51st Annual Report 2021-2022



FOMENTO RESORTS AND HOTELS LIMITED

BOARD OF DIRECTORS

MRS. ANJU TIMBLO

MR. AUDUTH TIMBLO

MR. JAMSHED DELVADAVALA

MR. VINAYAK PADWAL

MR. SUJJAIN TALWAR

CHIEF FINANCIAL OFFICER

MR. M. A. HAJARE

COMPANY SECRETARY

MRS. ASMEETA MATONDKAR

AUDITOR

M/s. SUDHA SURESH PAI & ASSOCIATES

Chartered Accountants

BANKERS

IDBI BANK LIMITED

HDFC BANK LIMITED

ICICI BANK LIMITED

INDUSIND BANK LIMITED

REGISTERED OFFICE

Fomento Resorts and Hotels Limited

Unit: Cidade de Goa, Vainguinim Beach, Goa – 403004, India

Telephone No: +91-832-2454545

Fax No.: +91-832-2454542

Email id: shareholders@frhl.in, Website: www.frhl.in

REGISTRAR & SHARE TRANSFER AGENTS

Bigshare Services Private Limited

Unit: Fomento Resorts and Hotels Limited

Office No. S 6-2, 6th Floor, Pinnacle Business Park,

Next to Ahura Centre, Mahakali Caves Road,

Andheri (East) Mumbai,

Maharashtra - 400093, India

Telephone No.: +91-22-62638200

Fax No.: +91-22-62638299

Email id: investor@bigshareonline.com; Website: www.bigshareonline.com

Contents	Page
About Cidade de Goa	3
About Taj Resort & Convention Centre, Goa	4
Directors' Report	5
Independent Auditor's Report	28
Balance Sheet	36
Statement of Profit and Loss	37
Cash Flow Statement	38
Notes to the Financial Statements	41
Notice	71

Disclaimer/ Forward Looking Statement

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



Cidade de Goa

A few minutes from Panjim, past verdant paths, and on Vainguinim beach, await intimate alcoves, overhanging balcaos, historic murals, a backyard beach, and the friendliest hosts. Simply, Goa in a resort.

Designed as a Portuguese hamlet, with a Mediterranean influence, by world-renowned architect Charles Correa, Cidade de Goa, is a blend of luxury, warmth, and the laidback elegance of susegad. It embodies the heart of Goa, both in terms of location and vibe.

One is welcomed by stunning views of the sea, manicured greens, and vibrant medleys of oranges, yellows, and blues. Correa's telling murals, chequered floors, balcaos, and tiled roofs take one through a historical Portuguese-Goan journey. Every corner has a story, every nook - places to sit. Every evening is accentuated by live music.

Rooms or quartos are thoughtfully designed, keeping heritage, space, and grace in mind. Every suite is one with a view, opening out into the blues and sounds of the sea, every window a suitable spot for introspection.

The quaint & secluded Vainguinim beach, makes Cidade de Goa an excellent destination for discerning families. A range of water sports, games, and children's facilities ensures everyone is occupied.

For health pilgrims, Clube Saúde's Tattva Spa and Salon rejuvenates, the gymnasium keeps the adrenaline going and Pavitra Ayurveda encourages self-discovery through meditation, yoga, and self-healing.

Gourmands are spoilt for choice. Laranja, the multi-cuisine restaurant, welcomes all with wide arches. Alfama, reminiscent of old Lisbon, provides a unique balance of the global and local. Café Azul, a pool-side restaurant, overlooking the sea, is proud of its Indian, Italian, and local cuisines, while the seasonal Barbeque, the open-air restaurant, lets you indulge in intimate conversations just a few metres from the sea.

Professionals, too, may breathe easy as contemporary venues create the desired ambience for both conventions and rendezvous.

Warmth is at the heart of Cidade de Goa and is complemented by service that speaks volumes. Friendly smiles await your arrival, the concierge helps with tours, and in-resort currency exchangers make travel a breeze. After all, we are only as good as our people and ours are the best."



RESORT & CONVENTION CENTRE GOA

Taj Resort & Convention Centre, Goa

With a forested hillside perch and gorgeous Sea Views, the 299-room Taj Resort & Convention Centre, our luxurious vertical resort in Goa, oozes luxury & scale. 10 minutes from Panjim and neighbouring the Cidade de Goa, it stands tall, bold and generous. Much like the spirit of Goa.

Enter a cocktail of enviable spaces and modern design. After being greeted on arrival by vertical gardens and an elegant fountain, step into the views, starting with the lobby that sweeps in the Arabian Sea. Look above and the boldness of Goa stares back at you, in the form of a suspended boat's hull. Look around and you discover a resort of plenty.

On your left lies the BLD, your multi-cuisine restaurant that's open for, yes you guessed it, breakfast, lunch and dinner. The extended alfresco terrace is a great spot to park yourself for the sun and sea. It has a formidable neighbour in the form of The Banyan, the resort's "Eat-Bar", which takes its name from a 200 year old Banyan tree that is a landmark in the resort.

The speciality restaurant C2C offers coastal cuisine from around the world and sweeping views of the waters. A 25m Lap pool, on the lower ground floor adjacent to the Gym and Kids Club, near the stilted roots of the Banyan tree, keeps the vibe easy and the views spectacular.

The convention centre, is the centre piece. Lorded over by a 1200 sq. metres pillar-less hall, 6 breakaway spaces, an exclusive entrance and ample recreational options, scale here is inevitable. 282 rooms & 17 themed suites, play perfect accessories, with more than half of them facing the sea. Suites and Club Rooms top up the experience with the 24x7 Club Lounge.

For the best high in Goa, however, head up to the instagrammable rooftop, suitably landscaped with a large infinity pool along the sea-facing edge and boasting a sunken bar. The Vainguinim beach, the Zuari bay and the sea beyond all appear within reach. Pause for the sunsets and the light illuminating statues of Dona Paula. If this were not dramatic enough, soak in the Jiva spa or better still, park yourself at the 40-seater cinema that the resort offers cinephiles.

To cut a tall story short, there is plenty here to make your moments larger than life at our luxury resort near Dona Paula in Goa.

DIRECTORS' REPORT

To The Members.

The Board of Directors of Fomento Resorts and Hotels Limited ("your Company" or "the Company") have the pleasure of submitting their Annual Report together with the Audited Financial Statements for the year ended March 31, 2022.

1. FINANCIAL RESULTS AND APPROPRIATION

(Amount in Lakhs)

Particulars	F.Y. 2021-22	F.Y. 2020-21
Income	12960.62	6186.12
Operating Expenses	9523.90	5019.33
Gross Operating Profit(PBIDT)	3434.72	1166.79
Less:		
Interest and Financial Charges	5721.58	5178.99
Depreciation	4053.60	3830.69
Profit before Extra Ordinary and Exceptional Items & Tax	(6338.46)	(7842.89)
Exceptional Items	(450.57)	-
Profit Before Tax (PBT)	(6789.03)	(7842.89)
Tax Expense	1697.18	2206.84
Profit/(Loss) After Tax (PAT)	(5091.85)	(5636.05)
Add Surplus/(Deficit) brought forward from the previous year	2419.16	8034.21
Profit available for appropriation	(2672.69)	2398.16
Appropriation		
a) Transfer to General Reserve	-	-
b) Re-measurement of defined benefit obligation	(45.14)	21.00
c) Dividend (including dividend distribution taxes)	-	-
Balance carried to Balance Sheet	(2717.83)	2419.16
Earnings per share before Exceptional Item (Basic and Diluted)	(23.82)	(35.23)

2. COMPANY'S PERFORMANCE:

The Total Income from operations for the current year was Rs. 12,960.62 Lakhs compared to Rs. 6,186.12 Lakhs in the previous year. Of the above income, the Operational revenue was Rs. 12,743.12 Lakhs as against Rs. 5339.45 Lakhs of the previous year.

There has been no change in the nature of the business of the Company. The Company has no subsidiaries therefore disclosures in this regard are not provided in the Board Report. There were no significant and material orders passed by regulators or courts or tribunals impacting the going concern status and Company's operations in the future. While preparing the financial statements, there has been no treatment different from the Accounting Standards.

The unprecedented health crisis triggered by the COVID-19 pandemic not only posed a significant threat to human life but also impacted livelihood. After combating the first wave of coronavirus, the second wave staged a more terrific atmosphere than the earlier one to human life.

Vaccination has had a crucial role in restricting the impact of Covid-19 & in reducing the number of deaths, restoring confidence in the economy, and decreasing the effects of the second wave on India's economy. In such a scenario, vaccination was one of the primary goals. The Company embarked on voluntary vaccination drive for employees engaged in Operations of the

hotels of the Company for vaccination in collaboration with top-quality healthcare organisations to ensure the good health and well-being of its people and communities at large.

Due to several restrictions in place during the first and second waves, the hotel industry wasn't able to operate in full swing. With the improved situation on ground in the context of Covid-19, there has been a marginal increase in business travel in some areas. Having been buoyed by pent-up travel demand after the second wave, the hospitality industry was then affected from the surging third wave, in the immediate term.

Resorts in leisure locations such as ours will bounce back sooner once the situation improves as people have embraced the new 'normal' of travel in the Covid world. "Corporate and MICE" demand on the other hand, will return at a slower pace, as some organisations and corporations have reverted to work from home in the short term, focusing primarily on necessary travel until the cases recede.

During the year, the Company incurred a net loss of Rs. 6338.46 Lakhs including depreciation of Rs. 4053.60 Lakhs as against the net loss of Rs. 7842.89 Lakhs for the previous year including the depreciation of Rs. 3830.69 Lakhs.

The company expects steady and sustained increase in business growth for the financial year 2022-23.

3. ECONOMIC SCENARIO AND BUSSINESS OUTLOOK

The country's Gross Domestic Product (GDP) is expected to grow at 7.4 per cent in the current financial year 2022-23, according to the FICCI Economic Outlook Survey. It forecasts the growth for agriculture and allied activities at 3.3 per cent, while for industry and services sectors at 5.9 per cent and 8.5 per cent, respectively, during the fiscal year. "The latest round of FICCI's Economic Outlook Survey puts forth an annual median GDP growth forecast for 2022-23 at 7.4 per cent with a minimum and maximum growth estimate of six per cent and 7.8 per cent, respectively," the industry body stated.

The year 2021 has been nothing short of a roller coaster ride for the Indian hotel sector, full of hope and opportunities but also uncertainty as new variants of the virus acted as temporary roadblocks on the road to recovery. While the year began on a positive note with a surge in domestic leisure travel fueled by a steady drop in active cases and the start of the country's vaccination program, the recovery was quickly hampered by new restrictions and lockdowns imposed in response to the country's second wave.

However, it was not a case of the dreaded déjà vu, as hoteliers proactively focused on alternative customer segments and ancillary revenue streams to weather the storm, building on the learnings from the previous year and dealing with the pandemic that refuses to end. As a result, the Indian hotel sector has been recovering faster than expected.

After a truly spectacular performance in the last quarter of 2021, the year 2022 has started on a challenging note, with subdued demand in the first few weeks of the year because of the emergence of Omicron cases in the country. This has been followed by the Ukraine-Russia conflict which is expected to have a negative impact on the country's economic growth in the long run. However, we expect domestic travel demand will continue to be strong during the year as people have embraced the new 'normal' of travel in uncertain times.

The Union Budget 2022 considered some of the recommendations made by industry stakeholders to the government at various forums, among which the extension of Emergency Credit Line Guarantee Scheme (ECLGS) till March 2023, and the expansion of the guarantee cover, with the additional corpus exclusively earmarked for the hospitality and related segments, will bring some much needed but short-term respite to hospitality players.

Moreover, the government's greater focus on large-scale infrastructure development, including roads, railways, airports, ports, and waterways, will aid long-term growth in the tourism and hospitality sectors. We believe that travel will witness an impressive bounce back, and the sector will soon be able to put the pandemic's destruction behind it, and smart investors are making their investment plans accordingly.

Post the 2nd wave, Goa became the go-to holiday destination for domestic tourists as well as outbound Indians who could not vacation abroad due to the limitations on overseas travel.

From resorts, hotels and private villas to dorm rooms and beach huts, Goa has something for everyone. As a result, occupancy improved steadily month after month, with December 2021 occupancy just 2 percentage points shy of pre-pandemic levels for the month and average rates surpassing pre-pandemic levels by over 19%.

Goa Witnessed the maximum brand openings in 2021, in terms of both by keys (786 keys)as well as properties (09 properties).

Taj Resort and Convention Centre, Goa and Cidade de Goa – IHCL SeleQtions is gearing with to look at further growth in terms of top line and bottom line, with sharp focus on being competitiveness in the market.

4. SHARE CAPITAL:

During the year under review, the total paid-up share capital of the Company stood at Rs. 98,58,89,360/- consisting of 2,85,88,936 equity shares of Rs. 10/- each and 70,00,000 Cumulative, Non-Convertible, Redeemable preference shares of Rs. 100 each.

5. CONVERSION OF LOAN INTO EQUITY SHARE CAPITAL:

The Company has issued and allotted 1,25,88,936 equity shares of Rs. 10/- @ Rs. 136/- each on preferential basis by conversion of outstanding unsecured inter corporate borrowing and the interest accrued thereon, to Fomento Resources Private Limited, a Promoter Group from whom the Company had borrowed funds, to reduce the Company's debt burden after receiving shareholders approval through postal ballot dated October 20, 2021. The equity shares were allotted on October 26, 2021.

6. VOLUNTARY DELISTING OF THE SHARES OF THE COMPANY:

Pursuant to the Special Resolution passed by the Shareholders of the Company and in accordance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ("Delisting Regulations"), the Promoters (Mrs. Anju Auduth Timblo and Mr. Auduth M. Timblo) holding in the Company has increased to 1,54,74,324 equity shares in the paid up equity share capital of the Company.

The exit price as determined under the Delisting Regulations is Rs. 141/- per equity share. The Delisting Exit Offer was open for a period of one year w.e.f. November 2, 2020 to November 1, 2021 to enable the public shareholder to tender their shares who could not participate in the Delisting Offer. However, the Promoters of the Company had provided a Post Delisting Exit Offer (hereinafter referred to 'Exit Offer') which commenced on Monday, November 2, 2020 and was scheduled for completion on Monday, November 1, 2021. However, the Promoters of the Company had voluntarily extended the said Exit Offer and the same was concluded on Thursday, December 16, 2021.

7. ISSUE OF ADDITIONAL EQUITY SHARES:

The Board of Directors of the Company at their meeting held on April 21, 2022 approved a proposal for issue of 4,81,927 equity shares by way of preferential offer for raising INR 7,99,99,882/- to Mrs. Anju Auduth Timblo and Mr. Auduth M. Timblo on a preferential basis prior to making an application to National Company Law Tribunal (hereinafter referred to as "NCLT") and any other regulatory approvals as may be required for reduction of equity share capital and subject to the approval of the equity shareholders and preference shareholder of the Company.

8. CAPITAL REDUCTION:

The Board of Directors of the Company at their meeting held on April 21, 2022 approved a proposal for reduction of issued, subscribed and paid-up equity share capital of the company by way of cancelling and extinguishing 5,25,176 fully paid up equity shares of face value INR 10 each held by the Non-Promoter shareholders with a view to provide them with an exit opportunity ('Capital Reduction'). The said Capital Reduction will be in accordance with the provisions of Section 66 of the Companies Act, 2013 and subject to the approval of the Equity Shareholders, the Preference Shareholders, National Company Law Tribunal ("NCLT") and any other regulatory approvals as may be required.

9. DIVIDEND:

In order to conserve cash and to ensure liquidity for its operations the Board of Directors decided not to recommend any dividend to the shareholders for the Financial Year 2021-22.

10. TRANSFER TO RESERVES:

The Board of your Company decided not to transfer any amount to the General Reserve for the year under review.

11. BORROWINGS:

Long Term Debt:

As on March 31, 2022 the Company's Secured Long Term Debt stood at Rs. 505.24 Crore.

Working Capital:

Your Company has entered into Working Capital arrangement with an existing lender bank(s) for an amount of Rs. 115.47 crores during the year to meet the working capital requirements of the Company.

Credit Rating:

As on March 31, 2022, Company's credit rating profile stood as under:

Instrument Credit Rating Agency		As at March 31, 2022
Bank Term Loan (Long – term)	Acuite Ratings & Research Limited	ACUITE BBB

12. CAPITAL EXPENDITURE:

As at March 31, 2022, the gross tangible and intangible assets, including capital work-in-progress stood at Rs. 68,146.58 Lakhs. Depreciation of Rs. 9,095.62 Lakhs is charged up to March 31, 2022. Additions during the year to Property, Plant and Equipment amounted to Rs. 2,269.47 Lakhs and to CWIP amounted to Rs. 1,122.97 Lakhs and deduction of tangible assets Rs. 66.49 Lakhs.

13. FIXED DEPOSITS:

The Company has not accepted any deposits from the public, and as such, there are no outstanding deposits in terms of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014.

14. PARTICULARS OF LOANS/ADVANCES/INVESTMENTS OUTSTANDING DURING THE FINANCIAL YEAR:

Pursuant to Section 186 of the Companies Act, 2013 the Company has not granted any loans/advances/investments or made any or provided guarantees during the year.

15. DEPOSITORY SYSTEM:

The Company's Equity shares are not listed on any stock exchange and are being traded on off-market platform. As on March 31, 2022, 2,83,21,230 (99.06%) of the total share capital was held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

16. STATUTORY AUDITORS:

Messrs Sudha Suresh Pai & Associates, Chartered Accountants (ICAI Registration No. 118006W) Auditors of the Company, have submitted their Independent Auditors Report on the financial statements of the Company for the year ended March 31, 2022, and they have made no qualification, reservation or adverse remark in their Report. No frauds have been reported by the Auditors under section 143(12) of the Companies Act, 2013.

The Auditors have confirmed that they comply with all the requirements and criteria and are otherwise qualified to continue to act as Auditors of the Company.

Auditors have represented to be eligible for the reappointment as the Statutory Auditors of the Company, to hold office for a second term of five years commencing from the conclusion of the Fifty First (51st) Annual General Meeting till the conclusion of the Fifty Sixth (56th) Annual General Meeting of the Company. Accordingly, based on the recommendations of the Audit Committee and the Board of Directors, an appropriate resolution for approval of the appointment of Messrs Sudha Suresh Pai & Associates, Chartered Accountants (ICAI Registration No. 118006W) as Statutory Auditors of the Company, has been proposed in the Notice convening the ensuing Annual General Meeting.

17. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:

Secretarial Audit, as required under Section 204 of the Companies, Act 2013, was conducted by Mr. Shivaram Bhat, Practising Company Secretary (Certificate of Practice Number: 7853), The Secretarial Audit Report is attached as "Annexure D" and these form a part of the Board's Report. There are no qualifications or observations, or adverse remarks made by the Secretarial Auditor in their Reports.

18. INTERNAL FINANCIAL CONTROLS:

Your Company's internal control systems are commensurate with the nature, size and complexity of its business. Your Company has an effective internal control system for all the major processes to ensure accuracy and reliability of financial reporting, timely feedback on achievement of operational and strategic goals, compliance with policies, procedures, laws and regulations, safeguarding of assets and economical and efficient use of resources.

The Internal control system basically covers the area of Accounting control, internal audit, compliance audit at regular intervals by the internal auditor. The Internal Auditors also assesses opportunities for improvement in business processes, systems and controls, provides recommendation, design to add value to the organisation and follow up the implementation of corrective actions and improvements in business processes after review by the Audit Committee.

During the financial year under review, no material or serious observations have been received from the Auditors of the Company, citing inefficacy or inadequacy of such controls.

19. INTERNAL AUDITORS:

During the year the internal audit was conducted by M/s. Kharangate Pereira & Company.

20. CHANGE IN THE NATURE OF BUSINESS:

There was no change in Business of the Company during the year under review.

21. WEB ADDRESS FOR ANNUAL RETURN AND OTHER POLICIES/DOCUMENTS:

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act, the draft Annual Return of the Company for the Financial Year ended March 31, 2022 is uploaded on the website of the Company at **www.frhl.in.** The final Annual Return shall be uploaded on the website after the said Return is filed with the Registrar of Companies, Goa.

22. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP's):

The Board has a balanced composition with representation of relevant ideas of expertise, types of expertise and backgrounds. The Board has an optimal constitution of executive, non- executive and independent directors having an in depth knowledge of the hospitality industry with expertise in their respective areas of specialization.

The Board meets at regular intervals to review the performance of the Company. During the year ended March 31, 2022 Six board meetings were held i.e. May 29, 2021, September 6, 2021, October 19, 2021, October 26, 2021, November 13, 2021 and March 12, 2022.

The Annual General Meeting of the Company for F.Y. 2020-2021 was held on September 30, 2021 at 4:00 P.M. through video conferencing and other audio visual means (VC/OAVM).

Attendance at the Board meeting:

Sr. No.	Name of the Director	Category of Director	No. of meetings entitled to attend	No. of meetings attended	Attendance of the Director at the AGM
1	Mr. Auduth Timblo* DIN: 00181589	Chairman (Promoter & Non-Executive)	6	6	Yes
2	Mrs. Anju Timblo* DIN: 00181722	Managing Director & CEO (Promoter and Executive)	6	5	Yes
3	Mr. Jamshed Delvadavala DIN: 00047470	Independent Director (Non-Executive)	6	6	Yes
4	Mr. Vinayak Padwal DIN: 00198772	Independent Director (Non-Executive)	6	6	Yes
5	Mr. Sujjain Talwar DIN: 01756539	Independent Director (Non-Executive)	6	6	Yes

^{*}Mr. Auduth Timblo and Mrs. Anju Timblo are related to each other. None of the other Directors are related inter-se.

Appointments

For the purpose of compliance with Section 152 of the Companies Act, 2013 and for determining the Director liable to retire by rotation, the Board at its meeting held on May 4, 2022, took note of the consent given by Mr. Auduth Timblo, being longest in office, to retire by rotation at the ensuing Annual General Meeting of the Company. Accordingly, the Board noted that Mr. Auduth Timblo, Director and Non-Executive Chairman shall be the Director liable to retire by rotation and being eligible, has offered himself for re-appointment. The Directors recommend re-appointment of Mr. Auduth Timblo.

On the basis of the approval and recommendation of the Nomination & Remuneration Committee, the Board of Directors, the shareholders approved the re-appointment of Mrs. Anju Timblo as the Managing Director and Chief Executive Officer (MD & CEO) pursuant to the provisions of the Companies Act, 2013 and all applicable provisions of the Companies Act, 2013 and Rules made thereunder for a period of 3 (Three) years commencing from June 1, 2021 and ending on May 31, 2024.

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel (KMP) of your Company are Mrs. Anju Timblo, Managing Director & CEO, Mr. M. A. Hajare, Chief Financial Officer and Ms. Asmeeta Matondkar, Company Secretary. There has been no change in Key Managerial Personnel's during the year.

Board Evaluation

The Board of Directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to Schedule IV of the Companies Act, 2013.

In terms of requirements under Schedule IV of the Companies Act, 2013, a separate meeting of the Independent Directors was held on March 25, 2022. The Independent Directors at the meeting, inter alia, reviewed the following:

- Performance of Non Independent Directors and Board as a whole;
- Performance of the Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

On the basis of feedback received from the Independent Directors, Evaluation Report was submitted to the Board for their noting.

The Board is fully satisfied with the impeccable integrity, expertise and experience (including the proficiency) of the Independent Directors.

PROCESS OF AGENDA CIRCULATION:

A detailed agenda for the meeting of the Board of Directors and its Committees is usually prepared and circulated in electronic form to the Board of Directors.

Board Diversity

A diverse Board enables efficient functioning through differences in perspective and skill, and also fosters differentiated thought processes at the back of varied industrial and management expertise, gender, knowledge and geographical background.

The Board recognizes the importance of a diverse composition and has adopted a Board Diversity Policy which sets out the approach to diversity.

Committees of the Board

Currently, the Board has five committees: the Audit committee, the Nomination and Remuneration committee, the Corporate Social Responsibility committee, the Stakeholders Relationship committee and the Risk Management committee.

23. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Independent Directors have submitted the declaration of independence, as required pursuant to Section 149 (7) of the Companies Act, 2013, stating that they meet the criteria of Independence as provided in sub-section (6). The Independent Directors have confirmed and declared that they are not dis-qualified to act as Independent Directors in compliance with the provisions of Section 149 of the Companies Act, 2013 and the Board is also of the opinion that the Independent Directors fulfill all the conditions specified in the Companies Act, 2013 making them eligible to act as Independent Directors.

24. AUDIT COMMITTEE:

The Board has constituted an Audit Committee of qualified and competent members in compliance with Section 177 of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014. The following Directors were serving on Audit Committee of the Board of Directors as on March 31, 2022:

Mr. Jamshed Delvadavala - Chairman Mrs. Anju Timblo - Member Mr. Vinayak Padwal - Member Mr. Sujjain Talwar - Member

The Statutory Auditors and Internal Auditor are Invitees at the Audit Committee meetings. The Chief Financial Officer, Financial Controller and the General Manager are also invitees at the Audit Committee meetings.

During the financial year 2021- 2022, three Audit Committee meetings were held on May 29, 2021, September 6, 2021 and November 13, 2021.

Attendance at the Audit Committee Meetings:

Sr. No.	Name of the Director	No. of meetings entitled to attend	No. of meetings attended
1.	Mr. Jamshed Delvadavala	3	3
2.	Mrs. Anju Timblo	3	3
3.	Mr. Vinayak Padwal	3	3
4.	Mr. Sujjain Talwar	3	3

25. NOMINATION AND REMUNERATION COMMITTEE

The Board has constituted a Nomination & Remuneration Committee as per provisions of Section 178 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014. The following directors were serving on Nomination and Remuneration Committee as on March 31, 2022:

Mr. Vinayak Padwal - Chairman Mr. Jamshed Delvadavala - Member Mr. Sujjain Talwar # - Member

#Mr. Sujjain Talwar has been appointed as a Member of the Nomination & Remuneration Committee on September 6, 2021.

During the financial year 2021-22 a meeting of the Nomination and Remuneration Committee was held on March 25, 2022.

Attendance at the Nomination and Remuneration Committee meeting:

Sr. No.	Name of the Director	No. of meetings entitled to attend	No. of meetings attended
1.	Mr. Vinayak Padwal	1	1
2.	Mr. Jamshed Delvadavala	1	1
3.	Mr. Sujjain Talwar#	1	1

Note:

#Mr. Sujjain Talwar has been appointed as a member of the Nomination & Remuneration Committee w.e.f. September 6, 2021.

REMUNERATION POLICY

The Company has a Nomination and Remuneration Policy for director's appointment and remuneration and Senior Management Personnel's appointment and remuneration. There has been no change in the policy during F.Y. 2021-22. The policy is available on the Company's website at https://frhl.in/upload/PDF/302_27_new_file_Nomination_and_Remuneration_Policy-1.pdf.

The aims and objectives of the remuneration policy are as follows:

- a. To formulate a criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director (Executive/Non-Executive) and recommend to the Board policies relating to remuneration of directors, KMPs and other employees.
- b. To formulate a criteria for evaluation of performance of all the directors on the Board.
- c. To devise a policy on Board diversity.
- d. The remuneration policy aims to enable the company to attract, retain and motivate highly qualified members at the Managerial level to persue the Company's long term growth.
- e. The remuneration policy seeks to enable the company to provide a well-balanced and performance-related compensation package, taking into account industry standards and performance of the Company.

f. The remuneration policy will ensure that remuneration to Directors and Executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

26. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended (CSR Rules), the Company has constituted a Corporate Social Responsibility Committee (CSR Committee) and has adopted a CSR Policy.

The following directors were serving on CSR Committee as on March 31, 2022:

Mr. Jamshed Delvadavala - Chairman Mrs. Anju Timblo - Member Mr. Vinayak Padwal - Member Mr. Sujjain Talwar - Member

During the financial year 2021-22 the Committee was re-constituted on May 29, 2021 and Mr. Jamshed Delvadavala was appointed as a Chairman of the Committee. A meeting of the CSR Committee was held on March 28, 2022.

Attendance at the CSR Committee meeting:

Sr. No.	Name of the Director	No. of meetings entitled to attend	No. of meetings attended
1.	Mr. Jamshed Delvadavala	1	1
2.	Mrs. Anju Timblo	1	Nil
3.	Mr. Vinayak Padwal	1	1
4.	Mr. Sujjain Talwar	1	1

Annual Report on CSR activities is given in Annexure B of this Report. The CSR policy is available on the website of your Company at https://frhl.in/upload/PDF/176_27_new_file_CSR_Policy_.pdf.

27. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board of Directors has constituted Stakeholders Relationship Committee as per provisions of Section 178 of the Companies Act, 2013 to consider and resolve the grievances of security holders of the Company. The following Directors were serving on Stakeholders Relationship Committee as on March 31, 2022:

Mr. Vinayak Padwal - ChairmanMrs. Anju Timblo - MemberMr. Jamshed Delvadayala# - Member

Note:

Mr. Jamshed Delvadavala has been appointed as a Member of the Stakeholders Relationship Committee on November 13, 2021.

During the financial year 2021-22 a meeting of the Stakeholders Relationship Committee was held on March 25, 2022.

Attendance at the Stakeholders Relationship Committee meeting:

Sr. No.	Name of the Director	No. of meetings entitled to attend	No. of meetings attended
1.	Mr. Vinayak Padwal	1	1
2.	Mrs. Anju Timblo	1	LOA
3.	Mr. Jamshed Delavadala#	1	1

Note:

Mr. Jamshed Delvadavala has been appointed as a member of the Committee w.e.f. November 13, 2021.

The Company and its Registrar and Share Transfer Agents (RTA) are making conscience attempts to ensure expeditious redressal of shareholders grievances. Members can address their requests/grievances to the Company at shareholders@frhl.in and to its RTA investor@bigshareonline.com.

The Registrar & Share Transfer Agents of the Company also deal with matters relating to transmission/transposition/consolidation/split-off folio/ issue of share certificates in exchange for sub-divided/consolidated/ de-faced share certificates/re-materialisation/issue of duplicate share certificates/un-claimed dividend etc.

The Committee and the Board of Directors take note of the above matters taken care of by the RTA at regular intervals.

Members can also contact our RTA at telephone number +91 022 62638200 in this connection.

28. RISK MANAGEMENT:

The Company has in place, risk assessment and mitigation procedures which are periodically reviewed by the Risk Management Committee and the Board of Directors of the Company. These procedures ensure that the Management controls risk through an efficiently defined framework.

The Board has constituted Risk Management Committee. The following Directors and Senior Management Personnel were serving on Risk Management Committee as on March 31, 2022:

Mr. Jamshed Delvadavala - Chairman
Mrs. Anju Timblo - Member
Mr. Vinayak Padwal - Member
Mr. Sujjain Talwar - Member
Mr. M. A. Hajare - Member

During the financial year 2021-22 a meeting of the Risk Management Committee was held on March 28, 2022.

Attendance at the Risk Management Committee meeting:

Sr. No.	Name of the Director / Senior Management Employee	No. of meetings entitled to attend	No. of meetings attended
1.	Mr. Jamshed Delvadavala	1	1
2.	Mrs. Anju Timblo	1	Nil
3.	Mr. Sujjain Talwar	1	1
4.	Mr. Vinayak Padwal	1	1
5.	Mr. M. A. Hajare	1	Nil

The objective of the Committee is to establish a framework, monitor the risk management plan of the Company and ensure its implementation. To lay down procedures for risk assessment and minimization and to identify, evaluate and mitigate operational, strategic, environmental risks and other risks related to the industry and the specific risks associated with business of the Company.

The roles and responsibilities of the Risk Management Committee includes monitoring and review of risk management plan and reporting the same to the Board of Directors, in addition to any other terms as may be referred by the Board of Directors, from time to time.

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

The Committee reviewed the Company's risk management practices and activities. This includes review of risks to the achievement of key business objectives covering growth, profitability, operational excellence and actions taken to address these risks. The Committee also reviewed the risk related to the Company and discussed priorities of risk mitigation. The Committee shared regular updates with the Board regarding all aspects of risk management. While acknowledging the competitive nature of the business environment, the committee believes that the Company's risk framework, along with risk assessment,

monitoring, mitigation and reporting practices, is adequate to effectively manage the foreseeable material risks. The risk framework is also reviewed annually by the Board of Directors of the Company.

There is no risk identified which in the opinion of the Risk management Committee of the Board may threaten the existence of the Company.

29. DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of section 134(3)(c) read with section 134(5) of the Act, and in the preparation of the annual accounts for the year ended on March 31, 2022, and state that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- the Directors have taken proper and sufficient care for the 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 fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and are operating effectively; and
- f) there is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

30. RELATED PARTY TRANSACTIONS:

The Company does not have any materially significant related party transaction, which may have potential conflict with the interests of the Company at large. All the transactions with related parties are in the ordinary course of business and at arm's length basis and have been disclosed separately in the Notes to the Financial Statements. The Related Party Transactions Policy is available on the Company's website www.frhl.in.

The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

A detailed statement of such related party transactions entered into pursuant to the approval so granted are placed before the Audit Committee for their review on a quarterly basis. The Form No. AOC-2 is annexed to this Report as "Annexure A".

The Board has in place a policy on related party transactions which is available on the Company's website at https://frhl.in/upload/PDF/505_27_new_file_Related_Party_Transactions_Policy.pdf.

31. VIGILMECHANISM/WHISTLEBLOWERPOLICY:

The Company has established a vigil mechanism system and has in place a Whistle Blower Policy, a copy of which is available on the Company's website **www.frhl.in** at the below weblink https://frhl.in/upload/PDF/542_27_new_file_ POLICY_VIGIL_ MECHANISM.pdf.

The provisions of this policy are in line with the provisions of Section 177 (9) of the Companies Act, 2013. Adequate safeguards have been provided against the victimization of persons who use the vigil mechanism. All persons have been given direct access to the Chairman of the Audit Committee to lodge their grievances. No person has been denied access to the Audit Committee to lodge their grievances.

During the year under review, the Company through the Audit Committee has not received any complaints relating to unethical behaviors, actual or suspected frauds, wrongful practices, malpractices or violation of Companies code of conduct from any employee or directors.

32. SUBSIDIARY COMPANIES:

The Company does not have any subsidiary.

33. PARTICULARS OF EMPLOYEES:

Information required pursuant to Section 197 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the employees of the Company is annexed as Annexure C.

The statements containing particulars of employees as required under section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, is not provided since there were no employees drawing remuneration of more than Rs. 102 lakhs or drawing remuneration of Rs. 8.50 lakhs per month if employed part of the year as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

34. ANTI-SEXUAL HARASSMENT INITIATIVE:

The Company has in place a Policy on Prevention, Prohibition and Redressal of Sexual Harassment in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Internal Complaints Committee has been set up to redress the complaints received regarding sexual harassment.

All employees are covered under this policy. There were no complaints received during the year.

35. TECHNOLOGY ABSORPTION AND CONSERVATION OF ENERGY:

(A) Technology Absorption:

The Company is in hospitality industry. Its activities do not involve the absorption of technology as envisaged to be furnished pursuant to the Companies (Accounts) Rules, 2014.

During the year, the Company had continued its focus on energy conservation measures that include:

- (a) Installation of variable frequency drive for exhaust fans.
- (b) Water harvesting and use of natural water resources.
- (c) Installation of timers for public areas and BOH house areas.
- (d) Installation of aerators to reduce water consumption.

Besides the above, the Company also took various operational measures to reduce energy consumption by:

- (a) Optimal use of lighting and other equipment,
- (b) Regulating of chilled water set points according to the ambient temperature,
- (c) Setting bench marks for energy consumption by area,
- (d) Regulating of hot water boiler setting according to the ambient legislations,
- (e) Solar panel for heating water,
- (f) Installation of variable frequency drives at the poolside coffee shop "Café azul AHU's",
- (g) Upgradation of STP,
- (h) Installation of energy efficient Chiller with screw compressor & dual VFD,
- (i) Water harvesting by using Bandhara.

Actions planned for the next year include:

- (a) Solar panel for generating electricity
- (b) Replacement of fluorescent lamps by energy efficient LED lamps
- (c) Replacement of old fan coil units
- (d) Replacement of motors with energy efficient motors
- (e) Replacement of hot water boilers with heat pumps which will result in saving of diesel cost.

36. FOREIGN EXCHANGE EARNINGS AND OUT GO:

During the Financial Year 2021-22, the foreign exchange earnings of the Company amounted to Rs.5.54 Crores as against Rs. 3.13 crores in the previous year. The expenditure in foreign exchange during the Financial Year 2021-22 was Rs. 0.26 Crores compared to Rs. 1.4 crores in the previous year.

37. EMPLOYEES

Relations between the management and the employees were cordial throughout the year. Your Directors are pleased to record their appreciation of the devotion and sense of commitment shown by all the employees in the organisation. As on March 31, 2022, the Company has an Organizational strength of 338 employees.

15

38. DISCLOURE UNDER RULE 8 (5)(VIII) OF COMPANIES (ACCOUNTS) RULES, 2014:

During the year under review, no significant and/or material orders were passed by any regulatory authority or Courts or Tribunals against the Company impacting the Company's going concern status or its operations in the future.

39. TRANSFER OF DIVIDEND AND SHARES TO INVESTOR EDUCATION AND PROTECTION FUND:

(A) Transfer of Unclaimed dividend:

The Company is required to transfer the dividend which remains unpaid or unclaimed for a period of seven consecutive years or more, to the credit of the Investor Education and Protection Fund ('The IEPF'). Accordingly an amount of Rs. 2,12,061/-, being unclaimed dividend for the financial year ended March 31, 2014, was transferred to the Investors Education & Protection Fund (IEPF) established by the Central Government.

(B) Transfer of shares to IEPF:

Pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), 6,650 equity shares of INR 10 each (nominal value) held by 50 shareholders were transferred to the Demat Account of Investor Education and Protection Fund during the year 2021-22. The shares transferred to the IEPF Account including all the benefits such as unclaimed dividend, accruing on such shares, if any, can be claimed from the IEPF Authority by following the procedure prescribed under IEPF Rules. The Company had sent individual notice to all the members whose shares were due to be transferred to the IEPF Authority and had also published newspaper advertisement in this regard.

40. COST RECORDS

The Company is not required to maintain cost records in accordance with Section 148 of the Act read with Rule 3 of the Companies (Cost Records and Audit) Rules, 2014 as the services of the Company are not covered under the said rules.

41. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION, IF ANY, OF THE COMPANY:

The uncertainties due to COVID-19 which had adversely impacted the operations of the Company during FY 2020-21 continued significantly for initial period of FY 2021-22. Management have been monitoring and assessing the impact of anticipated effects of COVID-19 on the cash flow and accordingly has prepared range of scenarios to estimate financing requirements and taken appropriate measures to overcome the impact of COVID-19 business implications. The Company, has adequate funds at its disposal and based on aforesaid assessment done, believes, the Company will continue as a going concern and will be able to discharge its liabilities and obligations and realize the carrying amount of its assets as at March 31, 2022.

The impact of COVID-19 on the Company's financial statements has been given in Note No. 50 of the Notes to financial statements for the year ended March 31, 2022.

42. CAUTIONARY STATEMENT

Risks, uncertainties or future actions could differ materially from those exposed in the Director's Report. These statements are relevant on the date of this Report. We have no obligation to update or revise any statements, whether as a result of new information, future developments or otherwise. Therefore, undue reliance should not be placed on these statements.

43. ACKNOWLEDGEMENTS

Your Directors record their sincere appreciation of the dedication and commitment of all employees, especially during the unprecedented Covid environment, in continuing their achievements and excellence in all areas of the business. Your Directors thank the Shareholders, Customers, Operator, Vendors, Dealers, Business Associates, Bankers and Suppliers and other stakeholders for their continuous support to the Company.

The Board also thanks the Government of India, the State Governments and Statutory Authorities and Other Government Agencies for their support and look forward to their continued support in the future.

