



September 20, 2017

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

The Secretary
The Calcutta Stock Exchange Ltd
7, Lyons Range
Kolkata 700 001

Dear Sir,

Sub: Submission of Annual Report as per Regulation 34 of the Listing Regulations

Please find enclosed the Annual Report for the year 2016-2017 of Sinclairs Hotels Ltd.

The above is being given to you in terms of the Listing Regulations.

Thanking you,

Yours faithfully,

A handwritten signature in black ink that reads "Sangita Agarwal".

Sangita Agarwal
Company Secretary

Encl: As above

Sinclairs Hotels Limited

Regd. Office : Pressman House, 10A Lee Road, Kolkata 700 020, t: 40310800/0801/0802/0803 f: (033) 40310813
e: ir@sinclairshotels.com, www.sinclairsindia.com
CIN : L55101WB1971PLC028152

BURDWAN | DARJEELING | DOOARS | KALIMPONG | OOTY | PORT BLAIR | SILIGURI

Seven Destinations. One Signature Brand.



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Corporate Information

Board of Directors

Navin Suchanti, Chairman
Dr Niren Suchanti
Dip Narayan Mitra
Kunal Bose
Bipasha Mukhopadhyay

Chief Financial Officer

B L Soni

Chief Operating Officer

Swajib Chatterjee

Company Secretary

Sangita Agarwal

Auditors

S R Batliboi & Co. LLP (Member of Ernst & Young LLP)
Chartered Accountants
(Firm Registration No. 301003E/E300005)

Registered and Corporate Office

Pressman House
10A Lee Road
Kolkata 700 020
CIN: L55101WB1971PLC028152

Hotels & Resorts

Sinclair's Siliguri
Sinclair's Darjeeling
Sinclair's Bayview Port Blair
Sinclair's Retreat Ooty
Sinclair's Retreat Dooars Chalsa
Sinclair's Retreat Kalimpong
Sinclair's Tourist Resort Burdwan

Registrar & Transfer Agent

Niche Technologies Pvt Ltd
D-511 Bagree Market,
71 B R B Basu Road, Kolkata 700001

Hotel Website

www.sinclairshotels.com

Investor Information Website

www.sinclairsindia.com

Directors' Report

Your Directors have pleasure in presenting the Forty-fifth Annual Report of the company together with the Audited Accounts for the year ended 31st March, 2017.

Financial Highlights

Particulars	₹ in lakhs	
	Current Year	Previous Year
Revenue from operations	4705.57	3904.33
Operating Profit	2002.92	1667.57
Other Income	186.92	99.20
Depreciation	795.93	653.93
Profit before tax	1393.91	1112.84
Tax Expenses :		
Current Tax	297.48	242.62
MAT Credit Entitlement	(64.53)	(237.50)
Deferred Tax	259.81	402.67
Total	492.76	407.79
Net Profit	901.15	705.05
Add : Balance Brought forward from last year	1061.77	774.88
	1962.92	1479.93
Appropriation		
Transfer to General Reserve	200.00	150.00
Dividend	-	-
Interim Dividend	-	222.80
Dividend Distribution Tax	-	45.36
Balance Carried to Balance Sheet	1762.92	1061.77
	1962.92	1479.93

Directors' Responsibility Statement

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013, we hereby state and confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a fair view of the state of affairs of the Company and of the profit for the year ended 31st March, 2017.
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- the Directors have prepared the annual accounts on a going concern basis.
- The Directors had laid down internal financial controls which

are being followed by the Company and that such internal financial controls are adequate and are operating effectively.

vi) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Performance

The company achieved record operating revenue of ₹ 4705.57 lakhs as against ₹ 3904.33 lakhs in the previous year registering a growth of 21% during the year. Operating Profit has increased to ₹ 2002.92 lakhs as compared to ₹ 1667.57 lakhs reflecting a growth of 20%.

Dividend

Your Directors are pleased to recommend a dividend of 40% (₹ 4 per equity share of ₹ 10) for the year 2016-2017 amounting to ₹ 268.16 lakhs inclusive of dividend distribution tax of ₹ 45.36 lakhs.

Directors and Key Managerial Personnel

During the year under review Mr Navin Suchanti (DIN: 00273663) was re-appointed as Managing Director for a further period of three years with effect from 1st April, 2016.

Mr Chandrasekhar Subrahmanyam (DIN: 00024780) was re-appointed as an Independent Director for a further term of three years with effect from 11th April, 2016.

Ms Bipasha Mukhopadhyay (DIN: 02686217) has been appointed as an Independent Director on 12th November, 2016 for one year subject to approval of shareholders at the ensuing General Meeting. The company has received a notice in writing from a shareholder together with requisite deposit proposing the name of Ms Bipasha Mukhopadhyay to be elected as an Independent Director of the company.

Ms Mukhopadhyay has given a declaration that she meets the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013.

Your Directors state that Ms Bipasha Mukhopadhyay possesses appropriate balance of skills, expertise and knowledge and is qualified for appointment as Independent Director.

Mr Sumit Ratnakar Guha (DIN: 00492245) was re-appointed as an Independent Director for a further term of three years on 12th February, 2017. The company has received a notice in writing from a shareholder together with requisite deposit proposing the name of Mr Sumit Ratnakar Guha for re-appointment as an Independent Director of the company for a further term of 3 years with effect from 12th February, 2017.

Ms Preeti Khicha (DIN: 05108059) has resigned as Director of the Company on 4th November, 2016. The Board of Directors wish to place on record their deep appreciation for the valuable contribution made by her as a Director on the Board.

Mr Rohan Sikri (DIN: 00216343), Director retire by rotation at

the forthcoming Annual General Meeting and being eligible, offer himself for reappointment. The Directors recommend re-appointment of Mr Rohan Sikri to the Board.

Declaration by Independent Directors

A declaration by Independent Directors that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 has been received from all the Independent Directors.

Company's Policy on Directors' Appointment and Remuneration and Senior Management Appointment and Remuneration

In accordance with Section 178 of the Act read with Regulation 19(4) of the SEBI (Listing Obligation and Disclosures Requirement) Regulations, 2015, the Company's Nomination and Remuneration Committee has formulated a policy on Directors' Appointment and Remuneration and Senior Management Appointment and Remuneration. The policies are enclosed as Annexures I and II and forms part of this report.

Particulars of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The operations of your company do not require energy consumption of any significant level. The company does not use any imported technology. Therefore, information regarding conservation of energy and technology absorption as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is not annexed.

During the year, your Company earned ₹ 15,990,744 in foreign exchange (previous year ₹ 5,221,315). There was expenditure in foreign currency of ₹ 666,279 (previous year ₹ 1,750,755).

Auditors

M/s S R Batliboi & Co. LLP (Member of Ernst & Young LLP), Chartered Accountants (Firm Registration No 301003E/E300005) were appointed as Statutory Auditors of the Company for a period of (4) four years at the AGM held on 6th September, 2014. Ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing AGM.

Secretarial Audit

In terms of Section 204 of the Act and Rules made thereunder, Mr. Arup Kumar Roy, Practicing Company Secretary has been appointed as Secretarial Auditors of the Company. The report of the Secretarial Auditors for the year ended 31st March, 2017 is enclosed as Annexure III to this report.

Related Party Transactions

Related party transactions that were entered during the financial year were at an arm's length basis and were in the ordinary course of business. There were no materially

significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. The policy on related party transactions as approved by the Board is available on the website www.sinclairindia.com. The particulars of contracts entered during the year as per Form AOC-2 is attached as Annexure IV with this report.

Corporate Social Responsibility

The Company has constituted a Corporate Social Responsibility Committee (CSR) and framed Corporate Social Responsibility Policy as required under Companies Act, 2013. The CSR policy is available on the company's website www.sinclairindia.com. Details of amount spent on CSR activities during the financial year 2016-17 are given in Annexure V.

Extract of Annual Return

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed as Annexure VI.

Particulars of Loans, Guarantees or Investments

There are no loans, guarantees, or investments made by the Company covered under the provision of Section 186 of the Companies Act, 2013.

Public Deposits

During the year, the Company has not accepted any deposits from the public.

Vigil Mechanism

Pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 read with regulation 22 of the SEBI (LODR) Regulation, 2015, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the investor information website www.sinclairindia.com. During the year ended 31st March, 2017, no complaints were received.

Board Meetings

During the year, 4 (four) Board meetings were held on 30th May, 2016, 12th August, 2016, 12th November, 2016 and 14th February, 2017 respectively.

Managerial Remuneration

The information required pursuant to Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 in respect of employees of the Company is attached as Annexure VII and forms a part of the Directors' Report. There are no employees who are in receipt of remuneration in excess of the limit specified under Section 134(3)(q) read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

Management Discussion and Analysis and Corporate Governance Report

In compliance with Regulation 34(3) of the Listing Regulation with stock exchanges, a separate section on Management Discussion and Analysis which includes details on the state of affairs of the Company and Corporate Governance Report, as approved by the Board of Directors, together with a certificate from the Statutory Auditors confirming compliance with the requirements of Regulation 34(3), forms part of this Report.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulations, a Board Evaluation Policy has been put in place.

The process of review of Non-Independent Directors and the Board as a whole and also its committees were undertaken in a separate meeting of Independent Directors without the attendance of Non-Independent Directors and members of the management. At the meeting, the performance of the Chairman was reviewed taking into account the views of the Executive Directors and Non-Executive Directors and Independent Directors. The meeting also assessed the quality, quantity and timeliness of the flow of information required for the Board to perform its duties properly.

The Board of Directors separately evaluated the performance of each of the Independent Directors. The concerned

Independent Director did not participate in the meeting.

The Directors have expressed their satisfaction with the evaluation process.

Based on the findings from the evaluation process, the Board will continue to review its procedures and effectiveness in the financial year ahead with a view to practising the highest standards of corporate governance.

Material Changes and Commitments

No material changes and commitments affecting the financial position of the Company occurred between the end of the Financial Year to which these financial statements relate and the date of this report.

Acknowledgement

The Directors place on record their appreciation for the co-operation extended by the Government of West Bengal, Andaman & Nicobar Islands Administration, Government of Tamil Nadu and other authorities, and look forward to their continued support.

The Directors wish to thank all the shareholders and the employees for their support and co-operation.

Regd. Office:
Pressman House
10A Lee Road
Kolkata 700 020
May 26, 2017

For and on behalf of the Board

Dr Niren Suchanti
Chairman

Management Discussion and Analysis Report

Industry Structure and Development, Opportunities and Threats

The Indian Prime Minister has said it more than once that India being enormously rich in culture, heritage and tourism destinations, it has unbounded potential to “draw the world” here. Harnessing that potential, according to him, will require of each state to select a few destinations, which will prove enchanting for tourists and then create a “world class” tourism infrastructure. The states have responded positively to the call given by PM. A healthy competition has emerged among the states to woo domestic and foreign tourists by showcasing their captivating destinations. Good connectivity by way of road, rail and air and safety and security of visitors will put the country firmly on the world tourism map.

The world has never been as besotted with India as it is now. Commitment to continue with reforms, which political stability facilitates, big ticket investment in infrastructure and the world’s big names in business opening shop here have created ideal condition for business travel. Leisure tourism is also on the upswing. Foreign tourist arrivals in the country in 2016 were up 10.7 per cent to 8.89 million compared with 8.027 million in the previous year. As a result, foreign exchange earnings from tourism rose 9.8 per cent to \$23.146 billion last year. What is particularly encouraging is the impressive rise in flow of tourists from the US, the UK and other developed countries. The way things are shaping up it will not be long before India’s share of global foreign tourist arrivals (FTAs) rises to 1 per cent. Sinclair’s has benefited from buoyancy in FTAs and domestic tourism.

