

**FOMENTO RESORTS AND HOTELS LIMITED**

**Registered Office:** Cidade de Goa, Vainguinim Beach, Goa – 403 004, India

Tel.: 91(832)2454545, Fax: 91(832)2454541/42

CIN: L55101GA1971PLC000113

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

**F O M E N T O**

**NOTICE**

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

**Dear Members,**

NOTICE is hereby given that the Forty Ninth Annual General Meeting of the members of Fomento Resorts and Hotels Limited (“**Company**”) will be held on Saturday, November 21, 2020 at 4:00 p.m.(I.S.T.) through Video Conferencing (“**VC**”) / Other Audio Visual Means (“**OAVM**”), to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2020, the Statement of Profit and Loss for the year ended on that date and the Statement of Cash Flow together with the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Auduth Timblo (DIN00181589), who retires by rotation and being eligible offers himself for re-appointment.

**SPECIAL BUSINESS:**

3. To appoint Mr. Sujjain Suresh Talwar as an Independent Director and in this regard, pass the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Sections 149,150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 “Listing Regulations”, on the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company, Mr. Sujjain Suresh Talwar (DIN 01756539) who was appointed as an Additional Director in the capacity of an Independent Director of the Company w.e.f March 14, 2020 , who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations and is eligible for appointment, and in respect of whom the Company has received a notice in writing in terms of Section 160(1) of the Act and who holds office as such up to the date of the ensuing Annual General Meeting, be and is hereby, appointed as a Non-Executive Independent Director of the Company not liable to retire by rotation, to hold office for a term of 5 (five) consecutive years , i.e. from March 14, 2020 up to March 13, 2025.

4. To approve related party arrangements and in this regard, pass the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (LODR) (including any statutory modifications, alterations or amendments thereto) and the Company’s Policy on ‘Related Party Transactions’, the consent of the Members of the Company be and is hereby accorded to ratify/approve enter into new, further contracts/arrangements/agreements/transactions, with Sociedade de Fomento Industrial Pvt. Ltd.(SFI), FomentoMedia, a unit of Sociedade de Fomento Industrial Pvt. Ltd., Infrastructure Logistics Pvt. Ltd.(ILPL) and Fomento Resources Pvt.Ltd.(FRPL) ‘Related Parties’ within the meaning of the Companies Act, 2013 and LODR, for the term of three consecutive years i.e. F.Y. 2020-2021 to F.Y. 2022-2023, provided that such contract(s)/transaction(s)/arrangement(s)/agreement(s) so carried out shall at all times be at arm’s length basis and in the ordinary course of the Company’s business, not exceeding the maximum value of transactions(exclusive of applicable taxes) which are more particularly enumerated in the table herein:

**Fomento Resorts and Hotels Limited**

Sr. No.	Nature of Transactions	Period of Time	Name of the Related Party	Maximum Value of Transaction(s) (Amount in Lakhs)	
				Receipts	Payments
1	Sale/rendering of Services such as Rooms, Food & Beverage and other related services	April 01, 2020 to March 31, 2023	Sociedade de Fomento Industrial Pvt.Ltd.	975.00	-
2	Purchase /availing of support services i.e. Purchase of newspapers, publishing advertisements	April 01, 2020 to March 31, 2023	Fomento Media, a unit of Sociedade de Fomento Industrial Pvt.Ltd	-	12.00
3	Sale/Rendering of Services such as Rooms, Food & Beverage and other related services	April 01, 2020 to March 31, 2023	Infrastructure Logistics Pvt.Ltd	431.00	-
4	Sale/Rendering of Services such as Rooms, Food & Beverage and other related services	April 01, 2020 to March 31, 2023	Fomento Resources Pvt. Ltd	1104.00	-

**RESOLVED FURTHER THAT** the Board of Directors of the Company and/ or a Committee thereof, be and are hereby, authorised to undertake all such acts, matters, deeds and things to finalise and to settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party(ies) and execute such agreements, documents and writings as deemed necessary, proper, desirable and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution, in the best interest of the Company.”

