

45th Annual Report 2015-2016



Goa in a resort

FOMENTO RESORTS AND HOTELS LIMITED

BOARD OF DIRECTORS

MRS. ANJU TIMBLO
MR. AUDUTH TIMBLO
MR. V. P. RAIKAR
MR. SHARDUL THACKER
MR. JAMSHED DELVADAVALA
MR. RAGHUNANDAN MALUSTE
MR. REYAZ MAMA
MR. APOORVA MISRA

CHIEF FINANCIAL OFFICER

MR. M. A. HAJARE

COMPANY SECRETARY

MS. ASMEETA MATONDKAR

AUDITOR

H. K. APARANJI
Chartered Accountants

BANKERS

IDBI BANK
HDFC BANK
ICICI BANK

REGISTERED OFFICE

CIDADE DE GOA,
VAINGUINIM BEACH,
GOA - 403004

Contents	Page
About Cidade de Goa -----	3
Directors' Report -----	4
Management Discussion and Analysis -----	34
Report on Corporate Governance -----	42
Shareholders Information -----	52
Independent Auditor's Report -----	57
Balance Sheet -----	62
Statement of Profit and Loss -----	63
Notes to the Financial Statements -----	64
Cash Flow statement -----	78
Notice -----	80

Disclaimer/ Forward Looking Statement

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



Cidade de Goa

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

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

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

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

Cafe Azul – Our poolside coffee shop provides the ambience of an Italian café with a choice of varied menu. One can savour global cuisines at our buffet restaurant **Laranja**. Other Food & Beverage options include **Doçaria** a charming tea and coffee lounge operating round the clock ; **Taverna** – the lobby bar, **Bar Latino**, the pool side bar.

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

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

Cidade de Goa can be summed up as “ Goa in a resort”.

DIRECTORS' REPORT

To
The Members,

The Board of Directors of your Company takes pleasure in presenting the Forty Fifth Annual Report on business and operations of your Company along with the Audited Financial Statements and Cash Flow Statement for the year ended March 31, 2016.

1. FINANCIAL RESULTS AND APPROPRIATION

(Rs. in lakhs)

Particulars	F. Y. 2015 - 2016	F. Y. 2014 - 2015
Income	6,768.95	6,088.65
Operating Expenses	4,097.66	3,998.35
Gross Operating Profit(PBIDT)	2,671.29	2,090.30
Less:		
Interest and Financial Charges	34.65	59.50
Depreciation	320.62	364.44
Profit before Extra Ordinary and Exceptional items & Tax	2,316.02	1,666.36
Exceptional Items	-	394.52
Profit before tax (PBT)	2,316.02	2,060.88
Tax Expense	910.78	720.12
Profit/(Loss) after tax (PAT)	1,405.24	1,340.76
Add Surplus/ (Deficit) brought forward from the previous year	5,101.41	4192.80
Profit available for appropriation	6,506.65	5,533.56
Appropriation		
a) Transfer to General Reserve	140.52	134.08
b) Proposed Dividend on Preference shares	525.00	84.00
c) Proposed Dividend on Equity shares	160.00	160.00
d) Tax on Dividend	139.45	49.67
e) Additional Depreciation on Fixed Assets	Nil	4.40
Balance carried to Balance Sheet	5,541.68	5,101.41
Total	6,506.65	5,533.56
Earnings per share before Exceptional Item(Basic and Diluted) (Rs.)	4.83	6.14
Earnings per share after Exceptional Item (Basic and Diluted) (Rs.)	4.83	7.75

2. OPERATIONS REVIEW:

Your Directors are pleased to report that inspite of steep competition, your Company achieved a higher turnover of Rs. 6,768.95 lakhs as compared to Rs. 6,088.65 lakhs in the previous year. On account of increase in the segment of weddings, conferences and groups and also due to monitoring of costs regularly, profitability of the Company improved. The Company earned a higher pre-tax profit of Rs. 2,316.02 lakhs (before exceptional items) for the year under review as against Rs. 1,666.36 lakhs in the previous year.

3. DIVIDEND:

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

- (i) A dividend of Rs.7.5/- per share on 70,00,000 Cumulative, Non-Convertible, Redeemable Preference shares for the year ended 31st March 2016 amounting to a total sum of Rs.5,25,00,000/- as per the terms of the issue of Preference shares

subject to the approval of the members at the ensuing Annual General Meeting.

