



Phoenix™ Township LIMITED

CIN : L67190GA1993PLC001327

07th September, 2020

To,
BSE limited
Corporate Relation Department
P.J. Towers, Dalal Street
Fort, Mumbai 400 001

Scrip Code: 537839

Sub: Submission of Annual Report for the financial year 2019-2020 under regulation 34 of SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015.

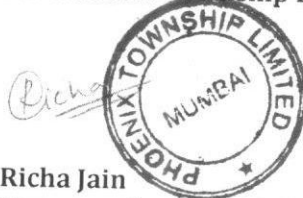
Dear Sir / Madam, Pursuant to the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the Annual Report of Phoenix Township Limited for the financial year 2019-20 along with Notice of the 27th Annual General Meeting to be held on **Tuesday, 29th September, 2020 at 12.00 P.M.** through Video Conferencing (VC) / Other Audio-Visual Means (OAVM)). The same is also uploaded on the Company's website.

We hereby request you to kindly take the same on record.

Thanking you,

Yours faithfully,

For Phoenix Township Limited



Richa Jain
Company Secretary & Compliance Officer

Corp. Office : Hede House,
2nd Floor., 14, BEST Marg,
Colaba, Mumbai - 400 001.
Tel. : (91-22) - 6159 0900
2283 1312, 2283 1325,
Fax : (91-22) - 2202 8212
customerservice@hbgindia.com

Phoenix Park Inn Resort,
Sequeira Vado, Candolim,
Goa - 403515
Tel. : (91-832) 6633 333
Fax : (91-832) 6633 222
ppi@sarovarhotels.com

Dr. Malbaro House,
Rua Ismael Gracias,
Post Office Box No. 181,
Panaji, Goa - 403 101
Tel.: (91-832) - 2228 217
Fax : (91-832) - 6641 261
E-mail : hbggoa@yahoo.co.in

REGD. OFF. : Durga Bhavan,
Hede Centre, Tonca,
Panaji, Goa - 403 001
Tel.: (91-832) - 6642 724/6453 265
Fax : (91-832) - 2461 394



**MEMBER
HEDE BUSINESS GROUP**



27th
Annual Report
2019 - 2020



MEMBER
HEIDE BUSINESS GROUP



Resort Unit

park inn®

**Phoenix Park Inn Resort
Goa**

Sequera Vado, Candolim, Goa - India 403 515.



HEDE BUSINESS GROUP

REGD. OFFICE :

Durga Bhavan, Hede Centre,
Tonca, Panji, Goa-403 001.

CORP. OFFICE :

Balaji Bhavan, 14, BEST Marg,
Colaba, Mumbai - 400 001.

-: OTHER LOCATIONS :-

- Phoenix Park Inn Resort
Sequera Vado,
Candolim,
Goa - 403 515.
- Dr. Malbarao House,
Rua Ismael Gracias,
P. O. Box No. 181,
Panaji, Goa - 403 101.
- Collem Mines,
Collem Meta Vaddo,
Panaji, Goa - 403 410.

Website : www.hbgindia.com



BOARD OF DIRECTORS	: Dr. Prafulla R. Hede (DIN-00651441) Chairman, Non-Executive Director Mr. Samit P. Hede (DIN-01411689) Managing Director Mr. Paul D. T. Willcox (DIN-01862872) Non-Executive Director Dr. Surendra A. Dave (DIN-00001480) Non-Executive, Independent Director Mr. Dev Kirit Toprani (DIN-07969034) Non-Executive, Independent Director Mrs. Shibanee M. Harlalka (DIN-00507607) Director, Woman Director (Non-Executive) Mr. Ajit Warty (DIN-00051463) Non-Executive and Independent Director Mr. Arun P. Pawar (DIN-03628719) Alternate Director to Mr. Paul D. T. Willcox
CHIEF FINANCIAL OFFICER	: Mr. Puspraj Pandey
COMPANY SECRETARY & COMPLIANCE OFFICER	: Ms. Richa Jain
PRACTISING COMPANY SECRETARIES	Mr. Hitesh Kothari M/s. Kothari H. & Associates, Mumbai
AUDITORS	Mr. Devanand Chaturvedi M/s. Chaturvedi Sohan & Co., Mumbai
BANKERS	IDBI Bank HDFC Bank Axis Bank
REGISTRAR AND TRANSFER AGENTS	: M/s Adroit Corporate Service Pvt. Ltd. Mumbai.

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NOTICE

NOTICE is hereby given that the 27th Annual General Meeting of the Members of PHOENIX TOWNSHIP LIMITED (CIN-L67190GA1993PLC001327) will be held on Tuesday, 29th day of September, 2020 at 12.00 P. M. IST through Video Conference ("VC")/ Other Audio Visual Means ("OAVM") facility to transact the following items of business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020 and the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mrs. Shibanee Manish Harlalka (holding DIN: 00507607), who retires by rotation, and being eligible, offers herself for re-appointment.

SPECIAL BUSINESS:

3. **Re-appointment of Mr. Samit P. Hede as Managing Director (DIN: 01411689) and the remuneration payable with effect from 1st October, 2020.**

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

- ' **RESOLVED** that pursuant to the provisions of sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, (hereinafter referred to as the 'Act') read along with Schedule V to the Act (including any amendment thereto or re-enactment thereof for the time being in force) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and based on the recommendation of Nomination & Remuneration Committee and subject to such sanctions as may be necessary, the consent of the members be and is hereby accorded to the re-appointment of Mr. Samit P. Hede (DIN 01411689) as the Managing Director ('MD) of the Company for a five year term commencing from 1st October 2020 till 30th September 2025, not liable to retire by rotation, including remuneration for a period of 3 (three) years upon the terms and conditions set out in the statement annexed to the Notice convening this meeting, including the remuneration to be paid in the event of loss or inadequacy of profits in any financial year during his said tenure within the overall limits of Section 197 of the Act and in the agreement entered into between the Company and MD, which agreement is hereby approved, with liberty to the Board of Directors, to alter or vary the terms and conditions and remuneration including minimum remuneration as it may deem fit and in such manner as may be agreed to between the Board and MD.

'RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to revise the remuneration of MD from time to time to the extent the Board of Directors may deem appropriate, provided that such revision is within the overall limits of the managerial remuneration as prescribed under the Act read with Schedule V thereto, and/or any guidelines prescribed by the Government from time to time and the said agreement between the Company and MD be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members of the Company in general meeting.



RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company (including the Nomination and Remuneration Committee) be and is hereby authorized to do all such acts, deeds, matters and things, as it may, in its absolute discretion, deem necessary, proper or desirable and to settle any questions, difficulties or doubts that may arise in this regard and to sign and further to execute all the necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.'

Place: Mumbai
Date: 31st August, 2020

By Order of the Board
Phoenix Township Limited

Sd/-
Dr. Prafulla R. Hede
Chairman
DIN-00651441



NOTES

1. The details pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2), in respect of Director seeking re-appointment, are annexed with the Notice.
2. The Register of Members will remain closed from Wednesday, 23rd September, 2020 to Tuesday, 29th September, 2020 (both days inclusive). Tuesday, 22nd September, 2020 shall be the cut-off date as on which the right of voting of the Members shall be reckoned and a person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
3. Members who have not yet registered their email addresses are requested to register the same with their Depository Participants in case the shares are held by them in dematerialized form and with the Company in case the shares are held by them in physical form.
4. As per Regulation 40 of SEBI Listing Regulations, securities of listed companies can be transferred only in dematerialized form with effect from April 01, 2019, except in case of request received for transmission or transposition of securities. In view of this, Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.
5. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrars and Transfer Agents.
6. Equity shares of the Company are under compulsory Demat trading by all Investors. Those shareholders who have not dematerialized their equity shares are advised to dematerialize their shareholding, to avoid inconvenience in future.
7. The shareholders who are holding shares in demat form and have not yet registered their e-mail IDs, are requested to register their e-mail IDs with their Depository Participant at the earliest, to enable the Company to use the same for serving documents to them electronically, hereinafter. Shareholders holding shares in physical form may kindly provide their e-mail IDs to the RTA by sending an e-mail to Adroit Corporate Services Private Limited at prafuls@adroitcorporate.com. The Annual Report of the Company would also be made available on the Company's website www.hbgindia.com
8. **CDSL e-Voting system – for remote e-Voting:**
 - i) As you are aware, in view of the situation arising due to Covid-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The ensuing AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
 - ii) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-



Voting's agency. The facility of casting votes by a Member using remote e-Voting will be provided by CDSL.

- iii) The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
 - iv) The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
 - v) The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
 - vi) Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the Members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the Members such as body corporate can attend the AGM through VC/OAVM and cast their votes through e-Voting.
 - vii) In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM and the Annual Report for the financial year 2019-20 has been uploaded on the website of the Company at www.hbgindia.com. The Notice can also be accessed on the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility) i.e. www.evotingindia.com.
 - viii) The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.
- 6. Instructions for Shareholders for remote e-Voting are as under:**
- I) **The voting period will begin on Saturday, 26th September 2020 at 9.00 a.m. and ends on Monday, 28th September 2020 at 5.00 p.m.**
During this period, Shareholders of the Company holding shares either in physical or dematerialized form, as on the cut-off date (record date) of 22nd September, 2020 may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.
 - ii) The Board of Directors has appointed Kothari H & Associates, Practicing Company Secretaries, as the Scrutinizer for scrutinizing the e-Voting process in a fair and transparent manner.
 - iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
 - iv) The Shareholders should log on to the e-Voting website www.evotingindia.com.
 - v) Click on "Shareholders" module and enter your User ID a. For CDSL: 16 digits beneficiary ID, b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID, c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - vi) Next enter the Image Verification as displayed and Click on Login.
 - vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-Voting of any company, then your existing password is to be used.
 - viii) If you are a first time user, follow the steps given below:



PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department. Shareholders who have not updated their PAN are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the Member id/ folio number in the Dividend Bank details field as mentioned in instruction (v).

- ix) After entering these details appropriately, click on "SUBMIT" tab.
- x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, Shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- xi) For Shareholders holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
- xii) Click on the EVSN of 'PHOENIX TOWNSHIP LIMITED'.
- xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.
7. **Process for those Shareholders whose email addresses are not registered with the depositories, for obtaining login credentials for e-Voting for the resolutions proposed in this Notice:**
- i) For Physical Shareholders - please provide necessary details like Folio No., Name of Shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) by email to complaince@hbgindia.com.
- ii) For Demat Shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL- 16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAAR (self-attested scanned copy of Aadhaar Card) to complaince@hbgindia.com.
- iii) The company/RTA shall co-ordinate with CDSL and provide the login credentials to the above mentioned Shareholders.



8. Instructions for Shareholders attending the AGM through VC/OAVM are as under:

- i) Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system.

Shareholders may access the same at <https://www.evotingindia.com> under Shareholders/ Members login by using the remote e-Voting credentials.

The link for VC/OAVM will be available in Shareholder/Members login where the EVSN of Company will be displayed.

- ii) Shareholders are encouraged to join the Meeting through Laptops/IPads for better experience.
- iii) Further Shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- iv) Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.
- v) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 10 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at compliance@hbgingdia.com.
- vi) The Shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 10 days prior to meeting mentioning their name, demat account number/ folio number, email id, mobile number at compliance@hbgingdia.com. These queries will be replied to by the company suitably by email.
- vii) Those Shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

9. Instructions for Shareholders for e-Voting during the AGM are as under:-

- i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-Voting.

ii) Only those Shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

iii) If any Votes are cast by the Shareholders through the e-Voting available during the AGM and if the same Shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such Shareholders shall be considered invalid as the facility of e-Voting during the meeting is available only to the Shareholders attending the meeting.

iv) Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

10. Note for Non-Individual Shareholders and Custodians

- i) Non-Individual Shareholders (i.e. other than Individuals, HUF, NRI, etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- ii) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- iii) After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- iv) The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- v) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- vi) Alternatively Non-Individual Shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen



signature of the duly authorized signatory who are authorized to vote, to the Company at the email address: compliance@hbgindia.com, if they have voted from individual tab and not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

11. In case you have any queries regarding e-Voting, you may refer the Frequently Asked Questions (“FAQs”) and e-Voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533 or +91-22-23058542 or +91-22-23058543 or +91-22-23058738.

12. The Statutory Registers and documents in accordance with the Companies Act, 2013 will be available for inspection in electronic mode.
13. The result of the voting shall be displayed on the Notice Board of the Company at its Registered Office and Corporate Office. The result along with the Scrutiniser's Report shall also be placed on the website of the Company www.hbgindia.com and of CDSL.
14. Members may also write to the Company Secretary in case of grievances connected with voting by

electronic means at the mail id: compliance@hbgindia.com.

IMPORTANT COMMUNICATION TO THE MEMBERS

1. Mandatory update of PAN and Bank details Pursuant to SEBI Circular SEBI/HO/MIRSD/DOPI/CIR/P/2018173 dated 20th April, 2018, shareholders holding shares in physical form whose folio do not have / have incomplete details with respect to PAN and bank particulars are mandatorily required to furnish the PAN and bank account details to the Company/ Registrar & Transfer Agent (RTA) for registration under their folio. Hence, the shareholders are requested to update their PAN and bank details.
2. Compulsory Dematerialization of shares of listed company:
As per SEBI Notification No. SEBI/ADNRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LADNRO/GN/2018/49 dated November 30, 2018, w.e.f. April 1, 2019 the transfer of securities of listed companies shall not be processed unless the securities are held in the dematerialized form (Demat) with a depository. Hence, the members of the company are requested to dematerialize their shareholding to avail the benefits of dematerialization.

By Order of the Board
Phoenix Township Limited

Sd/-
Dr. Prafulla R. Hede
Chairman
DIN-00651441

Place: Mumbai
Date: 31st August, 2020



ANNEXURE TO ITEM 2 & 3 OF THE NOTICE

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting (In pursuance SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015)

Name of the Director	Mrs. Shibanee Manish Harlalka	Mr. Samit P. Hede
Director Identification Number (DIN)	00507607	01411689
Date of Birth	3/4/1972	30/09/1974
Nationality	Indian	Indian
Date of Appointment on Board	16/08/2007	1/4/2012 Date Of Appointment as Managing Director:(01/10/2015)
Qualification	Graduate in Commerce	Graduate in Commerce
Shareholding in Company	Equity Shares: 73,100	Equity Shares: 77873 Preference Shares: 76062
List of Directorships held in other Companies	1) Hede Consultancy Company Private Limited 2) Rama Capfin Private Limited	Colaba Real Estate Pvt Ltd Rama Capfin Private Limited Glacier Trades Private Limited Star Galaxy Trades Private Limited Hede Resources Limited Hede Consultancy Company Private Limited
Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	NIL	Members Stakeholder Relationship Committees in public limited company



ANNEXURE TO ITEM 3 OF THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 3

The Board of Directors at its meeting held on 31st August, 2020, on the recommendation of the Nomination & Remuneration Committee, approved the re-appointment of Mr. Samit P. Hede (DIN: 01411689) as Managing Director of the Company for a further period of five years with effect from 1st October, 2020 to 30th September, 2025 under the provisions of sections 196, 197, 203 and schedule V and other applicable provisions, if any of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 upon the terms and conditions and remuneration hereinafter indicated, to avail his expertise services in the Area of Business Management and Business Development. The said Re-appointment is subject to the approval of the Members of the Company in General Meeting.

BRIEF PROFILE OF MR. SAMIT P. HEDE:

Mr. Samit Hede, Executive Director, Age 45 Years, Commerce Graduate - Mr. Samit P. Hede is acting as a Managing Director of Phoenix Township Limited, a Company carrying out the business in Hotel & Hospitality. He is in-charge of day-to-day operations and overall management of Phoenix Township Limited. He has substantially contributed to the growth of the Company by his active participation and personal involvement. He also serves on the board of various Public and Private Limited Companies.

His current term of appointment as a Managing Director of the Company will expire on 30th September, 2020, however the Board of Directors has decided to take a fresh approval of the members for his re-appointment as Managing Director in accordance with the provisions of Companies Act, 2013. With consideration of his contribution in various aspects relating to the Company's affairs and long business experience, the Board of directors is of the consideration and opinion that, the services of Mr. Samit P. Hede should continue to be available to the Company with designation of Managing Director of the Company for a further period of Five years with effect from 01st October, 2020.

In terms of the provisions of the Companies Act, and the Articles of Association of the Company, the Nomination and Remuneration Committee of the Board held on 31st August and the Board of Directors have at their meeting held on 31st August, 2020, recommended his re-appointment as Managing Director of the Company for a further period of Five years with effect from 1st October, as of the remuneration of Upto Rs. 3,00,000 Lakh Per Month and Perquisites a Allowance: Upto Rs. 1,50,000/- Per

Month. In case the Company has no profit or inadequate profit then the remuneration shall be paid to him in accordance with the provisions of the Companies Act. 2013 read with Schedule V of the Act.

During the year 1st April, 2019 to 31st March, 2020, four Board Meetings were held and Mr. Samit Hede had attended all Board Meetings of the Company.

Mr. Samit Hede is also a Director in the following companies:

1. Colaba Real Estate Private Limited
2. Rama Capfin Private Limited
3. Glacier Trades Private Limited
4. Star Galaxy Trades Private Limited
5. Hede Resources Limited
6. Hede Consultancy Company Private Limited

Mr. Samit Hede is the member of the Stakeholders Relationship Committee.

Shareholding in the Company: He is also a promoter shareholder of the Company, holding 77,873 equity shares of Rs. 10/- and 76062 Preference Shares of Rs. 10/- each in the Company.

The following additional information as required by Schedule V to the Companies Act, 2013 is given below:

I. General Information:

- (i) Nature of Industry: The Company is, inter alia, in the business of Hotel & Hospitality.
- (ii) Date or expected date of commencement of commercial production:
The Company was incorporated on 10th February, 1993 as a Private Limited Company and commenced business thereafter.
- (iii) Financial performance based on given indicators - as per audited financial results for the year ended 31st March, 2020:

Particulars	Rs. in Crores
Gross Turnover & Other Income	2,04,518
Net Profit	0.4015
Net Worth	25.0997



II. Information about the appointee:

- i) Background details: Refer as stated above.
- ii) Past remuneration during the financial year ended 31st March, 2020: Rs. 24.00 lacs (in addition to above Company has paid Rs. 71,000/- as perquisites)

iii) Job Profile and his suitability:

Mr. Samit Hede first inducted on the Board of the Company on 01st April, 2012. He was appointed as Whole time Director of the Company. He was appointed as Managing Director. Taking into consideration his qualification and expertise and the development of the Company under his leadership, the 'Managing Director' is best suited for the responsibilities currently assigned to him.

Following are the details of the annual salary & remuneration (payable monthly) proposed to be paid to Mr. Samit P. Hede. Managing Director as required by Schedule V to the Companies Act, 2013 is given below:-

III. Salary, Perquisites, Allowances & Remuneration per annum

- a) Tenure of Appointment : 5 Years
Remuneration : 3 years
- b) Salary : Upto Rs. 2,00,000 - 3,00,000/-per month
- c) Perquisites & Allowance: Upto Rs. 1,00,000 - 1,50,000/- per month.

The perquisites and allowances as aforesaid, shall include accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance together with reimbursement of expenses and/or allowances for utilization of gas, electricity, water, furnishing and repairs and leave travel concession for self and family including dependents. The said perquisites and allowances shall be evaluated, wherever applicable, as per the provisions of Income Tax Act, 1961 or any rules there under or any statutory modification) or re-enactment thereof in the absence of any such rules perquisites and allowances shall be evaluated at actual cost.

The Company's contribution to provident fund, superannuation or annuity fund to the extent these singly or together are not taxable under the Income Tax law, gratuity payable and encashment of leave as per the rules of the Company and to the extent not taxable under the Income Tax law, shall not be included for the purpose of computation of the overall ceiling of remuneration

Any increment in salary and perquisites and remuneration by way of incentive bonus/ performance linked incentive payable to Mr. Samit P. Hede as may be determined by the Board and/or the Nomination and Remuneration Committee of the Board, shall not be included for the purpose of computation of the aforesaid ceiling of

remuneration referred to in the resolution at item No. 3 of the Notice.

- d) Reimbursement of Expenses:
Expenses incurred for travelling board and lodging including for their respective spouses and attendant(s) during business trips, any medical assistance including for their respective family members and provision of cars for use one the Company's business and telephone expenses at residence shall be reimbursed actual and not considered as perquisites

e) Minimum remuneration

In the event of loss or inadequacy of profits in any financial year during the tenure of the appointment of MD shall be paid remuneration by way of salary and perquisites as set out above, as minimum remuneration, subject to restrictions, if any, set out in Schedule V to the Act, from time to time.

- f) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person:

Taking in to consideration the size of the Company, level headedness of Mr. Samit Hede and the industry benchmarks, the remuneration position and person proposed to be paid is commensurate with remuneration packages paid to similar senior level incumbents, in other hotel operating companies.

- g) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Mr. Samit Hede is a promoter of the Company. Mrs. Shibanee Manish Harlalka and Dr. Prafulla Hede are relative of Samit Hede.

(h) General:

Mr. Samit P. Hede satisfies all the conditions set out in Part- I of Schedule to the Act as also conditions set out under sub-section (3) of Section 196 of the Act being eligible for their Re-Appointment. He is not disqualified from being appointed as Directors in terms of Section 164 of the Act. Mr. Samit Hede is not debarred from holding the office of Director pursuant to any Order issued by the Securities and Exchange Board of India (SEBI) or any other authority.

Brief resume of Mr. Samit P. Hede, nature of their expertise in specific functional areas, names of



companies in which he hold directorships and membership chairmanships of Board Committees shareholding and relationship amongst directors inter se as stipulated under SEBI (LODR), 2015, are provided in the Corporate Governance Report forming part of the Annual Report.

IV. Other information:

- a. Reasons of loss or inadequate profits
 - I. Increase in cost of inputs due to persistently high inflation.
 - II. High Competition.
- b. Steps taken or proposed to be taken for improvement
 - i. Efforts taken to increase market share (room division) with the addition in rooms.
 - ii. Main forte and focus is on popularity of food and beverages facilities
 - iii. A strong Guest Relations Management (GRM) initiative has been activated
 - iv. Efforts to launch some new services to add to the broad portfolio.
 - v. The Company had launched the "Ball Room ": largest Banquet Hall in Vadodara and many other Banquets, Increase in no. of rooms, renovation of Hotel.
 - vi. Brand Development with ACCOR Group of Hotels and upgradation of the entire property goes to his credit and hardwork.
 - vii. The Food & Beverages rated as best due to his innovative culinary Skills
 - viii. Has flair for beauty which is reflected in the interiors of Hotel.
 - ix. Online Central reservation Systemx. Strong Marketing Initiatives
- c. Expected increase in productivity and profits in measurable terms : With above mentioned steps taken by the Company and with revival of measurable terms the economies, the company will be able to improve its sales and profitability

The required disclosure to the shareholders of the Company about remuneration package of the managerial personnel and elements of remuneration package etc. of all the directors has been made in the Annual report of the Company for the Financial Year 2019-20, wherever applicable.

