



26<sup>th</sup>  
Annual Report  
2018 - 2019



MEMBER  
HEIDE BUSINESS GROUP



## Resort Unit



Phoenix Park Inn Resort  
Goa

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



## **HEDE BUSINESS GROUP**

**REGD. OFFICE :**

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

**CORP. OFFICE :**

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

**-: OTHER LOCATIONS :-**

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

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



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

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## **NOTICE**

**NOTICE is hereby given that the Twenty-Sixth Annual General Meeting of the Members of PHOENIX TOWNSHIP LIMITED (CIN-L67190GA1993PLC001327) will be held at Phoenix Park Inn Resort, Sequera Vado, Candolim, Goa - 403 515 on Saturday, 10th August, 2019, 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, 2019 and the reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Dr. Prafulla Rajaram Hede (holding DIN: 00651441), who retires by rotation, and being eligible, offers himself for re-appointment.

### **SPECIAL BUSINESS:**

Explanatory Statement under Section 102 of the Companies Act, 2013 ("the Act"), is annexed to the Notice.

3. **To Re-Appoint Dr. Surendra Ambalal Dave (DIN: 00001480) as an Independent Director of the Company for Second term.**

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

**"RESOLVED THAT** pursuant to recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors in the respective meeting held on 30th May, 2019 and pursuant to the provision of section 149, 152 read with schedule IV and other applicable provisions of the Companies Act, 2013 and Rules thereunder and the applicable provisions of the Listing Regulations 2015, the approval of the Members of the Company be and is hereby accorded for re-appointment of Dr. Surendra Ambalal Dave (DIN:00001480) whose current period of office is expiring on 22nd September, 2019 and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Act read with the Listing Regulations, 2015 and who is eligible for re-appointment for a second term under the provisions of the Act, Rules thereunder and Listing Regulations, 2015 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director pursuant to Section 160 of the Companies Act, 2013, as an Independent Director of the Company, to hold office for a term of five consecutive years on the Board of the Company effective from 23rd September, 2019 to 22nd September, 2024 and whose term shall not be subject to retirement by rotation;

**RESOLVED FURTHER THAT** pursuant to SEBI (Listing Obligation Disclosure Requirement) (Amendment) Regulation, 2018, approval of Member of the Company be and is hereby accorded to Dr. Surendra Ambalal Dave for continuation of the Directorship in the Company who has attained the age of seventy five years, up to expiry of his present term as an Independent Director i. e upto 22nd September 2019, and also for his second term of appointment for a period of five consecutive years effective from 23rd September, 2019 as an Independent Director of the Company.

**RESOLVED FURTHER THAT** the board of directors of the Company be and is hereby authorized to do all such acts, deeds and things to give effect to the above resolution."



**4. To Appoint Mr. Dev Kirit Toprani (DIN: 07969034) as an Independent Director of the Company.**

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

**“RESOLVED THAT** pursuant to the provisions of Section 149, 150, 152 read with Schedule IV to the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and other applicable provisions of the Act read with the rules made there under, if any, (including any statutory modification(s) or re-enactment thereof for the time being in force and pursuant to the notice received by the Company under Section 160 of the Act, Mr. Dev Kirit Toprani (Holding Director Identification Number 07969034), who was appointed as an Additional Director of the Company in terms of Section 161 of the Act by the Board of Directors with effect from 06th September, 2018, to hold office up to the date of ensuing Annual General Meeting, be and is hereby appointed as an Independent Director of the Company with effect from 06th September, 2018 for a term of Five years and whose office shall, henceforth, not be liable to determination by retirement of Directors by rotation.

**RESOLVED FURTHER THAT** the board of directors of the Company be and is hereby authorized to do all such acts, deeds and things to give effect to the above resolution.”

**5. To Continue the Directorship of Dr. Prafulla R. Hede (DIN: 00651441), Director of the Company, as a Non-Executive Director after attaining the age of seventy five years.**

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

**“RESOLVED FURTHER THAT** pursuant to regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, Dr. Prafulla R. Hede (DIN: 00651441), can continue the directorship of the Company as a Non-Executive Director of the Company after attaining the age of seventy five years.

**RESOLVED FURTHER THAT** the board of directors of the Company be and is hereby authorized to do all such acts, deeds and things to give effect to the above resolution.”

**Place: Mumbai  
Date: 30th May, 2019**

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

**Sd/-  
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 Sunday, 4th August, 2019 to Saturday, 10th August, 2019 (both days inclusive), for payment of final dividend, if any 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, Dr. Prafulla Rajaram Hede (holding DIN 00651441) 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 may note that the requirement to place the matter relating to appointment of Auditors for ratification by members at every Annual General Meeting is done away with vide notification dated May 7, 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, no resolution is proposed for ratification of appointment of Auditors, who were appointed at the 24th Annual General Meeting held on September 28, 2016 and are eligible to hold their office until conclusion of 29th Annual General Meeting to be held in 2022.

15. 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.

16. 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 [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).

17. 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. Saturday, 3rd August, 2019, 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 09.00 a.m. (IST) on Wednesday, 07th August, 2019 and will end at 05.00 p.m. (IST) on Friday, 09th August, 2019. 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 on e-voting sent separately.

18. 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.

19. Investor Grievance Redressal :

The Company has designated an exclusive e-mail id [compliance@hbgindia.com](mailto:compliance@hbgindia.com) to enable Investors to register their complaints, if any.

20. A route map showing directions to reach the venue of the 26th AGM is given at the end of this Notice, as per the requirement of the Secretarial Standard – 2 on "General Meetings".

## 21. 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 26th 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 Wednesday, 07th August, 2019 (09.00 a.m.) and ends on Friday, 09th August, 2019 (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 Saturday, 3rd August, 2019, 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:
- 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

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.
- 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 issue regarding e-voting, you may refer the frequently asked questions (FAQ) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com).
- 2) Compulsory Dematerialization of shares of listed company:  
As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, w.e.f. April 1, 2019 the transfer of securities of listed companies shall not be processed unless the securities are held in the dematerialized form (Demat) with a depository. Hence, the members of the company are requested to dematerialize their shareholding to avail the benefits of dematerialization.

**IMPORTANT COMMUNICATION  
TO THE MEMBERS**

- 1) Mandatory update of PAN and Bank details Pursuant to SEBI Circular SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018, shareholders holding shares in physical form whose folio do not have / have incomplete details with respect to PAN and bank particulars are mandatorily required to furnish the PAN and bank account details to the Company / Registrar & Transfer Agent (RTA) for registration under their folio. Hence, the shareholders are requested to update their PAN and bank details.

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

**Place: Mumbai  
Date: 30<sup>th</sup> May, 2019**

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



## ANNEXURE TO ITEM 2 OF THE NOTICE

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

Name of the Director	Dr. Prafulla R. Hede	Mr. Dev Kirit Toprani	Dr. Surendra A. Dave
Director Identification Number (DIN)	00651441	07969034	00001480
Date of Birth	30/10/1938	28/03/1979	03/08/1936
Nationality	Indian	Indian	Indian
Date of Appointment on Board	10/02/1993	06/09/2018	30/06/1998
Qualification	LMC	B.Com, M.B.A, Certifications Derivatives and Mutual Fund (Advisors), Capital Market (Advisors)	B. Com, Ph. D.
Shareholding in Company	Pref Shares: 25,12,482 Eq. Shares: 25,72,303	NIL	NIL
List of Directorships held in other Companies	7	NIL	5
Memberships / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	NIL	NIL	Chairman: 1 Member: 1



## 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, 4 and 5 of the accompanying Notice dated 30th May, 2019.

#### Item No. 3:

The Members of the Company had through Annual General Meeting, inter alia, appointed Dr. Surendra Ambalal Dave as Independent Directors of the Company for a period of five consecutive years effective from 23rd September, 2014.

The Board upon recommendation of the Nomination and Remuneration Committee, based on the skills, rich experience, knowledge, continued valuable guidance of above said Directors to the management and based on the outcome of performance evaluation, has in the meetings held on 30th May, 2019 recommended re-appointment of the said Directors as Independent Directors of the Company for second consecutive term of 5 years subject to approval of members, pursuant to Section 149 of the Companies Act, 2013.

The Company has received notice in writing pursuant to Section 160 of the Act, from a member proposing the candidature of Dr. Surendra Ambalal Dave for the office of Independent Director, to be re-appointed as such under the provisions of Section 149 of the Act.

The Company has received from Dr. Surendra Ambalal Dave, (i) consent in writing to act as Director in Form DIR- 2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that they are not disqualified under Section 164(2) of the Companies Act, 2013, confirming their eligibility for such appointment and a declaration to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act and Listing Regulations, 2015.

In the opinion of the Board, Dr. Surendra Ambalal Dave, fulfill the conditions specified in the Act, the Rules made there under and Listing Regulations, 2015 for their re-appointment as Independent Directors of the Company and are independent of the Management. Copies of the draft letters for their appointment

as Independent Directors setting out the terms and conditions would be available for inspection without any fee by the members at the registered office of the Company during normal business hours on all the working days.

In the opinion of the Board of Directors, Dr. Surendra Ambalal Dave being eligible, approval of members through Special resolution is sought for their reappointment as Independent Directors, pursuant to Section 149 and other applicable provisions of the Act and Rules there under and that the said Directors shall not be liable to retire by rotation.

In accordance with the, SEBI (LODR), a person who has attained the age of seventy five years can continue as Non- Executive Director in a listed Company, provided approval of its members by way of a special resolution is obtained. Dr. Surendra Ambalal Dave is above the age of seventy five years. Special resolution as set out in business no. 3 seeks approval of shareholders for continuation of Directorship of Dr. Surendra Ambalal Dave as Independent Director of the Company effective from 23rd September, 2014 up to end of the existing term i.e. 22nd September, 2019 and for second consecutive term effective from 23rd September, 2019.

In the opinion of the Board of Directors, Dr. Surendra Ambalal Dave is a person of high repute, integrity and have rich and varied experience. The Board considers that their continued association would benefit to the Company and it is desirable to continue avail their services.

The profiles of the above said Directors are provided in the annexure to this Notice.

None of the Directors and Key Managerial Personnel including their respective relatives other than those mentioned in the respective resolutions and their relatives are in any way concerned or interested, financially or otherwise, in the said resolution.

#### Item No. 4:

The Board of Directors of the Company, pursuant to the recommendation of Nomination and Remuneration Committee, has appointed Mr. Dev Kirit Toprani (DIN: 07969034) on 06th



September, 2018 as an Additional Independent Director (Non-Executive) on the Board of Directors of the Company, in terms of section 161 of the Companies Act, 2013 for a term of 5 (five) consecutive years commencing from 06th September, 2018 to 06th September, 2023. He holds office upto the date of this Annual General Meeting pursuant to section 161 of the Companies Act, 2013 and pursuant to the Articles of Association of the Company.

The Company has received notice in writing from a member under section 160 of the Act, proposing his candidature for the office of Director of the Company.

Except Mr. Dev Kirit Toprani none of the other Directors, Key Managerial Personnel (KMP) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 4 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 4 of the Notice for approval of the Members

The Board recommends the passing of the Ordinary Resolution at Item No. 4 of the accompanying Notice for member's approval.

**Item No. 5:**

Pursuant to regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018, the person appointed or continuing the Directorship of the Company as a Non-Executive Director who has attained the age of seventy five years needs to approved by passing special resolution by the members of the Company.

Therefore, Dr. Prafulla R. Hede, the Chairman and Non Executive Director of the Company, who has already attained the age of 75 years, may not continue their office unless it would be approved by the members of the Company by passing Special Resolution.

Except Dr. Prafulla R. Hede, Ms. Shibanee M. Harlalka & Samit P. Hede and their relative, none of the other Directors, Key Managerial Personnel (KMP) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board recommends the passing of the Special Resolution at Item No. 5 of the accompanying Notice for member's approval.

**Place: Mumbai**  
**Date: 30<sup>th</sup> May, 2019**

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

**Sd/-**

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



## DIRECTORS' REPORT

To,

The Members,

Phoenix Township Limited

Your Directors have pleasure in presenting their 26th Annual Report together with Audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March, 2019.

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

Particulars	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Total Income	20,58,22,058	18,11,68,093
Less: Total Expenditure	16,35,50,244	14,59,38,556
<b>Profit Before Interest, Depreciation, prior period Item and Tax</b>	<b>4,22,71,814</b>	<b>3,52,29,537</b>
Less: Depreciation	2,43,06,572	2,04,17,700
Less: Interest	64,47,522	62,06,173
Less: Prior Period Items	13,235	1,50,383
<b>Profit Before Extraordinary Items and Tax</b>	<b>1,15,04,485</b>	<b>84,55,281</b>
Less: Extra-Ordinary Items	---	---
<b>Profit/(Loss) Before Tax</b>	<b>1,15,04,485</b>	<b>84,55,281</b>
Less: Tax Expense		
(a) Current Tax	18,50,000	17,69,296
(b) Deferred Tax	18,53,309	4,07,545
Less: Other Comprehensive Income	12,00,482	---
<b>Profit / (Loss) For The Year</b>	<b>66,00,694</b>	<b>62,78,440</b>

During the year under consideration the income of your Company has increased to Rs. 2,058.22 Lacs in the current year from Rs. 1,811.68 Lacs earned in the previous year. The Profit before Tax (PBT) of the Company for the current year has increased to Rs. 115.04 Lacs as against Rs. 84.55 Lacs in the previous year. Similarly the Profit after Tax (PAT) for the current year is Rs. 66.01 Lacs as compared to Rs. 62.78 Lacs earned in the previous year.

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

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

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

The Company does not have any Subsidiary, Joint Venture Company or Associate Company as on 31<sup>st</sup> March, 2019 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 31<sup>st</sup> March, 2019.

#### 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 2018-2019.

#### **7. EXTRACT OF THE ANNUAL RETURN**

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as “Annexure- A” and same is available on website of the company [www.hbgindia.com/investor-information.html](http://www.hbgindia.com/investor-information.html).

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

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

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

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

#### **10. AUDITORS AND AUDITORS' REPORT**

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

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

M/s. Chaturvedi Sohan & Co., Statutory Auditor of the Company has audited books of account of the Company for the financial year ended March 31, 2019 and have issued the Auditors' Report thereon. There are no qualifications or reservation on adverse remarks or disclaimers in the said report.

#### **11. SECRETARIAL AUDIT**

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



annexed herewith as “Annexure-C”.

## **12. DIRECTORS & KEY MANAGERIAL PERSONNEL:**

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

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

Further, the Board of Directors on recommendation of the Nomination and Remuneration Committee appointed Mr. Dev Kirit Toprani as an Additional Director (For Non-Executive & Independent Category) of the Company with effect from September 6, 2018. In terms of Section 161 of the Act, Mr. Dev Kirit Toprani holds office up to the date of ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing Mr. Dev Kirit Toprani name for the office of Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Dev Kirit Toprani as a Independent Director, for the approval by the members of the Company.

As per provisions of Section 161 of The Companies Act, 2013 and pursuant to Articles of Association of the Company Mr. Dev Kirit Toprani, will hold their office up to the ensuing Annual General Meeting, therefore the Board proposed their appointment as Independent Director of the Company at ensuing Annual General Meeting subject to approval members via. Ordinary Resolution.

