



# 24<sup>th</sup> Annual Report 2016 - 2017



**MEMBER  
HEDE BUSINESS GROUP**



**Resort Unit**

**park inn®**

**Phoenix Park Inn Resort  
Goa**

**Sequera Vado, Candolim, Goa - India 403 515.**



## **HEDE BUSINESS GROUP**

**REGD. OFFICE :**

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

**CORP. OFFICE :**

Balaji Bhavan, 2nd Floor, 14, BEST Marg,  
Colaba, Mumbai - 400 001.

**-: OTHER LOCATIONS :-**

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

**Website : [www.hbgindia.com](http://www.hbgindia.com)**



**BOARD OF DIRECTORS**

- : Dr Prafulla R. Hede (DIN-00651441)  
Chairman  
Mr. Samit P. Hede (DIN-01411689)  
Managing Director  
Mr. Paul D. T. Willcox (DIN-01862872)  
Non-Executive Director  
Dr. Surendra A. Dave (DIN-00001480)  
Non-Executive, Independent  
Mr. Pralhad B. Desai (DIN-01274203)  
Non-Executive, Independent  
Mr. Dattatraya M. Sukthankar (DIN-00034416)  
Non-Executive, Independent  
Mrs. Shibani M. Harlalka (DIN-00507607)  
Alternate Director to Mr. Paul D. T. Willcox

**CHIEF FINANCIAL OFFICER**

- : Mr. Lalan Kumar

**COMPANY SECRETARY &  
COMPLIANCE OFFICER**

- : Mr. Sourabh Kothari

**PRACTISING COMPANY SECRETARIES**

- : Mr. Hitesh Kothari  
M/s. Kothari H. & Associates, Mumbai.

**AUDITORS**

- : Mr. Daulal Bhatte  
M/s. Bhatte & Company  
Mumbai.

**BANKERS**

IDBI Bank  
HDFC Bank  
Axis Bank

**REGISTRAR AND TRANSFER AGENTS**

- : M/s Adroit Corporate Service Pvt. Ltd.  
Mumbai.

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## **NOTICE**

**NOTICE** is hereby given that the Twenty-Forth Annual General Meeting of the Members of **M/s. PHOENIX TOWNSHIP LIMITED (CIN-L67190GA1993PLC001327)** would be held at Phoenix Park Inn Resort, Sequera Vado, Candolim, Goa-403 515 on Monday, **07<sup>th</sup> August, 2017** at **04.00 P.M.** to transact the following business:

### **ORDINARY BUSINESS**

1. To consider and adopt the Financial Statements of the Company for the financial year ended March 31, 2017 and the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Samit P. Hede (holding DIN: 01411689), who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint M/s. Chaturvedi Sohan & Co., Chartered Accountants, Mumbai having ICAI Firm Registration No. 118424W as statutory auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the Twenty Ninth Annual General Meeting of the Company to be held in the calendar year 2022, at such remuneration as may be agreed upon by the Audit Committee and in this regard.

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

"RESOLVED THAT pursuant to the provisions of Section 139 and 142 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. Chaturvedi Sohan & Co., Chartered Accountants, (Firm Registration No. 118424W) be and are hereby appointed as the Statutory Auditors of the Company in place of the retiring auditors M/s. Bhutter & Co., Chartered Accountants, to hold office from the conclusion of this Annual General Meeting until the conclusion of the Twenty Ninth Annual General Meeting of the Company to be held in the calendar year 2022 (subject to ratification of their appointment at every Annual General Meeting, if so required under the Act), at such remuneration as may be mutually agreed to, between the Board of Directors and the Auditors, plus applicable taxes and reimbursement of travel and out-of-pocket expenses."

By Order of the Board  
**Phoenix Township Limited**

Sd/-

**Place:** Mumbai

**Date:** 26<sup>th</sup> May, 2017

**Dr. Prafulla R. Hede**  
Chairman  
**DIN-00651441**



## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing the proxy, in order to be effective, should be duly completed and deposited at the registered office of the Company not less than 48 (forty-eight) hours before the commencement of the meeting.
2. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the meeting.
3. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID/Folio No.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the meeting.
5. Relevant documents referred to in the accompanying Notice are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during business hours, upto the date of the meeting.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting.
7. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the Members at the Annual General Meeting.
8. The Register of Members and Share Transfer Books of the Company shall remain closed from 01<sup>st</sup> August, 2017 to 07<sup>th</sup> August, 2017 (both days inclusive), for payment of final dividend, if declared at the meeting.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrars and Transfer Agents.
10. Non- Resident Indian Members are requested to inform Registrars and Transfer Agents, immediately of:
  - a. Change in their residential status on return to India for permanent settlement; and
  - b. Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
11. The Shareholders are requested to notify their change of address immediately to the Registrars & Transfer Agent (RTA) - **Adroit Corporate Services Private Limited** at [prafuls@adroitcorporate.com](mailto:prafuls@adroitcorporate.com). The Company or its Registrar will not act on any request received directly from the shareholder holding shares in electronic form for any change of bank particulars or bank mandate. Such changes are to be advised only to the Depository Participant by the Shareholders.
12. Equity shares of the Company are under compulsory Demat trading by all Investors. Those shareholders who have not dematerialized their equity shares are advised to dematerialize their shareholding, to avoid inconvenience in future.
13. Re-appointment of Directors: At the ensuing Annual General Meeting, Mr. Samit P. Hede (holding DIN 01411689) liable to retire by rotation, and being eligible, offers himself for re-appointment. The details pertaining to this Director as required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 are annexed with the Notice.
14. Members intending to seek explanation / clarification about the Accounts at the Annual General Meeting are requested to inform the Company at least a week in advance of their intention to do so, so that relevant



information may be made available, if the Chairman permits such information to be furnished.

15. The shareholders who are holding shares in demat form and have not yet registered their e-mail IDs, are requested to register their e-mail IDs with their Depository Participant at the earliest, to enable the Company to use the same for serving documents to them electronically, hereinafter. Shareholders holding shares in physical form may kindly provide their e-mail IDs to the RTA by sending an e-mail to **Adroit Corporate Services Private Limited** at [prafuls@adroitcorporate.com](mailto:prafuls@adroitcorporate.com). The Annual Report of the Company would also be made available on the Company's website [www.hbgindia.com](http://www.hbgindia.com).
16. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering e-voting facility to its members to exercise their right to vote by electronic means. The Members/ list of Beneficial Owners as on cut-off date i.e. Tuesday, 01<sup>st</sup> August, 2017, are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the dispatch of the Annual Report and before the "cut-off" date can exercise their right to vote by electronic means. The e-voting period will commence from 9.00 a.m. (IST) on Friday, 04<sup>th</sup> August, 2017 and will end at 05.00 p.m. (IST) on Sunday, 06<sup>th</sup> August, 2017. The Company has appointed M/s Kothari H. & Associates, Practicing Company Secretaries to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The members desiring to vote through electronic mode may refer to the detailed procedure one-voting sent separately.
17. Members who are unable to exercise their voting rights through e-voting may exercise their voting rights at a poll provided at the Annual General Meeting.
18. **Investor Grievance Redressal :**  
  
The Company has designated an exclusive e-mail id [complaince@hbgindia.com](mailto:complaince@hbgindia.com) to enable Investors to register their complaints, if any.
19. A route map showing directions to reach the venue of the 24<sup>th</sup> AGM is given at the end of this Notice, as per the requirement of the Secretarial Standard - 2 on "General Meetings".

## 20. E-Voting

In compliance with Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its Shareholders with facility to exercise their right to vote at the 24<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).

The Company has signed an agreement with CDSL for facilitating e-voting to enable the Shareholders to cast their vote electronically.

### The Instructions for the shareholders for voting electronically are as under:

- (i) The voting period begins on 04<sup>th</sup> August, 2017 (09.00 a.m.) and ends on 06<sup>th</sup> August, 2017 (05.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 01<sup>st</sup> August, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period.
- iii) Click on "Shareholders" tab.
- iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID.
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v) Next enter the Image Verification as displayed and Click on Login.
- vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vii) If you are first time user follow the step given below.



For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field.</li> </ul>
Date of Birth (DOB)	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- viii) After entering these details appropriately, click on "SUBMIT" tab.
- ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi) Click on the EVSN for Phoenix Township Limited
- xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option "YES" implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii) If demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store, respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xix) Note for Non - Individual Shareholders & Custodians:
- Non-Individual shareholders (i.e. other than Individuals, HUF, and NRI etc.) and custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create compliance user using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com).

By Order of the Board  
Phoenix Township Limited

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

Place: Mumbai

Date: 26<sup>th</sup> May, 2017





## ANNEXURE TO ITEM 2 OF THE NOTICE

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

Name of the Director	Mr. Samit P. Hede
Director Identification Number (DIN)	01411689
Date of Birth	30/09/1974
Nationality	Indian
Date of Appointment on Board	01/04/2005
Qualification	Graduate in Commerce
Shareholding in Company	Equity Shares: 77873 Preference Shares: 76062
List of Directorships held in other Companies	1. Colaba Real Estate Pvt Ltd 2. Rama Capfin Private Limited 3. Glacier Trades Private Limited 4. Star Galaxy Trades Private Limited
Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	NIL

## ANNEXURE TO ITEM 3 OF THE NOTICE

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

Pursuant to Section 102 of the Companies Act, 2013 ("the Act"), the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 3 to of the accompanying Notice dated 26<sup>th</sup> May, 2017.

This Explanatory Statement is provided though strictly not required as per Section 102 of the Act.

As per the provisions of Section 139 of the Companies Act, 2013 ("the Act") read with rules made thereunder, no listed company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Further, as per Section 139 of the Act, a period of three years has been provided to comply with this requirement. In view of the same, the term of the existing Statutory Auditors, M/s. Bhutter & Co., Chartered Accountants is upto the conclusion of this Annual General Meeting (AGM).

The Board of Directors has based on the recommendation of the Audit Committee, at its meeting held on 26<sup>th</sup> May, 2017, proposed the appointment of M/s. Chaturvedi Sohan & Co., Chartered Accountants (Firm Registration No. 118424W),

Place: Mumbai

Date: 26<sup>th</sup> May, 2017

as the Statutory Auditors of the Company for a period of five years, to hold office from the conclusion of this AGM till the conclusion of the Twenty Ninth Annual General Meeting of the Company to be held in the calendar year 2022, subject to ratification of their appointment at every Annual General Meeting, if so required under the Act. M/s. Chaturvedi Sohan & Co., have consented to their appointment as Statutory Auditors and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

None of the Directors and Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board commends the ordinary resolution as set out in Item No. 3 of this Notice for your approval.

By Order of the Board  
**Phoenix Township Limited**

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



## DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting their 24th Annual Report together with Audited Financial Statements of the Company for the Financial Year ended March 31, 2017.

### FINANCIAL SUMMARY OR HIGHLIGHTS / PERFORMANCE OF THE COMPANY

Particulars	31st March, 2017	31st March, 2016
Total Income	14,90,43,455	13,48,60,919
Less: Total Expenditure	11,71,64,365	10,30,13,445
<b>Profit Before Interest, Depreciation, prior period Item and Tax</b>	<b>3,18,79,090</b>	<b>3,18,47,474</b>
Less: Depreciation	1,89,04,501	2,03,91,097
Less: Interest	52,63,220	50,87,128
Less: Prior Period Items	35,776	2,01,994
<b>Profit Before Extraordinary Items and Tax</b>	<b>76,75,593</b>	<b>61,67,255</b>
Less: Extra-Ordinary Items	—	—
<b>Profit / (Loss) Before Tax</b>	<b>76,75,593</b>	<b>61,67,225</b>
Less: Tax Expense		
(a) Current Tax	17,82,063	11,30,868
(b) Deferred Tax	7,23,789	5,97,042
<b>Profit / (Loss) For The Year</b>	<b>51,69,741</b>	<b>44,39,346</b>

During the year under consideration the income of your Company has increased to Rs. 1490.43 Lac in the current year from Rs. 1,348.61 Lac earned in the previous year. The Profit before Tax (PBT) of the Company for the current year has increased to Rs. 76.75 Lac as against 61.67 Lac in the previous year. Similarly the Profit after Tax (PAT) for the current year is Rs. 51.67 Lac as compared to Rs. 44.39 Lac earned in the previous year.

#### 1. CHANGE IN THE NATURE OF BUSINESS,

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

#### 2. DETAILS OF SUBSIDIARY / JOINT VENTURES / ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint Venture Company or Associate Company as on March 31, 2017 and any information for this purpose is not applicable to the company.

#### 3. DIVIDEND

To conserve resources which would assist in future growth of the Company, no dividend is recommended by the Board for the financial year ended March 31, 2017.

#### 4. RESERVES

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

#### 5. DEPOSITS

During the year under review, your Company did not accept any deposits in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014. During the year, no amounts were outstanding which were classified as 'Deposits' under the applicable provisions of Companies Act, 1956 and hence, the requirement for furnishing of details of deposits which are not in compliance with the Chapter V of the Companies Act, 2013 is not applicable.



## 6. SHARE CAPITAL

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

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

The Company has not made any purchase or provision of its own shares by employees or by trustees for the benefit of employees during the financial year 2016-2017.

## 7. EXTRACT OF THE ANNUAL RETURN

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

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

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

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

The particulars prescribed under Section 134 of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are furnished in "Annexure- B" to this Report.

## 10. AUDITORS AND AUDITORS' REPORT

M/s. Bhatte & Co., Chartered Accountants, Mumbai (Registration No.131092W) who had been appointed as Statutory Auditor of the Company for a period of three year at the 21<sup>st</sup> Annual General Meeting and their term of office will come to an end in the ensuing Annual General

Meeting, Hence the Board of the Company need to appoint another Auditor to act as a Statutory Auditor of the Company, in place of M/s. Bhatte & Co. Accordingly the Board of the Company, with the consent of the Audit Committee has recommended to appoint M/s. Chaturvedi Sohan & Co., Chartered Accountants (having ICAI Registration No: 118424W), to act as Statutory Auditor of the Company for a period 5 years commencing from the conclusion of 24<sup>th</sup> Annual General Meeting up to the conclusion of Annual General Meeting to be held in the calendar year 2022, subject to approval of members of the Company in the ensuing Annual General Meeting and further ratification of their appointment in every subsequent Annual General Meeting.

An eligibility certificate as to their appointment, stating that their appointment is well within the prescribed limits under Section 141 of the Companies Act, 2013, has been obtained from them along with the consent to act as Statutory Auditor of the Company, in accordance with Section 139(1) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014.

Auditors' Report issued by M/s. Bhatte & Co., Statutory Auditor of the Company, does not contain any qualification, reservation or adverse remark and is self explanatory.

## 11. SECRETARIAL AUDIT

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

## 12. DIRECTORS & KEY MANAGERIAL PERSONNEL:

### A) Changes in Directors and Key Managerial Personnel

During the Financial year there are no changes in the Board of the Company, although Mr. Sourabh Kothari had been appointed as Company Secretary & Compliance Officer of the Company as on 01.03.2017 in place Ms. Dipika Agrawal who has resigned from her office as on 01.10.2016.



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

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

## **C) Formal Annual Evaluation**

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

## **D) Meetings of the Board of Directors**

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

## **13. AUDIT COMMITTEE**

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

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

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

## **15. NOMINATION AND REMUNERATION COMMITTEE**

A Nomination and Remuneration Committee is in existence in accordance with the provisions of sub-section (3) of Section 178. Kindly refer to section on Corporate Governance, under the head, 'Nomination & Remuneration

Committee' for matters relating to constitution, meetings, functions of the Committee and the remuneration policy formulated by this Committee. The Brief of the Company's Policy on appointment and remuneration of Directors and Key Managerial Personnel under Section 178(3) of the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 is attached as **Annexure D** to this report.

## **16. CORPORATE SOCIAL RESPONSIBILITY (CSR)**

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

## **17. SUSTAINABLE DEVELOPMENT**

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

## **18. BUSINESS RISK MANAGEMENT**

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

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

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

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

## **20. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

In line with the requirements of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has formulated a Policy on Related Party Transactions which is also available on Company's website at [www.hbgindia.com](http://www.hbgindia.com). The Policy intends to ensure that proper reporting; approval



and disclosure processes are in place for all transactions between the Company and Related Parties.

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

## 21. PARTICULARS OF EMPLOYEES

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

During the financial year 2015-16, there were no employee in the Company whose particulars are required to be given in terms of Section 197 (12) of the Act, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## 22. CORPORATE GOVERNANCE CERTIFICATE & REPORT ON CORPORATE GOVERNANCE

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

## 23. POLICIES:

All the policies are available on the website of the Company i.e. [www.hbgindia.com](http://www.hbgindia.com).

## 24. MANAGEMENT DISCUSSION & ANALYSIS REPORT

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

## 25. DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) that in the preparation of the annual financial statements for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) that such accounting policies as (mentioned in the Notes to the financial statements) have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the Profit / loss of the Company for the year ended on that date;
- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the annual financial statements have been prepared on a going concern basis;
- (e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- (f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## 26. GENERAL

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

- a. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
- b. Your Directors further state that during the year under review, there were no cases filed pursuant to the



Sexual Harassment of Women at Work place (Prevention, Prohibition and Redressal) Act, 2013.

c. There were no material changes and commitments affecting the financial position of the Company between the end of financial year and the date of the Report.

## **27. ACKNOWLEDGEMENTS**

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

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

**Place:** Mumbai

**Date:** 26th May, 2017

**Registered Office:**

Durga Bhavan,  
Hede Centre, Tonca,  
Panaji, Goa - 403001.

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

**Sd/-**

**Dr. Prafulla R. Hede**

Chairman

**(DIN: 00651441)**



## **ANNEXURE -A**

### **FORM NO. MGT - 9, EXTRACT OF ANNUAL RETURN**

For financial year ended March 31, 2017

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

#### **I. REGISTRATION AND OTHER DETAILS:**

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

#### **II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product / Service (NIC 2008)	% to total turnover of the company
1.	Hotels Operations	5510	82%
2.	Restaurants, bars and canteens	5520	18%

#### **III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES : NA**



#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (1.04.2016 / 31.03.2016)				No. of Shares held at the end of the year (31.03.2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Promoters									
<b>A) Indian</b>									
a) Individual / HUF	2723276	0	2723276	19.47	2723276	0	2723276	19.47	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt. (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	6741809	0	6741809	48.21	6746809	0	6746809	48.25	0.04
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other...	381625	0	381625	2.73	381625	0	381625	2.73	0
<b>Sub-total (A) (1):-</b>	<b>9846710</b>	<b>0</b>	<b>9846710</b>	<b>70.41</b>	<b>9851710</b>	<b>0</b>	<b>9851710</b>	<b>70.45</b>	<b>0.04</b>
Foreign									
NRIs- Individuals	0	0	0	0	0	0	0	0	0
Other- Individuals	0	0	0	0	0	0	0	0	0
Bodies Corp.	0	0	0	0	0	0	0	0	0
Banks / FI	0	0	0	0	0	0	0	0	0
Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-total(A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>9846710</b>	<b>0</b>	<b>9846710</b>	<b>70.41</b>	<b>9851710</b>	<b>0</b>	<b>9851710</b>	<b>70.45</b>	<b>0.04</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
Mutual Funds	0	0	0	0	0	0	0	0	0
Banks/FI	0	1000	1000	0.01	0	1000	1000	0.01	0
Central Govt	0	0	0	0	0	0	0	0	0
State Govt(s)	0	0	0	0	0	0	0	0	0
Venture Capital Funds	0	0	0	0	0	0	0	0	0
Insurance Companies	0	0	0	0	0	0	0	0	0
FII's	0	0	0	0	0	0	0	0	0
Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>1000</b>	<b>1000</b>	<b>0.01</b>	<b>0</b>	<b>1000</b>	<b>1000</b>	<b>0.01</b>	<b>0</b>
<b>Non- Institutions</b>									
a) Bodies Corp.									
Indian	70826	255800	326626	2.34	73126	255800	328926	2.35	0.01
Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
Individual shareholders holding	632992	805800	1438792	10.29	646585	774000	1420585	10.16	-0.13





nominal share capital upto Rs. 1 lakh									
Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1985647	164600	2150247	15.38	1994225	164600	2158825	15.44	0.06
Others (specify)									
Non residential Indian (repat)	68500	149000	217500	1.56	68704	149000	217704	1.56	0.00
Non residential Indian (non- repat)	0	0	0	0	0	0	0	0	0
iii. Foreign Companies	0	0	0	0	0	0	0	0	0
iv. Clearing Members	3385	0	3385	0.02	5510	0	5510	0.04	0.02
v. Directors/ relatives	0	0	0	0	0	0	0	0	0
vi. Trust	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):- Total</b>	<b>2761350</b>	<b>1375200</b>	<b>4136550</b>	<b>29.58</b>	<b>2788150</b>	<b>1343400</b>	<b>4131550</b>	<b>29.54</b>	<b>-.04</b>
<b>Public Shareholding (B)=(B)(1) + (B)(2)</b>	<b>2761350</b>	<b>1376200</b>	<b>4137550</b>	<b>29.59</b>	<b>2788150</b>	<b>1344400</b>	<b>4132550</b>	<b>29.55</b>	<b>-.04</b>
<b>C) Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>12608060</b>	<b>1376200</b>	<b>13984260</b>	<b>100</b>	<b>12608060</b>	<b>1376200</b>	<b>13984260</b>	<b>100</b>	<b>0</b>

ii) *Shareholding of Promoters*

S. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2016)			Share holding at the end of the year (31.03.2017)			% of change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Share Pledged /encumbered to total shares	No. of Shares	% of total Shares of the company	% of Share Pledged /encumbered to total shares	
1	Mrs. Shibani Harlalka	73100	0.52	0	73100	0.52	0	0
2	Mr. Samit Prafulla Hede	77873	0.56	0	77873	0.56	0	0
3	Mr. Prafulla Rajaram Hede	2572303	18.39	0	2572303	18.39	99.91	0
4	HBG Trust (Seema Arun Pawar)	381625	2.73	0	381625	2.73	0	0
5	Star Galaxy Trades Pvt Ltd	210807	1.51	0	212807	1.52	0	0.01
6	Jwala Investments And Trading Pvt Ltd	3978307	28.45	0	3981307	28.47	60.53	0.02
7	Hede Consultancy Company Pvt Ltd	2242880	16.04	0	2242880	16.04	0	0
8	Glacier Trades Pvt Ltd	210700	1.51	0	210700	1.51	0	0
9	Colaba Real Estate Private Limited	99115	0.71	0	99115	0.71	0	0



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

S. No.	Name of the Promoters and Particulars of change	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	<b>Jwala Investments And Trading Pvt Ltd</b>				
	<b>At the beginning of the year</b>	<b>39,78,307</b>	<b>28.45</b>	<b>39,78,307</b>	<b>28.45</b>
	*Purchase of shares as on 31/03/2017	3,000	0.02	39,81,307	28.47
	<b>At the End of the year</b>	<b>39,81,307</b>	<b>28.47</b>	<b>39,81,307</b>	<b>28.47</b>
2.	<b>Star Galaxy Traders Pvt Ltd</b>				
	<b>At the beginning of the year</b>	<b>2,10,807</b>	<b>1.51</b>	<b>2,10,807</b>	<b>1.51</b>
	*Purchase of shares as on 31/03/2017	2,000	0.01	2,12,807	1.52
	<b>At the End of the year</b>	<b>2,12,807</b>	<b>1.52</b>	<b>2,12,807</b>	<b>1.52</b>

\* Due to Reconciliation of Shares.

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

S. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
1.	<b>RATIBHAI VISHRAM PATEL</b>				
	<b>At the beginning of the year</b>	<b>266683</b>	<b>1.91</b>	<b>266683</b>	<b>1.91</b>
	No Change	0	0	266683	1.91
	<b>At the end of the year</b>	<b>266683</b>	<b>1.91</b>	<b>266336</b>	<b>1.91</b>
2.	<b>DEAVN NARENDRA PANDYA</b>				
	<b>At the beginning of the year</b>	<b>89103</b>	<b>0.64</b>	<b>89103</b>	<b>0.64</b>
	Sale of shares as on 08/04/2016	-200	0.00	88903	0.64
	Sale of shares as on 15/04/2016	-100	0.00	88803	0.64
	Sale of shares as on 22/04/2016	-100	0.00	88703	0.63
	Purchase of shares as on 27/05/2016	100	0.00	88803	0.64
	Sale of shares as on 03/06/2016	-50	0.00	88753	0.63
	Purchase of shares as on 24/06/2016	350	0.00	89103	0.64
	Purchase of shares as on 30/06/2016	300	0.00	89403	0.64
	Sale of shares as on 01/07/2016	-68833	3.15	20570	0.94