Save and except Mr. Samit P. Hede and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors, Key Managerial Personnel (KMP) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 3 of the Notice, Except Mrs. Shibanee Manish Harlalka and Dr. Prafulla Hede are relative of Samit Hede.

Save and except the above, none of the other Directors/Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested financially or otherwise, in these resolutions.

The Board recommends the Special Resolution set out at Item No. 3 of the Notice for approval by the shareholders.

Place: Mumbai
Date: 31st August, 2020

By Order of the Board
Phoenix Township Limited

Sd/-

Dr. Prafulla R. Hede
Chairman
DIN-00651441



DIRECTORS' REPORT

To,
The Members,
Phoenix Township Limited

Your Directors have pleasure in presenting their 27th Annual Report together with Audited Financial Statements of the Company for the Financial Year ended 31st March, 2020.

FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY

Particulars	31st March, 2020	31st March, 2019
Total Income	20,45,18,372	20,58,22,058
Less: Total Expenditure	16,19,92,388	16,35,50,244
Profit Before Interest, Depreciation and Tax	4,25,25,984	4,22,71,814
Less: Depreciation	2,50,98,737	2,43,06,572
Less: Interest	98,85,146	64,47,522
Profit Before Extraordinary Items and Tax	75,42,101	1,15,04,485
Less: Extra-Ordinary Items	----	----
Profit/(Loss) Before Tax	75,42,101	1,15,04,485
Less: Tax Expense		
(a) Current Tax	13,60,000	18,50,000
(b) Deferred Tax	24,27,880	18,53,309
Less: Other Comprehensive Income	(2,60,369)	12,00,482
Profit/(Loss) For The Year	40,14,590	66,00,694

During the year under consideration the income of your Company has marginally decreased to Rs. 2,045.18 Lacs in the current year from Rs. 2,058.22 Lacs earned in the previous year. Accordingly the Profit before Tax (PBT) of the Company for the current year has decreased to Rs.75.42 Lacs as against Rs. 115.04 Lacs in the previous year and the Profit after Tax (PAT) for the current year is Rs. 40.14 Lacs as compared to Rs. 66.01 Lacs earned in the previous year.

1. CHANGE IN THE NATURE OF BUSINESS,

There is no change in the business activity of the Company.

2. DETAILS OF SUBSIDIARY/JOINT VENTURES/ ASSOCIATE COMPANIES

During the year, Company made investment of Rs. 24.50 lakhs by way of Capital Contribution in PALOLEM RESORTS LLP, incorporated Under Limited Liability Partnership Act, 2008 as on 30st December 2019.

Accordingly, the accounts of PALOLEM RESORTS LLP were not consolidated, since LLP has not started its business

and not derive any profit from its investment. Statement containing salient features of the financial statement of PALOLEM RESORTS LLP for the financial year ended March 31, 2020 is attached as "AOC-1" to this Report.

3. DIVIDEND

To conserve resources which would assist in future growth of the Company, no dividend is recommended by the Board for the financial year ended 31st March, 2020.

4. RESERVES

During the year under review, the company has not made any transfer to reserves.

5. DEPOSITS

During the year under review, your Company did not accept any deposits in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014. During the year, no amounts were outstanding



which were classified as 'Deposits' under the applicable provisions of Companies Act, 1956 and hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Companies Act, 2013 is not applicable.

6. SHARE CAPITAL

The Authorised Share Capital of the company is Rs. 28,00,00,000/- and the paid up share capital of the company is Rs. 21,68,08,680/-.

During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

The Company has not made any purchase or provision of its own shares by employees or by trustees for the benefit of employees during the financial year 2019-2020.

7. 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-A" and same is available on website of the company <http://www.hbgindia.com/Investor-Information.html>

8. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS.

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit (IA) function is to maintain its objectivity and independence. Based on the report of internal audit function, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars prescribed under Section 134 of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and

Outgo are furnished in "Annexure B" to this Report.

10. AUDITORS AND AUDITORS' REPORT

At 24th Annual General Meeting of the Company M/s. Chaturvedi Sohan & Co., Chartered Accountants (having ICAI Registration No: 118424W), appointed to act as Statutory Auditor of the Company for a period 5 years commencing from the conclusion of 24th Annual General Meeting up to the conclusion of Annual General Meeting to be held in the calendar year 2022, Subject to the ratification of their appointment in every subsequent Annual General Meeting.

In terms of the provisions relating to statutory auditors forming part of the Companies Amendment Act, 2017, notified on May 7, 2018, ratification of appointment of Statutory Auditors at every AGM is no more a legal requirement. Accordingly, the notice convening the ensuing AGM does not carry any resolution on ratification of the appointment of the Statutory Auditors.

M/s. Chaturvedi Sohan & Co., Statutory Auditor of the Company has audited books of account of the Company for the financial years ended March 31, 2020 and have issued the Auditor's Report thereon. There are no qualifications or reservation on adverse remarks or disclaimers in the said report.

11. SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Kothari H. & Associates, Practicing Company Secretaries, to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as "Annexure C".

12. DIRECTORS & KEY MANAGERIAL PERSONNEL:

A) Changes in Directors and Key Managerial Personnel

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Mrs. Shibanee Manish Harlalka, Director retires by rotation at the forthcoming Annual General Meeting and, being eligible offers himself for re-appointment. The Board recommends his re-appointment for



the consideration of the Members of the Company at the forthcoming Annual General Meeting.

Further Ms. Richa Jain was appointed as Company Secretary (CS) of the Company w.e.f. 01st June, 2019 in place of Mr. Kalpesh Joshi, who resigned as CS of the Company w.e.f. 30th May, 2019.

B) Declaration by Independent Director(s) and re-appointment, if any

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission, if any and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board Committee of the Company.

C) Formal Annual Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, as also of, the directors individually, as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

D) Meetings of the Board of Directors

The Company held a minimum of one Board meeting in every quarter. The details of the Meetings held during the financial year are given in the Corporate Governance Report.

13. AUDIT COMMITTEE

An Audit Committee is in existence in accordance with the provisions of Section 177 of the Companies Act, 2013. Kindly refer to the section on Corporate Governance under the head, 'Audit Committee' for matters relating to constitution, meetings and functions of the Committee.

14. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM/ WHISTLE BLOWER POLICY FOR DIRECTORS AND EMPLOYEES

The Company has a vigil mechanism to deal with instance of fraud and / or mismanagement, if any. The details of the Policy is explained in the Corporate Governance Report and also posted on the website of the Company.

15. NOMINATION AND REMUNERATION COMMITTEE

A Nomination and Remuneration Committee is in existence in accordance with the provisions of sub-section (3) of Section 178. Kindly refer to section on Corporate Governance, under the head, 'Nomination & Remuneration Committee' for matters relating to constitution, meetings, functions of the Committee and the remuneration policy formulated by this Committee. The Brief of the Company's Policy on appointment and remuneration of Directors and Key Managerial Personnel under Section 178(3) of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 is attached as "Annexure - D" to this report.

16. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 is currently not applicable to Company.

17. SUSTAINABLE DEVELOPMENT

Sustainability has been deeply embedded into the Company's business and has become an integral part of its decision making process while considering social, economic and environmental dimensions.

18. BUSINESS RISK MANAGEMENT

Your Company has a robust Risk Management policy. The Company through a Steering Committee oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting. At present the company has not identified any element of risk which may threaten the existence of the company.

The details of Risk Management as practiced by the Company are provided as part of Management Discussion and Analysis Report, which is a part of this Report.



19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

20. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

In line with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has formulated a Policy on Related Party Transactions which is also available on Company's website at www.hbgindia.com. The Policy intends to ensure that proper reporting; approval and disclosure processes are in place for all transactions between the Company and Related Parties.

All Related Party Transactions entered during the year were in Ordinary Course of the Business and on Arm's Length basis. No Material Related Party Transactions were entered during the year by your Company and therefore, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 is not been furnished.

21. PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as "Annexure - E".

During the financial year 2019-2020, there were no employee in the Company whose particulars are required to be given in terms of Section 197 (12) of the Act, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

22. CORPORATE GOVERNANCE CERTIFICATE & REPORT ON CORPORATE GOVERNANCE:

Certificate from the Auditors of the Company, M/s. Chaturvedi Sohan & Co., Chartered Accountants, confirming compliance with the conditions of Corporate Governance as stipulated under Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

23. POLICIES:

All the policies are available on the website of the Company i.e. www.hbgindia.com.

24. MANAGEMENT DISCUSSION & ANALYSIS REPORT:

Management Discussion & Analysis Report for the year under review, as stipulated in Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

25. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- (a) that in the preparation of the annual financial statements for the year ended 31st March, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) that such accounting policies as (mentioned in the Notes to the financial statements) have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2020 and of the Profit / loss of the Company for the year ended on that date;
- (c) that proper and sufficient care has been taken 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;
- (d) that the annual financial statements have been prepared on a going concern basis;
- (e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- (f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.



26. GENERAL

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- b. Your Directors further state that during the year underreview, there were no cases filed pursuant to the Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013.
- c. There were no material changes and commitments affecting the financial position of the Company between the end of financial year and the date of the Report.

27. ACKNOWLEDGEMENTS

Your Directors wish to express their grateful appreciation for the co-operation and support received from customers, financial institutions, Banks, regulatory authorities, customers and members and the society at large. The

Directors also thank Governments of various countries, Government of India, Government of Goa, Government of Maharashtra and concerned Government Departments/ Agencies for their co-operation. Deep sense of appreciation is also recorded for the dedicated efforts and contribution of the employees of the company at all levels, as without their focus, commitment and hard work, the Company's consistent growth would not have been possible, despite the challenging environment.

Place: Mumbai
Date: 31st August, 2020

By Order of the Board
Phoenix Township Limited

Sd/-

Dr. Prafulla R. Hede
Chairman
DIN-00651441



Form AOC- I

Pursuant to first proviso to Sub-Section (3) of Section 129 read with
Rule 5 of Companies (Accounts) Rules, 2014
Statement containing salient features of the financial statement of
Subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rupees)

Name of the subsidiary	PALOLEM RESORTS LLP
The date since when subsidiary was acquired	30/12/2019
Reporting period	31st March, 2020
Reporting currency	INR
Share capital / Contribution	3500000
Reserves & surplus	NIL
Total assets	NIL
Total Liabilities	NIL
Investments	NIL
Turnover	NIL
Excess of expenditure over income, before taxation	NIL
Provision for taxation	NIL
Excess of expenditure over income, after taxation	NIL
Proposed Dividend	Not Applicable
% of shareholding/Contribution	70 %

- Names of subsidiaries which are yet to commence operations - PALOLEM RESORTS LLP
- Names of subsidiaries which have been liquidated or sold during the year - Nil

Part B: Associates and Joint Ventures Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate companies and Joint Ventures

The Company do not have any Associates/Joint Ventures.

**For and on behalf of the Board of Directors
Phoenix Township Limited**

Place: Mumbai
Date: 31st August, 2020

Sd/-
Dr. Prafulla R. Hede
Chairman
DIN-00651441



ANNEXURE -A

FORM NO. MGT - 9, EXTRACT OF ANNUAL RETURN

For financial year ended 31st March, 2020

[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:

CIN	L67190GA1993PLC001327
Registration Date	10/02/1993
Name of the Company	Phoenix Township Limited
Category/ Sub-Category of the Company	Company limited by Shares/ Non-Government Indian Company
Address of the Registered office and contact details	Durga Bhavan, Hede Centre, Tonca, Panaji, Goa - 403001
Whether listed company	(√) Yes () No
Name, Address and Contact details of Registrar and Transfer Agent, if any	Adroit Corporate Services Pvt Ltd 17/20, Jaferbhoy Ind. Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (East), Mumbai- 400059.

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 products / services	NIC Code of the Product / Service (NIC 2008)	% to total turnover of the company
1.	Hotels Operations	5510	73.21%
2.	Restaurants, bars and canteens	5520	26.79%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sr. No.	Name & Address of the Company	CIN/GLN/LLPIN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	PALOLEM RESORTS LLP	AAR-4552	Subsidiary	70.00	2(87)



IV. SHARE HOLDING 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 (1.04.2019)				No. of Shares held at the end of the year (31.03.2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Promoters									
A) Indian									
a) Individual / HUF	2723276	0	2723276	19.47	2723276	0	2723276	19.47	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt. (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	6746809	0	6746809	48.25	6746809	0	6746809	48.25	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other...	381625	0	381625	2.73	381625	0	381625	2.73	0
Sub-total (A) (1):-	9851710	0	9851710	70.45	9851710	0	9851710	70.45	0
Foreign									
NRIs- Individuals	0	0	0	0	0	0	0	0	0
Other- Individuals	0	0	0	0	0	0	0	0	0
Bodies Corp.	0	0	0	0	0	0	0	0	0
Banks / FI	0	0	0	0	0	0	0	0	0
Any Other	0	0	0	0	0	0	0	0	0
Sub-total(A) (2):-	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	9851710	0	9851710	70.45	9851710	0	9851710	70.45	0.00
B. Public Shareholding									
1. Institutions									
Mutual Funds	0	0	0	0	0	0	0	0	0
Banks/FI	0	1000	1000	0.01	0	1000	1000	0.01	0
Central Govt	0	0	0	0	0	0	0	0	0
State Govt(s)	0	0	0	0	0	0	0	0	0
Venture Capital Funds	0	0	0	0	0	0	0	0	0
Insurance Companies	0	0	0	0	0	0	0	0	0
FII's	0	0	0	0	0	0	0	0	0
Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	1000	1000	0.01	0	1000	1000	0.01	0
Non- Institutions									
a) Bodies Corp.									
Indian	54684	255800	310484	2.22	86192	255800	341992	2.45	0.23
Overseas	0	0	0	0	0	0	0	0.00	0
b) Individuals									
Individual shareholders holding	709047	700200	1409247	10.08	698474	693000	1391474	9.95	-0.13



nominal share capital upto Rs. 1 lakh									
Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2032268	164600	2196868	15.71	2018975	164600	2183575	15.61	-0.10
Others (specify)									
Non residential Indian (repat)	67950	147000	214950	1.54	67500	147000	214500	1.53	0.00
Non residential Indian (non- repat)	0	0	0	0	0	0	0	0	0
iii. Foreign Companies	0	0	0	0	0	0	0	0	0
iv. Clearing Members	1	0	1	0	9	0	9	0	0
v. Directors/ relatives	0	0	0	0	0	0	0	0	0
vi. Trust	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):- Total	2863950	1267600	4131550	29.54	2871150	1260400	4131550	29.54	0
Public Shareholding (B)=(B)(1) + (B)(2)	2863950	1268600	4132550	29.55	2871150	1261400	4132550	29.55	0
C) Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	12715660	1268600	13984260	100.00	12722860	1261400	13984260	100.00	0.00

ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2019)			Share holding at the end of the year (31.03.2020)			% of change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Share Pledged /encumbered to total shares	No. of Shares	% of total Shares of the company	% of Share Pledged /encumbered to total shares	
1	Dr. Prafulla Rajaram Hede	2572303	18.39	99.91	2572303	18.39	99.91	0
2	HBG Trust (Seema Arun Pawar)	381625	2.73	0	381625	2.73	0	0
3	Hede Consultancy Company Pvt. Ltd	2242880	16.04	89.17	2242880	16.04	89.17	0
4	Hede Navigation Private Limited (formerly known as Jwala Investments And Trading Pvt Ltd)	3981307	28.47	60.53	3981307	28.47	60.53	0
5	Mr. Samit Prafulla Hede	77873	0.56	0	77873	0.56	0	0
6	Star Galaxy Trades Pvt Ltd	212807	1.52	0	212807	1.52	0	0
7	Colaba Real Estate Private Limited	99115	0.71	0	99115	0.71	0	0
8	Glacier Trades Pvt Ltd	210700	1.51	0	210700	1.51	0	0
9	Mrs. Shibanee M. Harlalka	73100	0.52	0	73100	0.52	0	0



iii) *Changing Promoters' Shareholding (please specify, if there is no change)*

There are no changes in Promoter's Shareholding.

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

S. No.	Name of Shareholders	Shareholding at the beginning 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.	SHALIN HEMANTKUMAR SHAH				
	At the beginning of the year	137880	0.99	137880	0.99
	Sale of shares as on 28/06/2019	-100	0.00	137780	0.99
	Purchase of shares as on 05/07/2019	171300	1.22	309080	2.21
	Purchase of shares as on 12/07/2019	59287	0.42	368367	2.63
	Sale of shares as on 26/07/2019	-110	0.00	368257	2.63
	Sale of shares as on 02/08/2019	-25	0.00	368232	2.63
	At the end of the year	368232	2.63	368232	2.63
2.	Nidhi Pandya				
	At the beginning of the year	206091	1.47	206091	1.47
	No Changes	0	0.00	206091	1.47
	At the end of the year	206091	1.47	206091	1.47
3.	RATIBHAI VISHRAM PATEL				
	At the beginning of the year	191058	1.37	191058	1.37
	Sale of shares as on 19/04/2019	-70	0.00	190988	1.37
	Sale of shares as on 26/04/2019	-4	0.00	190984	1.37
	Sale of shares as on 31/05/2019	-3050	0.02	187934	1.34
	Sale of shares as on 14/06/2019	-300	0.00	187634	1.34
	Sale of shares as on 21/06/2019	-25166	0.18	162468	1.16
	Sale of shares as on 28/06/2019	-4629	0.03	157839	1.13
	Sale of shares as on 29/06/2019	-779	0.01	157060	1.12
	Sale of shares as on 05/07/2019	-125901	0.90	31159	0.22
	Sale of shares as on 12/07/2019	-10000	0.07	21159	0.15
	Sale of shares as on 19/07/2019	-1002	0.01	20157	0.14
	Sale of shares as on 26/07/2019	-1000	0.01	19157	0.14
	Sale of shares as on 02/08/2019	-100	0.00	19057	0.14
	At the end of the year	19057	0.14	19057	0.14
4.	Top Financial Holdings Limited				
	At the beginning of the year	164600	1.18	164600	1.18
	No Changes	0	0.00	164600	1.18
	At the end of the year	164600	1.18	164600	1.18



5.	SAFIR ANAND				
	At the beginning of the year	153417	1.10	153417	1.10
	Purchase of shares as on 27/09/2019	6000	0.04	159417	1.14
	Sale of shares as on 29/11/2019	-6000	0.04	153417	1.10
	Purchase of shares as on 13/03/2020	49602	0.35	159417	1.14
	Sale of shares as on 20/03/2020	-21	0.00	159396	1.14
	At the end of the year	159396	1.14	159396	1.14
6.	Devan Narendra Pandya				
	At the beginning of the year	158733	1.14	158733	1.14
	Purchase of shares as on 28/06/2019	598	0.00	159331	1.14
	Sale of shares as on 05/07/2019	-55077	0.39	104254	0.75
	Sale of shares as on 12/07/2019	-6079	0.04	98175	0.70
	Purchase of shares as on 26/07/2019	3349	0.02	101524	0.73
	Purchase of shares as on 02/08/2019	159	0.00	101683	0.73
	Purchase of shares as on 20/09/2019	5700	0.04	107383	0.77
	Purchase of shares as on 27/09/2019	1000	0.01	108383	0.78
	At the end of the year	108383	0.78	108383	0.78
7.	Kokila Girdharlal Chavda				
	At the beginning of the year	112149	0.80	112149	0.80
	Sale of shares as on 30/09/2019	-200	0.00	111949	0.80
	Purchase of shares as on 06/03/2020	39000	0.28	150949	1.08
	Purchase of shares as on 31/03/2020	5000	0.04	155949	1.12
	At the end of the year	155949	1.12	155949	1.12
8.	Nalini Narendra Pandya				
	At the beginning of the year	137313	0.98	137313	0.98
	Sale of shares as on 27/03/2020	-93000	0.67	44313	0.32
	At the end of the year	44313	0.32	44313	0.32
9.	Heena Narendra Pandya				
	At the beginning of the year	137000	0.98	137000	0.98
	Sale of shares as on 06/03/2020	-39000	0.28	98000	0.70
	At the end of the year	98000	0.70	98000	0.70
10.	NAYANA BALUBHAI BHATT				
	At the beginning of the year	0	0.00	0	0.00
	Purchase of shares as on 08/11/2019	1860	0.01	1860	0.01
	Purchase of shares as on 15/11/2019	3195	0.02	5055	0.04
	Purchase of shares as on 22/11/2019	1220	0.01	6275	0.04
	Purchase of shares as on 29/11/2019	100	0.00	6375	0.05
	Purchase of shares as on 06/12/2019	3430	0.02	9805	0.07
	Purchase of shares as on 27/12/2019	533	0.00	11269	0.08
	Purchase of shares as on 27/03/2020	93000	0.67	104269	0.75
	Purchase of shares as on 31/03/2020	15000	0.11	119269	0.85
	At the end of the year	119269	0.85	119269	0.85



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

There is no change in Director's and Key Managerial Personnel's shareholding.

V. INDEBTEDNESS

Indebtedness of the Company as on March 31st, 2020 including interest outstanding/accrued but not due for payment.

(Amount in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
I) Principal Amount	3,93,42,887	2,25,28,566	NIL	6,18,71,453
ii) Interest due but not paid	0	0		0
iii) Interest accrued but not due	0	0		0
Total (i + ii + iii)	3,93,42,887	2,25,28,566	NIL	6,18,71,453
Change in Indebtedness during the financial year				
• Addition	5,49,42,725	0	NIL	5,49,42,725
• Reduction	0	83,71,086		(83,71,086)
Net Change	5,49,42,725	83,71,086	NIL	4,65,71,639
Indebtedness at the end of the financial year				
i) Principal Amount	9,42,85,612	1,41,57,480	NIL	10,84,43,092
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i + ii + iii)	9,42,85,612	1,41,57,480	NIL	10,84,43,092

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager for the year ended March 31st, 2020

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager	Total Amount
		Mr. Samit Hede	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	24,00,000	24,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	71,000	71,000
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961.		
2.	Stock Option		
3.	Sweat Equity		
4.	Commission - as % of profit - others, specify...		
5.	Others, please specify		
	Total (A)	24,71,000	24,71,000
	Ceiling as per the Act		


B. Remuneration to other directors for the year ended March 31st, 2020

Amount in Rs.)

