

# **FOMENTO RESORTS AND HOTELS LIMITED**

## **Code of Conduct for Senior Management**

(Prepared pursuant to the revised clause 49(1) (D) of the Listing Agreement)

### **I. APPLICABILITY:**

This code of conduct applies to employees in the Senior Management of Company. Senior Management shall include all Key Managerial Personnel and employees in the Grade of M-6 and above and also consist of the Managing Director, Whole Time Directors, Company Secretary, and Consultants namely Accounts Manager- Corporate , Director- Technical and such other employees as may be decided by the Board of Directors.

### **II PURPOSE:**

The prime purpose of the Code of Conduct is to create an environment where all executives in Senior Management of the Company maintain and comply with the ethical standards that are laid down. This Code of Conduct will act as a guide in the performance of duties & responsibilities & ensure compliance with Company's commitment to:

- Promote honest and ethical Conduct in the affairs of the Company.
- Maintain a corporate climate in which the integrity and dignity of each individual is valued.
- Assure Compliance with laws, rules and regulations that govern the Company's business activities; and
- Assure the proper use and safeguard of the Company's assets.

This Code does not specifically address every potential form of unacceptable Conduct, and it is expected that all the Executives in the Senior Management of the Company will exercise appropriate judgment in compliance with the under mentioned principles as set out in this Code.

### **III. PRINCIPLES :**

This Code is designed to provide all the members of Senior Management with guidelines for appropriate professional Conduct. It is intended not as a statement of new beliefs or a codification of new rules of Conduct, but as a reaffirmation of enduring values and practices.

Senior Management, by virtue of their positions of authority, must be ethical role models for all employees. An important part of a manager's leadership responsibility is to exhibit the highest standards of integrity in all dealings with guests, customers both internal & external. Managers must avoid even implicit or unspoken approval of any actions that may be fatal to the reputation of the Company, and must always exercise sound business judgment in the performance of their duties.

#### **A) Personal Responsibilities:**

An Executive in the Senior Management should:

- a) Dedicate sufficient time and attention to the Company to ensure diligent performance of his/her duties, including preparing for meetings and decision – making by reviewing in advance any materials distributed and making reasonable inquiries.
- b) Seek to comply with all Corporate Policies.
- c) Act in the best interests of the Company, and fulfill their fiduciary obligations to Company's shareholders and all other stakeholders.
- d) Conduct themselves in a professional, courteous and respectful manner.
- e) Comply with all applicable laws, rules and regulations.
- f) Act in a manner to enhance and maintain the reputation of the Company.
- g) Respect the confidentiality of information relating to the affairs of the Company acquired in the course of their service as an Executive, except when authorized or legally required to disclose such information.
- h) Not to use confidential information acquired in the course of their service as Executive in Senior Management of the Company for their personal advantage.
- i) Comply with Code of Conduct for insider trading.

### **B) Legal Compliances:**

Members of the Senior Management should be committed to obeying all the applicable laws, rules and regulations wherever they do business in the world. If any uncertainty arises as to whether a course of action is within the letter and spirit of the law, advice should be obtained from the Managing Director of the Company or a person nominated by the Managing Director.

All Members of the Senior Management are expected to understand, respect and comply with all of the laws, regulations, policies and procedures that apply to them in their position with the Company, particularly, the Company is committed to :

- Maintaining a safe and healthy work environment.
- Supporting and strictly adhering to all laws and internal discipline of the Company and safety measures
- Complying with all applicable Laws of SEBI and other Corporate & Labour laws.

### **C) Accounting and Reporting :**

All the Executives in Senior Management of the Company should attach great importance to the accuracy and completeness of the financial reports well within time and they should be committed to its integrity. All accounting records should accurately reflect and describe corporate transactions. The recordings of such data must not be falsified or altered in any way to conceal or distort assets, liabilities, revenues, expenses or the nature of the activity.

All public disclosures made by the Company, including disclosures in reports and documents filed with or submitted to the Statutory Authorities shall be accurate and complete in all material respects.

#### **D) Confidential Information:**

Confidential information be it technical, operational or commercial should not be disclosed to anyone, for personal gain or otherwise. Such information is confidential and for exclusive use of the Company.

