



August 6, 2018

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 a soft copy of Annual Report for the year 2017-2018.

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

Thanking you,

Yours faithfully,

A handwritten signature in dark ink, appearing to read "Sangita Agarwal", is written over a light blue circular stamp.

Sangita Agarwal
Company Secretary

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



Sinclairs Bayview Port Blair



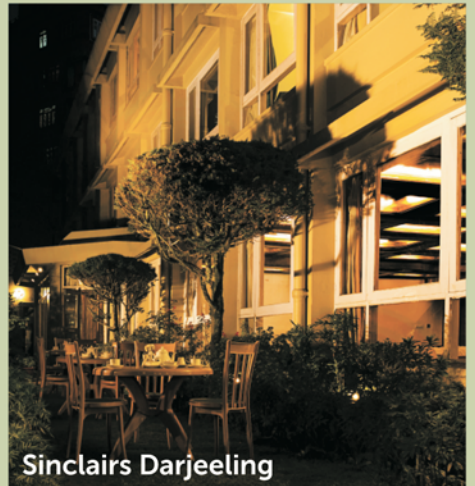
Seven
Destinations.
One
Signature Brand.



Sinclairs Retreat Kalimpong



Sinclairs Retreat Ooty



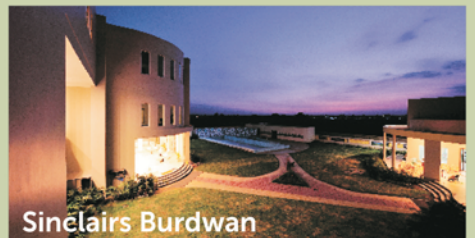
Sinclairs Darjeeling



Sinclairs Siliguri



Sinclairs Retreat Dooars



Sinclairs Burdwan

Contents

Corporate Information	1
Directors' Report	2
Management Discussion and Analysis Report	5
Report on Corporate Governance	15
Independent Auditor's Report	21
Financial Statement	25

Corporate Information

Board of Directors

Navin Suchanti, Chairman
Dr Niren Suchanti
Dip Narayan Mittra
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
Chartered Accountants
(Firm Registration No. 301003E/E300005)

Registered and Corporate Office

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

Hotels & Resorts

Sinclairs Siliguri
Sinclairs Darjeeling
Sinclairs Bayview Port Blair
Sinclairs Retreat Ooty
Sinclairs Retreat Dooars Chalsa
Sinclairs Retreat Kalimpong
Sinclairs Burdwan

Project under implementation

Sinclairs Kolkata

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-sixth Annual Report of the company together with the Audited Accounts for the year ended 31st March, 2018.

Financial Highlights

₹ in lakh

Particulars	Current Year	Previous Year
Revenue from operations	4591.28	4710.56
Operating Profit	1907.45	2017.05
Other Income	225.91	214.48
Depreciation	738.27	800.86
Profit before tax	1395.09	1430.67
Tax Expenses:		
Current Tax	531.96	297.48
MAT Credit Entitlement	-	(64.53)
Deferred Tax	(310.65)	267.86
Total	221.31	500.81
Net Profit	1173.78	929.86
Other Comprehensive Income/ (Loss) for the year, net of tax	(9.35)	(5.98)
Total Comprehensive Income	1164.43	923.89

Transfer to Reserves

During the financial year 2017-18 an amount of ₹ 200 lakh (₹ 200 lakh last year) has been transferred to General Reserve out of amount available for appropriation.

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, 2018;
- 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;
- 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; and,

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

Performance

The company achieved an operating revenue of ₹ 4591.28 lakh as against ₹ 4710.56 lakh in the previous year. Operating Profit was ₹ 1907.45 lakh as compared to ₹ 2017.05 lakh last year. The net profit stood at ₹ 1173.78 lakh as compared to ₹ 929.86 lakh, an increase of 26% over the previous year. During the year, performances of the properties at Darjeeling, Kalimpong and Siliguri were severely affected on account of political disturbances in the region for an extended period. The situation is normal now and all these three properties are performing well. The other properties at Port Blair, Dooars, Ooty and Burdwan recorded growth both in occupancy as well as ARR during the year.