Sr. No.	Particulars of Remuneration	TOTAL AMOUNT				
		Dr. Surendra A. Dave	Mr. Dev Kirti Toprani	Mr. Ajit Warty	Mr. Kiran N. Talchekar	
1.	Independent Directors					
	<ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission • Others, please specify 	40,000	30,000	30,000	40,000	1,40,000
	Total	40,000	30,000	30,000	40,000	1,40,000

2.	Other Non-Executive Directors	Ms. Shibanee M. Harlalka	Dr. Prafulla R. Hede	Mr. Arun P. Pawar	Total
	<ul style="list-style-type: none"> • Fee for attending board committee meetings • Commission • Others, please specify 	20,000	20,000	10,000	50,000
	Total				
	Total (2)	20,000	20,000	10,000	50,000

3.	Total (B)=(1+2)				1,90,000
	Total Managerial Remuneration (A+B)				26,61,000
	Overall Ceiling as per the Act				



C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD for the year ended March 31st, 2020:

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Company Secretary	Chief Financial Officer (CFO)		
		*Kalpesh C. Joshi	Richa Jain	Mr. Puspraj R. Pandey	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961. (b) Value of perquisites u/s 17(2) Income-tax Act, 1961. (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	30,000	1,50,000	6,09,000	7,89,000
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify...				
5.	Others, please specify				
	Total	30,000	1,50,000	6,09,000	7,89,000

* Mr. Kalpesh Joshi, who resigned as CS of the Company w.e.f. 30th May, 2019

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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



ANNEXURE B
**Particulars of conservation of energy,
 Technology Absorption and Foreign Exchange**

A. CONSERVATION OF ENERGY

- a. Energy conservation of measure taken: The operation of your company are not intensive. However, adequate operational measures have been initiated to reduce energy consumption.
- i) Energy efficient lighting and high efficient HVAC System used/retrofitted extensively in all hotels has reduced electrical consumption.
 - ii) Computerised power monitoring is implemented in all properties on gradual basis to monitor and control power consumption.
 - iii) Air conditioning system and system boiler have been tuned for best efficiency to conserve energy.
 - iv) Building Management System installation and electricity distribution system equipped with power factor correction panel monitors that control energy wastage equipment.
 - v) STP Treated water and rain water harvesting has been implemented.
- b. Total energy consumption and energy consumption per unit of production as per Form -A of the annexure to the Rules in respect of industries specified in the schedule: Not Applicable

B. TECHNOLOGY ABSORPTION

Research and Development (R&D)

1. Areas in which R&D carried out	:	Not Applicable
2. Benefit derived as a result of the above efforts	:	Not Applicable
3. Future Plan of action	:	Nil
4. Expenditure on R&D	:	Nil
5. Technology absorption, adaptation and innovation	:	Nil
6. Imported Technology for last 5 years	:	Nil

C. FOREGIN EXCHANG EARNING AND OUTGO

Particular with regard to Foreign Exchange and Outgo are given in the notes to Accounts, as a part of the financial statement.



FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31st March, 2020
 [Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
 (Appointment and Remuneration Personnel) Rules, 2014]

To,
 The Members,
PHOENIX TOWNSHIP LIMITED,

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PHOENIX TOWNSHIP LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020 ('Audit period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

- We have examined the books, papers, minute books, forms and returns filed and other records maintained by Phoenix Township Limited for the financial year ended on March 31, 2020 according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the rules made thereunder;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-
 - 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, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during the Audit Period)
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014; (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; (Not applicable to the Company during the Audit Period) and
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during the Audit Period)



- i. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; **(Not applicable to the Company during the Audit Period)**
- We have relied on the mechanism formed by the Company for compliances under other Acts, Laws and Regulations as applicable specifically to the Company. The list of major head/groups of Acts, Laws and Regulations as applicable specifically to the Company is:
 1. The Goa shops and Commercial Establishments Act 1973 ;
 2. Food Safety and Standards Act 2006 ;
 3. The Kerala Shops and Commercial Establishments Act, 1960 ;
 4. Goa Excise Duty Act, 1964 ;
 5. Goa Health Services Development Act, 2008 ;
 6. Goa Municipalities Act, 1968 ;

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Amendment made thereunder;

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

We further report that:

The Board of Directors of the Company is duly constituted with balance of Non-Executive Independent Directors and Non-Executive Non-Independent Directors. The Changes in the composition of Board of Directors that took place during the year 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.

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

We further report that based on the information provided the Company, and also on review of the compliance reports by the respective Department Heads, in our opinion, 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.

We further report that during the audit period the Company has not passed any resolution for:

- i. Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
- ii. Redemption / buy-back of securities.
- iii. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
- iv. Merger / amalgamation / reconstruction, etc,
- v. Foreign technical collaborations.

For Kothari H. & Associates
Company Secretaries

Sonam Jain
Partner
Membership No. FCS-9871
Certificate of Practice No. 12402

Date: 31st August, 2020
Place: Mumbai

UDIN : F009871B000638268



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

*** Due to the Covid - 19** Pandemic and the restrictions faced due to the same, physical verification of documents / records have been impacted and hence reliance has been placed on the scanned / soft copies of various documents / records which were provided by the Company.

'Annexure A'

To,
The Members
Phoenix Township Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we 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. Our 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.

For **Kothari H. & Associates**
Company Secretaries

Sd/-
Sonam Jain
Partner
Membership No. FCS-9871
Certificate of Practice No. 12402

Date : 31st August, 2020
Place : Mumbai



ANNEXURE-E

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-2020, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-2020 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/ KMP	Designation	Remuneration of Director/KMP for financial year 2019-2020 (Rs. in Lakhs)	% increase in Remuneration in the Financial Year 2019-2020	Ratio of remuneration of each Director/ KMP to median remuneration of employees	Remuneration of KMP as % of total revenue
1.	Mr. Samit P. Hede	Managing Director	24.00	NIL	19.72	1.17%
2.	Dr. Prafulla R. Hede	Chairman & Non-Executive Director	NIL	NIL	NIL	NIL
3.	Mrs. Shibani M. Harlalka	Additional Director	NIL	NIL	NIL	NIL
4.	Mr. Paul David Talbot Willcox	Non-Executive Director	NIL	NIL	NIL	NIL
5.	Mr. Puspraj R. Pandey	Chief Financial Officer	6.04	NIL	4.96	0.30%
6.	Ms. Richa Jain	Company Secretary & Compliance officer	1.50	NIL	1.23	0.07%
7.	*Mr. Kalpesh C. Joshi	Company Secretary & Compliance officer	0.30	NIL	0.25	0.01%
8.	Mr. Arun P. Pawar	Alternate Director (to Mr. Willcox)	NIL	NIL	NIL	NIL

Note: No Director other than Managing Director received any remuneration other than sitting fees for the financial year 2019-2020.

* Mr. Kalpesh C. Joshi resigned as Company Secretary of the Company w.e.f. 30th May, 2019.

- The median remuneration of employees of the company during the financial year was Rs. 1.22 Lacs.
- In the financial year 2019-2020, there was a decrease of 09.45% in the median remuneration of employees.
- There were 147 permanent employees on the rolls of the Company as on 31st March, 2020.
- The average percentage increase in the salaries of employees other than managerial personnel was 59.64% and increase in managerial remuneration 08.32%.
- Affirmation that the remuneration is as per the remuneration policy of the company:

It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company.



REPORT ON CORPORATE GOVERNANCE

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time, and pursuant to the Listing Agreement with the BSE Limited (BSE), the Directors present the Company's report on corporate governance for the year ended 31st March, 2020.

Company's Philosophy on Code of Governance

Corporate Governance broadly refers to a set of rules and practices designed to govern the behavior of corporate enterprises. The Company's philosophy on Corporate Governance envisages accountability, responsibility and transparency in the conduct of the Company's business and its affairs vis-à-vis its employees, shareholders, bankers, lenders, government, suppliers, dealers etc. and accordingly lays great emphasis on regulatory compliances. The Company firmly believes that Corporate Governance is a powerful tool to sub serve the long term growth of the Company and continues to give high priority to the principles and practices of good Corporate Governance and has accordingly benchmarked its practices with the existing guidelines of corporate governance as laid down in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

BOARD OF DIRECTORS

➤ Board Composition

As on 31st March, 2020 the Board consists of 8 (Eight) directors out of which 4 (four) are non-executive & independent directors. Mr. Arun Pandurang Pawar is alternate director of Mr. Paul David Talbot Willcox.

The composition of the Board and category of Directors is as follows:

Sr. No.	Name	Designation / Status
1.	Dr. Prafulla Rajaram Hede	Chairman (Non-Executive Director)
2.	Mr. Samit Prafulla Hede	Managing Director (Executive Director)
3.	Mrs. Shibanee Harlalka	Woman Director (Non-Executive Director)
4.	Mr. Arun Pandurang Pawar	Alternate Director of Mr. Paul David Talbot Willcox
5.	Dr. Surendra Ambalal Dave	Non-Executive and Independent Director
6.	Mr. Dev Kirit Toprani	Non-Executive and Independent Director
7.	Mr. Ajit Warty	Non-Executive and Independent Director
8.	Mr. Kiran Narayan Talchekar	Non-Executive and Independent Director
9.	Mr. Paul David Talbot Willcox	Non-Executive Director

Brief Profile of Appointee Director's:

The brief profile of appointee directors are as under:

a. **DR. PRAFULLA. R. HEDE (81 Years)**, Chairman and Director, LMC, is an eminent industrialist with vast experience in various fields. He was a Member of the Industrial Development Bank of India (IDBI) WRC which happens to be India's Apex Financial Institution and was ranked as the 7th largest development bank in the world. This position was held by him for a period of 9 years. He was a Director of The Indian Overseas Bank which has the distinction of having branches at most Cities in the Asia Pacific region including Hong Kong, Singapore and Seoul. He was also one of the core promoters of Sterling Holiday Resorts (India) Ltd., which has grown to become one of the largest timeshare resort companies in the country. He also had the distinction of being one of the founders Director of the Gujarat Maritime Board (Government of Gujarat).

In addition he was also a member of the Advisory Board for the Industrial Finance Corporation of India (IFCI) and a member of the Foreign Trade Committee for The Associated Chamber of Commerce and Industries of India (ASSOCHAM) and director of Economic Development Corporation (Goa State Finance Corporation)

He is presently Chairman of the Hede Business Group (HBG).

b. **MR. PAUL DAVID TALBOT WILLCOX (67 Years)**, Director, Eton College, M.A. (Hons.), Cambridge University, London Business School, "Continuing Executive Programme" He is Chairman of Eggar Forrester (Holdings) Ltd., Eggar Forrester Ltd., Douglas & Company Ltd., Eggar Forrester Sale & Purchase Ltd., C. W. Kellock & Company Ltd. He is also the Director of Eggar Bailey Futures Ltd., Wilks Shipping Co. Ltd., Vision Shipbroker Ltd., Drainshead Ltd., Eggar Forrester Financial Services Ltd. and Seatracker Ltd.

c. **DR. SURENDRA A. DAVE (83 Years)**, Independent Director, inducted on the Board of Phoenix Township Ltd., has been former Chairman of the Unit Trust of India for several years. He was Chairman of SEBI. He has also



functioned as Executive Director of IDBI. He is the Chairman of Centre for Monitoring Indian Economy.

- d. MS. SHIBANEE HARLALKA (48 Years)**, Director is a woman Director of the Company. She is a Commerce Graduate from Mumbai University; she was a Director of Phoenix Township Limited, since 14th August, 2017.
- e. MR. ARUN P. PAWAR (69 Years)**, Alternate Director is the only alternate Director of the Company, he is BSC (Hon) Botany, Pune University and also cleared Indian Administrative Examination (IAE) in 1975 & joined Income Tax Department in 1976 and retired as Chief Commissioner of Income Tax after rendering 34 years of public service.

He is acting as an Alternate director of Mr. Paul David Talbot Willcox, a Director of Phoenix Township Limited w.e.f 14th August, 2017 and is also acting as an Independent Director on the Board of Kalyani Steels Limited.

- f. MR. AJIT WARTY (76 Years)**, an Independent Director of the Company, is a former Indian Administrative Service (Maharashtra Cadre) officer who has rendered public service for nearly 40 years. He started his career in the Corps of Engineers of the Indian Army, where he worked in the field formations as well as on staff assignments. He relinquished his commission as a Captain after being selected for Indian Administrative Service (IAS).

He was the Vice- President & CEO of the Maharashtra Housing Road Development Authority and thereafter, as Principal Secretary of Housing Department dealing with policy issues of Public Housing, Area Development as well as the implementation of Urban Land Ceiling Act.

He was appointed as an Independent Director of on the Board of the Company w.e.f. 14th August, 2017 for a term of 5 (five) consecutive years commencing from 14th August, 2017 to 13th August, 2022.

- g. MR. KIRAN N. TALCHERKAR (72 Years)**, an Independent Director of the Company, is a Commerce Graduate from Mumbai University, obtained Sea training at the Sea Cadet Corp for 10 years and also represented India at the International Sea Cadet Muster in Kingston Canada which was organized by the Canadian and U.S. Navy's and is also a member of MCA Club BKC-Mumbai.

He is the Managing Director of Kiran Talcherkar Advertising Pvt. Ltd, a Company engaged in the business of Display House an Exhibition, Events, Retail Company having a global reach.

He was appointed as an Independent Director of on the Board of the Company w.e.f. 12th February, 2018 for a term of 5 (five) consecutive years commencing from 12th February, 2018 to 11th February, 2023.

- h. MR. DEV KIRIT TOPRANI (41 years)**, an Independent Director of the Company, is a Commerce Graduate, M.B.A, Certifications Derivatives and Mutual Fund (Advisors), Capital Market (Advisors) is a seasoned and accomplished professional with 18 years of diverse experience majorly in Banking and Financial Services. He has shown demonstrable excellence and leadership across roles encompassing Private Banking, Wealth Advisory, Client Relationship Management & Business Development. Currently a Director at Querencia Advisors LLP Mr. Toprani's job includes empanelling with Banks and other Institutions and liaising with the clients, creating financial plans & proposals for new and existing clients. He was appointed as an Independent Director of on the Board of the Company w.e.f. 06th September, 2018 for a term of 5 (five) consecutive years commencing from 06th September, 2018 to 05th September, 2023.

The Chairman of the Board is a Non-Executive Director.

As per the declarations received by the Company from each of the Directors, none of them is disqualified under Section 164(2) of the Companies Act, 2013.

All the Independent Directors of the Company have furnished at the time of their appointment as Independent Director and thereafter at every first Meeting of the Board in the Financial year, a declaration that they satisfy the criteria of independence as per Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013 and Rules made therein. Further, disclosures have been made by the Directors regarding their Chairmanships/ Memberships of the mandatory Committees of the Board and that the same are within the maximum permissible limit as stipulated under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

➤ **Number and dates of Board Meetings held during the year**

Your Board met four times a year and the interval between any such two meetings has not been more than one hundred and twenty days. The Company Secretary under the direction of the Chairman and in consultation with Chief Financial Officer prepares the agenda along with the explanatory notes thereto and circulates it to the Directors, along with the notice of the meeting. During F.Y. 2019-20, meetings of the Board of Directors were held on:

Additionally a separate meeting of Independent Directors was held on February 14, 2020.

➤ **Procedure of Board/ Committee Meeting**

The agenda papers with relevant explanatory notes and material documents relating to matters for perusal of the Board/ Committee are circulated in advance, so as to



Sr. No.	Date of Meeting	Board Strength	No. of Directors Present
1	February 14, 2020	8	8
2	November 14, 2019	8	8
3.	August 10, 2019	8	5
4.	May 30, 2019	8	7

facilitate discussion and informed decision-making in the meeting.

The information placed / required to be placed before the Board of Directors, inter alia, includes:

- Annual operating plans and budgets and any updates.
- Capital budgets and any updates.
- Quarterly results of the Company and its operating divisions or business segments.
- Annual financial results of the Company, Auditors' Report and the Report of the Board of Directors.
- Minutes of meetings of Audit Committee and other Committees of the Board.
- The information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources / Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Sale of material, nature of investments, subsidiaries, assets which is not in normal course of business.
- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service, such as non-payment of dividend, delay in share transfer etc.
- Appointment, remuneration and resignation of Directors.
- Formation / Reconstitution of Board Committees.
- Terms of reference of Board Committees.
- Declaration of Independent Directors at the time of appointment / annually disclosure of Directors' interest and their shareholding.
- Appointment or removal of the Key Managerial Personnel (KMP) and officers one level below KMP.
- Appointment and fixing of remuneration of the Auditors as recommended by the Audit Committee.
- Appointment of internal auditor and secretarial auditor.
- Quarterly, half yearly and annual financial statements or financial results as the case may be, and the Board's Report.
- Significant changes in accounting policies and internal controls.
- Statement of significant transactions, related party transactions by unlisted subsidiary companies.
- Dividend declaration.
- Audit findings and Audit Reports (through the Audit Committee).
- Annual Secretarial Audit report submitted by Secretarial Auditors.
- Making loans and investment of surplus funds.
- Buy, sell investments held by the Company (other than trade investments), constituting five per cent or more of the paid up share capital and free reserves of the investee company.
- Making political contributions.
- Issue of securities including debentures.
- Buy back of securities.
- Borrowing of monies, giving guarantees or providing security in respect of loan.
- Diversify the business of the Company.
- Approve amalgamation, merger or reconstruction.
- Takeover a company or acquire a controlling or substantial stake in another company.
- Status of business risk exposures, its management and related action plans.
- Compliance Certificate certifying compliance with all laws as applicable to the Company.
- Reconciliation of share capital audit report under SEBI (Depositories and Participants) Regulations, 1996.
- **Attendance of Directors at board meetings, last annual general meeting (AGM) and number of directorships and chairmanships / memberships of Committees of each Director in other Companies:**



Name of the Director	Attendance			Directorship in Other Companies/ Membership/ Chairmanship Mandatory Committees			
	No. of Board Meeting held *	Board Meeting attended	Last AGM	Directorship in Public	Directorship in Private	Membership in Mandatory Committees	Chairmanship in Mandatory Committees
Dr. Prafulla R. Hede	4	4	Yes	1	5	1	1
Dr. Surendra A. Dave	4	4	Yes	1	4	1	1
Mr. Samit P. Hede	4	4	Yes	1	5	0	0
Mrs. Shibanee M. Harlalka	4	4	Yes	0	2	0	0
Mr. Paul David Talbot Willcox	4	0	No	0	0	0	0
Mr. Ajit Warty	4	3	No	1	1	2	0
Mr. Arun P. Pawar	4	2	No	1	0	0	0
Mr. Kiran N. Talchekar	4	4	Yes	0	1	0	0
Mr. Dev Kirit Toprani	4	3	No	0	0	1	0

*In accordance with the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Memberships / Chairmanships of only Audit Committees and Shareholders' / Investors' Relationship Committees in all public limited companies have been considered (excluding Phoenix Township Limited)

None of the non-executive directors has any material pecuniary relationship or transactions with the Company.

- Name of other listed Entities where Directors of the Company are Directors and the category of Directorship:

The names and categories of Directors, the number of Directorships and Committee positions held by them in the companies are given below. None of the Directors on the Board is a Member of more than 10 public limited companies (as specified in Section 165 of the Companies Act, 2013) or act as an independent director in more than 7 listed companies or 3 listed companies in case he serves as Whole Time Director in any listed company (as specified in applicable Regulation 25 of the Listing Regulations), across all the Companies in which he/she is a Director, including separately the names of the listed entities where the person is a director and the category of directorship.

Sr. No.	Name of the Directors	Total Number of Directorships of public companies #, Committee Chairmanships and Memberships, as on 31st March, 2020.	Name of listed entities where the Director is a director along-with the category of directorship excluding the Company
1.	Dr. Prafulla R. Hede (Chairman) (DIN: 00651441)	Hede Resources Limited	--
2.	Mr. Samit P. Hede (Managing Director) (DIN: 01411689)	Hede Resources Limited	--
3.	Mrs. Shibanee M. Harlalka (DIN : 00507607)	--	--
4.	Mr. Paul David Talbot Willcox (DIN: 01862872)	--	--
5.	Dr. Surendra A. Dave (DIN: 00001480)	--	Deccan Cements Ltd Non-Executive - Independent Director
6.	Mr. Ajit Warty (DIN: 00051463)	Rewas Ports Limited	--
7.	Mr. Arun P. Pawar (DIN : 03628719)	--	Kalyani Steels Limited Non-Executive - Independent Director
8.	Mr. Kiran N. Talchekar (DIN: 00393180)	--	--
9.	Mr. Dev Kirit Toprani (DIN: 07969034)	--	--



excludes private limited companies/ foreign companies and companies under Section 8 of the Companies Act, 2013.

• **Key Board qualifications, expertise and attributes**

The Board of Directors of the Company recognizes that qualified members who bring in the required skills,

competence and expertise that allow them to make effective contributions to the Board and its Committees.

The table below summarises the key qualifications, skills and attributes which are taken into consideration while nominating candidates to serve on the Board

Sr. No.	Name of Director	Knowledge on Company's businesses, policies and culture knowledge of the industry	Corporate Governance Experience with a major organisation that demonstrates rigorous governance Standards.	Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making,	Financial Proficiency in financial accounting and reporting, corporate finance and internal controls	Technical / Professional skills
1.	Dr. Prafulla Rajaram Hede	✓	✓	✓	✓	✓
2.	Dr. Surendra Ambalal Dave	✓	✓	✓	✓	✓
3.	Mr. Ajit Warty	✓	✓	✓	✓	✓
4.	Mr. Kiran Narayan Talcherkar	✓	✓	✓	✓	✓
5.	Mrs. Shibanee Harlalka	✓	✓	✓	✓	✓
6.	Mr. Samit Prafulla Hede	✓	✓	✓	✓	✓
7.	Mr. Paul David Talbot Willcox	✓	✓	✓	✓	✓
8.	Mr. Arun Pandurang Pawar	✓	✓	✓	✓	✓
9.	Mr. Dev Kirit Toprani	✓	✓	✓	✓	✓

• **Shareholding of Directors in the Company as on 31st March, 2020.**

Sr. No.	Name of the Directors	Number of Shares held
1.	Mrs. Shibanee M. Harlalka	73,100
2.	Mr. Samit P. Hede	77,873
3.	Dr. Prafulla R. Hede	25,72,303
4.	Dr. Surendra A. Dave	0
5.	Mr. Paul David Talbot Willcox	0
6.	Mr. Ajit Warty	0
7.	Mr. Arun P. Pawar	0
8.	Mr. Kiran N. Talchekar	0
9.	Mr. Dev Kirit Toprani	0

• **Appointment/ reappointment of Directors**

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board at its Meeting Held on 31st August, 2020 approved the reappointment of term of Mr. Samit Hede as Managing Director for a period of five years from 1st October, 2020.