For and on behalf of the Board of Directors

Place: Vainguinim Beach – Goa

Date: May 4, 2022

Auduth Timblo
Director & Non Executive Chairman
DIN: 00181589

Anju Timblo Managing Director & CEO DIN: 00181722

ANNEXURE A

PARTICULARS OF CONTRACTS/ARRANGEMENTS MADE WITH RELATED PARTIES

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

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

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

There were no contracts /arrangements / transactions entered into during the year ended March 31, 2022, which were not at arm's length basis.

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

The details of contracts / arrangements / transactions at arm's length basis for the year ended March 31, 2022 are as follows:

Sr. No.	Name of the Related Party	Nature of Relationship	Duration of Contract	Salient Terms	Date of approval of the Board	Amount in lakhs
	Nature of Contract					
	Sale of Services (Room	, Food, beverages and other servic	es)			
1.	Sociedade de Fomento Industrial Pvt. Ltd.	 (i) Mr. Auduth Timblo, Director and Non Executive Chairman is: a) Chairman and Managing Director of Sociedade de Fomento Industrial Pvt. Ltd. b) holds more than 2% equity shares in SFI c) Mrs. Anju Timblo, Managing Director & CEO of the Company is wife of Mr. Auduth Timblo. d) Mr. Akash Timblo, employee of the Company is son of Mr. Auduth Timblo & Mrs. Anju Timblo. 	April 01, 2020 - March 31, 2023	N.A.	March 14, 2020	79.20
2.	Infrastructure Logistics Pvt. Ltd.	(i) Mr. Auduth Timblo, Director and Non Executive Chairman of the Company and Mrs. Anju Timblo, Managing Director & CEO of the Company are parents of Mr. Ambar Timblo, who is holding a substantial shareholding in Infrastructure Logistics Pvt. Ltd (ii) Mr. Akash Timblo, employee of the Company is son of Mr. Auduth Timblo & Mrs. Anju Timblo and brother of Mr. Ambar Timblo.	April 01, 2020 - March 31, 2023	N.A.	March 14, 2020	2.46

Sr. No.	Name of the Related Party	Nature of Relationship	Duration of Contract	Salient Terms	Date of approval of the Board	Amount in lakhs
3.	Fomento Resources Pvt. Ltd.	(i) Mr. Ambar Timblo, Managing Director of Fomento Resources Pvt. Ltd. is: (a) a son of Mr. Auduth Timblo, Non Executive Chairman of the Company and Mrs. Anju Timblo, Managing Director & CEO of the Company. (ii) Mr. Auduth Timblo and Mrs. Anju Timblo are also shareholders of Fomento Resources Private Limited. (iii) Mr. Akash Timblo, employee of the Company is son of Mr. Auduth Timblo & Mrs. Anju Timblo and brother of Mr. Ambar Timblo.	April 01, 2020 - March 31, 2023	N.A.	March 14, 2020	57.38
	Sharing of expenses					
4.	Sociedade de Fomento Industrial Pvt. Ltd.	 (i) Mr. Auduth Timblo, Director and Non Executive Chairman is: (a) Chairman and Managing Director of Sociedade de Fomento Industrial Pvt. Ltd. (b) holds more than 2% equity shares in SFI (ii) Mrs. Anju Timblo, Managing Director & CEO of the Company is wife of Mr. Auduth Timblo. (iii) Mr. Akash Timblo, employee of the Company is son of Mr. Auduth Timblo & Mrs. Anju Timblo. 	April 01, 2020 - March 31, 2023	Yearly at Actual	March 14, 2020	(9.1)
5.	Infrastructure Logistics Pvt. Ltd.	(i) Mr. Auduth Timblo, Director and Non Executive Chairman of the Company and Mrs. Anju Timblo, Managing Director & CEO of the Company are parents of Mr. Ambar Timblo, who is holding a substantial shareholding in Infrastructure Logistics Pvt. Ltd (ii) Mr. Akash Timblo, employee of the Company is son of Mr. Auduth Timblo & Mrs. Anju Timblo and brother of Mr. Ambar Timblo.	April 01, 2020 - March 31, 2023	Yearly at Actual	March 14, 2020	16.16

Sr. No.	Name of the Related Party	Nature of Relationship	Duration of Contract	Salient Terms	Date of approval of the Board	Amount in lakhs
6.	Fomento Resources Pvt. Ltd.	(i) Mr. Ambar Timblo, Managing Director of Fomento Resources Pvt. Ltd. is:	April 01, 2020 - March 31, 2023	Yearly at Actual	March 14, 2020	1.02
		(a) a son of Mr. Auduth Timblo, Non Executive Chairman of the Company and Mrs. Anju Timblo, Managing Director & CEO of the Company.				
		(ii) Mr. Auduth Timblo and Mrs. Anju Timblo are also shareholders of Fomento Resources Private Limited.				
		(iii) Mr. Akash Timblo, employee of the Company is son of Mr. Auduth Timblo & Mrs. Anju Timblo and brother of Mr. Ambar Timblo.				
	Purchase/Availing of Su	ipport services				
7.	Sociedade de Fomento Industrial Pvt. Ltd.	i) Mr. Auduth Timblo, Director and Non Executive Chairman is:	April 01, 2020 - March 31, 2023	At actual	March 14, 2020	0.30
		(a) Chairman and Managing Director of Sociedade de Fomento Industrial Pvt. Ltd.				
		(b) holds more than 2% equity shares in SFI				
		(ii) Mrs. Anju Timblo, Managing Director & CEO of the Company is wife of Mr. Auduth Timblo.				
		(iii) Mr. Akash Timblo, employee of the Company is son of Mr. Auduth Timblo & Mrs. Anju Timblo.				
	Inter Corporate Borrow	ings				
Sr. No.	Name of the Related Party	Nature of Relationship	Nature of transaction/ Duration of transaction	Salient Terms of tran- saction	Date of approval of the Board	Amount in lakhs
8.	Fomento Resources Pvt. Ltd.	(i) Mr. Ambar Timblo, Managing Director of Fomento Resources Pvt. Ltd. is:	Loan Repaid / NA	Simple interest @ 10%	September 6, 2021	11244.58
		(a) a son of Mr. Auduth Timblo, Non Executive Chairman of the Company and Mrs. Anju Timblo, Managing Director & CEO of the Company.				
		(ii) Mr. Auduth Timblo and Mrs. Anju Timblo are also shareholders of Fomento Resources Private Limited.				

Sr. No.	Name of the Related Party	Nature of Relationship	Nature of transaction/ Duration of transaction	Salient Terms of tran- saction	Date of approval of the Board	Amount in lakhs
		(iii) Mr. Akash Timblo, employee of the Company is son of Mr. Auduth Timblo & Mrs. Anju Timblo and brother of Mr. Ambar Timblo.				
	Interest					
9.	Fomento Resources Pvt. Ltd.	 (i) Mr. Ambar Timblo, Managing Director of Fomento Resources Pvt. Ltd. is: (a) a son of Mr. Auduth Timblo, Non Executive Chairman of the Company and Mrs. Anju Timblo, Managing Director & CEO of the Company. 	Interest Repaid / NA	_	September 6, 2021	713.75
		(ii) Mr. Auduth Timblo and Mrs. Anju Timblo are also shareholders of Fomento Resources Private Limited.				
		(iii) Mr. Akash Timblo, employee of the Company is son of Mr. Auduth Timblo & Mrs. Anju Timblo and brother of Mr. Ambar Timblo.				

For and on behalf of the Board of Directors

Auduth Timblo Director & Non Executive Chairman Managing Director & CEO

DIN: 00181722 DIN: 00181589

Anju Timblo

Place: Vainguinim Beach – Goa

Date: May 4, 2022

ANNEXURE B ANNUAL REPORT ON CSR ACTIVITIES

1. Brief outline of CSR Policy

The Board of Directors upon the recommendation of the Corporate Social Responsibility Committee have identified the areas listed in Schedule VII of the Companies Act, 2013 for carrying out its CSR activities:

The Company has framed its CSR policy in compliance with the policies of the Companies Act, 2013. The Company's CSR policy intends to strive for economic development that positively impacts the society at large, by promoting education, eradicating hunger, providing health care & destitute care, sustainability related initiatives and other welfare activities. The projects/programmes may be undertaken by an Implementation Agency or the Company directly provided that such projects/programmes are in line with the activities enumerated in Schedule VII of the Companies Act, 2013. The Company does not have CSR obligation for F.Y. 2021-22. However, the Company has made a small contribution to the Society towards CSR which is mentioned in Table No 8C of the Report.

2. Composition of CSR Committee for the year ended March 31, 2022

The Corporate Social Responsibility (CSR) Committee comprises of the following members:

Name of the Director		Category	Corporate Social Responsibility Committee meetings
			March 28, 2022
Mr. Jamshed Delvadavala	Chairman	Non- Executive – Independent Director	✓
Mrs. Anju Timblo	Member	Managing Director & CEO – Executive Director	LOA
Mr. Sujjain Talwar	Member	Non- Executive – Independent Director	✓
Mr. Vinayak Padwal	Member	Non- Executive – Independent Director	✓

- 3. The detailed Corporate Social Responsibility Policy is available on the website of the Company at https://frhl.in/upload/PDF/592_27_new_file_CSR_Policy_2021__1_.pdf.
- 4. Impact assessment of CSR project: NA
- 5. Details of the amount available for set off and amount required for set off for the financial year, if any

Sr. No	Financial Year	Amount available for set-off From Preceding Financial Year (in Rs.)	Amount required to be set-off for Financial Year (in Rs.)
1.	2021-22	_	_

6. Average Profits

The average profits, i.e. profits before tax of the Company during the three immediately preceding financial years was **Rs.** (1750.52) lakhs

- 7. (a) Two percent of average net profit of the company as per section 135(5): Rs (35.01) Lakhs
 - (b) Surplus arsing out of the CSR projects or programmes or activities of the previous financial year: Nil
 - (c) Amount required to be set off for the financial year, if any: Nil
 - (d) Total CSR obligation for the financial year (7a+7b-7c): Nil
- 8. (a) CSR amount spent or unspent for the financial year:

Total Amount	Amount Unspent (in Rs.)					
Spent for the	Total Amount trai	nsferred to Unspent	Amount transferred to any fund specified under			
Financial Year.	CSR Account as	per section 135(6).	Schedule VII as per second proviso to section 135(5).			
(in Rs.)	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer	
_	_	_	_	_	_	

(b) Details of CSR amount spent against ongoing projects for the financial year:

Sr. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)		on of the oject District	Project dura- tion	allocated for the project	the	Amount transferred to Un-spent CSR Account for the project as per Section 135(6)	Mode of Implem- entation - Direct (Yes/No)	Implem Thi Imple	de of entation - rough menting ency CSR Regn.
	NIIL (in Rs.) Number											

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sr. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project				Amount spent for the project (in Rs.)	Mode of Implem- entation - Direct (Yes/No)	Through 1	plementation - implementing gency
				State	District			Name	CSR Regn. Number		
1.	St. Joseph's Old Age Home	Eradicating Hunger, Poverty & malnutrition and welfare	Yes	Goa	North Goa	16,000	Yes	_	_		

- (d) Amount spent in Administrative Overheads: Nil
- (e) Amount spent on Impact Assessment, if applicable: NA
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 16000/-
- (g) Excess amount for set off, if any

Sr. No	Particular	Amount (in Rs.)
i	Two percent of average net profit of the company as per section 135(5)	(35,01,000)
ii	Total amount spent for the Financial Year	16,000
iii	Excess amount spent for the financial year (ii)-(i)	Nil
iv	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	_
v	Amount available for set off in succeeding financial years	3,25,000

9. (a) Details of Unspent CSR amount for the preceding three financial years

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years. (in Rs.)			
				Name of the Fund	Amount (in Rs)	Date of transfer				
	Not Applicable									

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

- 1	Sr. No.	Project ID	Name of the Project	Financial Year in which the project was	Project duration		Amount spent on the project in the reporting		Status of the project - Completed/			
			Project	commenced		Rs.)	Financial Year (in Rs)	reporting Financial Year. (in Rs.)	Ongoing			
Γ	Not Applicable											

- 10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset wise details).
 - a. Date of creation or acquisition of capital asset(s): NA
 - b. Amount of CSR spent for creation or acquisition of capital asset.: NA
 - c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: **NA**
 - d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).: **NA**
- 11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5).: NA

For and on behalf of the Board of Directors

Jamshed Delvadavala Chairman - CSR Committee DIN: 00047470 Anju Timblo Member - CSR Committee DIN: 00181722

Place: Vainguinim Beach - Goa

Date: May 4, 2022

ANNEXURE C MANAGERIAL REMUNERATION

- (1) Statement showing particulars of employees pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014
- (A) Statement showing names of Top Ten employees of the Company in terms of Remuneration drawn:

Sr. No.	Employee Name	Designation
1	Mrs. Neeta Brid	General Manager - Corporate
2	Mr. Rakesh Kumar Jain	Head of Finance
3	Mr. Vineet Soni	Resident Manager
4	Mr. Suraj Gopalkrishna Latkar	Chief Engineer
5	Mrs. Velina D'Souza	Associate Director - Sales
6	Mr. Sandesh Argekar	Chief Projects Manager
7	Mr. S. Rajasekar	Manager – Property & Asset Care
8	Mr. Keith Jude Pinto	Director of Sales
9	Mrs. Asmeeta Matondkar	Company Secretary
10	Mr. Gagandeep Singh Hanjra	Head – Revenue Management, Goa & Director of Revenue

(B) Persons employed for the full year ended March 31, 2022 who were in receipt of the remuneration which in the aggregate was not less than Rs. 1,02,00,000/- p.a.

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

There was no Person employed for the full year ended March 31, 2022 who was in receipt of the remuneration which in the aggregate was not less than Rs. 8,50,000/- p.m.

(C) Persons employed for part of the year ended March 31, 2022 who were in receipt of the remuneration which in the aggregate was not less than Rs. 8,50,000/- p.m.

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

There was no Person employed for the part of the year ended March 31, 2022 who was in receipt of the remuneration which in the aggregate was not less than Rs. 8,50,000/- p.m.

(D) Persons employed throughout the financial year or part thereof for the year ended March 31, 2022 who were in receipt of the remuneration which in the aggregate is in excess of that drawn by the Managing Director or Whole Time Director or Manager and holds by himself or along with his spouse and dependent children not less than 2% of the equity shares of the Company.

Sr.	Employee	Design-	Gross	Qualifi-	Nature of	Total	Date of	Age	Last	Percentage	Whether
No.	Name	ation	Remun-	cation	employ-	Exp. in	commen-	in	Employer	of Equity	relative of
			eration		ment	Years	cement	Years	&	shares held	Director/
			(in		(Contract-		of		Design-	by the	Manager, if
			Rupees)		ual or		Employ-		ation	Employee	so name of
					otherwise)		ment		Held	in the	such Director/
										Company	manager
					Not Applicable						

ANNEXURE D SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022

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

To,

The Members,

Fomento Resorts and Hotels Limited

Cidade De Goa,

Vainguinim Beach, Goa 403004

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2022 (hereinafter referred to as the "Audit Period") generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2022 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 and the rules made there under (*Not applicable to the Company during the audit period*);
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under (*Not applicable to the Company during the audit period*);
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment (provisions not applicable to the Company during the Audit Period);
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011(*Not applicable to the Company during the audit period*);
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (*Not applicable to the Company during the audit period*);
 - (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 (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company during the audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (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, 2021(Not applicable to the Company during the audit period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the audit period).

- vi. The following law and Regulation applicable specifically to the Company viz.,
 - a) Food Safety and Standards Act, 2006 and rules made there under.
 - b) The Foreign Exchange Management Act (FEMA), 1999.
 - c) The Air (Prevention and Control of pollution) Act, 1981 and rules made thereunder.
 - d) The Water (Prevention and Control of pollution) Act, 1974 and rules made there under.

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

i. Secretarial Standards issued by The Institute of Company Secretaries of India.

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

I further report that-

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

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

Majority decision is carried through and recorded as part of the minutes.

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

I further report that during the audit period following specific event that took place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards. The following Resolutions were passed by way of Postal Ballot as under:-

- 1. A special resolution dated September 30, 2021 was passed for approving re-appointment of Mrs. Anju Timblo (DIN:00181722) as Managing Director & CEO of the Company for a period of three years.
- 2. Special resolutions dated October 20, 2021 was passed for approving:
 - a) issue of 1,25,88,936 equity shares to Fomento Resources Private Limited on preferential basis upon conversion of unsecured inter corporate borrowing. Thereafter, on October 26, 2021 the said shares were allotted.
 - b) Increase in the Borrowing limits of the company under section 180(1) (c) upto Rs. 1000 crores.
 - c) Increase in the limits for creation of charge on the assets of the company under section 180(1) (A) upto Rs. 1000 crores.
 - d) Borrowing funds in form of unsecured Inter-Corporate borrowing up to Rs. 100 Crores from Infrastructure Logistics Private Limited, a related party.

Shivaram Bhat Practising Company Secretary ACS 10454 CP 7853 PR 1775/2022 UDIN:A010454D000267249

Place : Panaji, Goa Date : May 4, 2022

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

Due to restricted movement amid COVID-19 pandemic, we conducted the secretarial audit by examining the Secretarial Records including Minutes, Documents, Registers and other records etc., and some of them received by way of electronic mode from the Company and could not be verified from the original records. The management has confirmed that the records submitted to us are the true and correct. This Report is limited to the Statutory Compliances on laws / regulations / guidelines listed in our report of which, the due date has been ended/expired on or before March 31, 2022 pertaining to Financial Year 2021-22.

ANNEXURE 'A'

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

- 1. Maintenance of Secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
- 2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
- 3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- 4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
- 6. The secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Shivaram Bhat Practising Company Secretary ACS 10454 CP 7853 PR 1775/2022 UDIN:A010454D000267249

Place : Panaji, Goa Date : May 4, 2022

Independent Auditor's Report

To the Members of Fomento Resorts and Hotels Limited Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Fomento Resorts and Hotels Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the 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, 2022, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the, Board's Report including Annexures to Board's 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, 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, total comprehensive income, changes in equity and cash flows 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities 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 SAs 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 SAs, 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 controls 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 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 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.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the order.
- 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, Statement of Changes in Equity and Statement of Cash Flow dealt with this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act;

- e) on the basis of written representations received from the directors of the Company as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of section 164(2) of the Act;
- f) with respect to the adequacy of internal financial controls with reference to the financial statements 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 with reference to the financial statements of the Company.
- g) with respect to 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. The remuneration paid to the directors is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197 (16) which are required to be commented upon by us.
- h) 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. The Company has disclosed the impact of pending litigations on its financial position in its financial statements Refer Note 37 to the financial statements;
 - ii. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv. a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b. The Management had Represented, that, to the best of its Knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing of otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - c. Based on the Audit Procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule (e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year.

For Sudha Suresh Pai & Associates

Chartered Accountants Firm Regn. No. 118006W

Sudha Pai T

Partner

Membership No. 102232 UDIN: 22102232AIKXMV3891

Place: Margao, Goa Date: May 04, 2022

Annexure "A" to the Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of Fomento Resorts and Hotels Limited for the year ended 31st March 2022)

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

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - (a) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.
 - b. The Company has maintained proper records showing full particulars of intangible assets.
 - (b) The Company has a program of physical verification of Property, Plant and Equipment so to cover all the assets once in every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) Based on our examination of property tax receipts and lease agreement for land on which building is constructed, registered sale deed/ transfer deed/ conveyance deed provided to us, we report that, the title in respect of self-constructed building and title deeds of all other immovable properties, disclosed in the financial statement included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
 - (d) The Company has not revalued any of its Property, Plant and Equipment and intangible assets during the year.
 - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transaction (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. (a) According to the information and explanations given to us, the management has conducted physical verification of inventories at reasonable intervals and no material discrepancies were noticed between the physical stock and book records on such physical verification.
 - (b) The Company has not been sanctioned working capital limits in excess of Rs. 5 Crore, in aggregate, at any point of time during the year, from banks or financial institutions on the basis of security of current assets and hence reporting under clause 3 (ii)(b) of the Order is not applicable.
- iii. The Company has not granted any loans secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act') and accordingly reporting under paragraph 3 (iii) of the order is not applicable to the Company.
- iv. The Company has not granted any loans, made any investments or provided guarantees and accordingly reporting under paragraph 3 (iv) of the order is not applicable to the Company.
- v. In our opinion, and according to information and explanations given to us, the company has not accepted any deposits as per the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Act and rules framed thereunder. Accordingly reporting under paragraph 3 (v) of the order is not applicable to the Company.
- vi. The Central Government has not prescribed the maintenance of cost records under section 148 (1) of the Act for the Company. Accordingly reporting under paragraph 3 (vi) of the order is not applicable to the Company.
- vii. In respect of statutory dues:
 - (a) In our opinion, the Company has generally been regular in depositing with appropriate authorities undisputed Statutory dues including provident fund, employees state insurance, income tax, customs duty, cess, goods and service tax, value added tax and other material statutory dues applicable to it. According to the information and explanations given to us, there are no undisputed amounts payable in respect of provident fund, employees state insurance, income tax, customs duty, cess, goods and service tax, and value added tax which were outstanding as at 31st March 2022 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, the following are the disputed statutory dues which have not been deposited on account of disputed matters pending before the appropriate authorities:

Name of the Statute	Nature of dues	Forum where dispute is Pending	Amount Rs. in Lakh	Period to which the amount relates	
Expenditure Tax Act, 1987	Expenditure Tax	Supreme Court of India	571.19	Assessment Years 1996-97 and 1998-1999 to 2002-03	
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)-1, Panaji Goa	23.44	Assessment Year 2017-18	
Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeals)-1, Panaji Goa	167.21	Assessment Year 2018-19	
Goa Tax on Luxuries Act, 1988	Luxury Tax	Assistant Commissioner of Luxury Tax, Panaji-Goa	60.65	Assessment Year 2017-18	
Finance Act, 1994	Service Tax	Customs, Excise and Service Tax Appellate Tribunal, West Zonal Bench - Mumbai	112.57	Assessment Year 2014-19	

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961(43 of 1961).
- ix. (a) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.
 - (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
 - (c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
 - (d) According to the information and explanations given to us, the Company has not raised any short term loans during the year and hence reporting paragraph 3 (ix) (d) of the order is not applicable to the Company.
 - (e) According to the information and explanations given to us, and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from the entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
 - (f) According to the information and explanations given to us and procedures performed by us, the Company has no subsidiaries, joint ventures or associates and hence reporting paragraph 3 (ix) (d) of the order is not applicable to the Company.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting on paragraph 3 (x) (a) of the Order is not applicable.
 - (b) In our opinion and according to the information and explanations obtained by us, the Company has complied with the provisions of Sections 42 and 62 of the Companies Act, 2013 in connection with preferential allotment of shares. The aforesaid preferential allotment of shares was by way of conversion of existing inter-corporate borrowings. Hence reporting with regard to it's utilization is not applicable.
- xi. (a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
 - (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 - (c) We have taken into consideration the whistle blower complaints received by the company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.

- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly reporting under paragraph 3 (xii) of the order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, wherever applicable, and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 - (b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly reporting under paragraph 3 (xv) of the order is not applicable to the Company.
- xvi. (a) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under paragraph 3 (xvi) (a), (b) and (c) of the Order is not applicable.
 - (b) In our opinion and according to the information and explanations given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under paragraph 3 (xvi) (d) of the order is not applicable to the Company.
- xvii. The Company has incurred cash loss during the financial year ended on that date and the immediately preceding financial year. The amount of cash loss for the financial year is Rs. 2,158.80 Lakhs and cash loss for immediately preceding financial year was Rs. 3,342.27 Lakhs.
- xviii. There has been no resignation of the statutory auditors of the Company during the year and accordingly reporting under paragraph 3 (xviii) of the order is not applicable to the Company.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under paragraph 3(xx)(a) of the Order is not applicable for the year.
 - (b) The Company does not have any ongoing projects with respect to it's Corporate Social Responsibility (CSR) obligation. Accordingly, reporting under paragraph 3(xx)(b) of the Order is not applicable for the year.

For Sudha Suresh Pai & Associates Chartered Accountants Firm Regn. No. 118006W

Sudha Pai T

Partner Membership No. 102232 UDIN: 22102232AIKXMV3891

Place: Margao, Goa Date: May 04, 2022

Annexure "B" to the Independent Auditor's Report

(Referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of Fomento Resorts and Hotels Limited for the year ended 31st March 2022)

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

Opinion

We have audited the internal financial controls with reference to financial statements of Fomento Resorts and Hotels Ltd. ("the Company") as at 31st March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March 2022, based on the internal controls with reference to financial statements criteria established by the company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI')

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements criteria established by the Company considering the essential components of internal controls stated in the Guidance Note issued by ICAI. 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 with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and 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 ICAI. 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls 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 evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial controls with reference to financial statements 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 controls with reference to financial statements 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 with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Sudha Suresh Pai & Associates

Chartered Accountants Firm Regn. No. 118006W

Sudha Pai T

Partner
Membership No. 102232

UDIN: 22102232AIKXMV3891

Place: Margao, Goa Date: May 04, 2022

AUDITED BALANCE SHEET AS AT 31ST MARCH 2022

(Rs. in Lakhs)

Part	ticulars	Note No	As at March 31, 2022	As at March 31, 2021
I	Assets			
	1 Non-Current Assets			
	(a) Property, Plant and Equipment	2	51,288.49	53,082.73
	(b) Capital Work-in-Progress	2	7,719.26	8,819.51
	(c) Other Intangible Assets	2	43.20	62.46
	(d) Financial Assets			
	(i) Investments	3	0.10	0.10
	(ii) Other Financial Assets	4	123.50	10.06
	(e) Other Non-Current assets	5	797.91	783.86
	(f) Deferred Tax Assets (net)	6	3,253.25	1,537.53
	Total Non Current Assets		63,225.71	64,296.25
	2 Current Assets		<u> </u>	-
	(a) Inventories	7	213.63	242.56
	(b) Financial Assets			
	(i) Trade Receivables	8	344.88	605.28
	(ii) Cash and Cash Equivalents	9	11,440.26	6,646.02
	(iii) Bank Balances other than (ii) above	10	4,233.54	1,536.35
	(iv) Other Financial Assets	11	8.71	77.59
	(c) Other Current Assets	12	356.43	963.20
	Total Current Assets		16,597.45	10,071.00
	Total Assets		79,823.16	74,367.25
П	Equity and Liabilities			
	1 Equity			
	(a) Equity Share Capital	13	2,858.89	1,600.00
	(b) Other Equity	14	15,974.22	5,249.14
	Total Equity		18,833.11	6,849.14
	2 Non-Current Liabilities			
	(a) Financial Liability			
	(i) Borrowings	15	54,669.45	61,604.08
	(b) Employee Benefit Obligation	16	86.25	12.27
	(c) Other Non-Current Liabilities	17	2.18	4.18
	Total Non-Current Liabilities		54,757.88	61,620.53
3	Current Liabilities			
	(a) Financial Liabilities			
	(i) Trade Payables			
	a) Dues of Micro Enterprises			
	and Small Enterprises	18	64.20	41.29
	b) Dues of Creditors other than			
	Micro Enterprises and Small Enterprises	18	1,134.51	1,334.28
	(ii) Borrowings	19	2,563.00	1,050.75
	(iii) Other Financial Liabilities	20	603.48	852.27
	(b) Employee Benefit Obligation	21	72.04	60.22
	(c) Other Current Liabilities	22	1,794.94	2,558.77
	Total Current Liabilities		6,232.17	5,897.58
	Total Liabilities		60,990.05	67,518.11
	Total Equity and Liabilities		79,823.16	74,367.25
	Significant Accounting Policies	1		

Note: The accompanying notes (1 to 54) form an integral part of the financial statements.

As per our Report of even date
For Sudha Suresh Pai & Associates

Chartered Accountants

Firm Registration No. 118006W

Fomento Resorts and Hotels Limited

For and on Behalf of Board of Directors of

Sudha Pai T

Partner

Membership no: 102232

Anju Timblo

Managing Director & CEO

DIN: 00181722

Asmeeta Matondkar

Company Secretary Membership No: A31514

Place: Vainguinim Beach, Goa

Date: May 4, 2022

Auduth Timblo

Director and Non Executive Chairman

DIN: 00181589

M. A Hajare

Chief Financial Officer Membership No: 30496

Place: Margao - Goa Date: May 4, 2022

30

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022

(Rs. In Lakhs except per share equity data)

PA	RTICULARS	Note No.	March 31, 2022	March 31, 2021
1	Revenue			
	Revenue from Operations	23	12,743.12	5,339.45
	Other Income	24	217.50	846.67
	Total Income		12,960.62	6,186.12
2	Expenses			
	Cost of food, beverages and supplies consumed	25	1,718.01	734.01
	Employee Benefit expenses and Payment to Contractors	26	3,134.04	1,934.36
	Finance Costs	27	5,721.58	5,178.99
	Depreciation and Amortisation Expenses	28	4,053.60	3,830.69
	Other Expenses	29	4,671.85	2,350.96
	Total Expenses		19,299.08	14,029.01
3	Profit/ (loss) before tax before exceptional item		(6,338.46)	(7,842.89)
4	Exceptional items	30	(450.57)	-
5	Profit / (loss) before tax		(6,789.03)	(7,842.89)
	Tax (Expense) / Credit	31		
	Current Tax		-	-
	Deferred Tax		1,697.18	2,206.84
	Total Tax (Expense) / Credit		1,697.18	2,206.84
6	Profit / (loss) for the year		(5,091.85)	(5,636.05)
7	Other Comprehensive Income	32		
	(a) (i) Items that will not be reclassified to profit or loss		(63.69)	29.63
	(ii) Income tax related to the Items that will not be reclassified to profit or (loss)		18.55	(8.63)
	(b) (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax related to the Items that will be reclassified to profit or (loss)		-	-
	Other Comprehensive Income (net of Tax)		(45.14)	21.00
8	Total Comprehensive Income		(5,136.99)	(5,615.05)
9	Earnings per Equity Share			
	(i) Basic	33	(23.82)	(35.23)
	(ii) Diluted	33	(23.82)	(35.23)
	Significant Accounting Policies	1		

Note: The accompanying notes (1 to 54) form an integral part of the financial statements.

As per our Report of even date For Sudha Suresh Pai & Associates

Chartered Accountants

Firm Registration No. 118006W

Sudha Pai T Partner

Membership no: 102232

Anju Timblo

Managing Director & CEO DIN: 00181722

Asmeeta Matondkar Company Secretary Membership No: A31514

Place: Vainguinim Beach, Goa

Date: May 4, 2022

For and on Behalf of Board of Directors of Fomento Resorts and Hotels Limited

Auduth Timblo

Director and Non Executive Chairman

DIN: 00181589

M. A Hajare

Chief Financial Officer Membership No: 30496

Place: Margao - Goa Date: May 4, 2022

CASH FLOW STATEMENT

PARTICULARS	As at 31st March 2022	As at 31st March 2021
CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Net Loss) before tax	(6,789.03)	(7,842.89)
Adjustment for:		
Depreciation and amortisation expenses	4,053.60	3,830.69
Interest/Dividend earned	(136.82)	(72.30)
Sundry Balances written back	(33.77)	(745.13)
Debit Balances Writen Off	99.02	1.97
Obsolete Stock Written off	0.44	11.45
Provision for Employee Benefits	257.17	102.56
Interest on Debts and Borrowings	5,617.04	4,931.21
Interest on financial liabilities	5.67	148.50
Net (gain)/loss on disposal of Property, Plant and Equipment	7.27	(1.16)
Cash Operating Profit/(Loss) before working Capital changes	3,080.59	364.89
Adjustments for (increase)/ decrease in operating assets:		
Inventories	28.49	12.32
Trade Receivables	260.40	(136.08)
Other financial assets	68.88	(46.81)
Other Assets	495.88	(30.63)
Adjustments for increase/ (decrease) in operating liabilities:		
Trade and Other financial liabilities	(1,135.73)	66.66
Other liabilities	70.24	569.01
Cash generated from Operating Activities	2,868.75	434.48
Income Tax paid (Net)	-	-
Net Cash from Operating Activities (A)	2,868.75	799.37
CASH FLOW FROM INVESTING ACTIVITIES		
Payment for purchase of property, plant and equipment including capital work in progress and capital advances	(1,136.08)	(3,664.67)
Increase/ (decrease) in trade payables and other current liability attributable to purchase of property, plant and equipment including capital work in progress	(396.94)	(306.74)
Proceeds from disposal of property, plant and equipment	22.09	9.69
Investment in FD	(2,769.77)	(658.47)
Interest received	95.94	71.30
Net Cash used for Investing Activities (B)	(4,184.76)	(4,548.89)

(Rs. in Lakhs)

PARTICULARS	As at 31st March 2022	As at 31st March 2021
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long-term borrowings	(1,205.57)	(4,992.69)
Proceeds from long-term borrowings	11,887.00	18,223.98
Interest & other borrowing costs	(4,571.18)	(5,079.71)
Net Cash from Financing Activities (C)	6,110.25	8,151.58
Net Increase/ (Decrease) In Cash and cash equivalents (A + B + C)	4,794.24	4,402.06
Opening Balance of Cash and Cash equivalents	6,646.02	2,243.96
Closing Cash and Cash equivalents	11,440.26	6,646.02

NOTES:

1. Cash flow statement is prepared based on indirect method as per Ind AS 7 'Statement of Cash Flows'.

As per our Report of even date For Sudha Suresh Pai & Associates

Chartered Accountants

Firm Registration No. 118006W

For and on Behalf of Board of Directors of **Fomento Resorts and Hotels Limited**

Sudha Pai T

Partner

Membership no: 102232

Place: Margao - Goa

Date: May 4, 2022

Anju Timblo

Managing Director & CEO

DIN: 00181722

Asmeeta Matondkar

Company Secretary Membership No: A31514

Place: Vainguinim Beach, Goa

Date: May 4, 2022

Auduth Timblo

Director and Non Executive Chairman

DIN: 00181589

M. A Hajare

Chief Financial Officer Membership No: 30496

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

(Rs. in Lakhs)

(a) Equity share capital	As at Ma	arch 31, 2022	As at Mar	As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount	
Balance at the beginning of the reporting period	16,000,000	1,600.00	16,000,000	1,600.00	
Changes in Equity Share capital due to prior reporting errors	-	-	-	-	
Restated balance at the beginning of the current reporting period	16,000,000	1,600.00	16,000,000	1,600.00	
Changes in Equity Share Capital during the current reporting period	12,588,936	1,258.89	_	-	
Balance at the end of the reporting period	28,588,936	2,858.89	16,000,000	1,600.00	

			Reserve	es & Surplus			
(b) Other equity	Capital Reserve	Retained Earnings	General Reserves	Equity Component of preference Shares (Refer Note 15.2)	Capital Invest- ment Subsidy	Securities Premium (Refer Note 15.4)	Total
Balance at 1st April 2021	2.21	2,419.16	1,301.48	1,511.30	15.00	-	5,249.14
Profit/(Loss) for the year	-	(5,091.85)			-		(5,091.85)
Securities Premium on ICDs convered into Equity						15,862.06	15,862.06
Other Comprehensive Income for the year (net of tax)		(45.14)					(45.14)
Balance at 31st March 2022	2.21	(2,717.83)	1,301.48	1,511.30	15.00	15,862.06	15,974.22
Balance at 1st April 2020	2.21	8,034.21	1,301.48	1,511.30	15.00	-	10,864.19
Profit/(Loss) for the year	-	(5,636.05)			-		(5,636.05)
Other Comprehensive Income for the year (net of tax)		21.00					21.00
Balance at 31st March 2021	2.21	2,419.16	1,301.48	1,511.30	15.00	-	5,249.14

Note: The accompanying notes (1 to 54) form an integral part of the financial statements.

As per our Report of even date

For Sudha Suresh Pai & Associates

Chartered Accountants

Firm Registration No. 118006W

For and on Behalf of Board of Directors of

Fomento Resorts and Hotels Limited

Sudha Pai T

Partner

Membership no: 102232

Place: Margao - Goa

Anju Timblo

Managing Director & CEO

DIN: 00181722

Asmeeta Matondkar

Company Secretary Membership No: A31514

Place: Vainguinim Beach, Goa

Date: May 4, 2022

Auduth Timblo

Director and Non Executive Chairman

DIN: 00181589

M. A Hajare

Chief Financial Officer Membership No: 30496

Date: May 4, 2022

Corporate Information

Fomento Resorts and Hotels Limited ("The Company") is a public limited Company incorporated in the state of Goa, India and is engaged in the hotel business.

The Ind AS financial statements for the year ended March 31, 2022 were approved by the Board of Directors and authorized for issue on May 04, 2022.

Note 1

BASIS OF PREPARATION, SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS, SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared on the following basis:

A) Basis of preparation of financial statements and compliance with Ind AS

- i. These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('the act') read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other relevant provisions of the Act.
- ii. These financial statements have been prepared as a going concern on accrual basis using historical cost convention except for certain financial instruments which are measured at fair value at the end of each reporting period.
- iii. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle (not exceeding twelve months) and other criteria set out in the Schedule III of the Act.
- iv. In preparing the financial statements in conformity with recognition and measurement principles of Ind AS requires management to make estimates, judgements and assumptions that may affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities as at the date of financial statements and the amounts of revenue and expenses during the reported period. Actual results could differ from those estimates. Any revision to such estimates is recognised in the period the same is determined. The said estimates are based on the facts and events, that existed as at the reporting date, or that occurred after that date but provide additional evidence about conditions existing as at the reporting date.

B) Significant accounting estimates, judgments and assumptions

Income taxes: Deferred tax assets are recognized to the extent it is probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax loss and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liability or the valuation of deferred tax asset and thereby the tax charged in the statement of profit or loss.

Provision of tax liabilities require judgement on the interpretation of tax legislations, developments in case laws and potential outcomes of tax audits and appeals which may be subject to significant uncertainties. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charged in the statement of profit and loss.

Litigation: From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of loss can be reasonably estimated. Significant judgment is made when evaluating, among other factors, the probability of unfavorable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revision made for the changes in facts and circumstances.

Defined benefit plans: The cost of the defined benefit plans and the present value of the defined benefit obligations are based on actuarial valuation using the projected unique credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature a

defined benefit obligation is highly sensitive to the changes in these assumptions. All assumptions are reviewed at each balance sheet date.

Fair valuation of preference shares: Fair valuation of financial instruments –preference shares is determined by using valuation techniques. This involves significant judgements in the selection of a method in making assumptions and in identifying the most appropriate estimate of fair value when a wide range of fair value measurement is possible. The Company has evaluated it's operations, performance and expected cash flows to consider it's ability to repay preference shares.

C) Impact of COVID-19 (pandemic)

The Company has taken into account all the possible impacts of COVID-19 in preparation of these financial statements, including but not limited to its assessment of, liquidity and going concern assumption, recoverable values of its financial and non-financial assets, impact on revenues and costs. The Company has carried out this assessment based on available internal and external sources of information upto the date of approval of these financial statements and believes that the impact of COVID-19 is not material to these financial statements and expects to recover the carrying amount of its assets. The impact of COVID-19 on the financial statements may differ from that estimated as at the date of approval of these financial statements owing to the nature and duration of COVID-19.

D) Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 - Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 - Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to de-recognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

E) Property, plant and equipment

i) Recognition and measurement:

a) Property, plant and equipment are stated at cost less accumulated depreciation except freehold land which is carried at historical cost. Costs include non-refundable taxes and duties, borrowing costs and other expenses

incidental to the acquisition and installation upto to the date the asset is ready for intended use. The Company has elected to apply the optional exemption to use the previous GAAP value as deemed cost as at 1st April, 2016, from the date of transition to Ind AS.

b) Intangible assets:

Intangible assets include cost of acquired software and are initially measured at acquisition cost including any direct attributable costs for preparing the asset for its intended use and as at reporting date are stated less accumulated amortization.

c) Capital work in progress:

Capital work in progress in respect of asset which are not ready for their intended use are carried at cost, comprising of direct costs, related incidental expenses and attributable interest.

ii) Depreciation and amortization

Depreciation has been provided on straight line method on all tangible assets (other than freehold land) as per the useful life prescribed in Schedule II of the Companies Act 2013 except operating supplies issued on opening new hotel. The estimated useful life of operating supplies is taken as three years based on management evaluation taking into account the nature and estimated usage of the asset. Intangible assets being computer softwares are amortised over the period of five years unless the useful life of such intangible asset is less than five years in which case actual life is considered.

F) Financial Instruments

i) Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value, plus, in the case of financial assets not at fair value through profit or loss, directly attributable transaction costs. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the Statement of Profit and Loss.

Equity Instruments

The Company measures all equity instruments at fair value. Dividend from such instruments is recognized in the statement of profit and loss as other income when the Company's rights to receive payment is established.

De-recognition

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset. Where the Company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

ii) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at fair value through profit or loss, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

G) Inventory

Inventory of Stores and Spares, Food & Beverages is valued at cost on "Moving Weighted Average" method or net realisable value whichever is less.

H) Retirement Benefits

Retirement benefits to employees are provided by way of contribution to Provident Fund, Superannuation Fund and Gratuity. Contribution for Gratuity is made on actuarial valuation to Fomento Resorts and Hotels Ltd Employees Gratuity Trust and Superannuation contributions are made to Fomento Resorts and Hotels Ltd Superannuation Fund. Both the funds are maintained with HDFC Standard Life Insurance Company Ltd.

I) Foreign currency transactions:

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

J) Revenue recognition:

Revenue is recognized at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring the goods or services to the customer i.e. on transfer of control of the goods or services to the Customer. Revenue from sale of goods or rendering of services is net of indirect taxes, returns and discounts.

• Income from Operations

Room, Food and Beverages and Banquets: Revenue is recognized at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and banquet services which is recognized once the rooms are occupied, food and beverages are sold and banquet services have been provided as per the contract with the customer.

Other allied services: In relation to laundry income, health club income and other allied services, the revenue has been recognized by reference to the time of services rendered.

Interest

Interest income is accrued on a time proportion basis using the effective interest rate method.

• Adjustment arising from Resolved Performance is accounted in the year of settlement (See note 52).

K) Borrowing cost:

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

L) Segment reporting:

The Company is presently operating only one integrated hotel business at Goa namely, Cidade de Goa and the newly constructed hotel, Taj Resort and Convention Centre, Goa ('TRCCG'). The entire operation is governed by the same set of risk and returns and hence the same has been considered as representing a single segment. The said treatment is in accordance with the guiding principles enunciated in accordance with Ind AS -108 "Operating Segment".

M) Earnings per share

Earnings per share is calculated by dividing net profit/ (loss) after tax by weighted average number of equity shares outstanding during the year.

N) Taxes on income:

Provision for Income tax is made on the basis of tax liability computed in accordance with relevant tax rates and tax laws. Provision for deferred tax has been made as per Ind AS-12. Deferred tax assets are recognised only if there is reasonable certainty that they will be realised and are reviewed for the appropriateness of their respective carrying values at each Balance sheet date.

NOTE 2: PROPERTY, PLANT AND EQUIPMENT

(Rs. in Lakhs)

NOTE 2: I NOT ENT I, I LANT AND EQUITION			•									(NS. III Laniis)
PARTICULARS				Та	Tangible Assets	ets				Intangible Assets	e Assets	Capital
	Free Hold	Buildings	Plant and	Furniture and	Vehicles	Office Equipment	Computers	Motor Buses	Total	Computer Software	Total	work in Progress
	Land		Machinery	Fittings								
Cost as at April 1, 2021	123.18	23,365.36	13,369.93	20,832.60	8.15	22.17	345.12	-	58,066.51	157.83	157.83	8,819.51
Additions	'	223.03	881.43	1,161.83	1	1	2.89		2,269.17	0.29	0.29	1,122.97
Deletions	1	1	(59.50)	(6.99)	1	1	1	1	(66.49)	1	ı	(2,223.22)
Cost as at March 31, 2022 (A)	123.18	23,588.39	14,191.86	21,987.44	8.15	22.17	348.01	•	60,269.19	158.12	158.12	7,719.26
Accumulated depreciation as at April 1, 2021	1	(611.19)	(1,327.56)	(2,903.93)	(1.48)	(18.52)	(121.09)	1	(4,983.78)	(95.36)	(95.36)	1
Depreciation for the current year	ı	(391.74)	(881.92)	(2,688.41)	(0.64)	(1.23)	(70.10)	1	(4,034.03)	(19.56)	(19.56)	
Deletions	ı	ı	32.09	5.02	ı	1	1	1	37.11		ı	
Accumulated depreciation as at March 31, 2022 (B)	1	(1,002.93)	(2,177.39)	(5,587.32)	(2.12)	(19.75)	(191.19)	'	(8,980.70)	(114.92)	(114.92)	1
Net carrying amount as at March 31, 2022 (A) - (B)	123.18	22,585.46	12,014.47	16,400.12	6.03	2.42	156.82	•	51,288.49	43.20	43.20	7,719.26
PARTICULARS				Ta	Tangible Assets	ets				Intangible	e Assets	Capital
	Free	Buildings	Plant	Furniture	Vehicles	Office	Computers	Motor	Total	Computer	Total	Work in Progress
	Hold		and Machinery	and Fittings		Equipment		Buses		Soltware		
Cost as at April 1, 2020	123.18	23,002.78	12,655.30	18,920.85	8.15	22.38	343.16	11.85	55,087.65	157.73	157.73	7,741.24
Additions	'	362.58	722.16	1,911.75	1	0.12	3.45	1	3,000.07	4.53	4.53	4,056.99
Deletions	1	1	(7.53)	Î	1	(0.33)	(1.49)	(11.85)	(21.21)	(4.44)	(4.44)	(2,978.72)
Impairment (Charge)/Reversal										i		1
Cost as at March 31, 2021 (A)	123.18	23,365.36	13,369.93	20,832.60	8.15	22.17	345.12	-	58,066.51	157.83	157.83	8,819.51
Accumulated depreciation as at April 1, 2020	1	(224.74)	(493.03)	(447.14)	(0.53)	(16.74)	(52.05)	(10.63)	(1,244.86)	(20.70)	(20.70)	1
Depreciation for the current year	1	(386.45)	(839.56)	(2,456.80)	(0.95)	(1.96)	(69.93)	1	(3,755.65)	(75.03)	(75.03)	•
Deletions	-	_	5.04	(0.00)	1	0.17	0.90	10.63	16.74	0.37	0.37	1
Accumulated depreciation as at March 31, 2021 (B)	•	(611.19)	(1,327.56)	(2,903.93)	(1.48)	(18.52)	(121.09)	(0.00)	(4,983.78)	(92°36)	(95.36)	1
Net carrying amount as at March 31, 2021 (A) - (B)	123.18	22,754.17	12,042.37	17,928.66	6.67	3.65	224.04	(0.00)	53,082.73	62.46	62.46	8,819.51
17.17												

Notes:

- 1) Building includes Rs. 500/- being the cost of shares in Housing Co-operative society representing ownership rights in residential flats.
- Rs. 22.23 crores (March 31, 2021 Rs. 29.78 crore) has been capitalised and transferred to Property, Plant and Equipment during the year ended March 31, 2022. 6
- 3) Title Deed of all property are held in the name of the company.
- 4) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

Capital-Work-in Progress (CWII

Capital Work in Progress ageing schedule as at March 31, 2022

(Rs. In Lakhs)

CWIP		Amount in	n CWIP for a	period of	
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	361.31	117.11	159.36	7,081.48	7,719.26
Total	361.31	117.11	159.36	7,081.48	7,719.26

Capital-Work-in Progress (CWIP)

Capital Work in Progress ageing schedule as at March 31, 2021

(Rs. In Lakhs)

CWIP		Amount in	CWIP for a	period of	
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress	895.50	842.53	177.91	6,903.57	8,819.51
Total	895.50	842.53	177.91	6,903.57	8,819.51

Capital Work in Progress completion schedule (completion overdue / cost exceeded original plan) as at March 31, 2022

(Rs. In Lakhs)

CWIP	Amount in CWIP to be completed in					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
Project in Progress in the state of Maharashtra	7,492.10	-	-	-	7,492.10	
Total	7,492.10	-	-	-	7,492.10	

Capital Work in Progress completion schedule (completion overdue / cost exceeded original plan) as at March 31, 2021

CWIP		Amount in (CWIP to be co	`	
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in Progress in the state of Maharashtra	-	7,357.95	-	-	7,357.95
Total	-	7,357.95	-	-	7,357.95

PARTICULARS			As at 31.03.2022	As at 31.03.2021
Note 3: Non-Current In	vestments			
Investment in equity ins	strument (unquoted)			
Investment at fair value	through OCI (fully paid)		0.10	0.10
1,000 (March 31, 2021:	1,000) equity shares of			
Saraswat Cooperative B	ank Limited at Rs. 10/- fully paid			
		Total	0.10	<u>0.10</u>
Note 4: Other Financia	ll Assets - Non-Current Financial Assets			
-	ks (with remaining maturity of more			
than 12 months) along v	with interest accrued thereon		123.50	10.06
		Total	123.50	10.06
-	ks includes Rs.112.59 Lakhs			
	wards DSRA maintained by the Company Rs.8.84 Lakhs) representing margin money			
Note 5: Other Non-Cui	rent assets			
Capital Advances			224.80	318.34
Prepaid Expenses			21.26	7.25
Balances with Governm	ent Authorities (Net)		481.54	360.71
Other deposits and adv	ances		70.31	97.56
		Total	797.91	783.86
Note 6: Deferred Tax A	ssets (net)			
Property Plant and Equi	pment		(14,473.27)	(14,960.67)
Gratuity			46.09	21.11
Carry Forward Lossess	under Income Tax Act, 1961		17,680.43	16,477.09
		Total	3,253.25	1,537.53
Note 7: Inventories (at	lower of cost or net realisable value)			
Food and Beverages			118.38	110.88
Stores and Operating St	upplies		95.25	131.68
		Total	213.63	242.56
Note 8: Trade Receivab	<u>les</u>			
Trade Receivables cons	idered good - Secured;		-	-
Trade Receivables cons	sidered good - Unsecured;		344.88	605.28
Trade Receivables which	h have significant increase in Credit Risk		-	-
Trade Receivables - cred	lit impaired.			
		Total	344.88	605.28
		Total		.88

Ageing Schedule for Trade Receivable as at March 31, 2022

(Rs. In Lakhs)

Particulars	O	utstanding f	or following j	periods from	due date of pay	ment
	Less than	6 months-	1-2 Years	2-3 years	More than	Total
	6 months	1 year			3 years	
Undisputed Trade receivables-						
considered good	240.82	25.47	-	-	78.59	344.88
Undisputed Trade Receivables-						
which have significant increase in credit risk	-	-	-	-	=	-
Undisputed Trade Receivables- credit impaire	d -	-	-	-	=	-
Disputed Trade Receivables- considered good	d -	-	-	-	=	-
Disputed Trade Receivables- which have						
significant increase in credit risk	-	-	-	-	=	-
Disputed Trade Receivables- credit impaired	-	=	-	-	-	=
	240.82	25.47	-	-	78.59	344.88

Ageing Schedule for Trade Receivable as at March 31, 2021

Particulars	Outstanding for following periods from due date of payment						
	Less than 6 months	6 months- 1 year	1-2 Years	2-3 years	More than 3 years	Total	
Undisputed Trade receivables-							
considered good	460.17	15.75	7.48	46.32	75.56	605.28	
Undisputed Trade Receivables-							
which have significant increase in credit risk	-	-	-	-	=	-	
Undisputed Trade Receivables- credit impaired	d -	-	-	-	-	-	
Disputed Trade Receivables- considered good	1 -	-	-	-	-	-	
Disputed Trade Receivables- which have							
significant increase in credit risk	-	-	-	-	-	-	
Disputed Trade Receivables- credit impaired	-	-	-	-	-	_	
_	460.17	15.75	7.48	46.32	75.56	605.28	

PARTICULARS	As at 31.03.2022	As at 31.03.2021
Note 9: Cash and Cash Equivalents		
Balances with Bank		
In Current Accounts	11,424.97	6,623.34
Fixed Deposits (with original maturity of less than or equal to 3 months)	7.53	7.32
Cheques and Currencies on hand	-	0.79
Cash on hand	7.76	14.57
Total	11,440.26	6,646.02
Note 10: Other Balances with Bank	-	
Balances with Bank		
(i) In Fixed Deposits account (with original maturity		
between 3 to 12 months) along with interest accrued thereon	4,222.81	1,523.45
(ii) In Earmarked Account		
Unpaid Dividend account	10.73	12.90
Total	4,233.54	1,536.35

Fixed Deposits with banks includes Rs.1,367.16 Lakhs (March 31, 2021 Rs.1296.03 Lakhs) towards DSRA maintained by the Company and Rs.218.55 (March 31, 2021 Rs.214.33 Lakhs) representing margin money.

(Rs. In Lakhs)

PARTICULARS	As at 31.03.2022	As at 31.03.2021
Note 11: Other Financial Assets- Current		
Loans / Advances to Employees	3.52	8.71
Other Receivables	5.19	68.88
Total	8.71	77.59
Note 12: Other Current Assets		
Prepaid Expenses	52.81	153.05
Balances with Government Authorities	171.85	793.88
Advance to Vendors	131.77	16.27
Total	356.43	963.20
Note 13: Equity Share Capital		
Authorised Capital		
30,000,000 (March 31,2021: 30,000,00) Equity Shares of Rs 10 each	3,000.00	3,000.00
27,000,000 (March 31,2021: 27,000,000) Redeemable cumulative		
preference shares of Rs 100 each	27,000.00	27,000.00
	30,000.00	30,000.00
Issued, subscribed and paid up capital		
Equity Share Capital	2,858.89	1,600.00
28,588,936 (March 31,2021: 16,000,000) Equity Shares of Rs 10 each		
Total	2,858.89	1,600.00

(a) Reconciliation of number of equity shares

(Amt. In Lakhs)

PARTICULARS	As at Ma	arch 31, 2022	As at March 31, 2021		
	No. of Shares	Amount	No. of Shares	Amount	
Opening Balance	1,60,00,000	1,600	1,60,00,000	1,600	
Issued during the year	12,588,936	1,258.89	-	-	
Closing Balance	28,588,936	2,858.89	16,000,000	1,600.00	

(b) Terms / Rights attached to equity shares

The Company has one class of equity shares having par value of Rs.10 each. Each shareholder is eligible for one vote per share held.

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

Name of the Shareholders	As at Ma	arch 31, 2022	As at March 31, 2021		
	%	Shares	%	Shares	
Anju Timblo	44.51	12,726,842	79.23	12,676,103	
Auduth Timblo	9.61	2,747,482	17.10	2,736,083	
Fomento Resources Pvt. Ltd	44.03	12,588,936	-	-	

(d) Equity shares held by the Promotors and Promotor's companies.

Name of the Shareholders	As at March 31, 2022		As at Mai	ch 31, 2021	% change
	%	Shares	%	Shares	during the year
Anju Timblo	44.51	12,726,842	79.23	12,676,103	(34.72)
Auduth Timblo	9.61	2,747,482	17.10	2,736,083	(7.60)
Fomento Resources Pvt. Ltd	44.03	12,588,936	-	-	44.03

- (e) In accordance with the provisions of Section 42 read with Section 62(1)(c) and other applicable provisions of the Companies Act, 2013, the Board of Directors of the Company at their meeting held on April 21, 2022 approved the proposal for issuance of fresh equity shares to Mrs. Anju Auduth Timblo and Mr. Auduth Modu Timblo on a preferential basis subject to the approval of the Shareholders
- (f) The Board of Directors of the Company at their meeting held on April 21, 2022 approved a proposal for reduction of issued, subscribed and paid-up equity share capital of the company by way of cancelling and extinguishing 525,176 fully paid up equity shares of face value of INR 10 each held by the public shareholders in accordance with the provisions of section 66 of the companies Act, 2013 and rules made thereunder subject to a confirmation of such capital reduction by the Mumbai Bench of National Company Law Tribunal ("NCLT").

PARTICULARS	As at 31.03.2022	As at 31.03.2021
Note 14: Other Equity		
Other Reserves		
(i) Capital Reserve	2.21	2.21
(ii) Capital Investment Subsidy	15.00	15.00
(iii) Securities Premium (Refer Note 15.4)	15,862.06	-
(iv) General Reserve		
Balance at the beginning of the year	1,301.48	1,301.48
Transfer from retained earnings	-	-
Balance at the end of the year	1,301.48	1,301.48
(v) Equity Component of Preference Shares (Refer Note 15.2)	1,511.30	1,511.30
(vi) Retained Earnings		
Balance at the beginning of the year	2,419.16	8,034.21
Add: Profit/(Loss) for the year	(5,091.85)	(5,636.05)
Other Comprehensive Income/ (expense) arising from		
Remeasurement of Defined Benefit Obligation	(45.14)	21.00
Balance at the end of the year	(2,717.83)	2,419.16
Total	15,974.22	5,249.14
 (i) Capital Reserve represents the amount of forfeited shares in the year 1987. (ii) Capital Investment Subsidy represents subsidy received by the Company in the year 1983. 		
Note 15: Borrowings		
Secured		
Loan from Banks	47,961.38	38,978.76
(Refer note 1 below)		
Unsecured (at amortised cost unless stated otherwise)		
Loans from related parties	126.98	16,615.19
Redeemable cumulative preference shares from related party	6,581.09	6,010.13
Total	54,669.45	61,604.08

Note 1) Terms and conditions of term loans from banks are tabulated below

(Rs. In Lakhs)

Particulars	Sanctioned	Rate of Interest		Balance
	Loan Amount	Base	Spread	Repayment term
Loan 1	8,500.00	Bank MCLR	0.20 to 1.45 basis points	120 equated monthly instalments
Loan 2	31,500.00	Bank MCLR	0.25 to 1.50 basis points	50 structured quarterly instalments
Moratorium loan	1,250.00	As applic	able to the original	l loans as above
GECL 2.0	5,773.00	Bank MCLR	0.75 to 1.00 basis points	48 equated monthly instalments
GECL3.0	5,774.00	Bank MCLR	0.75 to 1.00 basis points	48 equated monthly instalments

The aforesaid term loans (Loan 1 and Loan 2) are secured by first parri passu charge on (i) all immovable and movable fixed assets of existing hotel, Cidade de Goa ('CDG') and the newly constructed hotel, Taj Resorts and Convention Centre, Goa ('TRCCG'), (ii) current assets, operating cash flows, receivables, revenues, intangibles of the company, (iii) Negative lien on movable and immovable fixed assets of Hotel Project under construction in Aravali, and further secured by (i) personal guarantee of promoter directors and (ii) Non-disposal Undertaking ('NDU') for 75% of the shares of the promoters in FRHL without prior approval of the bank.

The aforesaid GECL loans (GECL 2.0 and GECL 3.0) are secured by second parri passu charge on (i) all immovable and movable fixed assets of existing hotel, Cidade de Goa ('CDG') and the newly constructed hotel, Taj Resorts and Convention Centre, Goa ('TRCCG'), (ii) current assets, operating cash flows, receivables, revenues, intangibles of the company, (iii) Negative lien on movable and immovable fixed assets of Hotel Project under construction in Aravali, and (iv) Non-disposal Undertaking ('NDU') for 75% of the shares of the promoters in FRHL without prior approval of the bank . Further the Loans are also guaranteed by National Credit Guarantee Trustee Company ("NCGTC")

Note 2) 7.5% Redeemable Cumulative Preference Shares ('RCPS') are entirely held by Fomento Resources Private Limited ('FRPL'). These shares carry a fixed dividend of 7.5% p.a. These shares were originally issued assuming to be redeemable after 5 years from the date of allotment, i.e. 10/01/2015. However based on the Company's current evaluation of its operations, performance and expected cash flows, these RCPS are redeemable at par on 10/01/2033. The company after considering the expected future cash flow projection in relation to dividend amount and redemption amount and timing of these amounts, has obtained valuation report for assessment of fair value of its RCPS. The fair value of RCPS has accordingly been determined as at March 31, 2022 by using 'Income Approach' as defined in IND AS 113 "Fair Value Measurement", by considering applicable discount factor, being risk free rate, for the period from valuation date to the date of redemption, adjusted for applicable credit risk. The Preference dividend rate being less than the market rate (after removal of Dividend Distribution Tax vide Finance Act, 2020) and RCPS holder being part of the group companies of the Promoters, the aggregate issue price is spilt into equity and liability element. The Equity component being the finance cost foregone by the holder of RCPS on account of lower interest rate and liability component being the fair value of the RCPS as arrived aforesaid.