During the Financial year, Mr. Pralhad Bhagwant

Desai, an Independent Director of the Company, resigned on 01st May, 2018 and Mr. Dev Kirit Toprani were appointed as Additional Independent Directors on 06th September, 2018.

Further Mr. Puspaj Ramshila Pandey was appointed as Chief Financial Officer (CFO) of the Company w.e.f. 07th January, 2019 in place of Mr. Shubham Agarwal, who resigned as CFO of the Company w.e.f. 28th September, 2018.

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

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

### **C) Formal Annual Evaluation:**

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

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

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

## **13. AUDIT COMMITTEE**

An Audit Committee is in existence in accordance with the provisions of Section 177 of the Companies Act, 2013. Kindly refer to the section on Corporate





Governance under the head, 'Audit Committee' for matters relating to constitution, meetings and functions of the Committee.

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

The Company has a vigil mechanism to deal with instances 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 the 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 and therefore, the disclosure of Related Party Transactions as required under Section 134(3) (h) of the Companies Act, 2013 in Form AOC-2 is not been furnished.

#### **21. PARTICULARS OF EMPLOYEES**

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



#### **Annexure-E.**

During the financial year 2018-2019, there were no employee in the Company whose particulars are required to be given in terms of Section 197 (12) of the Act, read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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

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

#### **23. POLICIES:**

All the policies are available on the website of the Company i.e. [www.hbgindia.com](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 31st March, 2019,

the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

- (b) that such accounting policies as (mentioned in the Notes to the financial statements) have been selected and applied consistently and judgements and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 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.

For and on behalf of the Board of Directors

**Phoenix Township Limited**

**Sd/-**

**Dr. Prafulla R. Hede**

**Chairman**

**DIN: (00651441)**

**Place: Mumbai**

**Date: 30th May, 2019**



## **ANNEXURE -A**

### **FORM NO. MGT - 9, EXTRACT OF ANNUAL RETURN** For financial year ended March 31st, 2019

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

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

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

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

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product / Service (NIC 2008)	% to total turnover of the company
1.	Hotels Operations	5510	73.32%
2.	Restaurants, bars and canteens	5520	26.68%

#### **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 (1.04.2017)				No. of Shares held at the end of the year (31.03.2018)				% 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.	6746809	0	6746809	48.25	6746809	0	6746809	48.25	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other...	381625	0	381625	2.73	381625	0	381625	2.73	0
<b>Sub-total (A) (1):-</b>	<b>9851710</b>	<b>0</b>	<b>9851710</b>	<b>70.45</b>	<b>9851710</b>	<b>0</b>	<b>9851710</b>	<b>70.45</b>	<b>0</b>
Foreign									
NRI- 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>9851710</b>	<b>0</b>	<b>9851710</b>	<b>70.45</b>	<b>9851710</b>	<b>0</b>	<b>9851710</b>	<b>70.45</b>	<b>0.00</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	71244	255800	327044	2.34	54684	255800	310484	2.22	-0.12
Overseas	0	0	0	0	0	0	0	0.00	0
b) Individuals									
Individual shareholders holding	649514	743000	1392514	9.96	709047	700200	1409247	10.08	0.12



nominal share capital upto Rs. 1 lakh									
Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2022792	164600	2187392	15.64	2032268	164600	2196868	15.71	0.07
Others (specify)									
Non residential Indian (repat)	67550	149000	216550	1.55	67950	147000	214950	1.54	-0.01
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	8050	0	8050	0.06	1	0	1	0.00	-0.06
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>2819150</b>	<b>1312400</b>	<b>4131550</b>	<b>29.54</b>	<b>2863950</b>	<b>1267600</b>	<b>4131550</b>	<b>29.54</b>	<b>0</b>
<b>Public Shareholding (B)=(B)(1) + (B)(2)</b>	<b>2819150</b>	<b>1312400</b>	<b>4132550</b>	<b>29.55</b>	<b>2863950</b>	<b>1268600</b>	<b>4132550</b>	<b>29.55</b>	<b>0</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>12670860</b>	<b>1313400</b>	<b>13984260</b>	<b>100.00</b>	<b>12715660</b>	<b>1268600</b>	<b>13984260</b>	<b>100.00</b>	<b>0.00</b>

ii) *Shareholding of Promoters*

S. No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2017)			Share holding at the end of the year (31.03.2018)			% of change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Share Pledged /encumbered to total shares	No. of Shares	% of total Shares of the company	% of Share Pledged /encumbered to total shares	
1	Dr. Prafulla Rajaram Hede	2572303	18.39	99.91	2572303	18.39	99.91	0
2	HBG Trust (Seema Arun Pawar)	381625	2.73	0	381625	2.73	0	0
3	Hede Consultancy Company Pvt. Ltd	2242880	16.04	89.17	2242880	16.04	89.17	0
4	Hede Navigation Private Limited (formerly known as Jwala Investments And Trading Pvt Ltd)	3981307	28.47	60.53	3981307	28.47	60.53	0
5	Mr. Samit Prafulla Hede	77873	0.56	0	77873	0.56	0	0
6	Star Galaxy Trades Pvt Ltd	212807	1.52	0	212807	1.52	0	0
7	Colaba Real Estate Private Limited	99115	0.71	0	99115	0.71	0	0
8	Glacier Trades Pvt Ltd	210700	1.51	0	210700	1.51	0	0
9	Mrs. Shibanee M. Harlalka	73100	0.52	0	73100	0.52	0	0



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

**There are no changes in Promoter's Shareholding.**

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

S. No.	Name of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
<b>1.</b>	<b>RATIBHAI VISHRAM SANGHANI</b>				
	At the beginning of the year	213677	1.53	213677	1.53
	Sale of shares as on 27/04/2018	-7800	0.06	205877	1.47
	Sale of shares as on 11/05/2018	-1825	0.01	204052	1.46
	Sale of shares as on 18/05/2018	-2666	0.02	201386	1.44
	Sale of shares as on 01/06/2018	-7748	0.06	193638	1.38
	Purchase of shares as on 08/06/2018	4	0.00	193642	1.38
	Sale of shares as on 22/06/2018	-984	0.01	192658	1.38
	Sale of shares as on 13/07/2018	-475	0.00	192183	1.37
	Sale of shares as on 20/07/2018	-15	0.00	192168	1.37
	Sale of shares as on 03/08/2018	-10	0.00	192158	1.37
	Sale of shares as on 29/03/2019	-1100	0.01	191058	1.37
	At the end of the year	0	0.00	191058	1.37
<b>2.</b>	<b>NIDHI PANDYA</b>				
	At the beginning of the year	206091	1.47	206091	1.47
	No Changes	0	0.00	206091	1.47
	At the end of the year	206091	1.47	206091	1.47
<b>3.</b>	<b>Top Financial Holdings Limited</b>				
	At the beginning of the year	164600	1.18	164600	1.18
	No Changes	0	0.00	164600	1.18
	At the end of the year	164600	1.18	164600	1.18
<b>4.</b>	<b>Devan Narendra Pandya</b>				
	At the beginning of the year	158533	1.13	158533	1.13
	Purchase of shares as on 04/01/2019	100	0.00	158633	1.13
	Purchase of shares as on 11/01/2019	100	0.00	158733	1.14
	At the end of the year	158733	1.14	158733	1.14



<b>5.</b>	<b>Mr. Safir Anand</b>				
	<b>At the beginning of the year</b>	<b>152967</b>	<b>1.09</b>	<b>152967</b>	<b>1.09</b>
	Purchase of shares as on 01/02/2019	450	0.00	153417	1.10
	<b>At the end of the year</b>	<b>153417</b>	<b>1.10</b>	<b>153417</b>	<b>1.10</b>
<b>6.</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>7.</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>8.</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>9.</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>10.</b>	<b>Joyce Pais</b>				
	<b>At the beginning of the year</b>	<b>99200</b>	<b>0.71</b>	<b>99200</b>	<b>0.71</b>
	No Changes	0	0	99200	0.7
	<b>At the end of the year</b>	<b>99200</b>	<b>0.71</b>	<b>99200</b>	<b>0.71</b>





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<sup>st</sup>, 2019 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	3,83,45,444	5,94,68,352	NIL	9,78,13,796
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>3,83,45,444</b>	<b>5,94,68,352</b>	<b>NIL</b>	<b>9,78,13,796</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	9,97,443	0	NIL	9,97,443
• Reduction	0	3,69,39,786		(3,69,39,786)
<b>Net Change</b>	<b>9,97,443</b>	<b>(3,69,39,786)</b>	<b>NIL</b>	<b>(3,59,42,343)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	3,93,42,887	2,25,28,566	NIL	6,18,71,453
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i + ii + iii)</b>	<b>3,93,42,887</b>	<b>2,25,28,566</b>	<b>NIL</b>	<b>6,18,71,453</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<sup>st</sup>, 2019**

(Amount in Rs.)

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

**B. Remuneration to other directors for the year ended March 31<sup>st</sup>, 2019**

Amount in Rs.)

Sr. No.	Particulars of Remuneration	Total Amount					
1.	Independent Directors	Dr. Surendra A. Dave	*Mr. Pralhad Bhagwant Desai	**Mr. Dev Kirti Toprani	Mr. Ajit Warty	Mr. Kiran N. Talchekar	
	<ul style="list-style-type: none"> <li>• Fee for attending board committee meetings</li> <li>• Commission</li> <li>• Others, please specify</li> </ul>	55,000	NIL	15,000	45,000	55,000	1,70,000
	<b>Total</b>	<b>55,000</b>	<b>NIL</b>	<b>15,000</b>	<b>45,000</b>	<b>55,000</b>	<b>1,70,000</b>

*\*Mr. Pralhad Bhagwant Desai resigned as Independent Director w.e.f. 1st May, 2018.*

*\*\* Mr. Dev Toprani was appointed as an Additional independent Director w.e.f.*

*06th September, 2018*

2.	Other Non-Executive Directors	Ms. Shibanee M. Harlalka	Dr. Prafulla R. Hede	Mr. Arun P. Pawar	Total
	<ul style="list-style-type: none"> <li>• Fee for attending board committee meetings</li> <li>• Commission</li> <li>• Others, please specify</li> </ul>	30,000	25,000	20,000	75,000
	<b>Total</b>				
	<b>Total (2)</b>	<b>30,000</b>	<b>25,000</b>	<b>20,000</b>	<b>75,000</b>

3.	Total (B)=(1+2)				2,45,000
	Total Managerial Remuneration (A+B)				26,45,000
	Overall Ceiling as per the Act				



**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD for the year ended March 31<sup>st</sup>, 2019:**

(Amount in Rs.)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		Company Secretary	Chief Financial Officer (CFO)		
		Kalpesh C. Joshi	*Mr. Shubham Agrawal	Mr. Puspriaj R. Pandey *	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961. (b) Value of perquisites u/s 17(2) Income-tax Act, 1961. (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	1,80,000	2,97,357	1,00,000	5,77,357
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify...				
5.	Others, please specify				
	<b>Total</b>	<b>1,80,000</b>	<b>2,97,357</b>	<b>1,00,000</b>	<b>5,77,357</b>

*\* Mr. Shubham Agarwal resigned as CFO of the Company w.e.f. 28<sup>th</sup> September, 2018 and in his place Mr. Puspriaj R. Pandey was appointed as CFO of the Company w.e.f. 07<sup>th</sup> January, 2019.*

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

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

**NIL**



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

**A. CONSERVATION OF ENERGY**

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

**B. TECHNOLOGY ABSORPTION**

Research and Development (R&D)

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

**C. FOREIGN EXCHANGE EARNING AND OUTGO**

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



**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2019**  
*[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies*  
*(Appointment and Remuneration Personnel) Rules, 2014]*

To,  
 The Members,  
 Phoenix Township Limited

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2019 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 31st March, 2019 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 thereunder;
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, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the company during the Audit Period)**
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; and the SEBI (Share Based Employee Benefits) Regulations 2014 **(Not applicable to the company during the Audit Period)**
  - d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the company during the Audit Period)**
  - e. 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;
  - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the company during the Audit Period)** and



- g. 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, amended from time to time.

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 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

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

**Date: 30<sup>th</sup> May, 2019**  
**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/-  
**Sonam Jain**  
Partner  
Membership No. FCS -9871  
Certificate of Practice No. 12402

Date: 30<sup>th</sup> May, 2019  
Place: Mumbai

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**ANNEXURE-E**

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

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2018-2019, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2018-2019 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 2018-2019 (Rs. in Lakhs)	% increase in Remuneration in the Financial Year 2018-2019	Ratio of remuneration of each Director/KMP to median remuneration of employees	Remuneration of KMP as % of total revenue
1.	Mr. Samit P. Hede	Managing Director	24.00	26.32	17.86	1.07%
2.	Dr. Prafulla Hede	Chairman & Non-Executive Director	NIL	NIL	NIL	NIL
3.	Mrs. Shibani M. Harlalka	Additional Director	NIL	NIL	NIL	NIL
4.	Mr. Paul David Talbot Willcox	Non-Executive Director	NIL	NIL	NIL	NIL
5.	*Mr. Shubham Agarwal	Chief Financial Officer	2.97	NIL	2.21	0.14%
6.	**Mr. Puspaj R Pandey	Chief Financial Officer	1.00	NIL	0.74	0.05%
7.	Mr. Kalpesh Joshi	Company Secretary & Compliance officer	1.80	NIL	0.91	0.09%
8.	Mr. Arun P. Pawar	Alternate Director (to Mr. Willcox)	NIL	NIL	NIL	NIL

\*Mr. Shubham Agarwal, who resigned as CFO of the Company w.e.f. 28th September, 2018.

\*\*Mr. Puspaj Ramshila Pandey was appointed as Chief Financial Officer (CFO) of the Company w.e.f. 07th January, 2019.

Note: No Director other than Managing Director received any remuneration other than sitting fees for the financial year 2018-2019.

- The median remuneration of employees of the company during the financial year was Rs. 1.34 Lacs.
- In the financial year 2018-2019, there was an increase of 33.75% in the median remuneration of employees.
- There were 100 permanent employees on the rolls of the Company as on 31st March, 2019.
- The average percentage increase in the salaries of employees other than managerial personnel was 49.24% and increase in managerial remuneration 25.56%.
- Key parameters for any variable component of remuneration availed by the directors: None
- Comparison of remuneration of the Key Managerial Personnel against the performance of the Company:-

Total Revenue (Rs. In Lakhs)	Total Remuneration of KMP's (Rs. In Lakhs)	Total Remuneration as % to Total Revenue
2058.22	29.77	01.45%

- 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 amendment made thereunder, the Directors present the Company's report on corporate governance for the year ended 31st March, 2019.