In carrying out the Company's business, Executives often have access to confidential or proprietary information of the Company, its Customers , suppliers or business partners. The Executives must maintain the confidentiality of all such information, except when disclosure is authorized or legally mandated. Confidential or proprietary information of the Company, and of other companies, includes any non – public information that would be harmful to the relevant company or useful or helpful to competitors if disclosed.

#### **E) Conduct of Business and conflicts of interest:**

The Executives in Senior Management shall adhere to prudent commercial practices & sound business principles in conduct of the Company's business. All their actions should be free from fraud and deception. They should conform to the best accepted professional standards of Conduct.

Executives in senior Management are expected to dedicate their full time towards advancing of Company's interests and to make decisions based in the best interests of the Company and independent of any outside influences. They should avoid putting themselves or any of their family members in any situation that would lead to a conflict between their personal interests and the interests of the Company.

All Members of the Senior Management will not carry on any business directly or indirectly while in full time employment of the Company unless so authorised and approved by the Managing Directors or Board of Directors. Senior management shall make disclosures to the board relating to all material financial and commercial transactions, where they have personal interest, that may have a potential conflict with the interest of the company at large (e.g. dealing in company shares, commercial dealings with bodies which have shareholding of management and their relatives etc.)

In case of any conflict of interest, he / she should report the full facts and circumstances thereof to the Managing Director and a prior written approval should be obtained.

#### **F) Proper use of Company Assets:**

Executives in senior Management should protect the Company's Assets and property and ensure that they are used only for the legitimate business purposes of the Company. They should also ensure that all the assets and property of the Company are put to effective and efficient use and avoid carelessness and waste of the company's assets and property.

#### **G) Responsibilities to our Guests / Customer/ Business Partners:**

Executives in Senior Management shall be committed to render services of the highest quality standard as per the requirements of the guests , customers and Business Partners to ensure their total satisfaction,.

#### **H) Responsibilities to our Shareholders:**

The Senior Management shall act in the best interests of our shareholders and ensure that they are informed of all material matters affecting the Company's businesses and their investments in accordance with statutory requirements.

They should provide accurate and timely information to the Board and help in the proper and effective governance by the Board of Directors.

#### **IV COMPLIANCE WITH CODE OF CONDUCT:**

The Company expects its Senior Management to live up to the guidelines articulated in this Code of Conduct. Where there is no stated guideline in the Code, it shall be the responsibility of members in the senior management to apply his personal judgment and ethical standards in making business decision.

If any executive in the senior management who knows or suspects of a violation of applicable laws, rules or regulations of this code of Conduct, he / she must immediately report the same to the Managing Director or the Head of the unit who shall in turn report it to the Managing Director. Such person should provide the details of suspected violations with all facts relating to the issue. All reported violations will be investigated.

Violation of this code will result in disciplinary action, which may even include termination of services of the Executive in senior Management of the Company. The Managing Director shall determine appropriate action for any violations of the Code of Conduct.

#### **V INTERPRETATION OF CODE AND DISCLOSURES:**

Any question or interpretation under this Code of Ethics and Business Conduct will be handled by the Managing Director.

Executives in Senior Management shall affirm the compliance with the code on annual basis. The Annual Report of the Company shall carry a declaration to this effect signed by the Managing Director. Each Executive in Senior Management will annually sign of Confirmation that they have read and will comply with this code.

To,

The Board of Directors

Fomento Resorts and Hotels Limited,

Name: \_\_\_\_\_

Department: \_\_\_\_\_

Designation: \_\_\_\_\_

I, the undersigned hereby certify that:

1. I have read and understood the Fomento Resorts and Hotels Limited Code of Conduct for Senior Management.
2. I am not in violation of any of the policies contained in the Code of Conduct and I am not aware of any violation that has not been reported in accordance with the procedures set forth in the Code.
3. I understand that failure to comply with the Code of Conduct may result in disciplinary action, and that a violation of the Code of Conduct may also constitute a violation of law that may result in penalties for me and/or Fomento and will abide by and advocate the policies set forth in our code of Conduct. I further understand my agreement to comply with the code of Conduct.
4. I understand that in addition to the reporting provisions set forth in the Code of Conduct, including Ethics, I shall report any concern regarding accounting, internal accounting controls, or auditing matter directly to the Audit committee of the Company's Board of Directors. Such a report shall be made in a confidential anonymous submission to the Chairman of the Audit Committee in care of The Company Secretary, Fomento Resorts and Hotels Limited, Unit: Cidade De Goa, Vainguinim Beach, Goa 403004. Email id- [cs@cidadedegoa.com](mailto:cs@cidadedegoa.com).