5. To approve the conversion of loan into equity shares of the Company and in this regard, pass the following resolution as a **Special Resolution:**

**RESOLVED THAT** in accordance with the provisions of Section 62(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force), the rules framed thereunder and the Memorandum and Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded empowering the board of directors of the Company (hereinafter referred to as the “**Board**”, which term shall be deemed to include any committee thereof for the time being exercising the powers conferred on the Board by way of this special resolution) to avail financial assistance for a rupee term loan for an additional aggregate principal amount not exceeding Rs. 60,00,00,000/- (Indian Rupees Sixty Crores only) (“**Rupee Loan Facility**”) by entering into an agreement (“**Facility Agreement**”) and other financing/ security documents (“**Finance Documents**”) under lending arrangements with certain banks and/or financial institutions(referred to as the” **Lenders**”, which expression shall include any successors, assigns and transferees thereof)and to accept one of the terms of the sanction authorising conversion of outstanding loan or part thereof into fully paid up equity shares of the Company in the event of default or upon exercise of an option by the Lenders provided under the Facility Agreement and other Finance Documents or upon occurrence of default and receipt of notice of conversion by the Lenders, as may be stipulated by the Lenders under the Facility Agreement or any other Finance documents to be executed between the Company and the Lenders for availing the Rupee Loan Facility.

“**RESOLVED FURTHER THAT** in accordance with the provisions of Section 62(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof, for the time being in force), the rules framed thereunder and the Memorandum and Articles of Association of the Company, the consent of the members of the Company be and is hereby accorded to the Board in respect of the Rupee Loan Facility to be availed from the Lenders to convert all amounts outstanding in relation to the Rupee Loan Facility or part thereof into fully paid up equity shares in the Company upon the occurrence of an event of default (how so ever may be defined under the relevant Finance Documents) in relation to such lending arrangements or upon exercise of an option provided under the Facility Agreement or other Finance Documents and at a price to be determined in accordance with the applicable law at the time of conversion and on such terms and conditions as may be stipulated in the Finance Documents and in a manner specified in a notice in writing to be given by the Lenders( or their agents or Trustees) to the Company.

**“RESOLVED FURTHER THAT** the fully paid up equity shares to be so allotted and issued to the Lenders pursuant to its exercising the right of conversion shall rank pari-passu in all respects with the Equity shares in the Company and be listed on the Stock Exchange(s) where the existing shares of the Company are listed.

**“RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution the Board be and is hereby authorised to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable to create, offer, issue and allot the aforesaid shares, to dematerialize the said fully paid-up equity shares of the Company, to convert the Secured Obligations (whether then due and payable or not) into fully paid-up equity shares of the Company and to resolve and settle any question, difficulty or doubt that may arise in this regard and to do all such other acts, deeds, matters and things in connection or incidental thereto as the Board, in its absolute discretion, may deem fit, without being required to seek any further consent or approval of the members of the Company or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred, to any one or more of the directors of the Company, with power to delegate to any officers of the Company to give effect to this resolution.”

**“RESOLVED FURTHER THAT** the copies of the foregoing resolutions, certified to be true by the Chairman, the Managing Director, Director and/or the Company Secretary of the Company, be furnished to the Lenders, the Security Trustee and other Secured Parties, their Agents, Trustees and/or representatives, and they be requested to act thereon.”

By Order of the Board  
For **Fomento Resorts and Hotels Limited**

**Asmeeta Matondkar**  
Company Secretary

Date: July 30, 2020  
Place: Vainguinim Beach - Goa

**NOTES:**

- 1) In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, SEBI Listing Regulations and MCA Circulars, the 49<sup>th</sup> AGM of the Company is being held through VC/ OAVM facility. Hence, Members can attend and Participate in the ensuing AGM through VC/OAVM.
- 2) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”), setting out the material facts concerning the Special Business(s) in the Notice is annexed hereto and forms part of this Notice.
- 3) Since this AGM is being held pursuant to the Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting. Since the AGM will be held through VC/OAVM, the route map is not annexed to this Notice.
- 4) Participation of members through VC/OAVM will be reckoned for the purpose of ascertainment of quorum under Section 103 of the Act. All resolutions shall continue to be passed through the facility of e-voting made available for the members.
- 5) Members of the Company under the category of Institutional Shareholders (i.e other than Individuals, HUF, NRI, etc.) are encouraged to attend and vote at the AGM through VC/OAVM. Members intending to authorize their representatives to participate and vote at the meeting are requested to submit a scanned copy (PDF format) of the relevant Board Resolution/ Authorization Letter, etc. together with attested specimen signature(s) of the duly authorised signatory (ies) who is/ are authorized to vote, to the Scrutiniser ([cs.sbhat@gmail.com](mailto:cs.sbhat@gmail.com)) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- 6) In view of relaxation given by MCA Circulars and SEBI Circular dated May 12, 2020 the Annual Report including Financial statements, Auditor’s report, Board’s report, Notice of AGM along with all the annexures and attachments thereof is being sent through email to those Members whose email addresses are registered with the Company’s RTA/ Depositories. Members may note that the Notice and Annual Report of the Company for the financial year 2019-20 will also be available on the website of the

Company at [www.frh.in](http://www.frh.in) and on the website of the Stock Exchange i.e. [www.bseindia.com](http://www.bseindia.com). The Company is making all efforts to physically dispatch the Annual Report along with Notice of the AGM to those shareholders whose email ids are not registered with the Company's RTA/Depositories. For those shareholders whose email ids are not registered, the process for registration of email addresses is as under:

- (i) In light of the MCA circulars, members who have not registered their email address and in consequence could not receive the electronic copy of the Annual Report along with the Notice of AGM, the shareholder can temporarily get their email address registered with Bigshare, by clicking the link [www.bigshareonline.com](http://www.bigshareonline.com) and follow the registration process as guided thereafter. Post successful registration of the email address, the Member shall send a written request by email to the Company's RTA at [investor@bigshareonline.com](mailto:investor@bigshareonline.com) and would get soft copy of the Annual Report which includes Notice of AGM. In case of any queries, Members may write to [investor@bigshareonline.com](mailto:investor@bigshareonline.com)
  - (ii) It is clarified that for permanent registration of email address, Members are requested to register their email addresses in respect of electronic holdings with their concerned Depository Participant(s) **and** in respect of physical holdings with Bigshare Services Private Limited, First Floor, Bharat Tin Works Building, Opposite Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai, Maharashtra – 400059, by following due procedure.
  - (iii) Those members who have already registered their email addresses are requested to keep their email addresses validated with their Depository Participants/Bigshare to enable servicing of Notices and documents electronically to their email address.
- 7) Members seeking any information with regard to financial statements at the AGM are requested to send their queries through Email to the email ID [shareholders@frhl.in](mailto:shareholders@frhl.in) at least 7 days before the meeting, so that the information can be compiled in advance.
  - 8) The Register of Members and the Share Transfer Register of the Company shall remain closed from November 7, 2020 to November 13, 2020 (both days inclusive).
  - 9) The amount of dividend remaining unclaimed or unpaid for a period of 7 years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF). Accordingly in the year 2019-20, the Company had transferred the unclaimed or unpaid dividend for the year ended March 31, 2012 to IEPF. Unclaimed Dividend in respect of the financial year ended March 31, 2013 will be due for transfer to Investor Education and Protection Fund on or after **(November 4, 2020)**. The Members who have not encashed the dividend warrants for the earlier years so far are requested to send their claims, if any, to the Company/RTA immediately. Once the amount is transferred by the Company to IEPF, no claim thereof shall lie against the Company.
  - 10) Members holding shares in electronic form are hereby advised to update their bank particulars in case there is any change for the receipt of future dividends, if any as the bank details registered against their respective depository accounts will be used by the Company for payment of dividend. Members holding shares in physical form and desirous of either registering or changing bank particulars are requested to write to the Company.
  - 11) Details under Regulation 36 (3) of SEBI Listing Regulations, 2015 in respect of the Directors seeking appointment/ re-appointment at the Annual General meeting, forms integral part of the notice as Annexure.
  - 12) The Board of Directors have re-appointed M/s.Sudha Suresh Pai and Associates, Chartered Accountants, Firm Registration No.118006W as Statutory Auditors of the Company from the conclusion of the 49th Annual General Meeting upto the conclusion of 50th Annual General Meeting of the Company as per the recommendation of the Audit Committee pursuant to Regulation 18(3), Sch.II.Part CA(2) of the SEBI (LODR) Regulations, 2015.  
  
The Auditors have submitted their consent for such re-appointment and that they satisfy the criteria provided in Section 141 of the Companies Act, 2013
  - 13) The Statutory Registers and the documents pertaining to the items of business to be transacted are available for inspection in electronic mode during the AGM.

**14) Voting through electronic means:**

- a) In compliance with provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of SEBI Listing Regulations 2015, the Company is pleased to provide to its members facility to exercise their right to vote at the 49<sup>th</sup> AGM by electronics means. The members may cast their votes using an electronic voting system from a place other than the venue of the Meeting (remote e-voting). The Company has availed the facilities of National Securities Depository Limited (NSDL) for facilitating e-voting.