- (ii) Dividend of Re. 1/- per share on Equity shares for the year ended 31st March, 2016.

4. RESERVES:

The Board of Directors propose to carry an amount of Rs. 1,40,58,073 to General Reserve.

5. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

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 function is well defined in the organisation as per defined audit plan. The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the 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 disclosures. The Audit Committee of the Company monitors the adequacy of the internal control systems and procedures including adequacy of financial controls with reference to the Financial Statement.

The Internal Auditor of the Company continues to conduct periodic audit. The objective of the audit is to ensure that the prescribed systems and procedures are adequate and are consistently and correctly followed. The Internal Auditor submit their report to the Audit Committee on a quarterly basis.

During 2015-2016, the Audit Committee was satisfied with the adequacy of the internal control systems and procedures of the Company.

Although not mandatory the Company has a Risk Management Committee comprising of Directors and Executives/Officers of the Company. The Company's Risk Management Committee identifies potential risks associated with the Company's business and measures the Company's performance against each risk parameter. The Risk Management Committee keeps the Board informed of these risks and the measures taken by the Company to mitigate these risks.

6. STATUTORY AUDITORS:

At the Annual General Meeting held on September 27, 2014 M/s. H.K. Aparanji, Chartered Accountants, Firm Registration No. 000199S were appointed as statutory auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2017. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s. H.K. Aparanji, Chartered Accountants, as statutory auditors of the Company is placed for ratification by the

shareholders.

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

The Auditors Report for fiscal 2016 does not contain any qualification, reservation or adverse remark. The Auditor's Report is enclosed with the financial statements in this Annual Report.

Auditor's certificate on corporate governance

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditor's certificate on Corporate Governance forms part of this Annual Report. The Auditor's certificate for fiscal 2016 does not contain any qualification, reservations or adverse remark.

7. CHANGES IN SHARE CAPITAL:

The Company's Authorised share capital is Rs. 3,00,00,00,000/- consisting of 3,00,00,000 Equity shares of Rs.10 each and 2,70,00,000 Cumulative, Non-Convertible, Redeemable preference shares of Rs. 100/- each.

During the year under review, your Company increased its authorised share capital from Rs. 1,00,00,00,000/- to Rs. 3,00,00,00,000 by creating an additional 2,00,00,000 preference shares of Rs. 100 each aggregating to Rs. 2,00,00,00,000/- .

The Company has not issued any shares during the financial year 2015-2016.

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

8. COMPOSITION OF AUDIT COMMITTEE:

The Board has re-constituted the Audit Committee which comprises of Mr. Jamshed Delvadavala as the Chairman and Mr. Shardul Thacker, Mr. Reyaz Mama and Mr. Raghunandan Maluste as the members.

More details on the committee are given in the Corporate Governance Report.

9. RELATED PARTY TRANSACTIONS:

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

The Related Party Transactions Policy as approved by the Board is uploaded on the company's website at the web link:

<http://www.cidadedegoa.com/images/Related-Party-transaction-Policy-of-Fomento.pdf>

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

10. FIXED DEPOSITS:

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

11. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

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

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

12. SUBSIDIARY COMPANIES:

The Company does not have any subsidiary.

13. CODE OF CONDUCT:

In compliance with Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013, the Company has framed and adopted a Code of Conduct and Ethics ('The Code'). The Code is applicable to the members of the Board, Senior Management and Designated employees of the Company. The code is available on our website, www.cidadedegoa.com.

All the members of the Board, Senior Management and Designated employees of the Company have affirmed compliance to the Code as on March 31, 2016.

A declaration to this effect signed by the Managing Director & C.E.O. forms part of this Annual Report.

14. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

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

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

process of investigation.

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

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

15. PREVENTION OF INSIDER TRADING:

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading is available on our website(<http://www.cidadedegoa.com/images/Code-for-Regulating-Monitoring-Reporting-Trading-by-Insiders.pdf>)

16. EXTRACT OF THE ANNUAL RETURN:

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

17. RISK MANAGEMENT:

Pursuant to section 134(3) (n) of the Companies Act, 2013 and under Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has constituted a Risk Management Committee. The details of the Committee are set out in the corporate governance report. The risk management framework is discussed in detail in the Management Discussion and Analysis report forming part of this Annual Report.