Mrs. Shibanee Manish Harlalka (holding DIN: 005076070 is liable to retire by rotation and being eligible for re-appointment at the ensuing AGM of your Company and has offered himself for re-appointment.

• **Familiarization Programme for Independent Directors**

The Board members are also provided with the necessary documents/ brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. The Board and Committee members are apprised of business and performance updates, business strategy and risks involved and it is also available on the website of the Company www.hbgindia.com.

BOARD COMMITTEES

The Company is having three Board Committees as given below:

Terms of Reference and other details of Board Committees

I. AUDIT COMMITTEE

Composition:

The Audit Committee of the Board comprises four Independent Directors, namely Dr. Surendra A. Dave as Chairman and, Mr. Ajit Warty, Mr. Kiran N. Talchekar and Mr. Dev Kirit Toprani as members of the Committee. They possess good knowledge of corporate and project finance, accounts and Companies Act. The composition of the Audit Committee meets with the requirement of section 177 of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.



I. Audit Committee	II. Nomination and Remuneration Committee	III. Stakeholders' Relationship Committee (SRC)
Dr. Surendra A Dave Chairman Non-executive Independent Director	Dr. Surendra A Dave Chairman Non-executive Independent Director	Dr. Prafulla R. Hede Chairman Non - Executive Director
Mr. Kiran N. Talchekar Non-executive Independent Director	Mr. Kiran N. Talchekar Non-executive Independent Director	Mr. Samit Hede Member Managing Director
Mr. Ajit Warty Member Non-executive Independent Director	Mr. Ajit Warty Member Non-executive Independent Director	Mr. Ajit Warty Member Non - Executive Independent Director
Mr. Dev Kirit Toprani Member Non-executive Independent Director	Mr. Dev Kirit Toprani Member Non-executive Independent Director	Mr. Dev Kirit Toprani Member Non-executive Independent Director

The Company Secretary of the Company acts as Secretary to the Audit Committee. The minutes of the meetings of the Audit Committee were also placed before the Board.

Objective:

The Audit Committee assists the Board in its responsibility for overseeing the quality and integrity of the accounting, auditing and reporting practices of the Company and compliance with the legal and regulatory requirements. The Committee oversees the accounting and financial reporting process of the Company, the audits of the Company's financial statements, the appointment, independence, performance and remuneration of the Statutory Auditors the performance of internal auditors and the Company's risk management policies.

Powers of Audit Committee:

- To investigate any activity within its terms of reference
- To seek information from any employee
- To obtain outside legal or other professional advice
- To secure attendance of outsiders with relevant expertise, if it considers necessary

The Role of Audit Committee includes:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- Recommending to the Board the appointment, remuneration and terms of appointment of Auditors of the Company
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors

- Reviewing / Examination, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:

- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of related party transactions;
- Modified opinion in the draft audit report, if any;

- Reviewing / Examination, with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of



- the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems 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 look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
- Carrying out other functions as may be specifically referred to the Committee by the Board of Directors
- To review the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
- To review the following:
 - Management discussion and analysis of financial condition and results of operations
 - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management
 - Management letters / letters of internal control weaknesses issued by the statutory auditors
 - Internal audit reports relating to internal control weaknesses and
 - The appointment, removal and terms of remuneration of the chief Internal auditors shall be subject to review by the audit committee
 - Statement of Deviations;
 - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange (s) in terms of Regulation 32 (1) of SEBI (Listing Obligations and disclosure requirements), Regulations, 2015

- Annual Statement of funds utilized for purpose other than those stated in the offer document/ prospectus/notice in terms of regulation 32 (7) of SEBI (Listing Obligations and disclosure requirements), Regulations, 2015

Meetings:

Four meetings of Audit Committee were held during the year ended March 31, 2020 as on:

- February 14, 2020
- November 14, 2019
- August 10, 2019
- May 30, 2019

Attendance details of the members:

Name of the Committee Member	No. of meetings	
	Held	Attended
Mr. Kiran Narayan Talcherkar	4	4
Mr. Dev Kirit Toprani	4	3
Dr. Surendra A. Dave	4	4
Mr. Ajit Warty	4	3

Executives of accounts department, finance department, secretarial department and representatives of the Statutory Auditors attended the Audit Committee Meetings.

II. NOMINATION AND REMUNERATION COMMITTEE

Composition:

The Nomination and Remuneration Committee of the Company comprises four Independent Directors, namely, Mr. Ajit Warty as Chairman and Dr. Surendra A. Dave, Mr. Kiran N. Talchekar and Mr. Dev Kirit Toprani as members of the Committee.

The Committee's composition and terms of reference are in compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and disclosure requirements), Regulations, 2015.

Terms of reference of the Committee includes:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees;
- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Formulation of criteria for evaluation of Independent Directors, the Board and every Director's performance;



- Devising a policy on Board diversity;
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of independent Directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

Meetings:

The meeting of the Committee was held during the year on 30th May 2019.

Name of the Committee Member	No. of meetings	
	Held	Attended
Mr. Ajit Warty	1	1
Mr. Surendra A. Dave	1	1
Mr. Kiran Talchekar	1	1
Mr. Dev Kirit Toprani	1	1

Remuneration Policy:

The Committee has formulated a policy on Nomination and Remuneration of Director, Key Managerial Personnel and Senior Management, which is attached as **Annexure-D** to the Directors Report and has been published on the website of the Company www.hbgindia.com.

The remuneration of the Managing Director / Executive Director are decided by the Nomination and Remuneration Committee based on the Company's performance vis-à-vis the industry performance/ track record of the Managing Director and Executive Directors and same is reported to the Board of Directors. The Company pays remuneration by way of salary to its Managing Director / Whole-time Director. Increment(s) are decided by the Nomination and Remuneration Committee within the overall limits approved by the Members.

The details regarding remuneration paid to Executive Directors and sitting fees paid to Independent Directors are provided as follows:

Sr. No.	Name of Director	Salary (Rs.)	Sitting Fees (Rs.)	Total (Rs.)
1.	Dr. Prafulla R. Hede	-	20,000	20,000
2.	Dr. Surendra A. Dave	-	40,000	40,000
3.	Mr. Samit P. Hede	24,71,000	-	24,71,000
4.	Mrs. Shibanee M. Harlalka	-	20,000	20,000
5.	Mr. Paul David Talbot Willcox	-	-	-
6.	Mr. Arun P. Pawar	-	10,000	10,000
7.	Mr. Ajit Warty	-	30,000	30,000
8.	Mr. Kiran N. Talchekar	-	40,000	40,000
9.	Mr. Dev Kirit Toprani	-	30,000	30,000
	Total			26,61,000



III. STAKEHOLDERS' RELATIONSHIP COMMITTEE (SRC)

The Stakeholders Relationship Committee (SRC) of the Company comprises Four Directors namely, Dr. Prafulla R. Hede as Chairman, Mr. Samit P. Hede, Mr. Dev Kirit Toprani and Mr. Ajit Warty as members of the committee.

The SRC's composition and terms of reference meet with the requirements of Chapter IV of SEBI (Listing Obligations and disclosure requirements), Regulations, 2015 and the provisions of the Companies Act, 2013.

Terms of reference:

The terms of reference / powers of the Stakeholders Relationship Committee are as under:

- Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc
- Review of measures taken for effective exercise of voting rights by shareholders.
- Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.
- To oversee the performance of the Registrars & Transfer Agents of the Company
- To monitor the implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of the SEBI (Prohibition of Insider Trading) Regulations, 2015
- To carry out such other functions as may be directed by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable and
- To perform such other functions as may be necessary or appropriate for the performance of its duties

Meetings:

One meeting of the Committee was held during the year on November 14, 2019.

Attendance of each member at the SRC meetings held during the year

Name of the Committee Member	No. of meetings	
	Held	Attended
Dr. Prafulla R. Hede	1	1
Mr. Samit P. Hede	1	1
Mr. Dev Kirit Toprani	1	1
Mr. Ajit Warty	1	1

Compliance Officer:

Company Secretary is the Compliance Officer for complying with the requirements of Securities Laws and SEBI (Listing Obligations and disclosure requirements), Regulations, 2015 with the Stock Exchanges in India, the Name and contact of the Compliance Officer as under:

Ms. Richa Jain
Company secretary & Compliance Officer
Phoenix Township Limited
Balaji Bhavan, 2nd Floor, 14, BEST Marg,
Colaba, Mumbai- 400 001

Tel No.: (91-22) 6159 0900 | Fax No.: (91-22) 2202 8212

E-mail: complaine@hbgindia.com

Complaints Status:

During the financial year 2019-2020, the Company did not receive any complaints from shareholders.

CODE OF CONDUCT

The Board has approved and adopted a Code of Conduct for all Board members and senior management of the Company. The code of conduct has been posted on the website of the Company at www.hbgindia.com. All Board members and senior management personnel affirm compliance with the code of conduct annually. A declaration to this effect signed by Mr. Samit Hede, Managing director of the company is given below:

Declaration

I hereby confirm that the Company has obtained from all the members of the Board and senior management personnel, affirmation that they have complied with the Code of Conduct for directors and senior managerial personnel in respect of the financial year ended 31st March, 2020.

Sd/-
Samit Hede
Managing Director
Mumbai, 31st August, 2020

OTHER DISCLOSURES

- None of the transactions with any of the related parties was in conflict with the interest of the Company.

All related party transactions are negotiated on arm's length basis and are intended to further the interests of the Company.

The Policy dealing with related party transactions is available on the website of the Company under the link <http://www.hbgindia.com/documents/PTL-Related-Party-Transaction-Policy.pdf>



- There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and hence no penalties or strictures have been imposed on the Company by the stock exchanges or SEBI or any other statutory authority.

CEO / CFO CERTIFICATION:

The Managing Director and Chief Financial Officer of the Company gives annual certification on financial reporting and internal controls to the Board in terms of Chapter IV of SEBI (Listing Obligations and disclosure requirements), Regulations, 2015. The Managing Director and Chief Financial Officer also gives quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33 of SEBI (Listing Obligations and disclosure requirements), Regulations, 2015 (Earlier Listing Agreement).

WHISTLE BLOWER POLICY:

The Board of Directors of the Company are committed to maintain highest standard of honesty, openness and accountability and recognize that each and every person in the Company has an important role to play in achieving the organizational goals. It is the policy of the Company to encourage employees, when they have reason to suspect questionable accounting/audit practices or the reporting of fraudulent financial information to shareholders, the Government or the financial markets, and/or serious misconduct otherwise, to report the concerns to the Company's Management. We further affirm that no employee has been denied access to the Audit Committee

MEANS OF COMMUNICATION

Quarterly results:

Quarterly results of the Company are published in "Financial Express" and "Dainik Heralt" and are also displayed on the Company's website www.hbgindia.com.

Website:

The Company's website www.hbgindia.com contains a separate dedicated section 'Investors' Information' where shareholders' information is available. The Annual Report of the Company is also available on the website in a user friendly and downloadable form.

Annual Report:

Annual Report containing, inter alia, Audited Annual Accounts, Directors' Report and Auditor's Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website www.hbgindia.com

BSE Corporate Compliance & Listing Centre (the 'Listing Centre'):

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

SEBI Complaints Redress System (SCORES):

The investor complaints are processed in a Centralised web-based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status.

Designated Exclusive email-id:

The Company has designated the following email-ids exclusively for investor servicing.

- For queries on Annual Report - compliance@hbgindia.com
- For queries in respect of equity shares of the Company: prafuls@adroitcorporate.com.

PAYMENT OF LISTING AND CUSTODIAL FEE:

The annual Listing Fees for the year 2019-2020 has been paid to the concerned Stock Exchanges.

The Company has also paid the Annual Custodial fees to both the Depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Company has complied with all the mandatory requirements of the Listing Regulations. The Company has also fulfilled the following discretionary requirements as provided in the Listing Regulations:

- The Chairman of the Board is a Non-Executive Director and his position is separate from that of the Managing Director & CEO.
- The Internal Auditor reports to the Audit Committee.:
 - Details of Non-compliance, penalties and strictures imposed on the Company by the Stock Exchange/SEBI/Statutory Authorities on matter relating to capital market during the last three years.
 - The Company has complied with the requirements of regulatory authorities on capital market and no penalties/strictures have been imposed against it in the last three years.
 - The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements for 2019-20.
 - Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor



and all entities in the network firm/network entity of which the statutory auditor is a part is given below:

Payment to Statutory Auditors	FY 2019-20
Audit Fees	1,00,000
Tax Audit Fees	NIL
Other Services	NIL
Reimbursement of expenses	NIL
Total	1,00,000

- Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the financial year 2019-20	NIL
Number of complaints disposed off during the financial year 2019-20	NIL
Number of complaints pending as on end of the financial year.	NIL

GENERAL SHAREHOLDERS INFORMATION

1. General Body Meetings : (Location and time of last three Annual General Meetings)

Financial Year	Date	Time	Venue
2018-19	10/08/2019	4.00 P.M	Phoenix Park Inn Resort, Sequera Vado, Candolim, Goa - 403 515.
2017-18	06/08/2018	3.00 P.M	Phoenix Park Inn Resort, Sequera Vado, Candolim, Goa - 403515.
2016-17	07/08/2017	4.00 P.M	Phoenix Park Inn Resort, Sequera Vado, Candolim, Goa - 403 515.

The following special resolution(s) were passed in the previous annual general meetings:

Annual General Meeting held on August 10, 2019

- To Re-Appoint Dr. Surendra Ambalal Dave (DIN: 00001480) as an Independent Director of the Company for second term.
- To Continue the Directorship of Dr. Prafulla R. Hede (DIN: 00651441), Director of the Company, as a Non-Executive Director after attaining the age of seventy five years.

Annual General Meeting held on August 06, 2018

- To Appoint Mr. Ajit Warty (DIN: 00051463) as an Independent Director of
- To Continue The Directorship Of Dr. Prafulla R. Hede (Din: 00651441), Director Of The Company, As A Non-Executive Director After Attaining The Age Of Seventy Five Years.
- To Continue The Directorship Of Dr. Surendra Ambalal Dave (Din: 00001480), An Independent Director Of The Company, As A Non-Executive Independent Director After Attaining The Age Of Seventy Five Years.
- To service of documents to the members/ shareholders of the Company.

Annual General Meeting held on August 07, 2017

- No Special Resolution was passed.

2. Company Registration Details:

The Company is registered in the State of Goa, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L67190GA1993PLC001327.

• Insider Trading Regulations:

The Company has adopted the Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices. This Code of Conduct is applicable to all Directors and such designated persons who are expected to have access to unpublished price sensitive information relating to the Company. Mr. Puspraj Pandey CFO & Ms. Richa Jain of the Company, is the Compliance Officer for the purpose of this regulation.

• Certificate on Non-Disqualification Of Directors :

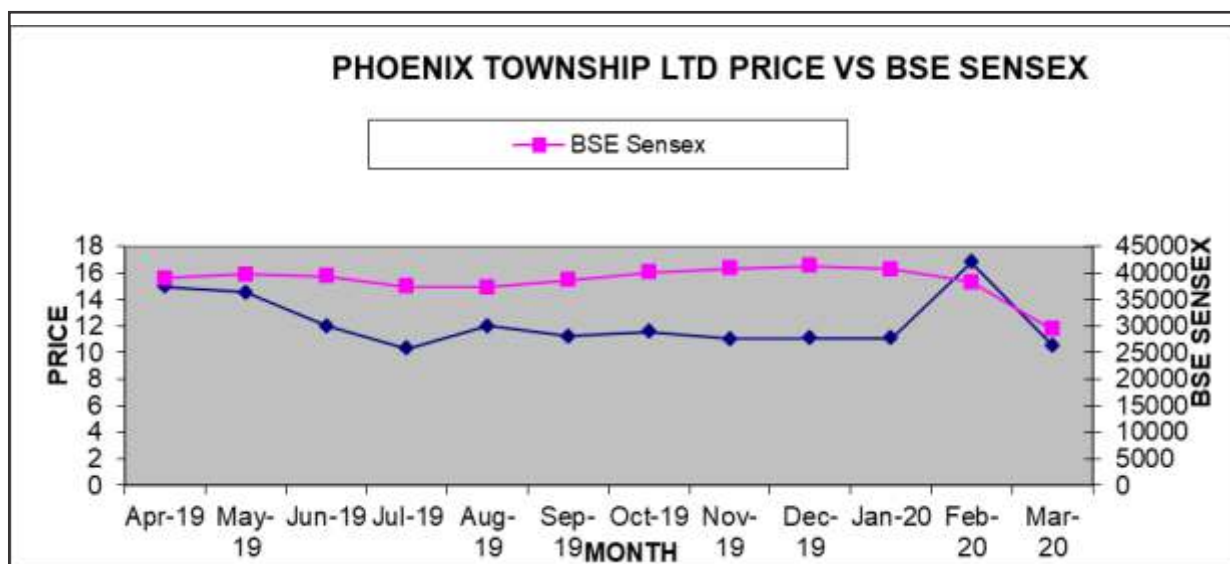
All the Directors of the Company have submitted a declaration stating that they are not debarred or Disqualified by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such Statutory authority from being appointed or continuing as Directors of Companies. Kothari H. & Associates, Practicing Company Secretary has submitted a certificate to this effect, which is forming part of the Annual Report.



Annual General Meeting Day, Date, Time & Venue	29th day, September, 2020 at 12.00 P. M. through Video Conference ("VC")/ Other Audio Visual Means ("OAVM")
Financial Year	April 01 to March 31
Financial Calendar (tentative)	June 30, 2020 - Second week of August, 2019 September 30, 2020 - Second week of November, 2019 December 31, 2020 - Second week of February, 2021 March 31, 2020 - Last week of May, 2021. Dividend Payment Date Not Applicable
Date of Book closure	From 23rd September, 2020 to 29th September, 2020 (both days inclusive).
Listing on Stock Exchanges	The shares of the Company are listed on BSE Limited (BSE)
Stock Code/ ID	537839/PHOENIXTN
Registrars and Transfer Agents	The Company has appointed Adroit Corporate Services Pvt Ltd of Mumbai as the Registrars and Share Transfer Agents. For any assistance regarding share transfers, transmissions, change of address, duplicate/missing share certificate and other relevant matters, please write to the Registrars and Transfer Agents, at the address given below: Adroit Corporate Services Private Limited 17/20, Jaferbhoy Ind. Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (East), Mumbai - 400059.
Share Transfer System	The equity shares of the Company are primarily dealt with in electronic form in the depository system with no involvement of the Company. There are negligible or no transfers made in physical form. As regards transfer of shares held in physical form the transfer documents can be lodged with Registrars and Transfer Agents at the above mentioned address.

3. Market Price Data – High, Low & Closing & BSE Sensex during each month in the year 2019-2020

Month	Market Price Per Share (Rs.) (BSE)						
	BSE Sensex (High)	BSE Sensex (LOW)	Highest	Lowest	Closing	No. of Shares	Total Turnover (Rs.)
April, 2019	39,487.45	38,460.25	14.99	12.23	13.51	335	4509
May, 2019	40,124.96	36,956.10	14.54	11.32	12.46	10814	141606
June, 2019	40,312.07	38,870.96	12.00	7.75	7.82	37556	375299
July, 2019	40,032.41	37,128.26	10.29	6.80	10.29	340454	2572953
August, 2019	37,807.55	36,102.35	12.00	10.30	10.30	483	5273
September, 2019	39,441.12	35,987.80	11.25	8.97	11.25	28934	287434
October, 2019	40,392.22	37,415.83	11.55	10.45	10.45	6373	69750
November, 2019	41,163.79	40,014.23	11.02	8.19	8.55	13287	129883
December, 2019	41,809.96	40,135.37	11.08	8.27	11.08	4308	39104
January, 2020	42,273.87	40,476.55	11.08	10.53	10.53	64	674
February, 2020	41,709.30	38,219.97	16.8	11.84	16.5	22414	345069
March, 2020	39,083.17	25,638.90	10.53	9.50	9.50	32	321



4. Distribution of Shareholding as on March 31, 2019:

No. of shares	No. of shareholders	% of shareholders	No. of shares held	Amount (In Rs.)	% of shareholding
1 - 500	751	48.51	163706	1637060.00	1.17
501 - 1000	335	21.64	301506	3015060.00	2.16
1001 - 2000	274	17.70	484475	4844750.00	3.46
2001 - 3000	36	2.33	93589	935890.00	0.67
3001 - 4000	47	3.04	175614	1756140.00	1.26
4001 - 5000	19	1.23	91189	911890.00	0.65
5001 - 10000	31	2.00	232129	2321290.00	1.66
Over 10000	55	3.55	12440882	124408820.00	88.96
Total	1565	100.00	13984260	13984260	100.00

5. Shareholding Pattern (Category of Shareholders) as on March 31, 2020:

Category Code	Category of Shareholder	Total No. of shares	As a percentage (A+B+C)
(A)	Shareholding of Promoter and Promoter Group		
	(1) Indian	98,51,710	70.45
	(2) Foreign	0	0
	Total Shareholding of Promoter and Promoter Group	98,51,710	70.45
(B)	Public shareholding		
	(1) Institutions	1000	0.01
	(2) Non-institutions	41,31,550	29.54
	Total Public Shareholding	41,32,550	29.55
(C)	Shares held by Custodians and against which Depository Receipts have been issued		
	(1) Promoter and Promoter Group	0	0
	(2) Public	0	0
	Total		
	TOTAL (A+B+C)	1,39,84,260	100



6. Reconciliation of Share Capital Audit:

As stipulated by SEBI, a qualified practicing Company Secretary carries out the Reconciliation of Share Capital to reconcile the total capital held with the National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The report, inter alia, confirms that the total listed and paid-up share capital of the Company is in agreement with the aggregate of the total dematerialised shares and those in physical mode.