- b) The remote e-voting period commences on November 18, 2020 (9.00 a.m.) (I.S.T.) and ends on November 20, 2020 (5.00 p.m.) (I.S.T.). The e-voting module will be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC/ OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- c) The members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC /OAVM but shall not be entitled to cast their vote again. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date i.e. November 14, 2020.
- d) The Company has appointed Mr. Shivaram Bhat, Practising Company Secretary (ACS: A10454 & CP 7853), as the ‘Scrutiniser’ to scrutinize the remote e-voting and the e-voting at the AGM in a fair and transparent manner. The Scrutinizer shall make a consolidated Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman within a period not exceeding 48 hours from the conclusion of the AGM.
- e) The results of voting would be declared on or after the date of AGM of the Company by the Chairman or the person authorized by him. These Results declared along with the Scrutinizer’s Report shall be placed on the Company’s website [www.frh.in](http://www.frh.in), on the website of NSDL and shall be forwarded to the Stock Exchange namely BSE Limited. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the notice and holds shares as of the cut-off date i.e. November 14, 2020, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). However, if he/she is already registered with NSDL for remote e-voting then he/she can use his/her existing User ID and password for casting the vote.

15) General Instructions

- a) The instructions for members for e-voting are as under:

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

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

Details on Step 1 is given below:

How to Log-in to NSDL e-Voting website?

- b) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
  - 1) Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.
  - 2) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.
  - 3) Alternatively, if you are registered for NSDL e-services i.e. iDeAS, you can log-in at <https://eservices.nsdl.com/> with your existing iDeAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
  - 4) Your User ID details are given below:

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

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

Details on Step 2 is given below:

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

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

**Instructions for members for attending the AGM through VC/OAVM and for voting during AGM are as under –**

- 1) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
- 2) Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

- 3) Members are encouraged to join the Meeting through Desktops or Laptops or Tablets for better experience.
- 4) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 5) Please note that Participants connecting from Desktops or Tablets or Laptop via Mobile Hotspot may experience Audio/ Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi- or LAN Connection to mitigate any kind of aforesaid glitches.
- 6) Members can join the AGM in VC/OAVM mode, between 15 minutes before and after the scheduled time of commencement of the meeting by following the procedure mentioned in this notice.
- 7) The facility for participation in the AGM through VC/OAVM will be available for 1000 members on first-come-first-served basis. This will not include large shareholders (i.e shareholders holding 2% or more shareholding), Institutional Investors, Directors, Key Managerial Personnel, Auditors etc. who are allowed to attend the AGM without restrictions on account of first-come-first-served basis.
- 8) Shareholders who would like to express their views/ask questions may express the same through any of the following options-
  - i. Through Registered E-Mail ID: Shareholders may send their views/questions 7 days in advance, mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at [shareholders@frhl.in](mailto:shareholders@frhl.in) from November 7, 2020 (09.00 a.m.) (IST) to November 13, 2020 (05.00 p.m.) (IST). Members are requested to send their e-mail with the subject titled "AGM 2020-Expression of views/questions". The same will be replied by the company suitably.
  - ii. Being a speaker during AGM: Members may register themselves as speaker by sending their request from their registered e-mail address mentioning their name, demat account number/folio number, email ID, mobile number at [shareholders@frhl.in](mailto:shareholders@frhl.in) on or before the closing business hours of November 14, 2020. Those members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers, upto 5 members, on first-come-first-served basis.

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

- 1) In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate(front and back),PAN (Self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to [investor@bigshareonline.com](mailto:investor@bigshareonline.com) with a copy marked to [shareholders@frhl.in](mailto:shareholders@frhl.in)
- 2) In case shares are held in demat mode, please provide DPID-CLID (16digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to [investor@bigshareonline.com](mailto:investor@bigshareonline.com) with a copy marked to [shareholders@frhl.in](mailto:shareholders@frhl.in)

**General Guidelines for shareholders**

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [cs.sbhat@gmail.com](mailto:cs.sbhat@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, pertaining to e-Voting you may refer the Frequently Asked Questions (FAQs) for Shareholders and remote e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call at toll free no.: 1800-222-990 or send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). In case of any grievances connected with facility for voting by electronic means, please contact Ms. Pallavi Mhatre, Manager, National Securities Depository Limited, Trade World, A – Wing, Fourth Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400013 or call at toll free No. 1800-222-990 or contact no. 91-22-24994545 or at email id. [pallavid@nsdl.co.in](mailto:pallavid@nsdl.co.in) / [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

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

The following statement sets out all material facts relating to all the Special businesses mentioned in the accompanying notice :

**Item No. 3** In accordance with the provisions of Section 149 read with Schedule IV to the Act, appointment of an Independent Director requires approval of members. Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has proposed that Mr. Sujjain Suresh Talwar (DIN 01756539), be and is hereby appointed as an Independent Director on the Board of the Company.

Mr. Sujjain Suresh Talwar is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. The Company has received a declaration from Mr. Sujjain Suresh Talwar that he meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements Regulations), 2015 (“Listing Regulations”). In the opinion of the Board, Mr. Sujjain Suresh Talwar fulfils the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations. Mr. Sujjain Suresh Talwar is independent of the management and possesses appropriate skills, experience and knowledge.

Details of Mr. Sujjain Suresh Talwar are provided in the “Annexure” to the Notice pursuant to the provisions of (i) the Listing Regulations and (ii) Secretarial Standard on General Meetings (“SS-2”), issued by the Institute of Company Secretaries of India.

Copy of draft letter of appointment of Mr. Sujjain Suresh Talwar setting out the terms and conditions of appointment is available for inspection by the members at the registered office of the Company.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the Notice.

This statement may also be regarded as an appropriate disclosure under the Listing Regulations.

The Board commends the Ordinary Resolution set out at Item No. 3 of the Notice for approval by the members.

**Item No. 4.**

Pursuant to the provisions of section 188 of the companies Act, 2013 (“the Act”), read with the Companies (Meetings of Board and its Powers) Rules, 2014 (“Rules”), the Company is required to obtain consent of the Board of Directors and prior approval of the members by way of ordinary resolution, incase certain transactions with related parties exceeds such sum as is specified in the said Rules. The aforesaid provisions are not applicable in respect of transactions which are in the ordinary course of business and on arm’s length basis.

However, pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations), approval of the members through ordinary resolution is required for all material related party transactions, even if they are entered into ordinary course of business and on arm’s length basis. For this purpose, a transaction is considered material, if the transaction /transactions to be entered into individually or taken together with previous transactions during a Financial Year exceeds 10% of the annual consolidated turnover of the company, as per the last audited financial statements of the Company.

All the Related party transactions entered into by the company are at arms’ length basis and in the ordinary course of business and approval of the Audit Committee/Board is obtained, whenever required.

The transaction(s) entered into by the Company with Fomento Resources Private Limited (FRPL), together with the transactions already entered, qualifies to be material related party transaction/s under the Listing regulations. The company has existing arrangements with FRHL for borrowing unsecured inter corporate borrowings for the purpose of the hotel projects of the company which is availed in tranches by the Company from FRPL. However, the value of transactions with FRPL in respect of Financial year 2019-20 (for the services rendered such as sale of rooms/F&B and related services) and also the estimated value of transactions for the next financial year onwards is also likely to exceed 10% of the annual consolidated turnover of the Company, based on the audited financial statements for the year ended March 31, 2020.

Similarly, the value of transaction with Sociadeda de Fomento Industrial Pvt.ltd., Infrastructure Logistics Pvt. Ltd, Fomento Media, a unit of Sociadade de Fomento Industrial Pvt Ltd may qualify to be material related party transactions pursuant to Regulation 23 of SEBI (LODR) Regulations, 2015 considering the approval sought for the proposed period based on the audited financial statements for the year ended March 31, 2020.

Sociadade de Fomento Industrial Pvt.Ltd, Fomento media: unit of Sociadade de Fomento Industrial Pvt.Ltd, Infrastructure Logistics Pvt. Ltd and FomentoResources Private Limited are considered as related parties pursuant to Regulation 2(zb) of the SEBI Listing Regulations, 2015 and Section 2(76) of the Companies Act, 2013.



The Particulars of the Related Party transactions, which are required to be stated in the Explanatory statement, as per Rule 15 of the companies (Meetings of Board and its Powers) Rules, 2014 are enumerated in the table below:

**1. Sociedade de Fomento Industrial Pvt. Ltd (SFI)**

Sr. No.	Nature of Disclosure	Disclosure
1	Name of Related Party	Sociedade de Fomento Industrial Pvt. Ltd Fomento Media: unit of Sociedade de Fomento Industrial Pvt. Ltd
2	Name of Director or Key Managerial Personnel who is related, if any	Mr. Auduth Timblo Mrs. Anju Timblo Mr. Akash Timblo
3	Nature of Relation	<ul style="list-style-type: none"> <li>• Mr. Auduth Timblo, Director and Non Executive Chairman is:                             <ul style="list-style-type: none"> <li>(i) Chairman and Managing Director of Sociedade de Fomento Industrial Pvt. Ltd.</li> <li>(ii) holds more than 2% equity shares in SFI</li> </ul> </li> <li>• Mrs. Anju Timblo, Managing Director &amp; CEO of the Company is wife of Mr. Auduth Timblo.</li> <li>• Mr. Akash Timblo, employee of the Company is son of Mr. Auduth Timblo &amp; Mrs. Anju Timblo.</li> </ul>
4	Duration of Contract	<ul style="list-style-type: none"> <li>• 36 months for rendering and availing services;</li> </ul>
5	Nature, material terms, monetary value and particulars of the contract or arrangement	<p><u>Sale/Rendering of Services (Room nights/F&amp;B and related services)</u> The transaction with Sociedade de Fomento Industrial Pvt. Ltd will be in the ordinary course of business for sale of rooms nights, food &amp; beverages and other related services. Prices levied on such sales are always dynamic, varies day-to-day basis depending upon the season, availability of rooms, etc. The total value of transactions/ business proposed shall not exceed Rs. 975.00 lakhs over a period of 36 months. The Company's market segment being hotel and difficult to get Volume business from several travel agents and Corporates, the Company is assured of the Volume based business from SFI due to its business connects with its ready infrastructure at various locations.</p> <p><u>Availing Support Services</u> The Company avails support services of purchasing/ subscribing to newspaper named "The Goan" and "GoanVarta" a local English newspaper and Marathi newspaper depending upon the day to day occupancy to cater to the requests of the in-house guests and also publishes advertisement on need basis . The said transactions shall not exceed and amount of Rs. 12 lakhs for a period of 36 months.</p>
6	Whether approval of the Audit Committee is sought	Yes

7	Any other relevant information or fact important for the members to make decision on the proposed transaction	SFI provides substantial revenue considering the volume of business received by the Company. The Company also avails support services of availing newspapers as per occupancy to cater to the needs of its guest from Fomento Media, a unit of SFI, being a group Company.
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**2. Infrastructure Logistics Pvt. Ltd (ILPL)**

Sr. No.	Nature of Disclosure	Disclosure
1	Name of Related Party	Infrastructure Logistics Pvt. Ltd
2	Name of Director or Key Managerial Personnel who is related, if any	Mr. Auduth Timblo Mrs. Anju Timblo Mr. Akash Timblo
3	Nature of Relation	<ul style="list-style-type: none"> <li>Mr. Auduth Timblo, Director and Non Executive Chairman of the Company and Mrs. Anju Timblo, Managing Director &amp; CEO of the Company are parents of Mr. Ambar Timblo, who's trust is holding substantial shareholding in Infrastructure Logistics Pvt. Ltd</li> <li>Mr. Akash Timblo, employee of the Company is son of Mr. Auduth Timblo &amp; Mrs. Anju Timblo and brother of Mr. Ambar Timblo.</li> </ul>
4	Duration	<ul style="list-style-type: none"> <li>36 months for rendering and availing services;</li> </ul>
5	Nature, material terms, monetary value and particulars of the contract or arrangement	<p><u>Sale/Rendering of Services (Room nights/F&amp;B and related services)</u></p> <p>The transaction with Infrastructure Logistics Pvt. Ltd will be in the ordinary course of business for sale of room nights, food &amp; beverages and other related services. In addition, common recurring expenses incurred are also allocated to ILPL on actual basis. Prices levied on such sales are always dynamic, varies day-to-day basis depending upon the season, availability of rooms, etc. The total value of business shall not exceed Rs. 431.00 lakhs for a period of 36 months. The Company's market segment being hotel and difficult to get Volume business from several travel agents and Corporates, the Company is assured of the Volume based business from ILPL due to its business connects with its ready infrastructure at various locations.</p>
6	Whether approval of the Audit Committee is sought	Yes
7	Any other relevant information or fact important for the members to make decision on the proposed transaction	ILPL provides substantial revenue to the business considering the volume of business received by the Company.

**3. Fomento Resources Pvt. Ltd. (FRPL)**

Additional information required to be disclosed pursuant to Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014:

Sr. No.	Nature of Disclosure	Disclosure
1	Name of Related Party	Fomento Resources Private Limited
2	Name of Director or Key Managerial Personnel who is related, if any	Mr. Auduth Timblo Mrs. Anju Timblo Mr. Akash Timblo
3	Nature of Relation	<ul style="list-style-type: none"> <li>• Mr. Ambar Timblo, Managing Director of Fomento Resources Pvt. Ltd. is                             <ul style="list-style-type: none"> <li>(i) a son of Mr. Auduth Timblo, Non Executive Chairman of the Company and Mrs. Anju Timblo, Managing Director &amp; CEO of the Company.</li> <li>(ii) Mr. Auduth Timblo and Mrs. Anju Timblo are also shareholders of Fomento Resources Private Limited and hold more than 2% shares in the said company.</li> </ul> </li> <li>• Mr. Akash Timblo, employee of the Company is son of Mr. Auduth Timblo &amp; Mrs. Anju Timblo and brother of Mr. Ambar Timblo.</li> </ul>
4	Duration	36 months for rendering services
5	Whether the transaction has been approved by the Audit Committee	Yes
6	Nature, material terms, monetary value and particulars of the contract or arrangement	<p><u>Sale/Rendering of Services (Room nights/F&amp;B and related services)</u></p> <p>The transaction with Fomento Resources Private Limited will be in the ordinary course of business for sale of room nights, food &amp; beverages and other related services. Prices levied on such sales are always dynamic, varies day-to-day basis depending upon the season, availability of rooms, etc. The total value of business shall not exceed Rs. 1104.00 lakhs for a period of 36 months. The Company's market segment being hotel and difficult to get Volume business from several travel agents and Corporates, the Company is assured of the Volume based business from FRPL due to its business connects with its ready infrastructure at various locations.</p>
7	Any other relevant information or fact important for the members to make decision on the proposed transaction	Fomento Resources Pvt. Ltd. (FRPL) provides substantial revenue to the business considering the volume of business received by the Company. The Company has availed unsecured inter corporate borrowings not exceeding an amount of Rs. 145 crores out of the sanctioned limit of Rs. 150 crores, at simple interest not

		exceeding 11% per year from FRPL for the purpose of funding the 2 hotel projects (one located at Aarvli and the other one located at Vainguinim plateau, Goa) of the Company. The Company also has a sanction/approval from members to purchase a plot of land admeasuring 5425 square meters situated at Curca village, North District, Goa for a consideration not exceeding an amount of Rs. 4.10 crores from FRPL.  FRPL holds 70,00,000 Non Convertible, Cumulative, Redeemable Preference shares of Rs. 100 each in the Company.
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Considering the volume of business, revenue and support services received by the Company from the said related parties the Board believes it is in the best interest of the Company to enter into arrangements/transactions/agreements.

The Board therefore, recommends the Resolution set out in Item no.4 of the Notice for approval of the Members.

Except Mr. Auduth Timblo, Director & Non Executive Chairman, Mrs. Anju Timblo, Managing Director & CEO and Mr. Akash Timblo, relative of Director & KMP, none of the other Directors, Key Managerial Personnel of the Company or their relatives are in anyway, financially or otherwise concerned or interested in the said resolution.

In terms of Regulation 23(4) of the SEBI (LODR) Regulations, 2015 no related party shall vote to approve the resolution.

#### **Item No. 5**

In terms of the provisions of Section 180(1) (c), the shareholders of the Company have already accorded approval to the Board of Directors of the Company to borrow money/monies upto an amount of Rs. 750,00,00,000 (Indian Rupees Seven Hundred and Fifty Crores only) or an aggregate of the paid up capital and free reserves of the Company, whichever is higher by passing a special resolution by postal ballot on March 23, 2017.

To meet funding requirements towards proposed capital expenditure for the development and construction of new hotel project above the plateau of the existing running hotel at Goa, the Company had availed financial assistance (including a Rupee Term Loan Facility) for an aggregate principal amount not exceeding Rs. 400,00,00,000 (Rupees Four Hundred Crores only) (“**Facility**”), from bank(s) (referred to as the “**Lenders**”, which expression shall include any successors, assigns and transferees thereof) by entering into a facility agreement (“**Facility Agreement**”) and other financing/ security documents (“**Finance Documents**”) under lending arrangements on such terms and conditions as agreed between the Borrower and the Lenders.

In accordance with Covid-19 - Regulatory Package announced by Reserve Bank of India (“RBI”) on March 27, 2020 which permitted all lending institutions including NBFCs to grant a moratorium of three months on payment of all installments falling due between March 1, 2020 and May 31, 2020. Thereafter RBI vide press release dated May 22, 2020 on Statement on Development and Regulatory Policies had stated that in view of the extension of the Lock down and continuing disruptions on account of Covid -19 pandemic, lending institutions should extend the moratorium on term loan installments by another three months, i.e. from June 1, 2020 to August 31, 2020. Accordingly, the Company has availed moratorium on loan from April, 2020 to August 31, 2020 as on the date of this notice.

The operations of the hotels of the Company namely “Cidade de Goa” and the new hotel “Taj Hotel & Convention Centre, Goa” which commenced its operations from March 1, 2020 had to be temporarily shut from the last week of March, 2020 due to the nationwide lockdown due to COVID-19 pandemic. The hotel operations are yet to resume as on the date of this notice.

In the event of further extension of moratorium by the RBI, the Company may be compelled to opt for the same due to shut down of operations.