Dividend

Your Directors are pleased to recommend a dividend of 40% (₹ 4 per equity share of ₹ 10) for the year 2017-2018 amounting to ₹ 268.60 lakh inclusive of dividend distribution tax of ₹ 45.80 lakh.

Investor Education and Protection Fund

A sum of ₹ 99,515/- being the dividend lying unclaimed for seven consecutive years out of the interim dividend declared by the Company for the year ended on March 31, 2010 at the Board Meeting held on 2nd February, 2010 was transferred to the Investor Education and Protection Fund of the Central Government in March 2017.

19,200 Equity shares in respect of 606 folios where dividend remained unclaimed for seven consecutive years has also been transferred to the IEPF Authority in compliance with Section 124 of the Companies Act, 2013 read with rule 6 of the Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2017 after giving individual notices to concerned shareholders and advertisements in newspapers.

Notices were sent to all members concerned reminding them to encash their unclaimed dividend. List of shareholders whose dividend remain unclaimed till date of AGM held on September 16, 2017 have been uploaded in the investor information website of the Company www.sinclairindia.com under heading "Investor Information" => "Unclaimed Dividend". Shareholders are requested to check their unpaid dividend from this list and contact the Registrars and Share Transfer Agents to obtain duplicate dividend warrants.

Directors and Key Managerial Personnel

During the year under review Mr Navin Suchanti (DIN: 00273663) was appointed as Chairman with effect from 1st June 2017.

Dr Niren Suchanti (DIN: 00909388) has stepped down as Chairman w.e.f. 1st June, 2017 but shall continue to be a Director.

Mr Dip Narayan Mitra (DIN: 05016332) has been appointed as an Independent Director on 23rd June, 2017 for three years. Mr Mitra has given a declaration that he meets the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013.

Mr Swajib Chatterjee was appointed as Chief Operating Officer (COO) on 26th May, 2017. As COO, he will act as Manager as per the provisions of the Companies Act, 2013.

Dr Niren Suchanti (DIN: 00909388), Director retire by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for reappointment. The Directors recommend re-appointment of Dr Niren Suchanti to the Board.

Mr Rohan Sikri, Mr Aseem Kohli, Mr Chandrasekhar Subrahmanyam and Mr Sumit Ratnakar Guha resigned as Directors on 23rd June, 2017. The Board of Directors wish to place on record deep appreciation for their valuable contribution.

Declaration by Independent Directors

A declaration 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 obtained in Annexure I and II and forms part of this report, and has been uploaded on the investor information website www.sinclairsindia.com.

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 ₹ 7,088,566 in foreign exchange (previous year ₹ 15,990,744). There was expenditure in foreign currency of ₹ 374,961 (previous year ₹ 666,279).

Auditors

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and rules made thereunder, the term of office of M/s S R Batliboi & Co, LLP, Chartered Accountants (Firm Registration No. 301003E/ E300005) as Statutory Auditors of

the Company will conclude at the close of ensuing Annual General Meeting of the Company.

Subject to the approval of the members and based on the recommendation of the Audit Committee, the Board of Directors has recommended the appointment of M/s B S R & Co. LLP, Chartered Accountants (Firm Registration No 101248W/ W-100022) as Statutory Auditors (in place of M/s S R Batliboi & Co, LLP, Chartered Accountants) the retiring auditor for a term of five years commencing from the conclusion of the 46th Annual General Meeting till the conclusion of the 51st Annual General Meeting. Approval of appointment of Statutory Auditors is being sought from the members at the ensuing AGM.

Secretarial Audit

In terms of Section 204 of the Companies Act, 2013, Mr. Arup Kumar Roy, Practicing Company Secretary has been appointed as Secretarial Auditors. The report of the Secretarial Auditors for the year ended 31st March, 2018 appears 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 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.sinclairsindia.com. The particulars of contracts entered during the year as per Form AOC-2 appears 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.sinclairsindia.com. Details of amount spent on CSR activities during the financial year 2017-18 are given in Annexure V.

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 is available on the website

www.sinclairindia.com. During the year ended 31st March, 2018, there were no complaints.

Board Meetings

During the year, 5 (five) Board meetings were held on 26th May 2017, 23rd June 2017, 14th August 2017, 14th November 2017 and 12th February 2018.

Managerial Remuneration

The information 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 VI and forms 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.