7. Dematerialization of Shares and Liquidity as on March 31, 2020

Category	No. of Shares held	No. of Shareholders	% of Total Shareholding
Shares held in Demat Form	1,27,22,860	837	90.98
Shares held in Physical Form	12,61,400	711	09.02
TOTAL	1,39,84,260	1,548	100.00

COMPLIANCE CERTIFICATE OF THE AUDITORS:

Certificate from the Auditors of the Company, M/s. Chaturvedi Sohan & Co., Chartered Accountants (having ICAI Registration No: 118424W) confirming compliance with the conditions of Corporate Governance as stipulated under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is forming part of the Annual Report.

For and on behalf of the Board of Directors
Phoenix Township Limited

Place: Mumbai
Date : 31st August, 2020

Sd/-
Dr. Prafulla R. Hede
Chairman
DIN: (00651441)



ANNEXURE-D
NOMINATION AND REMUNERATION POLICY (U/S. 178)

Introduction:

Phoenix Township Limited, In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR"). As amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel and other employees has been framed by the Committee and approved by the Board of Directors.

The objective and purpose of this policy are as follows:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the finance industry.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and others Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and also to ensure long term sustainability of talented managerial persons to create competitive advantage.

Effective Date:

This Policy has been adopted by the Board of Directors of Phoenix Township Limited ('the Company') at its Meeting held on 9th February, 2016. In order to comply with the SEBI LODR (Amendment) Regulations, 2018 dated 9th May, 2018. This policy is amended wherever required.

Nomination and Remuneration Committee comprises of following Directors:

Sr. No.	Name	Position
1	Dr. Surendra Ambalal Dave	Chairman
2	Mr. Ajit Warty	Member
3	Mr. Kiran Narayan Talchekar	Member
4	Mr. Dev Kirit Toprani	Member

Definitions

- **Board**, means Board of Directors of the Company.
- **Directors**, means Directors of the Company.
- **Committee** means Nomination and Remuneration Committee of the Company as constituted by the Board.
- **Company**, means Phoenix Township Limited.
- **Independent Director** means a director referred to in section 149(6) of the Companies Act, 2013 and as per Listing Regulation.
- **Key Managerial Personnel (KMP) means-**
 - (i) Managing Director or Chief Executive Officer or manager and in their absence, a Whole-time Director;
 - (ii) Chief Financial Officer;
 - (iii) Company Secretary;
 - (iv) Such other officer as may be prescribed under the applicable statutory provisions / rules and regulations.
- **"Regulations" or "Listing Regulations"** mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- **"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 Chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.]
- **FREQUENCY OF MEETINGS:** The meeting of the Committee shall be held at least once in a year

Applicability

- Directors (Executive and Non Executive)



- Key Managerial Personnel
- Senior Management Personnel

COMMITTEE MEMBERS' WELFARES: Member of the Committee is not entitled to be present/participate in discussion when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.

- The key features of this Company's policy shall be included in the Board's Report.

SECRETARY:

The Company Secretary of the Company shall act as Secretary of the Committee.

RECOMMENDATIONS TO BE MADE BY NRC,

The Committee shall:

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Directors and persons who may be appointed and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, and Senior Management Personnel.
- Recommend to the Board whether to extend or continue the term of appointment of Independent Directors based on the basis of report of performance evaluation.
- Recommend to the Board, all remuneration, in whatever form payable to senior management.

APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy Five years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the

approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

Term/Tenure:

1. Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

2. Independent Director:

An Independent Director shall hold office for a term up to 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 expiry of three years of ceasing to become an 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 already served as an Independent Director for 5 years or more in the Company as on 1st October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Managing Director/Whole-time Director of a listed company.

• Evaluation:

The Committee shall carry out evaluation of performance of its Board, its committees and individual directors to be carried by the Board at regular interval (yearly).

• Performance Evaluation Criteria of Independent Directors:

1. Understanding of nature and role of independent directors' position;



2. Active engagement with the Management and attentiveness to progress of decisions taken;
3. Driving any function or identified initiative based on domain knowledge and experience;
4. Proactive, strategic and lateral thinking.

- **Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

- **Retirement:**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

- **General:**

The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/ approval of the shareholders of the Company.

1. The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made thereunder.
2. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
3. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, 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. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

- **Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:**

1. **Fixed pay:**

The Whole-time Director / KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders, wherever required.

2. **Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013.

3. **Provisions for excess remuneration:**

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Shareholders, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.

4. the fees or remuneration payable to the executive Directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution in general meeting if the said compensation exceeds the limit specified in the Regulation 17(6)(e) of the SEBI(Listing Obligation and Disclosure Requirements, Amendment) Regulations, 2018.

- **Remuneration to Non- Executive / Independent Director:**

1. **Remuneration / Commission:**

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made thereunder. And all the fees or



compensation to be paid to non-executive directors shall require approval of the Shareholders in General Meeting except the payment of sitting fees.

The approval of shareholders by special resolution shall be obtained every year, in which the annual remuneration payable to single non-executive director exceeds 50% of the total remuneration payable to all the non-executive directors.

2. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. Five Thousand per meeting of the Board and Rs. Five Thousand per meeting of the Committee (Excluding Stakeholder Relationship Committee and Nomination and Remuneration Committee) but not exceeding such amount as may be prescribed by the Companies Act and rules made thereunder from time to time.

3. Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit as computed as per the applicable provisions of the Companies Act, 2013.

4. Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

AMENDMENTS TO THE POLICY:

The Board has the power to reconstitute the Committee and or to change/amend the policy as may be expedient taking into account the law for the time being in force.

AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE REGULATIONS OF CORPORATE GOVERNANCE

To,

The Board of Directors

Phoenix Township Limited

We have examined the compliance of conditions of corporate governance by Phoenix Township Limited, ('the Company'), for the year ended on 31st March, 2020, as stipulated in Chapter IV SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 pursuant to 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 the 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 SEBI (Listing Obligation and disclosure Requirement) Regulations, 2015.

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

**For Chaturvedi Sohan & Co.
Chartered Accountants
ICAI Firm Registration No: 118424W**

**Sd/-
Devanand Chaturvedi
Proprietor
Membership No.: 030760**

**Place: Mumbai
Date: 31st August, 2020**



loans to small businesses, reduced withholding tax rates and extended payment due dates to mitigate the risk of a liquidity crisis in the Indian economy.

The travel and tourism industry contributed 6.8% to India's GDP and registered a growth of 4.9% in 2019. The industry supports close to 40 million jobs in the country (8% of total employment). The inbound travels consist of a mixed bag with arrival from Bangladesh (12%) topping the chart, followed by the United States (9%) and United Kingdom (6%). The leisure segment continues to be the major revenue contributor (94%) with majority of the tourists (83%) belonging to the domestic category (Source: World Travel and Tourism Council). The hotel industry in India is predominantly unorganised, with more than half of the organised hotels in India comprising 3-star or higher categories. India is a large market for travel and tourism. It offers a diverse portfolio of niche tourism products - cruises, adventure, medical, wellness, sports, MICE, eco-tourism, film, rural and religious tourism. India ranked 34 in the Travel & Tourism Competitiveness Report 2019 published by the World Economic Forum. In 2019, arrivals through e-Tourist Visa increased by 23.6% y-o-y to touch 2.9 million.

The COVID-19 pandemic has impacted all businesses, though in varying degrees a major impact of the pandemic has been felt by the travel and tourism sector consisting of airlines, hospitality, cruise liners, road and railway transportation, travel and tour operators, in addition to industries such as real estate, construction, passenger vehicles, luxury retail, etc. The COVID-19 pandemic, being highly infectious in nature, has impacted the tourism industry in an unprecedented manner, more so as the industry is highly people-centric in nature, and service delivery involves close interactions between service providers and guests. The industry has been further impacted by the government's responses to contain the virus, including social distancing, travel advisories, suspension of visas, prohibition against mass gatherings, cancellation of sporting and cultural events, stoppage of inter-state transport, railways, etc.

The hospitality and tourism industry is facing a dire and hitherto-unknown situation that has thrown up new challenges and taken the industry by surprise. Even though the government and the RBI announced stimulatory measures to mitigate the immediate challenges faced by the industries and businesses, considering the diverse nature of the hospitality and tourism industry, especially the fact that it is one of the major contributors to the GDP and also a major employment provider, the industry feels that specific measures from the government are extremely crucial for its survival in these challenging times. In this regard, the Federation of Associations in Indian Tourism & Hospitality (FAITH), has made a representation to the task force set up by the government for relief and bailout packages for the industry.

The year 2019 has been a year of challenges for the global economy, with GDP declining to 2.9%, below the previous projections of 3.3% in January 2020, and its slowest since the global financial crisis in 2009, as per the International Monetary Fund (IMF). The contraction in growth is majorly attributed to the rising trade rift and geopolitical tensions, leading to uncertainty in global trade and adversely affecting business investments and

investor confidence. While China, India and the ASEAN-5 performed better than other economies, the US and the UK registered a GDP growth of 2.3% and 1.4% respectively, while countries like Sri Lanka, Nepal and the Maldives were at 2.3%, 7.1% and 5.7%, respectively. The early signs of recovery evident in January 2020 on account of reduced trade tensions between the US and China as well as a softer Brexit, however, dissipated due to the onset of the Novel Coronavirus disease from February 2020, derailing economic growth significantly. Declared a pandemic by the World Health Organisation (WHO), governments across the world, in an effort to curtail the rapid spread of the infection, severely restricted travel, mandated extreme 'social distancing' measures and reduced supply chains to the movement of 'essentials'

For the year 2020, IMF has projected only China and India among the larger nations, to have a positive GDP growth. It projects US GDP to contract by 5.9%, UK by 6.5%, the Euro Area by 7.5% and South Africa by 5.8%. Countries like the Maldives could be impacted severely as they are heavily dependent on tourism, especially from China, the Middle East and Europe.

Despite the challenges posed by the pandemic, the hospitality industry is taking all possible measures to survive in the short term, revive in the short-to medium-term and thrive in the long term. The new challenges will assist the industry in preparing for a 'new normal', where there will be a sea-change in customer perceptions, with hygiene and safety gaining top priority, both amongst businesses and customers, and an exponential increase in the usage of digital solutions, as the world deals with the concept of 'contact-less' interchanges between people. The travel industry, worth around US\$ 1.6 trillion globally, accounts for one-tenth of the world's GDP. More importantly, the industry creates greater indirect employment opportunities, thereby helping multiply economic growth. The revival of this sector would largely depend on effective containment measures and treatments.

As the COVID-19 pandemic continues to impact human health, responses to arrest this pandemic across countries are severely impairing economic activity. The global economy is projected to contract sharply by 3% in 2020. Several countries have announced large fiscal stimulus packages to support marginalized and working-class families, whose sustenance has been impacted unexpectedly by the prevailing conditions. Countries reliant on tourism, travel, hospitality, and entertainment for their growth are experiencing particularly large disruptions. Emerging markets and developing economies face additional challenges with unprecedented reversals in capital flows as global risk appetite wanes, currency pressures build up and weaker health systems and limited fiscal space fall short in supporting the increasing number of afflicted people. (Source: World Economic Outlook, April 2020: The Great Lockdown).

Despite the flattening of the COVID-19 curve in major economies, the uncertainty looming around it, especially on how it could evolve in the future is a major concern since a fresh



wave of infection would be disastrous for the global economy.

FINANCIAL ANALYSIS:

India is a large market for travel and tourism. It offers a diverse portfolio of niche tourism products - cruises, adventure, medical, wellness, sports, MICE, eco-tourism, film, rural and religious tourism. India has been recognized as a destination for spiritual tourism for domestic and international tourists. India ranked 34 in the Travel & Tourism Competitiveness Report 2019 published by the World Economic Forum.

Total contribution by travel and tourism sector to India's GDP is expected to increase from Rs 15.24 lakh crore (US\$ 234.03 billion) in 2017 to Rs 32.05 lakh crore (US\$ 492.21 billion) in 2028. Total earning from the sector in India is targeted to reach US\$ 50 billion by 2022.

As of 2019, 4.2 crore jobs were created in the tourism sector in India, which was 8.1 per cent of the total employment in the country. International Tourists arrival is expected to reach 30.5 billion by 2028. e-Visa facility was offered to 169 countries as of December 2019.

During 2019, foreign tourist arrivals (FTAs) in India stood at 10.89 million, achieving a growth rate of 3.20 per cent y-o-y. During 2019, FEEs from tourism increased 4.8 per cent y-o-y to Rs 1,94,881 crore (US\$ 29.96 billion). In 2019, arrivals through e-Tourist Visa increased by 23.6 per cent y-o-y to 2.9 million.

Under the Swadesh Darshan scheme, 77 projects have been sanctioned of worth Rs 6,035.70 crore (US\$ 863.60 million). In Union Budget 2020-21, the Government has allotted Rs 1,200 crore (US\$ 171.70 million) for the development of tourist circuits under Swadesh Darshan for Northeast.

Hotel and Tourism sector received cumulative FDI inflow of US\$ 15.28 billion between April 2000 and March 2020.

In Union Budget 2019-20, the Government introduced a Tax Refund for Tourists (TRT) scheme in line with countries like Singapore to encourage tourists to spend more in India and boost tourism. The Government of India also announced to develop 17 iconic tourist sites in India into world-class destinations as per Union Budget 2019-20.

COMPANY OVERVIEW:

The Company believes that there is a significant potential for growth of hospitality business in India. During the year, it has taken several measures to tap this opportunity. As most of its addressable market is very active online, the Company has made a conscious effort to focus on 'digital', both as a channel for future growth and to build its brand. As a result, response times to customer leads, queries or online mentions are being cut drastically. The Company's results of operations are primarily affected by room revenue and food and beverage revenue in its hotel. Room revenue is dependent upon the number of hotel rooms occupied by guests and the rate at which such guests can be charged.

The Company with a view to expand its business has made an investment in a new project at Poovar, Kerala, by acquisition of an existing resort and surrounding land approximately 5 acres to develop this resort from an existing 13 cottages with all amenities and has purchased plots at Kulathoor Village, Taluka Neyyatinkara, District Thiruvananthapuram and also buying a running Resort in the Paloliem, Canaona, South Goa, India named Castle House with an existing 24 rooms with all amenities.

OUTLOOK:

The outbreak of the COVID-19 pandemic and consequent nationwide lockdown and other restrictions imposed by the government on movement across the country since March 24, 2020 is expected to severely affect the economic growth during FY 2020-21, especially in the first quarter. The short term economic recovery is expected to be accelerated by an increase in government expenditure in key sectors of the economy and the implementation of stimulus packages announced by the government as part of its response to mitigate the hardships faced by both the economy and the people. Over the long term, a healthy saving culture among Indians, higher proportion of a young working population and policy reforms are expected to drive India's economic growth. The soft food inflation trend is expected to continue, given the increased agricultural productivity in the country. The challenges posed by the COVID-19 pandemic are expected to be short term under the existing scenario, where severe infection is limited to certain geographies, with many states already experiencing a flat curve in terms of infection rate. However, uncertainty on how the infectivity would evolve in the future would largely dictate the time required for the economic growth to regain normalcy.

DISCUSSION ON OPERATIONAL PERFORMANCE & FINANCE HIGHLIGHTS:

During the year under consideration the income of your Company has marginally decreased to Rs. 2,045.18/- Lacs in the current year from Rs. 2,058.22/- Lacs earned in the previous year. The Profit before Tax (PBT) of the Company for the current year has decreased to Rs. 75.42/- Lacs as against Rs. 115.04/- Lacs in the previous year. Similarly the Profit after Tax (PAT) for the current year has decrease to Rs. 40.15/- Lacs as compared to Rs. 66.01/- Lacs earned in the previous year.

The Management is expects growth form this sector in long run as the business climate has turned positive and will be able to acquire and expand more business in future. Our income from other sources comprises of interest income from bank and other operating income.

DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREFOR:

Debtors Turnover: Decreased by 01.23%
Inventory Turnover: Decreased by 20.11%
Interest Coverage Ratio: Decreased by 57.24%
Current Ratio: Decreased by 27.66%
Debt Equity Ratio: Increased by 59.59%



Operating Profit Margin (%): Decreased by 34.02%
Net Profit Margin (%): Increased by 51.57%

The above changes in ratios are happened due to the adoption of the IND-AS.

DETAILS OF CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF:

There has been a decrement return to net worth by 52.65 percent to 01.50 percent for the FY'20 as compared to 03.16 percent for the FY'19 due to decrease in return by more than 51.88% to Rs. 37.54/- Lakhs for FY'20 from Rs. 78.01/- Lakhs for FY'19.

RESORT OPERATIONS:

Efficient resort operations are central to delivering a holiday experience that meets the expectations of our customers. This encompasses three key areas: infrastructure and facilities, holiday activities, and food and beverage (F & B). The Company continued its initiative on institutionalizing 'post-holiday feedback' as the chief mechanism to measure its success in delivering quality holiday experience to its customers and addressing their concerns. We are happy to report that the feedback scores have consistently improved during the year. Efforts are in progress to further improve the coverage of the feedback, both in terms of processes and resort location.

OPPORTUNITIES, THREATS, RISKS AND CONCERNS:

The Indian hospitality industry is undoubtedly one of the biggest casualties of the COVID-19 outbreak as demand has declined to an all-time low. Global travel advisories, suspension of Visas, the imposition of Section-144 (prohibition against mass gatherings), India like most other countries is on lockdown, the ramifications of which are unprecedented

The Indian hotels' sector sailed smoothly into January 2020, after a record year in 2019, with 2020 set to be "even bigger". The country first started feeling the ripple effects of the global COVID-19 turmoil towards the end of February 2020, which worsened at the beginning of March. Occupancy across hotels in key cities declined rapidly and as per our estimates has declined by a staggering 45 percentage points compared to the previous year. Such a steep decline in such a short period of time has never been witnessed by the sector.

The report predicts the second quarter of the year to be the worst hit. Hotels will be unable to drive rates and may even seek to attract business at deep discounts.

The overall occupancy in the branded hotels segment in 2020 is estimated to decline by 16.7 - 20.5 percentage points over 2019, while ADRs are estimated to decline by 7% to 8% for the year. As a result, RevPAR will witness a significant decline of 31% to 36.2%.

Goa still maintains its position as India's No.1 leisure destination and it continued to exhibit growth witnessing the highest

average room rates of Rs. 7,000/- to Rs. 8,000/- per night during F.Y. 2019-2020, 4.1 per cent higher than the previous fiscal, surpassing the rate leader of India for the past 5 years - Mumbai. Occupancy rates reached 72.1 per cent during the year leading the RevPARs to witness an increase of about 5.1 per cent y-o-y. However, Goa's tourism industry has sought a quick reopening of the hotel industry lest the prolonged lockdown causes businesses to shut down entirely making revival more difficult.

The tourism industry which contributes more than 9% to Goa's GDP, has been hardest hit by the lockdown. It has claimed that if the government can't give the industry any relief, it should at least allow it to resume business.

The proposed Mopa Airport that is likely to be ready by 2021, is further expected to make significant demand contribution. Going forward, about 3,000 rooms are expected to be added to Goa market by F.Y. 2023 and due to strong domestic demand, combined with inbound interest, keeps Goa's engine running.

In the month of January the management of the Company was decided to start the part of units in Poovar Island, Kulahtoor Village, Taluka Neyyatinkara, District Thiruvananthapuram, which was brought by the Company last year, but due to pandemic COVID-19 it was not postponed.

Company is also making an investment by acquiring a running hotel in the Canaona, Palolliem, South Goa, India named Castle House, in view of further expansion and the same is in under process.

RISK MANAGEMENT:

Risk management is an integral part of the Company's business process. With the help of experts in this field, risks are carefully mapped and a risk management framework is evolved. Pertinent policies and methods are set forth to mitigate such risks. The Company has taken several measures at all its properties to beef up its security preparedness. In addition to the physical security measures, the Company has also taken adequate insurance cover to meet financial obligations which may arise from any untoward incidents.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has a proper and adequate internal control system to ensure that all the assets are safe-guarded and protected against the loss from unauthorized use or disposition and those transactions are authorized, recorded and reported correctly.

The internal control is supplemented by an extensive internal audit, periodical review by the management and documented policies, guidelines and procedures. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data and for maintaining accountability of assets.



MATERIAL DEVELOPMENTS IN HUMAN RESOURCES:

The Company continues to lay emphasis on developing and facilitating optimum human performance. Performance of management was the key word for the Company this year. Recruitment process has been strengthened to ensure higher competence levels. During the year, the Company successfully inducted people to meet the needs of the growing business, both from outside as well as through talent management and capability development initiatives aimed at development of existing employees. The employee strength is 147 as on 31st March, 2020.

CAUTIONARY STATEMENT

Certain statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include poor macroeconomic growth and consumer confidence, inability to add resorts and increase the inventory of room, cyclical demand and pricing in the Company's principal markets, changes in tastes and preferences, government regulations, tax regimes, economic development within India and other incidental factors.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
PHOENIX TOWNSHIP LIMITED
Durga Bhavan,
Hede Centre Tonca,
Panaji Goa GA 403001 IN

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of PHOENIX TOWNSHIP LIMITED having L67190GA1993PLC001327 and having registered office at Durga Bhavan, Hede Centre

Tonca Panaji GOA GA 403001, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Dr. Surendra Ambalal Dave	00001480	30/06/1998
2.	Mr. Ajit Mahabaleshwar Warty	00051463	14/08/2017
3.	Mr. Kiran Narayan Talcherkar	00393180	12/02/2018
4.	Mrs. Shibanee Harlalka	00507607	09/02/2016
5.	Dr. Prafulla Rajaram Hede	00651441	10/02/1993
6.	Mr. Samit Prafulla Hede	01411689	01/04/2012
7.	Mr. Paul David Talbot Willcox	01862872	15/09/1993
8.	Mr. Arun Pandurang Pawar	03628719	14/08/2017
9.	Mr. Dev Kirit Toprani	07969034	06/09/2018

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Kothari H. & Associates

Company Secretaries

Sd/-

Sonam Jain (Partner)

Membership No.: 9871

CP No.: 12402

UDIN : F009871B00638356

Date: 31.08.2020

Place: Mumbai



INDEPENDENT AUDITOR'S REPORT

To The Members of Phoenix Township Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Phoenix Township Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, and to the best of our information and according to the explanations given to us, read with Key Audit Matters, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report.