Outlook

The government focus on tourism, which is the largest among all services industries, will help in creating large numbers of direct employment and job opportunities in linked sectors requiring many different skills. As India is to remain the fastest growing major economy in the world, its tourism industry is destined to prosper.

Risks and Concerns

Tourism industry is generally affected on account of:

a) Adverse law and order situation in the country or the region

b) Natural disaster or spread of epidemic or diseases

c) Recession in the economy

Risk mitigation

The Company’s properties are geographically well spread and thus have greater resilience to meet the challenges in an unlikely event of any regional disturbance or natural calamity.

The Company is regularly investing in its properties to upgrade facilities and service standards. It is therefore well positioned to meet with the challenges of competing properties.

Internal control systems and their adequacy

Your company maintains adequate internal control systems commensurate with the Company’s size and business, which provide, among other things, reasonable assurance of recording the transactions of its operations in all material aspects and providing protection against misuse or loss of the Company’s assets. The systems and processes are continually reviewed for their effectiveness and augmented by documented policies and procedures.

Financial and Operating Performance

The company posted excellent results during the year under review. The strong performance was on account of several initiatives taken by the company to increase revenues. A concerted digital media campaign and strong online presence largely contributed to this growth. The operating revenue rose by 21% to ₹ 4705.57 lakhs (₹ 3904.33 lakhs) and operating profits grew by 20% to ₹ 2002.92 lakhs (₹ 1667.57 lakhs). The gross profit margin at 43% is amongst the highest in the industry.

Material developments in Human Resources

Human resource functions and initiatives of your Company to attract, train, retain and motivate employees are driven by defined value based policies. Your Company continuously takes adequate and necessary steps to maintain a competitive, healthy and harmonious work environment. As on 31st March, 2017 there were 396 employees in the Company.

Director's Appointment and Remuneration Policy

This Director's Appointment and Remuneration Policy (the "Policy") applies to the Board of Directors (the "Board") of Sinclairs Hotels Limited (the "Company").

1. Purpose

The objective of this Policy is to provide a framework and set standards for the appointment of directors with requisite experience and skills who have the capacity and ability to lead the Company. It also defines the role of the Nomination and Remuneration Committee.

2. Accountability

- a) The Board is ultimately responsible for the appointment of directors.
- b) The Nomination and Remuneration Committee ("NRC") assesses and selects candidates for directors and recommends to the Board their appointment.

3. Role of the Nomination and Remuneration Committee

The NRC is responsible for:

- a) Reviewing the structure, size and composition of the Board and making recommendations on any proposed changes to the Board;
- b) Making recommendations to the Board on the appointment of directors, Key Managerial and Senior Management Personnel.
- c) Formulating criteria for evaluation of performance of directors including independent directors and the Board;

4. Appointment of Directors

- a) The NRC considers the following parameters for appointment of Directors:
 - assessing the individual based on industry experience, background, and ability to exercise independent judgement, with due regard to the benefits to the Board;
 - the competence to contribute to the overall effectiveness of the Board and work constructively.
- b) The recommended Board member shall:
 - be well qualified and have experience of management in reputed organization;
 - possess high standards of ethics and personal integrity;
- c) The directors should ensure that they can devote time and attention to the Company's affairs and regularly attend Board and committee meetings.
- d) The Company is required to appoint at least one independent non-executive director who must have appropriate professional qualifications on accounting or related financial management expertise.
- e) In addition, the independent non-executive directors shall also fulfil the requirements pursuant to Section 149(6) of the Companies Act, 2013.

5. Familiarisation Program

The Management will adequately brief the Independent Directors so that they are well aware of the functions of the Company.

Senior Management & Key Managerial Personnel (excluding Executive Directors) Appointment & Remuneration Policy

1. Scope of policy:

The policy applies to the following:

- a) Key Managerial Personnel (KMP)
 - Company Secretary;
 - Chief Financial Officer; and
 - Such other executive as may be prescribed.
- b) Senior Management who are members of the core management team.

2. Remuneration policy and guidelines for Employees:

The KMP and senior management personnel are appointed

after taking into account their educational qualifications, experience in related fields, leadership abilities, inter personal communication skills and other parameters.

The Company believes in paying its executives competitive remuneration.

- a) The remuneration is worked out on the basis of cost to Company which includes both fixed and variable costs.
- b) Remuneration is annually reviewed for all the executives in accordance with their performance.

ARUP KUMAR ROY
 Practicing Company Secretary

201 Sarat Bose Road Kolkata 700 029
 Phone : 033-2463 5197 M : 9831687785
 arupkroy@rediffmail.com

SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2017
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,
 The Members,
 Sinclairs Hotels Limited
 Pressman House, 10A Lee Road
 Kolkata- 700020

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sinclairs Hotels Limited. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

Based on my verification of Sinclairs Hotels Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

- 1) I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2017 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - Not Applicable to the company during the Audit Period.
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 - Not Applicable to the company during the Audit Period.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not Applicable to the company during the Audit Period.

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not Applicable to the company during the Audit Period.
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not Applicable to the company during the Audit Period.
- (vi) The other laws and compliances specifically applicable to the Company having regard to its nature of operations are the Prevention of Food Adulteration Act, Pollution Control Act, Provident Fund, Employee State Insurance Act, Fire License, Liquor License, Service Tax Act, Value Added Tax Act, Food Safety and Standards Act, 2006 and Food Safety and Standards Rules, 2011, Luxury Tax Act, Payment of Gratuity Act, Payment of Bonus Act, Fire & Explosives Act (for storage of Gas bank & Diesel)
- 2) I have also examined compliance with the applicable clauses of the following:
 - (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - (ii) The Listing Agreements entered into by the Company with The Calcutta Stock Exchange Limited (CSE) and BSE Limited (BSE).
- 3) I further report that:
 - (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
 - (ii) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.
- 4) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- 5) I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- 6) I further report that during the audit period the company has complied with the provisions under Section 204 of the Companies Act, 2013 in respect of appointment of Secretarial Auditor for conducting Secretarial Audit.

Kolkata
 May 26, 2017

ARUP KUMAR ROY
 ACS No.: 6784
 C P No.: 9597

Form No AOC-2

(Pursuant to clause(h) of sub-section(3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section

(1) of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transaction not at arm's length basis

There are no contracts or arrangements or transaction not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis

a. Name of the related party and nature of relationship	b. Nature of contracts or arrangement or transactions at arm's length basis	c. Duration of the contracts / arrangements/ transaction	d. Salient terms of the contracts or arrangements or transactions including the value, if any	e. Date of approval by the Board, if any	f. Amount paid as advances, if any
Mr Navin Suchanti Managing Director	Commission	01.04.2016 to 31.03.2019	2% of net profit or ₹ 5 lakhs per annum, whichever is higher, payable quarterly. In addition to this entertainment expenses, cost of fuel, driver's salary, one mobile bill and one residential landline bill, annual membership fees of 3 clubs, travelling, hotel and other expenses incurred by him during the course and in connection with business of the Company	12.02.2016	Nil
Dr Niren Suchanti, Chairman	Sitting Fee	N.A.	₹ 5000 per Board meeting	-	Nil
Ms Preeti Khicha (resigned on 4th November, 2016)	Sitting Fee	N.A.	₹ 5000 per Board meeting	-	Nil
Pressman Properties Ltd	Rent for office space	Perpetual	₹ 100000 per month	11.04.2008	Nil
Pressman Realty Ltd	Rent for office space	Perpetual	₹ 50000 per month	11.04.2008	Nil
Son-et-Lumiere Art Gallery Pvt Ltd	Rent for office space	Perpetual	₹ 15000 per month	11.04.2008	Nil
Pressman Advertising Ltd	PR retainership and advertising in print and digital media	As per requirement	Rates charged as prescribed by respective media	11.04.2008	Nil
Mr B L Soni Chief Financial Officer	Salary	Contractual	₹ 127672 per month	26.05.2015	Nil
Ms Sangita Agarwal Company Secretary	Salary	Contractual	₹ 29354 per month	12.02.2016	Nil

Annexure V

Details of CSR spent during the financial year 2016-17

(i) Total amount to be spent for the financial year : ₹ 15.50 lakhs

(ii) Amount unspent, if any : Nil

(iii) Manner in which the amount spent during the financial year:

(a)	Distribution of blankets and folding rollaway bed set along with mattresses to old age home, ashram and pathshala in Siliguri, Kalimpong, Darjeeling and Chalsa.	₹ 6.99 lakhs
(b)	Contribution for construction of hospital	₹ 5.00 lakhs
(c)	Other welfare activities for the poor	₹ 3.70 lakhs

Form MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31st March, 2017

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

I. Registration & Other Details

i)	CIN	L55101WB1971PLC028152
ii)	Registration Date	02-12-1971
iii)	Name of the Company	SINCLAIRS HOTELS LIMITED
iv)	Category/ sub category of the Company	Non-Govt Indian Companies having Share Capital
v)	Address of the Registered office and contact details	Pressman House, 10A Lee Road Kolkata 700 020 Ph : 033-40310807, Fax: 033-40310813
vi)	Whether listed Company	Yes, Listed at BSE & CSE
vii)	Name, address and contact details of Registrar and Transfer Agent, if any	Niche Technologies Pvt Ltd D-511 Bagree Market, 71 B R B Basu Road, Kolkata 700001 Ph: 033-2235 7270, Fax: 033-2215 6823 e: nichetechpl@nichetechpl.com

II. Principal Business Activities of the Company

Sl.No.	Name and Description of main products / services	NIC Code of the product/service	% of total turnover of the Company
1	Hotels and motels	55101	96.18%

III. Particulars of holding, subsidiary and associate companies : Nil**IV. Share holding pattern** (Equity Share Capital Breakup as percentage of Total Equity)**i) Category-wise Share holding**

Category of shareholders	No of shares held at the beginning of the year				No of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual	2911953	Nil	2911953	52.28	2911953	Nil	2911953	52.28	Nil
b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) State Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Bodies Corp	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Banks/FI any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (1) :	2911953	Nil	2911953	52.28	2911953	Nil	2911953	52.28	Nil
2) Foreign									
a) NRI-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Other-Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
c) Bodies Corp	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) Banks/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-total (A) (2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total shareholding of promoter (A)= (A)(1) + (A)(2)	2911953	Nil	2911953	52.28	2911953	Nil	2911953	52.28	Nil