### 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 31st March, 2019 the Board consists of 9 (Nine) directors out of which 4 (four) 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 (Non-Executive Director)
2.	Mr. Samit Prafulla Hede	Managing Director (Executive Director)
3.	Mrs. Shibanee Harlalka	Woman Director (Non-Executive)
4.	Mr. Arun Pandurang Pawar	Alternate Director of Mr. Paul David Talbot Willcox
5.	Dr. Surendra Ambalal Dave	Non-Executive and Independent Director
6.	Mr. Dev Kirit Toprani	Non-Executive and Additional Independent Director
7.	Mr. Ajit Warty	Non-Executive and Independent Director
8.	Mr. Kiran Narayan Talchekar	Non-Executive and Independent Director
9.	Mr. Paul David Talbot Willcox	Non-Executive Director

#### Brief Profile of Appointee Director's:

The brief profile of appointee directors are as under:

- a. **DR. PRAFULLA. R. HEDE (80 Years)**, Chairman and Director, LMC, is an eminent industrialist with vast experience in various fields. He was a Member of the

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

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

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

- b. **MR. PAUL DAVID TALBOT WILLCOX (66 Years)**, Director, Eton College, M.A. (Hons.), Cambridge University, London Business School, "Continuing Executive Programme" He is Chairman of Eggar Forrester (Holdings) Ltd., Eggar Forrester Ltd., Douglas & Company Ltd., Eggar Forrester Sale & Purchase Ltd., C.W. Kellock & Company Ltd. He is also the Director of Eggar Bailey Futures Ltd., Wilks Shipping Co. Ltd., Vision Shipbroker Ltd., Drainsheid Ltd., Eggar Forrester Financial Services Ltd. and Seatracker Ltd.

- c. **DR. SURENDRA A. DAVE (82Years)**, Independent Director, inducted on the Board of Phoenix Township Ltd., has been former Chairman of the Unit Trust of India for several years. He was Chairman of Exim Bank of India. He was also Chairman of SEBI.

He has also functioned as Executive Director of IDBI. He is



the Chairman of Centre for Monitoring Indian Economy.

- d. **MS. SHIBANEE HARLALKA (47 Years)**, Director is a woman Director of the Company. She is a Commerce Graduate from Mumbai University; she was a Director of Phoenix Township Limited, since 14<sup>th</sup> August, 2017.

- e. **MR. ARUN P. PAWAR (68 Years)**, Alternate Director is the only alternate Director of the Company, he is BSC (Hon) Botany, Pune University and also cleared Indian Administrative Examination (IAE) in 1975 & joined Income Tax Department in 1976 and retired as Chief Commissioner of Income Tax after rendering 34 years of public service.

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

- f. **MR. AJIT WARTY (75 Years)**, an Independent Director of the Company, is a former Indian Administrative Service (Maharashtra Cadre) officer who has rendered public service for nearly 40 years. He started his career in the Corps of Engineers of the Indian Army, where he worked in the field formations as well as on staff assignments. He relinquished his commission as a Captain after being selected for Indian Administrative Service (IAS).

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

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

- g. **MR. KIRAN N. TALCHERKAR (71 Years)**, an Independent Director of the Company, is a Commerce Graduate from Mumbai University, obtained Sea training at the Sea Cadet Corp for 10 years and also represented India at the International Sea Cadet Muster in Kingston Canada which was organized by the Canadian and U.S. Navy's and is also a member of MCAClub BKC-Mumbai.

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

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

- h. **MR. DEV KIRIT TOPRANI (40 years)**, an Independent Director of the Company, is a Commerce Graduate, M.B.A, Certifications Derivatives and Mutual Fund (Advisors), Capital Market (Advisors) is a seasoned and accomplished professional with 18 years of diverse experience majorly in Banking and Financial Services. He has shown demonstrable excellence and leadership across roles encompassing Private Banking, Wealth Advisory, Client Relationship Management & Business Development.

Currently a Director at Querencia Advisors LLP Mr. Toprani's job includes empanelling with Banks and other Institutions and liaising with the clients, creating financial plans & proposals for new and existing clients.

He was appointed as an Independent Director of on the Board of the Company w.e.f. 06th September, 2018 for a term of 5 (five) consecutive years commencing from 06th September, 2018 to 05th September, 2023 subject to regularization/ appointment in ensuing Annual General Meeting.

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

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

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

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

Your Board met four times a year and the interval between any such two meetings has not been more than one hundred and twenty days. The Company Secretary under the direction of the Chairman and in consultation with Chief Financial Officer prepares the agenda along with the explanatory notes thereto and circulates it to the Directors, along with the notice of the meeting. During F.Y. 2018-2019, meetings of the Board of Directors were held on:



Sr. No.	Date of Meeting	Board Strength	No. of Directors Present
1	February 08, 2019	8	7
2	December 27, 2018	8	7
3.	November 12, 2018	8	7
4.	September 06, 2018	7	7
5.	August 06, 2018	7	6
6	May 30, 2018	7	7

Additionally a separate meeting of Independent Directors was held on 08th February, 2019.

#### ➤ 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, Auditors' Report and the Report of the Board of Directors.
- Minutes of meetings of Audit Committee and other Committees of the Board.
- The information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and Company Secretary.
- Show cause, demand, prosecution notices and penalty notices, which are materially important.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.
- Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture or collaboration agreement.
- Transactions that involve substantial payment towards goodwill, brand equity, or intellectual property.
- Significant labour problems and their proposed solutions. Any significant development in Human Resources / Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Sale of material, nature of investments, subsidiaries, assets

which is not in normal course of business.

- Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders service, such as non-payment of dividend, delay in share transfer etc.
- Appointment, remuneration and resignation of Directors.
- Formation / Reconstitution of Board Committees.
- Terms of reference of Board Committees.
- Declaration of Independent Directors at the time of appointment / annually disclosure of Directors' interest and their shareholding.
- Appointment or removal of the Key Managerial Personnel (KMP) and officers one level below KMP.
- Appointment and fixing of remuneration of the Auditors as recommended by the Audit Committee.
- Appointment of internal auditor and secretarial auditor.
- Quarterly, half yearly and annual financial statements or financial results as the case may be, and the Board's Report.
- Significant changes in accounting policies and internal controls.
- Statement of significant transactions, related party transactions by unlisted subsidiary companies.
- Dividend declaration.
- Audit findings and Audit Reports (through the Audit Committee).
- Annual Secretarial Audit report submitted by Secretarial Auditors.
- Making loans and investment of surplus funds.
- Buy, sell investments held by the Company (other than trade investments), constituting five per cent or more of the paid up share capital and free reserves of the investee company.
- Making political contributions.
- Issue of securities including debentures.
- Buy back of securities.
- Borrowing of monies, giving guarantees or providing security in respect of loan.
- Diversify the business of the Company.
- Approve amalgamation, merger or reconstruction.
- Takeover a company or acquire a controlling or substantial stake in another company.
- Status of business risk exposures, its management and related action plans.
- Compliance Certificate certifying compliance with all laws as applicable to the Company.
- Reconciliation of share capital audit report under SEBI (Depositories and Participants) Regulations, 1996.
- **Attendance of Directors at board meetings, last annual general meeting (AGM) and number of directorships and chairmanships / memberships of Committees of each Director in other Companies:**



Name of the Director	Attendance			Directorship in Other Companies/ Membership/ Chairmanship Mandatory Committees			
	No. of Board Meeting held *	Board Meeting attended	Last AGM	Directorship in Public	Directorship in Private	Membership Mandatory Committees	Chairmanship Mandatory Committees
Dr. Prafulla R. Hede	6	5	Yes	1	6	0	0
Dr. Surendra A. Dave	6	6	Yes	1	3	2	1
Mr. Samit P. Hede	6	6	Yes	1	4	0	0
Mrs. Shibanee M. Harlalka	6	6	Yes	0	2	0	0
Mr. Paul David Talbot Willcox	6	0	No	0	0	0	0
Mr. Ajit Warty	6	5	Yes	1	1	4	0
Mr. Arun P. Pawar	6	4	No	1	0	0	0
Mr. Kiran N. Talchekar	6	6	Yes	0	1	0	0
*Mr. Dev Kirit Toprani	3	2	NA	0	0	0	0
**Mr. Pralhad Bhagwant Desai	0	0	NA	0	0	0	0

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

\*\*Mr. Pralhad Bhagwant Desai, an Independent Director of the Company was resigned w.e.f. 01st May, 2018.

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

\*Mr. Dev Kirit Toprani was appointed as Additional Independent Director w.e.f. 06th September, 2018, on the Board of the Company.

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

Sr. No.	Name of the Directors	Name of listed entities in which the concerned Director is a Director	Category of Directorship
1.	Dr. Prafulla R. Hede (Chairman) (DIN: 00651441)	---	---
2.	Mr. Samit P. Hede (Managing Director) (DIN : 01411689)	---	---
3.	Mrs. Shibanee M. Harlalka (DIN : 00507607)	---	---
4.	Mr. Paul David Talbot Willcox (DIN : 01862872)	---	---
5.	Dr. Surendra A. Dave (DIN : 00001480)	Deccan Cements Limited	Non-Executive-Independent Director
6.	Mr. Ajit Warty (DIN : 00051463)	---	---
7.	Mr. Arun P. Pawar (DIN : 03628719)	Kalyani Steels Limited	Non-Executive-Independent Director
8.	Mr. Kiran N. Talchekar (DIN : 00393180)	---	---
9.	Mr. Dev Kirit Toprani (DIN : 07969034)	---	---



• **Board Skills / Expertise /Competencies Matrix identified by Board of Directors of the Company:**

The following is the list of core skills / expertise /competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

Skill Area	Description	Importance of Skill (essential, desirable, able to rely on external advice)
Knowledge on Company's businesses	Policies and culture (including The mission, vision and values) major risks /threats And potential opportunities and knowledge of the Industry in which the company operates	Desirable
Strategy	Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making,	Essential
Board experience	Experience as a director of a company, preferably of a listed company, and an understanding of compliance requirements, including reporting and shareholder meeting requirements	Essential
Finance & Taxation	Qualifications and experience in accounting or finance & Taxation and the ability to: <ul style="list-style-type: none"> <li>Analyse key financial statements;</li> <li>Extensive knowledge of tax laws and regulations.</li> <li>Critically assess financial viability and performance;</li> <li>Familiarity with all business structures and various tax rates.</li> <li>Contribute to strategic financial planning;</li> </ul>	Essential

• **Shareholding of Directors in the Company as on 31st March, 2019.**

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

• **Appointment/reappointment of Directors**

During the Financial year Mr. Pralhad Bhagwant Desai, an Independent Director of the Company was resigned on 01st May, 2018 and Mr. Dev Kirit Toprani were appointed as Additional Independent Director on 06th September, 2018.

• **Familiarization Programme for Independent Directors**

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

**BOARD COMMITTEES**

The Company is having three Board Committees as given below

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

\*As on 27th December 2018, Mr. Dev Kirit Toprani was appointed as Committee Member in Audit Committee (ACM) and Nomination and Remuneration Committee (NRCM) and Stakeholders' Relationship Committee (SRC)

**Terms of Reference and other details of Board Committees****I AUDIT COMMITTEE****Composition:**

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

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, 2019 as on:

- February 08, 2019
- December 27, 2018
- November 12, 2018
- August 06, 2018
- May 30, 2018

Attendance details of the members:

Name of the Committee Member	No. of meetings	
	Held	Attended
Dr. Surendra A. Dave	5	5
Mr. Ajit Warty	5	4
Mr. Kiran N. Talchekar	5	5
Mr. Dev Kirit Toprani	2	1

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

## II. NOMINATION AND REMUNERATION COMMITTEE

#### Composition:

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

Two meeting of the Committee was held during the year on September 06, 2018 and December 27, 2018.

Name of the Committee Member	No. of meetings	
	Held	Attended
Mr. Surendra A. Dave	2	2
Mr. Ajit Warty	2	1
Mr. Kiran Talchekar	2	2
Mr. Dev Kirit Toprani	*1	0

\* Mr. Dev Kirit Toprani was appointed as committee member as on 27th December, 2018.

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

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

Sr. No.	Name of Director	Salary (Rs.)	Sitting Fees (Rs.)	Total (Rs.)
1.	Dr. Prafulla R. Hede	-	25,000	25,000
2.	Dr. Surendra A. Dave	-	55,000	55,000
3.	Mr. Samit P. Hede	24,00,000	-	24,00,000
4.	Mrs. Shibanee M. Harlalka	-	30,000	30,000
5.	Mr. Paul David Talbot Willcox	-	-	-
6.	Mr. Arun P. Pawar	-	20,000	20,000
7.	Mr. Ajit Warty	-	45,000	45,000
8.	Mr. Kiran N. Talchekar	-	55,000	55,000
9.	Mr. Dev Kirit Toprani	-	15,000	15,000
	<b>Total</b>	<b>24,00,000</b>	<b>2,45,000</b>	<b>26,45,000</b>





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

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

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

#### Terms of reference:

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

- 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 on February 08, 2019.

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

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

#### Compliance Officer:

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

Mr. Kalpesh C. Joshi  
Company secretary & Compliance Officer  
Phoenix Township Limited  
Balaji Bhavan, 2nd Floor, 14, BEST Marg,  
Colaba, Mumbai- 400 001

Tel No.: (91-22) 6159 0900 I Fax No.: (91-22) 2202 8212  
E-mail: [compliance@hbgingdia.com](mailto:compliance@hbgingdia.com)

#### Complaints Status:

During the financial year 2018-2019, the Company did not receive any complaints from shareholders.

#### CODE OF CONDUCT

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

#### Declaration

I hereby confirm that the Company has obtained from all the members of the Board and senior management personnel, affirmation that they have complied with the Code of Conduct for directors and senior managerial personnel in respect of the financial year ended 31st March, 2019.

Sd/-  
**Samit Hede**  
Managing Director  
Mumbai. May 30<sup>th</sup>, 2019

#### OTHER DISCLOSURES

None of the transactions with any of the related parties was 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 Annexure IV to 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.hbgingdia.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 thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website [www.hbgindia.com](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 – [complaince@hbgindia.com](mailto:complaince@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 2018-2019 has been paid to the concerned Stock Exchanges.

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

- The Company has complied with all the mandatory requirements of the Listing Regulations. The Company has also fulfilled the following discretionary requirements as provided in the Listing Regulations:
  - a) The Chairman of the Board is a Non-Executive Director and his position is separate from that of the Managing Director & CEO.
  - b) The Internal Auditor reports to the Audit Committee.
- Details of non-compliance, penalties and strictures imposed on the Company by the Stock Exchange/SEBI/Statutory Authorities on matter relating to capital market during the last three years.
- The Company has complied with the requirements of regulatory authorities on capital market and no penalties/strictures have been imposed against it in the last three years.
- The Company has followed all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 while preparing Financial Statements for 2018-19.
- Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part is given below:



Payment to Statutory Auditors	FY 2018-19
Audit Fees	1,00,000
Tax Audit Fees	NIL
Other Services	NIL
Reimbursement of expenses	NIL
<b>Total</b>	<b>1,00,000</b>

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

Number of complaints filed during the financial year 2018-19	NIL
Number of complaints disposed off during the financial year 2018-19	NIL
Number of complaints pending as on end of the financial year.	NIL

- Insider Trading Regulations :

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

- Certificate on Non-Disqualification Of Directors :

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

## GENERAL SHAREHOLDERS INFORMATION

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

Financial Year	Date	Time	Venue
2017-18	06/08/2018	3.00 P.M	Phoenix Park Inn Resort, Sequera Vado, Candolim, Goa - 403 515.
2016-17	07/08/2017	4.00 P.M	Phoenix Park Inn Resort, Sequera Vado, Candolim, Goa - 403515.
2015-16	11/08/2016	4.30 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 06, 2018

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

#### Annual General Meeting held on August 07, 2017

- No Special Resolution was passed.

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

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

### 2. Company Registration Details:

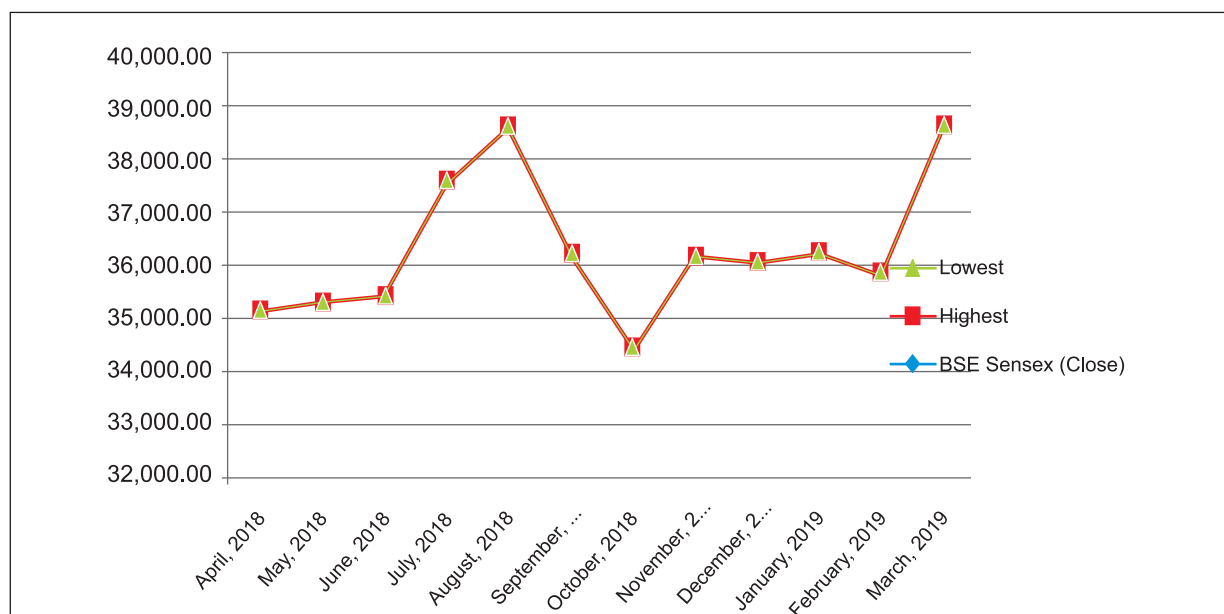
The Company is registered in the State of Goa, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L67190GA1993PLC001327.



<b>Annual General Meeting Day, Date, Time &amp; Venue</b>	Saturday, 10th August, 2019 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, 2019</b> - Second week of August, 2019 <b>September 30, 2019</b> - Second week of November, 2019 <b>December 31, 2019</b> - Second week of February, 2020 <b>March 31, 2020</b> - Last week of May, 2020. <b>Dividend Payment Date</b> - Not Applicable
<b>Date of Book closure</b>	From 04 <sup>th</sup> August, 2019 to 10 <sup>th</sup> August, 2019 (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 & Closing & BSE Sensex during each month in the year 2018-2019

Month	Market Price Per Share (Rs.) (BSE)					
	BSE Sensex (Close)	Highest	Lowest	Closing	No. of Shares	Total Turnover (Rs.)
April, 2018	35,160.36	18.05	14.30	16.80	45,290	7,22,806
May, 2018	35,322.38	17.55	15.7	17.20	25,806	4,21,722
June, 2018	35,423.48	17.95	14.80	15.35	5,198	82,702
July, 2018	37,606.58	18.20	13.90	16.60	1,747	27,164
August, 2018	38,645.07	17.25	15.20	17.00	1,664	27,896
September, 2018	36,227.14	17.85	15.70	15.70	1,067	17,279
October, 2018	34,442.05	15.40	11.55	12.45	12,271	1,59,404
November, 2018	36,194.30	13.50	11.50	11.59	15,981	1,94,958
December, 2018	36,068.33	13.50	11.59	12.50	11,700	1,41,310
January, 2019	36,256.69	13.10	11.50	12.75	4,238	51,289
February, 2019	35,867.44	15.96	12.75	14.65	3,220	46,263
March, 2019	38,672.91	14.95	13.92	14.50	5,185	74,349



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

No. of shares	No. of shareholders	% of shareholders	No. of shares held	Amount (In Rs.)	% of shareholding
1 - 500	760	47.99	168340	16,83,400	1.20
501 - 1000	341	21.66	306699	30,66,990	2.19
1001 - 2000	281	17.85	498069	49,80,690	3.56
2001 - 3000	39	02.48	101659	10,16,590	0.73
3001 - 4000	46	02.92	173016	17,30,160	1.24
4001 - 5000	18	01.14	86867	8,68,670	0.62
5001 - 10000	31	01.97	231435	23,14,350	1.65
Over 10000	58	03.69	12418175	12,41,81,750	88.80
<b>Total</b>	<b>1,574</b>	<b>100</b>	<b>13984260</b>	<b>13,98,42,600</b>	<b>100</b>

#### 5. Shareholding Pattern (Category of Shareholders) as on March 31, 2019:

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	98,51,710	70.45
	(2) Foreign	0	0
	<b>Total Shareholding of Promoter and Promoter Group</b>	<b>98,51,710</b>	<b>70.45</b>
<b>(B)</b>	<b>Public shareholding</b>		
	(1) Institutions	1000	0.01
	(2) Non-institutions	41,31,550	29.54
	<b>Total Public Shareholding</b>	<b>41,32,550</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>1,39,84,260</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.

## 2. Dematerialization of Shares and Liquidity as on March 31, 2019

Category	No. of Shares held	No. of Shareholders	% of Total Shareholding
Shares held in Demat Form	855	1,27,15,660	90.93
Shares held in Physical Form	719	12,68,600	09.07
<b>TOTAL</b>	<b>1,574</b>	<b>1,39,84,260</b>	<b>100.00</b>

## COMPLIANCE CERTIFICATE OF THE AUDITORS:

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

## ANNEXURE-D

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

#### Introduction:

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

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

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

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

#### Effective Date:

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

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



## Definitions

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

## Applicability

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

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

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

## SECRETARY:

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

## RECOMMENDATIONS TO BE MADE BY NRC,

### The Committee shall:

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

## APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

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

### Term / Tenure:

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

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No



re-appointment shall be made earlier than one year before the expiry of term.

## 2. Independent Director:

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

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

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

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

### • Evaluation:

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

### • Performance Evaluation Criteria of Independent Directors:

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

### • Removal:

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

compliance of the said Act, rules and regulations.

### • Retirement:

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

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

### • General:

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

1. The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Companies Act, 2013, and the rules made thereunder.
2. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
3. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

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

#### 1. Fixed pay:

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





pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders, wherever required.

## 2. Minimum Remuneration:

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

## 3. Provisions for excess remuneration:

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

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

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

### 1. Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Companies Act, 2013 and the rules made thereunder. And all the fees or compensation to be paid to non-executive directors shall require approval of the Shareholders in General Meeting except the payment of sitting fees.

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

### 2. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed Rs. Five Thousand per meeting of the Board and Rs. Five Thousand per meeting of the Committee (Excluding Stakeholder Relationship Committee and Nomination and Remuneration

Committee) but not exceeding such amount as may be prescribed by the Companies Act and rules made thereunder from time to time.

## 3. Commission:

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

## 4. Stock Options:

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

## AMENDMENTS TO THE POLICY:

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

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

To,

The Board of Directors

**Phoenix Township Limited**

We have examined the compliance of conditions of corporate governance by Phoenix Township Limited, ('the Company'), for the year ended on 31st March, 2019, as stipulated in Chapter IV SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

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

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

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

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

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

**Place: Mumbai**  
**Date: 30<sup>th</sup> May, 2019**



## 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, 2019 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, 2019 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:** 30<sup>th</sup> May, 2019 **Samit P. Hede** **Puspraj R Pandey**  
**Place:** Mumbai **Managing Director** **CFO (KMP)**

## MANAGEMENT DISCUSSION AND ANALYSIS

This Management Discussion and Analysis Report (MDA), presents an overview of the operational and financial performance of the Company during 2018-19. It also highlights our strategy, and discusses important initiatives taken by it to achieve its growth and performance objectives.

### INDIAN HOTEL INDUSTRY OVERVIEW:

India continued to build its lead as one of the fastest growing large economies in the world during F.Y. 2018-19. Recent estimates as per the Central Statistical Office pegged GDP growth for FY 2018-19 at 7% led by government expenditure on roads and affordable housing, strong gross capital formation and improved exports. A moderate, but resilient private consumption and steady construction activity remain enablers to this growth (Source: Monetary Policy Committee of RBI, April 2019). Domestic consumption is expected to grow into a \$6 trillion opportunity by 2030 (Source: WEF Future of Consumption in Fast-Growth Consumer Markets: India, January 2019). Healthy savings by Indian households (22% of their income), higher proportion of young, working population and policy reforms are the long-term drivers for India's economic growth in future.

The Indian tourism and hospitality industry has emerged as one of the key drivers of growth among the services sector in India. Tourism in India has significant potential considering the rich cultural and historical heritage, variety in ecology, terrains and places of natural beauty spread across the country. Tourism is also a potentially large employment generator besides being a significant source of foreign exchange for the country. During 2018, FEEs from tourism increased 4.70 per cent\* year-on-year to US\$ 28.59 billion. FEEs during January 2019 were US\$ 2.55 billion.

India is the most digitally-advanced traveler nation in terms of digital tools being used for planning, booking and experiencing a journey, India's rising middle class and increasing disposable incomes has continued to support the



growth of domestic and outbound tourism.

During 2018, foreign tourist arrivals (FTAs) in India stood at 10.56 million, achieving a growth rate of 5.20 per cent year-on-year. FTAs in January 2019 stood at 1.10 million, up 5.30 per cent compared to 1.05 million year-on-year.

The travel & tourism sector in India accounted for 8 per cent of the total employment opportunities generated in the country in 2017, providing employment to around 41.6 million people during the same year. The number is expected to rise by 2 per cent annum to 52.3 million jobs by 2028.

International hotel chains are increasing their presence in the country, as it will account for around 47 per cent share in the Tourism & Hospitality sector of India by 2020 & 50 per cent by 2022.

India's travel and tourism industry has huge growth potential therefor the Indian government has also taken several steps to make India a global tourism hub. In Order 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 and tourism industry has the potential to expand by 2.5 per cent on the back of higher budgetary allocation and low cost healthcare facility, according to a joint study conducted by ASSOCHAM and Yes Bank.

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:**

Total contribution by travel and tourism sector to India's GDP is expected to increase from Rs 15.24 trillion (US\$ 234.03 billion) in 2017 to Rs 32.05 trillion (US\$ 492.21 billion) in 2018. India was ranked 7th among 184 countries in terms of travel & tourism's total contribution to GDP in 2017. Travel and tourism is the third largest foreign exchange earner for India. During 2018, FEEs from tourism increased 4.70 per cent year-on-year to US\$ 28.59 billion. Foreign Tourist Arrivals (FTAs) increased 5.20 per cent year-on-year to 10.56 million in the same period. Foreign tourist arrivals for medical purpose increased from 427,014 in 2016 to 495,056 in 2017(P). During 2018, arrivals through e-tourist visa increased 39.60 per cent year-on-year to 2.37 million. During January 2019, arrivals through e-tourist visa increased by 21.10 per cent year-on-year to 0.29 million.

As of 2017-18, 81.1 million people are employed in the tourism sector in India which was 12.38 per cent of total employment in the country. The Government of India has set a target of 20 million foreign tourist arrivals (FTAs) by 2020 and double the foreign exchange earnings as well.

The launch of several branding and marketing initiatives by the Government of India such as 'Incredible India!' and 'Athiti Devo Bhava' has provided a focused impetus to growth. The Indian government has also released a fresh category of visa -

the medical visa or M visa, to encourage medical tourism in the country. Incredible India 2.0 campaign was launched in September 2017. In September 2018, the Indian government launched the 'Incredible India Mobile App' to assist the traveler to India and showcase major experiences for travelling. The Government of India is working to achieve one per cent share in world's international tourist arrivals by 2020 and two per cent share by 2025.

#### **COMPANY OVERVIEW:**

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

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

#### **OUTLOOK:**

India is expected to lean towards domestic factors to drive its progress owing to a weak global economic environment. In FY 2019-20, India's economy is likely to grow by 7.2% (Source: RBI). The country's GDP growth will primarily be driven by continued momentum in private investment, as well as gross capital formation, growth in bank credit and strong financial flows to the commercial sector. Normal monsoon and lower oil prices will also augur well for the economy. However, India has been witnessing some downside on the domestic front since April 2019.

The macro economic outlook for 2019-20 has improved considerably for the global as well as the Indian economy, unless core inflation rises prompting the RBI to increase its repo rates, the Company has an environment of steady economic growth in 2019-20. The overall business and consumer sentiment, therefore, is likely to be positive over the next 12-15 months. If so, it augurs well for the travel and tourism sector.

We have registered a creditable performance in 2018-19. Company has kept customer satisfaction was at an all-time high. Equally important, it has taken significant strides towards building a complete experience ecosystem as well as strengthening its brand proposition with a content and



delivery strategy in tune with the changing times.

We believe that there is considerable room for growth of hospitality industries in India. It is a leading player in the leisure hospitality industry, and the differentiation that it has achieved has improved its competitive position in the market. In addition, it has a strong Balance Sheet with resources at its disposal to drive growth. This should hold the Company in good stead and allow it to benefit from emerging opportunities. And accordingly the management believes that Company will be able to achieve better growth in the future.

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

During the year under consideration the income of your Company has increased to Rs. 2,058.22 Lacs in the current year from Rs. 1,811.68 Lacs earned in the previous year. The Profit before Tax (PBT) of the Company for the current year has increased to Rs. 115.04 Lacs as against Rs. 84.55 Lacs in the previous year. Similarly the Profit after Tax (PAT) for the current year is Rs. 66.01 Lacs as compared to Rs. 62.78 Lacs 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 operating income.

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

Debtors Turnover: Decreased by 30.02%

Inventory Turnover: Decreased by 34.97%

Interest Coverage Ratio: Decreased by 15.15%

Current Ratio: Decreased by 8.49%

Debt Equity Ratio: Decreased by 27.75%

Operating Profit Margin (%): Decreased by 0.49%

Net Profit Margin (%): Increased by 19.77%

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

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

There has been an enhancement in return to net worth by 0.74 times to 04.59 times for the FY19 compared to 03.85 times for the FY 18 due to increase in return by more than 24.26% to 78.01 Lakhs for FY19 from Rs. 62.78 Lakhs for FY18.

#### **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.

The Indian hotel industry is expected to report a strong topline growth of 10-11 per cent (as against ICRA's expectations of 8.5% Plus) during F.Y. 2019, aided by 5-6 per cent growth in RevPAR and increasing F & B (and MICE) income. This compares favorably with the 2.5 per cent reported growth (and 4% adjusted growth for renovation/closures) during F.Y. 2018.

The demand for room is expected to continue to grow by about 8-9 per cent Y-o-Y over the medium term, led by increasing domestic travel, buoyant MICE activity and higher FTAs, despite immediate term headwinds from global geopolitical concerns and increasing local airfare. This aided by a low supply pipeline and robust domestic travel, will result in an estimated F.Y. 2019 RevPAR growth of 5-6 per cent growth. The RevPAR improvement is likely to be driven by uptick in both ARR and occupancy. Also, the RevPAR for F.Y. 2019 is likely to be the highest since F.Y. 2012.

Goa still maintains its position as India's No.1 leisure destination and it continued to exhibit growth witnessing the highest average room rates of Rs 7,844 per night during F.Y. 2018, 4.1 per cent higher than the previous fiscal, surpassing the rate leader of India for the past 5 years – Mumbai. Occupancy rates reached 72.1 per cent during the year leading the RevPARs to witness an increase of about 5.1 per cent y-o-y. However, Goa continues to face competition from beach destinations in South and Southeast Asia. The up-tick in the occupancy can be attributed to the increased domestic travel and the booming MICE and wedding business. Also, room demand was further supported by large-scale annual events such as the International Film Festival of India (IFFI) and the Serendipity Arts Festival.

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

The company has made units investments at Poovar Island, Kulahtoor Village, Taluka Neyyatinkara, District



Thiruvananthapuram and also brought a running hotel in the Canaona, Palolliem, South Goa, India named Castle House, 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 of management was the key word for the Company this year. Recruitment process has been strengthened to ensure higher competence levels. During the year, the Company successfully inducted people to meet the needs of the growing business, both from outside as well as through talent management and capability development initiatives aimed at development of existing employees. The employee strength is 100 as on 31<sup>st</sup> March, 2019.

#### **CAUTIONARY STATEMENT:**

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

#### **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

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

To,  
**Members of**  
**PHOENIX TOWNSHIP LIMITED**  
Durga Bhavan, Hede Centre,  
Tonca, Panaji Goa - 403001.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **PHOENIX TOWNSHIP LIMITED** having L67190GA1993PLC001327 and having registered office at Durga Bhavan, Hede Centre Tonca, Panaji GOA GA 403001, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

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

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

**Place: Mumbai**  
**Date: 30/05/2019**

**For Kothari H. & Associates**  
**Company Secretaries**  
**Sd/-**  
**Sonam Jain**  
**(Partner)**  
**Membership No.: 9871**  
**CP No.: 12402**



## INDEPENDENT AUDITOR'S REPORT

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

#### **Opinion**

We have audited the accompanying financial statements of **Phoenix Township Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, read with Key Audit Matters, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("IndAS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **Key Audit Matters**

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

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

Key Audit matter	How our audit addressed the key audit matter
<p>1. Management has classified trade receivable of Rs 197.60 Doubtful for recovery but no provision for ECL has been made during financial year 2018-19.</p> <p>As per management the same amount is under negotiation between the parties and management is hopeful for recovery.</p>	<p>Our procedures included, but were not limited to the following:</p> <ul style="list-style-type: none"> <li>• Obtained an understanding of management's process and evaluated design and tested operating effectiveness of controls around identification of indicators of impairment under Ind AS.</li> <li>• Assessed the appropriateness of methodology and valuation model used by the management to estimate the recoverable value of Trade Receivable and Advances;</li> <li>• Assessed the professional competence, objectivity and capabilities of the valuation specialist engaged by the management;</li> <li>• Assessed the reasonableness of assumptions relating to revenue growth rate, gross margins, discount rates etc. based on historical results, current developments and future plans of the business estimated by management using expertise of our valuation specialist on required parameters;</li> <li>• Assessed cash flow forecasts to ensure consistency with current operations of the Company and performed sensitivity analysis on key assumptions used in management's calculated recoverable value.</li> </ul>

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

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, Management discussion & Analysis and Business responsibility report, but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.



• If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

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

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

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

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

### **Auditor's Responsibility for the Audit of the Financial Statements**

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

- Identify and assess the risks of material misstatement of

the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

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

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

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical



requirements regarding independence, and to communicate with them and all their relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India, in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Ind-AS specified under Section 133 of the Act, except Ind-AS 109 financial instrument regarding non provision of Expected Credit Loss (ECL) on doubtful debtors and advances.
  - e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy

and operating effectiveness of the Company's internal financial controls over financial reporting. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
  - i) As per information and explanation given to us Company does not have any pending litigations which would impact its financial position.
  - ii) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
  - iii) There were no amount required to be transferred, to the Investor Education and Protection Fund by the Company during the year.

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

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

**Place: Mumbai**  
**Date: 30th May, 2019**





**“Annexure A” to the Independent Auditor's Report of even date on the Financial Statement of Phoenix Township Limited**

**Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31st, 2019:**

- 1)
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of all fixed assets.
  - (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
  - (c) The title deeds of immovable properties (which are included under the Note 2 - 'Property, plant and equipment') are held in the name of the Company.
- 2) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year. No material discrepancies were noticed on the aforesaid verification.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and securities.
- 5) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- 6) In pursuant to the rules made by the Central Government of India the company is required to maintain cost records as specified under section 148(1) of the act.
- 7) a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Goods and Services Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2019 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanation given to us, there are no dues in respect of income tax, goods and services tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) According to the records of the company examined by us and the information and explanation given to us, the company has not defaulted in repayment of loans or borrowings to any financial institution or bank as at balance sheet date.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act.
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence



reporting under clause 3 (xiv) of the Order is not applicable to the Company.

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

**For Chaturvedi Sohan & co.**

**Chartered Accountants**

**Firm Registration No: 118424W**

**Sd/-**

**Devanand Chaturvedi**

**Partner**

**Membership No. 041898**

**Place: Mumbai**

**Date: 30th May, 2019**

**“Annexure B” to the Independent Auditor's Report of even date on the Financial Statements of Phoenix Township Limited**

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

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2019 we have audited the internal financial controls over financial reporting of **Phoenix Township Limited**. (“the Company”) which is a Company incorporated in India, as of that date.

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

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

**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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company has, in all material respects, an

adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Chaturvedi Sohan & co.**

**Chartered Accountants**

**Firm Registration No: 118424W**

**Sd/-**

**Devanand Chaturvedi**

**Partner**

**Membership No. 041898**

**Place: Mumbai**

**Date: 30th May, 2019**



## Balance Sheet as at March 31, 2019

(Rs. in Lacs)

Particulars	Notes No.	As at March 31, 2019	As at March 31, 2018
<b>I. ASSETS</b>			
<b><u>I. Non-current assets</u></b>			
Property, Plant and Equipment	2	2,659.61	2,352.80
Intangible Assets	3	29.41	39.21
Financial Assets		-	-
Non Current Investments	4	94.34	94.98
Other financial assets	5	143.59	128.00
Other non-current assets	6	535.81	1,005.31
<b><u>Total Non-current assets</u></b>		<b>3,462.76</b>	<b>3,620.30</b>
<b><u>II. Current Assets</u></b>			
Inventories	7	8.63	11.68
<b><u>Financial Assets</u></b>			
Trade receivables	8	198.10	249.18
Current Investments	9	63.50	48.00
Cash and cash equivalent	10	41.82	19.38
Bank Balances other than cash & cash equivalent	11	3.92	11.09
Other Financial assets	12	-	-
Other Current assets	13	16.17	25.01
<b><u>Total Current assets</u></b>		<b>332.13</b>	<b>364.34</b>
<b><u>Total Assets</u></b>		<b>3,794.90</b>	<b>3,984.64</b>
<b>II. EQUITY AND LIABILITIES</b>			
<b><u>EQUITY</u></b>			
Share capital	14	2,168.09	2,168.09
Other Equity	15	301.74	235.72
		<b>2,469.82</b>	<b>2,403.81</b>
<b><u>LIABILITIES</u></b>			
<b><u>Non-current liabilities</u></b>			
Deferred tax liabilities (net)	16	164.97	146.43
Other financial liabilities	17	565.29	837.31
<b><u>Total non-current liabilities</u></b>		<b>730.26</b>	<b>983.74</b>
<b><u>Current Liabilities</u></b>			
<b><u>Financial Liabilities</u></b>			
Current Borrowings	18	57.63	145.18
Trade payables	19	329.48	294.47
Other current liabilities	20	120.26	94.38
Provisions	21	87.45	63.06
<b><u>Total current liabilities</u></b>		<b>594.81</b>	<b>517.98</b>
<b><u>Total equity and liabilities</u></b>		<b>3,794.90</b>	<b>3,984.64</b>

The accompanying notes form an integral part of the financial statements

As per our report of even date attached

Chaturvedi Sohan & Co

Chartered Accountants

Firm Registration No : 118424W

For and on behalf of the Board

Sd/-  
Devanand Chaturvedi  
Partner  
Membership No. 041898

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

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

Place: Mumbai  
Date: 30th May, 2019

Sd/-  
Puspraj Pandey  
Chief Financial Officer

Sd/-  
Kalpesh Joshi  
Company Secretary



**Statement of Profit and Loss**  
For the period Ended March 31, 2019

(Rs. in Lacs)

Particulars	Note No.	Year ended March 31, 2019	Year ended March 31, 2018
<b>INCOME</b>			
Revenue from operations	22	2,003.86	1,780.45
Other income	23	54.36	31.23
<b>Total income</b>		<b>2,058.22</b>	<b>1,811.68</b>
<b>EXPENSES</b>			
Cost of Operations	24	627.36	546.03
Changes in inventories of finished goods, work in process and stock in trade	25	-	-
Employee benefits expense	26	351.72	304.38
Finance costs	27	64.48	62.06
Depreciation and amortisation expense	28	243.07	204.16
Other expenses	29	656.55	610.50
<b>Total expenses</b>		<b>1,943.18</b>	<b>1,727.13</b>
<b>Profit / (Loss) before tax</b>		<b>115.04</b>	<b>84.55</b>
<b>Less : Tax expenses</b>			
-Current tax	30	18.50	17.31
-Short / (excess) provision of earlier years		-	0.39
-Deferred tax		18.53	4.07
<b>Total tax expense</b>		<b>37.03</b>	<b>21.77</b>
<b>Profit / (Loss) for the year</b>		<b>78.01</b>	<b>62.78</b>
Other Comprehensive Income			
<u>Items that will not be reclassified subsequently to profit or loss</u>			
Remeasurement of employee defined benefit obligation		12.00	-
Income tax relating to items that will not be reclassified to profit or loss		-	-
		<b>12.00</b>	<b>-</b>
<b>Total comprehensive income for the year</b>		<b>66.01</b>	<b>62.78</b>
<b>Earnings per equity share</b>	31		
Nominal value of share Rs. 10 : Basic		0.56	0.45
: Diluted		0.56	0.45

*The accompanying notes form an integral part of the financial statements*

As per our report of even date attached

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

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

**For and on behalf of the Board**

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

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

Place: Mumbai  
Date: 30th May, 2019

Sd/-  
**Puspraj Pandey**  
Chief Financial Officer

Sd/-  
**Kalpesh Joshi**  
Company Secretary



**Cash Flow Statement**  
For the year Ended March 31, 2019

(Rs. in Lacs)

Particulars	As at March 31, 2019	As at March 31, 2018
<b>Operating activities</b>		
Net Profit / (Loss) before Tax	115.04	84.55
<b>Adjustments to reconcile profit before tax to net cash inflow operation activities</b>		
Finance Cost	64.48	62.06
Depreciation	243.07	204.16
Unrealised Income on Mutual Fund	0.10	-
Provision for Doubtful Debts	-	-
Interest Income	(1.25)	(1.19)
Loss / (Profit) on sale of non-current investments	(2.13)	-
Credit Balance Written Back (Net)	-	-
	<b>419.30</b>	<b>349.58</b>
<b>Working capital adjustments:-</b>		
(Increase) / Decrease in Inventories	3.05	(0.42)
(Increase) / Decrease in Other Loans and advances	(15.59)	0.79
(Increase) / Decrease in Other current assets	478.34	(370.27)
(Increase) / Decrease in Trade and other Receivables	51.08	94.51
(Increase) / Decrease in Provision	24.39	1.94
(Increase) / Decrease in Trade Payables	35.01	82.91
Increase / (Decrease) in Other Current Liabilities & Provisions	25.88	(94.65)
	<b>1,021.46</b>	<b>64.39</b>
Income taxes paid	-	-
<b>Net cash flow from operating activities</b>	<b>1,021.46</b>	<b>64.39</b>
<b>Investing activities</b>		
Purchase of proper, plant and equipment	(564.95)	(92.16.)
(Increase) / Decrease in fixed deposit	(0.64)	-
(Purchase) / Sale of Investments	(15.50)	(48.00)
Interest Income	(1.25)	(1.19)
<b>Net cash flow used in investing activities</b>	<b>(582.34)</b>	<b>(141.35)</b>
<b>Financing activities</b>		
Dividend Paid	-	-
Short Term Borrowings	(359.37)	138.56
Interest Paid	(64.48)	(62.06)
<b>Net cash flow from financing activities</b>	<b>(423.85)</b>	<b>(76.50)</b>
<b>Increase in cash and cash equivalents</b>	<b>15.27</b>	<b>(0.46)</b>
Cash and cash equivalents at the beginning of the year (Note 10)	30.47	30.93
Cash and cash equivalents at the end of the year (Note 10)	<b>45.74</b>	<b>30.47</b>

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

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

As per our report of even date attached

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

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

Place: Mumbai  
Date: 30th May, 2019

For and on behalf of the Board

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

Sd/-  
**Puspraj Pandey**  
Chief Financial Officer

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

Sd/-  
**Kalpesh Joshi**  
Company Secretary



## PHOENIX TOWNSHIP LIMITED

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

#### NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

##### I. Company Overview

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

##### II. Significant accounting policies:

###### i) Basis of Preparation and Presentation:

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

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

**Authorisation of Financial Statements:** The Financial Statements were authorized for issue in accordance with a resolution of the directors on 30th May 2019.

###### ii) Use of Estimates and Judgments:

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

###### iii) Fair Value Measurement:

The Company measures certain financial instruments at fair value at each reporting date.

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

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

###### iv) Revenue Recognition

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

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

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

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

###### v) Inventories

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

###### vi) Property, plant and equipment

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

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

###### vii) Intangible Assets

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

Intangible Assets are amortized on a systematic basis over its useful life on straight line basis and the amortization for each period will be recognized as an expense.

i) Goodwill is amortised on Straight Line Method over a



period of five years.

viii) **Depreciation**

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

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

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

ix) **Borrowing costs**

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

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

x) **Taxes on Income**

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

a) **Current Income Tax**

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

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

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

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

b) **Deferred Income Tax**

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

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

Deferred tax assets and liabilities are offset only if:

- Entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- Deferred tax assets and the deferred tax liabilities relate to the income taxes levied by the same taxation authority.

xi) **Leases**

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

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

xii) **Financial Assets**

a) **Initial recognition and measurement**

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

b) **Subsequent measurement**

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

(i) **Debt instruments at amortised cost**

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the





effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Statement of Profit & Loss. The losses arising from impairment are recognised in the Statement of Profit & Loss.

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

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

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

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

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

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

**(iv) Equity investments**

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

For equity instruments classified as FVOCI, all fair value changes on the instrument, excluding dividends, are recognized in other comprehensive income (OCI).

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

**c) Derecognition**

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

- The rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset or has assumed an

obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either:

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

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

**d) Impairment of financial assets**

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

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

**xiii) Financial Liabilities**

**a) Initial recognition and measurement**

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

**b) Subsequent measurement**

Subsequent measurement is determined with reference to the classification of the respective financial liabilities. The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through profit or loss.