18. PARTICULARS OF EMPLOYEES:

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

The statements containing particulars of employees as required under section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, is not provided since there

were no employees who were drawing remuneration more than Rs. 5 lakhs per month during whole or part of the year.

19. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

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

20. DIRECTORS' RESPONSIBILITY STATEMENT:

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

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2016 and the profit of the Company for that period;
- c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and;
- d) The directors had prepared the annual accounts on a going concern basis;
- e) The directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

21. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

The Companies Act, 2013 provides for the appointment of independent directors. Sub-section (10) of Section 149 of the Companies Act, 2013 provides that the independent directors shall hold office for a term up to five consecutive years on the board of a company; and shall be eligible for re-appointment on the passing of a special resolution by the shareholders of the Company. Accordingly all the Independent directors were appointed by the shareholders at the general meeting as required under Section 149(10).

Further, Section 149(11) states that no independent directors shall be eligible to serve on the Board for more than two consecutive terms of five years. Section 149(13) states that the provisions of retirement by rotation as defined in sub-sections (6) and (7) of Section 152 of the Act shall not apply

to such independent directors. None of the independent directors will retire at the ensuing AGM.

For the purpose of compliance with Section 152 of the Companies Act, 2013 and for determining the Director liable to retire by rotation, the Board at its meeting held on May 30, 2016, took note of the consent given by Mr. Auduth Timblo, being longest in office, to retire by rotation at the ensuing Annual General Meeting of the Company. Accordingly, the Board noted that Mr. Auduth Timblo, Non-Executive Chairman shall be the Director liable to retire by rotation and being eligible, has offered himself for re-appointment. The Directors recommend re-appointment of Mr. Auduth Timblo.

The Company has received necessary declaration from each independent director under section 149(7) of the Companies Act, 2013, that he meets the criteria of independence laid under section 149(6) of the Companies Act, 2013 and under Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

There was no resignation of any Director during the year.

Board Evaluation

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandates that the Board shall monitor and review the Board evaluation framework. The framework includes the evaluation of directors on various parameters such as composition of the Board & Committees, experience & competencies, performance of specific duties & obligations, governance issues, inflow of information, decision making, company's performance, company strategy etc.

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Board Diversity

The Company recognizes and embraces the importance of the diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website, <http://>

www.cidadedegoa.com/images/Board-Diversity- Policy.pdf

Committees of the Board

Currently, the Board has five committees: the Audit committee, the Nomination and Remuneration committee, the Corporate Social Responsibility committee, the Stakeholders Relationship committee and the Risk Management committee. A detailed note on the composition of the Board and its Committees is provided in the corporate governance report section of this Annual Report.

Number of Meetings of the Board

During the year seven Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

Key Managerial Personnel

Mrs. Anju Timblo, Managing Director & C.E.O, Mr. M. A. Hajare, Chief Financial Officer and Mrs. Asmeeta Matondkar, Company Secretary of the Company are the Key Managerial Personnel as per the provisions of the Companies Act, 2013.

22. NOMINATION AND REMUNERATION POLICY:

The policy of the Company on director's appointment and remuneration, including criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on our website (<http://www.cidadedegoa.com/images/Nomination-and-Remuneration-Policy.pdf>). There has been no change in the policy since the last fiscal year. We affirm that the remuneration paid to directors is as per the terms laid out in the nomination and remuneration policy of the Company.

23. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2) (e) of SEBI (LODR) Regulations, 2015 with the Stock Exchanges, is given separately and forms part of this Annual Report.

24. CORPORATE GOVERNANCE:

A report on Corporate Governance as stipulated in the SEBI (LODR) Regulations, 2015 forms part of the Annual Report. A Certificate from the Auditors of the Company, confirming compliance with the provisions of Corporate Governance, is attached to this Annual Report.

25. DELISTING:

During the year under review, the Board of Directors considered the Intention letters received from the Promoters to offer to purchase, up to 40,00,232 equity shares of the Company held by the public shareholders representing 25%

of the issued, subscribed and paid-up equity share capital of the Company in terms of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and to voluntarily delist the equity shares of the Company from the BSE Limited and Ahmedabad Stock Exchange Limited in accordance with the provisions of the Delisting Regulations, subject to the successful completion of such Delisting Offer.