Category of shareholders	No of shares held at the beginning of the year				No of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
B. Public Shareholding									
1. Institutions	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
a) Mutual funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Banks/FI	Nil	2205	2205	0.04	Nil	2205	2205	0.04	Nil
c) Central Govt	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
d) State Govt	33000	Nil	33000	0.59	33000	Nil	33000	0.59	Nil
e) Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Insurance Co.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
g) FIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
i) QFI- Corporates	2352139	Nil	2352139	42.23	2335207	Nil	2335207	41.93	(0.30)
Sub-total (B) (1)	2385139	2205	2387344	42.86	2368207	2205	2370412	42.56	(0.30)
2 Non Institutions									
a) Bodies corp									
i) Indian	21811	745	22556	0.40	18197	745	18942	0.34	(0.06)
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals									
i) Individuals holding share capital upto ₹1 lakh	99960	60574	160534	2.88	134158	59183	193341	3.47	0.59
ii) Individual holding share capital in excess of ₹1 lakh	80830	Nil	80830	1.45	65337	Nil	65337	1.17	(0.28)
c) Others (specify) NRI/OCBs	220	1805	2025	0.04	105	1775	1880	0.03	(0.01)
Clearing Members	4758	Nil	4758	0.09	8135	Nil	8135	0.15	0.06
Sub-total (B) (2):	207579	63124	270703	4.86	225932	61703	287635	5.16	0.30
Total Public shareholding (B) = (B)(1) + (B)(2)	2592718	65329	2658047	47.72	2594139	63908	2658047	47.72	Nil
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	5504671	65329	5570000	100.00	5506092	63908	5570000	100.00	Nil

ii) Shareholding of Promoters

Sl. No.	Shareholders name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No of shares	% of total shares of the Company	% of Shares pledged/ encumbered to total shares	No of shares	% of total shares of the Company	% of Shares pledged/ encumbered to total shares	
1	Dr Niren Suchanti	313051	5.62	Nil	293738	5.27	Nil	(0.35)
2	Navin Suchanti	293738	5.27	Nil	313051	5.62	Nil	0.35
3	Sujata Suchanti	1141022	20.49	Nil	1164142	20.90	Nil	0.41
4	Pramina Suchanti	1164142	20.90	Nil	1141022	20.49	Nil	(0.41)
	Total	2911953	52.28	Nil	2911953	52.28	Nil	Nil

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	Dr Niren Suchanti a) At the Beginning of the Year b) Changes during the year Date Reason 24/03/2017 Transfer 31/03/2017 Transfer c) At the End of the Year	313051 (283051) 263738	5.620 5.082 4.735	 30000 293738 293738	 0.539 5.274 5.274
2	Navin Suchanti a) At the Beginning of the Year b) Changes during the year Date Reason 24/03/2017 Transfer 31/03/2017 Transfer c) At the End of the Year	293738 (263738) 283051	5.274 4.735 5.082	 30000 313051 313051	 0.539 5.620 5.620
3	Pramina Suchanti a) At the Beginning of the Year b) Changes during the year Date Reason 24/03/2017 Transfer 31/03/2017 Transfer c) At the End of the Year	1164142 (1058142) 1035022	20.900 18.997 18.582	 106000 1141022 1141022	 1.903 20.485 20.485
4	Sujata Suchanti a) At the Beginning of the Year b) Changes during the year Date Reason 24/03/2017 Transfer 31/03/2017 Transfer c) At the End of the Year	1141022 (1035022) 1058142	20.485 18.582 18.997	 106000 1164142 1164142	 1.903 20.900 20.900
	Total	2911953	52.279	2911953	52.279

iv) Shareholding Pattern of top ten shareholders (other than Directors, promoters and Holders of GDRS and ADRS)

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	Xander Investment Holding X Limited	1585119	28.458	1568187	28.154
2	MCCS Investment Holding Limited	588000	10.557	588000	10.557
3	MRCs Investment Holding Limited	179020	3.214	179020	3.214
4	Sunita Vinay Goenka	410	0.007	40337	0.724
5	West Bengal Financial Corporation	33000	0.592	33000	0.592
6	Lincoln P Coelho	25000	0.449	25000	0.449
7	Chirayush Pravin Vakil	5813	0.104	5813	0.104
8	Ghanshyam N Gajjar	-	-	5657	0.102
9	Suri Jayabharath Kumar	-	-	5600	0.101
10	Hitesh Ramji Javeri	101	0.002	4709	0.085

v) Shareholding of Directors and Key Managerial Personnel :

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	Dr Niren Chand Suchanti a) At the beginning of the year b) Changes during the year Date Reason 24/03/2017 Transfer 31/03/2017 Transfer c) At the End of the Year	313051 (283051) 263738	5.620 5.082 4.735	 30000 293738 293738	 0.539 5.274 5.274
2	Navin Chand Suchanti a) At the beginning of the year b) Changes during the year Date Reason 24/03/2017 Transfer 31/03/2017 Transfer c) At the End of the Year	293738 (263738) 283051	5.274 4.735 5.082	 30000 313051 313051	 0.539 5.620 5.620
	Total	606789	10.894	606789	10.894

V. Indebtedness

The company had no debts at the beginning of the financial year, during the year and at the end of the financial year.

VI. Remuneration of Directors and Key Management Personnel
A. Remuneration to Managing Director, Wholetime Directors and / or Manager

(₹ in lakh)

Sl. No.	Particulars of Remuneration	Name of Managing Director	Total Amount
		Mr Navin Suchanti	
1	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	Nil	Nil
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	Nil	Nil
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	Nil	Nil
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission		
	- as 2 % of profit	27.88	27.88
	- others, specify	Nil	Nil
5.	Others, please specify	Nil	Nil
	Total	27.88	27.88
Ceiling as per the Act	₹140.90 lakhs (being 11% of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013)		

B. Remuneration to other Directors :

(₹ in lakh)

Sl. No.	Particulars of Remuneration	Name of Directors							Total Amount
		Dr. Niren Suchanti	Mr Kunal Bose	Mr Chandrasekhar Subrah-moneyan	Mr Sumit Guha	Mr Aseem Kohli	Ms Preeti Khicha	Ms Bipasha Mukhopadhyay	
1	Independent Directors								
	• Fee for attending board and audit committee meetings	-	0.30	0.225	0.20	0.20	-	0.10	1.025
	• Commission	-	-	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-	-	-
	Total (1)	-	0.30	0.225	0.20	0.20	-	0.10	1.025
2	Other Non-Executive Directors								
	• Fee for attending board meetings	0.20	-	-	-	-	0.10	-	0.30
	• Commission	-	-	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-	-	-
	Total (2)	0.20	-	-	-	-	0.10	-	0.30
	Total (1+2)	0.20	0.30	0.225	0.20	0.20	0.10	0.10	1.325

C. Remuneration to Key Managerial Personnel other than MD/WTD/Manager

(₹ in lakh)

Sl. No.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount
		B L Soni Chief Financial Officer	Sangita Agarwal Company Secretary	
1	Gross Salary (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 (b) Value of perquisites u/s 17(2) (c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	15.32 - -	3.52 - -	18.84 - -
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission - as 2 % of profit - others, specify	Nil Nil	Nil Nil	Nil Nil
5.	Others, please specify	Nil	Nil	Nil
	Total	15.32	3.52	18.84

VII. Penalties/Punishment/Compounding of offences for company, directors and other officers in default: Nil**Annexure VII****Particulars of Employees pursuant to section 134(3)(q) of the companies act, 2013 read with rule 5(1) of the companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016**

(i) The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year is as under:

Sl. No.	Name of Director	Director's Remuneration (₹ in lakh)	Median Employee Remuneration (₹ in lakh)	Ratio
1	Mr Navin Suchanti, Managing Director	2.32	0.60	3.9:1

(ii) The percentage increase in remuneration of each Director, CFO, CS in the financial year:

Sl. No.	Name	Total Remuneration 2016-17 (₹ in lakh)	Total Remuneration 2015-16 (₹ in lakh)	Percentage Increase
1	Mr Navin Suchanti Managing Director	27.88	22.26	25%
2	Mr B L Soni Chief Financial Officer	15.32	13.43	14%
3	Ms Sangita Agarwal Company Secretary*	3.52	0.57	NA

*Appointed on 1st February, 2016

- (iii) The percentage increase in the median remuneration of employees in the financial year is 12.93%
- (iv) The number of permanent employees on the rolls of company as at the end of the financial year 2016-17 is 396.
- (v) It is hereby affirmed that the remuneration of Directors and KMP's are in accordance with the Remuneration Policy.

Report on Corporate Governance

I. A brief statement on company's philosophy on code of corporate governance

The Company always strives to achieve optimum performance at all levels by adhering to corporate governance practices, such as :

- Fair and transparent business
- Effective management control by Board
- Adequate representation of promoter, executive and independent directors on the Board
- Accountability for performance
- Monitoring of executive performance by the Board

- Timely compliance of laws.
- Transparent and timely disclosure of financial and management information

II. Board of Directors

The Board comprises of a non-executive Chairman, one Managing Director, two non-executive Directors, and four non-executive independent Directors.

During the financial year 2016-17, four meetings of the board were held. These meetings were held on 30th May, 2016, 12th August, 2016, 12th November, 2016 and 14th February, 2017.

Particulars of Directors are given below :

Name	Designation	Category	Equity shareholding in the Company
Dr Niren Suchanti	Chairman	Non-Executive Director	293738
Mr Navin Suchanti	Managing Director	Executive Director	313051
Mr Rohan Sikri	Director	Non-Executive Director	Nil
Mr Kunal Bose	Director	Non-Executive Independent Director	Nil
Mr Aseem Kohli	Director	Non-Executive Independent Director	Nil
Ms Preeti Khicha*	Director	Non Executive Director	Nil
Mr Chandrasekhar Subrahmoneyan	Director	Non-Executive Independent Director	Nil
Mr Sumit Guha	Director	Non-Executive Independent Director	Nil
Ms Bipasha Mukhopadhyay**	Director	Non-Executive Independent Director	Nil

* Resigned on 4th November, 2016; ** Appointed on 12th November, 2016

Details of Directors' attendance and other particulars are given below :

Director	No of Board Meetings held	No of Board Meeting attended	Last AGM Attendance (Yes/No)	No of directorship on Board of other Listed Companies	No of Committee membership/ chairmanship in other Listed Companies#
Dr Niren Suchanti	4	4	No	1	Nil
Mr Navin Suchanti	4	4	Yes	1	2
Mr Rohan Sikri	4	1	No	Nil	Nil
Mr Kunal Bose	4	4	Yes	Nil	Nil
Mr Aseem Kohli	4	4	No	Nil	Nil
Ms Preeti Khicha*	2	2	No	Nil	Nil
Mr Chandrasekhar Subrahmoneyan	4	3	No	1	2
Mr Sumit Guha	4	4	No	Nil	Nil
Ms Bipasha Mukhopadhyay**	2	2	NA	Nil	Nil

Audit Committee and Stakeholders Relationship Committee are only considered

* Resigned on 4th November, 2016; ** Appointed on 12th November, 2016

III. Audit Committee

Terms of Reference

The Audit Committee has, *inter-alia*, the following mandate:

1. To oversee the Company's financial reporting and disclosure process and to ensure that the financial statements are correct, sufficient and credible.
2. To recommend appointment and removal of the Statutory Auditors and Internal Auditors, fixation of their fees, etc.
3. To review the adequacy of internal control systems with the Management, Statutory and Internal Auditors.
4. To review the audited quarterly, half-yearly and annual financial statements.
5. To review the Company's financial and risk management policies.
6. To review statement of significant related party transactions, management letters, etc.

Composition

Mr Kunal Bose	Chairman (Non-Executive Independent Director)
Mr Navin Suchanti	Member (Executive Director)
Mr Chandrasekhar Subrahmoneyan	Member (Non-Executive Independent Director)

Meetings and attendance during the year

During the financial year 2016-2017, four meetings of the committee were held on 30th May, 2016, 12th August, 2016, 12th November, 2016 and 14th February, 2017. The time gap between two meetings was less than four months.