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## **FOMENTO RESORTS AND HOTELS LIMITED**

### **AMENDED Code of Conduct for Board of Directors (Prepared pursuant to clause 49 (I)(D) of the Listing Agreement)**

The Code of Conduct sets ethical standards for the Directors of Fomento Resorts and Hotels Limited (“The Company”)

The Company recognizes ethical and lawful conduct of business and adherence to all applicable laws, rules and regulations. This Code is intended to guide the Board in all business dealings of the Company, provide mechanisms to report any unethical conduct, and to help foster a culture of honesty and accountability. All Board Members will pursue the highest standards of ethical conduct in the interests of all shareholders and other stakeholders.

Accordingly, in all business dealings of the company, the Members of the Board will be guided by the following considerations:

1. To act in accordance with the articles of the Company.
2. To act in good faith and to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the company, its employees, the shareholders, the community and for the protection of environment.
3. To exercise duties with due and reasonable care, skill and diligence and exercise independent judgement.
4. Not to involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
5. To not to assign his office and any assigned responsibility.
6. Not to achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners or associates and if found guilty of making any undue gain, shall be liable to pay an amount equal to that gain to the company.
7. To act in a manner to enhance and maintain the reputation of the company.
8. To understand and keep himself/herself well informed about the business and the environment in which the company is operating.
9. To seek appropriate clarification or amplification of information and, where necessary, take and follow appropriate professional advice and opinion of outside experts at the expense of the Company.
10. To undertake appropriate induction and regularly update and refresh their skills, knowledge and familiarity with the company.
11. To dedicate sufficient time, energy and attention and strive to attend all meetings of the Board of Directors and of the Board committees of which he is a member.
12. Participate constructively and actively in the committees of the Board in which they are chairperson or members.
13. Strive to attend the general meetings of the Company.
14. To act within the authority and assist in protecting the legitimate interests of the company, shareholders and its employees.

15. To ascertain and ensure that the company has an adequate and functional vigil mechanism and to ensure that the interests of a person who uses such mechanism are not prejudicially affected on account of such use.
16. Not to unfairly obstruct the functioning of an otherwise proper Board or Committee of the Board.
17. To disclose any changes in the other board memberships.
18. To inform to the Board any potential conflicts of interest in any transaction and abstain from discussion and voting on any matter in which the Director has or may have conflict of interest.
19. Report concerns about unethical behavior, actual or suspected fraud or violation of the company's code of conduct or ethics policy.
20. Pay sufficient attention and ensure that adequate deliberations are held before approving related party transactions and assure themselves that the same are in the interest of the company.
21. Where they have concerns about running of the company or a proposed action ensure that these are addressed by the Board and, to the extent that they are not resolved, insist that their concerns are recorded in the minutes of the Board meeting.
22. To maintain confidentiality of all information relating to the Company including commercial secrets, technologies, advertising and sales promotion plans, unpublished price sensitive information, unless such disclosure is expressly approved by the Board or required by law.
23. To comply with the Company's code of conduct for Insider Trading and comply with the requirements of stock exchange with regards to insider trading.
24. To treat other members on the board with courtesy and to engage in vigorous debate on matters of principle.
25. To make available and share all appropriate information with fellow members which may help the Board in the conduct and sound operation of the company's business activities.
26. Where a decision is not unanimous, a dissenting Director may disclose the fact that he/she dissented.

Disclosure:

The members of the Board shall affirm the compliance with the code on Annual Basis.

Date:

To,

The Board of Directors  
Fomento Resorts and Hotels Limited,

I, the undersigned, hereby certify that:

- 1) I have read and understood the Fomento Resorts and Hotels Limited's code of Conduct.
- 2) I am not in violation of any of the policies contained in the Code of Conduct during the financial year ending ..... and I am not aware of any violation that has not been reported in accordance with the procedures set forth in the code.

Yours Faithfully,

Name :

Signature:

Date: