and analysis of financial condition and results of operations.

**C) Compositions, names of members and chairperson, its meetings and attendance :**

The Audit Committee consists of only Independent Directors. The details of its composition are as follows:

- Mr. Jamshed Delvadavala - Chairman
- Mr. V. P. Raikar - Member
- Mr. Reyaz Mama – Member
- Mr. Raghunandan Maluste – Member

During the year the audit committee met four times and required members were present in the meetings held on 30th May 2014, 8th August 2014, 12th November 2014 and on 13th February 2015.

The attendance of each member at the Audit Committee Meetings is given below:

Name of the Director	Meetings held	Meetings attended
Mr. Jamshed Delvadavala	4	4
Mr. V. P. Raikar	4	2
Mr. Reyaz Mama	4	3
Mr. Raghunandan Maluste	4	4

The Audit Committee meetings are attended by invitation by the Managing Director & CEO, CFO, the Statuary Auditors and the Internal Auditors.

Company Secretary Ms. Asmeeta Matondkar is Secretary of the Committee.



#### 4. Nomination & Remuneration Committee

During the financial year the Remuneration committee of the Company was redesignated and reconstituted by inducting Mr. Shardul Thacker as a member of the Committee. The committee was reconstituted on November 12, 2014 with Mr. Raghunandan Maluste as its Chairman. The Committee comprises of four Independent Directors.

Brief description of terms of reference of Remuneration Committee, inter alia are:

- a) Review the performance of the Managing Director, after considering the company's performance.
- b) Recommend to the Board remuneration including salary, perquisite etc. to be paid to the Managing Director.
- c) To formulate criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors and key managerial personnel and other employees.
- d) To identify persons who are qualified to become Directors and who may be appointed in Senior Management, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance.
- e) Formulation of criteria for evaluation of Independent Directors and the Board.
- f) Devising a policy on Board diversity.

#### Remuneration to Managing Director & C.E.O and to Non-Executive Directors:

Emoluments & benefits paid to Managing Director & CEO is Rs. 40,32,000/- p.a. Non-Executive Directors who attend the Board/ Other Committee meetings are paid sitting fees. During the Financial year a sum of Rs. 3,95,000/- has been paid as sitting fees for attending Board and other Committee Meetings.

#### The Nomination & Remuneration Committee comprises of four Directors as under:

Mr. Raghunandan Maluste - Chairman

Mr. Reyaz Mama - Member

Mr. Jamshed Delvadavala - Member

Mr. Shardul Thacker - Member

Company Secretary Ms. Asmeeta Matondkar is Secretary of the Committee.

Noted:

- (i) There has been no pecuniary relationship or transactions other than above of the Non-Executive Directors vis-à-vis the Company during the year under review.
- (ii) Directors other than Managing Director who attend Board and Committee Meetings are paid sitting fees of Rs. 10,000/- per Board meeting and Rs. 10,000/- per Audit Committee meeting. A sitting fee of Rs. 5,000/- is paid for attending other Committee meetings.

#### Policy for Selection and Appointment of Directors and Their Remuneration:

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As on March 31, 2015 the Board consists of 8 members consisting of one executive or whole time director, 5 independent directors and 2 non-executive directors. The policy of the Company on director's appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under Sub-section (3) of section 178 of the Companies Act, 2013, adopted by the Board, is appended as an Annexure to the Board's Report.

#### Policy on Board Diversity

The Company recognizes and embraces the importance of the diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender.

The Nomination and Remuneration Committee devises the policy on Board diversity to provide for having a broad experience and diversity on the Board. The Board Diversity Policy is available on our website, <http://cidadedegoa.com/images/Board-Diversity-Policy.pdf>

The Nomination and Remuneration policy is available on our website, <http://www.cidadedegoa.com/images/Nomination-and-Remuneration-Policy.pdf>

#### Independent Director's Familiarization Programme

Clause 49(II)(B)(7) of the Listing Agreement (effective from October 1, 2014) with the Stock Exchanges stipulates that:

The Company shall familiarize the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc. through various programmes.

The Company has adopted the familiarization programme for Independent Directors and the details of which are uploaded on the website of the Company - <http://www.cidadedegoa.com/images/FamiliarisationProgramme-for-IndependentDirectors.pdf>

#### 5. Stakeholders Relationship Committee

The Board of Directors at its meeting held on November 12, 2014, reconstituted the Committee and the nomenclature of the Shareholders Grievance Committee was changed to Stakeholders Relationship Committee.

The terms of reference of the Stakeholders Relationship Committee is to specifically look into the redressal of grievances of shareholders and other security holders. The Committee shall consider and resolve the grievances of the security holders of the company including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc.

Information related to transfer of unclaimed dividend to IEPF and Un-claimed Dividend are provided separately under shareholders information.

#### The Committee comprises of three Directors as under:

Mr. Shardul Thacker – Chairman

Mr. Reyaz Mama – Member

Mrs. Anju Timblo – Member

Company Secretary Ms. Asmeeta Matondkar is Secretary of the Committee.

During the year, 26 complaints were received from shareholders and investors. All the complaints have been resolved to the satisfaction of the complainants and no investor complaint was pending at the beginning or at the end of the year. The Company has acted upon all valid requests for share transfer received during 2014-15 and no such transfer is pending.

Pursuant to Clause 47 (c) of the Listing Agreement a certificate on half yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary has been submitted to the Stock Exchanges within stipulated time.

#### **6. Corporate Social Responsibility Committee**

The Company over the years have been striving to achieve a fine balance of economic, environmental and social imperatives. The Company's CSR is not limited to philanthropy, but encompasses community development and sustainability related initiatives.

As required under section 135 of the Companies Act, 2013 the company has formed a CSR committee on May 30, 2014.

#### **Composition of CSR committee, terms of reference, its meetings and attendance :**

##### **(A) Composition:**

The Committee comprises Mr. Reyaz Mama, an Independent Director as the Chairman of the Committee and Mr. Shardul Thacker, Jamshed Delvadavala, Independent Directors and Mrs. Anju Timblo, Managing Director as other members of the Committee. The Company Secretary, acts as the Secretary to the Committee.

##### **(B) Terms of Reference:**

- (i) To formulate and recommend to the Board, a CSR Policy and the activities to be undertaken by the Company as per Schedule VII of the Companies Act, 2013;
- (ii) To recommend amount of expenditure on CSR activities;
- (iii) To monitor CSR activities of the Company.

During the year the Committee met on February 13, 2015.

The Committee adopted the amended policy on CSR which strives for economic development that positively impacts the society at large, by promoting education, providing health care & destitute care.

The CSR policy of the Company is available on our website, <http://cidadedegoa.com/images/CSR-Policy-of-Fomento.pdf>

#### **7. Risk Management Committee:**

The Risk Management Committee was constituted by the Board of Directors, at its meeting held on November 12, 2014. Mr. Jamshed Delvadavala, Independent Director is the Chairman of the Committee. Mr. Reyaz Mama, Independent Director, Mr. Raghunandan Maluste, Independent Director, Mrs. Anju Timblo, Managing Director & CEO, Mr. M.A. Hajare,

Chief Financial Officer and Mr. Satish Agrahar, Financial Controller are the other members of the Committee.

The Company Secretary acts as the Secretary to the Committee.

The roles and responsibilities of the Risk Management Committee are as prescribed under Clause 49 of the Listing Agreement, as amended from time to time, and includes monitoring and review of risk management plan on a half yearly basis and reporting the same to the Board of Directors, in addition to any other terms as may be referred by the Board of Directors, from time to time.

The Enterprise Risk Management (ERM) framework of the Company encompasses practice relating to the identification, assessment, monitoring and mitigation of strategic, operational and external environment risks to achieve key business objective. ERM framework at the Company seeks to minimize the adverse impact of risks to our key business objectives and enables the company to leverage market opportunities effectively. Our risk management practices seek to sustain and enhance the long-term competitive advantage of the Company.

#### **8. CEO/CFO certification:**

The Managing Director and the Chief Financial Officer of the Company have certified to the Board of Directors, inter alia, the accuracy of financial statements and adequacy of internal controls for the financial reporting purpose as required under Clause 49(IX) of the Listing Agreement, for the year ended March 31, 2015.

#### **9. Disclosures**

- a) The Board has received disclosures from Key Managerial Personnel relating to material, financial and commercial transactions that they and/or their relatives donot have any personal interest. There are no materially significant related party transactions made by the Company with its promoters, their subsidiaries, directors, senior management or relatives etc, which may have potential conflict with the interest of the Company at large. The Company has formulated a policy on materiality of Related Party Transactions. The policy is also available on the website of the Company (weblink <http://cidadedegoa.com/images/Related-Party-transactions-Policy-of-Fomento.pdf>)
- b) Incorporated in the Annual Report are the disclosures of transactions with related parties in compliance with Accounting Standard AS-18.
- c) The company has complied with the requirements of the Stock Exchanges, SEBI, Ministry of Company Affairs and other statutory authorities on all matters relating to capital markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchange, SEBI, Ministry of Company Affairs or other statutory authorities relating to the above during the last three years.

- d) The Directors and other identified persons have observed and complied with the requirements of the Code of Conduct of the Company and regulation for Prevention of Insider Trading in Equity Shares of the Company in accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.
- e) The Board of Directors regularly reviews the Risk Management strategy of the company to ensure the effectiveness of the Risk Management policy and procedure.
- f) Statutory Auditor have certified that the Company has complied with the conditions of Corporate Governance. This certificate will be sent to the Stock Exchanges along with the Annual Report of the Company.
- g) The Company complies with all the requirement of Listing Agreement including the mandatory requirements of clause 49 of the Listing Agreement.
- h) The Company has a comprehensive Risk Management policy, the key risks associated with the business of the Company and the measures taken to minimize the same are discussed in Management Discussion & Analysis Report.
- i) During the year ended March 31, 2015 the Company does not have any material listed/unlisted subsidiary companies as defined in Clause 49 of the Listing Agreement. However, The Company has in place a policy for determining “material subsidiary” and the same is disclosed on the Company’s website.
- j) The Independent Directors have confirmed that they meet the criteria of “Independence” as stipulated under Clause 49 of the Listing Agreement.
- k) The financial statements of the Company have been prepared in accordance with the Accounting Standards notified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The Accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.
- l) The Company has allotted Preference shares and the details of allotment forms part of the Directors Report.
2. As the quarterly and half yearly financial statements are published in the news papers and are posted on the Company’s website, the same are not being sent to the shareholders.
3. Audit Qualifications: The Company’s financial statement for the year ended March 31, 2015 does not contain any audit qualification.
4. Separate posts of Chairman and CEO: Mr. Auduth Timblo is the Non-Executive Chairman and Mrs. Anju Timblo is the Managing Director of the Company.
5. Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

#### 11. General Body Meetings

Location	Date	Time
Cidade de Goa, Vainguinim Beach, Goa - 403004	27th September, 2014	4.00 p.m.
Cidade de Goa, Vainguinim Beach, Goa - 403004	30th September, 2013	4.00 p.m.
Cidade de Goa, Vainguinim Beach, Goa – 403004	29th September, 2012	4.00 p.m.

#### 12. Postal Ballot

The Company has obtained the approval of the shareholders through voting by postal ballot dated December 23, 2014 in terms of provisions of section 110 of the Companies Act, 2013 read with the applicable rules of the Companies (Management and Administration) Rules, 2014 and passed the following Special Resolutions:

- Delisting of the Equity Shares of the Company from BSE Limited and Ahmedabad Stock Exchange Limited.

#### Voting Pattern and Procedure for Postal Ballot:

- The Board of Directors of the Company, had appointed Mr. Shivaram Bhat as the Scrutinizer for conducting the Postal Ballot voting process at their meeting held on November 12, 2014.
- The Company had completed the dispatch of the Postal Ballot notice dated November 12, 2014 together with the Explanatory Statement on November 18, 2014 along with Forms and Postage Prepaid Business Reply Envelopes to all the shareholders whose name(s) appeared on the Register of Members/List of Beneficiaries as on November 14, 2014.
- The voting under the Postal Ballot was kept open from November 20, 2014 to December 19, 2014.
- Particulars of Postal Ballot Forms received from the Members using the Electronic platform of NSDL were entered in a register separately mentioned for the purpose.
- The Postal Ballot forms were kept under safe custody in sealed and tamper proof ballot boxes before commencing scrutiny of such postal ballot forms.

#### 10. Non – Mandatory Requirements under Clause 49 of Listing Agreement

The status of compliance with non-mandatory recommendations of the Clause 49 of the Listing Agreement with Stock Exchanges is provided below:

- Non-Executive Chairman’s Office: Chairman’s office is separate from that of the Managing Director & CEO. The expenses related to Chairman’s office are not met by the Company.

6. All Postal Ballot forms received/receivable upto the close of working hours on December 19, 2014 the last date and time fixed by the Company for receipt of the forms, had been considered for scrutiny.
7. Envelopes containing Postal Ballots forms received after close of business hours on December 19, 2014 had not been considered for his scrutiny.
8. On December 23, 2014 Mr. V. P. Raikar, Director announced the following results of the Postal Ballot as per the Scrutinizers report.

Particulars	Total No. of Valid Votes	Votes Assenting the Resolution	% of Votes cast	Votes Dissenting the Resolution	% of Votes cast
Votes cast through Physical Postal ballots	33,10,252	32,89,811	99.38	20,441	0.62
Votes cast through Electronic Mode	8,556	1,055	12.33	7,501	87.67
Total	33,18,808	32,90,866	99.16	27,942	0.84

**13. General Shareholders Information**

**1. Annual General Meeting**

Date: September 28, 2015  
 Time: 4:00 p.m.  
 Venue: Cidade de Goa, Vainguinim Beach, Goa – 403004

**2. Financial Year 2015-16**

For the year ending March 31, 2016 the results will be announced as per the tentative Schedules below:

Particulars	Date
First Quarter Results	On or before August 14, 2015
Second Quarter Results	On or before November 14, 2015
Third Quarter Results	On or before February 14, 2016
Audited Annual Results	On or before May 30, 2016

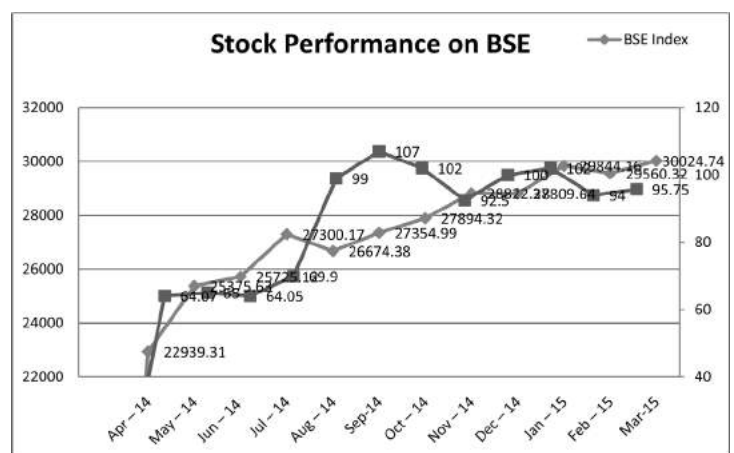
**3. Dates of Book Closure**

The Register of Members and share Transfer Register will remain closed for a period of 7 days from Friday 21st August 2015, to Thursday 27th August, 2015 (both days inclusive).

**4. Market Price Data**

Stock High/Low price and performance in comparison to broad-based indices viz., BSE Sensex is as under:

Month	BSE Index		Fomento on BSE	
	High	Low	High	Low
Apr – 14	22939.31	22197.51	64.07	53.05
May – 14	25375.63	22277.04	65.00	55.00
Jun – 14	25725.12	24270.20	64.05	57.00
Jul – 14	27300.17	24892.00	69.90	60.10
Aug – 14	26674.38	25232.82	99.00	62.00
Sep - 14	27354.99	26220.49	107.00	88.00
Oct – 14	27894.32	25910.77	102.00	72.00
Nov – 14	28822.37	27739.56	92.50	70.50
Dec – 14	28809.64	26469.42	100.00	73.05
Jan – 15	29844.16	26776.12	102.00	85.25
Feb – 15	29560.32	28044.49	94.00	78.00
Mar - 15	30024.74	27248.45	95.75	85.00



## Shareholders Information:

### 1. Unclaimed dividend

Section 124 of the Companies Act, 2013, mandates that companies transfer dividend that has been unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF). The details are as under:

Year	Type of Dividend	Dividend per share	Date of declaration	Due date for transfer	Amount*
2007-2008	Final	1.50	Sept 29, 2008	Nov 03, 2015	2,51,784
2008-2009	Final	1.50	Sept 29, 2009	Nov 03, 2016	2,60,793
2009-2010	Final	1.50	Sept 20, 2010	Nov 25, 2017	2,79,183
2010-2011	Final	1.00	Sept 29, 2011	Nov 03, 2018	1,89,250
2011-2012	Final	1.00	Sept 29, 2012	Nov 03, 2019	2,21,861
2012-2013	Final	1.00	Sept 30, 2013	Nov 04, 2020	2,38,324
2013-2014	Final	1.00	Sept 27, 2014	Nov 01, 2021	2,25,462

\*Amount unclaimed as on March 31, 2015

Dividend remitted to IEPF during last three financial years:

Financial Year	Amount
2014-2015	2,66,349/-
2013-2014	2,62,545/-

### 2. Listing on Stock Exchanges

The shares of the Company have been listed on The Bombay Stock Exchange Limited, Mumbai and The Ahmedabad Stock Exchange Limited, Ahmedabad. The annual listing fees for the financial year 2014-15 to both these stock Exchanges have been paid.

### 3. Stock Code

The Stock Exchange	Stock Code
Bombay Stock Exchange Limited	503831
Ahmedabad Stock Exchange Limited	17410
ISIN Number for NSDL/CDSL	INE241E01014

### 4. Registrar and Share Transfer Agents

Bigshare Services Private Limited  
 Unit: Fomento Resorts and Hotels Limited  
 E/2, Ansa Industrial Estate,  
 Saki-Vihar Road,  
 Sakinaka – Andheri (E),  
 Mumbai – 400072  
 Phone No. 022-40430200  
 Fax No. 022-28475207  
 Email id: investor@bigshareonline.com  
 Website: www.bigshareonline.com

### 5. Share Transfer System

- Trading in equity shares of the Company is permitted only in dematerialised form.
- Requests for dematerialization of shares are processed and confirmation thereof is given to the respective depositories i.e. National Securities Depository Ltd. (NSDL) and Central Depository Services India Limited (CDSL) within the statutory time limit from the date of receipt of share certificates provided the documents are complete in all respects.
- Shares sent for transfer in physical form are normally processed within a period of 15 days of receipt of the documents, provided all documents are valid and complete in all respects.

**(d) Distribution of Shareholding as on 31st March, 2014**

Sr. No.	Category (Shares) From - To	Number of Shareholders	No. of Shares	% To Equity Capital
1	1 – 500	3,247	4,07,785	2.54
2	501 – 1000	109	95,195	0.60
3	1001 – 2000	59	1,01,290	0.63
4	2001 – 3000	10	24,945	0.16
5	3001 – 4000	7	25,613	0.16
6	4001 – 5000	4	18,750	0.12
7	5001 – 10000	4	28,700	0.18
8	10001 and above	8	1,52,97,722	95.61
	<b>TOTAL</b>	<b>3,448</b>	<b>1,60,00,000</b>	<b>100.00</b>

**(e) Shareholding Pattern as on March 31, 2014**

Category Code	Category of Shareholder	Number of Shareholders	Total number of shares	Percentage
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>			
<b>1</b>	<b>Indian</b>			
(a)	Individuals/Hindu Undivided Family	2	11,999,768	75
(b)	Central Government/State Government(s)	-	-	-
(c)	Bodies Corporate	-	-	-
(d)	Financial Institutions/banks	-	-	-
(e)	Any others (Specify)	-	-	-
	<b>Sub Total (A) (1)</b>	<b>2</b>	<b>11,999,768</b>	<b>75</b>
<b>2</b>	<b>Foreign</b>			
(a)	Individuals (Non-Residents Individuals/Foreign Individuals)	-	-	-
(b)	Bodies Corporate	-	-	-
(c)	Institutions	-	-	-
(d)	Any others (Specify)	-	-	-
	<b>Sub Total (A) (2)</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A) (1)+(A) (2)</b>	<b>2</b>	<b>11,999,768</b>	<b>75</b>
<b>(B)</b>	<b>Public shareholding</b>			
<b>1</b>	<b>Institutions</b>			
(a)	Mutual Funds/UTI	-	-	-
(b)	Financial Institutions/Banks	-	-	-
(c)	Central Government/State Government(s)	-	-	-
(d)	Venture Capital Funds	-	-	-
(e)	Insurance Companies	-	-	-
(f)	Foreign Institutional Investors	-	-	-
(g)	Foreign Venture Capital Investors	-	-	-
(h)	Any Other (specify)	-	-	-
	<b>Sub-Total (B) (1)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>2</b>	<b>Non-institutions</b>			
(a)	Bodies Corporate	36	36,108	0.23
(b)	Individuals			
I	Individual shareholders holding nominal share capital up to Rs. 1 lakh	3,048	4,72,934	2.96
II	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	5	32,86,638	20.54
(c)	Trusts	1	50	0.00
(c-i)	Non Resident Indians	349	2,03,073	1.27
(c-ii)	Clearing Members	3	858	0.00
(c-iii)	HUF	4	571	0.00
	<b>Sub-Total (B) (2)</b>	<b>3,446</b>	<b>40,00,232</b>	<b>25</b>
<b>(B)</b>	<b>Total Public Shareholding (B) = (B) (1) + (B) (2)</b>	<b>3,446</b>	<b>40,00,232</b>	<b>25</b>
	<b>Total (A) + (B)</b>	<b>3,446</b>	<b>1,60,00,000</b>	<b>100</b>
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>			
		-	-	-
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>3,448</b>	<b>1,60,00,000</b>	<b>100</b>

**6. Dematerialisation of Shares and Liquidity**

The total number of shares in dematerialised form as on 31st March, 2015 is 1,54,32,443 representing 96.45% of the total number of shares of the Company.

The equity shares of the Company are actively traded on the BSE.

**7. Address for Correspondence**

Shareholders correspondence should be addressed to:

Company	Registrar & Share Transfer Agents
The Company Secretary, Fomento Resorts and Hotels Limited, Unit: Cidade de Goa, Vainguinim beach, Dona Paula, Goa – 403004 Phone No.: 0832-2454545 Fax no.: 0832-2454542 Email: shareholders@cidadedegoa.com	Bigshare Services Private Limited Unit: Fomento Resorts and Hotels Limited E/2, Ansa Industrial Estate, Saki-Vihar Road, Sakinaka – Andheri (E), Mumbai – 400072 Phone No. 022-40430200 Fax No. 022-28475207 Email id: investor@bigshareonline.com

**Other useful information for Shareholders:**

- For expeditious transfer of shares, shareholders should fill in complete and correct particulars in the transfer deed.
- Shareholders of the Company who have multiple accounts in identical name(s) or holding more than one Share Certificate in the same name with different Ledger Folio(s) are requested to apply for consolidation of Folio(s) and send the relevant Share Certificates to the Registrar and Share Transfer Agents.
- Shareholders are requested to quote their e-mail id, telephone/ fax numbers to get prompt reply to their communication.

**M.D. & CEO / CFO CERTIFICATION**

The Board of Directors,  
Fomento Resorts and Hotels Limited.

We have reviewed the financial statements and the cash flow statement of Fomento Resorts and Hotels Limited for the year ended March 31st, 2015 and that to the best to our knowledge and belief, we state that;

- these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable law and regulations.
- There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operations of such internal controls, if any, of which we are aware and the steps we have taken or propose to take, to rectify these deficiencies.
- We have indicated to the Auditors and the Audit Committee:
  - Significant changes, if any, in the internal control over financial reporting during the year;
  - Significant changes, if any, in Accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
  - instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal controls system over financial reporting.

Yours sincerely,

**ANJU TIMBLO**  
MANAGING DIRECTOR & CEO

**M. A. HAJARE**  
CHIEF FINANCIAL OFFICER

Place: Vainguinim Beach – Goa  
Date: 30th May, 2015

## **AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To,  
The Members of Fomento Resorts and Hotels Limited

We have examined the compliance of conditions of Corporate Governance by Fomento Resorts and Hotels Limited, ("the Company") for the year ended on 31st March, 2015, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For **H. K. Aparanji**  
Chartered Accountants  
Firm Reg. No. 000199S

**(Mohan B. Pyati)**  
Partner  
Membership No. 203120

Place: Margao  
Dated: 30th May, 2015

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## **DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

I confirm that the Company has in respect of the financial year ended 31st March, 2015 received from all the members of the Senior Management of the Company and of the Board, a declaration of compliance with the code of conduct as provided under clause 49 of the Listing Agreement.

For **Fomento Resorts and Hotels Limited**

**Anju Timblo**  
Managing Director & CEO

Place: Vainguinim Beach- Goa  
Dated: 30th May, 2015



**Independent Auditors' Report****To the Members of  
Fomento Resorts and Hotels Limited****REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of Fomento Resorts and Hotels Limited ("the Company"), which comprise the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss and the 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 and presentation of these financial statements that give a true and fair view of 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 the Companies (Accounts) Rules, 2014. This responsibility also 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; and design, implementation and maintenance of adequate internal financial controls, that were 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.

**AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on these 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 thereunder.

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 the 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, and its profit and its cash flows for the year ended on that date.

**REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we enclose in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. As required by Section 143(3) of the Act, we 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, the 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 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 31st March, 2015 and taken

on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of section 164(2) of the Act; and

- f) With respect to the other matters to be included in the Independent Auditors Report in accordance with rule 11 of the Companies (Audit & Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The company has disclosed the impact of pending litigations on its financial statements – Refer Note 35 to the financial statements;
  - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For H. K. APARANJI**  
Chartered Accountants  
Firm Regn. No. 000199S

**MOHAN B. PYATI**  
Partner  
Membership No. 203120

Place: Margao-Goa  
Date: 30th May, 2015

**Annexure referred to in paragraph 1 of our report of even date to the Members of Fomento Resorts and Hotels Limited on the accounts of the Company for the year ended 31st March, 2015.**

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 considering the nature of fixed assets, the same have been physically verified by the Management at reasonable intervals during the year which in our opinion is reasonable. No material discrepancies were noticed on such verification.
- II. (a) The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- III. (a) 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 ('the Act').
- (b) Since the Company has not granted any loans as stated in clause III (a) of the order, clause (III)(b) of the order is not applicable.
- IV. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regard to the sale of goods and services. Further during the course of our audit, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in internal control system.
- V. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public as defined under sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Further, during the course of our audit we have neither come across nor have we been informed of any order passed

under the aforesaid Section by the Company Law Board or National Company Law Tribunal or RBI or any Court or any other Tribunal.

- VI. The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Companies Act, 2013 for the Company.
- VII. (a) The Company is regular in depositing with appropriate authorities undisputed Statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess, value added tax and other material statutory dues applicable to it. According to the information and explanations given to us, there are no undisputed amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty, excise duty, value added tax and cess which were outstanding as at 31st March, 2015 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, the following are the disputed statutory dues which have not been deposited on account of disputed matters pending before the appropriate authorities:

(₹ in lac)

Name of the Statute	Forum where dispute is Pending	Amount	Period to which the amount relates
1.Expenditure Tax Act	High Court of Bombay, Panaji Bench, Goa.	Rs.676.88	Assessment Year 1996-97 to 2002-03
2. Income Tax Act	Commissioner of Income Tax (Appeals), Panaji,-Goa.	Rs. 5.04	Assessment Year 2009-10
3. Income Tax Act	Commissioner of Income Tax (Appeals), Panaji,-Goa.	Rs.6.30	Assessment Year 2011-12
4.Income Tax Act	Commissioner of Income Tax (Appeals), Panaji,-Goa.	Rs.4.91	Assessment Year 2012-13

- (c) According to the information and explanations given to us the amount required to be transferred by the company to investor education and protection fund in accordance with the relevant provisions of the companies act, 1956 (1 of 1956) and rules made thereunder has been transferred to such fund within time.

- VIII. The Company has no accumulated losses. The Company has not incurred cash losses during the financial year covered by our report and in the immediately preceding financial year.
- IX. The Company has not taken any loan from Banks/Financial institutions/Debenture holders. Hence reporting under Clause (IX) of the order is not applicable.
- X. The Company has not given any guarantee for the loans taken by others from banks or financial institutions during the year. Hence, reporting under clause X of the order is not applicable.
- XI. The Company has not obtained any term loans. Therefore the provisions of clause XI of order are not applicable to the company.
- XII. During the course of our examination of the books of account carried out in accordance with generally accepted auditing practices, we have neither come across any instance of fraud on or by the Company nor have we been informed of any such case by the Management.

For **H. K. APARANJI**  
Chartered Accountants  
Firm Regn. No. 000199S

**MOHAN B. PYATI**  
Partner  
Membership No. 203120

Place: Margao-Goa  
Date: 30th May 2015

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## **AUDITOR'S REPORT ON QUARTERLY FINANCIAL RESULTS AND YEAR TO DATE OF THE COMPANY PURSUANT TO THE CLAUSE 41 OF LISTING AGREEMENT**

To,  
The Board of Directors of Fomento Resorts And Hotels Ltd.

We have audited the quarterly financial results of Fomento Resorts And Hotels Ltd for the quarter ended 31.03.2015 and the year to date results for the period 01/04/2014 to 31/03/2015 attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement except for the disclosure regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 which read with general circular 15/2013 dated 13th September 2013 and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

- i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and
- ii) give a true and fair view of the net profit and other financial information for the quarter ended 31.03.2015 as well as the year to date results for the period from 01/04/2014 to 31/03/2015.

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

**For H. K. APARANJI**  
Chartered Accountants  
Firm Regn. No. 000199S

**MOHAN B. PYATI**  
Partner  
Membership No. 203120

Place: Margao-Goa  
Date: 30th May 2015

**BALANCE SHEET AS AT 31ST MARCH 2015**

PARTICULARS	Note	As at 31st March, 2015 (Rs. In Lakhs)	As at 31st March, 2014 (Rs. In Lakhs)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	2	8,600.00	1,600.00
(b) Reserves and surplus	3	5,888.68	4,845.99
		<b>14,488.68</b>	<b>6,445.99</b>
<b>Non-current liabilities</b>			
(a) Long-term borrowings	4	1,772.81	2,887.36
(b) Deferred tax liability (Net)	5	423.17	313.33
(c) Other Long term liabilities	6	259.56	292.86
(d) Long term provisions	7	104.93	97.95
		<b>2,560.47</b>	<b>3,591.50</b>
<b>Current liabilities</b>			
(a) Trade payables	8	471.31	618.61
(b) Other current liabilities	9	667.87	591.84
(c) Short-term provisions	10	382.67	269.28
		<b>1,521.85</b>	<b>1,479.73</b>
	<b>TOTAL</b>	<b>18,571.00</b>	<b>11,517.22</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	11	4,124.11	3,819.32
(ii) Intangible Asset	11	19.38	25.05
(iii) Capital Work In Progress		5,425.31	2,620.50
(b) Non-current investments	12	0.10	0.10
(c) Long-term loans and advances	13	458.41	383.37
		<b>10,027.31</b>	<b>6,848.34</b>
<b>Current assets</b>			
(a) Inventories	14	185.09	198.46
(b) Trade receivables	15	439.76	553.54
(c) Cash and cash equivalents	16	7,502.65	3,548.36
(d) Short-term loans and advances	17	416.19	368.52
		<b>8,543.69</b>	<b>4,668.88</b>
	<b>TOTAL</b>	<b>18,571.00</b>	<b>11,517.22</b>
<i>Significant Accounting Policies</i>	1		

Note: The accompanying notes form an integral part of accounts.

As per our report of even date

For and on behalf of Board of Directors

For **H. K. Aparanji**

Chartered Accountants  
Firm Reg. No 000199S

**Mohan B. Pyati**

Partner  
MNO. 203120

Place : Margao-Goa  
Date : 30th May, 2015

**Anju Timblo**

Managing Director & CEO

**Asmeeta Matondkar**

Company Secretary

Place : Vainguinim Beach- Goa  
Date : 30th May, 2015

**Apoorva Misra**

Director

**M. A. Hajare**

Chief Financial Officer

Place : Vainguinim Beach- Goa  
Date : 30th May, 2015

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015**

PARTICULARS	Note	Current year (Rs. In Lakhs)	Previous year (Rs. In Lakhs)
I. Revenue from operations	<b>18</b>	5,447.48	4,973.89
II. Other income	<b>19</b>	640.49	459.71
<b>III. Total Revenue (I + II)</b>		<b>6,087.97</b>	<b>5,433.60</b>
<b>IV. EXPENDITURE</b>			
Cost of food and beverage and supplies consumed	<b>20</b>	638.76	718.27
Employee benefits expense	<b>21</b>	1,165.65	1,004.32
Operating expenses	<b>22</b>	1,057.85	978.16
Finance costs	<b>23</b>	59.50	22.02
Depreciation and Amortisation	<b>11</b>	364.44	372.04
Administration and Other expenses	<b>24</b>	1,135.41	1,026.92
<b>Total expenses</b>		<b>4,421.61</b>	<b>4,121.73</b>
V. Profit before exceptional and extraordinary item and tax (III-IV)		<b>1,666.36</b>	<b>1,311.87</b>
VI. Exceptional Item	<b>25</b>	394.52	
<b>VII Profit Before Tax</b>		<b>2,060.88</b>	<b>1,311.87</b>
VIII Tax expense	<b>26</b>	720.12	496.16
<b>IX Profit After Tax (VII-VIII)</b>		<b>1,340.76</b>	<b>815.71</b>
X Earnings per equity share:	<b>27</b>		
(1) Basic and diluted (before exceptional item)(Rs.)		6.14	5.10
(2) Basic and diluted (after exceptional item) (Rs.)		7.75	5.10
Significant Accounting Policies	<b>1</b>		

Note: The accompanying notes form an integral part of accounts.

As per our report of even date

For and on behalf of Board of Directors

For **H. K. Aparanji**

Chartered Accountants  
Firm Reg. No 000199S

**Mohan B. Pyati**

Partner  
MNO. 203120

Place : Margao-Goa  
Date : 30th May, 2015

**Anju Timblo**

Managing Director & CEO

**Asmeeta Matondkar**

Company Secretary

Place : Vainguinim Beach- Goa  
Date : 30th May, 2015

**Apoorva Misra**

Director

**M. A. Hajare**

Chief Financial Officer

Place : Vainguinim Beach- Goa  
Date : 30th May, 2015

## NOTES ANNEXED TO AND FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2015.

### NOTE - 1

#### ACCOUNTING POLICIES:

##### Basis of preparation

The financial statements of the Company are prepared under the historical cost convention on accrual basis of accounting in all material respects in accordance with the applicable accounting standards and the provisions of the Companies Act, 1956. The accounting policies have been consistently applied by the Company during the year.

Significant Accounting Policies adopted in the preparation and presentation of accounts is as under:

##### A) FIXED ASSETS:

Fixed Assets are valued at cost less accumulated depreciation/amortisation.

##### B) DEPRECIATION:

a) In respect of Fixed assets acquired during the year, depreciation is charged on straight line method based on the life assigned to each asset in accordance with Schedule II of the Companies Act, 2013 and for the assets acquired prior to 01.04.2014 the carrying amount as on 01.04.2014 is depreciated over the remaining useful life as specified in Schedule II of the Companies Act, 2013.

b) Intangible Asset is amortised on straight line basis over the period of sixty months

##### C) INVESTMENTS:

Investments are stated at cost.

##### D) INVENTORY:

Inventory of Stores & Spares, Food & Beverages is valued at cost and method of valuation adopted is "Moving Weighted Average" method.

##### E) RETIREMENT BENEFITS:

Retirement benefits to employees are provided by way of contribution to Provident Fund, Superannuation Fund & Gratuity. Contribution for Gratuity is made on actuarial valuation to Fomento Resorts & Hotels Ltd Employees

Gratuity Trust and Superannuation contributions are made to Fomento Resorts and Hotels Ltd Superannuation Fund. Both the funds are maintained with HDFC Standard Life Insurance Company Ltd.

##### F) FOREIGN CURRENCY TRANSACTIONS:

Transactions in Foreign Currency are recorded at the rates of exchange in force at the time the transactions are effected. Exchange differences arising on realisation of foreign currency are accounted at the time of realisation. Foreign currency assets and liabilities are translated into rupees at the exchange rate prevailing at the Balance Sheet date.

##### G) REVENUE RECOGNITION:

Revenue is recognised at the time the bills are raised on customers and there exist no significant uncertainty as to determination or realisation of debts.

##### H) BORROWING COST:

Borrowing costs that are directly attributable to the acquisition and construction of qualifying assets are capitalised.

##### I) SEGMENT REPORTING:

The Company is presently operating only one integrated hotel business at Goa namely, Cidade de Goa. The entire operation is governed by the same set of risk and returns and hence the same has been considered as representing a single segment. The said treatment is in accordance with the guiding principles enunciated in Accounting Standard 17 (AS-17).

##### J) TAXES ON INCOME:

Provision for Income tax is made on the basis of tax liability computed in accordance with relevant tax rates and tax laws. Provision for deferred tax has been made as per Accounting Standard 22 (AS-22). Deferred tax assets are recognised only if there is reasonable certainty that they will be realised and are reviewed for the appropriateness of their respective carrying values at each Balance sheet date.

**NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31.03.2015**

PARTICULARS	As at 31.03.2015 (Rs. In Lakhs)	As at 31.03.2014 (Rs. In Lakhs)
<b>NOTE - 2</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised :</b>		
30,000,000 (Previous year : 30,000,000)		
Equity Shares of Rs 10 each	3,000	3,000
7,000,000 (Previous year : 7,000,000)		
Redeemable Preference Shares of Rs 100 each	7,000	7,000
	<b>10,000</b>	<b>10,000</b>
<b>Issued, subscribed and paid-up :</b>		
16,000,000 (Previous year : 16,000,000)		
Equity Shares of Rs 10 each, fully paid-up	1,600	1,600
7,000,000 (Previous year : Nil)		
Redeemable Preference Shares of Rs 100 each	7,000	--
<b>TOTAL</b>	<b>8,600</b>	<b>1,600</b>

**(a) Reconciliation of number of shares**

Particulars	As at 31st March 2015		As at 31st March, 2014	
	Number of shares	Amount	Number of shares	Amount
Equity Shares				
Opening Balance	16,000,000	160,000,000	16,000,000	160,000,000
Changes during the year	--	--	--	--
Closing Balance	16,000,000	160,000,000	16,000,000	160,000,000
Preference Shares				
Opening Balance	--	--	--	--
Shares Allotted during the year	7,000,000	700,000,000	--	--
Closing Balance	7,000,000	700,000,000	--	--

**(b) Right, preferences and restrictions attached to shares:****Equity Shares**

The Company has one class of equity shares having par value of Rs.10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend.

**Preference Shares**

7.5% redeemable cumulative preference shares would be redeemable at par after 5 years from the date of allotment i.e. 10th January 2015. These shares would carry a fixed dividend of 7.5% p.a. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.



**NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31.03.2015**

(c) Details of shareholders holding more than 5 % shares along with the number of Shares held is as under :

**i) Equity Shareholders**

Name of the Shareholders	As at 31st March, 2015		As at 31st March, 2014	
	%	Number of shares	%	Number of shares
Anju Timblo	61.80	98,87,629	61.80	98,87,629
Auduth Timblo	13.20	21,12,139	13.20	21,12,139
Ajmera S Jayantilal	5.11	8,17,100	5.11	8,17,100
Siddharth S Ajmera	5.11	8,17,100	5.11	8,17,100
Dhanesh S Ajmera	5.11	8,17,100	5.11	8,17,100
Ajmera S Jayantilal	5.11	8,17,100	5.11	8,17,100

**ii) Preference Shareholders**

Name of the Shareholders	As at 31st March, 2015		As at 31st March, 2014	
	%	Number of shares	%	Number of shares
Fomento Resources Private Limited	100.00	7,000,000	--	--

PARTICULARS	As at 31.03.2015 (Rs. In Lakhs)	As at 31.03.2014 (Rs. In Lakhs)
<b>NOTE - 3</b>		
<b>RESERVES AND SURPLUS</b>		
<b>CAPITAL RESERVE</b>	2.21	2.21
<b>CAPITAL INVESTMENT SUBSIDY</b>	15.00	15.00
<b>GENERAL RESERVE</b>		
Opening Balance	635.98	554.41
<b>Add:</b> Transferred from surplus	134.08	81.57
<b>Closing Balance</b>	<b>770.06</b>	<b>635.98</b>
<b>SURPLUS</b>		
Opening Balance	4,192.80	3,645.85
<b>Add :</b> Net Profit for the year	1,340.76	815.71
	<b>5,533.56</b>	<b>4,461.56</b>
<b>Appropriations :</b>		
Transfer to general reserve	134.08	81.57
Proposed dividend on Equity	160.00	160.00
Proposed dividend on Cumulative Preference Shares	84.00	--
Tax on Proposed Dividend	49.67	27.19
Additional Depreciation on Fixed Assets	4.40	--
Total appropriations	<b>432.15</b>	<b>268.76</b>
<b>Closing Balance</b>	<b>5,101.41</b>	<b>4,192.80</b>
<b>TOTAL</b>	<b>5,888.68</b>	<b>4,845.99</b>
<b>NOTE - 4</b>		
<b>LONG TERM BORROWINGS</b>		
<b>UNSECURED</b>		
( From companies in which some of the Directors / Members are common )	1,772.81	2,887.36
<b>TOTAL</b>	<b>1,772.81</b>	<b>2,887.36</b>

**NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31.03.2015**

PARTICULARS	As at 31.03.2015 (Rs. In Lakhs)	As at 31.03.2014 (Rs. In Lakhs)
<b>NOTE - 5</b>		
<b>DEFERRED TAX LIABILITY (NET)</b>		
Depreciation	459.48	346.62
Gratuity	(36.31)	(33.29)
<b>TOTAL</b>	<b>423.17</b>	<b>313.33</b>
<b>NOTE - 6</b>		
<b>OTHER LONG TERM LIABILITIES</b>		
Trade Payables	10.18	4.95
Deposits	213.37	206.27
Other Payables	4.18	54.18
Unpaid Salaries & Bonus	31.83	27.46
<b>TOTAL</b>	<b>259.56</b>	<b>292.86</b>
<b>NOTE - 7</b>		
<b>LONG TERM PROVISIONS</b>		
Gratuity Provision	104.93	97.95
<b>TOTAL</b>	<b>104.93</b>	<b>97.95</b>
<b>NOTE - 8</b>		
<b>TRADE PAYABLES</b>		
Trade Payables	261.74	258.44
Creditors for Capital goods	209.57	360.17
<b>TOTAL</b>	<b>471.31</b>	<b>618.61</b>
<i>Note: Based on the information available with the company, there are no dues to micro and small enterprises under the 'micro, small and medium enterprises Act'.</i>		
<b>NOTE - 9</b>		
<b>OTHER CURRENT LIABILITIES</b>		
<b>Accrued Salaries &amp; Benefits</b>		
Salaries & Benefits	68.20	62.56
Bonus & Incentives	18.98	17.47
<b>Other Liabilities</b>		
Expenses Payables	68.97	33.75
IEPF - Unclaimed Dividend	16.67	17.78
Statutory dues	100.74	96.18
Advance from Customers	241.27	232.51
Unpresented Cheques	149.55	118.12
Other payables	3.49	13.47
<b>TOTAL</b>	<b>667.87</b>	<b>591.84</b>
<b>NOTE - 10</b>		
<b>SHORT TERM PROVISIONS</b>		
<b>Other Provisions</b>		
Provision for Income Tax (Net of Advances)	89.00	82.09
Proposed dividend	244.00	160.00
Tax on proposed dividend	49.67	27.19
<b>TOTAL</b>	<b>382.67</b>	<b>269.28</b>

**NOTE 11:**  
**SCHEDULE OF FIXED ASSETS ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2015**  
**(Rs. In Lakhs)**

SR NO	PARTICULARS	AT COST			DEPRECIATION				NET BLOCK		
		AS ON 4/1/2014	Additions	Deletions	AS ON 3/31/2015	UPTO 4/1/2014	For The Year	Deletions/ Written Back	UPTO 3/31/2015	AS ON 3/31/2015	AS ON 3/31/2014
<b>A</b>	<b>TANGIBLE ASSETS</b>										
<b>1</b>	<b>LAND FREE HOLD: LEASING DIVISION HOTEL DIVISION</b>	2.88 120.30	-- --	-- --	2.88 120.30	-- --	-- --	-- --	-- --	2.88 120.30	2.88 120.30
<b>2</b>	<b>BUILDING: LEASING DIVISION HOTEL DIVISION</b>	10.57 3,107.93	-- --	-- --	10.57 3,107.93	8.02 731.84	0.06 49.23	-- --	8.08 781.07	2.48 2,326.86	2.55 2,376.09
<b>3</b>	<b>PLANT &amp; MACHINERY</b>	2,893.54	162.31	51.41	3,004.44	1,842.26	127.78	77.53	1,892.51	1,111.93	1,051.28
<b>4</b>	<b>FURNITURE &amp; FITTINGS</b>	1,485.32	138.81	10.67	1,613.46	1,416.88	108.44	344.17	1,181.15	432.31	68.44
<b>5</b>	<b>VEHICLES</b>	275.30	--	13.12	262.18	181.62	33.52	11.66	203.48	58.70	93.68
<b>6</b>	<b>OFFICE EQUIPMENT</b>	17.19	3.75	--	20.94	2.32	4.11	--	6.43	14.52	14.88
<b>7</b>	<b>COMPUTERS</b>	271.87	4.93	--	276.80	200.16	37.19	--	237.35	39.45	71.71
<b>8</b>	<b>MOTOR BUSES</b>	23.44	--	--	23.44	5.92	2.84	--	8.76	14.68	17.51
	<b>TOTAL</b>	<b>8,208.34</b>	<b>309.80</b>	<b>75.20</b>	<b>8,442.94</b>	<b>4,389.02</b>	<b>363.17</b>	<b>433.36</b>	<b>4,318.83</b>	<b>4,124.11</b>	<b>3,819.32</b>
<b>B</b>	<b>INTANGIBLE ASSETS</b>										
<b>1</b>	<b>SOFTWARE</b>	28.36	--	--	28.36	3.31	5.67	--	8.98	19.38	25.05
	<b>TOTAL</b>	<b>28.36</b>	<b>--</b>	<b>--</b>	<b>28.36</b>	<b>3.31</b>	<b>5.67</b>	<b>--</b>	<b>8.98</b>	<b>19.38</b>	<b>25.05</b>
	<b>GRAND TOTAL</b>	<b>8,236.70</b>	<b>309.80</b>	<b>75.20</b>	<b>8,471.30</b>	<b>4,392.33</b>	<b>368.84</b>	<b>433.36</b>	<b>4,327.81</b>	<b>4,143.49</b>	<b>3,844.37</b>
	<b>PREVIOUS YEAR</b>	<b>8,041.88</b>	<b>242.70</b>	<b>47.88</b>	<b>8,236.70</b>	<b>4,047.57</b>	<b>372.04</b>	<b>27.27</b>	<b>4,392.33</b>	<b>3,844.37</b>	<b>3,994.32</b>

NOTES: 1. Building (Hotel division) includes Rs. 500/- being the cost of shares in Housing Co-operative society representing ownership rights in residential flats.

2. Amount of Rs.4,39,574/- included under the column depreciation for the year represents adjustment made to opening balance of retained earnings relating to carrying value of assets whose economic life has already been completed as prescribed in the Schedule II of the Companies Act, 2013.

**NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31.03.2015**

PARTICULARS	As at 31.03.2015 (Rs. In Lakhs)	As at 31.03.2014 (Rs. In Lakhs)
<b>NOTE - 12</b>		
<b>NON CURRENT INVESTMENT</b>		
<b>LONG TERM INVESTMENTS - AT COST</b>		
<b>Other Investments (Unquoted)</b>		
Investment in Saraswat Cooperative Bank Shares (1,000 shares of Saraswat Cooperative Bank Limited at Rs. 10/- each)	0.10	0.10
<b>TOTAL</b>	<b>0.10</b>	<b>0.10</b>
<b>NOTE - 13</b>		
<b>LONG TERM LOANS AND ADVANCES</b>		
<b>Unsecured considered good</b>		
Capital Advances	204.09	133.05
Security deposits	38.57	31.01
Advances with Government Authorities	134.06	147.62
Interest Accrued	36.00	25.71
Prepaid Expenses	12.32	12.39
Advance to Others	33.37	33.59
<b>TOTAL</b>	<b>458.41</b>	<b>383.37</b>
<b>NOTE - 14</b>		
<b>INVENTORIES (AT COST)</b>		
Raw materials	53.78	64.40
Stores & Spares	131.31	134.06
<b>TOTAL</b>	<b>185.09</b>	<b>198.46</b>
<b>NOTE - 15</b>		
<b>TRADE RECEIVABLES</b>		
<b>Unsecured considered good</b>		
Outstanding over six months	101.02	113.50
Others Debts	338.74	440.04
<b>TOTAL</b>	<b>439.76</b>	<b>553.54</b>
<b>NOTE - 16</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
<b>A. Cash and Bank Balances</b>		
Cash in Hand	8.09	8.19
Cheques on Hand	4.27	2.34
<b>Balances with scheduled banks (Refer Note 1)</b>		
in current accounts	287.17	185.42
in exchange earner's foreign currency account	0.92	4.12
in unclaimed dividend account	16.67	17.78
<b>B. Other Bank Balances (Refer Note 2 &amp; 3)</b>		
Deposits with Banks	7,185.53	3,330.51
<b>TOTAL</b>	<b>7,502.65</b>	<b>3,548.36</b>

**NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31.03.2015****Notes :**

1. Unclaimed dividend for a period of 7 years will be transferred to IEPF as per provision of section 124 of the Companies Act, 2013
2. Other bank balances include Rs 43 Lakhs (Previous year: Rs 38 Lakhs) representing margin money for bank guarantees issued by bank
3. Fixed Deposits with banks having a maturity period of more than 12 months Rs.221.25 Lakhs (Previous Year: Rs. 1046.97 Lakhs)

PARTICULARS	As at 31.03.2015 (Rs. In Lakhs)	As at 31.03.2014 (Rs. In Lakhs)
<b>NOTE - 17</b>		
<b>SHORT TERM LOANS AND ADVANCES</b>		
<b>Other Loans &amp; Advances</b>		
<b>Unsecured, considered good</b>		
Claims Receivable	5.73	3.93
Advance to Suppliers	21.86	8.90
Interest Accrued	235.77	159.40
Loans to Employees	6.82	1.45
Advances with Government Authorities	46.61	83.43
Other Advances	--	11.70
Unpresented Cheques	59.67	31.13
Prepaid Expenses	39.73	68.58
<b>TOTAL</b>	<b>416.19</b>	<b>368.52</b>
<b>NOTE - 18</b>		
<b>REVENUE FROM OPERATIONS</b>		
(a) Sale of Room Nights	3,368.42	3,074.57
(b) Food and Beverage	1,666.33	1,502.93
(c) Wine and Liquor	202.51	194.84
(d) Other Operational Revenue	210.22	201.55
<b>TOTAL</b>	<b>5,447.48</b>	<b>4,973.89</b>
<b>NOTE - 19</b>		
<b>OTHER INCOME</b>		
(a) Interest Income	372.20	263.40
(b) Dividend Income	0.01	0.01
(c) License Fees	166.77	153.65
(d) Gain on foreign exchange transactions (Net)	18.70	16.02
(e) Scrap Sale	7.62	8.70
(f) Other Income	38.30	10.65
(g) Profit on sale of Asset	--	7.28
(h) Prior Period Income (Net)	36.89	--
<b>TOTAL</b>	<b>640.49</b>	<b>459.71</b>

**NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31.03.2015**

PARTICULARS	As at 31.03.2015 (Rs. In Lakhs)	As at 31.03.2014 (Rs. In Lakhs)
<b>NOTE - 20</b>		
<b>COST OF FOOD AND BEVERAGE AND SUPPLIES CONSUMED</b>		
<b>A. FOOD &amp; BEVERAGES</b>		
Opening Stock	64.40	54.89
Add : Purchases	407.93	419.23
	472.33	474.12
Less : Closing Stock	53.78	64.40
<b>(A)</b>	<b>418.55</b>	<b>409.72</b>
<b>B. STORES &amp; SUPPLIES</b>		
Opening Stock	134.06	252.76
Add : Purchases	217.46	189.85
	351.52	442.61
Less : Closing Stock	131.31	134.06
<b>(B)</b>	<b>220.21</b>	<b>308.55</b>
<b>TOTAL (A+B)</b>	<b>638.76</b>	<b>718.27</b>
<b>NOTE - 21</b>		
<b>EMPLOYEE BENEFIT EXPENSES</b>		
(a) Salaries and Allowances	960.72	798.21
(b) Company's Contribution to Provident Fund and other Funds	53.87	51.47
(c) Gratuity, Bonus, Medical, Recruitment and Training	148.14	152.51
(d) Staff Welfare	2.92	2.13
<b>TOTAL</b>	<b>1,165.65</b>	<b>1,004.32</b>
<b>NOTE - 22</b>		
<b>OPERATING EXPENSES</b>		
(a) Hire Charges of Lighting	46.09	40.81
(b) Power, Fuel, Light and Water Charges	374.49	344.91
(c) Repairs and Maintenance		
1) Repairs To Building	337.13	298.43
2) Repairs To Machinery	82.23	85.28
(d) Laundry Expenses	103.49	99.74
(e) Freight Expenses	5.21	5.56
(f) Band, Music, Decoration and Horticulture	109.21	103.43
<b>TOTAL</b>	<b>1,057.85</b>	<b>978.16</b>
<b>NOTE - 23</b>		
<b>FINANCE COST</b>		
(a) Interest - Others	30.88	0.25
(b) Bank Charges and Commission	28.62	21.77
<b>TOTAL</b>	<b>59.50</b>	<b>22.02</b>

**NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31.03.2015**

<b>PARTICULARS</b>	<b>As at 31.03.2015 (Rs. In Lakhs)</b>	<b>As at 31.03.2014 (Rs. In Lakhs)</b>
<b>NOTE - 24</b>		
<b>ADMINISTRATION AND OTHER EXPENSES</b>		
(a) Other Repairs and Maintenance	111.78	54.89
(b) Security Expenses	86.91	81.90
(c) Postage and Telephone	13.66	14.26
(d) Advertising and Sales Promotion	208.01	208.30
(e) Legal and Consultancy Fees	166.29	140.70
(f) Insurance	41.82	38.61
(g) Director Sitting Fees	3.96	2.05
(h) Auditor Remuneration		
1) Audit Fees	4.95	4.78
2) Tax Audit Fees	1.50	1.45
3) Other Capacity	0.31	0.28
4) Out Of Pocket Expenses	0.83	0.85
(i) Rent, Rates and Taxes	38.79	76.29
(j) Travelling and Conveyance	107.41	132.03
(k) Prior Period Expenses (Net)	--	5.67
(l) Miscellaneous Expenses	50.11	48.45
(m) Bad Debts Written Off	18.23	--
(n) Commission	241.02	216.41
(o) Loss on Sale of Asset	17.33	--
(p) Contribution towards CSR (Refer Note No.41)	22.50	--
<b>TOTAL</b>	<b>1,135.41</b>	<b>1,026.92</b>
<b>NOTE - 25</b>		
<b>EXCEPTIONAL ITEMS</b>		
Excess Provision of Depreciation Written Back	394.52	--
<b>TOTAL</b>	<b>394.52</b>	<b>--</b>
<b>NOTE - 26</b>		
<b>TAX EXPENSE</b>		
(a) Current Tax	604.00	482.09
(b) Deferred Tax	(26.70)	(11.40)
(c) Deffered Tax Charge on Exceptional Item	136.54	--
(d) Earlier Year Tax	6.28	25.47
<b>TOTAL</b>	<b>720.12</b>	<b>496.16</b>

**27. Earnings Per Share:****a) Before Exceptional Item and Deferred Tax effect thereon:**

PARTICULARS	As at 31st March 2015 (Rs. In Lakhs)	As at 31st March 2014 (Rs. In Lakhs)
Net Profit / (Loss) before exceptional items and deferred tax thereon	1,082.77	815.71
Less: Preference dividend (including dividend distribution Tax)	101.10	---
Amount available for equity shareholders	981.67	815.71
Weighted average number of shares	160.00	160.00
E.P.S. (basic and diluted) – In Rupees	6.14	5.10

**b) After Exceptional Item and Deferred Tax effect thereon:**

PARTICULARS	As at 31st March 2015 (Rs. In Lakhs)	As at 31st March 2014 (Rs. In Lakhs)
Net Profit / (Loss) after exceptional items and deferred tax thereon	1,340.76	815.71
Less: Preference dividend (including dividend distribution Tax)	101.10	---
Amount available for equity shareholders	1,239.66	815.71
Weighted average number of shares	160.00	160.00
E.P.S. (basic and diluted) – In Rupees	7.75	5.10

28. Sundry Debtors include an amount of Rs.74.67 Lakhs (Previous Year Rs. 74.67 Lakhs) due from a company in which one of the Director is common.

**29. Components of deferred tax asset / (liabilities) are as under:**

PARTICULARS	As at 31st March 2015 (Rs. In Lakhs)	As at 31st March 2014 (Rs. In Lakhs)
Depreciation	(459.48)	(346.62)
Gratuity	36.31	33.29
<b>Total</b>	<b>(423.17)</b>	<b>(313.33)</b>

**30. Value of imports calculated on C.I.F. basis:**

	PARTICULARS	As at 31st March 2015 (Rs. In Lakhs)	As at 31st March 2014 (Rs. In Lakhs)
i)	Components & Stores	6.91	21.06
ii)	Capital Goods	134.75	58.88
iii)	Capital Goods (Projects)	82.78	---

**31. Expenditure in foreign currency: (on payment basis)**

	PARTICULARS	As at 31st March 2015 (Rs. In Lakhs)	As at 31st March 2014 (Rs. In Lakhs)
i)	Foreign Travel	2.40	0.52
ii)	Sales Promotion Expenses / Advertisement/ Commission	22.84	12.07
iii)	Foreign Travel (Projects)	4.91	---
iv)	Professional Fees (Projects)	94.46	---



**32. Value of raw material consumed:**

PARTICULARS	As at 31st March 2015 (Rs. In Lakhs)		As at 31st March 2014 (Rs. In Lakhs)	
	Amount	%	Amount	%
<b>A) Food &amp; Beverage</b>				
i) Imported (locally procured)	40.43	10	39.20	10
ii) Indigenous	378.12	90	370.52	90
<b>Total</b>	<b>418.55</b>	<b>100</b>	<b>409.72</b>	<b>100</b>
<b>B) Stores, Supplies &amp; Spare parts</b>				
i) Imported	6.91	3	5.24	2
ii) Indigenous	213.30	97	303.31	98
<b>Total</b>	<b>220.21</b>	<b>100</b>	<b>308.55</b>	<b>100</b>

**33. Earnings in Foreign Exchange:**

PARTICULARS	As at 31st March 2015 (Rs. In Lakhs)	As at 31st March 2014 (Rs. In Lakhs)
Hotel Receipts (as reported by the company to the Department of Tourism, Govt. of India)	799.20	732.99

**34. The estimated amount of contracts remaining to be executed on Capital Account not provided for is Rs.1,836.51 Lakhs (Previous Year 3,496.16 Lakhs )**

**35. Contingent Liabilities:**

- Claims against the company not acknowledged as debt: Rs.35.38 Lakhs (Previous year: 35.38 Lakhs)
- Other monies for which the Company is contingently liable:

PARTICULARS	As at 31st March 2015 (Rs. In Lakhs)	As at 31st March 2014 (Rs. In Lakhs)
(i) Disputed Expenditure Tax Liability	676.88	676.88
(ii) Bank Guarantee	43.00	38.00
(iii) Income Tax	16.25	11.34
(iv) Disputed ESIC claim	33.35	33.35
(v) Disputed Claims Others	52.59	---

36. The Company has not recognized any loss on impairment in respect of assets of the Company as required in terms of Accounting Standard 28 on "Impairment of assets", since in the opinion of the management the reduction in value of any assets, to the extent required, has already been provided for in the books.

**37. Related Party Disclosures:****(A) Particulars of Subsidiary / Associate Companies**

Name of the Related Party	Nature of Relationship
(i) Sociedade de Fomento Industrial Pvt. Ltd. (SFI)	Associate Company
(ii) Shelvona Riverside Rail Terminal Ltd (SRRT)	Associate Company
(iii) Infrastructure Logistics Pvt. Ltd. (ILPL)	Associate Company
(iv) Marmugao Maritima Limited (MML)	Associate Company
(v) Fomento Resources Pvt Ltd. (FRPL) [Refer note below ]	Associate Company

**(B) Key Management Personnel:**

Name of the Related Party	Nature of Relationship
(i) Mrs. Anju Timblo	Managing Director
(ii) Mr. Auduth Timblo	Director
(iii) Mr. M.A. Hajare	CFO (w.e.f 1st Sept 2014)
(iv) Mrs. Asmeeta Matondkar	Company Secretary

**(C) Relatives of Key Management Personnel – Mr. Akash Timblo****(D) Details of transactions relating to (A), (B) and (C) referred above:***Rs.in lakhs*

Particulars	Associates					Key Management Personnel	Relative of Key Management Personnel
	SFI	SRRT	ILPL	MML	FRPL		
Sale of Service (Room, Food, Beverages and other services)	105.99 (94.77)	---	5.94 (7.21)	---	3.18 (22.77)	---	---
Remuneration	---	---	---	---	---	66.84 (40.32)	11.91 (11.91)
Sharing of expenses (Net)	80.51 (29.58)	---	15.75 (9.23)	---	1.02 (19.00)	---	---
Interest	---	---	---	---	244.35 (116.90)	---	---
Loan Repaid / (Taken) (Net)	---	---	---	---	1300 (1050)	---	---
Outstanding current account balance receivable / (payable)	14.81 (41.29)	---	5.69 9.14	74.67 74.67	3.59 (6.56)	---	---

The figures in brackets represent previous year's figures.

Note: Prime Mineral Exports Private Limited (PMEPL) and Fomento (Karnataka) Mining Company Private Limited (FKPL) are merged with Fomento Resources Private Limited (FRPL) w.e.f. 01.04.2013 vide order of the Honourable High Court of Bombay at Panaji dated 28.01.2015. The transactions entered into with PMEPL and FKPL are therefore merged and shown as transaction with FRPL.

**38. Details of Gratuity Plan :****Amount recognised in Balance Sheet**

PARTICULARS	As at 31st March 2015 (Rs. In Lakhs)	As at 31st March 2014 (Rs. In Lakhs)
Present Value of Funded Obligations	337.19	272.66
Fair Value of Plan Assets	(232.26)	(174.70)
<b>Net Liability recognised in the Balance Sheet</b>	<b>104.93</b>	<b>97.96</b>

**Expenses recognised in the Profit & Loss Account**

PARTICULARS	As at 31st March 2015 (Rs. In Lakhs)	As at 31st March 2014 (Rs. In Lakhs)
Current Service Cost	13.16	12.68
Interest on Defined Benefit Obligation	24.73	19.43
Expected Return on Plan Assets	(15.20)	(16.03)
Net Actuarial (Gains) / Losses	23.98	23.34
<b>Net Expenses recognised in the Profit &amp; Loss Account</b>	<b>46.67</b>	<b>39.42</b>

**Reconciliation of Defined Benefit Obligation**

<b>PARTICULARS</b>	<b>As at 31st March 2015 (Rs. In Lakhs)</b>	<b>As at 31st March 2014 (Rs. In Lakhs)</b>
Opening Defined benefit Obligation	272.66	242.85
Current Service Cost	13.16	12.68
Interest Cost	24.73	19.43
Actuarial (Gains ) / Losses	49.77	20.61
Benefits Paid	(23.13)	(22.91)
Closing Defined Benefit Obligation	337.19	272.66

**Reconciliation of Fair Value of Plan Assets**

<b>PARTICULARS</b>	<b>As at 31st March 2015 (Rs. In Lakhs)</b>	<b>As at 31st March 2014 (Rs. In Lakhs)</b>
Opening Fair Value of Plan Assets	174.70	184.31
Expected Return on Plan Assets	15.20	16.03
Actuarial Gains / ( Losses)	25.79	(2.73)
Contributions by Employer	39.70	---
Benefits Paid	(23.13)	(22.91)
Closing Fair Value of Plan Assets	232.26	174.70

**Description of Plan Assets**

<b>PARTICULARS</b>	<b>As at 31st March 2015 (%)</b>	<b>As at 31st March 2014 (%)</b>
Insurer Managed Fund	100%	100%

**Summary of Actuarial Assumptions**

<b>PARTICULARS</b>	<b>As at 31st March 2015 (%)</b>	<b>As at 31st March 2014 (%)</b>
Discount rate	7.96%	9.07%
Expected rate of return on Assets	7.96%	8.70%
Salary Escalation Rate	8.00%	7.00%

39. The company has made application for compounding of offence under section 621A read with section 297(1) of the Companies Act, 1956 in respect of service contract entered into with a Private Limited company for the period from 1st April to 30th June 2010, for which prior approval of the Central Government was not obtained.

40. Balances in Trade receivables, Trade payables and Loans & advances are subject to confirmation.

**41. Corporate Social Responsibility**

As per Section 135 of the Companies Act, 2013, a corporate social responsibility (CSR) committee has been formed by the Company. The areas for CSR activities are promoting education, art and culture, healthcare and destitute care. The funds were made available through a charitable trust i.e. "Ashiyana" and utilized throughout the year on these activities which are specified in Schedule VII of the Companies Act, 2013.

42. Previous year's figures have been regrouped and rearranged wherever necessary to conform to the current year's figures.

Notes 1 to 42 form an integral part of the Balance Sheet and Statement of Profit and Loss.

**As per our report of even date**

**For and on behalf of Board of Directors**

For **H. K. Aparanji**

Chartered Accountants

Firm Reg. No 000199S

**Anju Timblo**

Managing Director & CEO

**Apoorva Misra**

Director

**Mohan B. Pyati**

Partner

MNO. 203120

**Asmeeta Matondkar**

Company Secretary

**M. A. Hajare**

Chief Financial Officer

Place : Margao-Goa

Date : 30th May, 2015

Place : Vainguinim Beach- Goa

Date : 30th May, 2015

Place : Vainguinim Beach- Goa

Date : 30th May, 2015

## CASH FLOW STATEMENT

PARTICULARS	As at 31st March 2015 (Rs. In Lakhs)	As at 31st March 2014 (Rs. In Lakhs)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit (Net Loss) before tax & Extra-ordinary items	1,666.36	1,311.87
<b>Adjustment for:</b>		
Depreciation	364.44	372.04
Interest/Dividend received	(372.20)	(263.40)
Interest and financial charges	59.50	22.02
(Profit) / Loss on Sale of Asset	17.33	(7.28)
(Gain ) / Loss on sale /discard of assets	--	--
<b>Operating Profit before working Capital changes</b>	<b>1,735.43</b>	<b>1,435.25</b>
<b>Adjustments for</b>		
Trade & Other Receivables	9.02	(33.80)
Inventories	13.37	109.20
Loans and Advances and Trade payable	(97.61)	321.22
<b>Cash generated from Operations</b>	<b>1,660.21</b>	<b>1,831.87</b>
Income Tax paid (Net)	(534.66)	(420.47)
<b>Cash flow before Extra-ordinary items</b>	<b>1,125.55</b>	<b>1,411.40</b>
Net Cash from Operating Activities (A)	<b>1,125.55</b>	<b>1,411.40</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(3,114.61)	(2,163.07)
Sale/ Discard of Fixed Assets	19.03	27.88
Interest received	285.55	149.74
Dividend Received	0.01	0.01
Net Cash used for Investing Activities (B)	<b>(2,810.02)</b>	<b>(1,985.44)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long Term Borrowings	(1,114.55)	1,155.21
Interest / Bank Charges	(59.50)	(22.02)
Dividend Paid	(160.00)	(160.00)
Tax on Dividend	(27.19)	(27.19)
Preference Shares Issued	7,000.00	--
Net Cash from Financing Activities (C)	<b>5,638.76</b>	<b>946.00</b>
<b>Net increase in Cash &amp; Cash equivalents (A+B+C)</b>	<b>3,954.29</b>	<b>371.96</b>
<b>Opening Balance of Cash &amp; Cash equivalents</b>	3,548.36	3,176.40
<b>Closing Cash &amp; Cash equivalents</b>	<b>7,502.65</b>	<b>3,548.36</b>

**Notes:**

1. Cash and Cash Equivalents represent cash and bank balance.
2. Additions to fixed assets are stated inclusive of movements of capital work-in-progress between the beginning and end of the year and treated as part of investing activities.
3. Previous year's figures have been re-grouped and re-arranged wherever necessary to conform to the current year's figures

**For and on behalf of Board of Directors**

**ANJU TIMBLO**  
Managing Director & CEO

**ASMEETAMATONDKAR**  
Company Secretary

**APOORVAMISRA**  
Director

**M.A. HAJARE**  
Chief Financial Officer

Place: Vainguinim Beach- Goa.  
Date: 30th May, 2015

**AUDITOR'S CERTIFICATE**

“This is the Cash Flow Statement referred to in our report of even date”.

For **H.K. APARANJI**  
CHARTERED ACCOUNTANTS  
Firm Regd. No. 000199S

**MOHAN B. PYATI**  
PARTNER  
M. No. 203120

Place : Margao-Goa  
Date : 30th May, 2015

**NOTICE**

NOTICE is hereby given that the Forty Fourth Annual General Meeting of the members of Fomento Resorts and Hotels Limited “Company” will be held at the Registered Office of the Company at Cidade de Goa, Vanguinim Beach, Goa – 403004 on Monday, September 28, 2015 at 4:00 p.m., to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider, approve and adopt the audited Balance Sheet as at 31 March, 2015, the Statement of Profit and Loss for the year ended on that date and the Statement of Cash Flow together with the reports of the Board of Directors and Auditors thereon.
2. To consider declaration of dividend on the Cumulative Non-Convertible Redeemable Preference Shares of Rs.100/- each on pro-rata basis for the financial year ended 31st March, 2015.
3. To consider declaration of dividend on the Equity shares for the financial year ended 31st March, 2015.
4. To appoint a Director in place of Mr. Auduth Timblo (DIN00181589), who retires by rotation and being eligible offers himself for re-appointment.
5. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 139 and all other applicable provisions of the Companies Act, 2013, read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of M/s. H. K. Aparanji, Chartered Accountants (ICAI Firm Registration No. 000199S), as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting on such remuneration as may be determined by the Board of Directors.”

**SPECIAL BUSINESS:**

6. To consider appointment of Mr. Apoorva Misra ((DIN: 02722155) as a Director of the Company;

To consider and if thought fit, to pass, the following Resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any Statutory modification(s) or re-enactment thereof for the time being in force), Mr. Apoorva Misra (DIN: 02722155), who was appointed as an Additional director of the Company by the Board of Directors with effect from 13th February, 2015 under Section 161(1) of the Companies Act, 2013 ("Act") and the Articles of

Association of the Company and who holds office upto the date of the forthcoming Annual General Meeting and being eligible, offers himself for appointment and in respect of whom the Company has received a notice in writing from a member, pursuant to the provisions of section 160 of the Companies Act, 2013 signifying his intention to propose the candidature of Mr. Apoorva Misra for the office of the Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

7. **To consider appointment of Mr. Shardul Thacker as an Independent Director;**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013 and the Rules framed thereunder, Mr. Shardul Thacker (DIN: 00153001) who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting, and in respect of whom the Company has received a notice in writing from the member under Section 160 of the Companies Act, 2013 signifying her intention to propose his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold the office for a term upto 31st March, 2019.”

8. **To consider appointment of Mr. Raghunandan Maluste as an Independent Director;**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions, if any of the Companies Act, 2013 and the Rules made thereunder, Mr. Raghunandan Maluste (DIN: 01302477) who was appointed as a Director and is liable to retire by rotation and whose term expires at this Annual General Meeting, and in respect of whom the Company has received a notice in writing from the member under Section 160 of the Companies Act, 2013 signifying her intention to propose his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold the office for a term upto 31st March, 2019.”

9. **To approve consolidation of the limits sanctioned for arrangements/transactions with Related Party**

To consider and if thought fit, to pass the following resolution as a Special Resolution:

“**RESOLVED THAT** in the matter of Special Resolution passed by the Company at its 43rd Annual General

Meeting (AGM) held on September 27, 2014 approving related party transactions prescribing party wise limits, it is noted that by virtue of the Order dated January 28, 2015 in the Company Application (Main) No. 31/2014 passed by the Hon. High Court of Bombay at Goa (1) Prime Mineral Exports Private Ltd and (2) Fomento Karnataka Mining Company Private Ltd have been amalgamated with Fomento Resources Private Ltd and therefore the prescribed party wise limit of value of transactions that may entered into by the Company with said Fomento Resources Private Ltd shall be consolidated at Rs. 1104 Lakhs.

**RESOLVED FURTHER THAT** except as above said, all the other terms and conditions of the approval of the Shareholders at AGM shall remain valid and continue to be in force."

By Order of the Board  
For Fomento Resorts and Hotels Limited

Asmeeta Matondkar  
Company Secretary

Date: May 30, 2015

Place: Vainguinim Beach – Goa

#### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY OR PROXIES SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHALL BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE TIME FIXED FOR HOLDING THE MEETING.

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT 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.

2. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of Special Business is annexed hereto.
3. The Register of Members and the share Transfer Register will remain closed for a period of 7 days from Friday, August 21, 2015 to Thursday, August 27, 2015 (both days inclusive).

The dividend recommended by the Board, if approved by the shareholders at the 44th Annual General Meeting, shall be paid to those members whose names appear on the Register of Members during the aforesaid period.

4. Dividends for the Financial Year ended 31st March, 2008 and thereafter, which remain unclaimed or unpaid for a period of seven years will be transferred to the IEPF under section 124 of the Companies Act, 2013. Members who have not encashed the dividend warrant(s) so far for the financial years are requested to make their claims to the registered office of the Company. It may also be noted that once the unclaimed dividend is transferred to IEPF as stated above, no further claim shall lie in respect thereof. The dividend for the financial year ended 31st March, 2008 is due to be transferred to the aforesaid Fund on November 3, 2015.
5. Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in electronic form for any change of Bank particulars or bank mandates. Such changes are to be advised only to the depository participant of the members. Members holding shares in physical form and desirous of either registering Bank particulars or changing Bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company.
6. Members are requested to send their queries, if any on the operations of the Company, to reach the Company Secretary at the Company's registered office, atleast 7 days before the meeting so that the information can be compiled in advance.
7. Members are requested to register their email addresses through their depository participant where they are holding their Demat accounts for sending the future communication by email. Members holding shares in physical form may register their email addresses through the Registrar and Share Transfer Agents giving reference of Folio Numbers.
8. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms part of the notice as Annexure A.
9. Electronic copy of the Annual Report for the year 2014-15 is being sent to all the members whose email id's are registered with the Company/Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email ID's, physical copies of the Annual Report for the year 2014-15 are being sent in the permitted mode.



10. The Notice of the 44th Annual General Meeting of the Company and instructions for e-voting, along with attendance slip and proxy forms is being sent to all the members by electronic mode, whose email ID's are registered with the Company/Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For Members who have not registered their email ID's physical copies of the aforementioned documents are being sent in the permitted mode.

### 11. Voting through electronic means

I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 44th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the Annual General Meeting (AGM) ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).

II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

IV. The remote e-voting period commences on 23rd September, 2015 at 09:00 am and ends on 27th September, 2015 at 5:00 pm. During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

V. The process and manner for remote e-voting are as under:

A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :

- (i) Open email and open the attached PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
- (iii) Click on "Shareholder" – "Login"
- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
- (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of "Fomento Resorts and Hotels Limited".
- (viii) Now you are ready for "remote e-voting" as "Cast Vote" page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [cs.sbhat@gmail.com](mailto:cs.sbhat@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/ Depository Participants(s) or requesting physical copy] :

- (i) Initial password is provided separately along with the notice of the Annual general Meeting (AGM) :
- EVEN (Remote e-voting Event Number)**  
**USER ID      PASSWORD/PIN**
- (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21st September, 2015.
- X. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. 21st September, 2015, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or to the Company at [shareholders@cidadedegoa.com](mailto:shareholders@cidadedegoa.com)
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the Annual General Meeting (AGM).
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. The Board of directors have appointed CS Shivaram Bhat (Membership No. 10454) Practising Company Secretary, as a scrutinizer to scrutinize the voting and e-voting process in a fair and transparent manner.
- XIV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the Annual General Meeting a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XV. The Results declared alongwith the report of the Scrutinizer shall be placed on the Company’s website [www.cidadedegoa.com](http://www.cidadedegoa.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the stock Exchanges where the company shares are listed.

By Order of the Board  
For Fomento Resorts and Hotels Limited

Asmeeta Matondkar  
Company Secretary

Date: May 30, 2015  
Place: Vainguinim Beach – Goa

**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No. 6**

The Board of Directors of the Company appointed Mr. Apoorva Misra, (DIN 02722155) as an Additional Director w.e.f. February 13, 2015. He holds office till conclusion of this Annual General Meeting. His term of office shall be liable to determination by retirement of directors by rotation. Mr. Apoorva Misra is a qualified Cost & Works Accountant. He specializes in Finance, Treasury Management, Project Development, Fund Raising and Sales and has over 15 years of experience in various fields covering Business Advisory, Finance, Direct and Indirect Taxation etc. More details about Mr. Apoorva Misra are provided in the Annexure-A attached to the Notice.

The Board considers that his continued association would be of immense benefit to the Company and is desirable to continuously avail the services of Mr. Apoorva Misra as a Non-Executive & Non-Independent Director.

The Board, recommends the passing of the Ordinary resolution as set out in the Item no.6 of the Notice.

Save and except, none of the Directors or Key Managerial Personnel of the Company including their relatives are, in any way concerned or interested in the proposed Resolution.

**Item No. 7 and 8**

Mr. Shardul Thacker and Mr. Raghunandan Maluste are Independent Directors of the Company and both have held the positions for more than 5 (five) years upto March 31, 2014 and one year w.e.f. April 1, 2014 respectively. As per the current provisions of Company law and Clause 49 of the Listing Agreement, independent directors are permitted to be appointed for a consecutive period of 5 years without being liable to retire by rotation.

It is proposed to appoint Mr. Shardul Thacker and Mr. Raghunandan Maluste as independent directors under section 149 of the Act and clause 49 of the Listing Agreement to hold office for a term of 4 (four) consecutive years i.e. upto March 31, 2019.

Mr. Raghunandan Maluste & Mr. Shardul Thacker are not disqualified from being appointed as Directors in terms of section 164 of the Act and have given their consent to act as directors.

The Company has received notices in writing from members along with deposits of requisite amount under section 160 of the Act proposing the candidature of each of Mr. Raghunandan Maluste & Mr. Shardul Thacker for the office of the Directors of the Company.

The Company has also received declarations from Mr. Raghunandan Maluste & Mr. Shardul Thacker that they meet with the criteria of independence as specified in the Act and the Listing Agreement.

Details of Mr. Shardul Thacker and Mr. Raghunandan Maluste, nature of their experience in specific functional areas, names of companies in which they hold directorships and memberships/ chairmanships of Board Committees and their respective shareholding and relationships between director inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are provided in the Annexure-A to this notice.

In the opinion of the Board of Directors, Mr. Shardul Thacker and Mr. Raghunandan Maluste fulfill the conditions for appointment as independent directors as specified in the Act and the Rules made thereunder, the listing agreement and they are independent of the Management. A copy of the draft letter of appointment proposed to be issued to each one of the Independent Directors on their appointment as Independent Directors, setting out the terms and conditions are available for inspection at the Company's Registered Office during the normal business hours on working day upto the date of the Annual General Meeting.

The Board considers that the continued association of Mr. Shardul Thacker and Mr. Raghunandan Maluste would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Directors.

Mr. Shardul Thacker and Mr. Raghunandan Maluste may be deemed to be interested to the extent of their respective appointments as an Independent Director and their shareholding interest if any, in the Company. Save and except, none of the Directors or Key Managerial Personnel of the Company including their relatives are, in any way concerned or interested in the proposed Resolutions.

**Item No. 9**

The Company in the ordinary course of its business and on arm's length basis, had entered into contracts with Sociedade de Fomento Industries Pvt. Ltd., Fomento (Karnataka) Mining Company Pvt. Ltd., Infrastructure Logistics Pvt. Ltd. and Prime Mineral Exports Pvt. Ltd for rendering services such as sale of room nights, food & beverages and other services besides allocating common corporate expenditure on actual. The said arrangement was approved by the Ministry of Corporate Affairs, in terms of Section 297 of the Companies Act, 1956, for a period of three years, i.e. upto 31st March, 2015.

Considering the provisions of Section 188 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Shareholders at the 43rd Annual General Meeting of the Company approved the Company entering into various transactions with different related parties for an aggregate value as indicated herein below over a period of 36 months commencing from April 1, 2014 on such terms and conditions as may be agreed to by the Board of Directors:

Sociedade de Fomento Industrial Pvt. Ltd.	Rs.975 lakhs
Fomento (Karnataka) Mining Co. Pvt. Ltd.	Rs.390 lakhs
Infrastructure Logistics Pvt. Ltd.	Rs.431 lakhs
Prime Mineral Exports Pvt. Ltd.	Rs.357 lakhs
Fomento Resources Pvt. Ltd.	Rs.357 lakhs

Of the above, by order of the High Court of Bombay at Goa dated January 28, 2015, in petition No. 27/2014 and Company Application (Main) No. 31/2014, (1) Prime Mineral Exports Pvt. Ltd and (2) Fomento Karnataka Mining Company Pvt. Ltd have been amalgamated with Fomento Resources Pvt. Ltd.

Now, therefore, a fresh approval of the Shareholders is sought for the consolidated amount after coming into effect of amalgamation in the manner proposed in the Resolution for entering into contract with Fomento Resources Private Ltd.

The value of transactions with 'related parties' as defined under Companies Act 2013 and / or Clause 49 of the Listing Agreement is likely to exceed threshold limit (in the respective legislations) of the annual consolidated turnover as per the last audited financial statement of the Company and would require the approval of the members by way of a special resolution.

The contracts entered into are with the prior approval of the Audit Committee and any fresh contract will be entered into only with the prior approval of the said Committee.

In accordance with Section 102 of the Companies Act, 2013, the shareholding interest of the Promoters/ Directors and Key Managerial Personnel of the Company in the aforesaid companies (prior to/after coming into effect of amalgamation) to the extent that such shareholding is in excess of 2% and the nature of relationship is set out below:

Prior to Amalgamation

Sr. No.	Name of the Director/Key Managerial Personnel	No. of shares held	Name of the Company	% of holding
1	Mr. Auduth Timblo (C)	6,750	Prime Mineral Exports Pvt. Ltd	67.5%
	Mrs. Anju Timblo (M.D & CEO)	750		7.5%
	Mr. Ambar Timblo (P)	900		9.0%
2	Mr. Auduth Timblo (C)	840	Fomento (Karnataka) Mining Company Pvt. Ltd	80%
3	Mr. Auduth Timblo (C)	1,000	Fomento Resources Pvt. Ltd.	10%
	Mr. Ambar Timblo (P)	9,000		90%

(C) – Chairman ; (M.D) – Managing Director ; (P) – Promoter

- Mr. Auduth Timblo, Chairman of the Company, is a member in Fomento (Karnataka) Mining Company Pvt. Ltd., Prime Mineral Exports Pvt. Ltd. and Fomento Resources Pvt. Ltd.
- Mrs. Anju Timblo, Managing Director & CEO of the Company, is the wife of Mr. Auduth Timblo and a member of Prime Mineral Exports Pvt. Ltd.
- Mr. Ambar Timblo, son of Mr. Auduth Timblo and Mrs. Anju Timblo, is a member in Prime Mineral Exports Pvt. Ltd and Fomento Resources Pvt. Ltd.

After Amalgamation

Sr. No.	Name of the Director/Key Managerial Personnel	No. of shares held	Name of the Company	% of holding
1	Mr. Auduth Timblo (C)	11,355	Fomento Resources Pvt. Ltd.	47.30%
	Mrs. Anju Timblo (M.D & CEO)	510		2.12%
	Mr. Ambar Timblo (P)	9,612		40.04%

- Mr. Auduth Timblo, Chairman of the Company, is a member of Fomento Resources Pvt. Ltd.
- Mrs. Anju Timblo, Managing Director of the Company, is the wife of Mr. Auduth Timblo and is a member of Fomento Resources Pvt. Ltd.
- Mr. Ambar Timblo, son of Mr. Auduth Timblo and Mrs. Anju Timblo, a member of Fomento Resources Pvt. Ltd.

Mrs. Anju Timblo, M.D. & CEO and Mr. Auduth Timblo, Non- Executive Chairman of the Company are deemed to be interested in the Resolution. Mr. Akash Timblo, key managerial personnel of the Company, not holding any shares in his personal capacity, may also be deemed to be interested in the resolution, being a relative of the M.D. & CEO and Chairman. None of the other directors or key managerial personnel of the Company or their relatives are directly or indirectly interested in this resolution.

Therefore it is proposed to the Members of the Company to pass the resolution adding the limits sanctioned for transactions with Prime Mineral Exports Pvt. Ltd and Fomento Karnataka Mining Company Pvt. Ltd. to the existing limits sanctioned for transactions with Fomento Resources Pvt. Ltd.

Except as set out herein above, none of the Directors and/or key managerial personnel of the Company and their relatives is concerned or interested financially or otherwise in the resolution.

By Order of the Board  
For Fomento Resorts and Hotels Limited

Asmeeta Matondkar  
Company Secretary

## Annexure A

Details of directors seeking appointment/re-appointment are as provided below:

Name of the Director	Mr. Auduth Timblo	Mr. Apoorva Misra
Date of Birth	01/03/1949	04/07/1974
Date of appointment	20/07/1976	13/02/2015
Qualification	B.E., L.L.B.	M.S (ECON), CFA, MBA, CWA
Expertise	Industrialist	Finance, Treasury Management, Project Development, Fund Raising and Sales
Name of other companies in which he holds Directorship as on 31st March, 2015 (excluding foreign & section 25 companies)	1. Fomento Engineering and Constructions Pvt. Ltd.	1. Marine Infrastructure Goa Private Limited
	2. Sociedade de Fomento Industrial Pvt. Ltd	2. Fomento Green And Waste Management Services Private Limited
	3. Fomento Barges Pvt. Ltd.	3. Fomento Resources Private Limited
	4. Shelvona Riverside Railway Terminal Limited	4. Maharashtra Resources private Limited
	5. Mormugao Maritima Limited	5. Konkan Manpower Services Private Limited
	6. Fomar Pvt. Ltd.	6. Eystar Finance And Leasing Private Limited
	7. Fomento Green and Waste Management Services Pvt. Ltd.	7. SLR Metalinks Limited
		8. S-Fomento Resources Private Limited
		9. Uttar Bharat Hydra Power Private Limited
Chairman/Member of the Audit Committee as on 31st March, 2015 of other companies in which he is Director	Nil	Nil
Chairman/Member of the Shareholders/ Investors Grievance Committee as on 31st March, 2015 of other companies in which he is Director	Nil	Nil
Chairman/Member of the Remuneration Committee as on 31st March, 2015 of other companies in which he is Director	Nil	Nil
Shareholding in the Company	21,12,139 Shares	Nil

Annexure:

Details of directors seeking appointment/re-appointment are as provided below:

Name of the Director	Mr. Shardul Thacker	Mr. Raghunandan Maluste
Date of Birth	17/11/1947	30/03/1950
Date of appointment	30/09/1999	27/10/2007
Qualification	B. Com, L.L.B.	C.A. from England and Wales
Expertise	Corporate Law	Finance
Name of other companies in which he holds Directorship as on 31st March, 2015 (excluding foreign & section 25 companies)	Rubby Mills Limited	Triseas Security Consultants private Limited
	R P G Enterprises Limited	Maluste Investment and Management Services Private Limited
	Barnes Industrial Group India Private Limited	iKURE TechSoft private Limited Hubbis Consulting Private Limited
Chairman/Member of the Audit Committee as on 31st March, 2015 of other companies in which he is Director	1	Nil
Chairman/Member of the Shareholders/ Investors Grievance Committee as on 31st March, 2015 of other companies in which he is Director	Nil	Nil
Chairman/Member of the Remuneration Committee as on 31st March, 2015 of other companies in which he is Director	1	Nil
Shareholding in the Company	Nil	Nil

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## FOMENTO RESORTS AND HOTELS LIMITED

CIN: L55101GA1971PLC000113

Unit: Cidade de Goa, Vainguinim Beach, Goa – 403 004, India

Tel.: 91(832) 2454545 Fax: 91(832) 2454541/42

Email: [shareholders@cidadedegoa.com](mailto:shareholders@cidadedegoa.com) website: [www.cidadedegoa.com](http://www.cidadedegoa.com)

### 44<sup>th</sup> Annual General Meeting - September 28, 2015.

Registered Folio no. / DP ID no. / Client ID no.:

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Number of Shares held

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the 44<sup>th</sup> Annual General Meeting of the Company at Cidade de Goa, Vainguinim Beach, Goa – 403 004, India, on September 28, 2015.

\_\_\_\_\_  
Name of the member/proxy  
(In BLOCK letters)

\_\_\_\_\_  
Signature of the member/proxy

*Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall.  
Members are requested to bring their copies of the Annual Report to the AGM*





## Proxy Form

**Fomento Resorts and Hotels Limited**

CIN: L55101GA1971PLC000113

Registered office: unit: Cidade de Goa, Vainguinim Beach, Goa – 403004

E-mail ID: [shareholders@cidadedegoa.com](mailto:shareholders@cidadedegoa.com), Website: [www.cidadedegoa.com](http://www.cidadedegoa.com)

Phone: 0832-2454545, Fax: 0832-2454541/42

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

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint

1. Name \_\_\_\_\_ Address: \_\_\_\_\_ E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him
2. Name \_\_\_\_\_ Address: \_\_\_\_\_ E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him
3. Name \_\_\_\_\_ Address: \_\_\_\_\_ E-mail Id: \_\_\_\_\_ Signature: \_\_\_\_\_ or failing him

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 44<sup>th</sup> Annual General Meeting of the company, to be held on the 28<sup>th</sup> day of September at 4:00 p.m at Cidade de Goa, Vainguinim Beach, Goa - 403004 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:

Resolution No.	Resolutions	Optional*	
		For	Against
<b>Ordinary Business</b>			
1	Adoption of Financial Statements for the year ended March 31, 2015		
2	Declaration of dividend on Preference Shares		
3	Declaration of Dividend on Equity shares		
4	Re-appointment of Mr. Auduth Timblo, who retires by rotation		
5	Appointment of M/s. H. K. Aparanji, Chartered Accountants as Statutory Auditors		
<b>Special Business</b>			
6	Appointment of Mr. Apoorva Misra as a Director liable to retire by rotation		
7	Appointment of Mr. Raghunandan Maluste as an Independent Director		
8	Appointment of Mr. Shardul Thacker as an Independent Director		
9	To approve consolidation of the limits sanctioned for arrangements/ transactions with Related Party		

Signed this 28th day of September, 2015 Signature of shareholder

Affix  
Revenue  
Stamp

\_\_\_\_\_  
Signature of First Proxy Holder

\_\_\_\_\_  
Signature of First Proxy Holder

\_\_\_\_\_  
Signature of Third Proxy Holder

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before the commencement of the Meeting.**



## MISSION

- \* To run a professionally managed organization and to ensure fair returns to the investors.
- \* To be an excellent “Value for Money Business & Leisure Resort” as a 5-Star in the domestic market and 4T and 5T in the international market.
- \* To position Cidade de Goa as an Individual Goan hospitality experience at International Standards.
- \* To diversify into other similar businesses.
- \* To invest in education and research in the Hospitality Industry.
- \* To be an environment friendly organization.
- \* To contribute to community welfare.

## VALUES

- **Integrity**  
Integrity will go beyond honesty and ethical practices of having the courage of one's convictions and standing up for one's beliefs.
- **Openness**  
Openness is understood not just as sharing information, thoughts and feelings and being up-front with others but being a good listener, open to other people's views and feedback.
- **Respect for others**  
God has made all human beings in his image and likeness. Everything we say or do must ensure respect for others and the protection of their dignity.
- **Fairness and Justice**  
People in the Organization must believe that everyone will be measured with the same yardstick. That rules, regulations, policies and procedures will be applied uniformly. That no matter how firm we are, we will also be fair and just. That no action will be taken or response given unless we hear a person's viewpoint.
- **Self discipline**  
We must conform to organizational expectations and requirements even though nobody is watching. Nothing ensures discipline like self-discipline. We must walk the talk.
- **Honesty**  
We must be honest to ourselves and to the Organisation by being committed performers and delivering what we have promised, and what is expected of us.



## **Fomento Resorts and Hotels Limited**

**CIN : L55101GA1971PLC000113  
Cidade de Goa, Vainguinim Beach,  
Goa - 403004, INDIA  
[www.cidadedegoa.com](http://www.cidadedegoa.com)**