Extract of Annual Return

The extract of the Annual Return Form MGT-9 is annexed to this report as Annexure VII.

Management Discussion and Analysis and Corporate Governance Report

In compliance with Regulation 34(3) of Listing Regulations, 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 designed.

The process of review of Non-Independent Directors and the

Board as a whole and 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. 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 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 the shareholders for their confidence and the employees for their dedicated service.

Pressman House
10A Lee Road
Kolkata 700 020
May 22, 2018

For and on behalf of the Board

Navin Suchanti
Chairman

Management Discussion and Analysis Report

Industry Structure and Development, Opportunities and Threats

There is much to cheer about tourism's progress in India. This has found acknowledgement in the World Economic Forum's travel and tourism competitive index where India is found to have made a smart sprint to become the 40th most coveted destination among the 136 surveyed nations. The Ministry of Tourism in its 2017-18 annual report says that foreign tourist arrivals in India during 2017 at 10.18 million shows a healthy growth of 15.6 per cent over the 2016 FTAs of 8.8 million when the rise was 8.8 per cent over the previous year. Encouragingly, non-resident Indians are too visiting the country in ever increasing numbers. The Ministry report also informs that foreign exchange earnings from tourism in 2017 was up 17 per cent at ₹ 180,379 crore over 2016 when earnings moved up by 14 per cent. India is receiving growing numbers of both business visitors and leisure tourists. Global businesses are looking beyond China into India as the next growth engine. The wonder that is India in terms of mesmerising destinations and culture was always there. But it is only in recent years that the realisation dawned on the government that given a robust infrastructure linked to tourism and a friendly visa regime, including e-visa and visa on arrival would convert curiosity and longings for India into foreigners actually discovering India physically. But considering the country's riches, it has only started realising the earning potential of tourism. Actually India should soon find itself among the first ten countries in WEF competitive index.

What is particularly encouraging for the industry is the government recognition that large numbers of jobs requiring a great variety of skills will be created across the country as tourism takes wing. Job creation is the biggest challenge for the government. It will, therefore, be expected that the government will give greater thrust to strengthening tourism infrastructure. Progress is visible but infrastructure building needs speeding up to make tourism a robust industry. As India remains the fastest growing economy in the world with rising disposable income in the hands of people, all this is acting as a booster to domestic travel and tourism. According to the World Travel & Tourism Council, leisure travel spending in India is expected to grow by 7.6 per cent in 2018 to ₹ 14,127 billion and business travel spending by 6.7 per cent to ₹ 806.40 billion. Your Company is all ready to make the best of the improving business environment.

Outlook

The outlook of the Indian hospitality industry is becoming increasingly promising. Industry reports indicate that the demand for hotel rooms will continue to grow at a steady rate. Such demand is driven both by business activity as well as leisure which has a 71% and 29% share respectively. Room demand growth is correlated to GDP growth; consequently with GDP growth picking up, commercial demand is expected to increase.

The leisure demand at 29% of total room demand, has also shown robust growth led by a number of factors. Higher disposable income has ensured improved affordability, while the multitude of online travel agents (makemytrip, Goibibo, Yatra, Expedia etc.) has made it easier and convenient to book rooms online. Being present in both business and leisure segments, Sinclair's is well positioned to benefit from increased demand for rooms from the two segments.

Risks and Concerns

Tourism industry is generally affected on account of:

- Adverse law and order situation in the country or the region
- Natural disaster or spread of epidemic or diseases
- 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 competition from peer 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's operations and performance continue to be strong. The operations at two of its units, namely, Darjeeling and Kalimpong were adversely affected due to closure for several months on account of political disturbances in Darjeeling hills. This disruption also affected the revenues of Siliguri unit. All the other four properties of the Company posted growth. The situation in Darjeeling and Kalimpong is normal now and both the units are performing well. The operating revenue stood at ₹ 4591.28 lakh (₹ 4710.56 lakh) and operating profits at ₹ 1907.45 lakh (₹ 2017.05 lakh). The gross profit margin at 42% continues to be 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 2018, there were 389 employees in the Company.