Members	Meetings held	Meetings attended
Mr Kunal Bose	4	4
Mr Navin Suchanti	4	4
Mr Chandrasekhar Subrahmoneyan	4	3

IV. Nomination and Remuneration Committee

Terms of Reference

The Company has constituted the Nomination and Remuneration Committee which is entrusted with the responsibility of finalizing the remuneration of executive directors. It considers the remuneration after taking into account, various factors such as qualification, experience, expertise of the director, prevailing remuneration in the corporate world and financial position of the Company.

Composition

Mr Kunal Bose	Chairman (Non-Executive Independent Director)
Mr Rohan Sikri	Member (Non-Executive Director)
Mr Sumit Ratnakar Guha	Member (Non-Executive Independent Director)

Meeting and attendance during the year

During the financial year 2016-2017, one meeting of the committee was held on 12th November, 2016.

Members	Meetings held	Meetings attended
Mr Kunal Bose	1	1
Mr Rohan Sikri	1	-
Mr Sumit Ratnakar Guha	1	1

A. Executive Director

Details of remuneration paid to Executive Director for the financial year ended 31st March, 2017:

Particulars	Navin Suchanti Managing Director
Salary and Allowances	-
Contribution to PF and Family Pension Fund	-
Bonus	-
Commission	₹ 2,787,820
Service Contract	3 years (01.04.2016 to 31.03.2019)
Notice Period	Three months
Stock Option	None

B. Non-Executive Directors

The Non-Executive Directors are remunerated for attending Board Meetings and Audit Committee Meetings. The fee for Board Meeting is ₹ 5000 while for Audit Committee Meeting, the fee is ₹ 2500.

V. Corporate Social Responsibility Committee (CSR)

i) Terms of reference :

The Committee shall formulate and recommend to the Board, a CSR Policy and inform the amount of expenditure to be incurred on CSR activities. The Committee also monitors the implementation of the CSR projects or activities undertaken by the Company.

ii) Composition :

The CSR Committee of the Company consists of three non-executive directors and one executive director.

Dr Niren Suchanti	Chairman (Non executive Director)
Mr Navin Suchanti	Member (Executive Director)
Mr Kunal Bose	Member (Non-executive Independent Director)
Mr Aseem Kohli	Member (Non-executive Independent Director)

Meeting and attendance during the year

During the financial year 2016-2017, one meeting of the committee was held on 14th February, 2017.

Members	Meetings held	Meetings attended
Dr Niren Suchanti	1	1
Mr Navin Suchanti	1	1
Mr Kunal Bose	1	1
Mr Aseem Kohli	1	1

VI. Independent Directors' Meeting

During the year, a meeting was held, inter-alia, to discuss:

- Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties;

Meeting and attendance during the year

During the financial year 2016-2017, one meeting of the Independent Directors was held on 14th February, 2017.

Members	Meetings held	Meetings attended
Mr Kunal Bose	1	1
Mr Chandrasekhar Subrahmanyam	1	-
Mr Sumit Ratnakar Guha	1	1
Mr Aseem Kohli	1	-
Ms Bipasha Mukhopadhyay*	1	1

* Appointed on 12th November, 2016

The details of familiarisation programme of the Independent Directors are available on the company's investor information website www.sinclairsindia.com

VII. Stakeholders Relationship Committee

Terms of Reference

Stakeholders Relationship Committee facilitates prompt and effective redressal of shareholders' complaints and the reporting of the same to the Board periodically.

Composition

Mr Kunal Bose	Chairman (Non-Executive Independent Director)
Mr Rohan Sikri	Member (Non-Executive Director)
Mr Navin Suchanti	Member (Executive Director)

Meeting and attendance during the year

During the financial year 2016-2017, one meeting of the committee was held on 14th February, 2017.

Members	Meetings held	Meetings attended
Mr Kunal Bose	1	1
Mr Rohan Sikri	1	Nil
Mr Navin Suchanti	1	1

The total number of complaints received and redressed to the shareholders during the year ended March 31, 2017 as under:

Pending as on 31.03.2016	Received	Redressed	Pending as on 31.03.2017
Nil	Nil	Nil	Nil

Name & Designation of Compliance Officer

Ms Sangita Agarwal – Company Secretary

VIII. Shareholders' Meeting

Details of Annual General Meeting / EGM in last three years:

Year	Date	Venue	Time
2013-14	15.10.2013 EGM	Pressman House, 10A Lee Road, Kolkata 700020	11:00 am
2013-14	06.09.2014	Gyan Manch, 11 Pretoria Street, Kolkata 700 071	10:30 am
2014-15	31.07.2015	Gyan Manch, 11 Pretoria Street, Kolkata 700 071	10:30 am
2015-16	23.09.2016	Gyan Manch, 11 Pretoria Street, Kolkata 700 071	10:30 am

The details of special resolutions passed during the last three years are given below:

Date	AGM/EGM	Particulars
14.09.2013	AGM	Nil
15.10.2013	EGM through Postal Ballot	Buy Back of Equity Shares
06.09.2014	AGM	Nil
31.07.2015	AGM	Approval of Related Party Transaction
23.09.2016	AGM	Re-appointment of Mr Navin Suchanti, Managing Director
23.09.2016	AGM	Appointment of Mr S C Sekhar, Independent Director

IX. Disclosures

- There were no material and significant related party transactions, with its promoters, the directors or the management or relatives, etc. that may have potential conflict with the interests of the Company at large. Transactions with the related parties have been disclosed in Note No. 27 to the Accounts in the Annual Report.
- No penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years. There were no instances of non-compliance by the Company.
- The Company has an established vigil mechanism/whistle blower policy.
- The Company has complied with the mandatory requirement of the Listing Regulations.

Subsidiary Company

The Company has no subsidiary.

Non-mandatory Requirements

Adoption of non-mandatory requirements of the Listing Regulation is reviewed by the Board from time to time.

X. Means of Communication**Quarterly Results**

The quarterly results were published during the year under review in Kolkata edition of Business Standard and Dainik Statesman. The quarterly results are displayed on the company's investor information website www.sinclairsindia.com.

XI. General Shareholder Information**a. Annual General Meeting :**

Date	Day	Venue	Time
16.09.2017	Saturday	Gyan Manch, 11 Pretoria Street Kolkata 700 071	10.30 am

b. Tentative Financial Calendar

Results for quarter ending June 30, 2017 Within 14th August, 2017
Results for quarter ending September 30, 2017 Within 14th November, 2017
Results for quarter ending December 31, 2017 Within 14th February, 2018
Results for quarter and year ending March 31, 2018 Within 30th May, 2018
AGM for the year ending March 31, 2018 By end of September, 2018

c. Book Closure :

From Monday, 11th September, 2017 to Saturday, 16th September, 2017 (both days inclusive).

d. Stock Exchange Listing :

BSE Limited
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001
BSE Scrip Code : 523023

The Calcutta Stock Exchange Ltd (CSE)
7, Lyons Range, Kolkata 700 001
CSE Scrip Code : 29074

The company has paid annual listing fees to both the Stock Exchanges for Financial year 2017-18.

e. Market price data :

Monthly high / low – (₹/share) during 2016-2017)

Market data at BSE Ltd

Month	BSE Sensex		Share Prices at BSE	
	High	Low	High	Low
April, 2016	26100.54	24523.20	317.00	290.10
May, 2016	26837.20	25057.93	319.10	286.20

Month	BSE Sensex		Share Prices at BSE	
	High	Low	High	Low
June, 2016	27105.41	25911.33	316.00	285.10
July, 2016	28240.20	27034.14	315.00	295.00
August, 2016	28532.25	27627.97	315.00	291.50
September, 2016	29077.28	27716.78	325.00	295.00
October, 2016	28477.65	27488.30	320.00	288.00
November, 2016	28029.80	25717.93	335.30	281.25
December, 2016	26803.76	25753.74	318.00	279.45
January, 2017	27980.39	26447.06	303.00	275.00
February, 2017	29065.31	27590.10	329.90	279.40
March, 2017	29824.62	28716.21	403.00	322.05

f. Registrar and Transfer Agent :

Niche Technologies Pvt Ltd
D-511, Bagree Market, 71, BRBB Road, Kolkata 700 001
Phone : 22343576, Fax : 22156823
Email : nichetechpl@nicetechpl.com
Contact person : Mr Gautam Basu

g. Share Transfer System :

Share transfers in physical form are generally registered within a fortnight from the date of receipt, if the documents are in order.

All requests for dematerialisation of shares, are generally processed within 21 days and the confirmation is given to the depositories.

h. Distribution of Shareholding

No of shares	Shareholders		Total No. of Shares	
	No	%	No	%
1-500	2569	96.94	112209	2.01
501-1000	42	1.59	34620	0.62
1001-5000	26	0.98	60604	1.09
5001-10000	3	0.11	17070	0.31
10001-50000	3	0.11	98337	1.77
50001-100000	0	0.00	0	0.00
100001 & above	7	0.27	5247160	94.20
Total	2650	100.00	5570000	100.00

Category	No. of Shares	%
Promoters	2911953	52.28
Mutual Funds, UTI	Nil	Nil
Banks, FIs, Insurance Cos, Govt. & Non-Govt. Institutions	35205	0.63
Private Corporate Bodies	18942	0.34
Public (Indian)	258678	4.65
Foreign Companies	2335207	41.92
NRIs / OCBs	1880	0.03
Clearing Member	8135	0.15
Total	5570000	100.00

i. Dematerialisation of shares and Liquidity :

Out of total paid up capital of 5,570,000 equity shares as on 31st March, 2017, 5,410,060 equity shares (97.13%) and 96,032 equity shares (1.72%) are held in dematerialised form at NSDL and CDSL respectively.

j. Outstanding Instruments :

There are no outstanding GDRs/ ADRs / Warrants or any other convertible instruments.

k. Location of hotels and resorts:
Sinclair's Siliguri

(46 Rooms, 3 Suites)

PO Pradhan Nagar, Siliguri 734 403

Sinclair's Darjeeling

(47 Rooms, 1 Suite)

18/1 Gandhi Road, Darjeeling 734 101

Sinclair's Retreat Dooars

(68 Rooms, 3 Suites)

Chalsa Hilltop, Chalsa 735 206, Dist Jalpaiguri

Sinclair's Retreat Ooty

(72 Rooms, 7 Suites and 2 Villas)

Gorishola Road, Ootacamund 643 001

Sinclair's Bayview Port Blair

(43 Rooms, 3 Suites)

South Point

Port Blair 744 106

Andaman & Nicobar Islands

Sinclair's Retreat Kalimpong

(46 Rooms, 2 Suites)

Purbong, 6th Mile

Kalimpong 734 301

Sinclair's Tourist Resort Burdwan

(19 Rooms, 1 Suite)

High Street I

Renaissance Township

Nawabhat More, Burdwan 713 102

I. Address for Correspondence:

Compliance Officer

Sinclair's Hotels Limited

Pressman House

10A Lee Road

Kolkata 700 020

Phone: (033) 40310807

Email: ir@sinclairshotels.com

Information to Shareholders

Subsequent to the adoption of Directors' Report dated May 26, 2017 for the financial year 2016-17, there has been following changes in the composition of Board of Directors:

- (i) On June 23, 2017 the Board accepted the resignation of Mr Rohan Sikri, Mr Aseem Kohli, Mr Chandrasekhar Subrahmoneyan and Mr Sumit Ratnakar Guha, Directors from the Board.
- (ii) Mr Dip Narayan Mitra was appointed as Independent Director on June 23, 2017 for a term of three years subject to the approval of shareholders at the ensuing General Meeting.
- (iii) Mr Navin Suchanti has been appointed as Chairman and has resigned as Managing Director w.e.f. June 1, 2017.
- (iv) Dr Niren Suchanti has stepped down as Chairman w.e.f. June 1, 2017 but shall continue to be a Director.