	Purchase of shares as on 08/07/2016	68833	0.49	89403	0.64
	Purchase of shares as on 15/07/2016	100	0.00	89503	0.64
	Purchase of shares as on 29/07/2016	84000	0.60	173503	1.24
	Purchase of shares as on 26/08/2016	6850	0.05	180353	1.29
	Sale of shares as on 02/09/2016	-100	0.00	180253	1.29
	Purchase of shares as on 09/09/2016	290	0.00	180543	1.29
	Purchase of shares as on 30/09/2016	2000	0.01	182543	1.31
	Purchase of shares as on 07/10/2016	105	0.00	182648	1.31
	Purchase of shares as on 21/10/2016	85	0.00	182733	1.31
	Sale of shares as on 28/10/2016	-50	0.00	182683	1.31
	<b>At the end of the year</b>	<b>182683</b>	<b>1.31</b>	<b>182683</b>	<b>1.31</b>
<b>3.</b>	<b>NIDHI PANDYA</b>				
	<b>At the beginning of the year</b>	<b>168781</b>	<b>1.21</b>	<b>168781</b>	<b>1.21</b>
	No Change	0	0	168781	1.21
	<b>At the end of the year</b>	<b>168781</b>	<b>1.21</b>	<b>168781</b>	<b>1.21</b>
<b>4.</b>	<b>TOP FINANCIAL HOLDINGS LTD</b>				
	<b>At the beginning of the year</b>	<b>164600</b>	<b>1.18</b>	<b>164600</b>	<b>1.18</b>
	No Changes	0	0	164600	1.18
	<b>At the end of the year</b>	<b>164600</b>	<b>1.18</b>	<b>164600</b>	<b>1.18</b>
<b>5.</b>	<b>SHALIN HEMANTKUMAR SHAH</b>				
	<b>At the beginning of the year</b>	<b>137880</b>	<b>0.99</b>	<b>137880</b>	<b>0.99</b>
	No Changes	0	0	137880	0.99
	<b>At the end of the year</b>	<b>137880</b>	<b>0.99</b>	<b>137880</b>	<b>0.99</b>
<b>6.</b>	<b>NALINI NARENDRA PANDYA</b>				
	<b>At the beginning of the year</b>	<b>137313</b>	<b>0.98</b>	<b>137313</b>	<b>0.98</b>
	No Changes	0	0	137313	0.98
	<b>At the end of the year</b>	<b>137313</b>	<b>0.98</b>	<b>137313</b>	<b>0.98</b>
<b>7.</b>	<b>HEENA NARENDRA PANDYA</b>				
	<b>At the beginning of the year</b>	<b>137000</b>	<b>0.98</b>	<b>137000</b>	<b>0.98</b>
	No Changes	0	0	137000	0.98
	<b>At the end of the year</b>	<b>137000</b>	<b>0.98</b>	<b>137000</b>	<b>0.98</b>
<b>8.</b>	<b>KOKILA GIRDHARLAL CHAVDA</b>				
	<b>At the beginning of the year</b>	<b>112149</b>	<b>0.80</b>	<b>112149</b>	<b>0.80</b>
	No Changes	0	0	112149	0.80
	<b>At the end of the year</b>	<b>112149</b>	<b>0.80</b>	<b>112149</b>	<b>0.80</b>



<b>9.</b>	<b>JOYCE PAIS</b>				
	At the beginning of the year	99200	0.71	99200	0.71
	No Changes	0	0	99200	0.71
	At the end of the year	99200	0.71	99200	0.71
<b>10.</b>	<b>RAMESH RATILAL SENGHANI</b>				
	At the beginning of the year	80698	0.58	80698	0.58
	No Changes	0	0	80698	0.58
	At the end of the year	80698	0.58	80698	0.58
<b>11.</b>	<b>ASHA DHAWAL VORA</b>				
	At the beginning of the year	84000	0.60	84000	0.60
	Sale of shares as on 29.07.2016	84000	0.60	0	0
	At the end of the year	0	0	0	0

v) *Shareholding of Directors and Key Managerial Personnel*

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

**V. INDEBTEDNESS**

Indebtedness of the Company as on March 31, 2017 including interest outstanding/accrued but not due for payment.

(Amount in Rs.)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
I) Principal Amount	4,27,44,374	1,64,84,577	NIL	5,92,28,951
ii) Interest due but not paid	0	0		0
iii) Interest accrued but not due	0	0		0
<b>Total (i + ii + iii)</b>	<b>4,27,44,374</b>	<b>1,64,84,577</b>	<b>NIL</b>	<b>5,92,28,951</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	12,81,827	2,80,47,191	NIL	2,93,29,018
• Reduction	(70,82,262)	0		(70,82,262)
<b>Net Change</b>	<b>(58,00,435)</b>	<b>2,80,47,191</b>	<b>NIL</b>	<b>2,22,46,756</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	3,69,43,939	4,45,31,768	NIL	8,14,75,707
ii) Interest due but not paid	0	0		0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i + ii + iii)</b>	<b>3,69,43,939</b>	<b>4,45,31,768</b>	<b>NIL</b>	<b>8,14,75,707</b>



## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager for the year ended March 31, 2017

(Amount in Rs.)

S. No.	Particulars Of Remuneration	Name of MD / WTD / Manager	Total Amount
		Mr. Samit Hede	
1.	<b>Gross salary</b> Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.  Value of perquisites u/s 17(2) Income-tax Act, 1961 Profits in lieu of salary under section 17(3) Income- tax Act, 1961.	12,00,000	12,00,000
2.	Stock Option		
3.	Sweat Equity		
4.	Commission - as % of profit - others, specify...		
5.	Others, please specify		
	<b>Total (A)</b>	<b>12,00,000</b>	<b>12,00,000</b>
	Ceiling as per the Act		

### Remuneration to other directors for the year ended March 31, 2017

(Amount in Rs.)

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
1.	<b>Independent Directors</b>	<b>Dr. Surendra. A. Dave</b>	<b>Mr. D. M. Sukthankar</b>	<b>Mr. Pralhad B. Desai</b>	
	• Fee for attending board committee meetings	40,000	40,000	10,000	90,000
	• Commission				
	• Others, please specify				
	<b>Total (1)</b>	<b>40,000</b>	<b>40,000</b>	<b>10,000</b>	<b>90,000</b>
1.	<b>Other Non-Executive Directors</b>	<b>Ms. Shibani Harlalka</b>	<b>Mr. Prafulla Hede</b>		
	• Fee for attending board committee meetings	15,000	20,000	-	35,000
	• Commission				
	• Others, please specify				
	<b>Total (2)</b>	<b>15,000</b>	<b>20,000</b>	<b>-</b>	<b>35,000</b>
	<b>Total (B)=(1+2)</b>				
	<b>Total Managerial Remuneration</b>	<b>55,000</b>	<b>60,000</b>	<b>10,000</b>	<b>1,25,000</b>
	<b>Overall Ceiling as per the Act</b>				



**B. Remuneration to Key Managerial Personnel other than MD/Manager/WTD for the year ended March 31, 2017:**

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			
		Company Secretary		CFO	Total
		Ms. Dipika Agrawal*	Mr. Sourabh Kothari**	Mr. Lalan Kumar	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961.	1,05,000	0.00	NIL	1,05,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961.				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify...				
5.	Others, please specify				
	<b>Total</b>	<b>1,05,000</b>	<b>0.00</b>	<b>NIL</b>	<b>1,05,000</b>

\*The term of office of Ms. Dipika Agrawal was come to end: 01<sup>st</sup> October, 2016.

\*\*Appointment period of Mr. Sourabh Kothari was : 01<sup>st</sup> March, 2017 to till date.

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

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

**NIL**



## **ANNEXURE - B**

### **Particulars of conservation of energy, Technology Absorption and Foreign Exchange**

#### **A. CONSERVATION OF ENERGY**

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

#### **B. TECHNOLOGY ABSORPTION**

##### Research and Development (R&D)

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

#### **C. FOREIGN EXCHANGE EARNING AND OUTGO**

Particular with regard to Foreign Exchange and Outgo are given in the notes to Accounts.

## **ANNEXURE - C**

### **SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2017**

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

To,  
The Members,  
**Phoenix Township Limited**

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

Based on 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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on March 31, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:



We have examined the books, papers, minute books, forms and returns filed and other records maintained by Phoenix Township Limited for the financial year ended on March 31, 2017 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not applicable to the company during the Audit Period)**
5. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the company during the Audit Period)
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the company during the Audit Period)
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the company during the Audit Period)
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the company during the Audit Period) and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the company during the Audit Period)

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

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

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

**We further report that,** having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the management of the Company has a view that there is no such law, which is specifically applicable to the Company:

#### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

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

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

**We further report that** there are adequate systems and processes in the company commensurate with





the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

1. Public/Right/Preferential issue of shares / debentures/sweat equity, etc.
2. Redemption / buy-back of securities.
3. Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013.
4. Merger / amalgamation / reconstruction, etc.
5. Foreign technical collaborations.

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

Sd/-

**Hitesh Kothari**  
Partner  
**Membership No. 6038**  
**Certificate of Practice No. 5502**

**Date:** 26th May, 2017  
**Place:** Mumbai

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

**‘Annexure A’**

To,  
The Members

**Phoenix Township Limited**

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

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

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

Sd/-

**Hitesh Kothari**  
Partner  
**Membership No. 6038**  
**Certificate of Practice No. 5502**

**Date:** 26th May, 2017  
**Place:** Mumbai



### ANNEXURE-E

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

- The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director / KMP	Designation	Remuneration of Director / KMP for financial year 2015-16 (Rs. in Lakhs)	% increase in Remuneration in the Financial Year 2015-16	Ratio of remuneration of each Director/ to median remuneration of employees	Remuneration of KMP as % of total revenue
1.	Mr. Samit P. Hede	Managing Director	12.00	NIL	6.85	0.81%
2.	Dr. Prafulla R. Hede	Chairman & Non-Executive Director	NIL	NIL	NIL	NIL
3.	Mrs. Shibani M. Harlalka	Alternate Director (to Mr. Willcox)	NIL	NIL	NIL	NIL
4.	Mr. Paul David Talbot Willcox	Non-Executive Director	NIL	NIL	NIL	NIL
5.	Mr. Lalan Kumar	Chief Financial Officer	NIL	NIL	NIL	NIL
6.	Mr. Sourabh Kothari	Company Secretary & Compliance officer	NIL	NIL	NIL	NIL
7.	Ms. Dipika Agarwal	Company Secretary & Compliance officer	1.05	NIL	0.60	0.07%

\* The term of office of Ms. Dipika Agarwal was come to end on 10.01.2016

\*\* Mr. Sourabh Kothari appointed as Company Secretary of the Company w.e.f. 01.03.2017.

**Note:** No Director other than Managing Director and Whole time Directors received any remuneration other than sitting fees for the financial year 2016-17.

- The median remuneration of employees of the company during the financial year was Rs. 1.75 Lacs.
- In the financial year 2016-2017, there was a decrease of 13.10% in the median remuneration of employees.
- There were 110 permanent employees on the rolls of the Company as on 31st March, 2017.
- Relationship between average increase in remuneration and company performance:-**  
The increase in remuneration is based on general inflation and intended to retain key talents vis-à-vis Company's Performance.
- Comparison of remuneration of the Key Managerial Personnel against the performance of the Company:-



Total Revenue (Rs. In Lakhs)	Total Remuneration of KMPs (Rs. In Lakhs)	Total Remuneration as % to Total Revenue
1490.43	13.05	0.88%

7. The average percentage decrease in the salaries of employees other than managerial personnel was 14.67% and increase in managerial remuneration was NIL
8. Key parameters for any variable component of remuneration availed by the directors: None
9. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: 6.57
10. Market Capitalization & price earnings ratio are as under:

Year	As at 31 <sup>st</sup> March, 2017	As on 31 <sup>st</sup> March, 2016	Increase/(decrease)(%)
Price Earnings Ratio	25.38	27.58	(7.74%)
Market Capitalisation (In Lakhs)	1313.12	1219.43	7.68%

The company has not made any public issue of shares.

11. Affirmation that the remuneration is as per the remuneration policy of the company:

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



## REPORT ON CORPORATE GOVERNANCE

In accordance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the Listing Agreement with the BSE Limited (BSE) the Director's present the Company's report on corporate governance for the year ended March 31, 2017.

### Company's Philosophy on Code of Governance

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

### BOARD OF DIRECTORS

#### ➤ Board Composition

As on March 31, 2017 the Board consists of 7 (seven) directors out of which 3 (three) are non-executive & independent directors. The composition of the Board and category of Directors is as follows:

Sr. No.	Name	Designation / Status
1.	Dr. Prafulla Rajaram Hede	Chairman
2.	Mr. Samit Prafulla Hede	Managing Director
3.	Mrs. Shibani Harlalka	Alternate Director of Mr. Paul, Woman Director
4.	Mr. Surendra Ambalal Dave	Non-Executive and Independent Director
5.	Mr. Dattatraya Mahadeo Sukthankar	Non-Executive and Independent Director
6.	Mr. Pralhad Bhagwant Desai	Non-Executive and Independent Director
7.	Mr. Paul David Talbot Willcox	Non-Executive Director

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

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

All the Independent Directors of the Company furnished at the time of their appointment as Independent

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

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

Your Board met four times in a year and the interval between any such two meetings has not been more than one hundred and twenty days. The Company Secretary under the direction of the Chairman and in consultation with Chief Financial Officer prepares the agenda along with the explanatory notes there to and circulates it to the Directors, along with the notice of the meeting. During FY 2016-17, meetings of the Board of Directors were held on:

Sr. No.	Date of Meeting	Board Strength	No. of Directors Present
1	February 08, 2017	7	6
2	October 24, 2016	7	5
3	August 11, 2016	7	5
4	May 21, 2016	7	4

Additionally a separate meeting of Nomination and Remuneration Committee and Shareholders Grievance

Committee and Independent Directors was held on February 08, 2017.