Disclosure of Accounting Treatment

The Company has adopted Indian Accounting Standards ('Ind AS') with effect from April 1, 2016. Financial Statements for the year ended March 31, 2018 have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended by the Companies (Indian Accounting Standards) Rules, 2016, the Companies (Indian Accounting Standards) Rules, 2017 read with Section 133 and other applicable provisions of the Companies Act, 2013.

Pressman House
10A Lee Road
Kolkata 700 020
May 22, 2018

For and on behalf of the Board

Navin Suchanti
Chairman

Annexure I

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 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 of Section 149(6) of the Companies Act, 2013.

5. Familiarisation Program

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

Annexure II

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)
 - Chief Operating Officer;
 - Chief Financial Officer;
 - Company Secretary; and
 - Such other executives 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, 2018
[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, 2018 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, 2018 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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 - Not Applicable to the Company during the Audit Period.
 - e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - Not Applicable to the Company during the Audit Period.
 - f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not Applicable to the Company during the Audit Period.

- g) 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;
- h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not Applicable to the Company during the Audit Period.
- i) 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, Goods and Services Tax (GST) 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 & 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 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 Directors 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 its size and operations 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 22, 2018

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 30.05.2017	2% of net profit or ₹ 5 lakhs per annum, whichever is higher, payable quarterly. In addition to this he is also reimbursed cost of fuel, driver's salary, bills of three clubs, bill towards call charges for one cell phone and one residential landline, travelling, hotel and other expenses incurred by him during the course and in connection with business of the Company.	12.02.2016	Nil
Mr Navin Suchanti Chairman	Sitting Fee	N.A.	₹ 5000 per Board meeting and ₹ 2500 per Audit Committee meeting. However, he is also reimbursed cost of fuel, driver's salary, reimbursement of bills of three clubs, bill towards call charges for one cell phone and one residential landline, travelling, hotel and other expenses incurred by him during the course and in connection with business of the Company.	26.05.2017	Nil
Dr Niren Suchanti Director	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
	Sponsorship fees	As per requirement	Rates charged as per prevailing market rate	14.11.2017	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	₹ 148722 per month	26.05.2015	Nil
Mr Swajib Chatterjee Chief Operating Officer	Salary	Contractual	₹ 114720 per month	26.05.2017	Nil
Ms Sangita Agarwal Company Secretary	Salary	Contractual	₹ 35020 per month	12.02.2016	Nil

Annexure V
Details of CSR spent during the financial year 2017-18

- (i) Total amount to be spent for the financial year: ₹ 21.40 lakh
(ii) Amount unspent, if any: Nil
(iii) Manner in which the amount spent during the financial year:

(a)	Donation towards demolishing the waste vat and beautification of the area at Gandhi Road, Darjeeling given to Himalayan Environmental Awareness Programme.	₹ 0.06 lakh
(b)	Contribution to Veerayatan for their activities for the welfare of the economically weaker section of society.	₹ 21.41 lakh

Annexure VI
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 Director to the median remuneration of the employees of the Company : Not Applicable
(ii) The percentage increase in remuneration of each Director, CFO, COO, CS in the financial year:

SI No	Name	Total Remuneration 2017-18 (₹ in lakh)	Total Remuneration 2016-17 (₹ in lakh)	Percentage Increase
1	Mr Navin Suchanti, Managing Director*	-	27.88	Not Applicable
2	Mr B L Soni, Chief Financial Officer	17.85	15.32	17%
3	Mr Swajib Chatterjee, Chief Operating Officer**	13.77	11.76	17%
4	Ms Sangita Agarwal, Company Secretary	4.21	3.52	20%

* Resigned as Managing Director w.e.f. 1st June, 2017

**Appointed as Chief Operating Officer on 26th May, 2017

- (iii) The percentage increase in the median remuneration of employees in the financial year is 23.17%
(iv) The number of permanent employees on the rolls of company as at the end of the financial year 2017-18 is 389.
(v) It is hereby affirmed that the remuneration of Directors and KMP's are in accordance with the Remuneration Policy.