On account of availing moratorium, the total sum of Rs. 400 crores already borrowed by the Company from the Bank(s) is likely to result in further increase of the amount of the Term Loan beyond the Principal amount of Rs. 400 crores.

In line with the regulatory changes and various directives issued by Reserve Bank of India from time to time, the Company has been advised to pass a Special Resolution under Section 62(3) of the Companies Act, 2013 and other applicable provisions of the

Companies Act, 2013 to enable Banks and Financial Institutions (hereinafter referred to as Lenders) to convert the outstanding loans to be availed from Lenders from time to time, at their option or in an event of default into fully paid up equity shares of the Company upon such terms and conditions as may be deemed appropriate by the Board and at a price to be determined in accordance with the applicable law at the time of such conversion.

Allotment of equity shares as above requires prior approval of the Members by way of Special Resolution. The proposed resolution is an enabling resolution under the provisions of the Section 62(3) and other applicable provisions of the Companies Act, 2013 in view of the fact that under lending arrangements, the Lenders insist for inclusion of an option to convert the outstanding facility into Equity in the event of default or upon exercise of an option provided under the lending arrangements.

None of the Directors and Key Managerial Personnel of the Company and their relatives may be deemed to be concerned or interested in the resolution except to the extent of their respective shareholdings in the Company, if any.

By Order of the Board  
For **Fomento Resorts and Hotels Limited**

Date: July 30, 2020  
Place: Vainguinim Beach - Goa

**Asmeeta Matondkar**  
Company Secretary

## ***Fomento Resorts and Hotels Limited***

### **Annexure:**

Details of directors seeking appointment/re-appointment pursuant to Regulation 36(3) of SEBI Listing Regulations 2015) are as provided below:

Name of the Director	Mr. Auduth Timblo	*Mr. Sujjain Suresh Talwar
Date of Birth	01/03/1949	22/03/1964
Date of appointment	20/07/1976	14/03/2020
Qualification	B.E., L.L.B.	B.Com, LLB
Relationship with Directors	Relative (Husband) of Mrs. Anju Timblo	None
Experience and Expertise	Mr. Auduth Timblo is an acclaimed Industrialist of repute and has immense experience in the hotel industry, mining and allied industries. Mr. Auduth Timblo has more than 40 years experience as an Industrialist.	Mr. Sujjain Talwar is a qualified Solicitor in India as well as in England and Wales. He is a co founder Partner of ELP, a law firm with over 200 lawyers spread across India, and is responsible mainly for the hospitality & Infrastructure practices of the firm. His experience spans over 20 years as a Corporate and Infrastructure Solicitor in India.
Brief Profile	Mr. Auduth Timblo holds a Bachelor's degree in Engineering from South Dakota School of Mines and Technology, USA and also a Bachelor's degree in Law from Mumbai university. He is an Industrialist and his experience spans over 40 years in the Hospitality, Mining and allied industries.	Mr. Sujjain Talwar holds a Bachelors degree in Commerce and also a Bachelors degree in law. He is also a qualified solicitor from The Bombay Incorporated Law Society and Law Society of England and Wales.  Prior to joining ELP, Mr. Sujjain has worked with law firms such as Crawford Bayley & Co., Mumbai as well as with Pinsent Masons, U.K.
Board membership of Companies as on 31st March, 2020 (excluding foreign & Section 25 companies)	1. Fomento Engineering and Constructions Pvt. Ltd.	Carborundum Universal Limited
	2. Sociedade de Fomento Industrial Pvt. Ltd.	Intergrated Mumbai Business Park (India) Private Limited
	3. Fomento Barges Pvt. Ltd.	Intergrated Chennai Business Park (India) Private Limited
	4. Shelvona Riverside Railway Terminal Limited	
	5. Mormugao Maritima Limited	
Chairman/Member of the Audit Committee as on 31st March, 2020 of companies in which he/she is Director	NIL	Carborundum Universal Limited - Member
Chairman/Member of the Shareholders/ Investors Grievance Committee as on 31st March, 2020 of companies in which he/she is Director	NIL	NIL

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Chairman/Member of the Remuneration Committee as on 31st March, 2020 of other companies in which he/she is Director	NIL	NIL
Chairman/Member of the Corporate Social Responsibility Committee as on 31st March 2020	NIL	NIL
Chairman/Member of the Risk Management Committee as on 31st March, 2020	NIL	NIL
Shareholding in the Company	21,12,139 Shares	NIL

\*Mr. Sujjain Suresh Talwar has been appointed as an Independent Director of the Company with effect from March 14, 2020.