Note 3) The company has used the borrowing from banks for the specific purpose for which it was taken as on the date of Balance Sheet.

Note 4) The Company had unsecured inter corporate borrowings amounting to Rs 17,120.95 lakh (including interest) from Fomento Resources Private Limited. Pursuant to the approval of the Board of Directors of the Company at their meeting held on September 6, 2021 and the approval of Shareholders by way of special resolution passed on October 26, 2021, through postal ballot, the above inter corporate borrowings (including interest) is converted into fully paid up equity shares in accordance with provisions of the Companies Act, 2013. The Company, accordingly issued 12,588,936 equity shares (face value Rs. 10 each) on a preferential basis to Fomento Resources Private Limited at the fair market value of Rs. 136 per equity share (including premium of Rs. 126 per equity share).

Note 5) There are no borrowings from the banks on the basis of security of current assets.

Note 6) The Guaranteed Emergency Credit Line (GECL) availed by the company is a secured loan and the process of creation of charge is in progress.

(Rs. In Lakhs)

PARTICULARS	As at 31.03.2022	As at 31.03.2021
Note 16: Employee Benefit Obligation (Non-Current)		
Gratuity	86.25	12.27
Total	86.25	12.27
Note 17: Other Non-Current Liabilities		
Other Liabilities	2.18	4.18
Total	2.18	4.18
Note 18: Trade Payables		-
Micro and small enterprises	64.20	41.29
Other trade payables	1,134.51	1,334.28
Total	1,198.71	1,375.57
Note: Includes Due to creditors for capital goods Rs. 158.76 Lakhs (March 31, 2021 - Rs. 643.85 Lakhs).		
The following details relating to micro, small and medium enterprises shall be disclosed in the notes:-	-	
 (a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year; (b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed 	64.20	41.29
day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;		_
(d) the amount of interest accrued and remaining unpaid at the end of each		
accounting year; and (e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under	-	-
section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	64.20	41.29

Particulars	Ageing for Trade Payable as at March 31, 2022					
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
(i) MSME	64.20	-	-	-	64.20	
(ii) Others	902.02	126.23	106.26	-	1,134.51	
(iii) Disputed dues — MSME	-	-	-	-	-	
(iv) Disputed dues - Others		-	-	-	-	
	966.22	126.23	106.26	-	1,198.71	

(Rs. In Lakhs)

Particulars	Aş	Ageing for Trade Payable as at March 31, 2021			021
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	41.29	-	-	-	41.29
(ii) Others	998.19	285.62	31.22	19.25	1,334.28
(iii) Disputed dues — MSME	-	-	_	-	-
(iv) Disputed dues - Others	-	-	-	-	-
	1,039.48	285.62	31.22	19.25	1,375.57

			(NS. III Lakiis)
PARTICULARS		As at 31.03.2022	As at 31.03.2021
Note 19: Borrowings (Current)			
Current Maturities of Long term Borrowings from Banks		2563.00	864.17
Interest Accrued but not due on the above loan		-	186.58
	Total	2,563.00	1,050.75
Note 20: Other Financial Liabilities (Current)			
Unpaid dividends		10.73	12.90
Expenses Payable		207.15	109.51
Employee benefits payable		301.56	143.77
Deposits		9.21	39.45
Unpresented cheques		6.05	4.79
Other Payables		68.78	541.85
	Total	603.48	852.27
Note 21: Employee Benefit Obligation (Current)			
Gratuity		72.04	60.22
	Total	72.04	60.22
Note 22: Other Current Liabilities			
Retention money		643.57	1,549.31
Advances from customers		959.75	831.06
Statutory Dues		186.81	176.68
Other liabilities		4.81	1.72
	Total	1,794.94	2,558.77
Note 23: Revenue from Operations			
Sale of Room Nights		8,779.51	3,573.95
Food and Beverage		3,093.91	1,339.30
Wine and Liquor		467.49	196.43
Other Operational Revenue		402.21	229.77
	Total	12,743.12	5,339.45

			(RS. In Lakns)
PARTICULARS		As at 31.03.2022	As at 31.03.2021
Note 24: Other Income			
Interest Income		136.80	72.30
Dividend Income		0.02	-
License Fees		36.10	23.82
Profit on sale of property, plant and equipment		-	1.16
Gain on foreign exchange transactions (Net)		0.16	0.21
Scrap Sale		-	0.03
Sundry balances written back		33.77	745.13
Other Non-Operating Income		10.65	4.02
	Total	217.50	846.67
Note 25: Cost of food, beverages and supplies consumed			
FOOD & BEVERAGES			
Opening Stock		110.88	112.34
Add: Purchases/ (Returns)		1,065.66	442.35
		1,176.54	554.69
Less: Closing Stock		118.38	110.88
Food and Beverage Consumed		1,058.16	443.81
STORES & SUPPLIES			
Opening Stock		131.68	153.99
Add: Purchases		623.42	267.89
		755.10	421.88
Less: Closing Stock		95.25	131.68
Stores and Supplies Consumed		659.85	290.20
	Total	1,718.01	734.01
Note 26: Employee Benefit expenses and Payment to Contractors			
Salaries, Wages, Bonus, etc		1,859.71	1,206.29
Contribution to Provident and Other Funds		106.37	56.31
Retirement Benefits Expense		22.11	16.60
Deputed Personnel Cost		658.00	498.78
Contractor's payments for Labourers		175.52	50.13
Staff Welfare Expenses		312.33	106.25
	Total	3,134.04	1,934.36
Note 27: Finance Costs			
Interest on Debts and Borrowings		5,617.04	4,931.21
Interest on Financial Liabilities		5.67	148.50
Bank Charges	7 7. 4. 1.	98.87	99.28
N 4 40 B	Total	5,721.58	5,178.99
Note 28: Depreciation and Amortisation Expenses		4.072.60	2 020 50
Depreciation and Amoritisation Expenses	m . 1	4,053.60	3,830.69
	Total	4,053.60	3,830.69

(Rs. In Lakhs)

PARTICULARS	As at 31.03.2022	As at 31.03.2021
Note 29: Other Expenses		
Hire Charges	143.59	49.14
Power, Fuel and Water	932.89	581.24
Guest Transport	275.65	97.64
Repairs and Maintenance - Buildings	274.57	157.95
Repairs and Maintenance - Plant and Machinery	254.91	108.68
Repairs and Maintenance - Others	126.40	29.41
Freight and Forwarding	14.72	3.35
Laundry expense	111.77	65.25
Band, Music, Decoration and Horticulture	63.68	31.16
Security Charges	91.75	68.62
Postage and Telephone Expenses	53.48	28.77
Selling and Promotion Expenses	118.12	24.01
Legal and Professional Charges	237.33	178.25
Hotel Management Fees	1,080.83	363.89
Insurance	94.43	92.58
Director Sitting Fees	2.05	4.45
Auditor Remuneration		
Audit Fees	6.60	6.00
Tax Audit Fees	2.00	1.82
Other Capacity	-	0.30
Out Of Pocket Expenses	0.38	0.74
Rent, Rates and Taxes	114.31	70.19
Travelling and Conveyance	49.38	27.54
Commission, Brokerage and Discount	383.18	216.58
Loss on discard of property, plant and equipment	7.27	-
Contribution towards CSR	0.16	30.49
Debit Balances Writen Off	99.02	1.97
Miscellaneous Expenses	132.94	99.50
Obsolete Stock Written off	0.44	11.45
Total	4,671.85	2,350.96
Note 30: Exceptional items		T =====
Ex-Gratia [Refer Note 1 below]	450.57	
Total	450.57	-

Note 1-During the year, the Company has concluded the pending wage settlement with Employee's Union on 23rd September, 2021 covering the various settlement periods from 1st Feb 2008 to 31st August 2023. Arising out this wage settlement, an amount of Rs. 4.50 Cr. has been charged off as an exceptional item during the financial year ended March 31, 2022.

Note 31: Tax (Expense) / Credit			
Tax (Expense) / Credit			
Current Tax		-	-
Deferred Tax		1,697.18	2,206.84
	Total	1,697.18	2,206.84

PARTICULARS	As at 31.03.2022	As at 31.03.2021
Note 32: Other Comprehensive Income		
Items that will not be reclassified to profit or loss		
Defined Benefit Obligation	(63.69)	29.63
Income tax related to the Items that will not be reclassified to profit or loss	18.55	(8.63)
Items that will be reclassified to profit or loss	-	-
Income tax related to the Items that will be reclassified to profit or loss	-	-
Total	(45.14)	21.00

33. Earnings Per Share:

Earnings per share is calculated by dividing net profit /(loss) after tax with weighted average number of equity shares.

(Rs. In Lakhs, unless stated otherwise)

PARTICULARS	As at	As at
	31st March 2022 31	st March 2021
Face Value per Share (Amount in Rs.)	10.00	10.00
Profit/(Loss) Attributable Equity Shareholders	(5,091.85)	(5,636.05)
Weighted average number of Equity Shares	21,380,477	16,000,000
E.P.S (basic and diluted) (Amount in Rs.)	(23.82)	(35.23)

34. Revenue from Contracts with Customer

The Company's revenue was primarily comprised of Revenue from Hotel operations - i.e. Room Revenue, Food and Beverages and Banquets as tabulated below.

Details of Revenue from contracts with Customers recognized by the Company (net of indirect taxes) in its statement of profit and loss disaggregated by types of revenue stream.

Revenue from Operations

Revenue from contract with Customers:

PARTICULARS	Rs. in Lakhs FY 2021-22	Rs. in Lakhs FY 2020-21
Sale of Room Nights	8,779.51	3,573.95
Food and Beverages	3,093.91	1,339.30
Wine and Liquor	467.49	196.43
Other Operational Revenue	402.21	229.77
Total	12,743.12	5,339.45

Contract Balances

The contract liabilities primarily relate to advance received from customers for whom revenue is recognized when the performance obligation is over / services delivered.

Advance collection is recognized when payment is received before the related performance obligation is satisfied. This includes advances received from customer towards rooms and banquets. Revenue is recognized once the performance obligation is met i.e. on room stay / provision of banquet services.

Contract Liabilities (Rs. In Lakhs)

PARTICULARS	As on 31st March 2022	As on 31st March 2021
Advance received from customers	959.75	831.06
Total	959.75	831.06

Considering the nature of business of the Company, the above contract liability are generally materialized as revenue within the same operating cycle.

- 35. Sundry Debtors include an amount of Rs. 87.54 Lakhs (March, 31 2021- Rs.142.73 Lakhs) due from group Companies.
- **36.** The estimated amount of contracts remaining to be executed on Capital Account and not provided for is Rs. 3,099.56 Lakhs (March, 31 2021-Rs. 404.54 Lakhs).

37. Contingent Liabilities:

- a) Claims against the company not acknowledged as debt: Rs.153.52 Lakhs (March, 31 2021, Rs. 339.35 Lakhs).
- b) Other monies for which the Company is contingently liable:

(Rs. In Lakhs)

PAR'	TICULARS	As at 31st March 2022	As at 31st March 2021
(i)	Disputed Expenditure Tax Liability	571.19	571.19
(ii)	Bank Guarantee and Letter of Credit	115.48	135.77
(iii)	Income Tax	190.65	23.44
(iv)	Indirect Taxes	173.22	173.22
(iv)	Disputed Claims Others	38.67	272.65

38. There is a suitable mechanism in place by the company to provide for loss or reversal of loss towards impairment of assets if any. There is no indication of impairment of assets of the company as at the respective year end.

39. Related Party Disclosures:

a) Particulars of Associates

Name of the Related Party	Nature of Relationship
(i) Sociedade de Fomento Industrial Pvt. Ltd. (SFI)	Associate Company
(ii) Infrastructure Logistics Pvt. Ltd. (ILPL)	Associate Company
(iii) Marmugao Maritima Limited (MML)	Associate Company
(iv) Fomento Resources Pvt Ltd. (FRPL)	Associate Company
(v) Fomento Finance and Investments Pvt. limited (FFIPL)	Associate Company
(vi) Fomento Barges Pvt. Limited (FBPL)	Associate Company
(vii) Fomento Educational and Charitable Society (FECS)	Associate Concern

Fomento Resorts and Hotels Limited

b) Key Management Personnel (KMP):

Name of the Related Party	Nature of Relationship
(i) Mrs. Anju Timblo	Managing Director
(ii) Mr. Auduth Timblo	Director
(iii) Mr. M.A. Hajare	Chief Financial Officer
(iv) Mrs. Asmeeta Matondkar	Company Secretary

- c) Relatives of Key Management Personnel
 - (i) Mr. Akash Timblo
- d) Details of transactions relating to (A), (B) and (C) referred above:

Rs.in lakhs

Particulars	Associates			KMP	Relative of KMP				
	SFI	ILPL	MML	FRPL	FFIPL	FBPL	FECS		
Sale of Services									
(Room, Food,									
Beverages and	79.20	2.46		57.38					
other services)	43.70	3.82		10.53					
Remuneration								82.17 45.11	13.86 13.86
Director Sitting Fees								0.60 0.70	
Sharing of	(9.40)	16.16		1.02			4.13		
expenses(Net)	(6.34)	0.03		1.02			3.05		
Interest on borrowings (Refer note 2 below)				713.75 1,192.22					
Interest on financial liabilities					— 141.56	5.67 6.49			
Loan Repaid/ (Taken) (Net)				11,244.58 (237.50)	_				
Corporate Social Responsibility (CSR) Expenses									
Credit Balance Written Back					700.00				
Outstanding balance a) Current account									
balance receivable/	12.87	10.49	74.67	7.48					
(payable)	68.06	3.04	74.67	8.21	_	_	1.83	_	_
b) Financial Liability	_ _	_ _	_	22,504.01	_	126.98 121.31		_	_
c) Equity Component of preference Shares (Refer Note 15.2)				1,511.30 1,511.30					

¹⁾ The figures in *italics* represent previous year's figures.

51st Annual Report 2021-2022

2) Interest on borrowings Rs. 35.27 Lakhs (Previous Year Rs. 56.12 Lakhs) for the year and to the extent attributable to the construction of hotel has been capitalized.

40. Details of Gratuity Plan:

Defined Benefit Plan

Gratuity: The Company offers the gratuity under employee benefit scheme to its employees. Gratuity is paid to a staff member who has put in a minimum qualifying period of 5 years of continuous services on superannuation, resignation, termination or to his nominee on death.

These defined benefit plan expose the company to actuarial risks, such as Salary inflation risk, interest rate risk and market (investment) risk.

Movement of defined benefit obligation and fair value of plan assets

Rs. In Lakhs

Particulars	March 31' 2022	March 31' 2021
Type of Benefit	Gratuity	Gratuity
Country	India	India
Reporting Currency	INR	INR
Reporting Standard	Indian Accounting Standard 19 (Ind AS 19)	Indian Accounting Standard 19 (Ind AS 19)
Funding Status	Funded	Funded
Starting Period	01-Apr-21	01-Apr-20
Date of Reporting	31-Mar-22	31-Mar-21
Period of Reporting	12 Months	12 Months
Expected Return on Plan Assets	5.15%	4.25%
Rate of Discounting	5.15%	4.25%
Rate of Salary Increase	8.00%	8.00%
Rate of Employee Turnover	30.00%	30.00%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality (2006-08) Ultimate

The amounts recognized in the balance sheet and the movements in the net defined benefit obligation over the years are as follows:

Table Showing Change in the Present Value of Defined Benefit Obligation

Rs. In Lakhs

Particulars	FY 21-22	FY 20-21
Present Value of Benefit Obligation at the Beginning of the Period	326.08	314.21
Interest Cost	13.86	16.37
Current Service Cost	19.03	12.13
(Benefit Paid From the Fund)	(3.25)	(17.69)
Actuarial (Gains)/Losses on Obligations - Due to Change in		
Demographic Assumptions	0.13	-
Actuarial (Gains)/Losses on Obligations - Due to Change in		
Financial Assumptions	(8.20)	5.79
Actuarial (Gains)/Losses on Obligations - Due to Experience	79.66	(4.73)
Present Value of Benefit Obligation at the End of the Period	427.32	326.08

Table Showing Change in the Fair Value of Plan Assets

Particulars	FY 21-22	FY 20-21
Fair Value of Plan Assets at the Beginning of the Period	253.60	228.68
Interest Income	10.78	11.91
(Benefit Paid from the Fund)	(3.25)	(17.69)
Return on Plan Assets, Excluding Interest Income	7.90	30.69
Fair Value of Plan Assets at the End of the Period	269.03	253.60

Amount Recognized in the Balance Sheet

Rs. In Lakhs

Rs. In Lakhs

Particulars	FY 21-22	FY 20-21
(Present Value of Benefit Obligation at the end of the Period)	(427.32)	(326.08)
Fair Value of Plan Assets at the end of the Period	269.03	253.60
Funded Status (Surplus/ (Deficit))	(158.29)	(72.49)
Net (Liability)/Asset Recognized in the Balance Sheet	(158.29)	(72.49)

Net Interest Cost for the Period

Rs. In Lakhs

Particulars	FY 21-22	FY 20-21
Present Value of Benefit Obligation at the Beginning of the Period	326.08	314.21
(Fair Value of Plan Assets at the Beginning of the Period)	(253.60)	(228.68)
Net Liability/(Asset) at the Beginning	72.49	85.53
Interest Cost	13.86	16.37
(Interest Income)	(10.78)	(11.91)
Net Interest Cost for the Period	3.08	4.46

Expenses Recognized in the Statement of Profit or Loss

Rs. In Lakhs

Particulars	FY 21-22	FY 20-21
Current Service Cost	19.03	12.13
Net Interest Cost	3.08	4.46
Expenses Recognized	22.11	16.59

Expenses Recognized in the Other Comprehensive Income

Rs. In Lakhs

Particulars	FY 21-22	FY 20-21
Actuarial (Gains)/Losses on Obligation For the Period	71.59	1.06
Return on Plan Assets, Excluding Interest Income	(7.90)	(30.69)
Net (Income)/Expense For the Period Recognized in OCI	63.69	(29.63)

Balance Sheet Reconciliation

Particulars	FY 21-22	FY 20-21
Opening Net Liability	72.49	85.53
Expenses Recognized in Statement of Profit or Loss	22.11	16.59
Expenses Recognized in OCI	63.69	(29.63)
Net Liability/(Asset) Recognized in the Balance Sheet	158.29	72.49

Maturity Analysis of the Benefit Payments Projected Benefits Payable in Future Years From the Date of Reporting

(Rs. In Lakhs)

Particulars	March 31, 2022	March 31, 2021
1st Following Year	116.57	105.75
2nd Following Year	91.26	65.55
3rd Following Year	81.50	55.98
4th Following Year	69.58	38.93
5th Following Year	40.09	45.12
Sum of Years 6 To 10	71.24	38.73

Sensitivity Analysis

(Rs. In Lakhs)

Particulars	March 31, 2022	March 31, 2021
Defined Benefit Obligation on Current Assumptions	427.32	326.08
Effect of +1% Change in Rate of Discounting	(8.66)	(6.03)
Effect of -1% Change in Rate of Discounting	9.14	6.35
Effect of +1% Change in Rate of Salary Increase	8.81	6.06
Effect of -1% Change in Rate of Salary Increase	(8.51)	(5.87)
Effect of +1% Change in Rate of Employee Turnover	(1.76)	(1.31)
Effect of -1% Change in Rate of Employee Turnover	1.83	1.36

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant. In practice, this is unlikely to occur isolation of one another as some of the assumptions may be correlated. When calculating the above sensitivity analysis, the present value of the project benefit obligation has been calculated using the project unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognized in the balance sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

41. Capital Work in Progress is relatable to assets mainly comprising of building and related cost thereto, unallocated expenditure and borrowing cost in respect of the new project under construction in the state of Maharashtra and assets under construction in the state of Goa.

42. Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, a corporate social responsibility (CSR) committee has been formed by the Company. The areas for CSR activities are promoting education, art and culture, healthcare and destitute care. The gross amount required to be spent during the year as per the Act is Nil.

Particulars	FY 21-22	FY 20-21
Amount required to be spent by the company during the year	-	27.24
Amount of expenditure incurred	0.16	30.49
Shortfall at the end of the year	-	-
Total of previous years shortfall	-	-
Reason for shortfall	-	-
Nature of CSR activities	Refer: Note 1	Refer: Note 1

Fomento Resorts and Hotels Limited

Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	-	Refer: Note 1
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	-

Note-1

FY 21-22: Contribution to St. Joseph's Old Age Home towards eradicating hunger, poverty, malnutrition and welfare.

FY 20-21: Rs.25.19 Lakhs to Fomento Education Charitable Society ("FECS"), a related party towards promoting education contributed Rs.5.00 Lakhs to Sanjeevan Society for Youth Development towards training & empowering women from economically backward groups, vocational skilling and promotion of livelihood and balance Rs.0.30 Lakhs to St. Joseph's Old Age Home towards eradicating hunger, poverty & malnutrition.

43. Leases

a) Company as Lessee: The Company entered into non-cancellable operating lease arrangements primarily for office premises and residential premises for its employees. During the year the Company has recognized lease rental expenditure of Rs.24.62 Lakhs (Previous year Rs.12.30 lakhs). The future minimum lease payments under Non-cancellable leases payable as at the year-end are as follows:

Rs. In Lakhs

Particulars	March 31, 2022	March 31, 2021
Less than one year	9.96	4.72
Between one and five years		-
More than five years		-

b) Company as lessor: The Company entered into non-cancellable operating lease arrangements with respect to shops and offices located at hotel premises. During the year the Company has recognized lease rental income of Rs.36.10 Lakhs (Previous year Rs.23.82 Lakhs). The future minimum lease rentals under Non-cancellable leases receivable as at the year are as follows:
Rs. In Lakhs

Particulars	March 31, 2022	March 31, 2021
Less than one year	31.20	3.60
Between one and five years		
More than five years	-	_

44. Capital Management

The Company manages its capital to ensure that it will be able to continue as a going concern, so that they can continue to provide returns for stake holders, to service debt obligations and benefits for other stake holders.

Consistent with the others in the industry the Company monitors capital on the basis of 'gearing ratio'. This ratio is calculated as net debt divided by total equity. Net debt is calculated as total borrowing less cash and cash equivalents.

Particulars	As at March 31, 2022	As at March 31, 2021
Total debt	57,232.44	62,654.83
Less - Cash and Cash Equivalents	(11,440.26)	(6,646.02)
Net debt	45,792.19	56,008.81
Total equity	18,833.11	6,849.14
Gearing ratio	2.43	8.18

45. Financial Instruments

a) Accounting classification and Fair Values

The carrying amount and fair values of financial instruments by class are as follows:

(Rs. In Lakhs)

Particulars	Note	Carrying Value /	Fair Value
		March 31, 2022	March 31, 2021
Financial Assets			
Financial Asset measured at Fair Value			
Investment measured at Fair value through Other Comprehensive Income (OCI)	3	0.10	0.10
Financial Asset measured at Amortised Cost			
Trade Receivable	8	344.88	605.28
Cash and Bank Balances	9 & 10	15,673.80	8,182.37
Other Financial Assets	4 & 11	132.21	87.65
Total		16,150.99	8,875.40
Financial liabilities			
Financial Liabilities measured at Amortised Cost			
Borrowings	15 & 19	57,232.44	62,654.83
Trade Payables	18	1,198.71	1,375.57
Other Financial Liabilities	20	603.48	852.27
Total		59,034.63	64,882.67

b) Fair Value Hierarchy

Level 1: Quoted Prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: Inputs for assets or liabilities that are not based on observable market data (unobservable inputs).

For assets or liabilities which are measured at fair value as at Balance Sheet date, the classification of fair value calculations by category is as follows:

Particulars	Level	March 31, 2022	March 31, 2021
Investment measured at Fair value through Other Comprehensive Income (OCI)	3	0.10	0.10
Redeemable cumulative preference shares from related party	3	6,581.09	6,010.13

Cash and bank balances, trade receivables, investments in fixed deposits, other financial assets, trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

Loans have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows based on effective interest method using rates currently available for debt on similar terms, credit risk and remaining maturities.

46. Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has adopted a Risk Management Charter and Policy for self-regulatory processes and procedures for ensuring the conduct of the business in a risk conscious manner.

Fomento Resorts and Hotels Limited

The Company has exposure to the following risks arising from financial instruments:

- Credit risk:
- · Liquidity risk and
- Market risk

i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or a counter party to financial instrument fails to meet its contractual obligation. To manage this, the Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivables. Credit risk arises from cash and bank balances, deposits with banks as well as credit exposures to customers, including outstanding receivables.

The Company has established a credit policy under which each new customer is analyzed individually for credit worthiness before entering into contract. Sale limits are established for each customer, reviewed regularly and any sales exceeding those limits require approval from appropriate authority. The Company did not provide for any loss allowance on trade receivables since risk of default is negligible.

The cash and cash equivalents held with banks with good credit ratings. The Company invests its short term surplus funds in bank fixed deposits which carry no / low mark to market risk for short duration, therefore does not expose the company to credit risks.

ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without including unacceptable losses or risking damage to Company's reputation.

Following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments which are accrued but not due.

Maturity Analysis of Significant Financial Liabilities

	Contractual cash flows					
31st March 2022	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Long term borrowings (including current maturities)	57,232.44	57,663.82	2,576.95	11,105.90	12,852.90	31,128.07
Trade and other payables	1,198.71	1,198.71	1,198.71			
Other current financials liabilities	603.48	603.48	603.48			

	Contractual cash flows					
31st March 2021	Carrying amount	Total	Upto 1 year	1-3 years	3-5 years	More than 5 years
Non-derivative financial liabilities						
Long term borrowings (including current maturities)	62,654.83	68,478.92	1,707.60	5,774.20	8,297.95	52,699.17
Trade and other payables	1,375.57	1,375.57	1,375.57	-	-	-
Other current financials liabilities	852.27	852.27	852.27	-	-	-

iii) 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.

a) Currency risk

The functional currency of the Company is India Rupee (INR). The Company has no exposure in settlement of receivables due from charter Companies for their guest stay in at the Hotel mainly denominated US Dollars (USD) as there are no outstanding receivable in foreign currency.

b) Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates, in cases where the borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The status of the borrowings as at the respective year ends is as follows:

Rs. In Lakhs

Financial liabilities - measured at amortised cost	Note Reference	As at March 31, 2022	As at March 31, 2021
Fixed rate borrowings	15	6,708.07	22,625.32
Floating Rate borrowings	15 & 20	50,524.37	40,029.51
Total of Financial Liabilities		57,232.45	62,654.83

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 25 basis points in interest rates at the reporting date would have increased / (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant. In cases where the related interest rate risk is capitalized to fixed assets, the impact indicated below may affect the Company's income statement over the remaining life of the assets.

Cash Flow sensitivity (net)

Rs. In Lakhs

Particulars	Profit or loss		
	Increase	Decrease	
For the year ended 31st March, 2022	110.95	(110.95)	
25 bps			
For the year ended 31st March, 2021	82.36	(82.36)	

c) Price Risk

The Company's exposure to equity securities price risk arises from investments held by the company and classified in the balance sheet either at fair value through OCI or at fair value through profit and loss account. The Company does not have any investment in quoted equity investment and hence the Company is not exposed to any market price risk.

47. Movement in deferred tax balances

(Rs. In Lakhs)

Particulars				March 31, 2022			
	Net balance April 1, 2020	Recognised in profit or (loss)	Recognised in OCI	Net deferred tax asset/ (liability)	Deferred tax asset	Deferred tax liability	
Property, plant and equipment	(14,960.67)	487.40		487.40		(14,473.27)	
Carry Forward Losses under Income Tax Act, 1961	16,477.09	1,203.34		1,203.34	17,680.43		
Employee benefits	21.11	6.44	18.55	24.98	46.09		
Deferred Tax assets (Liabilities)	1,537.53	1,697.18	18.55	1,715.73	17,726.52	(14,473.27)	

Particulars				March 31, 2021			
	Net balance April 1, 2020	Recognised in profit or (loss)	Recognised in OCI	Net deferred tax asset/ (liability)	Deferred tax asset	Deferred tax liability	
Property, plant and equipment	(15,151.12)	190.45		190.45		(14,960.67)	
Loss u/s 35AD of Income Tax Act, 1961	14,465.54	2,011.55		2,011.55	16,477.09		
Employee benefits	24.90	4.84	(8.63)	(3.79)	21.11		
Deferred Tax assets (Liabilities)	(660.68)	2,206.84	(8.63)	2,198.21	16,498.20	(14,960.67)	

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered. Any changes in future taxable income would impact the recoverability of deferred tax assets.

Deferred tax asset has been created on the available carry forward loss u/s 73A of the Income Tax Act, 1961, on account of deduction claimed u/s 35AD of the Act which is available for carry forward for indefinite period.

48. Reconciliation of income tax expense applicable to accounting profits before tax at the applicable tax rate to recognized income tax expense for the year.

Particulars	March 31, 2022	March 31, 2021
Accounting Profit / (loss) before tax	(6,338.46)	(7,842.89)
Tax rate (As per MAT for the FY 2021-22)	29.12%	29.12%
Tax as per accounting profit	(1,845.76)	(2,283.85)
Tax effect on	-	-
(i) Disallowed expenditure (net)	148.58	77.01
(ii) Recognised tax asset	1,697.18	2,206.84
(iii) Others	-	-
Earlier year Taxes	-	-
Change in deferred tax assets / liabilities	(1,697.18)	(2,206.84)
Tax Expense/credit	(1,697.18)	(2,206.84)

49. Accounting Ratios

Current Ratio (Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Current Assets (A)	16,597	10,071
Current Liabilities (B)	6,232	5,898
Current Ratio (Times) (A/B)	2.66	1.71
% change from previous year	55.96%	

This is primarily on account of the increase in bank balances as the amount of GECL Loan unutilised is lying in the bank account as on 31st March 22.

Debt Equity Ratio (Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings	54,667	61,604
Current maturities of Long Term Borrowings from Bank	2,563	864
Interest Accrued but not due on the Current maturities of long term borrowing loan	-	187
Total Debt (A)	57,232	62,655
Total Equity (B)	18,833	6,849
Debt Equity Ratio (Times) (A/B)	3.04	9.15
% change from previous year	(66.78)%	

This is on account of the conversion of ICD into equity in the current year. This has reduced the debt equity ratio.

Debt Service Coverage Ratio (DSCR)

Particulars	As at March 31, 2022	As at March 31, 2021
Profit for the year before tax	(6,789)	(7,843)
Add: Non Cash operating expenses and finance cost		
Interest on Debts and Borrowings	5,617	4,931
Interest on Financial Liabilities	6	149
Depreciation and Amortisation Expenses	4,054	3,831
Debit Balances Written Off	99	2
Obsolete Stock Written off	0	11
Less : Non Cash income		
Profit on sale of property, plant and equipment	-	1
Sundry balances written back	34	745
Earnings available for debt Services (A)	2,953	335
Interest on Debts and Borrowings	5,617	4,931
Interest on Financial Liabilities	6	149
Total Interest payment	5,623	5,080

Total Principal repayment	866	793
Total Interest and principal repayments (B)	6,488	10,072
Debt Service Coverage Ratio (DSCR)- Times (A/B)	0.46	0.06
% change from previous year	698.70%	

The FY 20-21 was majorly impacted on account of Covid and there has been a significant increase in the earnings during FY 21-22 resulting in improvement of DSCR ratio.

Return on Equity/Return on Investment Ratio

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Net Profit after tax (A)	(5,092)	(5,636)
Total Equity (B)	18,833	6,849
Return on Equity % (A/B)	(27.04)%	(82.3)%
% change from previous year	(67.14)%	

Inventory Turnover Ratio

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Cost of Goods Sold (A)	1,718	734
Opening Inventory	243	266
Closing Inventory	214	243
Average Inventory (B)	228	254
Inventory Turnover Ratio (A/B)	7.53	2.88
% change from previous year	161.10%	

While the average inventory has not changed significantly, the business in FY 21-22 has improved significantly as compared to FY 20-21 which was impacted on account of Covid. This has correspondingly resulted in increase in Cost of Goods Sold.

Trade Receivable Turnover Ratio

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total Sales (A)	12,743	5,339
Opening Trade Receivable	605	471
Closing Trade Receivable	345	605
Average Account Receivable (B)	475	538
Trade Receivable Turnover Ratio (A/B)	26.82	9.92
% change from previous year	170.38%	

While the average Accounts Receivable has not changed significantly, the business in FY 21-22 has improved significantly as compared to FY 20-21 which was impacted on account of Covid. This has correspondingly resulted in increase in Total Sales.

Trade Payable Turnover Ratio

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Total Purchases (A)	1,689	710
Opening Trade Creditors	1,376	1,597
Closing Trade Creditors	1,199	1,376
Average Accounts Payable (B)	1,287	1,486
Trade Payable Turnover Ratio (A/B)	1.31	0.48
% change from previous year	174.62%	

While the average trade payable has not changed significantly, the business in FY 21-22 has improved significantly as compared to FY 20-21 which was impacted on account of Covid. This has correspondingly resulted in increase in Total Purchases.

Net Capital Turnover Ratio

(Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Revenue from Operations (A)	12,743	5,339
Current Assets	16,597	10,071
Current Liabilities	6,232	5,898
Less: Current Maturities of Long term Borrowings from Banks	2,563	864
Less :Interest Accrued but not due on the above loan	-	187
Net Current Liabilities	3,669	4,847
Net Working Capital (B)	12,928	5,224
Net Capital Turnover Ratio (A/B)	0.99	1.02
% change from previous year	(3.56)%	

Net Profit Ratio (Rs. In Lakhs)

Particulars	As at March 31, 2022	As at March 31, 2021
Net Profit after tax (A)	(5,092)	(5,636)
Revenue from Operations (B)	12,743	5,339
Net Profit Ratio % (A/B)	(0.40)	(1.06)
% change from previous year	(62.15)%	

The FY 20-21 was majorly impacted on account of Covid and there has been a significant increase in the earnings during FY 21-22.

Return on Interest Capital Employed

Particulars	As at March 31, 2022	As at March 31, 2021
Profit/ Loss (Before Tax)	(6,789)	(7,843)
Add: Interest on Debts and Borrowings	5,623	5,080
Less : Other Income	218	847
Earnings before interest and tax excluding other income (A)	(1,384)	(3,610)

Capital Employed		
Equity	18,833	6,849
Total Debt	57,232	62,655
Cash and Bank	15,674	8,182
Capital Employed (B)	60,392	61,322
Return on Interest Capital Employed % (A/B)	(2.29)%	(5.89)%
% change from previous year	(61.08)%	

The FY 20-21 was majorly impacted on account of Covid and there has been a significant increase in the earnings during FY 21-22.

- 50. The uncertainties due to COVID-19 which had adversely impacted the operations of the Company during FY 20-21 continued significantly for initial period of FY 2021-22. Management has been monitoring and assessing the impact of anticipated effects of COVID-19 on the cash flow and accordingly has prepared range of scenarios to estimate financing requirements and taken appropriate measures to overcome the impact of COVID-19 business implications. The Company, has adequate funds at its disposal and based on aforesaid assessment done, believes, the Company will continue as a going concern and will be able to discharge its liabilities and obligations and realize the carrying amount of its assets as at March 31, 2022.
- 51. The date of implementation of the Code on Social Security, 2020 ('the Code') relating to employee benefits is yet to be notified by the Government and when implemented will impact the contributions by the Company towards benefits such as Provident Fund, Gratuity etc. The Company is in the process of assessing the impact of the Code and give effect in the financial statements when the Code and Rules thereunder are notified.
- 52. The Company entered into Hotel Operating Agreement ('HOA') dated February 11, 2019 with The Indian Hotels Company Limited ('HCL'/ 'Operator') to manage and operate two of its properties under name "Cidade De Goa" ('CDG') and "Taj Resort and Convention Centre", Goa ('TRCCG') for a period of 22 years. Accordingly, IHCL undertook the management and operation of both the properties ie. CDG w.e.f. April 01, 2019 and TRCCG w.e.f. March 01, 2020. The Operator is required to promote the interest and business of the Hotel always acting in good faith and in the best interest of the Company, including achieving optimum profits, applying prudent business practices. The Company and the Operator are required to evaluate the actual performance achieved by the Operator on agreed parameters on annual basis. Adjustment arising on account of aforesaid evaluation, will be accounted upon the completion of the evaluation and the final outcome after due process is concluded.
- 53. Balances in Trade receivables, Trade payables and Loans and advances are subject to confirmation.
- 54. Previous year figures have been regrouped / reclassified wherever necessary to conform to current year's figures.

Notes 1 to 54 form an integral part of the financial statements.

As per our Report of even date

For Sudha Suresh Pai & Associates

Chartered Accountants

Firm Registration No. 118006W

For and on Behalf of Board of Directors of

Fomento Resorts and Hotels Limited

Sudha Pai T

Partner

Membership no: 102232

Anju Timblo

Managing Director & CEO

DIN: 00181722

Asmeeta Matondkar

Company Secretary Membership No: A31514

Place: Vainguinim Beach, Goa

Date: May 4, 2022

Auduth Timblo

Director and Non Executive Chairman

DIN: 00181589

M. A Hajare

Chief Financial Officer Membership No: 30496

Place: Margao - Goa Date: May 4, 2022

FOMENTO RESORTS AND HOTELS LIMITED

CIN: U55101GA1971PLC000113

Unit: Cidade de Goa, Vainguinim Beach, Goa – 403 004, India Tel.: 91(832) 2454545, Fax: 91(832) 2454541/42 E-mail: shareholders@frhl.in: Website: www.frhl.in



NOTICE

[Pursuant to Section 101 of the Companies Act, 2013]

Dear Members,

NOTICE is hereby given that the Fifty First Annual General Meeting (AGM) of the Members of Fomento Resorts and Hotels Limited ("the Company") will be held on Friday, September 23, 2022 at 4:00 p.m. (I.S.T.) at the registered office of the Company at Unit: Cidade de Goa, Vainguinim Beach, Goa - 403004, to transact the following business:

ORDINARY BUSINESS:

- 1. To consider and adopt the audited Balance Sheet as at March 31, 2022, the Statement of Profit and Loss for the year ended on that date and the Statement of Cash Flow together with the reports of the Board of Directors and Auditors thereon.
- 2. To re-appoint a Director in place of Mr. Auduth Timblo (DIN 00181589), who retires by rotation and being eligible offers himself for re-appointment.
- 3. To re-appoint Statutory Auditors and fix their remuneration.

"RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, along with the relevant Rules made thereunder, and based on the recommendations of the Audit Committee and Board of Directors of the Company, M/s. Sudha Suresh Pai and Associates, Chartered Accountants (Firm registration no. 118006W), be and are hereby re-appointed as Statutory Auditors of the company, to hold office for a second term of five consecutive years from the conclusion of the 51st Annual General Meeting until the conclusion of the 56th Annual General Meeting, at such remuneration and out of pocket expenses, as may be decided by the Board of Directors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to decide and /or alter the terms and conditions of the appointment including the remuneration for subsequent financial years as it may deem fit."

By Order of the Board For Fomento Resorts and Hotels Limited

Asmeeta Matondkar

Company Secretary Membership No: A31514

Date: May 4, 2022

Place: Vainguinim Beach - Goa

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY OR PROXIES SO APPOINTED NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXIES IN ORDER TO BE EFFECTIVE, SHALL BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETED AND SIGNED ATLEAST 48 HOURS BEFORE THE TIME FIXED FOR HOLDING THE MEETING.
- 2. A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 AND HOLDING IN THE AGREEGATE NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
- 3. During the period beginning Twenty –Four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a Member would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided that not less than three days notice in writing to inspect is given to the Company.