Consequently the following committees have been reconstituted:

Audit Committee

Kunal Bose, Chairman

D N Mitra, Member

Navin Suchanti, Member

Nomination and Remuneration Committee

Kunal Bose, Chairman

D N Mitra, Member

Ms Bipasha Mukhopadhyay, Member

Corporate Social Responsibility Committee

Dr Niren Suchanti, Chairman

Kunal Bose, Member

D N Mitra, Member

Navin Suchanti, Member

Stakeholders Relationship Committee

D N Mitra, Chairman

Kunal Bose, Member

Navin Suchanti, Member

Annual Report should be read in the light of the above changes

CEO /CFO Certification

The Board of Directors
Sinclair's Hotels Limited

1. We have reviewed Financial Statements and the Cash Flow Statement of Sinclair's Hotels Limited for the year ended 31st March, 2017 and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which is fraudulent, illegal or violative of Company's Code of Conduct.

3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
 - i. that there are no significant changes in internal control over financial reporting during the period.
 - ii. that there are no significant changes in accounting policies during the period.
 - iii. that there are no instances of significant fraud of which we have become aware.

Kolkata May 26, 2017	Navin Suchanti Managing Director	B L Soni Chief Financial Officer
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DECLARATION

(As required under Regulation 26(3) and 34(3) of the Listing Regulation in relation to Code of Conduct)

I, Navin Suchanti, Managing Director, Sinclair's Hotels Ltd, hereby declare that to the best of my knowledge and belief, all Board members and senior management personnel have

affirmed compliance with the Company's code of conduct for the year ended 31st March, 2017.

Kolkata May 26, 2017	Navin Suchanti Managing Director
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Independent Auditor's Report on Corporate Governance

TO THE MEMBERS OF SINCLAIRS HOTELS LIMITED

1. The accompanying Corporate Governance Report prepared by Sinclairs Hotels Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended with respect to Corporate Governance for the year ended March 31, 2017. This report is required by the Company for annual submission to the Stock exchanges and to be sent to the Shareholders of the Company.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Corporate Governance Report.

3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 3 above.

5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

7. The procedures selected depend on the auditor's judgement, including the assessment of the risks associated in compliance of the Corporate Governance Report with the applicable criteria. Summary of key procedures performed include:

- i. Reading and understanding of the information prepared by the Company and included in its Corporate Governance Report;
- ii. Obtained and verified that the composition of the Board of Directors with respect to executive and non-executive directors has been met throughout the reporting period;

- iii. Obtained and read the Directors Register as on March 31, 2017 and verified that at least one woman director was on the Board during the year;
- iv. Obtained and read the minutes of the following committee meetings held from April 1, 2016 to March 31, 2017:
 - (a) Board of Directors meeting;
 - (b) Audit Committee;
 - (c) Nomination and Remuneration Committee; and
 - (d) Stakeholders Relationship Committee;
- v. Obtained necessary representations and declarations from directors of the Company including the independent directors; and
- vi. Performed necessary inquiries with the management and also obtained necessary specific representations from management.

The above-mentioned procedures include examining evidence supporting the particulars in the Corporate Governance Report on a test basis. Further, our scope of work under this report did not involve us performing audit tests for the purposes of expressing an opinion on the fairness or accuracy of any of the financial information or the financial statements of the Company taken as a whole.

8. Based on the procedures performed by us as referred in paragraph 7 above, and according to the information and explanations given to us, we are of the opinion that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable as at March 31, 2017, referred to in paragraph 1 above.

Other matters and Restriction on Use

9. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

10. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to Corporate Governance Report accompanied with by a report thereon from the statutory auditors and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For S.R. BATLIBOI & CO. LLP
 Chartered Accountants
 ICAI Firm Registration Number: 301003E/E300005

Kolkata
 May 26, 2017

per Bhaswar Sarkar
 Partner
 Membership No: 55596

Independent Auditor's Report

TO THE MEMBERS OF SINCLAIRS HOTELS LIMITED

Report on the Financial Statements

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

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material

misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;
 - (e) On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of section 164 (2) of the Act;

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements—Refer Note 26 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The Company has provided requisite disclosures in Note 32 to these financial statements as to the holding of Specified Bank Notes on November 8, 2016 and December 30, 2016 as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on our audit procedures and relying on the management representation regarding the holding and nature of cash transactions, including Specified Bank Notes, we report that these disclosures are in accordance with the books of accounts maintained by the Company and as produced to us by the Management.

For S.R. Battiboi & Co. LLP
 Chartered Accountants
 ICAI Firm Registration Number: 301003E/E300005
 per Bhaswar Sarkar
 Partner
 Membership No.: 55596

Kolkata
 May 26, 2017

Annexure 1 to the Independent Auditor's Report

REFERRED TO IN OUR REPORT OF EVEN DATE TO THE MEMBERS OF SINCLAIRS HOTELS LIMITED AS AT AND FOR THE YEAR ENDED MARCH 31, 2017

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) All fixed assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. As informed, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment/ fixed assets are held in the name of the company.
- (ii) The management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees and securities granted in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
- (v) The Company has not accepted any deposits within the meaning of section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rule, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, cess and other material statutory dues applicable to it. During the year the Company did not have any due towards excise duty and custom duty.
- (b) According to the information and explanations given to us, no undisputed dues in respect of provident fund, employees' state insurance, income tax, service tax, sales tax, value added

tax, cess and other material statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. During the year the Company did not have any due towards excise duty and custom duty.

(c) According to the records of the Company, the dues outstanding of income tax, sales tax, service tax, duty on custom, duty of excise and value added tax on account of any dispute, are as follows:

Name of the statute	Nature of dues	Period to which the amount relates	Amount	Forum (₹) where dispute is pending
West Bengal Value Added Tax Act, 1961	Purchase Tax, Turnover Tax, Sales Tax, disallowance of remission and input tax credit, etc.	2006-07 and 2007-08	1,648,589	West Bengal Commercial Tax Appellate & Revisional Board/ Joint Commissioner of Commercial Tax

(viii) Based on our audit procedures and as per the information and explanations given by the management, the Company neither had any dues to the banks, financial institutions or government, nor issued any debentures.

(ix) According to the information and explanations given by the management, the Company has not raised any money way of initial public offer / further public offer / debt instruments and term loans during the year. Therefore reporting under clause (ix) is not applicable to the Company and hence not commented upon.

(x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or

on the Company by the officers and employees of the Company has been noticed or reported during the year.

(xi) According to the information and explanations given by the management, the managerial remuneration has been paid/ provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, reporting requirements under clause 3(xiv) are not applicable to the Company and hence not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For S. R. Batliboi & Co. LLP
Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar
Partner

Kolkata
May 26, 2017

Membership No.: 55596

Annexure 2 to the Independent Auditor's Report

REFERRED TO IN OUR REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SINCLAIRS HOTELS LIMITED

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

To the Members of Sinclairs Hotels Limited

We have audited the internal financial controls over financial reporting of Sinclairs Hotels Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the standalone

financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal

control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 information, as required under the Companies Act, 2013.

Auditor's Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting

is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For S. R. Battliboi & Co. LLP
Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Bhaswar Sarkar
Partner

Membership No.: 55596

Kolkata
May 26, 2017

Balance Sheet as at 31st March, 2017

	Notes	As at 31st March 2017 ₹	As at 31st March 2016 ₹
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	3	55,700,000	55,700,000
Reserves and Surplus	4	780,919,837	710,364,336
		836,619,837	766,064,336
Non Current Liabilities			
Deferred Tax Liability	5	113,654,670	87,673,415
		113,654,670	87,673,415
Current Liabilities			
Trade Payables			
- Outstanding Dues of Micro Enterprises and Small Enterprises	6	-	-
- Outstanding Dues of Creditors Other than Micro Enterprises and Small Enterprises	6	11,040,459	11,671,860
Other Current Liabilities	6	28,144,282	30,756,377
Short Term Provisions	7	2,124,711	1,221,442
		41,309,452	43,649,679
TOTAL		991,583,959	897,387,430
ASSETS			
Non-Current Assets			
Fixed Assets			
	8		
Tangible Assets		625,360,061	691,483,095
Capital Work-in-Progress		1,893,238	48,069,933
Long Term Loans and Advances	9	27,230,048	51,527,971
Other Non Current Assets	11	9,181,117	8,338,131
		663,664,464	799,419,130
Current Assets			
Current Investments	12	274,009,713	67,214,680
Inventories	13	2,514,582	4,005,140
Trade Receivables	10	14,336,519	13,511,366
Cash and Bank Balances	14	6,876,131	7,734,159
Short Term Loans and Advances	9	29,956,130	5,144,048
Other Current Assets	11	226,420	358,907
		327,919,495	97,968,300
TOTAL		991,583,959	897,387,430

Summary of significant accounting policies 2.1
The accompanying notes are an integral part of the financial statement

As per our report of even date
For S.R.Batliboi & Co. LLP
Firm Registration Number 301003E/E300005
Chartered Accountants

For and on behalf of the Board of Directors

Dr Niren Suchanti
Chairman
(DIN: 00909388)

Navin Suchanti
Managing Director
(DIN: 00273663)

Kunal Bose
Director
(DIN: 02891649)

per Bhaswar Sarkar
Partner
Membership No. 55596
Kolkata, May 26, 2017

B L Soni
Chief Financial Officer

Sangita Agarwal
Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2017

	Notes	Year ended 31st March 2017 ₹	Year ended 31st March 2016 ₹
Income:			
Revenue from Operations	15	470,556,820	390,432,847
Other Income	16	18,691,991	9,919,778
		489,248,811	400,352,625
Expense:			
Food and Beverage Consumed	17	58,837,220	48,283,904
Employee Benefits Expense	18	82,240,074	67,051,381
Other Expenses	19	129,187,532	108,340,763
Depreciation and Amortization	20	79,592,986	65,392,643
		349,857,812	289,068,691
Profit Before Tax		139,390,999	111,283,934
Tax Expense:			
Current Tax [including ₹ Nil for earlier years (previous year ₹ 512,128)]		29,748,269	24,261,900
Less: MAT Credit Entitlement		6,453,088	23,295,181
Deferred Tax Charge		25,981,255	40,267,400
		49,276,436	40,779,528
Profit After Tax		90,114,563	70,504,406
Earnings Per Share			
[Nominal Value per share ₹10 (Previous year ₹ 10)]	21		
Basic and Diluted		16.18	12.66

Summary of significant accounting policies 2.1
The accompanying notes are an integral part of the financial statement

As per our report of even date
For S.R.Batlboi & Co. LLP
Firm Registration Number 301003E/E300005
Chartered Accountants

per Bhaswar Sarkar
Partner
Membership No. 55596
Kolkata, May 26, 2017

For and on behalf of the Board of Directors

Dr Niren Suchanti
Chairman
(DIN: 00909388)

Navin Suchanti
Managing Director
(DIN: 00273663)