#### ➤ Procedure of Board/Committee Meeting

The agenda papers with relevant explanatory notes and material documents relating to matters for perusal of the



Board /Committee are circulated in advance, so as to facilitate discussion and informed decision-making in the meeting.

**The information placed / required to be placed before the board of directors inter alia, includes:**

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



- Approve amalgamation, merger or reconstruction.
- Takeover a company or acquire a controlling or substantial stake in another company.
- Status of business risk exposures, its management and related action plans.
- Compliance Certificate certifying compliance with all laws as applicable to the Company.
- Reconciliation of share capital audit report under SEBI (Depositories and Participants) Regulations, 1996.
- Attendance of directors at board meetings, last annual general meeting (AGM) and number of directorships and chairmanships / memberships of committees of each director in other companies.

Name of the Director	Attendance			Directorship in Other Companies/ Membership/ Chairmanship Mandatory Committees			
	No. of Board Meeting held *	Board Meeting attended	Last AGM	Directorship in Public	Directorship in Private	Membership Mandatory Committees **	chairmanship Mandatory Committees**
Dr. Prafulla R. Hede	4	4	Yes	1	6	-	1
Mr. Dattatraya M Sukthankar	4	4	Yes	2	-	1	2
Dr. Surendra A. Dave	4	4	Yes	4	3	1	2
Mr. Pralhad B. Desai	4	1	No	1	1	3	-
Mr. Samit P. Hede	4	4	Yes	-	4	1	-
Mrs. Shibani M. Harlalka	4	3	Yes	-	2	-	-
Mr. Paul David Talbot Willcox	4	0	No	-	-	-	-

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

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

- **Shareholding of Directors in the Company as on March 31, 2017.**

Sr. No.	Name of the Director	Number of Shares held
1.	Mrs. Shibani M. Harlalka	73,100
2.	Mr. Samit P. Hede	77,873
3.	Dr. Prafulla R. Hede	25,72,303
4.	Mr. Dattatraya M Sukthankar	0
5.	Dr. Surendra A. Dave	0
6.	Mr. Pralhad B. Desai	0

- **Appointment/reappointment of Directors**

During the Financial none of directors was either appointed or ceased to be a Director of the Company.

- **Familiarization Programme for Independent Directors**

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



## BOARD COMMITTEES

The Company is having three Board Committees as given below:

I. Audit Committee	II. Nomination and Remuneration Committee	III. Stakeholders' Relationship Committee (SRC)
Mr. Dattatraya M Sukthankar Chairman Non-executive Independent Director	Mr. Dattatraya M Sukthankar Chairman Non-executive Independent Director	Dr. Prafulla R. Hede - Chairman Non - Executive Director
Mr. Pralhad B. Desai - Member Non-executive Independent Director	Mr. Pralhad B. Desai - Member Non-executive Independent Director	Mr. Samit Hede - Member Managing Director
Mr. Surendra A. Dave - Member Non-executive Independent Director	Mr. Surendra A. Dave - Member Non-executive Independent Director	Mr. Pralhad B. Desai - Member Non - Executive Independent Director

### Terms of Reference and other details of Board Committees

#### I. AUDIT COMMITTEE

##### Composition

The Audit Committee of the Board comprises three independent directors namely Mr. Dattatraya M Sukthankar, Chairman, Mr. Pralhad B. Desai and Mr. Surendra A. Dave. as members of the Committee they possess good knowledge of corporate and project finance, accounts and Company law. The composition of the Audit Committee meets with the requirement of section 177 of the Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

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

##### Objective

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

##### Powers of Audit Committee

- To investigate any activity within its terms of reference
- To seek information from any employee

- To obtain outside legal or other professional advice
- To secure attendance of outsiders with relevant expertise, if it considers necessary

##### The Role of Audit Committee includes:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- Recommending to the Board, the appointment, remuneration and terms of appointment of auditors of the Company
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- Reviewing / Examination, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - Changes, if any, in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by management;
  - Significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal



- requirements relating to financial statements;
  - Disclosure of related party transactions
  - Modified Opinion in the draft audit report, if any
- Reviewing / Examination, with the management, the quarterly financial statements before submission to the Board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the Company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors;
- To review the functioning of the Whistle Blower mechanism;
- Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate;
- Carrying out other functions as may be specifically referred to the Committee by the Board of Directors
- To review the following
  - Management discussion and analysis of financial condition and results of operations
  - Statement of significant related party transactions (as defined by the Audit Committee), submitted by management
  - Management letters / letters of internal control weaknesses issued by the statutory auditors
  - Internal audit reports relating to internal control weaknesses and
  - The appointment, removal and terms of remuneration of the chief Internal auditors shall be subject to review by the audit committee
  - Statement of Deviations;
  - Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange (s) in terms of Regulation 32 (1) of SEBI (Listing Obligations and disclosure requirements), Regulations, 2015
  - Annual Statement of funds utilized for purpose other than those stated in the offer document/prospectus/notice in terms of regulation 32 (7) of SEBI (Listing Obligations and disclosure requirements), Regulations, 2015

#### **Meetings**

Five meetings of Audit Committee were held during the year ended March 31, 2017 as on:

- February 08, 2017
- October 24, 2016
- August 11, 2015
- May 21, 2016

Attendance details of the members are as follows:





Name of the Committee Member	No. of meetings	
	Held	Attended
Mr. Dattatraya M Sukthankar	4	4
Mr. Pralhad B. Desai	4	1
Mr. Surendra A. Dave	4	4

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

## II. NOMINATION AND REMUNERATION COMMITTEE

### Composition

The Nomination and Remuneration Committee of the Company comprises three independent directors, namely, Mr. Dattatraya M. Sukthankar as Chairman and Mr. Pralhad B. Desai and Mr. Surendra A. Dave, as members of the Committee.

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

### Terms of reference of the Committee includes

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

- Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

### Meetings

One meetings of the Committee were held during the year as on February 8, 2017.

Name of the Committee Member	No. of meetings	
	Held	Attended
Mr. Dattatraya M. Sukthankar	1	1
Mr. Pralhad B. Desai	1	1
Mr. Surendra A. Dave	1	1

### Remuneration Policy

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

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

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

Sr. No.	Name of Director	Salary (Rs.)	Sitting Fees (Rs.)	Total (Rs.)
1.	Dr. Prafulla R. Hede		20,000	20,000
2.	Mr. Dattatraya M Sukthankar		40,000	40,000
3.	Dr. Surendra A. Dave		40,000	40,000
4.	Mr. Pralhad B. Desai		10,000	10,000
5.	Mr. Samit P. Hede	12,00,000	-	12,00,000
6.	Mrs. Shibani M. Harlalka		15,000	15,000
7.	Mr. Paul David Talbot Willcox	-	-	-



### III. STAKEHOLDERS' RELATIONSHIP COMMITTEE (SRC)

The Stakeholders Relationship Committee (SRC), of the company comprises three directors namely, Dr. Prafulla R. Hede as Chairman, Mr. Samit P. Hede and Mr. Pralhad B. Desai as Members of the committee.

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

#### Terms of reference

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

- To look into the redressal of grievances of shareholders and other security holders, including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends
- To oversee the performance of the Registrars & Transfer Agents of the Company
- To monitor the implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of the SEBI (Prohibition of Insider Trading) Regulations, 2015
- To carry out such other functions as may be directed by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable and
- To perform such other functions as may be necessary or appropriate for the performance of its duties

#### Meetings

One meeting of the Committee was held during the year as on February 8, 2017

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

Name of the Committee Member	No. of meetings	
	Held	Attended
Dr. Prafulla R. Hede	1	1
Mr. Samit P. Hede	1	1
Mr. Pralhad B. Desai	1	1

#### Compliance Officer

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

#### Mr. Sourabh Kothari

Company secretary & Compliance Officer

#### Phoenix Township Limited

Balaji Bhavan, 2nd Floor, 14, BEST Marg, Colaba, Mumbai-400 001.

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

E-mail: compliance@hbgindia.com

#### Complaints Status :

During the financial year 2016-2017 the Company did not receive any complaints from the shareholders.

#### CODE OF CONDUCT

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

#### Declaration

I hereby confirm that the Company has obtained from all the members of the Board and senior management personnel, affirmation that they have complied with the Code of Conduct for directors and senior managerial personnel in respect of the financial year ended March 31, 2017.

Sd/-

**Samit Hede**

Managing Director  
Mumbai. May 26, 2017

#### OTHER DISCLOSURES

- None of the transactions with any of the related parties were in conflict with the interest of the Company. Attention of members is drawn to the disclosure of transactions with the related parties set out in the Boards report.

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

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

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

#### CEO/CFO CERTIFICATION

The Managing Director and Chief Financial Officer of the Company gives annual certification on financial reporting and internal controls to the Board in terms of chapter IV of SEBI (Listing Obligations and disclosure requirements), Regulations, 2015. The Managing Director and Chief



Financial Officer also gives quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33 of SEBI (Listing Obligations and disclosure requirements), Regulations, 2015 (Earlier Listing Agreement).

### WHISTLE BLOWER POLICY

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

### MEANS OF COMMUNICATION

#### Quarterly results

Quarterly results of the Company are published in "Financial Express" and "Goa Doot" and are also displayed on the Company's website [www.hbgindia.com](http://www.hbgindia.com).

#### Website

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

#### Annual Report

Annual Report containing, inter alia, Audited Annual Accounts, Directors' Report and Auditor's Report and other important information is circulated to members and others

entitled there to. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website [www.hbgindia.com](http://www.hbgindia.com).

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

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

#### SEBI Complaints Redress System (SCORES)

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

#### Designated Exclusive email-id

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

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

#### PAYMENT OF LISTING AND CUSTODIAL FEE

The annual Listing Fees for the year 2017-2018 has been paid to the concerned Stock Exchanges.

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

### GENERAL SHAREHOLDERS INFORMATION

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

Financial Year	Date	Time	Venue
2015-16	11/08/2016	4.30 P.M	Phoenix Park Inn Resort, Sequera Vado, Candolim, Goa - 403 515.
2014-15	10/08/2015	4.30 P.M	Phoenix Park Inn Resort, Sequera Vado, Candolim, Goa - 403515.
2013-14	23/09/2014	3.30 P.M	Phoenix Park Inn Resort, Sequera Vado, Candolim, Goa - 403 515.



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

**Annual General Meeting held on August 11, 2016**

- No Special Resolution was passed.

**Annual General Meeting held on August 10, 2015**

- To designate Mr. Samit Hede as Managing Director of the Company

**Annual General Meeting held on September 23, 2014**

- To authorize Board of Directors under section 180 (1) (c) of the Companies Act, 2013.

**2. Company Registration Details:**

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

<b>Annual General Meeting Day, Date, Time &amp; Venue</b>	Monday, 07th August, 2017 at 04.00 p.m. at Phoenix Park Inn Resort, Sequera Vado, Candolim, Goa - 403 515.
<b>Financial Year</b>	April 01 to March 31
<b>Financial Calendar (tentative)</b>	<b>June 30, 2016</b> - Second week of August, 2016 <b>September 30, 2016</b> - Second week of November, 2016 <b>December 31, 2016</b> - Second week of February, 2017 <b>March 31, 2017</b> - Last week of May, 2017. <b>Dividend Payment Date</b> - Not Applicable
<b>Date of Book closure</b>	From Tuesday, 01 <sup>st</sup> August, 2017 to Monday, 07 <sup>th</sup> August, 2017 (both days inclusive).
<b>Listing on Stock Exchanges</b>	The shares of the Company are listed on BSE Limited (BSE)
<b>Stock Code/ ID</b>	537839/PHOENIXTN
<b>Registrars and Transfer Agents</b>	The Company has appointed Adroit Corporate Services Pvt Ltd of Mumbai as the Registrars and Share Transfer Agents. For any assistance regarding share transfers, transmissions, change of address, duplicate / missing share certificate and other relevant matters, please write to the Registrars and Transfer Agents, at the address given below:  <b>Adroit Corporate Services Private Limited</b> 17/20, Jaferbhoy Ind. Estate, 1st Floor, Makwana Road, Marol Naka, Andheri (East), Mumbai - 400059.
<b>Share Transfer System</b>	The equity shares of the Company are primarily dealt with in electronic form in the depository system with no involvement of the Company. There are negligible or no transfers made in physical form. As regards transfer of shares held in physical form the transfer documents can be lodged with Registrars and Transfer Agents at the above mentioned address.



### 3. Market Price Data - High/Low during each month in the year 2016-2017

MONTH	Market Price Per Share (Rs.) (BSC)	
	Highest	Lowest
April, 2016	11.22	09.00
May, 2016	11.00	09.71
June, 2016	09.52	07.32
July, 2016	12.20	08.61
August, 2016	11.26	07.89
September, 2016	11.45	08.40
October, 2016	10.39	08.40
November, 2016	11.75	10.75
December, 2016	12.00	11.00
January, 2017	11.18	10.45
February, 2017	11.50	09.27
March, 2017	11.50	09.39

### 4. Distribution of Shareholding as on March 31, 2017

No. of shares	No. of shareholders	% of shareholders	No. of shares held	% of shareholding
1 - 500	752	47.06	172641	1.23
501 - 1000	360	22.53	324149	2.32
1001 - 2000	295	18.46	516885	3.70
2001 - 3000	48	3.00	125583	0.90
3001 - 4000	45	2.82	170805	1.22
4001 - 5000	15	0.94	73065	0.52
5001 - 10000	29	1.81	218697	1.56
Over 10000	54	3.38	12382435	88.55
<b>Total</b>	<b>1598</b>	<b>100</b>	<b>13984260</b>	<b>100</b>

### 5. Shareholding Pattern (Category of Shareholders) as on March 31, 2017

Category Code	Category of Shareholder	Total No. of shares	As a percentage (A+B+C)
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>		
	(1) Indian	9851710	70.45
	(2) Foreign	0	0
	<b>Total Shareholding of Promoter and Promoter Group</b>	<b>9851710</b>	<b>70.45</b>
<b>(B)</b>	<b>Public shareholding</b>		
	(1) Institutions	1000	0.01
	(2) Non-institutions	4131550	29.54
	<b>Total Public Shareholding</b>	<b>4132550</b>	<b>29.55</b>
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>		
	(1) Promoter and Promoter Group	0	0
	(2) Public	0	0
	<b>Total</b>		
	<b>TOTAL (A+B+C)</b>	<b>13984260</b>	<b>100</b>



## 6. Reconciliation of Share Capital Audit

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

## 7. Dematerialisation of Shares and Liquidity as on March 31, 2017

Category	No. of Shares held	No. of Shareholders	% of Total Shareholding
Shares held in Demat Form	12639860	814	90.39
Shares held in Physical Form	1344400	784	09.61
<b>TOTAL</b>	<b>13984260</b>	<b>1598</b>	<b>100.00</b>

## COMPLIANCE CERTIFICATE OF THE AUDITORS:

Certificate from the Auditors of the Company, M/s. Bhatner & Co., Chartered Accountants confirming compliance with the conditions of Corporate Governance as stipulated under Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is forming part of the Annual Report.

## ANNEXURE - D

### NOMINATION AND REMUNERATION POLICY (U/S. 178)

#### Introduction:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and employees of the Company, to harmonize the aspirations of human resources consistent with the goals of the Company and in terms of the provisions of the Companies Act, 2013 and the listing regulations as amended from time to time, this policy on nomination and remuneration of Directors, Key Managerial Personnel and other employees has been formulated by the Committee and approved by the Board of Directors. Objective and purpose of the Policy:

#### The objective and purpose of this policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the finance industry.

- To carry out evaluation of the performance of Directors, as well as Key Managerial and others Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and also to ensure long term sustainability of talented managerial persons to create competitive advantage.

#### Effective Date:

This Policy has been adopted by the Board of Directors of Phoenix Township Limited (PTL) ('the Company') at its Meeting held on 09<sup>th</sup> February, 2016 (The erstwhile Policy stands replaced by this Policy and the effective date is 01<sup>st</sup> December, 2015).

Nomination and Remuneration Committee comprises of following Directors:

Sr. No.	Name	Position
1	Mr. Dattatraya M. Sukthankar	Chairman
2	Mr. Surendra A. Dave	Member
3	Mr. Pralhad B. Desai	Member



The Board has the power to reconstitute the Committee consistent with the Company's policy and applicable statutory requirement.

#### **Definitions**

- Board, means Board of Directors of the Company.
- Directors, means Directors of the Company.
- Committee, means Nomination and Remuneration Committee of the Company as constituted by the Board.
- Company, means Phoenix Township Limited (PTL).
- Independent Director, means a director referred to in section 149(6) of the Companies Act, 2013 and as per Listing Regulation.
- Key Managerial Personnel (KMP) means-
  - (i) Managing Director or Chief Executive Officer or manager and in their absence, a Whole-time Director;
  - (ii) Chief Financial Officer;
  - (iii) Company Secretary;
  - (iv) Such other officer as may be prescribed under the applicable statutory provisions / rules and regulations.
- "Regulations" or "Listing Regulations" means the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- "Senior management", means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

#### **Applicability**

- Directors (Executive and Non Executive)
- Key Managerial Personnel
- Senior Management Personnel

#### **General**

- This Policy is divided in three parts:

**Part-A** covers the matters to be dealt with and recommended by the Committee to the Board,

**Part - B** covers the appointment and nomination and

**Part - C** covers remuneration and perquisites etc.

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

#### **PART - A**

#### **MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE**

##### **The Committee shall:**

- Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

#### **PART - B**

#### **POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT**

##### **• Appointment criteria and qualifications:**

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

##### **• Term / Tenure:**

##### **1. Managing Director/Whole-time Director:**

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at



a time. No re-appointment shall be made earlier than one year before the expiry of term.

## 2. **Independent Director:**

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1st October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.

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

- **Evaluation:**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

- **Removal:**

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

- **Retirement:**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the

same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## PART - C

### POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

- **General:**

1. The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made thereunder.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director. Increments will be effective from 1st October in respect of a Whole-time Director and 1st April in respect of other employees of the Company.
4. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

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

1. **Fixed pay:**

The Whole-time Director / KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break up of the





pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

## 2. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

## 3. Provisions for excess remuneration:

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

## • Remuneration to Non- Executive / Independent Director:

### 1. Remuneration / Commission:

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

### 2. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. Ten Thousand plus reimbursement of travel expenses per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

### 3. Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

### 4. Stock Options:

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

## • Penalty for Non compliance:

Company	Fine which shall not be less than Rs. 1,00,000/- but which may extend to Rs. 5,00,000/-
Officer in default	Imprisonment for a term which may extend to one year or Fine which shall not be less than Rs. 25,000/- but which may extend to Rs. 1,00,000/- or with both.

## AMENDMENTS TO THE POLICY:

The Nomination and Remuneration Committee shall review and may amend this policy from time to time, subject to the approval of the Board of Directors of the Company.

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

To,

The Members of **Phoenix Township Limited**

We have examined the compliance of conditions of corporate governance by Phoenix Township Limited, ('the Company'), for the year ended on March 31, 2017, as stipulated in Chapter IV SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned SEBI (Listing Obligation and disclosure Requirement) Regulations, 2015.

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

For **Bhatter & Co.**

Chartered Accountants

ICAI Firm Registration No: 131092W

Sd/-

**Daulal Bhatter**

Proprietor

Membership No.: 16937

**Place:** Mumbai

**Date:** 26th May, 2017



## CEO/ MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER CERTIFICATION

To,  
The Board of Directors  
**Phoenix Township Limited**  
Mumbai.

**Sub.:** Certificate in accordance with Regulation 33(2) (a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

We, undersigned certify that the Audited Financial Results for the quarter and year ended March 31, 2017 prepared in accordance with Clause 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading and we further certify that;

- A. We have reviewed financial statements and the cash flow statement for the quarter and year ended March 31, 2017 and that to the best of their knowledge and belief:
  - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit committee:

- i. significant changes in internal control over financial reporting during the year;
- ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- iii. instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

Sd/-

Sd/-

**Date:** 26<sup>th</sup> May, 2017      **Samit P. Hede**      **Lalan Kumar**  
**Place:** Mumbai      Managing Director      CFO (KMP)

## MANAGEMENT DISCUSSION AND ANALYSIS

### INDUSTRY OVERVIEW

Tourism has now become a significant industry in India. It is a sun rise industry, an employment generator, a significant source of foreign exchange for the country. Tourism in India is the third largest foreign exchange earner of the country. The booming tourism industry has had a cascading effect on the hospitality sector with an increase in the occupancy ratios and average room rates. As per Travel and Tourism Competitiveness Report by World Economic Forum, has ranked India at the sixth place in tourism and hospitality. The hotel industry in India thrives largely due to the growth in tourism and travel. Due to the increase in tourism with rising foreign and domestic tourists, hotel sector is bound to grow. There is an emergence of budget hotels in India to cater to the majority of the population who seek affordable stay. International companies are also increasingly looking at setting up such hotels. Imbalance in increase in tourists both domestic and foreign not been supported with equal number of rooms is a latent source of opportunity for growth.

The tourism and hospitality sector is among the top 10 sectors in India to attract the highest Foreign Direct Investment (FDI). According to the data released by Department of Industrial Policy and Promotion (DIPP), the hotel and



tourism sector attracted around US\$ 9.2 billion of FDI between April 2000 and March 2016.

The Indian government has also taken several steps to make India a global tourism hub. To increase the travel and tourism in India the government plans to cover 150 countries under e-visa scheme by the end of the year. The government has also introduced e-Tourist Visa (e-TV) for 150 countries as against the earlier coverage of 113 countries.

In the long term, the demand-supply gap in India is very real and that there is need for more hotels. The shortage is especially true within the budget hotels and the mid-market hotels segment. There is an urgent need for budget and mid-market hotels in the country as travelers look for safe and affordable accommodation. Various domestic and international brands have made significant inroads into this space and more are expected to follow as the potential for this segment of hotels becomes more obvious. With a rise in online competition, popular models have come up with online travel agents (OTAs) offering a single marketplace for all travel-related needs. There are also seen meta search engines like Trip Advisor and Make My Trip, that operate like travel discovery platforms. Further, online accommodation reservation services like Oyo Rooms have gained popularity. Apart from this, branded hotels are seen operating direct bookings through their websites.

Apart from the above initiatives, the government has proactively sought foreign investment from countries such as China, the United States and Japan, leading to an increase of business related travel to the country.

It should be noted that the base for tourism in India is still very low. The spurt in demand for hotel accommodation over the last few years has inflated hotel rooms in the country. However, a number of international brands across all hotel segments are planning to or have recently entered the Indian market. Furthermore, domestic hotel chains, too, are embarking on strong expansion and development plans across all hotel segments.

#### **FINANCIAL ANALYSIS:**

The international travel and tourism industry continues to be one of the largest global industries and a major engine of economic growth. At present, 1 in every 11 people worldwide are employed by the tourism sector, with the industry generating US\$ 7.2 trillion or 9.8% of the global GDP in 2015. As per the most recent data, Foreign Tourist Arrivals (FTAs) in India increased 11.8% YoY due to 670000 tourists in August 2016. Further, Foreign Exchange Earnings (FEEs) from

tourism increased 13.1% YoY to Rs. 129 billion in August 2016 (source: Ministry of Tourism).

As per the Ministry of Tourism, the number of tourists arriving on e-Tourist Visa (e-TV) during the month of August 2016 reached a total of 66,097 tourists. This meant a growth of 196.6% on a YoY basis. Domestic travel spending also witnessed impetus, attributing 82.5% to the direct Travel & Tourism GDP. The appreciation of the US dollar has made international travel unattractive to many who are now seeking to travel within the country for holidays.

F.Y. 2016-17 also saw the first Incredible India Tourism Investment Summit 2016. The event was organised from September 21-23, 2016. The summit witnessed signing of 86 Memoranda of Understanding (MOU) worth around Rs 150 billion for the development of tourism and hospitality projects. The 2016-2017 Union Budget allocated Rs15.9 billion to infrastructural development and promotion which is a 70% hike over the previous year.

#### **COMPANY OVERVIEW:**

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

The Company with a view to expand its business has made an investment in a new future project in the state of Poovar, Trivandrum - Kerala, by acquisition an existing resort and surrounding land approximately 6 acre to develop this resorts from existing 13 rooms to 75 rooms with all best amenities, with respect to purchase of a Plot at Kulathoor Village, Taluka Neyyatinkara, District Tiruvananthapuram.

#### **OUTLOOK**

The prime motive of Company has been profitable growth and to achieve the same, the Company has been fast re-shaping its processes aligning its people to the vision of creating long term shareholder value. The Company has included general trading in its main objects in the current financial year and now operates in three segments. The



Management believes that Company will be able to achieve better growth in all three segments in the future.

### **DISCUSSION ON OPERATIONAL PERFORMANCE & FINANCE HIGHLIGHTS**

During the year under consideration the income of your Company has increased to Rs. 1490.43 Lac in the current year from Rs. 1348.60.77 Lac earned in the previous year. The Profit before Tax (PBT) of the Company for the current year has increased to Rs. 76.35 Lac as against 61.67 Lac in the previous year. Similarly the Profit after Tax (PAT) for the current year is Rs. 51.40 Lac as compared to Rs. 44.39 Lac earned in the previous year.

The Management expects growth from this sector in long run as the business climate has turned positive and will be able to acquire and expand more business in future.

Our income from other sources comprises of interest income from bank and other non-operating income.

### **RESORT OPERATIONS**

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

### **OPPORTUNITIES, THREATS, RISKS AND CONCERNS**

Viewed on face value, the Govt's annual budget produced no cheer from hospitality. Tourism, hospitality and hotels did not even find mention and taxes increased. Viewed more broadly, though, there is hope. If airport, road and rail infrastructure improves, as planned, manufacturing & industry will benefit. 3-5 yr tax holiday for start-ups should boost this sector too. Rural and farm initiatives could deliver more income to smaller towns. Optimistically, we may gain indirectly.

Winter 16-17 provided a glimmer of hope. Revenues have largely improved over the same period in the previous year. India wide new hotel room supply is petering off. We expect further gains in REVPAR in 17-18.

Goa still maintains its position as India's No.1 leisure destination. Strong domestic demand, combined with inbound

interest, keeps Goa's engine running. We will tread FY17 with some caution. Events in Europe, and the indifferent health of Europe's largest economies, may see downward inbound traffic. We forecast modest growth in Gross Revenue in the coming year.

The company has made units investments at Kulahtoor Village, Taluka Neyyatinkara and District Thiruvananthapuram in view of further expansion.

### **RISK MANAGEMENT**

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

### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

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

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

### **MATERIAL DEVELOPMENTS IN HUMAN RESOURCES**

The Company continues to lay emphasis on developing and facilitating optimum human performance. Performance management was the key word for the Company this year. Recruitment process has been strengthened to ensure higher competence levels. During the year, the Company successfully inducted people to meet the needs of the growing business, both from outside as well as through talent management and capability development initiatives aimed at development of existing employees. The employees strength is 110 as on 31st March, 2017.



## **INDEPENDENT AUDITOR'S REPORT**

To the Members of

### **PHOENIX TOWNSHIP LTD.**

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of PHOENIX TOWNSHIP LTD. ("the Company") which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Financial Statements**

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

#### **Auditor's Responsibility**

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain

reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its Profit/Loss and its Cash Flow for the year ended on that date.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. the Balance Sheet, the Statement of Profit and Loss and



the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e. On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. The Company has disclosed in the financial statements as holding as well as dealing in specified Bank Notes (SBN) during the period from 8th November, 2016 to 30th December, 2016 and there are in accordance with books of account main maintained by the Company.

For and on behalf of

**Bhatter & Company**

Chartered Accountants

FRN: 131092W

**Daulal H. Bhatter**

Proprietor

Membership number: 16937

**Place:** Mumbai

**Date:** 26<sup>th</sup> May, 2017

### **"Annexure A" to the Independent Auditor's Report of even date on the Financial Statements of Phoenix Township Ltd.**

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2017:

1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

(b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.

(c) The title deeds of immovable properties are held in the name of the company.

2) (a) The management has conducted the physical verification of inventory at reasonable intervals.

b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.

3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.

4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.

5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 of the Act and the Rules framed there under to the extent notified.

6) As informed to us, The Central Government has directed that a cost audit of the Company should be conducted in the manner specified in MCA order 52/26/CAB-2010 Dt. 24-01-2012, by a Cost Accountant



within the meaning of the Cost and Works Accountants Act, 1959.

However, as per Companies (cost records and audit) Rules, 2014 notified by Ministry of Corporate Affairs, cost audit is not applicable to the Company by virtue of its turnover being less than the prescribed limits. Therefore, the Board did not proceed with the appointment of cost auditor and cost audit for the year 2016-17.

The Company is properly maintaining its cost Record internally.

7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.

b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.

8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.

9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.

11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.

13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of

**Bhatter & Company**

Chartered Accountants

FRN: 131092W

**Daulal H. Bhatter**

Proprietor

Membership number: 16937

**Place:** Mumbai

**Date:** 26th May, 2017



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

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

In conjunction with our audit of the financial statements of the Company as of and for the year ended March 31, 2017 we have audited the internal financial controls over financial reporting of Phoenix Township Ltd. ("the Company") which is a Company incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

**Meaning of Internal Financial Controls over Financial Reporting**

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

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

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the





internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For and on behalf of

**Bhatter & Company**

Chartered Accountants

FRN: 131092W

**Daulal H. Bhatter**

Proprietor

Membership number: 16937

**Place:** Mumbai

**Date:** 26th May, 2017



## Balance Sheet as At March 31, 2017

(Amount in ₹)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share capital	2(1)	21,68,08,680	21,68,08,680
(b) Reserves and surplus	2(2)	1,72,94,664	1,21,25,116
		<b>23,41,03,344</b>	<b>22,89,33,796</b>
<b>(2) Non-current liabilities</b>			
(a) Long-term borrowings	2(3)	8,14,75,707	5,92,28,951
(b) Deferred tax liabilities (Net)	2(4)	1,42,73,796	1,63,45,559
(c) Other long term liabilities	2(5)	13,46,977	13,91,876
(d) Long-term provisions		<b>9,70,96,480</b>	<b>7,69,66,386</b>
<b>(4) Current liabilities</b>			
(a) Short-term borrowings		0	0
(b) Trade payables	2(6)	2,11,56,574	1,68,70,240
(c) Other current liabilities	2(7)	1,89,04,786	1,48,42,103
(d) Short-term provisions	2(8)	61,12,233	34,53,061
		<b>4,61,73,593</b>	<b>3,51,65,404</b>
<b>TOTAL</b>		<b>37,73,73,417</b>	<b>34,10,65,586</b>
<b>II. ASSETS</b>			
<b>(1) Non-current Assets</b>			
(a) Fixed Assets	2 (9)	25,04,04,047	25,18,99,887
(i) Tangible assets			
(ii) Intangible assets		0	0
(iii) Capital work-in-progress			
(iv) Intangible assets under development		<b>25,04,04,047</b>	<b>25,18,99,887</b>
(b) Non-current investments	2 (10)	94,98,095	94,98,095
(c) Deferred tax assets (net)			
(d) Long-term loans and advances	2 (11)	1,12,00,000	1,12,00,000
		<b>27,11,02,142</b>	<b>27,25,97,982</b>
<b>(2) Current Assets</b>			
(b) Inventories	2 (12)	11,25,986	16,71,017
(c) Trade receivables	2 (13)	3,43,69,856	2,65,14,065
(d) Cash and cash equivalents	2 (14)	30,93,776	63,87,993
(e) Short-term loans and advances	2 (15)	6,76,81,657	3,38,94,529
		<b>10,62,71,275</b>	<b>6,84,67,604</b>
<b>TOTAL</b>		<b>37,73,73,417</b>	<b>34,10,65,586</b>

See accompanying notes to the financial statements, as under

Significant Accounting Policies 1

Notes to the Balance Sheet 2

Other Notes 4

In terms of our report of even date

Sd/-

For and on behalf of the Board of Directors of

PHOENIX TOWNSHIP LIMITED

For Bhatler &amp; Co.

Chartered Accountants  
Firm Registration No. 131092W

Sd/-

Sd/-

Sd/-

Sd/-

Sd/-

Daulal H. Bhatler

Proprietor

Membership No. 16937

Place: Mumbai

Date: 26th May, 2017

Dr. P. R. Hede  
ChairmanSamit Hede  
Managing DirectorLalan Kumar  
CFOSourabh Kothari  
CS &  
Compliance Officer

Place: Mumbai

Date: 26th May, 2017



**Statement of Profit and Loss**  
For the year Ended March 31, 2017

(Amount in ₹)

Particulars	Note No.	Year ended March 31, 2017	Year ended March 31, 2016
<b>I.</b> Revenue from operations	3(1)	14,53,33,029	13,09,29,582
<b>II.</b> Other income	3(2)	37,10,426	39,31,337
<b>III. Total Revenue (I + II)</b>		<b>14,90,43,455</b>	<b>13,48,60,919</b>
<b>IV. Expenses:</b>			
Changes in inventories of finished goods, work-in-progress	3(3)	-	(51,902)
Employee benefits expense	3(4)	2,80,77,993	2,34,82,519
Finance costs	3(5)	52,63,220	50,87,128
Depreciation and amortization expense	2(9)	1,89,04,501	2,03,91,097
Other expenses	3(6)	8,90,86,372	7,95,82,828
<b>Total Expenses</b>		<b>14,13,32,086</b>	<b>12,84,91,670</b>
<b>V.</b> Profit before Prior Period items and extraordinary items and tax (III-IV)		77,11,369	63,69,249
<b>VI.</b> Prior Period items	3(7)	35,776	2,01,994
<b>VII.</b> Profit before extraordinary items and tax (V-VI)		<b>76,75,593</b>	<b>61,67,255</b>
<b>VIII.</b> Extraordinary items		0	0
<b>IX. Profit before tax (VII - VIII)</b>		<b>76,75,593</b>	<b>61,67,255</b>
<b>X. Tax Expenses:</b>			
(1) Current Tax		17,82,063	11,30,868
(2) Deferred Tax	2(4)	7,23,789	5,97,042
<b>XI. Profit/(Loss) for the period from continuing operations (VII-VIII)</b>		<b>51,69,742</b>	<b>44,39,346</b>
<b>XII.</b> Profit/(Loss) from discontinuing operations		0	0
<b>XIII.</b> Tax expense of discontinuing operations		0	0
<b>XIV.</b> Profit/(Loss) from discontinuing operations (after tax) (XII-XIII)		0	0
<b>XV. Profit/(Loss) for the year (XI + XIV)</b>		<b>51,69,742</b>	<b>44,39,346</b>
Balance of Profit b/f from last year		0	0
Adjusted Against Amalgamation Account		0	0
<b>Balance carried to Balance Sheet</b>		<b>51,69,742</b>	<b>44,39,346</b>
<b>XVI. Earnings per equity share:</b>			
(1) Basic	3(8)	0.370	0.317
(2) Diluted		0	-

See accompanying notes to the financial statements, as under

Significant Accounting Policies	1
Notes to the Statement of Profit and Loss	3
Other Notes	4

In terms of our report of even date

Sd/-

**For Bhatler & Co.**  
Chartered Accountants  
Firm Registration No. 131092W

Sd/-

**Daulal H. Bhatler**  
Proprietor  
Membership No. 16937  
Place: Mumbai  
Date: 26th May, 2017

For and on behalf of the Board of Directors of  
**PHOENIX TOWNSHIP LIMITED**

Sd/-

Sd/-

Sd/-

Sd/-

**Dr. P. R. Hede**  
Chairman

**Samit Hede**  
Managing Director

**Lalan Kumar**  
CFO

**Sourabh Kothari**  
CS &  
Compliance Officer

**Place: Mumbai**  
**Date: 26th May, 2017**



**Cash Flow Statement**  
For the year Ended March 31, 2017

(Amount in ₹)

	Year ended March 31, 2017	Year ended March 31, 2016
<b>A. Cash Flow From Operating Activities</b>		
Net Profit before taxation	76,75,593	61,67,255
Adjustments for:		
Depreciation on fixed assets	1,89,04,501	2,03,91,097
Loss on sale of fixed assets	-	-
Interest expenses	52,63,220	50,87,128
Deduct:		
Profit on sale of fixed assets	-	-
Interest income	2,13,486	2,04,604
<b>Operating Profit before Working Capital changes</b>	<b>3,16,29,828</b>	<b>3,14,40,876</b>
Adjustments for:		
(Increase) / Decrease in inventories	(5,45,031)	(1,07,814)
(Increase) / Decrease in trade receivables	78,55,791	1,09,56,229
(Increase) / Decrease in loans and advances	(3,37,87,128)	(1,14,77,492)
Increase/(Decrease) in liabilities	(83,51,576)	(30,09,900)
Increase/(Decrease) in provisions	26,59,172	5,61,829
<b>CASH GENERATED FROM OPERATIONS</b>	<b>(5,38,945)</b>	<b>2,83,63,727</b>
Income tax Paid	-	-
<b>Net Cash inflow from/ (outflow) from Operating activities</b>	<b>(5,38,945)</b>	<b>2,83,63,727</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of investments	-	-
Purchase of fixed assets	(1,74,08,660)	(2,43,88,078)
Sale Proceeds from investments	-	-
Sale Proceeds from fixed assets	-	-
Interest received	(2,13,486)	(2,04,604)
Dividend received	-	-
<b>Net Cash inflow from/ (outflow) from Investing activities</b>	<b>(1,76,22,146)</b>	<b>(2,45,92,681)</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from issue of shares including premium	-	-
Proceeds from borrowings	-	-
Repayment of borrowings	2,01,30,094	27,48,451
Interest paid	(52,63,220)	(50,87,128)
Dividend paid	-	-
<b>Net Cash inflow from/ (outflow) from Financing activities</b>	<b>1,48,66,874</b>	<b>(23,38,677)</b>
Net increase / (decrease) in cash and cash equivalents	(32,94,217)	14,32,369
Opening Cash and Cash Equivalents		
Cash in hand	13,99,561	14,98,954
Bank balances	49,88,432	34,56,670
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<b>63,87,993</b>	<b>49,55,624</b>
Cash in hand	2,94,302	13,99,561
Bank balances	27,99,474	49,88,432
	<b>30,93,776</b>	<b>63,87,993</b>
Non cash transactions:		
1	0	-
2		

In terms of our report of even date

Sd/-

**For Bhatler & Co.**  
Chartered Accountants  
Firm Registration No. 131092W

Sd/-

**Daulal H. Bhatler**  
Proprietor  
Membership No. 16937  
Place: Mumbai  
Date: 26th May, 2017

For and on behalf of the Board of Directors of  
**PHOENIX TOWNSHIP LIMITED**

Sd/-

Sd/-

Sd/-

Sd/-

**Dr. P. R. Hede**  
Chairman

**Samit Hede**  
Managing Director

**Lalan Kumar**  
CFO

**Sourabh Kothari**  
CS &  
Compliance Officer

**Place: Mumbai**  
**Date: 26th May, 2017**



## Accompanying notes to the financial statements

for the year ended March 31, 2017

Note. 1: Significant Accounting Policies

### 1) CORPORATE INFORMATION

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

#### 1. Significant Accounting Policies

##### a) Basis of Preparation of Financial Statements

The financial statements are prepared and presented under the historical cost convention, on the accrual basis of accounting and in accordance with the provisions of the Companies Act, 2013 ('the Act'), and the accounting principles generally accepted in India and comply with the accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government, in consultation with the National Advisory Committee on Accounting Standards, to the extent applicable.

##### b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India (Indian GAAP) requires management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent liabilities on the date of the financial statements. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of financial statements which in management's opinion are prudent and reasonable. Actual results may differ from the estimates used in preparing the accompanying financial statements. Any revision to accounting estimates is recognised prospectively in current and future periods.

##### c) Fixed Assets / Intangible Assets

Fixed Assets are stated on cost less accumulated depreciation. The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the working condition for its intended use.

##### d) Depreciation

“ On Tangible Assets :- The Company has provided depreciation on basis of useful lives as prescribed in

Schedule II of the Companies Act, 2013 consequent to schedule II becoming applicable w. e. f. 01st April 2014. On Intangible Assets:- Intangible Assets are amortized on Straight Line Method over the useful life, based on the economic benefits that would be derived, as per the estimates made by the management, computer software to be written off over a period of three years.”

##### e) Inventories

Stock of food and beverages and operating supplies and consumables stores are valued at cost (FIFO). As the market value of these items of the stock is unascertainable to their basic nature.

As the turnover of the company is in respect of hotel stay and food and beverages it is not possible to quantitative wise details of the turnover.

##### f) Revenue Recognition:

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

##### • Service Income

Service income is recognised as per the terms of the contract when the related services are rendered. It is stated net of service tax.

##### • Interest income

Interest income is recognized on time proportion basis.

##### g) Investments

Investments are classified under Non-current and current categories.

'Non-current Investments' are carried at acquisition/ amortized cost. A provision is made for diminution other than temporary on an individual basis.

'Current Investments' are carried at the lower of cost or fair value on an individual basis.

##### h) Retirement and Other Employee Benefits

The Company provides for retirement benefits to employees. However there is no liability on this account at end of the year under the applicable laws.

##### i) Leases

Lease Rent pertains to Agricultural Land taken on Lease & sub-lease for 99 years by the Company.

##### j) Taxation

Provision for Income Tax has been made in accordance with the provision of Income Act, 1961. Deferred tax liability is provided for on the basis of timing difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.



## Accompanying Notes To The Financial Statements

for the year ended 31.03.2017

### NOTE 2: Notes to the Balance Sheet

(Amount in ₹)

#### 1. Contingent Liabilities

##### (a) Guarantees:

Particulars	As at March 31, 2017	As at March 31, 2016
Guarantees given by Banks on behalf of the Company	12,47,500	12,47,500
<b>TOTAL</b>	<b>12,47,500</b>	<b>12,47,500</b>

### NOTE 3: Notes to the Statement of Profit and Loss

#### 1. Information pursuant to para 5(viii) of the General Instructions to the Statement of Profit and Loss

##### (e). Earnings in foreign currency (on accrual basis):

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Earnings in foreign currency	4,36,94,969	4,84,24,693

#### 2. Information pursuant to para 5(ii) and 5(iii) of the General Instructions to the Statement of Profit and Loss

##### (f). Particulars of services rendered: (for service companies)

Services rendered	Year Ended March 31, 2017	Year Ended March 31, 2016
Room Services	11,85,05,932	10,27,70,411
Food & Beverages	2,61,45,317	2,81,59,171
<b>TOTAL</b>	<b>14,46,51,249</b>	<b>13,09,29,582</b>

#### 3. Auditor Remuneration

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
As Auditor	1,00,000	70,000
For taxation matter		30,000
For reimbursement of expenses	-	-
Service Tax	15,000	12,360
<b>TOTAL</b>	<b>1,15,000</b>	<b>1,12,360</b>

### NOTE 4: Other Notes.

#### 1. Related Party disclosures

##### a. List of related parties

Name of the Party	Relationship
Colaba Real Estate P. Ltd.	Associate Company
Dr. Prafulla R Hede-Mine Owner A/c	Associate Firm
Hede Consultancy Co. Pvt. Ltd.	Associate Company



**b. Balance Outstanding of Related Parties :**

Name of Party	Receivable / Payable	As at March 31, 2017	As at March 31, 2016
Intercompany & Directors	Payable, Loans & Advances	4,45,31,768	1,64,84,577

**2. Prior period comparatives**

Previous year's figures are presented as per the Revised Schedule VI to make comparables with current year. However, groupings of previous year's figures presented in these financial statements are not matching with those presented in previous year's financial statements.

In terms of our report of even date attached

Sd/-

**For Bhatler & Co.**

Chartered Accountants

Firm Registration No. 131092W

Sd/-

**Daulal H. Bhatler**

Proprietor

Membership No. 016937

Place: Mumbai

Date: 26th May, 2017

For and on behalf of the Board of Directors of  
**PHOENIX TOWNSHIP LIMITED**

Sd/-

**Dr. P. R. Hede**  
Chairman

Sd/-

**Samit Hede**  
M D

Sd/-

**Lalan Kumar**  
CFO

Sd/-

**Sourabh Kothari**  
CS &  
Compliance Officer

**Place: Mumbai**

**Date: 26th May, 2017**



**Accompanying Notes To The Financial Statements**  
for the year ended 31.03.2017

**NOTE 2: Notes to the Balance Sheet**

**1 - SHARE CAPITAL**

**a. Details of authorised, issued and subscribed share capital**

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Authorised Capital</b>		
20200,000 Equity Shares of Rs.10/- each	20,20,00,000	20,20,00,000
78,00,000 Preference Shares of Rs. 10/-each	7,80,00,000	7,80,00,000
<b>Issued Capital</b>		
13984260 Equity Shares of Rs.10/- each	13,98,42,600	13,98,42,600
7696608 Preference Shares of Rs. 10/-each	7,69,66,080	7,69,66,080
	0	0
<b>Subscribed and Paid up</b>		
13984260 Equity Shares of Rs.10/- each	13,98,42,600	13,98,42,600
7696608 Preference Shares of Rs. 10/-each	7,69,66,080	7,69,66,080
	<b>21,68,08,680</b>	<b>21,68,08,680</b>

**b. Information on shareholders**

Name of Shareholder	As at March 31, 2017		As at March 31, 2016	
	No of Equity shares held	Percentage	No of Equity shares held	Percentage
Dr. Prafulla Hede	2572303	18.39	2572303	18.39
Hede Consultancy Company Pvt. Ltd.	2242880	16.04	2242880	16.04
Jwala Investment & Trading Pvt.Ltd.	3978307	28.45	3978307	28.45

**c. Reconciliation of number of shares**

Particulars	Equity Shares		Preference Shares	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	13984260	13,98,42,600	7696608	7,69,66,080
Shares Issued during the year				
(Alloted pursuant to merger)	0	0		
Shares bought back during the year	0	0		
Shares outstanding at the end of the year	13984260	13,98,42,600	7696608	76,69,66,080





**Accompanying Notes To The Financial Statements**  
for the year ended 31.03.2017

**NOTE 2:** Notes to the Balance Sheet

**2 - RESERVES AND SURPLUS**

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016
<b>a. Capital Reserves</b>		
Opening Balance	4,25,000	4,25,000
(+) Current Year Transfer	0	0
(-) Written Back in Current Year	0	0
<b>Closing Balance</b>	<b>4,25,000</b>	<b>4,25,000</b>
<b>b. Securities Premium Account</b>		
Opening Balance	0	0
Add : Securities premium credited on Share issue	0	0
Less : Premium Utilised for various reasons		
Premium on Redemption of Debentures	0	0
For Issuing Bonus Shares	0	0
<b>Closing Balance</b>	<b>0</b>	<b>0</b>
<b>c. Surplus</b>		
Opening balance	1,17,00,116	72,60,770
(+) Net Profit/(Net Loss) For the current year	51,69,742	44,39,346
(+) Transfer from Reserves	0	0
(-) Proposed Dividends	0	0
(-) Tax on Proposed Dividends	0	0
(-) Transfer to Reserves	0	0
<b>Closing Balance</b>	<b>1,68,69,858</b>	<b>1,17,00,116</b>
<b>GRAND TOTAL</b>	<b>1,72,94,664</b>	<b>1,21,25,116</b>

**3 - LONG-TERM BORROWINGS**

Particulars	As at March 31, 2017	As at March 31, 2016
<b>SECURED</b>		
<b>Term loans</b>		
From Banks & Institutions		
<b>1) EDC Ltd.</b>	<b>3,23,20,105</b>	<b>3,89,20,105</b>
Interest Accrued and due on Term Loan	0	0
(Secured against Equitable Mortgage of the Building and Landed Property and Building Situated at Candolim and personal Guarantee of Directors)		
<b>2) HDFC Bank Ltd.</b>	<b>12,81,827</b>	<b>0</b>
(Commercial Equipment Loan )		
<b>3) Daimler Financial Services India Pvt. Ltd.</b>	<b>25,06,338</b>	<b>28,66,947</b>
(Hypothecation of Motor Car )		
<b>(b) Cash Credit</b>		
IDBI Bank Ltd	8,35,669	9,57,322
(Secured by Receivable)		
<b>TOTAL</b>	<b>3,69,43,939</b>	<b>4,27,44,374</b>



### Accompanying Notes To The Financial Statements

#### NOTE 2: Notes to the Balance Sheet

(Amount in ₹)

Particulars	As at March 31, 2017	As at March 31, 2016
<b>UN-SECURED</b>		
Other loans and advances	0	0
From Directors & Others	4,45,31,768	1,64,84,577
<b>TOTAL</b>	<b>4,45,31,768</b>	<b>1,64,84,577</b>
<b>TOTAL OF SECURED AND UN-SECURED</b>	<b>8,14,75,707</b>	<b>5,92,28,951</b>

#### 4 - DEFERRED TAX LIABILITY (Net)

The major components of deferred tax liability / asset as recognised in the financial statement is as follows:

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Deferred Tax Liability</b>		
Excess of net block of fixed assets as per books of accounts over net block for tax purpose	1,42,73,796	1,65,95,559
<b>Deferred Tax Asset</b>		
Provision for Employee benefits	0	0
Expenses disallowed under Sec 43B	0	0
Carry forward business loss and unabsorbed depreciation	0	0
Others	0	2,50,000
	0	2,50,000
<b>Net</b>	<b>1,42,73,796</b>	<b>1,63,45,559</b>
Deferred Tax Charge / (Credit) for the year	7,23,789	5,97,042

#### 5 - OTHER LONG-TERM LIABILITIES

Particulars	As at March 31, 2017	As at March 31, 2016
Time share Money	13,46,977	13,91,876
<b>Total</b>	<b>13,46,977</b>	<b>13,91,876</b>

#### 6 - TRADE PAYABLES

Particulars	As at March 31, 2017	As at March 31, 2016
Trade Payables	2,11,56,574	1,58,05,553
Due to Micro and Small Enterprises	0	0
Other than Micro and Small Enterprises	0	0
	<b>2,11,56,574</b>	<b>1,58,05,553</b>



## Accompanying Notes To The Financial Statements

### NOTE 2: Notes to the Balance Sheet

(Amount in ₹)

#### 7 - OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2017	As at March 31, 2016
Advances towards Compensation for use	43,61,165	45,06,537
Payments towards Cost of Soft Furnishing	6,61,473	6,83,522
Payments towards Legal Professional Fees.	11,89,833	12,29,494
Advance towards Customer Services	65,42,312	67,60,389
Sponsorship Payable	0	0
Security Deposit	0	0
Duties & Taxes	52,36,942	13,99,423
Other Liabilities	9,13,061	2,62,738
Inter Company Bal	0	0
<b>Total</b>	<b>1,89,04,786</b>	<b>1,48,42,103</b>

#### 8 - SHORT-TERM PROVISIONS

Particulars	As at March 31, 2017	As at March 31, 2016
Provison for taxation (MAT)	35,74,356	11,30,868
Provison for expenses	25,37,877	23,22,193
<b>Total</b>	<b>61,12,233</b>	<b>34,53,061</b>