- 4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ("the Act"), setting out the material facts concerning the Business(s) in the Notice is annexed as Annexure I hereto and forms part of this Notice.
- 5. Body Corporate can be represented at the meeting by such person(s) as are authorised. Copies of resolution under Section 113 of the Companies Act, 2013, authorising such person (s) to attend the meeting should be forwarded to the Company prior to the meeting.
- 6. In view of relaxation given by MCA Circular dated May 5, 2020, read with General Circulars dated April 13, 2020, January 13, 2021 and May 5, 2022 (collectively referred to as 'MCA Circulars'), the Annual Report for the financial year 2021-22 along with the Notice of AGM, is being sent through email to those members whose email addresses are registered with the Company's Registrar & Transfer Agents and Depositories and no physical copy of the same will be sent by the Company. Members may note that the Notice and Annual Report of the Company for the financial year 2021-22 is available on Company's website www.frhl.in. However, the shareholders of the Company may request physical copy of the notice and Annual Report from the Company by sending a request at shareholders@frhl.in incase they wish to obtain the same.
- 7. Pursuant to Section 29 of the Companies Act, 2013 read with Rule 9A of the Companies (Prospectus of Securities) Rules, 2014, Securities of unlisted public Companies can be transferred only in dematerialised form with effect from October 2, 2018 except in case of request received for transmission or transposition of securities.
- 8. Members can avail the nomination facility in respect of shares held by them pursuant to provisions of Section 72 of the Companies Act, 2013. Members holding shares in electronic form may contact their respective Depository Participant for availing this facility. Members holding shares in physical form may send their Nomination in the prescribed form duly filled to Bigshare Services Private Limited "RTA" at the below mentioned address:

Bigshare Services Private Limited,

Office No. S 6-2, 6th Floor, Pinnacle Business Park,

Next to Ahura Centre, Mahakali Caves Road,

Andheri (East) Mumbai, Maharashtra – 400093, India.

Telephone No.: +91-22-62638200

Email: investor@bigshareonline.com

- 9. Members holding shares in physical form are requested to consider converting their holdings to dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the RTA of the Company for assistance in this regard.
- 10. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their Demat Account(s) dormant for long.
 - Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
- 11. Members seeking any information with regard to financial statements and operations to be placed at the AGM are requested to send their queries through Email to the email ID shareholders@frhl.in at least 7 days before the meeting, so that the information can be compiled in advance. The same will be replied by /on behalf of the Company suitably.
- 12. The Register of Members and the Share Transfer Books of the Company shall remain closed from September 17, 2022 to September 23, 2022 (both days inclusive).
- 13. The amount of dividend remaining unclaimed or unpaid for a period of 7 years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF). Accordingly in the year 2021-22, the Company had transferred the unclaimed or unpaid dividend for the year ended March 31, 2014 to IEPF. Unclaimed Dividend in respect of the financial year ended March 31, 2015 will be due for transfer to Investor Education and Protection Fund on or after (November 2, 2022). The Members who have not encashed the dividend warrants for the earlier years so far are requested to send their claims, if any, to the Company's RTA immediately. Once the amount is transferred by the Company to IEPF, no claim thereof shall lie against the Company.

- 14. Members holding shares in electronic form are hereby advised to update their bank particulars in case there is any change for the receipt of future dividends, if any as the bank details registered against their respective depository accounts will be used by the Company for payment of dividend. Members holding shares in physical form and desirous of either registering or changing bank particulars are requested to write to the Company's RTA.
- 15. Members are requested to register their email addresses through their Depository Participant where they are holding their demat accounts for sending the future communications by email. Members holding shares in physical form are requested to register their email address through the Registrar & Transfer Agent of the Company by giving reference of their Folio number.

Also those shareholders whose email ids are not registered, the process for registration of email address is as under:

- (i) In light of the MCA circulars, members who have not registered their email address and in consequence could not receive the electronic copy of the Annual Report along with the Notice of AGM, the shareholder can temporarily get their email address registered with Bigshare, by clicking the link www.bigshareonline.com and follow the registration process as guided thereafter. Post successful registration of the email address, the Member shall send a written request by email to the Company's RTA at investor@bigshareonline.com with a copy marked to shareholders@frhl.in and would get soft copy of the Annual Report which includes Notice of AGM. Incase of any queries, Members may write to investor@bigshareonline.com.
- (ii) It is clarified that for permanent registration of email address, Members are requested to register their email addresses in respect of electronic holdings with their concerned Depository Participant(s) and in respect of physical holdings with Bigshare Services Private Limited, Office No. S 6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai, Maharashtra 400093, India Telephone No.: +91-22-62638200, by following due procedure.
- (iii) Those members who have already registered their email addresses are requested to keep their email addresses validated with their Depository Participants/Bigshare to enable servicing of Notices and documents electronically to their email address.

16. Manner of registering mandate for receiving Corporate benefits:

Members are requested to register/update the complete bank details:

- (a) With their Depository Participant(s) with whom they maintain their demat accounts, if shares are held in dematerialised mode. By submitting forms and documents as may be required by the Depository Participants; and
- (b) With the Company's RTA Bigshare Services Private Limited, by sending a request at investor@bigshareonline.com with copy to shareholders@frhl.in if shares are held in physical mode and by submitting the following documents:
 - (i) scanned copy of the signed request letter which shall contain the member's name, folio number, Bank details (Bank account number, Bank and Branch name and address, IFSC, MICR Code);
 - (ii) self-attested copy of PAN card;
 - (iii) cancelled cheque leaf;
 - (iv) Form ISR-1 and ISR-2 which are available at the following link https://www.bigshareonline.com/Resources.aspx
- 17. As per the provision of Section 72 of the Act, facility for making nomination(s) is available to Individuals holding shares in the Company. Members holding shares in demat mode should file their nomination with their Depository Participants ('DP') for availing this facility.
- 18. To support the "Green Initative" in Corporate Governance taken by the Ministry of Corporate Affairs, to contribute towards the Greener Environment and to receive all documents, notices, including Annual Reports and other communications of the Company, investors should register their email addresses with RTA, if shares are held in physical mode or with the Depository Participant if the shares are held in electronic mode.
- 19. Details in respect of the Director seeking re-appointment at the Annual General meeting, forms integral part of the notice as Annexure II.
- 20. The Statutory Registers and the documents pertaining to the items of business to be transacted will be available for inspection by the members at the AGM.

21. Voting through electronic means:

- a) In compliance with provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, the Company is pleased to provide to its members facility to exercise their right to vote on resolutions proposed to be considered at the 51st Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting (remote e-voting). The Company has availed the facilities of National Securities Depository Limited (NSDL) for facilitating e-voting.
- b) A member can opt for only one mode of voting i.e. either by e-voting or through ballot. In case of Member(s) who casts their votes by both modes, voting done through e-voting shall prevail and the ballot form of that Member shall be treated as invalid.
- c) The facility for voting through ballot paper shall be made available at the AGM and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through Ballot paper.
- d) The Member(s) who have casts their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- e) The remote e-voting period commences on September 20, 2022 [9.00 A.M. (I.S.T.)] and ends on September 22, 2022 [5:00 P.M. (I.S.T.)]. The e-voting module will be disabled by NSDL for voting thereafter. The voting rights of the members shall be in proportion to the paid up value of their shares in the equity capital of the Company as on the "cut-off" date being September 16, 2022. Once the vote on a resolution is cast by the member the member shall not be allowed to change it subsequently.

General Instructions

21.1) Procedure for remote e-voting

In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time in relation to e-voting facility, the shareholders are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this notice.

The Instructions for Voting through electronic means ('e-voting') are provided hereunder:

Step 1: Access to NSDL e-voting system:

A) Login method for e-Voting for Individual shareholders holding securities in Demat mode

Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Type of shareholders	Login Method		
Individual Shareholders holding	User already registered for IDeAS facility:		
securities in demat mode with NSDL.	(i) Visit URL: https://eservices.nsdl.com		
	(ii) Click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section.		
	(iii) A new screen will open. Now enter your User ID and Passwor Post successful authentication, Click on "Access to e-Voting"		
	(iv) Click on Company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period		
	2. User not registered for IDeAS e-Services		
	(i) To register click on the link: https://eservices.nsdl.com		
	(ii) Select "Register Online for IDeAS" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp		

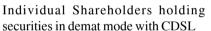
- (iii) Proceed with completing the required field.
- (iv) Follow steps given in point (1)
- 3. Alternatively by directly accessing the e-Voting website of NSDL.
 - (i) Open URL: https://www.evoting.nsdl.com/
 - (ii) Click on the icon "Login" which is available under 'Shareholder/ Member' section.
 - (iii) A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
 - (iv) Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on the name of the company or e-Voting service provider NSDL.
 - (v) On successful selection you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.
 - (vi) Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.

NSDL Mobile App is available on









1. Existing users who have opted for Easi / Easiest:

- Visit URL: https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com
- (ii) Click on New System Myeasi.
- (iii) Login with your registered user id and password.
- (iv) The user will see the e-voting menu. The menu will have link of ESP i.e. NSDL.
- (v) Click on e-voting service provider name i.e. NSDL to cast your vote.

2. User not registered for Easi/Easiest

- (i) option to register is available at https://web.cdslindia.com/myeasi/ Registration/EasiRegistration
- (ii) Proceed with completing the required filed.
- (iii) Follow the steps given in point 1

3. Alternatively, by directly accessing the e-Voting website of CDSL

- (i) Visit URL: www.cdslindia.com
- (ii) Provide your demat Account Number and PAN number.
- (iii) system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account.
- (iv) After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-Voting is in progress.

Individual Shareholders (holding securities in demat mode) login through their depository participants	•	
	(iii)	Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period without any further authentication.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.

- 1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/either on a Personal Computer or on a mobile.
- 2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders/ Member' section.
- 3. A new screen will open. You will have to enter your User ID, your Password / OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********* then your user ID is 12*********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

- 5. Password details for shareholders other than Individual shareholders are given below:
- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
- 6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the vote on the e-Voting system of NSDL.
- 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
- 8. Now, you will have to click on "Login" button.
- 9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

- 1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- 2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
- 3. Now you are ready for e-Voting as the Voting page opens.
- 4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- 5. Upon confirmation, the message "Vote cast successfully" will be displayed.
- 6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- 7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to cs.sbhat@gmail.com with a copy marked to evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

- 2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
- 3. In case of any queries, pertaining to e-Voting you may refer the Frequently Asked Questions (FAQs) for Shareholders and remote e-voting user manual for Shareholders available at the download section of https://www.evoting.nsdl.com or call at toll free no.: 1800 1020 990 /1800 224 430 or send a request to evoting@nsdl.co.in. In case of any grievances connected with facility for voting by electronic means, please contact Ms. Pallavi Mhatre, Senior Manager, National Securities Depository Limited, Trade World, A Wing, Fourth Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai 400013 or call at toll free No. 1800 1020 990 /1800 224 430 or evoting@nsdl.co.in.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:

- 1) In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate(front and back), PAN (Self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@bigshareonline.com with a copy marked to shareholders@frhl.in.
- 2) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor@bigshareonline.com with a copy marked to shareholders@frhl.in. If you are an individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.
- 3) Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
- 4) Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.
- 22. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
- 23. The Company has appointed Mr. Shivaram Bhat, Practising Company Secretary (ACS: A10454 & CP: 7853), as the 'Scrutiniser' to scrutinize the remote e-voting and the e-voting at the AGM in a fair and transparent manner. The Scrutinizer shall make a consolidated Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman within a period not exceeding 48 hours from the conclusion of the AGM.
- 24. The results of voting would be declared on or after the date of AGM of the Company by the Chairman or the person authorized by him. These Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.frhl.in and will be also communicated to NSDL. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes member of the Company after the notice is sent through e-mail and holding shares as of the cut-off date i.e. September 16, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or to the RTA at investor@bigshareonline.com. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44.
- 25. In case of Individual Shareholders holding securities in demat mode who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. September 16, 2022 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".
- 26. The members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM in person but shall not be entitled to cast their vote again.

ANNEXURE I TO NOTICE

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

Though not mandatory, this statement is provided for reference.

Item No. 3

M/s. Sudha Suresh Pai and Associates, Chartered Accountants (Firm registration no. 118006W) were appointed as Statutory Auditors of the Company at the 46th Annual General Meeting (AGM) held on September 29, 2017, for a period of five years commencing from the conclusion of 46th AGM till the conclusion of the 51st AGM, subject to ratification by members every year. However, MCA vide its notification dated May 7, 2018, has omitted the requirement under the first proviso to Section 139 of the Act, and Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, regarding ratification of appointment of statutory auditors by members at every subsequent AGM.

Consequently, M/s. Sudha Suresh Pai and Associates, Chartered Accountants, will complete their first term of five consecutive years as the Statutory Auditors of the company at the conclusion of the 51st AGM of the company.

Pursuant to Section 139(2) of the Act, the company can appoint an auditors firm for a second term of five consecutive years. Accordingly, M/s. Sudha Suresh Pai and Associates, Chartered Accountants, are proposed to be reappointed as Statutory Auditors of the company for a second term of five consecutive years commencing from the conclusion of 51st AGM till the conclusion of the 56th AGM.

M/s. Sudha Suresh Pai and Associates, have consented to the said reappointment, and confirmed that their reappointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be reappointed as statutory auditors in terms of the provisions of the Sections 139(1), 141(2) and 141(3) of the Act, and the provisions of the Companies (Audit and Auditors) Rules, 2014, as amended from time to time.

None of the directors/key managerial personnel of the company and their relatives are concerned or interested, financially or otherwise in the resolution set out at item no. 3 of the notice.

The board, on the recommendation of the audit committee, recommends the resolution set forth in item no. 3 of the notice for approval of the members.

By Order of the Board For Fomento Resorts and Hotels Limited

Date: May 4, 2022

Place: Vainguinim Beach - Goa

Asmeeta Matondkar Company Secretary Membership No: A31514

Annexure II:

Details of Director seeking re-appointment are as provided below:

Name of the Director	Mr. Auduth Timblo	
Date of Birth	01/03/1949	
Date of appointment	20/07/1976	
Qualification	B.E., L.L.B.	
Relationship with Directors	Relative (Husband) of Mrs. Anju Timblo	
Expertise in Specific functional area	Industrialist	
Board membership of Companies as on 31st March, 2022	1. Fomento Engineering and Constructions Pvt. Ltd.	
(excluding Foreign & Section 8 companies)	2. Sociedade de Fomento Industrial Pvt. Ltd.	
	3. Fomento Barges Pvt. Ltd.	
	4. Shelvona Riverside Railway Terminal Limited	
	5. Mormugao Maritima Limited	
Chairman/Member of the Audit Committee as on 31st March, 2022 of companies in which he/she is Director	Nil	
Chairman/Member of the Shareholders/ Investors Grievance Committee as on 31st March, 2022 of companies in which he/she is Director	Nil	
Chairman/Member of the Remuneration Committee as on 31st March, 2022 of other companies in which he/she is Director	Nil	
Chairman/Member of the Corporate Social Responsibility Committee as on 31st March, 2022	Nil	
Chairman/Member of the Risk Management Committee as on 31st March, 2022	Nil	
Shareholding in the Company as on 4th May, 2022	27,47,482 equity Shares	
Shareholding in the Company as on 31st March, 2022	27,47,482 equity Shares	
No. of meetings attended	Six board meetings	

ROUTE MAP FOR THE AGM VENUE

Address: Fomento Resorts and Hotels Limited. Cidade de Goa, Vainguinim Beach, Goa - 403 004.





FOMENTO RESORTS AND HOTELS LIMITED

CIN: U55101GA1971PLC000113

Unit: Cidade de Goa, Vainguinim Beach, Goa – 403 004, India Tel.: 91(832) 2454545, Fax: 91(832) 2454541/42 E-mail: shareholders@frhl.in: Website: www.frhl.in

Attendance Slip

To be handed over at the entrance of the meeting hall

Name & Address of the Member				
Name of the Proxy				
(To be filled if the proxy attends instead of the member)				
Registered Folio No.				
DP ID *				
Client ID *				
No. of shares held:				
I/Wa hamahay na aand may/ay	ye messages at the 51% Annual Canadal Masting of Famonta Descents and			

I/We hereby record my/our presence at the 51st Annual General Meeting of Fomento Resorts and Hotels Limited on **Friday, September 23, 2022** at the Registered Office of the Company at Unit Cidade de Goa, Vainguinim Beach, Goa – 403004, India at 04:00 p.m.

Place: Vainguinim Beach - Goa

Date: 23/09/2022 (Member's /Proxy's Signature)

(To be signed at the time of handing over the slip)

- Member/Proxy holder are requested to bring their copies of the Annual Report at the Annual General Meeting.
- Member/proxy holder should also bring a valid photo identity (i.e. PAN/AADHAR etc.) for identification purposes.
- Joint Shareholders may obtain additional slip at the venue of the meeting.

^{*}Applicable for investors holding shares in electronic form.

FOMENTO RESORTS AND HOTELS LIMITED



CIN: U55101GA1971PLC000113

Unit: Cidade de Goa, Vainguinim Beach, Goa – 403 004, India Tel.: 91(832) 2454545, Fax: 91(832) 2454541/42

E-mail: shareholders@frhl.in; Website: www.frhl.in

Form No. MGT-11 PROXY FORM

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

	(Management and Administration) Rules, 2014]			
Name of the m	ember(s):			
Registered ad	dress:			
E-mail Id:				
Folio No/Clier	nt Id: DPID:			
I/We, being the	member(s) holding shares of the above named Company,	hereby	appoi	nt
		•		
E-mail Id:	Signature:	, or :	failing l	nin
2. Name:				
E-mail Id:	Signature:	, or	failing l	him
3. Name:				
E-mail Id:	Signature:			
Meeting of the Co	to attend and vote (on a poll) for me/us and on my/our behalf at the Fifty-Fir ompany, to be held on Friday, 23 rd September, 2022 at 4:00 P.M. at Unit Cidade d 3004 and at any adjournment thereof in respect of such resolutions as are ind	le Goa, V	Vainguir	
Resolution No.	Resolutions	Opti	onal *	
ORDINARY BU		For	Again	st
1	To consider and adopt the audited Balance Sheet as at March 31, 2022, the Statement of Profit and Loss for the year ended on that date and the Statement of Cash Flow together with the reports of the Board of Directors and Auditors thereon.			
2	To re-appoint a Director in place of Mr. Auduth Timblo (DIN 00181589), who retires by rotation and being eligible offers himself for re-appointment.			
3	To re-appoint Statutory Auditors and fix their remuneration.			
Signed this	_ day of, 2022 Signature of Shareholder(s)	Ple Af	fix	_
Signature of First Proxy Hold	Signature of Signature of Second Proxy Holder Third Proxy Holder	Reve Sta		

MISSION

- * To run a professionally managed organization and to ensure fair returns to the investors.
- ***** To diversify into other similar businesses.
- * To invest in education and research in the Hospitality Industry.
- * To be an environment friendly organization.
- * To contribute to community welfare.

VALUES

> Integrity

Integrity will go beyond honesty and ethical practices of having the courage of one's convictions and standing up for one's beliefs.

> Openness

Openness is understood not just as sharing information, thoughts and feelings and being up-front with others but being a good listener, open to other people's views and feedback.

Respect for others

God has made all human beings in his image and likeness. Everything we say or do must ensure respect for others and the protection of their dignity.

> Fairness and Justice

People in the Organization must believe that everyone will be measured with the same yardstick. The rules, regulations, policies and procedures will be applied uniformly. That no matter how firm we are, we will also be fair and just. That no action will be taken or response given unless we hear a person's viewpoint.

> Self discipline

We must conform to organizational expectations and requirements even though nobody is watching. Nothing ensures discipline like self –discipline. We must walk the talk.

> Honesty

We must be honest to ourselves and to the Organization by being committed performers and delivering what we have promised and what is expected of us.

NOTES	

NOTES	
-	





CIN: U55101GA1971PLC000113 Cidade de Goa, Vainguinim Beach, Goa - 403004, INDIA www.frhl.in