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

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

**(ii) Financial Liabilities measured at amortised cost**

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

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that



are an integral part of the EIR. The EIR amortisation is included as finance costs in the Statement of Profit & Loss.

**c) Derecognition**

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

**xiv) Offsetting of financial instruments**

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

**xv) Fair value of financial instruments**

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

**Fair value hierarchy:**

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

- ▶ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶ Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ▶ Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

**xvi) Financial guarantees**

Financial guarantee contracts issued by the Corporation are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of the debt instrument. Financial guarantee contracts are

recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the fair value initially recognised less cumulative amortisation.

**xvii) Cash & Cash Equivalents**

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

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

**xviii) Employee Benefits**

**Short term employee benefits:**

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

**Long term employee benefits:**

**Defined Contribution plans:**

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

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

**Defined benefit plans:**

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



reclassified to statement of profit and loss. As required under Ind AS compliant Schedule III, the Company transfers it immediately to retained earnings.

**xix) Events after Reporting date**

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

**xx) Foreign Currency Transactions:**

**a) Functional and Presentation Currency:**

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

**b) Transactions and Balances**

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

**xxi) Impairment of Assets:**

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

**xxii) Provisions**

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

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

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

**xxiii) Contingent Liabilities**

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

**xxiv) Earnings per Share**

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

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

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

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

**xxvi) Cash Flows**

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

**xxvii) Operating Segments**

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

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



## Statement of Changes in Equity for the year ended March 31, 2019

(Rs. in Lacs)

EQUITY SHARE CAPITAL :	Balance as at 01 <sup>st</sup> April, 2017	Changes in equity share capital during the year	Balance as at 01 <sup>st</sup> April, 2018	Changes in equity share capital during the year	Balance as at 31 <sup>st</sup> March, 2019
Paid up Capital (Refer Note 15)	2,168.09	-	2,168.09	-	2,168.09

OTHER EQUITY :					
Particulars	Securities Premium Reserve	Capital reserves	Retained Earnings	Other Comprehensive Income	Total
Balance as at April 01, 2017	-	4.25	168.69	-	172.94
Profit / Loss for the year	-	-	62.78	-	62.78
Interim Dividend Paid	-	-	-	-	-
Dividend Tax Paid on Interim Dividend	-	-	-	-	-
<b>Other Comprehensive Income :</b>					
Remeasurements of net defined benefit plans	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2018</b>	<b>-</b>	<b>4.25</b>	<b>231.47</b>	<b>-</b>	<b>235.72</b>
Profit / Loss for the year	-	-	78.01	-	78.01
Interim Dividend Paid	-	-	-	-	-
Dividend Tax Paid on Interim Dividend	-	-	-	-	-
Provision for final Dividend payable	-	-	-	-	-
Provision for Dividend Tax Paid on final Dividend payable	-	-	-	-	-
On issue during the year	-	-	-	-	-
<b>Other Comprehensive Income :</b>					
Remeasurements of net defined benefit plans	-	-	-	(12.00)	(12.00)
<b>Balance as at 31<sup>st</sup> March, 2018</b>	<b>-</b>	<b>4.25</b>	<b>309.48</b>	<b>(12.00)</b>	<b>301.73</b>

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

**Chaturvedi Sohan & Co**

**Chartered Accountants**

**Firm Registration No : 118424W**

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

**Place: Mumbai**  
**Date : 30th May, 2019**

**For and on behalf of the Board**

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

**Sd/-**  
**Puspraj Pandey**  
Chief Financial Officer

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

**Sd/-**  
**Kalpesh Joshi**  
Company Secretary

**NOTE 2 : Property, Plant and Equipment**

Following are the changes in the carrying value of property, plant and equipment for the year ended March 31<sup>st</sup>, 2018:

(Rs. In Lacs)									
<b>PARTICULARS</b>	<b>Land &amp; Site Development</b>	<b>Building</b>	<b>Plant and machinaries</b>	<b>Computers Equipments</b>	<b>Office Equipments</b>	<b>Vehicle</b>	<b>Furniture &amp; Fixtures</b>	<b>W.I.P.</b>	<b>Total</b>
Deemed Cost as on April 01, 2017	641.95	1503.02	406.97	31.42	11.26	65.62	291.42	79.14	<b>3030.80</b>
Additions	-	30.65	10.03	1.74	3.00	12.53	116.19	-	<b>174.14</b>
Deletions	-	(0.06)	-	-	-	-	(2.78)	(79.14)	<b>(81.98)</b>
Gross carrying value as of March 31 <sup>st</sup> , 2018	641.95	1533.61	417.00	33.16	14.26	78.15	404.83	-	<b>3122.96</b>
Accumulated depreciation as of April 01 <sup>st</sup> , 2017	-	276.53	175.32	25.69	3.04	20.39	74.82	-	<b>575.79</b>
Charge for the period	-	93.11	42.87	5.59	2.82	8.29	41.68	-	<b>194.36</b>
Deduction / Adjustments during the period	-	-	-	-	-	-	-	-	<b>-</b>
Accumulated depreciation as of March 31 <sup>st</sup> , 2018	-	369.64	218.19	31.28	5.86	28.68	116.50	-	<b>770.15</b>
<b>Carrying value as of March 31<sup>st</sup>, 2018</b>	<b>641.95</b>	<b>1163.97</b>	<b>198.81</b>	<b>1.88</b>	<b>8.40</b>	<b>49.47</b>	<b>288.83</b>	<b>-</b>	<b>2352.80</b>



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

PARTICULARS	Land & Site Freehold	Building	Plant and machinaries	Computers Equipments	Office Equipments	Vehicle	Furniture & Fixtures	W.I.P.	Total
Gross carrying value as of April 01 <sup>st</sup> , 2018	641.95	1,533.61	417.00	33.16	14.26	78.15	404.83	-	3122.96
Additions	518.58	-	18.97	2.04	-	2.55	0.34	1.00	543.48
Deletions	-	-	(0.48)	-	-	(20.99)	-	-	(21.47)
Gross carrying value as of March 31 <sup>st</sup> , 2019	1160.53	1533.61	435.49	35.20	14.26	59.71	405.17	1.00	3644.97
Accumulated depreciation as of April 01 <sup>st</sup> , 2018	-	369.64	218.19	31.28	5.86	28.68	116.50	-	770.15
Depreciation	-	101.17	51.94	2.18	3.89	12.20	61.88	-	233.26
Accumulated depreciation on deletions	-	-	-	-	-	(15.05)	-	-	(18.05)
Accumulated depreciation as of March 31 <sup>st</sup> , 2019	-	470.81	270.13	33.46	9.75	22.83	178.38	-	985.36
Carrying value as of March 31 <sup>st</sup> , 2019	1160.53	1062.80	165.36	1.74	4.51	36.88	226.79	1.00	2659.61

Note :

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



**NOTE 3 : Intangible assets**

Following are the changes in the carrying value of Intangible Assets for the year ended March 31<sup>st</sup>, 2018:

<b>Particulars</b>	<b>Goodwill</b>
Deemed Cost as on April 01 <sup>st</sup> , 2017	49.01
Additions	-
Deletions	-
Gross carrying value as of March 31 <sup>st</sup> , 2018	49.01
Accumulated amortization as of April, 2017	-
Depreciation for the year	9.80
Deletions	-
Accumulated amortization as of March 31 <sup>st</sup> , 2018	9.80
<b>Carrying value as of March 31<sup>st</sup>, 2018</b>	<b>39.21</b>

Following are the changes in the carrying value of Intangible Assets for the year ended March 31<sup>st</sup>, 2019:

<b>Particulars</b>	<b>Goodwill</b>
Deemed Cost as on April 01 <sup>st</sup> , 2018	49.01
Additions	-
Deletions	-
Gross carrying value as of March 31 <sup>st</sup> , 2019	49.01
Accumulated amortization as of April 1 <sup>st</sup> , 2018	9.80
Depreciation for the year	9.80
Deletions	-
Accumulated amortization as of March 31 <sup>st</sup> , 2019	19.60
<b>Carrying value as of March 31<sup>st</sup>, 2019</b>	<b>29.41</b>



**Accompanying Notes To The Financial Statements**  
for the year ended 31.03.2019

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

Particulars	As at 31.03.2019	As at 01.04.2018
<b>Unquoted Fully Paid Up Investment in Equity Shares</b>		
Equity Share	-	0.64
Investment in Property	5.59	5.59
Investment with Trust	88.75	88.75
(Investment in Equity and Preferences share held as per Merger Scheme as per approved by court)		
	<b>94.34</b>	<b>94.98</b>

**NOTE 5: Other financial assets**

Particulars	As at 31.03.2019	As at 31.03.2018
Lease Deposit	112.00	112.00
Deposit for Leased Apt/Staff Accomodation	1.30	-
Deposit on empty bottles/others	15.10	15.00
Deposit against Gas Supply	1.00	1.00
Other Deposit	14.19	-
Corporate Fixed Deposites	-	-
	<b>143.59</b>	<b>128.00</b>

**NOTE 6 : Other non-current assets**

Particulars	As at 31.03.2019	As at 31.03.2018
Staff Advances	0.39	0.11
Advances of ZFL	175.00	175.00
Other Advances	360.42	830.20
	<b>535.81</b>	<b>1,005.31</b>

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

Particulars	As at 31.03.2019	As at 31.03.2018
Food & Beverages	5.14	6.76
Operating Supplies	2.25	2.81
Printing & Stationery	1.24	1.81
Engineering supplies	-	0.30
	<b>8.63</b>	<b>11.68</b>



**NOTE 8: Trade receivables**

Particulars	As at 31.03.2019	As at 31.03.2018
Unsecured, Considered Good Less than 6 Month	0.50	130.79
Unsecured, Considered Doubtful Others	197.60	118.39
	198.10	249.18
Less : Provision for Doubtful Debts	-	-
	<b>198.10</b>	<b>249.18</b>
Current Portion	<b>198.10</b>	<b>249.18</b>

**NOTE 9: Current Investments**

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Unquoted Investments</b>		
Investments in Mutual Funds at fair value through Profit and loss*		
Mutual Fund	63.50	48.00
	-	-
	<b>63.50</b>	<b>48.00</b>
Aggregate Value of Unquoted Investments	<b>63.50</b>	<b>48.00</b>

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

**NOTE 10 : Cash and cash equivalents**

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Balances with Banks in</b>		
-Rupees Current Accounts	15.72	9.25
-Foreign Currency Current Accounts	-	-
<b>Cash on Hand</b>	26.10	10.13
	<b>41.82</b>	<b>19.38</b>

**NOTE 11 : Bank balances other than cash & cash equivalents**

Particulars	As at 31.03.2019	As at 31.03.2018
Fixed deposits with original maturity of more than 3 to 12 months #	3.92	11.09
<b>Earmarked balances with banks</b>		
Unpaid Dividend @	-	-
	3.92	11.09

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



**NOTE 12 : Other financial assets**  
(Unsecured, Considered Good)

Particulars	As at 31.03.2019	As at 31.03.2018
Security Deposit for Tender	-	-
Corporate Fixed Deposit	-	-
Advances recoverable in cash or kind or for the value to be received	-	-
	-	-

**NOTE 13 : Other current assets**

Particulars	As at 31.03.2019	As at 31.03.2018
TCS Paid on Liquor Purchases/TDS Receivable	3.78	0.52
Prepaid Expenses	3.73	2.04
Service Tax / GST Input	8.66	22.45
	<b>16.17</b>	<b>25.01</b>

**NOTE 14 : Share Capital**

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Authorised</b>		
202.00 lakhs Equity Shares of Rs. 10 each	2,020.00	2,020.00
78.00 lakhs Preferences Share of Rs. 10 each	780.00	780.00
	<b>2,800.00</b>	<b>2,800.00</b>
<b>Issued, Subscribed and Fully Paid Up</b>		
139.84 lakhs (31.03.2018 : 139.84 lakhs) Equity Shares of Rs. 10 each fully paid up	1398.43	1389.43
76.97 lakhs Preference Shares of Rs. 10 each fully paid	769.66	769.66
	<b>2,168.09</b>	<b>2,168.09</b>

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

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

Particulars	As at 31.03.2019		As at 31.03.2018	
	No. in lakhs	Rs. in lakhs	No. in lakhs	Rs. in lakhs
<b>Equity Shares</b>				
Add: At the beginning of the year	139.84	1,398.43	139.84	1,398.43
Less: Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<b>139.84</b>	<b>1,398.43</b>	<b>139.84</b>	<b>1,398.43</b>


**b) Terms / rights attached to equity shares**

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

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

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

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

**d) Other Information**
**Note 15 : Other Equity**

EQUITY SHARE CAPITAL :	Balance as at 01st April, 2017	Changes in equity share capital during the year	Balance as at 01st April, 2018	Changes in equity share capital during the year	Balance as at 31st March, 2019
Paid up Capital (Refer Note 14)	2,168.09	-	2,168.09	-	2,168.09

OTHER EQUITY :	Reserves and Surplus				
	Securities Premium Reserve	Capital Reserve	Retained Earnings	Other Comprehensive Income	Total
Balance as at April 01, 2017	-	4.25	168.69	-	172.94
Profit/Loss for the year	-	-	62.78	-	62.78
Interim Dividend Paid	-	-	-	-	-
Dividend Tax Paid on Interim Dividend	-	-	-	-	-
Other Comprehensive Income :	-	-	-	-	-
Remeasurements of net defined benefit plans	-	-	-	-	-
<b>Balance as at 31<sup>st</sup> March, 2018</b>	-	<b>4.25</b>	<b>231.47</b>	-	<b>235.72</b>
Profit/Loss for the year	-	-	78.01	-	78.01
Interim Dividend Paid	-	-	-	-	-
Dividend Tax Paid on Interim Dividend	-	-	-	-	-
Provision for final Dividend payable	-	-	-	-	-
Provision for Dividend Tax Paid on final Dividend payable	-	-	-	-	-
On issue during the year	-	-	-	-	-
Other Comprehensive Income :	-	-	-	-	-
Remeasurements of net defined benefit plans	-	-	-	(12.00)	12.00
<b>Balance as at 31<sup>st</sup> March, 2018</b>	-	<b>4.25</b>	<b>309.48</b>	<b>(12.00)</b>	<b>301.74</b>



Particulars	As at 31.03.2019	As at 01.04.2018
<b>Securities Premium</b>		
<b>Balance at the beginning and end of the period</b>	-	-
<b>Other Reserves (Special Capital Incentive)</b>		
Balance at the beginning and end of the period	-	-
<b>Surplus / (deficit) in the statement of profit and loss</b>		
Balance at the beginning of the period	231.47	168.69
Add: Profit / (loss) for the year	78.01	62.78
	<b>309.48</b>	<b>231.47</b>
<b>Less :</b>		
Interim Dividend Paid	-	-
Dividend Tax Paid on Interim Dividend	-	-
Provision for final Dividend payable	-	-
Provision for Dividend Tax Paid on final Dividend payable	-	-
<b>Closing Balance</b>	<b>309.48</b>	<b>231.47</b>
<b>Total</b>	<b>309.48</b>	<b>231.47</b>

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

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

**Capital Reserve**

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

**Retained Earnings**

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

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

Particulars	As at 31.03.2019	As at 01.04.2018
<b>Deferred Tax Liabilities</b>		
Excess of net block of fixed assets as per books of accounts over net block for tax purpose	146.43	142.74
Add : Current year liability	18.53	4.07
<b>Deferred Tax Assets</b>		
Provision for Expenses	-	-
Remeasurements of net defined benefit plans	-	-
Net Deferred Tax liability (a-b)	<b>164.97</b>	<b>146.43</b>
Deferred Tax Change/(Credit) for the year	<b>18.53</b>	<b>4.07</b>

**NOTE 17 : Non Current Borrowing**

Particulars	As at 31.03.2019	As at 01.04.2018
<b>Term Loan : From Bank &amp; Other Financial Institutions</b>		
HDFC Ltd (Secured Against Equitable Mortgage of the Building) Landed Property and Building Situated at Candolim and Personal Guarantee of Directors Interest 9.5% p.a. for a period of 5 years.)	228.89	203.20
HDFC Bank Ltd.(Commercial Equipment Loan) (Hypothecation of Generator, Commercial Equipment Loan taken of 13.50L @ Interest RAte 11% for a period of 4 years)	6.64	5.72
Daimler Financial Services India Pvt. Ltd. (Hypothecation of Motor Car, Motor Car Loan 32.45L @ Interest Rate 11.30% for a period of 7 years)	16.10	14.35
HDFC Bank (WCTL) (Landed Property and Building Situated a Candolim and Stocks, Term Loan of 80L @ Interest 9.5% p.a. for a period of 4 years.)	71.58	-
HDFC Bank (Vehicle Loan Secured Against Car) (Hypothecation of Motor Car, Motor Car Loan 15L @ Interest Rate 8.80% for a period of 5 years)	12.60	15.00
<b>Un-Secured Loan</b> From Directors & Others	225.29	594.70
<b>Others</b> Time Share Money	4.20	4.34
	<b>229.49</b>	<b>599.04</b>
<b>TOTAL</b>	<b>565.29</b>	<b>837.31</b>

**NOTE 18 : Current Borrowings**

Particulars	As at 31.03.2019	As at 31.03.2018
EDC Ltd. (Secured Against Equitable Mortgage of the Building, (Landed Property and Building Situated at Candolim, and Personal Guarantee of Directors) Interest Accrued and due on Term Loan		60.00
		8.26
HDFC Bank Ltd (Commercial Equipment Loan) (Hypothecation of Generator)		4.18
Daimler Financial Services India Pvt. Ltd. (Hypothecation of Motor Car)		6.67
Vehicle Loan (Secured Against Car)		
<b>Working capital loans from banks</b>		
<b>Secured</b> Working Capital Assistance Loan from HDFC Bank (Working Capital Assistance Loan for Merchant establishment overdraft facility (Credit Card Payments facility) of Rs. 75L (originally it was 30L) @ Interest rate 10% for indefinite period)	57.63	66.07
	<b>57.63</b>	<b>145.18</b>

**Notes on Borrowing**

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

**NOTE 19 : Trade payables**

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Current</b>		
Trade payables	329.48	294.47
	<b>329.48</b>	<b>294.47</b>

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

**NOTE 20 : Other current liabilities**

Particulars	As at 31.03.2019	As at 31.03.2018
Advance towards Compensation for use	13.64	14.06
Payable towards Cost of Soft Furnishing	3.72	2.13
Payable towards Legal Professional Fees.	2.07	3.84
Advance towards Customer Services	19.76	21.10
Security Deposit	1.00	2.30
Duties & Taxes	74.64	39.98
Other Liabilities	5.43	10.97
	<b>120.26</b>	<b>94.38</b>

**NOTE 21 : Provisions**

Particulars	As at 31.03.2017	As at 01.04.2016
Provision for Tax	18.50	35.62
Provision for Expenses	68.95	27.44
	<b>87.45</b>	<b>63.06</b>

**NOTE 22 : Revenue from operations**

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
<b>Revenue from operations</b>		
Room Revenue	1456.39	1285.19
Food & Beverages	534.65	484.61
<b>Other operating revenue</b>		
Others	12.82	10.65
Gain on foreign exchange fluctuations (net)		
	<b>2003.86</b>	<b>1780.45</b>

**NOTE 23 : Other income**

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Interest income on Bank deposits	1.25	1.19
Sale of SEIS License	6.47	-
Dividend-MF	2.13	-
Revenue from Shop Rental	2.53	1.99
Laundry Income	2.38	2.41
Foreign Exchange	0.08	0.47
Telephone, Fax Etc.	0.00	0.11
Revenue from Spa/Travel Desk	12.19	9.80
Miscellaneous Income	9.99	1.96
Agricultural Income	4.80	4.78
Scrap Sales	1.99	1.74
Banquet Rent	10.55	6.78
	<b>54.36</b>	<b>31.23</b>

**NOTE 24 : Cost of Operations**

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Room Expenses	243.14	242.31
Food & Beverages	384.22	303.72
	<b>627.36</b>	<b>546.03</b>

**NOTE 25 : Changes in inventories of stock in trade**

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Opening Stocks</b>	-	-
-Stock in trade	-	-
<b>Less : Closing Stocks</b>	-	-
-Stock in trade	-	-

**NOTE 26 : Employee benefits expense**

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Salaries, wages & bonus	323.26	283.51
Directors' remuneration	24.00	19.00
Workmen & staff welfare	4.46	1.87
	<b>351.72</b>	<b>304.38</b>

**NOTE 27 : Finance costs**

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Interest expenses	64.48	62.06
	<b>64.48</b>	<b>62.06</b>

**NOTE 28 : Depreciation and amortisation expense**

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Depreciation of Property, Plant & Equipment	233.26	194.36
Depreciation on Intangible Properties	9.80	9.80
	<b>243.07</b>	<b>204.16</b>

**NOTE 29 : Other expenses**

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Heat, Light & Power Expenses	114.36	131.66
Basic & Incentive Management Fees	6.09	15.54
Franchise Fees	100.91	85.80
Printing & Stationary	2.18	0.77
Legal & Professional Fees	28.17	31.40
Admn., Selling & Other Exp.	13.00	21.21
Postage, Telex & Telephones	4.75	0.54
Miscellaneous Exp.	0.56	0.36
Bank Charges	8.19	5.46
Lease Rent	3.10	3.10
Audit Fees	1.00	1.00
Business Promotion Expenses	10.36	19.08
Telephone. Fax Expenses	9.93	1.54
Travelling & Desk Expenses	64.52	27.25
Repairs & Maintenance	179.08	183.57
Swaccha Bharat Cess	0.10	-
Meeting Exp.	1.54	0.80
Commission & Brokerge	22.24	13.60
Advertisement Expenses	8.85	6.42
Insurance Charges	4.22	-
Sitting Fees	2.45	1.50
Freight & Handling	0.59	0.66
General Expenses	3.27	1.28
Spa and Parlor Exp	7.97	5.84
Incentive Management Fees	58.99	50.61
Prior Period Exp	0.13	1.50
	<b>656.55</b>	<b>610.50</b>

**Payment to Auditor**

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Audit Fees	1.00	1.00
Certification	-	-
Others	-	-
	<b>1.00</b>	<b>1.00</b>



**NOTE 30 : Current Tax**

Particulars	As at 31.03.2019	As at 31.03.2018
<b>Current</b>		
Tax payable For the Year	18.50	17.31
Short/(excess) provision of earlier years	-	0.39
	<b>18.50</b>	<b>17.70</b>

**NOTE 31 : Earnings per equity share**

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

Particulars	Year ended 31.03.2019	Year ended 31.03.2018
i) Weighted average number of Equity Shares of Re. 10 each		
a) Number of shares at the beginning of the year	139.84	139.84
b) Number of shares at the end of the period	139.84	139.84
c) Weighted average number of shares outstanding during the year	139.84	139.84
ii) Net Profit after tax available for equity shareholders	78.01	62.78
iii) Basic Earning Per Share	0.56	0.45
iv) Diluted Earning Per Share	0.56	0.45

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

**NOTE 32 : Contingent Liabilities**

(Rs. in Lacs)

Contingent Liabilities not provided for :	2018-2019	2017-2018
A) Guarantee given by Banks on behalf of the Company	10.97	10.97
B) Estimated amount of contracts remaining to be executed on capital account	-	-
C) GST liabilities / input tax credit (subject to reconciliation as per act and the amount is not ascertain)	-	-

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

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

**i. Amounts recognised in profit or loss**

Particulars	As at 31.03.2019	As at 31.03.2018
Lease Expenses	3.10	3.10
	<b>3.10</b>	<b>3.10</b>

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

**NOTE 34 : Employee Benefit Expenses :**

Post Employment Benefit Plans

Defined Contribution Scheme

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

A sum of Rs. 25,69,296/- (Previous Year Rs. 25,70,727/-) has been charged to the profit and loss account in this respect, the components of which are tabulated below.

**Contribution to provident fund and others :**

<b>Contribution to defined contribution plans</b>	<b>2018-2019 Amount (Rs.)</b>	<b>2017-2018 Amount (Rs.)</b>
Provident fund	1717514	1763966
ESI	803862	759641
Labour Welfare Fund	47920	47120
<b>Total</b>	<b>2569296</b>	<b>2570727</b>

**Defined Benefit Plans**

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

**Movement in plan assets and plan liability :**

<b>Particulars</b>	<b>Present Value of Obligation</b>	<b>Fair Value of Plan Assets</b>	<b>Net Amount</b>
As at 1 <sup>st</sup> April 2018			
Current Service cost	450910	-	450910
Interest expense (income)	28541	-	28541
Past service Cost	-	-	-
<b>Total amount recognised in profit or loss</b>	<b>479451</b>	<b>-</b>	<b>479451</b>
Remeasurements			
Return on plan assets excluding amount included in net finance income	-	-	-
Actuarial (Gain)/Loss arising from changes in the financial exemptions	-	-	-
Actuarial (Gain)/Loss arising from experience adjustments	1040584	-	1040584
Experience (Gains)/Losses	-	-	-
<b>Total Amount recognised in other comprehensive Income</b>	<b>1040584</b>		<b>1040584</b>
Contributions :			
Employer	-	-	-
Plan Participations	-	-	-
Benefit Payments	-	-	-
<b>As at 31<sup>st</sup> March, 2019</b>	<b>1520035</b>	<b>-</b>	<b>1520035</b>



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

Particulars	As on 31st March 2019	As on 31st March 2018
Present Value of Funded obligations	1520035	-
Fair value of Plan Assets	-	-
Deficit of funded plan	1520035	-
Unfunded plans	-	-
Net (Assets)/Liability Recognised	1520035	-

#### Post Employment benefits

#### Significant estimates actuarial assumptions and sensitivity

The Significant actuarial assumptions were as follows :	As on 31st March 2019	As on 31st March 2018
Discount Rate	7.57%	-
Attrition Rate	3.80%	-

#### Sensitivity Analysis

##### Impact on defined benefit obligation

Particulars	31st March 2019			
Assumptions	Discount Rate		Salary Scalation rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	1329331	1725421	1716457	1,333,028
Particulars	31st March 2018			
Assumptions	Discount Rate		Salary Scalation rate	
Sensitivity Level	1% increase	1% decrease	1% increase	1% decrease
Impact on defined benefit obligation	-	-	-	-

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

The methods and types of assumptions used in preparing the sensitivity analysis did not

#### Employee Benefit Obligations

The major categories of plants assets are as follows :

Particulars	As on 31st March 2019	As on 31st March 2018
Unquoted Investments :	-	-
Gratuity Fund maintained by LIC of India	-	-
Total	-	-

**NOTE 35 : Segment Reporting**

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

Nature of product or service	2018-19	2017-18
a. Hotel Operatins-Room Sales	1,285.19	1,185.06
b. Food & Beverages	484.61	261.45
<b>Total</b>	<b>1,769.80</b>	<b>1,446.51</b>

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

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

Particulars	2018-19	2017-18
<b>Current tax expense</b>		
Current year	18.50	17.31
<b>Deferred tax expense</b>		
Short/(excess) provision of earlier years	-	0
Origination and reversal of temporary differences	18.53	4.07
<b>Tax expense recognised in the statement of profit and loss</b>	<b>37.03</b>	<b>21.49</b>

**(b) Amounts recognised in other comprehensive income**

Particulars	2018-19			2017-18		
	Before tax	Tax (expense benefit)	Net of tax	Before tax	Tax (expense benefit)	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of the defined benefit plans	12.00	-	12.00	-	-	-
	<b>12.00</b>	<b>-</b>	<b>12.00</b>	<b>-</b>	<b>-</b>	<b>-</b>

**(c) Reconciliation of effective tax rate**

Particulars	2018-19	2017-18
<b>Profit before tax</b>	115.04	84.55
Tax using the Company's domestic tax rate (Current year 27.820% and Previous Year 25.750%)	32.01	21.77
<b>Tax effect of :</b>		
Tax effect on non-deductible/ (Deductible) expenses (Net)	5.03	(0.28)
<b>Tax expense as per Statement of Profit &amp; Loss</b>	<b>37.03</b>	<b>21.49</b>
<b>Effective tax rate</b>	<b>32.19%</b>	<b>25.42%</b>



## Movement in deferred tax balances

Particulars	Net balance as at April 01 <sup>st</sup> , 2018	Recognised in profit or loss	Recognised in OCI	Net Balance as at March 31 <sup>st</sup> , 2019	Deferred tax liability	Deferred tax asset
<b>Deferred tax (Asset) Liabilities</b>						
Property, plant and equipment & Intangible assets	146.43	18.53	-	164.96	-	164.96
Actuarial gain or loss on defined benefit plan transferred to Other Comprehensive income	-	-	-	-	-	-
Expenses allowed for tax purpose that were part of profit & loss or vice versa	-	-	-	-	-	-
<b>Deferred tax (Asset)/ Liabilities</b>	<b>146.43</b>	<b>18.53</b>	<b>-</b>	<b>164.96</b>	<b>-</b>	<b>164.96</b>

Particulars	Net balance as at April 01 <sup>st</sup> , 2017	Recognised in profit or loss	Recognised in OCI	Net Balance as at March 31 <sup>st</sup> , 2018	Deferred tax liability	Deferred tax asset
<b>Deferred tax (Asset) Liabilities</b>						
Property, plant and equipment & Intangible assets	142.36	4.07	-	146.43	-	146.43
Actuarial gain or loss on defined benefit plan transferred to Other Comprehensive income	-	-	-	-	-	-
Expenses allowed for tax purpose that were part of profit & loss or vice versa	-	-	-	-	-	-
<b>Deferred tax (Asset)/ Liabilities</b>	<b>142.36</b>	<b>4.07</b>	<b>-</b>	<b>146.43</b>	<b>-</b>	<b>146.43</b>

## NOTE 37 : Disclosures on Related party transactions

## List of Related Parties and Relationships :

## a) Key Management Personnel / Promoter Directors

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



## b) Transaction with Key managerial Personnel and Related Parties

(Rs. in Lacs)

Particulars	Increase/ Decrease	Year ended 31.03.2019	Year ended 31.03.2018
<b>Director Remuneration</b> Mr. Samit Hede	5.00	24.00	19.00
<b>Loan From Directors Dr. Prafulla R. Hede</b> Closing balance	(349.26)	105.61	454.87
<b>Loan from Hede Navigation Pvt. Ltd. (Jwala Investment)</b> Closing Balance	(10.45)	45.85	56.30
<b>Loan from Rama Capfin Pvt. Ltd.</b> Closing Balance	1.19	1.85	0.66
<b>Loan Repayment by Glacier Trades Pvt. Ltd.</b> Closing Balance	11.07	(59.57)	(70.64)