Kunal Bose
Director
(DIN: 02891649)

B L Soni
Chief Financial Officer

Sangita Agarwal
Company Secretary

Cash Flow Statement for the year ended 31st March, 2017

	2016-17	2015-16
	₹	₹
A. Cash Flow from Operating Activities		
Net Profit before Taxes	139,390,999	111,283,934
Adjustments For :		
Depreciation / Amortization	79,592,986	65,392,643
Profit on Redemption of Investments	(8,542,121)	(4,683,209)
Interest Income	(1,019,565)	(993,966)
Loss on Sale/Discard of Fixed Assets	(1,314,453)	(200,158)
Liabilities no longer required written back	(7,557,912)	(113,536)
Operating profit before working capital changes	200,549,934	170,685,708
Movements in working capital :		
Decrease / (Increase) in Trade Receivables	(825,153)	(5,074,383)
Decrease / (Increase) in Inventories	1,490,558	(769,912)
Decrease / (Increase) in Long Term Loans and Advances	1,180,709	(155,061)
Decrease / (Increase) in Short Term Loans and Advances	2,120,918	(1,747,388)
Increase / (Decrease) in Trade Payables	(631,401)	801,478
Increase / (Decrease) in Short-Term Provisions	903,269	208,518
Increase / (Decrease) in Other Current Liabilities	9,036,834	440,321
Cash Generated From Operation	213,825,668	164,389,281
Direct taxes paid (net)	(27,110,967)	(24,021,480)
Net Cash Flow from Operating Activities	186,714,701	140,367,801
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(10,694,022)	(57,672,524)
Proceeds from Sale of Fixed Assets	5,815,914	214,964
Purchase of Current Investments	(514,482,602)	(165,490,720)
Receipt of Capital Subsidy from Government	14,850,000	-
Receipt of Entrance Fees	376,643	2,939,718
Proceeds from Sale/Maturity of Current Investment	316,229,690	132,882,929
Purchase of Bank Deposits (having original maturity of more than three months)	(2,809,894)	(2,912,280)
Maturity of Bank Deposits (having original maturity of more than three months)	3,241,677	2,492,539
Interest Income	(248,750)	853,833
Net Cash from/(used in) Investing Activities	(187,721,344)	(86,691,541)
C. Cash Flow from Financing Activities		
Dividends Paid	22,582	(44,401,856)
Tax on Dividend Paid	-	(9,071,338)
Net Cash from/(used in) Financing Activities	22,582	(53,473,194)
Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)	(984,061)	203,066
Cash and cash equivalents at the beginning of the year	5,430,035	5,226,969
Cash and cash equivalents at the end of the year	4,445,974	5,430,035
Components of cash and cash equivalents		
Balance with banks		
On current accounts	2,558,797	3,668,453
On unpaid dividend account *	1,521,369	1,498,787
Cash in hand	365,808	262,795
Cash and Bank Balances as per note 14	4,445,974	5,430,035

* These balances are not available for use by the Company as they represent corresponding unclaimed dividend liabilities

As per our report of even date
For S.R.Batliboi & Co. LLP
Firm Registration Number 301003E/E300005
Chartered Accountants

For and on behalf of the Board of Directors

Dr Niren Suchanti
Chairman
(DIN: 00909388)

Navin Suchanti
Managing Director
(DIN: 00273663)

Kunal Bose
Director
(DIN: 02891649)

per Bhaswar Sarkar
Partner
Membership No. 55596
Kolkata, May 26, 2017

B L Soni
Chief Financial Officer

Sangita Agarwal
Company Secretary

Notes to financial statements for the year ended 31st March 2017

1. CORPORATE INFORMATION

The Company is in the hospitality industry and has hotels / resort at Siliguri, Darjeeling, Chalsa, Kalimpong and Burdwan in West Bengal, Ooty in Tamilnadu and Port Blair in Andaman and Nicobar Islands.

2. BASIS OF PREPARATION

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014 and Companies (Accounting Standards) Amendment Rules 2016. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies applied by the Company, are consistent with those used in the previous year except for the changes in accounting policy explained below.

2.1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) CHANGE IN ACCOUNTING POLICY

i. Accounting for Income from Services

The Company had earlier followed the policy of recognising income from membership fee upfront either in full or on deferred payment basis against providing club facilities over the period of membership. In the current year, membership fee being non-refundable, has been transferred to Capital Reserve, resulting in profit being lower by ₹ 1,210,620.

ii. Accounting for Proposed Dividend

In terms of Revised Accounting Standards - 4, proposed dividend including dividend distribution tax shall be recognised as a liability in the period when approved by shareholders, unlike earlier requirement of recognising the same in the period to which it relates.

As such the surplus in the statement of profit and loss account is higher by ₹ 26,815,669.

(b) Depreciation / Amortization

i. Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The Company has used the following rates to provide depreciation on its fixed assets.

Particulars	Useful Life estimated by the management (years)
Buildings	5 to 60
Furniture and Fixtures	5
Electrical Installations	5
Plant and Machinery	5
Computers (included in office equipment)	3 to 6
Office Equipment	5
Vehicles	6 to 10

ii. Depreciation on fixed assets added / disposed off during the year is provided on pro-rata basis with reference to the date of addition/disposal.

iii. Leasehold land is amortized on straight line basis over the lease period of 30 to 99 years.

iv. The management has estimated, supported by independent assessment by professionals, the useful lives of furniture and fixtures, electrical installations, plant and machinery, building improvements and office equipment as 5 years. These lives are lower than those indicated in Schedule II.

(c) Impairment

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) net selling price and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used.

An assessment is made at each reporting date whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased.

(d) Leases

Operating Lease:

Where the Company is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

Where the Company is the lessor

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognized in the statement of profit and loss on a straight-line basis over the lease term. Costs, including depreciation, are recognized as an expense in the statement of profit and loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognized immediately in the statement of profit and loss.

(e) Government grants and subsidies

Grants and subsidies from the government are recognized when there is reasonable assurance that (i) the company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

When the grant or subsidy relates to revenue, it is recognized as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognized as deferred income and released to income in equal amounts over the expected useful life of the related asset.

Where the company receives non-monetary grants, the asset is accounted for on the basis of its acquisition cost. In case a non-monetary asset is given free of cost, it is recognized at a nominal value.

Government grants of the nature of promoters' contribution are credited to capital reserve and treated as a part of shareholders' funds.

(f) Investments

Investments that are readily realisable and intended to be held for not more than one year from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

(g) Inventories

Inventories are valued at lower of cost and net realizable value. Cost is determined on "First in First Out" basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(h) Revenue Recognition

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

i. Income from Services

Revenue from hospitality services is recognised when the services are rendered and the same becomes chargeable. Service tax and other statutory dues are collected on behalf of the government and are excluded from revenue. It comprises of sale of room and food and beverages and other services.

ii. Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

iii. Dividends

Revenue is recognised when the shareholders' right to receive payment is established by the Balance Sheet date.

(i) Foreign Currency Transaction

i. Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the date of the transaction.

ii. Conversion

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

iii. Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they arise.

(j) Retirement and other employee benefits

(i) Retirement benefit in the form of provident fund is a defined contribution scheme. The company has no obligation, other than the contribution payable to the provident fund. The company recognizes contribution payable to the provident fund scheme as an expenditure, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre payment will lead to a reduction in future payment or a cash refund.

(ii) Gratuity liability is a defined benefit obligation and is provided for on the basis of an actuarial valuation under projected unit credit method made at the end of each financial year.

(iii) Short term compensated absences are provided for based on management estimates.

(iv) Actuarial gains / losses are immediately taken to Statement of Profit and Loss and are not deferred.

(k) Income Taxes

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under The Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(l) Segment Reporting Policy

The company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the company operate. As The Company has hoteliering as its sole business segment and the same is considered as its primary reportable segment. The Company at present operates in India only and therefore analysis of geographical segment is not applicable to the Company.

(m) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

(n) Provisions

A provision is recognized when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

(o) Contingent liabilities

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

(p) Cash and cash equivalents

Cash and cash equivalents comprise of cash at bank and in hand and short-term investments with an original maturity of three months or less.

Notes to financial statements for the year ended 31st March 2017

	As at 31st March 2017 ₹	As at 31st March 2016 ₹
3 SHARE CAPITAL		
Authorized Share Capital		
15,000,000 (previous year 15,000,000) equity shares of ₹10/- each	150,000,000	150,000,000
5,000,000 (previous year 5,000,000) redeemable preference shares of ₹10/- each	50,000,000	50,000,000
	200,000,000	200,000,000
Issued, subscribed and fully paid-up shares		
5,570,000 (previous year 5,570,000) equity shares of ₹10/- each fully paid-up	55,700,000	55,700,000

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

Equity Shares	31st March 2017		31st March 2016	
	No.	Amount in ₹	No.	Amount in ₹
At the beginning of the year	5,570,000	55,700,000	5,570,000	55,700,000
Outstanding at the end of the year	5,570,000	55,700,000	5,570,000	55,700,000

(b) Terms/rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Every holder of an equity share is entitled to one vote per share. The Company declares and pays dividends in Indian rupees.

In the event of liquidation of the Company, after distribution of all preferential amounts, the remaining assets of the company will be distributed to equity shareholders in proportion to their shareholding.

(c) Details of shareholders holding more than 5% Equity Shares in the Company

Name of the shareholders	As at 31st March 2017		As at 31st March 2016	
	No of Equity Shares	% holding	No of Equity Shares	% holding
Equity shares of ₹10 each fully paid up				
Xander Investment Holding X Ltd	1,568,187	28.15%	1,585,119	28.46%
Sujata Suchanti	1,164,142	20.90%	1,141,022	20.49%
Pramina Suchanti	1,141,022	20.49%	1,164,142	20.90%
MCCS Investment Holding Ltd.	588,000	10.56%	588,000	10.56%
Navin Suchanti	313,051	5.62%	293,738	5.27%
Dr Niren Suchanti	293,738	5.27%	313,051	5.62%

As per records of the Company, and information provided by its Registrar the above shareholding represents both legal and beneficial ownership of shares.