26. TECHNOLOGY ABSORPTION AND CONSERVATION OF ENERGY:

The Company is in hospitality industry. Its activities do not involve the absorption of technology as envisaged to be furnished pursuant to the Companies (Accounts) Rules, 2014. The Company constantly upgrades conserving energy equipments by installing solar panels, VFD products. Solar Panels are used for generating hot water consumed by the Central Kitchen thereby reducing the diesel consumption of the main boiler and power. This results in substantial saving in consumption of electricity. The Company is constantly upgrading its old machinery which is resulting in saving of energy.

27. FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

28. EMPLOYEES:

Relations between the management and the employees were cordial throughout the year. Your Directors are pleased to record their appreciation of the devotion and sense of commitment shown by all the employees in the organisation. As on March 31, 2016, the Company has an Organizational strength of 201 employees.

29. SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:

The Board of Directors of the Company appointed Mr. Shivaram Bhat, Practising Company Secretary, to conduct the Secretarial Audit. The Secretarial Audit Report for the financial year ended March 31, 2016, is provided in the Annual Report.

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

30. ANTI-SEXUAL HARASSMENT INITIATIVE:

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

31. AMENDMENT OF MEMORANDUM AND ARTICLES OF ASSOCIATION:

During the financial year under review, the Company has amended its Capital clause of the Memorandum of Association pursuant to the approval granted by the shareholders through postal ballot to enable the Company to increase its authorised share capital by creating additional 2,00,00,000 preference shares of Rs. 100 each.

The Company has also adopted new Articles of Association incorporating the provisions of Companies Act, 2013 pursuant to the approval granted by the shareholders through a postal ballot.

32. LISTING AGREEMENT:

The Securities and Exchange Board of India (SEBI), on September 2, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of Capital markets to ensure better enforceability. The said regulations were effective from December 1, 2015. Accordingly, all listed entities were required to enter into Listing Agreement within six months from the effective date. The Company entered into the Listing Agreement with BSE Limited and the Ahmedabad stock Exchange during February, 2016.

33. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There have been no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations. However, members' attention is drawn to the Writ Petition No. 131 of 2009 decided by the Hon'ble Supreme Court filed by Goa Foundation and Contempt Petition (C) No.292 of 2009 filed by Mr. Claude Alvares, Secretary of Goa Foundation in which Fomento Resorts and Hotels Limited was one of the party to the Petition. The Hon'ble Supreme Court dismissed the Writ Petition No.131 of 2009 with Contempt Petition (C) No.292 of 2009, upholding the validity of the Land Acquisition (Goa Amendment) Act, 2009 (Act 7 of 2009).

34. POLICIES:

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All our corporate governance policies are available on our website (http://www.cidadedegoa.com/corporate_information.php). The policies are reviewed and updated by the Board based on need and new compliance requirement.

In addition to its Code of Conduct and Ethics, key policies that have been adopted by the Company are as follows:

Name of the policy	Brief description	Web link
Whistleblower Policy (Policy on vigil mechanism)	The Company has adopted the whistleblower mechanism for directors and employees to report concerns about unethical behavior, actual or suspect fraud, or violation of the Company's code of conduct and ethics. There has been no charge to the whistleblower Policy adopted by the Company during fiscal 2016.	http://www.cidadedegoa.com/images/Whistle_Blower_Policy.pdf
Nomination and Remuneration Policy	This policy formulates the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director (executive/ non-executive) and also the criteria for determining the remuneration of the directors, key managerial personnel and other employees.	http://www.cidadedegoa.com/images/Nomination-and-Remuneration-Policy.pdf
Corporate Social Responsibilities Policy	The policy intends to strive for economic development that impacts society at large, by promoting education, providing health care & destitute care.	http://www.cidadedegoa.com/images/CSR-Policy-of-Fomento.pdf
Policy on Material Subsidiaries	The policy is to determine the material subsidiaries and material non-listed Indian subsidiaries of the company and to provide the governance framework for them.	http://www.cidadedegoa.com/images/Policy-for-Determining-Material-Subsidiaries.pdf
Related Party Transaction Policy	The policy regulated all transactions between the Company and its related parties.	http://www.cidadedegoa.com/images/Related-Party-transactions-Policy-of-Fomento.pdf