We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Emphasis of matter

We draw attention to Note No.: 1(xxviii) and Note No.: 1(xxix) to the financial statements, which describes the possible effect of uncertainties relating to COVID-19 pandemic on the Company's financial performance as assessed by the Management. Our opinion is not modified in respect of the above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit matter	How our audit addressed the key audit matter
<p>1. Impact of COVID-19 pandemic on Going Concern Refer Note No.: 1(xxviii) and Note No.: 1(xxix) "Estimation related to COVID-19" of the financial statements. On 11 March 2020, the World Health Organisation declared the Novel Coronavirus (COVID-19) outbreak to be a pandemic. The Indian Government has imposed lock-downs across the country from 22 March 2020 up to 30 June 2020. These lockdowns and restrictions due to COVID-19 pandemic have posed significant challenges to the businesses of the Company. This required the Company to assess impact of COVID-19 on its operations. The Company has assessed the impact of COVID-19 on the future cash flow projections. The Company has also prepared a range of scenarios to estimate financing requirements. In view of the above, we identified impact of COVID-19 on going concern as a key audit matter.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of the key controls relating to the Company's forecasting process • Compared the forecasted statement of profit and loss and cash flows with the Company's business plan approved by the board of directors • Obtained an understanding of key assumptions adopted by the Company in preparing the forecasted statement of profit and loss and cash flow and assessed the consistency thereof with our expectations based on our understanding of the Company's business • Assessed the forecasted statement of profit and loss and cash flow by considering plausible changes to the key assumptions adopted by the Company. • Performed the following procedures as mitigating factors: <ul style="list-style-type: none"> • Obtained understanding of new borrowing facilities availed subsequent to the year-end; • Assessed impact of Government's announcement to lift the lockdown restrictions and Company's plan to re-open hotels in a phased manner; • Assessed disclosures made in the financial statements with regard to the above. Refer to note no.: 1(xxviii) and note no.: 1(xxix). <p>Our procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> • Obtained an understanding of management's process and evaluated design and tested operating effectiveness of controls around identification of indicators of impairment under Ind AS. • Assessed the appropriateness of methodology and valuation model used by the management to estimate



<p>2. Management has classified trade receivable and Advances of Rs.197.00 Lakhs but part provision for ECL has been made during the financial year 2019-20.</p> <p>As per management the same is under negotiation between parties and management is hopeful for recovery.</p>	<p>the recoverable value of trade receivable and Advances;</p> <ul style="list-style-type: none"> • Assessed the professional competence, objectivity and capabilities of the valuation specialist engaged by the management; • Assessed the reasonableness of assumptions relating to revenue growth rate, gross margins, discount rates etc., based on historical results, current developments and future plans of the business estimated by management using expertise of our valuation specialist on required parameters; • Assessed cash flow forecasts to ensure consistency with current operations of the Company and performed sensitivity analysis on key assumptions used in management's calculated recoverable value.
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Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, Management discussion & Analysis and Business responsibility report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information; then we are required to report that fact. We have nothing to report in this regard.

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 Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the IND AS and other accounting principles generally accepted in India. 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with SA's, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used, and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit



evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease or to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them and all their relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India, in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", 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, based on our audit 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 purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow

Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, except Ind AS 109 Financial instruments regarding non provision of Expected Credit Loss (ECL) on doubtful debtors and advances.
- e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as Amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) As per information and explanation given to us Company does not have any pending litigations which would impact its financial position.
 - ii). The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iii). There were no amount which were required to be transferred to the Investor Education and Protection Fund during the year.

**For Chaturvedi Sohan & Co.
Chartered Accountants
Firm Registration No: 118424W**

**Sd/-
Devanand Chaturvedi
Partner
Membership No. 041898**

**Place: Mumbai
Date: 30th July, 2020**



"Annexure A" to the Independent Auditor's Report of even date on the Financial Statement of Phoenix Township Limited.

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31st, 2020:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of all fixed assets.
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) The title deeds of immovable properties (which are included under the Note 2 - 'Property, plant and equipment') are held in the name of the Company.
- 2) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year. No material discrepancies were noticed on the aforesaid verification.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and securities.
- 5) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- 6) In pursuant to the rules made by the Central Government of India the company is required to maintain cost records as specified under section 148(1) of the act.
- 7) a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally not regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods and Services Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanation given to us, there are no dues in respect of income tax, goods and services tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) According to the records of the company examined by us and the information and explanation given to us, the company has not defaulted in repayment of loans or borrowings to any financial institution or bank as at balance sheet date.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not



applicable to the Company.

- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For Chaturvedi Sohan & co.
Chartered Accountants
Firm Registration No: 118424W

Sd/-
Devanand Chaturvedi
Partner
Membership No. 041898

Place: Mumbai
Date: 30th July, 2020

"Annexure B" to the Independent Auditor's Report of even date on the Financial Statements of Phoenix Township Limited.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020 we have audited the internal financial controls over financial reporting of **Phoenix Township Limited**. ("the Company") which is a Company incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting



was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that;

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and

not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Chaturvedi Sohan & co.

Chartered Accountants

Firm Registration No: 118424W

Sd/-

Devanand Chaturvedi

Partner

Membership No. 041898

Place: Mumbai

Date: 30th July, 2020



Balance Sheet as at March 31, 2020

(Rs. in Lacs)

Particulars	Notes No.	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2	2,512.84	2,658.61
Capital Work in Progress		144.42	1.00
Intangible assets	3	31.90	29.41
Financial Assets		-	-
Non Current Investments	4	96.34	94.34
Other financial assets	5	143.46	143.59
Other non-current assets	6	1,105.70	535.81
Total Non- Current Assets		4,034.67	3,462.76
Current Assets			
Inventories	7	12.56	8.63
Financial Assets			
Trade receivables	8	200.37	198.10
Current Investments	9	0.48	63.50
Cash and cash equivalents	10	47.53	41.82
Bank balances other than cash & cash equivalents	11	9.26	3.92
Other financial assets	12	-	-
Other current assets	13	13.51	16.17
Total Current Assets		283.70	332.13
Total Assets		4,318.37	3,794.90
EQUITY AND LIABILITIES			
EQUITY & LIABILITIES			
Share capital	14	2,168.09	2,168.09
Other Equity	15	341.88	301.74
		2,509.97	2,469.82
LIABILITIES			
Non-current liabilities			
Deferred tax liabilities (net)	16	189.25	164.97
Non Current Borrowing	17	916.84	565.29
Total Non-Current liabilities		1,106.08	730.26
Current liabilities			
Financial Liabilities			
Current Borrowings	18	171.66	57.63
Trade payables	19	351.96	329.48
Other current liabilities	20	82.23	120.26
Provisions	21	96.47	87.45
Total Current liabilities		702.31	594.81
Total Equity & Liabilities		4,318.37	3,794.90

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

Chaturvedi Sohan & Co
Chartered Accountants
Firm Registration No : 118424W

Sd/-
Devanand Chaturvedi
Partner
Membership No. 041898

Place: Mumbai
Date: 30th July, 2020

For and on behalf of the Board

Sd/-
DR. P. R. Hede
Chairman
DIN No. : 00651441

Sd/-
Puspraj Pandey
Chief Financial Officer

Sd/-
Samit Hede
Managing Director
DIN No. : 01411689

Sd/-
Richa Jain
Company Secretary



Statement of Profit and Loss
For the period Ended March 31, 2020

(Rs. in Lacs)

Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
INCOME			
Revenue from operations	22	2,001.91	2,003.86
Other income	23	43.27	54.36
Total income		2,045.18	2,058.22
EXPENSES			
Cost of Operations	24	615.37	627.36
Changes in inventories of finished goods, work in process and stock in trade	25	-	-
Employee benefits expense	26	384.18	351.72
Finance costs	27	98.85	64.48
Depreciation and amortisation expense	28	250.99	243.07
Other expenses	29	620.38	656.55
Total expenses		1,969.76	1,943.18
Profit / (Loss) before tax		75.42	115.04
Less : Tax expenses			
- Current tax	30	13.60	18.50
- Short /(excess) provision of earlier years		-	-
- Deferred tax		24.28	18.53
Total tax expense		37.88	37.03
Profit / (loss) for the year		37.54	78.01
Other Comprehensive Income			
<u>Items that will not be reclassified subsequently to profit or loss</u>			
Reimbursement of employee defined benefit obligation		(2.60)	12.00
Income tax relating to items that will not be reclassified to profit or loss		(2.60)	12.00
Total comprehensive income for the year		40.15	66.01
Earnings per equity share	31		
Nominal value of share Rs.10 : Basic		0.27	0.56
: Diluted		0.27	0.56

The accompanying notes form an integral part of the financial statements
As per our report of even date attached

Chaturvedi Sohan & Co
Chartered Accountants
Firm Registration No : 118424W

For and on behalf of the Board

Sd/-
Devanand Chaturvedi
Partner
Membership No. 041898

Sd/-
DR. P. R. Hede
Chairman
DIN No. : 00651441

Sd/-
Samit Hede
Managing Director
DIN No. : 01411689

Place: Mumbai
Date: 30th July, 2020

Sd/-
Puspraj Pandey
Chief Financial Officer

Sd/-
Richa Jain
Company Secretary



Cash Flow Statement

For the year Ended March 31, 2020

(Rs. in Lacs)

	As at March 31, 2020	As at March 31, 2019
Operating activities		
Net Profit/(Loss) before Tax	75.42	115.04
Adjustments to reconcile profit before tax to net cash inflow from operating activities		
Finance Cost	98.85	64.48
Depreciation	250.99	243.07
Unrealised Income on Mutual Fund	(0.30)	0.10
Provision for Doubtful Debts	-	-
Interest Income	(0.34)	(1.25)
Loss/ (Profit) on sale of non-current investments	(0.52)	(2.13)
Credit Balance Written Back (Net)	2.60	-
	426.71	419.30
Working capital adjustments:-		
(Increase) / Decrease in Inventories	(3.93)	3.05
(Increase) / Decrease in Other Loans and advances	0.13	(15.59)
(Increase) / Decrease in Other current assets	(567.23)	478.34
(Increase) / Decrease in Trade and other Receivables	(2.27)	51.08
Increase / (Decrease) in Provision	9.01	24.39
Increase / (Decrease) in Trade Payables	22.49	35.01
Increase/(Decrease) in Other Current Liabilities & Provisions	(38.03)	25.88
	(153.12)	1,021.46
Income taxes paid	(2.12)	-
Net cash flow from operating activities	(155.24)	1,021.46
Investing activities		
Purchase of property, plant and equipment	(261.20)	(564.95)
(Increase)/decrease in fixed deposit	(2.00)	(0.64)
(Purchase)/Sale of Investments	63.11	(15.50)
Interest Income	(0.34)	(1.25)
Net cash flow used in investing activities	(200.43)	(582.34)
Financing activities		
Dividend Paid	-	-
Short Term Borrowings	465.58	(359.37)
Interest paid	(98.85)	(64.48)
Net cash flow from financing activities	366.72	(423.85)
Increase in cash and cash equivalents	11.05	15.27
Cash and cash equivalents at the beginning of the year (Note 10)	45.74	30.47
Cash and cash equivalents at the end of the year (Note 10)	56.79	45.74

The accompanying notes are an integral part of this standalone financial statements

Note: The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS 7) statement of cash flows.

As per our report of even date attached

Chaturvedi Sohan & Co
Chartered Accountants
Firm Registration No : 118424W

Sd/-
Devanand Chaturvedi
Partner
Membership No. 041898

Place: Mumbai
Date: 30th July, 2020

For and on behalf of the Board

Sd/-
DR. P. R. Hede
Chairman
DIN No. : 00651441

Sd/-
Puspraj Pandey
Chief Financial Officer

Sd/-
Samit Hede
Managing Director
DIN No. : 01411689

Sd/-
Richa Jain
Company Secretary



PHOENIX TOWNSHIP LIMITED

Accompanying notes to the financial statements for the year ended 31st March 2019

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

I. Company Overview

PHOENIX TOWNSHIP LIMITED (the company) is a Public limited company incorporated on 10/02/1993 under the provisions of The Indian Companies Act, 1956 having Corporate Identity Number (CIN: L67190GA1993PLC001327). Its shares are listed in Bombay stock exchange. The Registered office is situated at Panjim in the state of Goa. The company is engaged in providing Services relating to hotel business.

II. Significant accounting policies:

i) Basis of Preparation and Presentation:

The Financial Statements are prepared in accordance with Indian Accounting Standards (IndAS) notified under Section 133 of the Companies Act, 2013 ("Act") read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The Financial Statements have been prepared under historical cost convention basis except for certain financial assets and financial liabilities measured at fair value

Authorisation of Financial Statements: The Financial Statements were authorized for issue in accordance with a resolution of the directors on 30th July 2020.

ii) Use of Estimates and Judgments:

The preparation of the financial statements of the Company in accordance with Indian Accounting Standards (Ind-AS) requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets, liabilities and the accompanying disclosures along with contingent liabilities at the date of the financial statements. These estimates are based upon management's best knowledge of current events and actions; however uncertainty about these assumptions and estimates could result in outcomes that may require adjustment to the carrying amounts of assets or liabilities in future periods. Appropriate revisions in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Revisions in estimates are recognized prospectively in the financial statements in the period in which the estimates are revised in any future periods affected.

iii) Fair Value Measurement:

The Company measures certain financial instruments at fair value at each reporting date. Certain accounting policies and

disclosures require the measurement of fair values, for both financial and non-financial asset and liabilities.

The Company used valuation techniques, which were appropriate in circumstances and for which sufficient data were available considering the expected loss/ profit in case of financial assets or liabilities.

iv) Revenue Recognition

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment.

Revenue in respect of export sales is recognised on shipment of products.

Interest income is recognized using Effective Interest Rate (EIR) method.

Dividend Income on Investments is accounted for when the right to receive the payment is established.

v) Inventories

Inventories of Raw Materials, Finished Goods, Semi-Finished Goods, Accessories & Packing Materials are valued at cost or net realizable value, whichever is lower. Goods in transit are valued at cost or net realizable value, whichever is lower. Cost comprises of all cost of purchases, cost of conversion and other costs incurred in bringing the inventory to their present location and conditions. Cost is arrived at on Weighted Average basis.

vi) Property, plant and equipment

Property, plant and equipment are stated at cost, net of accumulated depreciation and/or accumulated impairment losses, if any.

Such cost includes the cost of replacing part of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciation, respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied and the carrying amount of old part is written off. All other repair and maintenance costs are recognised in the statement of comprehensive income as incurred.

vii) Intangible Assets

Intangible assets acquired are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible Assets are amortized on a systematic basis over its



useful life on straight line basis and the amortization for each period will be recognized as an expense.

i) Goodwill is amortised on Straight Line Method over a period of five years.

viii) Depreciation

Depreciation on Plant, Property and Equipment has been provided based on the useful life of the assets as prescribed in Schedule II of the Companies Act, 2013.

Depreciation methods, useful lives and residual values are reviewed at each reporting date.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment. Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

ix) Borrowing costs

Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs that are attributable to the acquisition or construction of qualifying assets (i.e. an asset that necessarily takes a substantial period of time to get ready for its intended use) are capitalized as a part of the cost of such assets. All other borrowing costs are charged to the Statement of Profit & Loss.

x) Taxes on Income

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognized in the statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

a) Current Income Tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for that period. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

Current tax assets and liabilities are offset only if, the Company:

Ø has a legally enforceable right to set off the recognized amounts; and

Ø intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

b) Deferred Income Tax

Deferred tax is recognized for the future tax consequences of deductible temporary differences between the carrying values of assets and liabilities and their respective tax bases at the reporting date, using the tax rates and laws that are enacted or substantively enacted as on reporting date.

Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses and credits can be utilized.

Deferred tax assets and liabilities are offset only if:

Ø Entity has a legally enforceable right to set off current tax assets against current tax liabilities; and

Ø Deferred tax assets and the deferred tax liabilities relate to the income taxes levied by the same taxation authority.

xi) Leases

Lease payments under operating leases are recognized as an expense on a straight line basis in the statement of profit and loss over the lease term except where the lease payments are structured to increase in line with expected general inflation.

For arrangements entered into prior to 1 April 2015, the Company has determined whether the arrangement contain lease on the basis of facts and circumstances existing on the date of transition.

xii) Financial Assets:

a) Initial recognition and measurement

All financial assets (not measured subsequently at fair value through profit or loss) are recognised initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset.

b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial assets. The Company classifies financial assets as subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

(i) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:



The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit & Loss. The losses arising from impairment are recognised in the Statement of Profit & Loss.

(ii) Debt instruments at Fair value through Other Comprehensive Income (FVOCI)

A 'debt instrument' is measured at the fair value through other comprehensive income if both the following conditions are met:

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, these assets are subsequently measured at fair value. Interest income under effective interest method, foreign exchange gains and losses and impairment are recognised in the Statement of Profit & Loss. Other net gains and losses are recognised in other comprehensive Income.

(iii) Debt instruments at Fair value through profit or loss (FVTPL)

Fair value through profit or loss is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVOCI, is classified as at FVTPL.

(iv) Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are

recognized in other comprehensive income (OCI).

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit & Loss.

c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's Balance Sheet) when.

The rights to receive cash flows from the asset have expired, or The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

- The Company has transferred substantially all the risks and rewards of the asset, or
- The Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On de-recognition, any gains or losses on all debt instruments and equity instruments (measured at FVTPL) are recognised in the Statement of Profit & Loss. Accumulated gains or losses on equity instruments measured at FVOCI are never reclassified to the Statement of Profit & Loss.

d) Impairment of financial assets

In accordance with Ind-AS 109, the Company applies Expected Credit Loss ("ECL") model for measurement and recognition of impairment loss on the financial assets measured at amortised cost.

Loss allowances on trade receivables are measured following the 'simplified approach' at an amount equal to the lifetime ECL at each reporting date. In respect of other financial assets measured at amortised cost, the loss allowance is measured at 12 month ECL for financial assets with low credit risk at the reporting date and there is a significant deterioration in the credit risk since initial recognition of the asset.

xiii) Financial Liabilities:

a) Initial recognition and measurement

All financial liabilities are recognised initially at fair value net of transaction costs that are attributable to the respective liabilities.

b) Subsequent measurement

Subsequent measurement is determined with reference to the classification of the respective financial liabilities. The Company classifies all financial liabilities as subsequently



measured at amortised cost, except for financial liabilities at fair value through profit or loss.

(i) Financial Liabilities at fair value through profit or loss (FVTPL)

A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading or is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and changes therein, including any interest expense, are recognised in Statement of Profit & Loss.

(ii) Financial Liabilities measured at amortised cost

After initial recognition, financial liabilities other than those which are classified as fair value through profit or loss are subsequently measured at amortised cost using the effective interest rate method ("EIR").

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit & Loss.

c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit & Loss.

xiv) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

xv) Fair value of financial instruments

In determining the fair value of its financial instruments, the Company uses following hierarchy and assumptions that are based on market conditions and risks existing at each reporting date.

Fair value hierarchy:

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Ø Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Ø Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Ø Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

xvi) Financial guarantees

Financial guarantee contracts issued by the Corporation are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of the debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the fair value initially recognised less cumulative amortisation.

xvii) Cash & Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents.

Cash and cash equivalents comprise cash on hand and in banks and demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

xviii) Employee Benefits

Short term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include short term compensated absences such as paid annual leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized as an expense during the period. Benefits such as salaries and wages, etc. and the paid or expected cost of the incentives / miscellaneous welfare compensations / bonus / ex-gratia are recognised in the period in which the employee renders the related service.

Long term employee benefits:

Defined Contribution plans:

Company's periodical makes contribution to several vital funds and employee benefits insurances schemes its cost has been charged to the Statement of Profit and Loss of the year where such contributions to the respective funds are due or on accrual basis.



Such contribution are to the Employee's Provident fund Scheme, 1952 govern by regional provident funds commissioner, Maharashtra whereby Company's employee are obligation towards pension and retirement benefits are covered

Defined benefit plans:

Gratuity, which is a defined benefit plan, is accrued based on an independent actuarial valuation, which is done based on project unit credit method as at the balance sheet date. The Company recognizes the net obligation of a defined benefit plan in its balance sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognized in other comprehensive income. In accordance with Ind AS, re-measurement gains and losses on defined benefit plans recognised in OCI are not to be subsequently reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Company transfers it immediately to retained earnings.

xix) Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

xx) Foreign Currency Transactions:

a) Functional and Presentation Currency:

The Financial Statements are presented in Indian rupees which is the functional currency for the Company. All amounts have been rounded off to the nearest lakh, unless otherwise indicated. Hence, the figures already reported for all the quarters during the year might not add up to the year figures reported in this statement.

b) Transactions and Balances

- Ø Transactions denominated in foreign currency are normally accounted for at the exchange rate prevailing at the time of transaction.
- Ø Monetary assets and Liabilities in foreign currency transactions remaining unsettled at the end of the year are translated at the year-end rates and the corresponding effect is given to the statement of profit and loss.
- Ø Exchange differences' arising on account of fluctuations in the rate of exchange is recognized in the statement of Profit & Loss.
- Ø Exchange rate difference arising on account of conversion/translation of liabilities incurred for acquisition of Fixed Assets is recognized in the Statement of Profit & Loss.
- Ø Non-monetary items are reported at the exchange rate at the date of transaction.

xxi) Impairment of Assets:

At each balance sheet date, the Company assesses whether there is any indication that any property, plant and equipment and intangible assets with finite life may be impaired. If any such impairment exists, the recoverable amount of an asset is estimated to determine the extent of impairment, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

xxii) Provisions:

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Provisions are not discounted to present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

xxiii) Contingent Liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the condensed standalone financial statements.

xxiv) Earnings per Share

The basic earnings per share is computed by dividing the net profit attributable to equity shareholders for the period by the weighted average number of equity shares outstanding during the period.

The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could be issued on the conversion of all dilutive potential equity shares

xxv) Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Corporation's normal operating cycle (determined at 12 months) and other criteria set out in Schedule III of the Act

**xxvi) Cash Flows**

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

xxvii) Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM).

The Company has identified its Managing Director as CODM which assesses the operational performance and position of the Company and makes strategic decisions.

xxviii) Impact of COVID-19 pandemic on Going Concern:

The RBI has issued guidelines relating to COVID-19 Regulatory Package dated March 27, 2020 and May 22, 2020 and in accordance therewith. The Company has opted for a moratorium of six months on the payment of all principal instalments and or interest as applicable, falling due between March 1, 2020 and August 31, 2020.