Notes to financial statements for the year ended 31st March 2017

	As at 31st March 2017 ₹	As at 31st March 2016 ₹
4 RESERVES AND SURPLUS		
Capital Reserve		
Amalgamation Reserve		
Balance as per last financial statements	7,279,767	7,279,767
Entrance Fees		
Balance as per last financial statements	13,094,916	10,155,198
Received during the year	376,643	2,939,718
	20,751,326	20,374,683
Capital Redemption Reserve		
Balance as per last financial statements	17,232,220	17,232,220
Capital Investment Subsidy		
Balance as per last financial statements	8,136,724	8,136,724
Received during the year	14,850,000	-
	22,986,724	8,136,724
Securities Premium Account		
Balance as per last financial statements	321,221,225	321,221,225
Revaluation Reserve		
Balance as per last financial statements	34,785,705	34,785,705
Less : Adjusted against Fixed Assets*	34,785,705	-
	-	34,785,705
General Reserve		
Balance as per last financial statements	202,437,254	187,437,254
Add: Amount transferred from surplus balance in the statement of profit and loss	20,000,000	15,000,000
Closing Balance	222,437,254	202,437,254
Surplus in the Statement of Profit and Loss		
Balance as per last financial statements	106,176,525	77,487,788
Add: Profit for the year	90,114,563	70,504,406
	196,291,088	147,992,194
Appropriations:		
Interim Dividend [amount per share ₹ Nil (previous year ₹ 4)]	-	22,280,000
Tax on Interim Dividend	-	4,535,669
Transfer to General Reserve	20,000,000	15,000,000
Net surplus in the statement of profit and loss	176,291,088	106,176,525
	780,919,837	710,364,336

* Pursuant to Companies (Accounting Standards) Amendment Rules, 2016

Notes to financial statements for the year ended 31st March 2017

	As at 31st March 2017 ₹	As at 31st March 2016 ₹
5 DEFERRED TAX LIABILITY (net)		
Deferred tax liability		
Fixed Assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	113,654,670	132,046,198
Gross Deferred tax liability	113,654,670	132,046,198
Deferred tax Asset		
Unabsorbed depreciation and carry forward losses	-	41,821,288
Impact of expenditure charged to the statement of profit and loss in the current year but allowable for tax purposes on payment basis	-	2,551,495
Gross Deferred tax asset	-	44,372,783
Net deferred tax liability	113,654,670	87,673,415
	Current	
	As at 31st March 2017 ₹	As at 31st March 2016 ₹
6 OTHER LIABILITIES		
Trade Payables (refer note 23 for details of dues to micro and small enterprises)		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	11,040,459	11,671,860
	11,040,459	11,671,860
Other Liabilities		
Advances from Customers	17,773,374	10,875,007
Unclaimed dividend (Amount will be credited to Investor Education and Protection Fund when due)	1,521,369	1,498,787
Other Payables		
Deposits received from others	35,000	360,000
Creditors for fixed assets	138,800	4,252,399
Statutory Dues	2,621,682	9,327,826
Other payable (for employees etc)	6,054,057	4,442,358
	28,144,282	30,756,377
7 SHORT-TERM PROVISIONS		
Provision for Gratuity	2,124,711	1,221,442
	2,124,711	1,221,442

Notes to financial statements for the year ended 31st March 2017

8 FIXED ASSETS AND CAPITAL WORK IN PROGRESS

	Tangible Asset							Total	
	Freehold Land	Leasehold Land	Building	Plant and equipment	Furniture and fixture	Electrical installation	Vehicles		Office equipment
Cost or Revalued									
As at 1st April 2015	106,772,623	5,244,889	424,312,361	80,890,649	143,318,620	38,552,192	7,347,405	6,796,933	813,235,672
Additions	8,203,586	1,678,410	112,552,908	19,097,144	25,340,401	13,896,273	605,000	2,289,357	183,663,079
Disposals	-	-	-	1,098,582	210,000	1,587,130	-	32,237	2,927,949
As at 31st March 2016	114,976,209	6,923,299	536,865,269	98,889,211	168,449,021	50,861,335	7,952,405	9,054,053	993,970,802
Additions	-	-	45,525,976	2,914,063	2,357,484	3,979,745	67,845	512,005	55,357,118
Adjusted on withdrawal of Revaluation Reserve	18,897,405	-	29,847,390	-	-	-	-	-	48,744,795
Disposals	2,564,154	-	4,919,439	226,000	356,500	25,200	1,308,706	221,000	9,620,999
As at 31st March 2017	93,514,650	6,923,299	547,624,416	101,577,274	170,450,005	54,815,880	6,711,544	9,345,058	990,962,126
Depreciation/ Amortisation									
As at 1st April 2015	-	559,009	81,671,229	57,181,549	72,653,826	19,598,226	4,459,969	3,884,399	240,008,207
Charge for the year	-	284,423	23,991,267	9,650,267	22,596,752	6,717,218	892,192	1,260,524	65,392,643
Disposals	-	-	-	1,098,582	210,000	1,572,324	-	32,237	2,913,143
As at 31st March 2016	-	843,432	105,662,496	65,733,234	95,040,578	24,743,120	5,352,161	5,112,686	302,487,707
Charge for the year	-	181,931	33,227,823	11,127,535	24,531,786	8,560,102	834,600	1,129,209	79,592,986
Disposals	-	-	442,784	226,000	356,500	25,200	1,248,054	221,000	2,519,538
Adjusted on withdrawal of Revaluation Reserve	-	-	13,959,090	-	-	-	-	-	13,959,090
As at 31st March 2017	-	1,025,363	124,488,445	76,634,769	119,215,864	33,278,022	4,938,707	6,020,895	365,602,065
Net Block									
As at 31st March, 2016	114,976,209	6,079,867	431,202,773	33,155,977	73,408,443	26,118,215	2,600,244	3,941,367	691,483,095
As at 31st March, 2017	93,514,650	5,897,936	423,135,971	24,942,505	51,234,141	21,537,858	1,772,837	3,324,163	625,360,061

a) Building includes those constructed on leasehold land, Gross Block ₹ 181,138,968 (previous year ₹ 181,138,968), Depreciation charge for the year ₹ 9,389,698 (previous year ₹ 4,132,359), Accumulated depreciation ₹ 30,563,633 (previous year ₹ 21,173,933), Net book value ₹ 150,575,335 (previous year ₹ 159,965,035).

Notes to financial statements for the year ended 31st March 2017

b) Capital Work in progress includes Expenditure on New/Expansion Projects which are pending allocation.

	As at 31st March 2017 ₹	As at 31st March 2016 ₹
Opening balance brought forward from previous year	-	12,199,544
Additions		
Salaries, Wages and Bonus	-	1,766,802
Power and Fuel	-	258,261
Rates and Taxes	-	283,000
Insurance	-	92,009
Travelling and Conveyance	-	25,708
Security Expenses	-	775,021
Miscellaneous Expenses	-	920,878
	-	16,321,223
Less : Transferred to fixed assets	-	16,321,223
Total	-	-

	Non-current		Current	
	As at 31st March 2017 ₹	As at 31st March 2016 ₹	As at 31st March 2017 ₹	As at 31st March 2016 ₹

9 LOANS AND ADVANCES

(Unsecured, considered good)

Security Deposits	1,098,469	882,974	-	-
Advances recoverable in cash or kind	-	1,442,765	911,320	1,223,862

Other Loans and Advances

Advance to employees	-	-	18,000	77,614
Advance income tax (net of provision for taxation ₹ 166,059,759 (previous year ₹136,311,490))	6,277,942	8,915,244	-	-
MAT Credit Entitlement	19,764,066	40,243,978	26,933,000	-
Prepaid expenses	89,571	43,010	2,058,938	1,882,109
Balance with service tax and VAT authorities	-	-	34,872	1,960,463
	27,230,048	51,527,971	29,956,130	5,144,048

10 TRADE RECEIVABLES (Unsecured, considered good)

Outstanding for a period exceeding six months from the date they are due for payment	240,259	839,870
Other receivables	14,096,260	12,671,496
	14,336,519	13,511,366

11 OTHER ASSETS

(Unsecured, considered good)

Margin money deposit with bank (Note14)	6,451,963	6,072,225	-	-
Interest accrued, but not due on deposits with bank	2,729,154	2,265,906	226,420	358,907
	9,181,117	8,338,131	226,420	358,907

Notes to financial statements for the year ended 31st March 2017

	Current			
	As at 31st March 2017 ₹	As at 31st March 2016 ₹		
12 CURRENT INVESTMENTS				
Mutual funds (unquoted) (Valued at lower of cost and net realisable value) (Face value of ₹ 10/- each, unless otherwise stated)				
Nil (previous year 22,861,840) units of HDFC Liquid Funds - DP- Growth (Face value ₹ 1000/- each)	-	67,214,680		
3,455,074.791 (previous year Nil) units of HDFC Cash Management Fund- Treasury Advantage Plan-Direct-Retail-Growth	121,509,713	-		
92,455.523 (previous year Nil) units of HDFC Floating Rate Income Fund- Short Term Plan-DP-Growth	2,500,000	-		
1,534,389.505 (previous year Nil) units of HDFC Banking and PSU Debt Fund-Direct-Growth	20,000,000	-		
1,118,493.166 (previous year Nil) units of HDFC Medium Term Opportunities Fund-Direct-Growth	20,000,000	-		
1,431,646.059 (previous year Nil) units of SBI Dynamic Bond Fund-Direct-Growth	30,000,000	-		
869,204.578 (previous year Nil) units of SBI Magnum Income Fund-Direct-Growth	35,000,000	-		
1,234,093.417 (previous year Nil) units of SBI Regular Savings Fund-Direct-Growth	35,000,000	-		
3,924.187 (previous year Nil) units of SBI Premier Liquid Fund-Direct-Growth (Face value ₹1000/- each)	10,000,000	-		
	274,009,713	67,214,680		
Aggregate amount of unquoted investments	274,009,713	67,214,680		
13 INVENTORIES (valued at lower of cost and net realizable value)				
Food and Beverages	1,619,258	2,864,061		
Linen, Curtains, Housekeeping Items etc.	895,324	1,141,079		
	2,514,582	4,005,140		
	Non-Current	Current		
	As at 31st March 2017 ₹	As at 31st March 2016 ₹	As at 31st March 2017 ₹	As at 31st March 2016 ₹
14 CASH AND BANK BALANCES				
Balance with banks				
On current accounts			2,558,797	3,668,453
On unpaid dividend account			1,521,369	1,498,787
Cash in hand			365,808	262,795
			4,445,974	5,430,035
Other Bank Balances				
Deposits with original maturity of more than 12 months*	6,451,963	6,072,225	2,430,157	2,304,124
Amount as disclosed under non-current assets (Note 11)	(6,451,963)	(6,072,225)		
Net	-	-	6,876,131	7,734,159

* Deposits aggregating ₹ 8,372,317 (previous year ₹ 7,469,744) pledged against Bank Guarantees and ₹ 472,010 (previous year ₹ 472,010) pledged with the Registrar, Calcutta High Court towards certain litigations.