#### 10 - NON-CURRENT INVESTMENTS

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Other Investments</b>		
(a) Investment Properties	5,59,095	5,59,095
Investment in Equity instruments		
Equity Share	64,000	64,000
Investment in Trust	88,75,000	88,75,000
<b>TOTAL</b>	<b>94,98,095</b>	<b>94,98,095</b>

Particulars	As at March 31, 2017	As at March 31, 2016
Aggregate amount of quoted investments (Market value of ₹__ (Previous Year ₹__))	0	0
Aggregate amount of unquoted investments	64,000	64,000

#### 11 - LONG-TERM LOANS AND ADVANCES

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Security &amp; Other Deposits</b>		
Lease Deposit	1,12,00,000	1,12,00,000
<b>TOTAL</b>	<b>1,12,00,000</b>	<b>1,12,00,000</b>

**Accompanying Notes To The Financial Statements**  
for the year ended 31.03.2017

**NOTE 2: Notes to the Balance Sheet**

**9 - FIXED ASSETS**

(Amount in ₹)

**FIXED ASSETS - PTL**

PARTICULARS	Gross Block				Depreciation				Net block	
	Balance as at 01 / 04 / 2016	Additions	Disposals	Balance as at 31 / 03 / 2017	Up to 01 / 04 / 2016	Retained Earnings	For the year	Up to 31 / 03 / 2017	Balance as at 31 / 03 / 2017	Balance as at 31 / 03 / 2016
Agricultural Land	49,642,808	-	-	49,642,808	-	-	-	-	49,642,808	49,642,808
Land	14,551,878	-	-	14,551,878	-	-	-	-	14,551,878	14,551,878
Building	148,614,006	1,688,535	-	150,302,541	18,431,230	-	9,221,740	27,652,970	122,649,571	130,182,776
Plant & Machinery	36,549,930	4,147,534	-	40,697,464	12,688,922	-	4,842,640	17,531,562	23,165,902	23,861,008
Furniture and Fixtures	20,478,384	8,664,245	-	29,142,629	4,202,372	-	3,280,563	7,482,935	21,659,694	16,276,012
Vehicle / Motor Car	6,562,450	-	-	6,562,450	1,212,448	-	827,295	2,039,783	4,522,667	5,349,962
Office Equipment	782,494	344,011	-	1,126,505	71,051	-	233,128	304,179	822,326	711,443
Goodwill	4,901,821	-	-	4,901,821	-	-	-	-	4,901,821	4,901,821
Computers	3,042,538	100,365	-	3,142,903	2,070,018	-	499,135	2,569,153	573,750	972,520
WIP	5,449,660	2,463,970	-	7,913,630	-	-	-	-	7,913,630	5,449,660
<b>TOTAL</b>	<b>290,575,969</b>	<b>17,408,660</b>	<b>-</b>	<b>307,984,629</b>	<b>38,676,081</b>	<b>-</b>	<b>18,904,501</b>	<b>57,580,582</b>	<b>250,404,047</b>	<b>251,899,888</b>





### Accompanying Notes To The Financial Statements

#### NOTE 2: Notes to the Balance Sheet

(Amount in ₹)

#### 12 - INVENTORIES

Particulars	As at March 31, 2017	As at March 31, 2016
Finished goods	11,25,986	16,71,017
<b>TOTAL</b>	<b>11,25,986</b>	<b>16,71,017</b>

#### 13 - TRADE RECEIVABLES

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Trade receivables outstanding for a period less than six months</b>		
Secured, considered good	0	0
Unsecured, considered good	1,07,70,535	28,74,764
Doubtful	0	0
Less: Provision for doubtful debts	0	0
	<b>1,07,70,535</b>	<b>28,74,764</b>
<b>Trade receivables outstanding for a period exceeding six months</b>		
Secured, considered good	0	0
Unsecured, considered good	2,35,99,321	2,36,39,301
Doubtful	0	0
Less: Provision for doubtful debts	0	0
	<b>2,35,99,321</b>	<b>2,36,39,301</b>
	<b>3,43,69,856</b>	<b>2,65,14,065</b>

#### 14 - CASH AND CASH EQUIVALENT

Particulars	As at March 31, 2017	As at March 31, 2016
Cash in hand	2,94,302	13,99,561
Balance with Schedule Banks	15,51,974	37,40,932
Balances with Bank in Fixed Deposit Receipt	12,47,500	12,47,500
	<b>30,93,776</b>	<b>63,87,993</b>

#### 15 - SHORT-TERM LOANS AND ADVANCES

Particulars	As at March 31, 2017	As at March 31, 2016
TCS Paid on Liquor Purchases	39,106	10,633
Deposit for Leased Apt./Staff Accommodation	79,000	0
Deposit on empty bottles	15,00,000	15,01,600
Prepaid Expenses	3,19,706	8,55,394
Service Tax Input	13,12,798	0
Deposit against Gas Supply	1,00,000	1,00,000
Staff Advances	26,210	80,948
Advances of ZFL	1,75,00,000	1,75,00,000
Other Advances	4,68,04,838	1,38,45,954
	<b>6,76,81,657</b>	<b>3,38,94,529</b>



### Accompanying Notes To The Financial Statements

for the year ended 31.03.2017

#### NOTE 3: Notes to the Statement of Profit and Loss

(Amount in ₹)

#### 1 - REVENUE FROM OPERATIONS

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Room Revenues	11,85,05,932	10,27,70,411
Food & Beverages	2,61,45,317	2,81,59,171
Other Operating Revenues	6,81,780	0
	<b>14,53,33,029</b>	<b>13,09,29,582</b>

#### 2 - OTHER INCOME

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Revenue from Shop Rental	1,77,392	1,70,805
Laundry Income	2,44,754	2,02,455
Insurance Claim Received	0	7,103
Foreign Exchange	95,325	41,513
Sale of Tobacco	0	4,755
Telephone, Fax Etc.	35,385	58,329
Revenue from Spa/Travel Desk	8,07,908	4,22,511
Interest Rebate Received	0	4,63,717
Miscellaneous Income	6,67,621	5,44,485
Agricultural Income	0	2,32,500
Interest on FDR Received	2,13,486	2,04,604
Scrap Sales	3,52,335	89,928
Banquet Rent	11,16,220	12,74,971
Sundry Creditors Cr/Dr Bal W/off	0	2,13,661
	<b>37,10,426</b>	<b>39,31,337</b>

#### 3 - CHANGES IN INVENTORY OF FINISHED GOODS, WORK-IN-PROGRESS

Particulars	As at March 31, 2017	As at March 31, 2016
Opening Inventory		
Finished Goods	0	15,68,649
Work-In-Progress	0	0
	0	15,68,649
Closing Inventory		
Finished Goods	0	16,20,551
Work-In-Progress		
	0	16,20,551
	0	<b>-51,902</b>



### Accompanying Notes To The Financial Statements

for the year ended 31.03.2017

**NOTE 3:** Notes to the Statement of Profit and Loss

(Amount in ₹)

#### 4 - EMPLOYEE BENEFIT EXPENSES

Particulars	As at March 31, 2017	As at March 31, 2016
Salaries and incentives	2,80,77,993	2,34,82,519
	<b>2,80,77,993</b>	<b>2,34,82,519</b>

#### 5 - FINANCE COST

Particulars	As at March 31, 2017	As at March 31, 2016
Interest expense	52,63,220	50,87,128
	<b>52,63,220</b>	<b>50,87,128</b>

#### 6 - OTHER EXPENSES

Particulars	As at March 31, 2017	As at March 31, 2016
Room Expenses	16240969	10618882
Food & Beverages Expenses	21342754	21277438
Heat, Light & Power Expenses	12250843	10906332
Basic & Incentive Management Fees	4953949	914841
Franchise Fees	5956991	5208601
Printing & Stationary	118078	52548
Legal & Professional Fees	1925210	1641412
Admn., Selling & Other Exp.	1934224	4141849
Postage, Telex & Telephones	155065	196185
Miscellaneous Exp.	12954	147190
Bank Charges	675848	41744
Lease Rent	190000	280000
Audit Fees	100000	100000
Business Promotion Expenses	867813	735280
Telephone, Fax Expenses	384606	62875
Travelling & Desk Expenses	892901	7335204
Repairs & Maintenance	1,77,59,438	9257488
Swaccha Bharat Cess	170074	0
Meeting Exp.	87455	302551
Commission & Brokerage	1220543	864068
Licence, Rates & Taxes	0	38640
Advertisement Expenses	383810	753473
Insurance Charges	91274	13202
Sitting Fees	120500	415921
Freight & Handling	98124	514939
General Expenses	598264	113286
Spa and Parlor Exp	527721	23579
Incentive Management Fees	4060927	3625300
	<b>89086372</b>	<b>79582828</b>



### Accompanying Notes To The Financial Statements

for the year ended 31.03.2017

**NOTE 3:** Notes to the Statement of Profit and Loss

(Amount in ₹)

#### 7 - EXCEPTIONAL ITEMS

Particulars	Year Ended March 31, 2017	Year Ended March 31, 2016
Prior Period Item	35,776	2,01,994
	<b>35,776</b>	<b>2,01,994</b>

Brief description

#### 8 - EARNINGS PER EQUITY SHARES

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Basic Earnings per Share</b>		
Profit/(Loss) attributable to Equity shareholders	51,69,742	44,39,346
Weighted average number of equity shares	1,39,84,260	1,39,84,260
<b>Basic Earnings Per Share</b>		
Face value per Share	0.370	0.317
<b>Dilutive Earnings per Share</b>		
Profit after adjusting interest on potential equity shares	0	0
Weighted average number of equity share after considering potential equity shares	0	0
<b>Dilutive Earnings per Share</b>		

### Phoenix Township Limited

Registered Office: Durga Bhavan, Hede Centre, Tonca, Panaji, Goa - 403 001.

Corp. Office: Balaji Bhavan, 2nd Floor, 14 BEST Marg, Colaba, Mumbai - 400 001.

CIN- U67190GA1993PLC001327 Website: www.hbgindia.com Tel No.022-6159 0900

#### ATTENDANCE SLIP

(To be signed and handed over at the entrance of the meeting venue)

Regd. Folio No.: \_\_\_\_\_

DP ID\*: \_\_\_\_\_

No. of Shares held: \_\_\_\_\_

Client ID\*: \_\_\_\_\_

Full Name of the Member (in Block Letters): \_\_\_\_\_

Name of the Proxy: \_\_\_\_\_

(To be filled-in if the Proxy Form has been duly deposited with the Company)

I hereby record my presence at the TWENTY FORTH ANNUAL GENERAL MEETING of the Company on Monday, August 07, 2017 at 4:00 p.m. at the Phoenix Park Inn Resort, Sequera Vado, Candolim, Goa - 403 515.

Members / Proxy's Signature  
(To be signed at the time of handing over this slip)

\* Applicable for members holding shares in electronic form.

Note: Members are requested to bring their copies of the Annual Report to the meeting.





## Phoenix Township Limited

Registered Office: Durga Bhavan, Hede Centre, Tonca, Panaji, Goa - 403 001.  
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 CIN- U67190GA1993PLC001327 Website: www.hbgindia.com Tel No.022-6159 0900

### PROXY FORM - MGT - 11

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

CIN: U67190GA1993PLC001327

Name of the Company: PHOENIX TOWNSHIP LIMITED

Registered Office: Durga Bhavan, Hede Centre, Tonca, Panaji, Goa - 403 001, India

Name of the Member (s): .....

Registered Address: .....

E-mail Id: ..... Folio No / Client Id: ..... DP ID: .....

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

1. Name: .....

Address: .....

E-mail Id: .....

Signature: ....., or failing him/her

2. Name: .....

Address: .....

E-mail Id: .....

Signature: ....., or failing him/her

3. Name: .....

Address: .....

E-mail Id: .....

Signature: .....

as my / our proxy to attend and vote (on a poll) for me / us and on my / our behalf at the Twenty-Forth Annual General Meeting of the Company to be held on Monday, 07<sup>th</sup> August, 2017 at 4.00 p.m. at Phoenix Park Inn Resort, Sequera Vado, Candolim, Goa - 403 515 and at any adjournment there of, in respect of such resolutions as are indicated below:

#### ORDINARY RESOLUTION

Resolution No. 1: Adoption of Audited Financial Statements for the financial year ended March 31, 2017 together with reports of the Auditors and Board of Directors thereon.

Resolution No. 2: To appoint a Director in place of Mr. Samit P. Hede (holding DIN 01411689), who retires by rotation, and being eligible, offers himself for re-appointment.

Resolution No. 3: "To appoint M/s. Chaturvedi Sohan & Co., Chartered Accountants, Mumbai having ICAI Firm Registration No. 118424W as statutory auditor of the Company."

Signed this ..... day of ....., 2017

Signature of Shareholder (s)

Signature of Proxy Holder (s)



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

**REGISTERED POST - COURIER**

*If undelivered, please return to :*  
PHOENIX TOWNSHIP LIMITED  
Balaji Bhavan, 2nd Floor,  
14, BEST Marg, Colaba,  
Mumbai - 400 001.