Accordingly the liability classification has changed from current liability to non - current liability as the current liability has been reduced by the amount to be paid for the moratorium period and non- current liabilities has been increased.

The Hotels and Hospitality sector in India has declined sharply in the first quarter of 2020, as the COVID-19 outbreak impacts various segments of the sector and in the future also the business downturn could be a realignment in property rentals across the country with rentals dropping anywhere between 20% - 30% from the current levels. As a result of this, most of the well-functioning brands in our country could be target an average occupancy of 65% - 75% while charging lower ARR's to draw profits.

Management believes that it has taken into account all the possible impact of known events arising from COVID-19

pandemic in the preparation of these financial statements. The associated economic impact of the pandemic is highly depend on variables that are difficult to predict. The impact assessment of COVID -19 is a continuing process given the uncertainties associated with its nature and duration and actual results may differ materially from these estimates. The Company will continue to monitor any material changes to future economic conditions and any significant impact of these changes would be recognized in the financial statements as and when these material changes to economic conditions arise.

xxix) Estimation and uncertainty relating to the global health pandemic on COVID-19:

On March 11, 2020, the World Health Organization declared Covid-19 outbreak as a pandemic. Responding to the potentially serious threat that this pandemic has to public health, the Indian Government has taken a series of measures to contain the outbreak, which included imposing multiple 'lock-downs' across the country, from March 22, 2020, and extended up to June 30, 2020.

Lock down guidelines issued by Central/ State governments mandated closure of hotel operations and cessation of air traffic and other forms of public transport. This has resulted in low occupancies /shutdowns of our hotels pan India.

The Company has assessed the potential impact of COVID-19 on its capital and financial resources, profitability, liquidity position, ability to service debt and other financing arrangements, supply chain and demand for its services. Various steps have been initiated to raise finances from banks and institutions for working capital needs and long term fund requirements and the Company is in a comfortable liquidity position to meet its commitments. The Company has judiciously invoked the Force Majeure clauses for reliefs during the lock down period and does not foresee any disruption in raw material supplies.

Due to COVID-19 pandemic the Hotel and Hospitality Industry is under immense economic pressure and after viewing the current scenario there is an uncertainty about it and currently it is difficult to predict anything, the regularization of business and it may take time upto March - 2021.

Chaturvedi Sohan & Co
Chartered Accountants
Firm Registration No : 118424W

Sd/-
Devanand Chaturvedi
Partner
Membership No. 041898

Place: Mumbai
Date: 30th July, 2020

For and on behalf of the Board

Sd/-
DR. P. R. Hede
Chairman
DIN No. : 00651441

Sd/-
Puspraj Pandey
Chief Financial Officer

Sd/-
Samit Hede
Managing Director
DIN No. : 01411689

Sd/-
Richa Jain
Company Secretary



Statement of Changes in Equity for the year ended March 31, 2020

(Rs. in Lacs)

EQUITY SHARE CAPITAL :	Balance as at 01 st April, 2018	Changes in equity share capital during the year	Balance as at 01 st April, 2019	Changes in equity share capital during the year	Balance as at 31 st March, 2020
Paid up Capital (Refer Note 15)	2,168.09	-	2,168.09	-	2,168.09

OTHER EQUITY :	Reserves & Surplus				
	Securities Premium Reserve	Capital reserves	Retained Earnings	Other Comprehensive Income	Total
Balance as at April 01, 2018	-	4.25	231.47	-	235.72
Profit / Loss for the year	-	-	78.01	-	78.01
Interim Dividend Paid	-	-	-	-	-
Dividend Tax Paid on Interim Dividend	-	-	-	-	-
Other Comprehensive Income :					
Remeasurements of net defined benefit plans	-	-	-	(12.00)	(12.00)
Balance as at 31st March, 2019	-	4.25	309.48	(12.00)	301.74
Profit / Loss for the year	-	-	37.54	-	37.54
Interim Dividend Paid	-	-	-	-	-
Dividend Tax Paid on Interim Dividend	-	-	-	-	-
Provision for final Dividend payable	-	-	-	-	-
Provision for Dividend Tax Paid on final Dividend payable	-	-	-	-	-
On issue during the year	-	-	-	-	-
Other Comprehensive Income :					
Remeasurements of net defined benefit plans	-	-	-	(2.60)	(2.60)
Balance as at 31st March, 2020	-	4.25	347.02	(9.40)	341.88

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

Chaturvedi Sohan & Co
Chartered Accountants
Firm Registration No : 118424W

For and on behalf of the Board

Sd/-
Devanand Chaturvedi
Partner
Membership No. 041898

Sd/-
DR. P. R. Hede
Chairman
DIN No. : 00651441

Sd/-
Samit Hede
Managing Director
DIN No. : 01411689

Place: Mumbai
Date : 30th July, 2020

Sd/-
Puspraj Pandey
Chief Financial Officer

Sd/-
Richa Jain
Company Secretary

NOTE 2 : Property, Plant and Equipment

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2019:

(Rs. In Lacs)

PARTICULARS	Land & Site Development	Building	Plant and machinaries	Computers Equipments	Office Equipments	Vehicle	Furniture & Fixtures	W.I.P.	Total
Deemed Cost as on April 1, 2018	641.95	1,533.61	417.00	33.16	14.26	78.15	404.83	-	3,122.96
Additions	518.58	-	18.97	2.04	-	2.55	0.34	1.00	543.48
Deletions	-	-	(0.48)	-	-	(20.99)	-	-	(21.47)
Gross carrying value as of March 31, 2019	1,160.53	1,533.61	435.49	35.20	14.26	59.71	405.17	1.00	3,644.97
Accumulated depreciation as of April 1, 2018	-	369.64	218.19	31.28	5.86	28.68	116.50	-	770.15
Charge for the period	-	101.17	51.94	2.18	3.89	12.20	61.88	-	233.26
Deduction / Adjustments during the period	-	-	-	-	-	(18.05)	-	-	(18.05)
Accumulated depreciation as of March 31, 2019	-	470.81	270.13	33.46	9.75	22.83	178.38	-	985.36
Carrying value as of March 31, 2019	1,160.53	1,062.80	165.36	1.74	4.51	36.88	226.79	1.00	2,659.61



Following are the changes in the carrying value of property, plant and equipment for the year ended March 31, 2020:

PARTICULARS	Land & Site Development	Building	Plant and machinaries	Computers Equipments	Office Equipments	Vehicle	Furniture & Fixtures	W.I.P.	Total
Gross carrying value as of April 1, 2019	1,160.53	1,533.61	435.49	35.20	14.27	59.71	405.16	1.00	3,644.97
Additions	-	6.11	21.48	2.10	3.42	9.36	52.02	155.06	249.56
Deletions	-	-	-	-	-	-	-	(11.64)	(11.64)
Gross carrying value as of March 31, 2020	1,160.53	1,539.71	456.97	37.30	17.69	69.07	457.19	144.42	3,882.88
Accumulated depreciation as of April 1, 2019	-	470.81	270.13	33.46	9.75	22.83	178.38	-	985.36
Depreciation	-	101.97	55.46	2.47	5.76	14.87	59.73	-	240.26
Deduction / Adjustments during the period	-	-	-	-	-	-	-	-	-
Accumulated depreciation as of March 31, 2020	-	572.77	325.59	35.93	15.51	37.70	238.11	-	1,225.62
Carrying value as of March 31, 2020	1,160.53	966.94	131.38	1.37	2.18	31.37	219.07	144.42	2,657.26

Note :

For Property, Plant & Equipment existing as on the date of transition to IND - AS, the Company has used Indian GAAP carrying value as deemed cost



**NOTE 3 : Intangible assets**

Following are the changes in the carrying value of Intangible Assets for the year ended March 31, 2019:

Particulars	Goodwill
Gross Carrying Value as of April 01, 2018	49.02
Additions	-
Deletions	-
Gross carrying value as of March 31, 2019	49.02
Accumulated amortization as of April 01, 2018	9.80
Depreciation for the year	9.80
Deletions	-
Accumulated amortization as of March 31, 2019	19.61
Carrying value as of March 31, 2019	29.41

Particulars	ROU Assets
Gross Carrying Value as of April 01, 2018	-
Additions	-
Deletions	-
Gross carrying value as of March 31, 2019	-
Accumulated amortization as of April 01, 2018	-
Depreciation for the year	-
Deletions	-
Accumulated amortization as of March 31, 2019	-
Carrying value as of March 31, 2019	-

Following are the changes in the carrying value of Intangible Assets for the year ended March 31, 2020:

Particulars	Goodwill
Gross Carrying Value as of April 01, 2019	49.02
Additions	-
Deletions	-
Gross carrying value as of March 31, 2020	49.02
Accumulated amortization as of April 01, 2019	19.61
Depreciation for the year	9.80
Deletions	-
Accumulated amortization as of March 31, 2020	29.41
Carrying value as of March 31, 2020	19.61

Particulars	ROU Assets
Gross Carrying Value as of April 01, 2019	-
Additions	13.21
Deletions	-
Gross carrying value as of March 31, 2020	13.21
Accumulated amortization as of April 01, 2019	-
Depreciation for the year	0.92
Deletions	-
Accumulated amortization as of March 31, 2020	0.92
Carrying value as of March 31, 2020	12.29



Accompanying Notes To The Financial Statements
for the year ended 31.03.2020

Financial Assets**NOTE 4: Non Current Investments****(Rs. in Lacs)**

Particulars	As at 31.03.2020	As at 31.03.2019
Unquoted Fully Paid Up Investment in Equity Shares		
Equity Share	2.00	-
Investment in Property	5.59	5.59
Investment with Trust (Investment in Equity and Preferences share held as per Merger Scheme as per approved by court)	88.75	88.75
	96.34	94.34

NOTE 5: Other financial assets

Particulars	As at 31.03.2020	As at 31.03.2019
Lease Deposit	113.00	112.00
Deposit for Leased Apt/Staff Accomodation	1.17	1.30
Deposit on empty bottles/others	15.10	15.10
Deposit against Gas Supply	1.00	1.00
Other Deposit	13.19	14.19
Corporate Fixed Deposites	-	-
	143.46	143.59

NOTE 6 : Other non-current assets

Particulars	As at 31.03.2020	As at 31.03.2019
Staff Advances	0.20	0.39
Advances of ZFL	139.50	175.00
Other Advances	966.00	360.42
	1,105.70	535.81

NOTE 7 : Inventories**(Valued at lower of cost or Net Realisable Value)**

Particulars	As at 31.03.2020	As at 31.03.2019
Food & Beverages	4.17	5.14
Operating Supplies	6.96	2.25
Printing & Stationery	1.42	1.24
Engineering supplies	-	-
	12.56	8.63

**NOTE 8: Trade receivables**

Particulars	As at 31.03.2020	As at 31.03.2019
Unsecured, Considered Good Less than 6 Month	105.21	0.50
Net Unsecured, Considered Doubtful Others	95.15	197.60
Unsecured, Considered Doubtful Others	120.87	198.10
Less : Provision for Bad Debts	(25.71)	-
	200.37	198.10
Current Portion	200.37	198.10

NOTE 9: Current Investments

Particulars	As at 31.03.2020	As at 31.03.2019
Unquoted Investments		
Investments in Mutual Funds at fair value through Profit and loss*		
Mutual Fund	0.48	63.50
	-	-
	0.48	63.50
Aggregate Value of Unquoted Investments	0.48	63.50

*Represents lien marked against various funded and non-funded banking facilities.

NOTE 10 : Cash and cash equivalents

Particulars	As at 31.03.2020	As at 31.03.2019
Balances with Banks in		
-Rupees Current Accounts	10.79	15.72
-Foreign Currency Current Accounts	-	-
Cash on Hand	36.74	26.10
	47.53	41.82

NOTE 11 : Bank balances other than cash & cash equivalents

Particulars	As at 31.03.2020	As at 31.03.2019
Fixed deposits with original maturity of more than 3 to 12 months #	9.26	3.92
Earmarked balances with banks		
Unpaid Dividend @	-	-
	9.26	3.92

Include accrued interest on bank deposits. lien marked against various funded and non-funded banking facilities.

**NOTE 12 : Other financial assets**

(Unsecured, Considered Good)

Particulars	As at 31.03.2020	As at 31.03.2019
Security Deposit for Tender	-	-
Corporate Fixed Deposit	-	-
Advances recoverable in cash or kind or for the value to be received	-	-
	-	-

NOTE 13 : Other current assets

Particulars	As at 31.03.2020	As at 31.03.2019
TCS Paid on Liquor Purchases/TDS Receivable	7.13	3.78
Prepaid Expenses	2.22	3.73
Service Tax / GST Input	4.16	8.66
	13.51	16.17

NOTE 14 : Share Capital

Particulars	As at 31.03.2020	As at 31.03.2019
Authorised		
202.00 lakhs Equity Shares of Rs. 10 each	2,020.00	2,020.00
78.00 lakhs Preferences Share of Rs. 10 each	780.00	780.00
	2,800.00	2,800.00
Issued, Subscribed and Fully Paid Up		
139.84 lakhs Equity Shares of Rs. 10 each fully paid up	1,398.43	1,389.43
76.97 lakhs Preference Shares of Rs. 10 each fully paid	769.66	769.66
	2,168.09	2,168.09

The Company issued Cumulative Redeemable Preference share @ 10/- each, which are redeemable after 6 years but before 15 years and will convert in Equity share only.

a) Reconciliation of shares outstanding at the beginning and at the end of the period

Particulars	As at 31.03.2020		As at 31.03.2019	
	No. in lakhs	Rs. in lakhs	No. in lakhs	Rs. in lakhs
Equity Shares				
At the beginning of the year	139.84	1,398.43	139.84	1,398.43
Issued during the year	-	-	-	-
Outstanding at the end of the year	139.84	1,398.43	139.84	1,398.43



b) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c) Details of Shareholders holding more than 5% shares in the company:

Particulars	As at 31.03.2019		As at 01.04.2018	
	No.	% holding	No.	% holding
Dr. Prafulla Hede	2572303	18.39	2572303	18.39
Hede Consultancy Company Pvt.Ltd.	2242880	16.04	2242880	16.04
Jwala Investment & Trading Pvt. Ltd.	3981307	28.47	3981307	28.47

d) Other Information

Note 15 : Other Equity

EQUITY SHARE CAPITAL :	Balance as at 01st April, 2018	Changes in equity share capital during the year	Balance as at 01st April, 2019	Changes in equity share capital during the year	Balance as at 31st March, 2020
Paid up Capital (Refer Note 14)	2,168.09	-	2,168.09	-	2,168.09

OTHER EQUITY :	Reserves and Surplus				
	Securities Premium Reserve	Capital Reserve	Retained Earnings	Other Comprehensive Income	Total
Balance as at April 01, 2018	-	4.25	231.47	-	235.72
Profit/Loss for the year	-	-	78.01	-	78.01
Interim Dividend Paid	-	-	-	-	-
Dividend Tax Paid on Interim Dividend	-	-	-	-	-
Other Comprehensive Income :					
Remeasurements of net defined benefit plans	-	-	-	(12.00)	(12.00)
Balance as at 31st March, 2019	-	4.25	309.48	(12.00)	301.74
Profit/Loss for the year	-	-	37.54	-	37.54
Interim Dividend Paid	-	-	-	-	-
Dividend Tax Paid on Interim Dividend	-	-	-	-	-
Provision for final Dividend payable	-	-	-	-	-
Provision for Dividend Tax Paid on final Dividend payable	-	-	-	-	-
On issue during the year	-	-	-	-	-
Other Comprehensive Income :					
Remeasurements of net defined benefit plans	-	-	-	(2.60)	2.60
Balance as at 31st March, 2020	-	4.25	347.02	(9.40)	341.88



Particulars	As at 31.03.2020	As at 31.03.2019
Securities Premium		
Balance at the beginning and end of the period	-	-
Other Reserves (Special Capital Incentive)		
Balance at the beginning and end of the period	-	-
Surplus / (deficit) in the statement of profit and loss		
Balance at the beginning of the period	309.48	231.47
Add: Profit / (loss) for the year	37.54	78.01
	347.02	309.48
Less :		
Interim Dividend Paid	-	-
Dividend Tax Paid on Interim Dividend	-	-
Provision for final Dividend payable	-	-
Provision for Dividend Tax Paid on final Dividend payable	-	-
Closing Balance	347.02	309.48
Total	347.02	309.48

Nature and Purpose of Reserves**Securities Premium Reserve**

Securities Premium Reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Capital Reserve

Capital reserve will be utilised in accordance with provision of the Act.

Retained Earnings

Retained Earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders

NON CURRENT LIABILITIES**Note 16 : Deferred tax liabilities (net)**

Particulars	As at 31.03.2020	As at 01.04.2019
Deferred Tax Liabilities		
Excess of net block of fixed assets as per books of accounts over net block for tax purpose	164.97	146.43
<u>Add : Current year liability</u>	24.28	18.53
Deferred Tax Assets		
Provision for Expenses	-	-
Remeasurements of net defined benefit plans	-	-
Net Deferred Tax liability (a-b)	189.25	164.97
Deferred Tax Change/(Credit) for the year	24.28	18.53

**NOTE 17 : Non Current Borrowing**

Particulars	As at 31.03.2020	As at 01.04.2019
Term Loan: From Bank & Other Financial Institutes		
HDFC Ltd (Secured Against Equitable Mortgage of the Building) (Landed Property and Building Situated at Candolim, and Personal Guarantee of Directors, Term Loan of 2.48 Cr @ Interest 9.5% p.a for a period of 5 years.)	186.58	228.89
HDFC Bank Ltd.(Commercial Equipment Loan) (Hypothecation of Generator, Commercial Equipment Loan taken of 13.50L @ Interest Rate 11% for a period of 4 years 3 months).	3.00	6.64
Daimler Financial Services India Pvt.Ltd. (Hypothecation of Motor Car, Motor Car Loan 32.45L @ Interest Rate 11.30% for a period of 7 years)	11.44	16.10
HDFC Bank (WCTL) (Landed Property and Building Situated at Candolim and Stocks, Term Loan of 80L Cr @ Interest 9.5% p.a for a period of 4 years.)	53.63	71.58
HDFC Bank (Vehicle Loan Secured Against Car) (Hypothecation of Motor Car, Motor Car Loan 15L @ Interest Rate 8.80% for a period of 5 years)	9.77	12.60
HDFC Bank (Garbage Truck Secured Against Truck) (Hypothecation of Garbage Truck, Garbage Truck Loan 9.5L @ Interest Rate 10.00% for a period of 4 years)	7.64	-
NKGSB Loan (Landed Property and Building Situated at Candolim, Term Loan of 8Cr @ Interest 10.50% p.a for a period of 10 years.	499.13	-
	771.20	335.80

Note 17 A : Other financial liabilities

Particulars	As at 31.03.2020	As at 31.03.2019
Un-Secured Loan		
From Directors & Others	141.57	225.29
Others		
Times Share Money	4.06	4.20
	145.64	229.49
TOTAL	916.84	565.29

NOTE 18 : Current Borrowings

Particulars	As at 31.03.2020	As at 31.03.2019
Secured		
Working Capital Assistance Loan from HDFC Bank (Working Capital Assistance Loan for Merchant establishment overdraft facility (Credit Card Payments facility) of Rs. 75L (originally it was 30L) @ Interest rate 10% for indefinite period)	171.66	57.63
	171.66	57.63

Notes on Borrowing

Loan from Directors & Others are interest free loans and it is payable within the short span of time (i.e. within 2-3 years)

**NOTE 19 : Trade payables**

Particulars	As at 31.03.2020	As at 31.03.2019
Current		
Trade payables	351.96	329.48
	351.96	329.48

The Company had sought confirmation from the vendors whether they fall in the category of Micro, Small and Medium Enterprises. In view of insufficient information from suppliers regarding their status the amount due to Micro, Small and Medium Enterprises can not be ascertained.

NOTE 20 : Other current liabilities

Particulars	As at 31.03.2020	As at 31.03.2019
Advances towards Compensation for use	13.21	13.64
Payables towards Cost of Soft Furnishing	3.60	3.72
Payables towards Legal Professional Fees.	2.00	2.07
Advance towards Customer Services	18.41	19.76
Security Deposit	1.00	1.00
Duties & Taxes	25.34	74.64
Other Liabilities	18.65	5.43
	82.23	120.26

NOTE 21 : Provisions

Particulars	As at 31.03.2020	As at 01.04.2019
Provision for Tax	29.23	18.50
Provision for Expenses	67.24	68.95
	96.45	87.45

NOTE 22 : Revenue from operations

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Revenue from operations		
Room Revenue	1,458.24	1,456.39
Food & Beverages	533.75	534.65
Other operating revenue		
Others	9.93	12.82
Gain on foreign exchange fluctuations (net)		
	2,001.91	2,003.86

**NOTE 23 : Other income**

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Interest income on Bank deposits	0.34	1.25
Sale of SEIS License	4.30	6.47
Dividend-MF	0.52	2.13
Revenue from Shop Rental	2.86	2.53
Laundry Income	1.90	2.38
Foreign Exchange	0.02	0.08
Telephone, Fax Etc.	0.20	0.00
Revenue from Spa/Travel Desk	9.34	12.19
Miscellaneous Income	2.43	9.99
Agricultural Income	4.79	4.80
Scrap Sales	0.86	1.99
Banquet Rent	15.73	10.55
	43.27	54.36

NOTE 24 : Cost of Operations

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Room Expenses	249.31	243.14
Food & Beverages	366.05	384.22
	615.37	627.36

NOTE 25 : Changes in inventories of finished goods, work in process and stock in trade

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Opening Stocks		
-Stock in trade	-	-
	-	-
Less : Closing Stocks		
-Stock in trade	-	-
	-	-
	-	-

NOTE 26 : Employee benefits expense

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Salaries, wages & bonus	351.19	323.26
Directors' remuneration	24.71	24.00
Workmen & staff welfare	8.28	4.46
	384.18	351.72

NOTE 27 : Finance costs

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Interest expenses	98.85	64.48
	98.85	64.48

**NOTE 28 : Depreciation and amortisation expense**

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Depreciation of Property, Plant & Equipment	240.26	233.26
Depreciation on Intangible Properties	10.73	9.80
	250.99	243.07

NOTE 29 : Other expenses

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Heat, Light & Power Expenses	133.25	114.36
Basic & Incentive Management Fees	6.59	6.09
Franchise Fees	99.56	100.91
Printing & Stationary	4.29	2.18
Legal & Professional Fees	32.76	28.17
Admn., Selling & Other Exp.	32.83	13.00
Postage, Telex & Courier	1.15	4.75
Provision for Bad Debts	25.71	-
Miscellaneous Exp.	0.59	0.56
Bank Charges	8.36	8.19
Lease Rent	12.25	3.10
Audit Fees	1.00	1.00
Business Promotion Expenses	10.57	10.36
Telephone , Fax Expenses	16.01	9.93
Travelling & Desk Expenses	29.75	64.52
Repairs & Maintenance	77.42	179.08
loss on sale of MF	-	0.10
Meeting Exp.	2.16	1.54
Commission & Brokerage	6.24	22.24
Advertisement Expenses	6.80	8.85
Insurance Charges	6.41	4.22
Sitting Fees	1.90	2.45
Freight & Handling	0.26	0.59
General Expenses	3.82	3.27
Spa and Parlor Exp	6.07	7.97
Incentive Management Fees	93.83	58.99
Prior Period Exp	0.81	0.13
	620.38	656.55

Payment to Auditor

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Audit Fees	1.00	1.00
Certification	-	-
Others	-	-
	1.00	1.00

**NOTE 30 : Current Tax**

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Tax payable For the Year	13.60	18.50
Short/(excess) provision of earlier years	-	-
	13.60	18.50

NOTE 31 : Earnings per equity share

In accordance with Indian Accounting Standard 33 - Earning Per Share, the computation of earning per share is set below:

Particulars	Year ended 31.03.2020	Year ended 31.03.2019
i) Weighted average number of Equity Shares of Re. 10 each		
a) Number of shares at the beginning of the year	139.84	139.84
b) Number of shares at the end of the period	139.84	139.84
c) Weighted average number of shares outstanding during the year	139.84	139.84
ii) Net Profit after tax available for equity shareholders	37.54	78.01
iii) Basic Earning Per Share	0.27	0.56
iv) Diluted Earning Per Share	0.27	0.56

Note : The Company does not have any dilutive potential equity shares. Consequently the basic and diluted earning per share of the Company remain the same.

NOTE 32 : Contingent Liabilities

(Rs. in Lacs)

Contingent Liabilities not provided for :	2019-2020	2018-2019
a) Guarantee given by Banks on behalf of the Company	9.18	10.97
c) GST liabilities / input tax credit (subject to reconciliation as per gst act and the amount is not ascertain)	-	-

NOTE 33 : Operating Leases**A. Leases as lessee**

The Corporation enters into cancellable operating lease arrangements with one party. The lease rentals paid/received for the same are

i. Amounts recognised in profit or loss

Particulars	As at 31.03.2020	As at 31.03.2019
Lease Expenses	12.25	3.10
	12.25	3.10

Initial direct costs incurred on these leasing transactions have been recognised in the Profit and Loss Account.

**NOTE 34 : Employee Benefit Expenses :****Post Employment Benefit Plans****Defined Contribution Scheme**

The Company offers its employee's benefits under defined contribution plans in the form of provident fund and family pension fund. Provident Fund and Family Pension Fund covers substantially all regular employees. Contribution is paid during the year into separate funds under certain statutory/fiduciary type arrangements. Both the employees and the Company pays pre-determined contributions into the provident fund and pension fund. The Contribution is normally based on a certain proportion of the employee's salary.

A sum of Rs. 18,65,334/- (Previous Year Rs. 25,69,296/-) has been charged to the profit and loss account in this respect, the components of which are tabulated below.

Contribution to provident fund and others:

Contribution to defined contribution plans	2019-2020 Amount (Rs.)	2018-2019 Amount (Rs.)
Provident fund	12,71,607	17,17,514
ESI	5,51,247	8,03,862
Labour Welfare Fund	42,480	47,920
Total	18,65,334	25,69,296

Defined benefit plans

Gratuity: In accordance with the applicable laws, the Company provides for the gratuity, a defined retirement plan (the Gratuity Plan) covering eligible employees. The gratuity plan provides for a lump sum payment to vested employees on the retirement (subject to the completion of five years of continuation employment), death, incapacitation or termination of employment, that are based on the last drawn salary and tenure of employment. Liabilities with regards to the gratuity plan are determined by actuarial valuation on the reporting date and Company makes annual contribution to the gratuity fund administered by the life insurance companies under their respective laws.

Movement in plan assets and plan liability:

Particulars	Present Value of Obligation	Fair Value of Plan Assets	Net Amount
As at 1st April 2019			
Current service cost	5,87,685	-	5,87,685
Interest expense/(income)	1,15,134	-	1,15,134
Past service Cost	-	-	-
Total amount recognised in profit or loss	7,02,819	-	7,02,819
Remeasurements			
Return on plan assets excluding amount included in net finance income	-	-	-
Actuarial (Gain)/ Loss arising from changes in the financial exemptions	2,10,774	-	2,10,774
Actuarial (Gain)/ Loss arising from experience adjustments	(4,71,143)	-	(4,71,143)
Experience (gains)/losses	-	-	-
Total amount recognised in other comprehensive income	(2,60,369)		(2,60,369)
Contributions:			
Employer	-	-	-
Plan participations	-	-	-
Benefit payments	-	-	-
As at 31st March, 2020	4,42,450	-	4,42,450



The net liability disclosed above relates to funded and unfunded plans are as follows :

Particulars	As on 31st March 2020	As on 31st March 2019
Present Value of Funded obligations	19,62,485	15,20,035
Fair value of Plan Assets	-	-
Deficit of funded plan	19,62,485	15,20,035
Unfunded plans	-	-
Net (Assets)/Liability Recognised	19,62,485	15,20,035

Post Employment benefits

Significant estimates actuarial assumptions and sensitivity

The Significant actuarial assumptions were as follows :	As on 31st March 2020	As on 31st March 2019
Discount Rate	6.77%	7.57%
Attrition Rate	3.80%	3.80%

Sensitivity Analysis

Impact on defined benefit obligation

Particulars	31st March 2020			
	Discount Rate		Salary Scallation rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	17,28,125	22,49,810	22,35,990	17,34,251

Particulars	31st March 2019			
	Discount Rate		Salary Scallation rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	13,44,267	17,33,004	17,24,367	13,47,811

Sensitivity analysis is determined based on the expected movement in liability if the assumptions were not proved to be true on different count.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Employee Benefit Obligations

The major categories of plants assets are as follows :

Particulars	As on 31st March 2020	As on 31st March 2019
Unquoted Investments :	-	-
Gratuity Fund maintained by LIC of India	-	-
Total	-	-

**NOTE 35 : Segment Reporting**

(i) Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (“CODM”) of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director Officer of the Company. The Company operates only in one Business Segment i.e. “Hotel Industry”. All the business activity 10% or more of the total T/o of the company shall be stated in reportable Segments as per IndAS 108 “Operating Segments”.

(Rs. in Lacs)

Nature of product or service	2019-20	2018-19
a. Hotel Operatins-Room Sales	1,458.24	1,456.39
b. Food & Beverages	533.75	534.65
Total	1,991.99	1,991.04

The Company operates in one segment i.e. Hoteliering and within one geographical segment i.e. India

NOTE 36 : Tax Expense**(a) Amounts recognised in Statement of Profit and Loss**

(Rs. in Lacs)

Particulars	2019-20	2018-19
Current tax expense		
Current year	13.60	18.50
Deferred tax expense		
Short/(excess) provision of earlier years	-	-
Origination and reversal of temporary differences	24.28	18.53
Tax expense recognised in the statement of profit and loss	37.88	37.03

(b) Amounts recognised in other comprehensive income

Particulars	2019-20			2018-19		
	Before tax	Tax (expense benefit)	Net of tax	Before tax	Tax (expense benefit)	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	(2.60)	(0.68)	(1.93)	12.00	3.12	8.88
	(2.60)	(0.68)	(1.93)	12.00	3.12	8.88

(c) Reconciliation of effective tax rate

Particulars	2018-19	2017-18
Profit before tax	75.42	115.04
Tax using the Company’s domestic tax rate (Current year 25.750% and Previous Year 25.750%)	20.98	29.62
Tax effect of :		
Tax effect on non-deductible/ (Deductible) expenses (Net)	16.90	7.52
Tax expense as per Statement of Profit & Loss	37.88	37.14
Effective tax rate	50.22%	32.29%



Movement in deferred tax balances

(Rs. in Lacs)

Particulars	Net balance as at April 01, 2019	Recognised in profit or loss	Recognised in OCI	Net Balance as at March 31, 2020	Deferred tax liability	Deferred tax asset
Deferred tax (Asset)/Liabilities						
Property, plant and equipment & Intangible assets	164.97	24.28	-	189.92	-	189.92
Actuarial gain or loss on defined benefit plan transferred to Other Comprehensive Income	-	-	(0.68)	(0.68)	-	(0.68)
Expenses allowed for tax purpose that were part of profit & loss or vice versa	-	-	-	-	-	-
Deferred tax (Asset)/Liabilities	164.97	24.28	(0.68)	189.25	-	189.25

Particulars	Net balance as at April 01, 2018	Recognised in profit or loss	Recognised in OCI	Net Balance as at March 31, 2019	Deferred tax liability	Deferred tax asset
Deferred tax (Asset)/Liabilities						
Property, plant and equipment & Intangible assets	146.43	18.53	-	161.85	-	161.85
Actuarial gain or loss on defined benefit plan transferred to Other Comprehensive Income	-	-	3.12	3.12	-	3.12
Expenses allowed for tax purpose that were part of profit & loss or vice versa	-	-	-	-	-	-
Deferred tax (Asset)/Liabilities	146.43	18.53	3.12	164.97	-	164.97

NOTE 37 : Disclosures on Related party transactions

List of Related Parties and Relationships :

a) Key Management Personnel/ Promoter Directors

Name of related party	Relation
Dr. P. R. Hede	Chairman
Mr. Samit Hede	Managing Director
Dr. P. R. Hede - Mine Owner	Associate Firm
Colaba Real Estate Pvt. Ltd	Group Company
Hede Navigation Pvt. Ltd.	Group Company
Star Galaxy Trades Pvt. Ltd.	Group Company
Glacier Trades Pvt. Ltd	Group Company
Hede Consultancy Company Private Limited	Group Company
Rama Capfin Pvt. Ltd.	Group Company



b) Transaction with Key managerial Personnel and Related Parties

(Rs. in Lacs)

Particulars	Addition	Subtraction	Increase/ Decrease	Year ended 31.03.2020	Year ended 31.03.2019
Director Remuneration Mr. Samit Hede	0.71		0.71	24.71	24.00
Loan From Directors Dr. P. R. Hede	198.62	(269.31)	(70.69)	34.92	105.61
Loan Taken Hede Navigation Pvt. Ltd. (Formally known as Jwala Investment & Trading Pvt. Ltd.)	44.82	(11.55)	(33.27)	12.58	45.85
Loan Taken Rama Capfin Pvt. Ltd.	1.40	(0.90)	(0.50)	1.36	1.86
Loan Taken Hede Consultancy Company Pvt. Ltd.	1.35	-	1.35	1.35	-
Loan Repayment Glacier Trades Pvt. Ltd.	0.60	(28.76)	28.16	(31.41)	(59.57)

NOTE 38 : Other Disclosures persunat to Schedule III

1. Traveling expenses includes Rs. 19.56 Lacs (previous year Rs. 21.00 Lacs) spent on Foreign Travel.

2. Earnings & Outflow in foreign currency (on accrual basis) :-

(Rs. in Lacs)

Particulars	Year Ended 31 st March 2020	Year Ended 31 st March 2019
	Amt. in Lacs	Amt. in Lacs
EARNINGS		
Inflow / Earning in Foreign Cuurancy	447.12	583.53
Outflow / Expenses in Foreign Cuurancy	0.00	0.00
TOTAL EARNINGS	447.12	583.53

Note 39 : Financial instruments – Fair values and risk management

A. Accounting classification and fair values

"The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:"

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.



(Rs. in Lacs)

Financial Asset & Liabilities as at 31 st March 2020	Non Current	Current	Total	Routed through Profit & Loss				Routed through OCI				Carried at Amortised Cost				Total Amount	
				Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial assets																	
Investments																	
- Mutual funds		0.48	0.48	-	0.48	-	0.48	-	-	-	-	-	-	-	-	-	0.48
	-	0.48	0.48	-	0.48	-	0.48	-	-	-	-	-	-	-	-	-	0.48
Other Assets																	
Security Deposits	113.00	-	113.00													113.00	113.00
Trade receivables		200.37	200.37													200.37	200.37
Cash and cash equivalents		47.53	47.53													47.53	47.53
Bank balances other than cash & cash equivalents		9.26	9.26													9.26	9.26
Other Advances		-	-													-	-
	113.00	257.64	370.64	-	0.48	-	0.48	-	-	-	-	-	-	-	-	370.15	370.15
Financial liabilities																	
Borrowings	-	171.66	171.66													171.66	171.66
Other Financial Liabilities	-	916.84	916.84													916.84	916.84
Trade Payables	-	351.96	351.96													351.96	351.96
	-	1,440.46	1,440.46	-	-	-	-	-	-	-	-	-	-	-	-	1,440.46	1,440.46

(Rs. in Lacs)

Financial Asset & Liabilities as at 31 st March 2018	Non Current	Current	Total	Routed through Profit & Loss				Routed through OCI				Carried at Amortised Cost				Total Amount	
				Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total		
Financial assets																	
Investments																	
- Mutual funds		63.50	63.50	63.50			63.50										63.50
	-	63.50	63.50	63.50	-	-	63.50	-	-	-	-	-	-	-	-	-	63.50
Other Assets																	
Security Deposits	112.00	-	112.00													112.00	112.00
Trade receivables		198.10	198.10													198.10	198.10
Cash and cash equivalents		41.82	41.82													41.82	41.82
Bank balances other than cash & cash equivalents		3.92	3.92													3.92	3.92
Other Advances		-	-													-	-
	112.00	307.33	419.33	63.50	-	-	63.50	-	-	-	-	-	-	-	-	355.83	355.83
Financial liabilities																	
Borrowings	-	57.63	57.63													57.63	57.63
Other Financial Liabilities	-	565.29	565.29													565.29	565.29
Trade Payables	-	329.48	329.48													329.48	329.48
	-	952.40	952.40	-	-	-	-	-	-	-	-	-	-	-	-	952.40	952.40



B. Measurement of fair values

Valuation techniques and significant unobservable inputs

The Fair Value of the Financial Assets & Liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, for financial instruments measured at fair value in the statement of financial position, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique
Non current financial assets and liabilities measured at amortised cost	Discounted cash flows: The valuation model considers the present value of expected receipt/payment discounted using appropriate discounting rates.

NOTE 40 : Financial instruments - Fair values and risk management (continued)

Market risk

Market Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk.

Currency risk

The Company is exposed to currency risk on account of its operating and financing activities. The functional currency of the Company is Indian Rupee. Our exposure are mainly denominated in U.S. dollars. The USD exchange rate has changed substantially in recent periods and may continue to fluctuate substantially in the future. The Company's business model incorporates assumptions on currency risks and ensures any exposure is covered through the normal business operations. This intent has been achieved in all years presented. The Company has put in place a Financial Risk Management Policy to Identify the most effective and efficient ways of managing the currency risks.

Exposure to currency risk

The currency profile of financial assets and financial liabilities as at March 31, 2020, March 31, 2019 are as below:

(Foreign Currency in lacs)

31 st March, 2020	USD	In Rs
Financial assets		
Trade receivables	-	-
Net exposure for assets	-	-
Financial liabilities		
Foreign Currency Borrowings (Including Current Maturities)	-	-
Net exposure for liabilities	-	-
Net exposure (Assets - Liabilities)	-	-
31st March, 2019	USD	In Rs
Financial assets		
Trade receivables	-	-
Net exposure for assets	-	-
Financial liabilities		
Foreign Currency Borrowings (Including Current Maturities)	-	-
Net exposure for liabilities	-	-
Net exposure (Assets - Liabilities)	-	-



Sensitivity Analysis

A reasonably possible strengthening / (weakening) of the Indian Rupee against US dollars at 31st March would have affected the measurement of financial instruments denominated in US dollars and affected profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. In cases where the related foreign exchange fluctuation is capitalised to fixed assets or recognised directly in reserves, the impact indicated below may affect the Company's income statement over the remaining life of the related fixed assets or the remaining tenure of the borrowing respectively.

Effect in INR (before tax)	Profit or loss	
	Strengthening	Weakening
For the year ended 31st March, 2020		
5% movement		
USD	-	-
INR	-	-
	-	-

Effect in INR (before tax)	Profit or loss	
	Strengthening	Weakening
For the year ended 31st March, 2019		
5% movement		
USD	-	-
	-	-

(b) Particulars of hedged and unhedged foreign currency exposures at the reporting date

As at 31st March 2020

(Foreign Currency in lacs)

Particulars	USD	INR
Trade Receivables	-	-
Less : Foreign currency forward contracts (Sell)	-	-
Unhedged Receivable	-	-
Trade Payables	-	-
Less : Foreign currency forward contracts (Buy)	-	-
Unhedged Payable	-	-

As at 31st March 2019

(Foreign Currency in lacs)

Particulars	USD	INR
Trade Receivables	-	-
Less : Foreign currency forward contracts (Sell)	-	-
Unhedged Receivable	-	-
Borrowings	-	-
Less : Foreign currency forward contracts (Buy)	-	-
Unhedged Payable	-	-

**NOTE 41 : Financial instruments - Fair values and risk management (continued)****Financial Risk Management****Risk management framework**

A wide range of risks may affect the Company's business and operational / financial performance. The risks that could have significant influence on the Company are market risk, credit risk and liquidity risk. The Company's Board of Directors reviews and sets out policies for managing these risks and monitors suitable actions taken by management to minimise potential adverse effects of such risks on the company's operational and financial performance.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's trade and other receivables, cash and cash equivalents and other bank balances. To manage this, the Company periodically assesses financial reliability of customers, taking into account the financial condition, current economic trends and analysis of historical bad debts and ageing of accounts receivable. The maximum exposure to credit risk in case of all the financial instruments covered below is restricted to their respective carrying amount.

Trade receivables

The Company extends credit to customers in normal course of business. The Company considers factors such as credit track record in the market and past dealings with the Company for extension of credit to customers. The Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. The history of trade receivables shows a negligible provision for bad and doubtful debts. Therefore, the Company does not expect any material risk on account of non performance by any of the counterparties.

Credit risk in respect of trade and other receivables is managed through credit approvals, establishing credit limits and monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in the credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on assets as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business
- ii) Actual or expected significant changes in the operating results of the counterparty
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparties ability to meet its obligation
- iv) Significant increase in credit risk on other financial instruments of the same counterparty
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of third party guarantees or credit enhancements

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. When loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. When recoverables are made, these are recognised as income in the statement of profit and loss.

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

**NOTE 42 : Financial instruments - Fair values and risk management (continued)****Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is exposed to interest rate risk through the impact of rate changes on interest-bearing liabilities and assets. The Company manages its interest rate risk by monitoring the movements in the market interest rates closely.

Exposure to interest rate risk

Company's interest rate risk arises primarily from borrowings. The interest rate profile of the Company's interest-bearing financial instruments is as follows.

(Rs. in Lacs)

Particulars	As at 31.03.2020	As at 31.03.2019
Borrowing bearing variables interest rate	171.66	57.63
Total of Variable Rate Financial Liabilities	171.66	57.63

Cash flow sensitivity analysis for variable-rate instruments

The sensitivity analysis below have been determined based on the exposure to interest rates for financial instruments at the end of the reporting year and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in the case of instruments that have floating rates. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates :

Cash flow sensitivity analysis (net)

Profit or loss

INR	50 bp increase	50 bp decrease
31st March 2020		
Variable-rate loan instruments	(0.86)	0.86
Cash flow sensitivity (net)	(0.86)	0.86
31st March 2019		
Variable-rate loan instruments	(0.86)	(0.29)
Cash flow sensitivity (net)	(0.86)	(0.29)

Other price risk

The Company invests its surplus funds in various Equity and debt instruments . These comprise of mainly liquid schemes of mutual funds (liquid investments), Equity shares, Debentures and fixed deposits. This investments are susceptible to market price risk, mainly arising from changes in the interest rates or market yields which may impact the return and value of such investments. However due to the very short tenor of the underlying portfolio in the liquid schemes, these do not pose any significant price risk.

**NOTE 43 : Financial instruments - Fair values and risk management (continued)****Liquidity risk**

Liquidity is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the contractual maturities of significant financial liabilities :

Maturity Analysis of Significant Financial Liabilities**(Rs. In Lacs)**

31st March 2020	Total	Upto 1 year	1-5 years	More than 5 years
Current Borrowings	171.66	171.66	-	-
Trade and other payables	351.96	351.96	-	-
Other Financial Liabilities (Current & Non Current)	82.23	82.23	-	-
31st March 2019	Total	Upto 1 year	1-5 years	More than 5 years
Current Borrowings	57.63	57.63	-	-
Trade and other payables	329.48	329.48	-	-
Other Financial Liabilities (Current & Non Current)	120.26	120.26	-	-

NOTE 44 : Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The Company strives to safeguard its ability to continue as a going concern so that they can maximise returns for the shareholders and benefits for other stake holders. The aim to maintain an optimal capital structure and minimise cost of capital.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may return capital to shareholders, issue new shares or adjust the dividend payment to shareholders (if permitted). Consistent with others in the industry, the Company monitors its capital using the gearing ratio which is total debt divided by total capital plus total debt.

(Rs. In Lacs)

Particulars	As at 31.03.2020	As at 31.03.2019
Total Debt	916.84	565.29
Total Equity	2,509.97	2,469.82
Total debt to equity ratio (Gearing ratio)	0.37	0.23



Additional Notes to the Financial statement:-

1. The Company operates in one segment i.e. Hoteliering and within one geographical segment i.e. India.
2. Previous Year's figures have been regrouped / reclassified wherever necessary to correspond with the current years classification/disclosure

As per our report of even date attached

Chaturvedi Sohan & Co
Chartered Accountants
Firm Registration No : 118424W

For and on behalf of the Board

Sd/-
Devanand Chaturvedi
Partner
Membership No. 041898

Sd/-
DR. P.R. Hede
Chairman
DIN No. : 00651441

Sd/-
Samit Hede
Managing Director
DIN No. : 01411689

Place: Mumbai
Date: 30th July, 2020

Sd/-
Puspraj Pandey
Chief Financial Officer

Sd/-
Richa Jain
Company Secretary