Notes to financial statements for the year ended 31st March 2017

	Year Ended 31st March 2017 ₹	Year Ended 31st March 2016 ₹
15 REVENUE FROM OPERATIONS		
Sale of services		
Room	293,038,955	236,840,541
Food and Beverages	150,209,670	125,389,723
Other operating revenues		
Car Hire Income	12,689,363	10,760,464
Others	14,618,832	17,442,119
	470,556,820	390,432,847
16 OTHER INCOME		
Interest Income		
- Deposits with Banks	1,019,565	993,966
Profit on sale of fixed assets	1,278,607	200,158
Profit on sale of land	35,846	-
Net gain on sale of current investments	8,542,121	4,683,209
Liabilities no longer required written back	7,557,912	113,536
Other non-operating income	257,940	3,928,909
	18,691,991	9,919,778
17 FOOD AND BEVERAGE CONSUMED		
Inventory at the beginning of the year	2,864,061	2,250,564
Add: Purchases	57,592,417	48,897,401
	60,456,478	51,147,965
Less : Inventory at the end of the year	1,619,258	2,864,061
	58,837,220	48,283,904
Details of Consumption		
Food and Groceries	53,578,266	42,670,755
Beverages and Wines	5,258,954	5,613,149
	58,837,220	48,283,904
18 EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages, Bonus etc.	67,206,847	54,100,881
Contribution to Provident and Other Funds	5,680,079	4,278,432
Staff welfare expenses	9,353,148	8,672,068
	82,240,074	67,051,381

Notes to financial statements for the year ended 31st March 2017

	Year Ended 31st March 2017 ₹	Year Ended 31st March 2016 ₹
19 OTHER EXPENSES		
Linen, Curtains, Housekeeping Items etc.	19,948,702	16,895,091
Power and Fuel	30,213,704	24,875,546
Rent	2,148,000	2,205,330
Rates and Taxes	6,366,695	5,921,385
Insurance	1,215,601	886,860
Repairs and Maintenance :		
Plant and Machinery	1,518,841	1,145,543
Buildings	3,937,062	1,900,814
Others	7,907,911	7,057,579
Advertisement and Sales Promotion	8,406,700	7,237,065
Commission to Selling Agents	14,666,075	11,649,322
Travelling and Conveyance	2,884,746	2,566,953
Motor Car Expenses	1,590,010	1,586,521
Bank Charges	2,135,882	1,801,779
Car and Other Hire Charges	10,687,273	9,013,812
Communication Expenses	1,034,648	1,030,954
CSR Expenditure	1,568,833	2,093,808
Printing and Stationery	1,585,203	1,633,124
Legal and Professional Fees	2,924,954	1,443,241
Directors' Sitting Fees	132,500	150,000
Remuneration to Auditors		
As auditors:		
Statutory Audit	725,000	525,000
Limited Review	525,000	375,000
Reimbursement of Service Tax and Out-of-Pocket Expenses	14,379	40,656
Miscellaneous Expenses	7,049,813	6,305,380
	129,187,532	108,340,763
20 DEPRECIATION AND AMORTIZATION		
Depreciation on tangible assets	79,592,986	65,392,643
	79,592,986	65,392,643

Notes to financial statements for the year ended 31st March 2017

21. EARNINGS PER SHARE (EPS)

Particulars		2016-17	2015-16
Net profit as per statement of profit and loss	₹	90,114,563	70,504,406
Weighted average number of equity shares in calculating basic EPS	Nos.	5,570,000	5,570,000
Nominal value of each share	₹	10	10
Basic and Diluted Earning per Share	₹	16.18	12.66

22. GRATUITY PLAN

The Company has a defined benefit gratuity plan for its employees. Every employee who has completed five years or more of service is entitled to gratuity at the rate of 15 days last drawn salary for each completed year of service, in terms of Payment of Gratuity Act, 1972. The scheme is funded with Life Insurance Corporation of India in the form of a qualifying insurance policy.

The following tables summarize the components of net benefit expense recognised in the Statement of Profit and Loss and the funded status and amounts recognised in the Balance Sheet for the respective plans.

Statement of Profit and Loss

Net employee benefit expense

Particulars	2016-17	2015-16
Current service cost	1,084,768	751,144
Interest cost on benefit obligation	541,001	494,441
Expected return on plan assets	(415,521)	(403,716)
Net actuarial loss recognised in the year	914,463	397,148
Past service cost	-	-
Net benefit expense	2,124,711	1,239,017
Actual return on plan assets	399,837	407,487

Gratuity Expenses have been recognised in Contribution to Provident and Other Funds under Note 18.

Balance Sheet

Details of Provision for Gratuity

Particulars	As at 31st March, 2017	As at 31st March, 2016
Defined benefit obligation	7,874,105	6,552,600
Fair value of plan assets	(5,749,394)	(5,331,158)
Net Liability	2,124,711	1,221,442

Notes to financial statements for the year ended 31st March 2017

Changes in the present value of the defined benefit obligation are as follows : ₹

Particulars	As at 31st March, 2017	As at 31st March, 2016
Opening defined benefit obligation	6,552,600	5,774,659
Interest cost	541,001	494,441
Current service cost	1,084,768	751,144
Benefits paid	(1,203,043)	(868,563)
Actuarial losses on obligation	898,779	400,919
Plan Amendments	-	-
Closing defined benefit obligation	7,874,105	6,552,600

Changes in the fair value of plan assets are as follows: ₹

Particulars	As at 31st March, 2017	As at 31st March, 2016
Opening fair value of the plan assets	5,331,158	4,761,735
Expected return	415,521	403,716
Contributions by employer	1,221,442	1,030,499
Benefits paid	(1,203,043)	(868,563)
Actuarial gains / (losses)	(15,684)	3,771
Closing fair value of plan assets	5,749,394	5,331,158

The Company expects to contribute ₹ 2,124,711 to gratuity fund in the next year (previous year ₹ 1,221,442).

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows :

Particulars	As at 31st March, 2017	As at 31st March, 2016
Investments with insurer	100%	100%

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

Particulars	2016-17	2015-16
Discount rate	7.50%	8.00 %
Expected rate of return on assets	7.50%	8.00 %
Expected rate of future salary increase	6.00%	5.00 %
Mortality Table	IALM (2006-08) ultimate	IALM (2006-08) ultimate

Amount incurred as expense for defined contribution plans: ₹

Particulars	2016-17	2015-16
Contribution to Provident Fund	3,555,368	3,039,415

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes to financial statements for the year ended 31st March 2017

Amounts for the current and previous four years are as follows:

Particulars	₹				
	2016-17	2015-16	2014-15	2013-14	2012-13
Defined benefit obligation	7,874,105	6,552,600	5,774,659	4,905,439	4,980,327
Plan assets	5,749,394	5,331,158	4,761,735	3,838,357	4,211,477
Deficit / (Surplus)	2,124,711	1,221,442	1,012,924	1,067,082	768,850
Experience adjustments on plan liabilities	-	-	-	-	-
Experience adjustments on plan assets	(15,684)	3,771	40,146	-	-

23. As per information and records available with the Company, there are no reportable amount of dues on account of principal and interest or any such payments during the year as required by Micro, Small and Medium Enterprises Development Act, 2006, in respect of Micro Enterprises and Small Enterprises as defined in the Act. As a result no disclosure in this respect is made in the Financial Statements.

24. SEGMENT INFORMATION

The Company's business activity falls within a single business segment i.e. hoteliering and hence no additional disclosure other than those already made in the financial statements are required under Accounting Standard 17. The Company at present, operates in India only and therefore the analysis of geographical segment is not applicable.

25. CAPITAL COMMITMENT

Particulars	₹	
	As at 31st March, 2017	As at 31st March, 2016
Estimated amount of contracts remaining to be executed on capital contract and not provided for (Net of Advances)	-	1,109,151

26. CONTINGENT LIABILITIES NOT PROVIDED FOR

Particulars	₹	
	As at 31st March, 2017	As at 31st March, 2016
Sales Tax matters under dispute / appeal	169,186	228,809
EPCG (Duty amount on outstanding export obligations)	-	263,457

27. RELATED PARTY DISCLOSURES

(a) Names of related parties:

Key Managerial Personnel	Mr Navin Suchanti (Managing Director)
	Mr B L Soni (Chief Financial Officer)
	Ms Sangita Agarwal (Company Secretary)
Relatives of Key Managerial Personnel	Dr. Niren Suchanti (Brother of Managing Director)
	Ms Preeti Khicha* (Daughter of Managing Director)
Enterprises owned or significantly influenced by Key Managerial Personnel or their relatives	Pressman Advertising Limited
	Pressman Properties Limited
	Pressman Realty Limited
	Son-et-Lumiere Art Gallery Private Limited

* up to 4th November 2016

Notes to financial statements for the year ended 31st March 2017

(b) Related Party Transactions: ₹

Particulars	Key Managerial Personnel			Relatives of Key Managerial Personnel			Enterprises owned or significantly influenced by key managerial personnel or their relatives				Total
	Mr. Navin Suchanti Managing Director	Mr. B.L. Soni Chief Financial Officer	Ms. Sangita Agarwal Company Secretary	Dr. Niren Suchanti	Ms. Preeti Khicha	Ms. Pooja Suchanti Shah	Pressman Properties Limited	Pressman Realty Limited	Son-et-Lumiere Art Gallery Pvt. Ltd.	Pressman Advertising Limited	
Directors' Remuneration	2,787,820 (2,225,679)										2,787,820 (2,225,679)
Directors' Sitting Fees				20,000 (25,000)	10,000 (20,000)						30,000 (45,000)
Salary, Wages Bonus and Contribution to Provident and Other Funds		1,532,064 (1,343,064)	352,252 (57,432)			- (640,140)					1,884,316 (2,040,636)
Electricity Charges							54,958 (59,899)				54,958 (59,899)
Rent							1,200,000 (1,200,000)	600,000 (600,000)	180,000 (180,000)		1,980,000 (1,980,000)
Advertising and Sales Promotion										7,889,376 (6,857,563)	7,889,376 (6,857,563)
Balance Payable at year end	2,287,820										2,287,820
- Trade payables	(1,725,679)										(1,725,679)

The remuneration to key managerial personnel does not include provisions made for gratuity, as they are determined on an actuarial basis for the Company as a whole. Previous year's figures are given in bracket

28. EXPENDITURE IN FOREIGN CURRENCY (ACCRUAL BASIS) ₹

Particulars	2016-17	2015-16
Commission	666,279	1,750,755

29. INDIGENOUS FOOD, BEVERAGE AND STORES CONSUMED ₹

Particulars	Percentage of total consumption			
	2016-17	2015-16	2016-17	2015-16
Indigenous	100.00	100.00	58,837,220	48,283,904
Imported	-	-	-	-

30. EARNINGS IN FOREIGN CURRENCY (ACCRUAL BASIS) ₹

Particulars	2016-17	2015-16
Income from services	15,990,744	5,221,315

The earnings in foreign currency represent amount settled by customers either directly in foreign currency or through credit cards issued by foreign banks.

Notes to financial statements for the year ended 31st March 2017

31. NET AMOUNT REMITTED IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDENDS				₹
Year of Remittance	2016-17	2015-16		
Period to which it relates	1-4-2016 to 31-3-2017	1-4-2015 to 31-3-2016	1-4-2014 to 31-3-2015	
No. of non-resident shareholders	-	29	32	
No. of Equity Shares held on which dividend was due	-	2,354,164	2,416,081	
Amount remitted (USD)	-	138,585	149,191	
Amount remitted (₹)*	-	9,408,555	9,646,680	

* Excluding amount aggregating to ₹ Nil (₹ 90,404) remitted to Non-resident shareholders in Indian Currency.

32. DETAILS OF SPECIFIED BANK NOTES				₹
Details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below:				
	SBNs	Other denomination notes	Total	
Closing cash in hand as on 08.11.2016	1,089,000	34,161	1,123,161	
(+) Permitted receipts*	-	7,635,533	7,635,533	
(-) Permitted payments	-	378,144	378,144	
(-) Amount deposited in Banks	1,089,000	6,886,017	7,975,017	
Closing cash in hand as on 30.12.2016	-	405,533	405,533	

* including amount withdrawn from Bank ₹ 420,300

33. PREVIOUS YEAR FIGURES

Previous year figures have been regrouped / reclassified, where necessary to conform to this year's classification.

As per our report of even date
For S.R.Batliboi & Co. LLP
Firm Registration Number 301003E/E300005
Chartered Accountants

per Bhaswar Sarkar
Partner
Membership No. 55596
Kolkata, May 26, 2017

For and on behalf of the Board of Directors

Dr Niren Suchanti Chairman (DIN: 00909388)	Navin Suchanti Managing Director (DIN: 00273663)	Kunal Bose Director (DIN: 02891649)
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B L Soni Chief Financial Officer	Sangita Agarwal Company Secretary
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Sinclairs Hotels Ltd.

CIN: L55101WB1971PLC028152

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