**NOTE 38 : Other Disclosures pursuant to Schedule III**

- Traveling expenses includes Rs. 21.00 Lacs (previous year Rs.14.00 Lacs) spent on Foreign Travel.
- Earnings & Outflow in foreign currency ( on accrual basis ) :-

Particulars	Year Ended 31 <sup>st</sup> March 2019	Year Ended 31 <sup>st</sup> March 2018
	Amt. in Lacs	Amt. in Lacs
<b>EARNINGS</b>		
Earnings in Foreign Currency	583.53	564.48
<b>TOTAL EARNINGS</b>	<b>583.53</b>	<b>564.48</b>

**NOTE 39 : Financial instruments - Fair values and risk management****A. Accounting classification and fair values**

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

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

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

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

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



(Rs. in Lacs)

Financial Asset & Liabilities as at 31 <sup>st</sup> March 2019	Non Current	Current	Total	Routed through Profit & Loss				Routed through OCI				Carried at Amortised Cost				Total Amount
				Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
<b>Financial assets</b>																
<b>Investments</b>																
- Mutual funds	-	63.50	63.50	-	63.50	-	63.50	-	-	-	-	-	-	-	-	63.50
Other Assets	-	63.50	63.50	-	63.50	-	63.50	-	-	-	-	-	-	-	-	63.50
Security Deposits	112.00	-	112.00				-				-			112.00	112.00	112.00
Trade receivables		198.10	198.10				-				-			198.10	198.10	198.10
Cash and cash equivalents		41.82	41.82				-				-			41.82	41.82	41.82
Bank Balances other than cash & cash equivalents		3.92	3.92				-				-			3.92	3.92	3.92
Other Advances		-	-				-				-			-	-	-
	<b>112.00</b>	<b>307.33</b>	<b>419.33</b>	<b>-</b>	<b>63.50</b>	<b>-</b>	<b>63.50</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>355.83</b>	<b>355.83</b>	<b>419.33</b>
<b>Financial Liabilities</b>																
Borrowings	-	57.63	57.63				-				-			57.63	57.63	57.63
Other Financial Liabilities	-	565.29	565.29				-				-			565.29	565.29	565.29
Trade Payable	-	329.48	329.48				-				-			329.48	329.48	329.48
	<b>-</b>	<b>952.40</b>	<b>952.40</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>952.40</b>	<b>952.40</b>	<b>952.40</b>

(Rs. in Lacs)

Financial Asset & Liabilities as at 31 <sup>st</sup> March 2018	Non Current	Current	Total	Routed through Profit & Loss				Routed through OCI				Carried at Amortised Cost				Total Amount
				Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total	
<b>Financial assets</b>																
<b>Investments</b>																
- Mutual funds		48.00	48.00	48.00			48.00									48.00
Other Assets		48.00	48.00	48.00			48.00									48.00
Security Deposits	112.00	-	112.00				-				-			112.00	112.00	112.00
Trade receivables		249.18	249.18				-				-			249.18	249.18	249.18
Cash and cash equivalents		19.38	19.38				-				-			19.38	19.38	19.38
Bank Balances other than cash & cash equivalents		11.09	11.09				-				-			11.09	11.09	11.09
Other Advances		-	-				-				-			-	-	-
	<b>112.00</b>	<b>327.65</b>	<b>439.65</b>	<b>48.00</b>	<b>-</b>	<b>-</b>	<b>48.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>391.65</b>	<b>391.65</b>	<b>439.65</b>
<b>Financial Liabilities</b>																
Borrowings	-	145.18	145.18				-				-			145.18	145.18	145.18
Other Financial Liabilities	-	837.31	837.31				-				-			837.31	837.31	837.31
Trade Payable	-	294.47	294.47				-				-			294.47	294.47	294.47
	<b>-</b>	<b>1276.96</b>	<b>1276.96</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1276.96</b>	<b>1276.96</b>	<b>1276.96</b>



### B. Measurement of fair values

Valuation techniques and significant unobservable inputs

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

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

Financial instruments measured at fair value

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

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

#### Market risk

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

#### Currency risk

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

#### Exposure to currency risk

The currency profile of financial assets and financial liabilities as at March 31, 2019, March 31, 2018 and April 1, 2016 are as below:

(Foreign Currency in lacs)

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

31st March, 2018	USD	In Rs
<b>Financial assets</b>		
Trade receivables	-	-
<b>Net exposure for assets</b>	-	-
<b>Financial liabilities</b>		
Foreign Currency Borrowings (Including Current Maturities)	-	-
<b>Net exposure for liabilities</b>	-	-
<b>Net exposure (Assets - Liabilities)</b>	-	-



**Sensitivity Analysis**

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

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

Effect in INR (before tax)	Profit or loss	
	Strengthening	Weakening
<b>For the year ended 31<sup>st</sup> March, 2018</b>		
<b>5% movement</b>		
USD	-	-
	-	-

**(b) Particulars of hedged and unhedged foreign currency exposures at the reporting date**As at 31<sup>st</sup> March 2019

(Foreign Currency in lacs)

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

As at 31<sup>st</sup> March 2018

(Foreign Currency in lacs)

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

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

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

**Credit risk**

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

**Trade receivables**

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

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

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

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

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

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

**Exposure to interest rate risk**

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

**(Rs. in Lacs)**

Particulars	As at 31.03.2019	As at 31.03.2018
Borrowing bearing variables interest rate	57.63	145.18
<b>Total of Variable Rate Financial Liabilities</b>	<b>57.63</b>	<b>145.18</b>

**Cash flow sensitivity analysis for variable-rate instruments**

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

**Cash flow sensitivity analysis (net)****Profit or loss**

INR	50 bp increase	50 bp decrease
<b>31<sup>st</sup> March 2019</b>		
Variable-rate loan instruments	(0.29)	0.29
<b>Cash flow sensitivity (net)</b>	<b>(0.29)</b>	<b>0.29</b>
<b>31<sup>st</sup> March 2018</b>		
Variable-rate loan instruments	(0.29)	(0.73)
<b>Cash flow sensitivity (net)</b>	<b>(0.29)</b>	<b>(0.73)</b>

**Other price risk**

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

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

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

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

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

<b>31<sup>st</sup> March 2019</b>	<b>Total</b>	<b>Upto 1 year</b>	<b>1-5 years</b>	<b>More than 5 years</b>
Current Borrowings	57.63	57.63	-	-
Trade and other payables	329.48	329.48	-	-
Other Financial Liabilities (Current & Non Current)	120.26	120.26	-	-
<b>31<sup>st</sup> March 2018</b>	<b>Total</b>	<b>Upto 1 year</b>	<b>1-5 years</b>	<b>More than 5 years</b>
Current Borrowings	145.18	145.18	-	-
Trade and other payables	294.47	294.47	-	-
Other Financial Liabilities (Current & Non Current)	94.38	94.38	-	-

**NOTE 44 : Capital Management**

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

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

**(Rs. In Lacs)**

<b>Particulars</b>	<b>As at 31.03.2019</b>	<b>As at 31.03.2018</b>
Total Debt	393.43	383.45
Total Equity	2469.82	2403.81
<b>Total debt to equity ratio (Gearing ratio)</b>	<b>0.16</b>	<b>0.16</b>



**Additional Notes to the Financial statement:-**

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

As per our report of even date attached

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

**For and on behalf of the Board**

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

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

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

**Place: Mumbai**  
**Date: 30th May, 2019**

**Sd/-**  
**Puspraj Pandey**  
Chief Financial Officer

**Sd/-**  
**Kalpesh Joshi**  
Company Secretary



**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-** L67190GA1993PLC001327 **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 the proxy Form has been duly deposited with the Company)

**I hereby record my presence at the TWENTY SIXTH ANNUAL GENERAL MEETING of the Company held on Saturday, 10th August, 2019 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.  
 Corp. Office: Balaji Bhavan, 2nd Floor, 14 BEST Marg, Colaba, Mumbai - 400 001.  
 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-Sixth Annual General Meeting of the Company to be held on Saturday 10<sup>th</sup> August, 2019 at 4.00 p.m. at Phoenix Park Inn Resort, Sequera Vado, Candolim, Goa - 403 515 and at any adjournment thereof, 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<sup>st</sup>, 2019 together with reports of the Auditors and Board of Directors thereon.

Resolution No. 2: To appoint a Director in place of Dr. Prafulla Rajaram Hede (holding DIN: 00651441), who retires by rotation, and being eligible, offers himself for re-appointment.

#### SPECIAL RESOLUTION

Resolution No. 3: To Re-Appoint Mr. Surendra Ambalal Dave (DIN: 00001480) as an Independent Director of the Company for Second term.

Resolution No. 4: To Appoint Mr. Dev Kirit Toprani (DIN: 07969034) as an Independent Director of the Company.

Resolution No. 5: To continue the directorship of Dr. Prafulla R. Hede (DIN:00651441), Director of the Company, as a non-executive Director after attaining the age of seventy five years.

Signed this ..... day of ....., 2019

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.



## Form No. MGT-12 Polling Paper

[Pursuant to section 109(5) of the Companies Act,  
2013 and rule 21 (1) (c) of the Companies  
(Management and Administration) Rules, 2014]

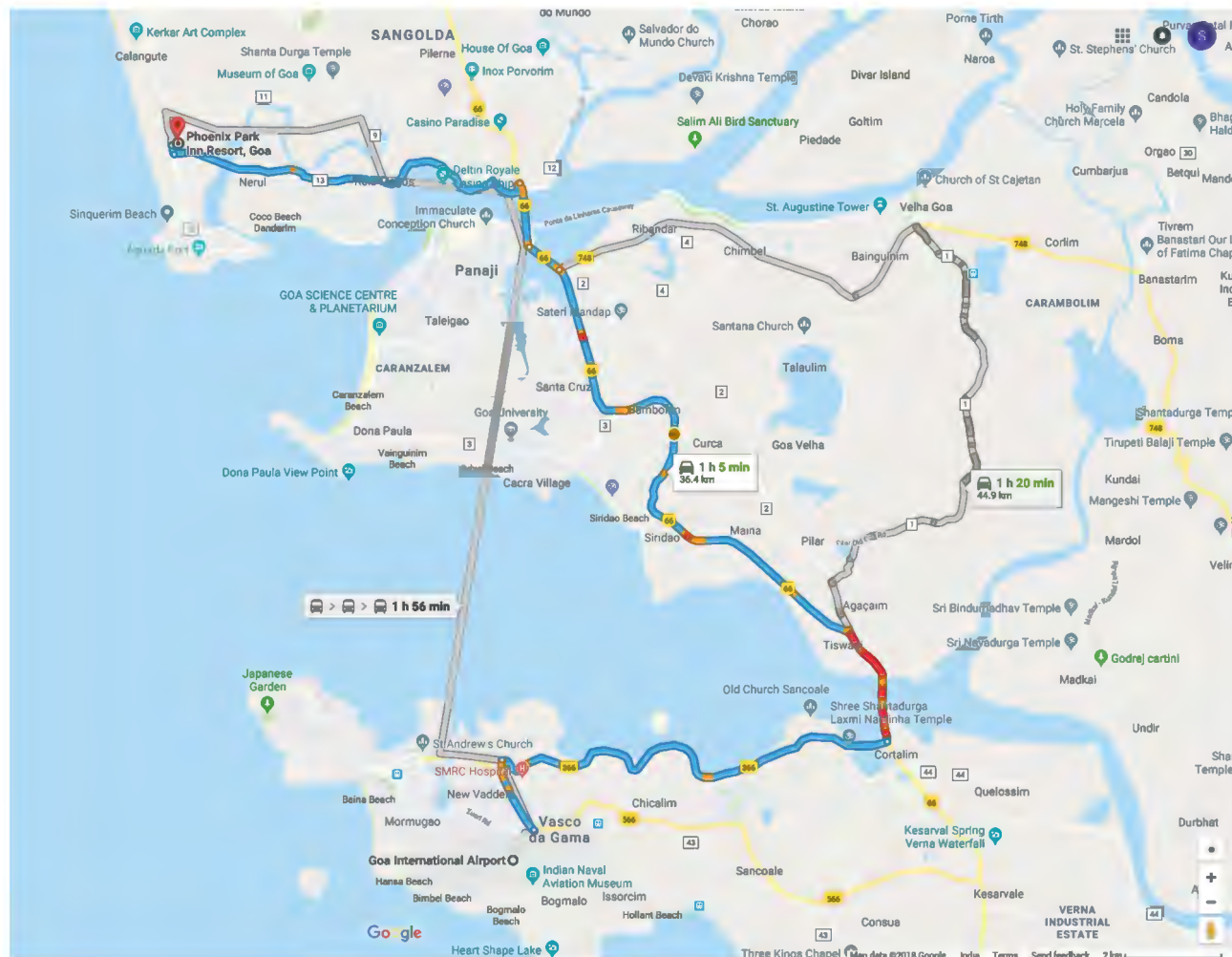
<b>Name of the Company: PHOENIX TOWNSHIP LIMITED</b> <b>Registered Office: Phoenix Park Inn Resort, Sequera Vado, Candolim, Goa-403 515</b> <b>CIN: L67190GA1993PLC001327</b> <b>Website: www.hbgindia.com</b> <b>Email Id : complaine@hbgindia.com</b>				
<b>BALLOTPAPER</b>				
<b>S. No</b>	<b>Particulars</b>	<b>Details</b>		
1.	Name of the first named Shareholder (In Block Letters)			
2.	Postal Address			
3.	Registered Folio No./ *Client ID No. (*applicable to investors holding Shares in dematerialized form)			
4.	Class of Share	Equity Shares		
I hereby exercise my vote in respect of Ordinary/Special Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:				
<b>No.</b>	<b>Item No.</b>	<b>No. of Shares held by me</b>	<b>I assent to the resolution</b>	<b>I dissent from the resolution</b>
<b>ORDINARY BUSINESS :</b>				
1.	To consider and adopt the Financial Statements of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors and the Auditors thereon.			
2.	To appoint a Director in place of Dr. Prafulla Rajaram Hede (holding DIN: 00651441), who retires by rotation, and being eligible, offers himself for re-appointment.			
<b>SPECIAL BUSINESS:</b>				
3.	To Re-Appoint Mr. Surendra Ambalal Dave (DIN: 00001480) as an Independent Director of the Company for Second term.			
4.	To Appoint Mr. Dev Kirit Toprani (DIN: 07969034) as an Independent Director of the Company.			
5.	To continue the directorship of Dr. Prafulla R. Hede (DIN: 00651441), director of the company, as a non-executive director after attaining the age of seventy five years.			
<b>Place:</b>  <b>Date:</b>				
(Signature of the shareholders*)				





## ROUTE MAP FOR THE VENUE OF ANNUAL GENERAL MEETING

PHOENIX TOWNSHIP LIMITED  
26th Annual General Meeting, 4.00 P.M.



**Location Map of AGM Venue:** Phoenix Park Inn Resort, Sequera Vado, Candolim, Goa - 403 515

**Landmark:** Phoenix Park Inn Resort

REGISTERED POST - COURIER

***If undelivered, please return to :***

PHOENIX TOWNSHIP LIMITED

Balaji Bhavan, 2nd Floor,

14, BEST Marg, Colaba,

Mumbai - 400 001.