Form MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31st March, 2018

[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 Company having Share Capital
v)	Address of the Registered office and contact details	Pressman House 10A Lee Road, Kolkata 700 020 Phone : 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 Phone: 033-2235 7270, Fax: 033-2215 6823 e: nichetechpl@nicetechpl.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	95.31%

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

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	3172752	Nil	3172752	56.96	4.68
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 Corporate	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	3172752	Nil	3172752	56.96	4.68
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 Corporate	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	3172752	Nil	3172752	56.96	4.68

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	2200	2200	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 Company	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	2335207	Nil	2335207	41.93	Nil	Nil	Nil	Nil	(41.93)
j) FPI-Corporate Cat-III	Nil	Nil	Nil	Nil	20482	Nil	20482	0.37	0.37
Sub-total (B) (1)	2368207	2205	2370412	42.56	53482	2200	55682	1.00	(41.56)
2 Non Institutions									
a) Bodies corp									
i) Indian	18197	745	18942	0.34	153250	2640	155890	2.80	2.46
ii) Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
b) Individuals									
i) Individuals holding share capital up to ₹1 lakh	134158	59183	193341	3.47	1175541	38229	1213770	21.79	18.32
ii) Individual holding share capital in excess of ₹1 lakh	65337	Nil	65337	1.17	786457	Nil	786457	14.12	12.95
c) Others (specify) NRI/OCBs	105	1775	1880	0.03	65181	850	66031	1.18	1.15
Clearing Members	8135	Nil	8135	0.15	100218	Nil	100218	1.80	1.65
IEPF Authority	Nil	Nil	Nil	Nil	19200	Nil	19200	0.35	0.35
Sub-total (B) (2):	225932	61703	287635	5.16	2299847	41719	2341566	42.04	36.88
Total Public shareholding (B) = (B)(1) + (B)(2)	2594139	63908	2658047	47.72	2353329	43919	2397248	43.04	(4.68)
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	5506092	63908	5570000	100.00	5526081	43919	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 Shares pledged/encumbered to total shares	No of shares	% of total shares	% of Shares pledged/encumbered to total shares	
1	Mrs Sujata Suchanti	1164142	20.90	Nil	1287441	23.11	Nil	2.21
2	Mrs Pramina Suchanti	1141022	20.49	Nil	1278522	22.95	Nil	2.47
3	Dr Niren Suchanti	313051	5.62	Nil	313051	5.62	Nil	Nil
4	Mr Navin Suchanti	293738	5.27	Nil	293738	5.28	Nil	Nil
	Total	2911953	52.28	Nil	3172752	56.96	Nil	4.68

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

Sl. No.	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares	No of shares	% of total shares
1	Dr Niren Suchanti				
	a) At the Beginning of the Year	293738	5.274		
	b) Changes during the year	No Change during the year			
	c) At the End of the Year			293738	5.274
2	Mr Navin Suchanti				
	a) At the Beginning of the Year	293738	5.274		
	b) Changes during the year	No Change during the year			
	c) At the End of the Year			313051	5.620
3	Mrs Pramina Suchanti				
	a) At the Beginning of the Year	1141022	20.485		
	b) Changes during the year				
	Date Reason				
	16/06/2017 Transfer	137500	2.469	1278522	22.954
	c) At the End of the Year			1278522	22.954
4	Mrs Sujata Suchanti				
	a) At the Beginning of the Year	1164142	20.900		
	b) Changes during the year				
	Date Reason				
	16/06/2017 Transfer	123299	2.214	1287441	23.114
	c) At the End of the Year			1287441	23.114
	Total	2911953	52.279	3172752	56.961

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	Vinay Kumar Goenka	2860	0.051	163888	2.942
2	Vivek Mehrotra	-	-	100884	1.811
3	Aditya Deorah	-	-	78000	1.400
4	D Srimathi	-	-	51961	0.933
5	Karuna Mittal	-	-	50000	0.898
6	Rajesh Mittal	-	-	50000	0.898
7	Marwadi Shares and Finance Ltd	2771	0.050	49490	0.889
8	Harvinder Singh	-	-	45000	0.808
9	Sunita Vinay Goenka	40337	0.724	37401	0.671
10	West Bengal Financial Corporation	33000	0.592	33000	0.592

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	No of shares	% of total shares
1	Dr Niren Suchanti				
	a) At the Beginning of the Year	293738	5.274		
	b) Changes during the year	No Change during the year			
	c) At the End of the Year			293738	5.274
2	Mr Navin Suchanti				
	a) At the Beginning of the Year	313051	5.620		
	b) Changes during the year	No Change during the year			
	c) At the End of the Year			313051	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, Wholtime Directors and/or Manager

(₹ in lakh)

Sl. No.	Particulars of Remuneration	Name of Chief Operating Officer (Manager)	Total Amount
		Mr Swajib Chatterjee	
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) of the Income Tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	13.77 Nil Nil	13.77 Nil Nil
2.	Stock Option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission - as 2 % of profit - others, specify	Nil Nil	Nil Nil
5.	Others, please specify	Nil	Nil
	Total (A)	13.77	13.77
Ceiling as per the Act	₹141.02 lakh (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
		Mr Navin Suchanti	Dr. Niren Suchanti	Mr Kunal Bose	Mr Dip Narayan Mitra	Ms Bipasha Mukhopadhyay	Mr Chandrasekhar Subrah-moneyan	Mr Sumit Guha	Mr Aseem Kohli	
1	Independent Directors									
	• Fee for attending board and audit committee meetings	-	-	0.35	0.27	0.25	0.08	0.05	0.05	1.05
	• Commission	-	-	-	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-	-	-	-
	Total (1)	-	-	0.35	0.27	0.25	0.08	0.05	0.05	1.05
2	Other Non-Executive Directors									
	• Fee for attending board meetings	0.27	0.20	-	-	-	-	-	-	0.47
	• Commission	-	-	-	-	-	-	-	-	-
	• Others, please specify	-	-	-	-	-	-	-	-	-
	Total (2)	0.27	0.20	-	-	-	-	-	-	0.47
	Total (1+2)	0.27	0.20	0.35	0.27	0.25	0.08	0.05	0.05	1.52

C. Remuneration to Key Managerial Personnel other than MD/WT/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	17.85	4.21	22.06
	(b) Value of perquisites u/s 17(2)	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission			
	- as 2 % of profit	Nil	Nil	Nil
	- others, specify	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil
	Total	17.85	4.21	22.06

VII. Penalties/Punishment/Compounding of offences:**A. COMPANY**

Penalty	The Securities and Exchange Board of India (SEBI) vide Order dated 26th October, 2017 imposed a penalty of ₹ 4,00,000 on the Company for non redressal of a shareholder's grievance without accepting the grounds submitted by the Company. The penalty has been paid.
Punishment / Compounding	Nil
B. DIRECTORS	
Penalty / Punishment / Compounding	None
C. OTHER OFFICERS IN DEFAULT	
Penalty / Punishment / Compounding	None

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, a non-executive Director, and three (including one woman) non-executive independent Directors.

During the financial year 2017-18, five meetings of the board were held. These meetings were held on 26th May, 2017, 23rd June, 2017, 14th August, 2017, 14th November, 2017 and 12th February, 2018.

Particulars of Directors are given below :

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

* Appointed on 23rd June, 2017 ** Resigned on 23rd June, 2017

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

Director	No of Board Meetings held during the tenure	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#
Mr Navin Suchanti	5	5	Yes	1	2
Dr Niren Suchanti	5	4	No	1	Nil
Mr Kunal Bose	5	5	Yes	Nil	Nil
Mr Dip Narayan Mittra	4	4	Yes	Nil	Nil
Ms Bipasha Mukhopadhyay	5	5	Yes	Nil	Nil
Mr Rohan Sikri	1	-	No	NA	NA
Mr Aseem Kohli	1	1	No	NA	NA
Mr Chandrasekhar Subrahmoneyan	1	1	No	NA	NA
Mr Sumit Guha	1	1	No	NA	NA

Audit Committee and Stakeholders Relationship Committee are only considered

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 Auditor 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.

The Audit Committee was re-constituted on 23rd June, 2017.

Composition

Mr Kunal Bose	Chairman (Non-Executive Independent Director)
Mr Navin Suchanti	Member (Non-Executive Director)
Mr Dip Narayan Mittra	Member (Non-Executive Independent Director)

Meetings and attendance during the year

During the financial year 2017-2018, four meetings of the committee were held on 26th May, 2017, 14th August, 2017, 14th November, 2017 and 12th February, 2018. 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 Subrahmanyam*	1	1
Mr Dip Narayan Mittra**	3	3

*Ceased to be member of the Committee on 23rd June, 2017

** Appointed as member of the Committee on 23rd June, 2017

IV. Nomination and Remuneration Committee

Terms of Reference

The Committee 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 Dip Narayan Mittra	Member (Non-Executive Independent Director)
Ms Bipasha Mukhopadhyay	Member (Non-Executive Independent Director)

The Nomination and Remuneration Committee was reconstituted on 23rd June, 2017.

Meeting and attendance during the year

During the financial year 2017-2018, one meeting of the committee was held on 26th May, 2017

Members	Meetings held	Meetings attended
Mr Kunal Bose	1	1
Mr Rohan Sikri*	1	-
Mr Sumit Ratnakar Guha*	1	1
Mr Dip Narayan Mittra**	-	-
Ms Bipasha Mukhopadhyay**	-	-

* Ceased to be member of the Committee on 23rd June, 2017

**Appointed as member of the Committee on 23rd June, 2017

Non-Executive Director

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

However, the Chairman is also reimbursed cost of fuel, driver's salary, reimbursement of bills of three clubs, bill towards call charges for one cell phone and one residential landline, travelling, hotel and other expenses incurred by him during the course and in connection with business of the Company.

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 was re-constituted on 23rd June, 2017

Dr Niren Suchanti	Chairman (Non executive Director)
Mr Navin Suchanti	Member (Non executive Director)
Mr Kunal Bose	Member (Non-executive Independent Director)
Mr Dip Narayan Mittra	Member (Non-executive Independent Director)

Meeting and attendance during the year

During the financial year 2017-2018, one meeting of the committee was held on 5th February, 2018.

Members	Meetings held	Meetings attended
Dr Niren Suchanti	1	1
Mr Navin Suchanti	1	1
Mr Kunal Bose	1	1
Mr Dip Narayan Mittra*	1	1
Mr Aseem Kohli**	-	-

*Appointed as member of the Committee on 23rd June, 2017

** Ceased to be member of the Committee on 23rd June, 2017

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, 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 2017-2018, one meeting of the Independent Directors was held on 6th February, 2018.

Members	Meetings held	Meetings attended
Mr Kunal Bose	1	1
Mr Dip Narayan Mittra	1	1
Ms Bipasha Mukhopadhyay	1	1

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

The Committee was re-constituted on 23rd June, 2017 as follows:

Mr Dip Narayan Mittra	Chairman (Non-Executive Independent Director)
Mr Kunal Bose	Member (Non-Executive Independent Director)
Mr Navin Suchanti	Member (Non-Executive Director)

Meeting and attendance during the year

During the financial year 2017-2018, one meeting of the committee was held on 6th February, 2018.

Members	Meetings held	Meetings attended
Mr Dip Narayan Mittra*	1	1
Mr Kunal Bose*	1	1
Mr Navin Suchanti	1	1
Mr Rohan Sikri**	-	-

*Mr Dip Narayan Mittra was appointed as the Chairman of the Committee in place of Mr Kunal Bose on 23rd June, 2017. Mr Bose continues to be the member of the committee.

** Ceased to be member of the Committee on 23rd June, 2017

Shareholders' complaint received and redressed during the year ended March 31, 2018:

Pending as on 31.03.2017	Received during the year	Redressed during the year	Pending as on 31.03.2018
Nil	1	1	Nil

Name & Designation of Compliance Officer

Ms Sangita Agarwal, Company Secretary

VIII. Shareholders' Meeting

Details of Annual General Meeting held in last three years:

Year	Date	Venue	Time
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
2016-17	16.09.2017	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
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 Chandrasekhar Subrahmanyam, Independent Director
16.09.2017	AGM	Appointment of Mr Swajib Chatterjee as Chief Operating Officer (COO)

IX. Disclosures

- There were no material and significant related party transactions, with its promoters, directors or management or their 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 34 to the Accounts in the Annual Report.
- The Securities and Exchange Board of India (SEBI) vide Order dated 26th October, 2017 imposed a penalty of ₹ 4,00,000 on the Company for non redressal of a shareholder's grievance without accepting the grounds submitted by the Company. The penalty has been paid.
- The Company has an established 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
03.08.2018	Friday	Gyan Manch, 11 Pretoria Street Kolkata 700 071	10.30 am

b. Tentative Financial Calendar

Results for quarter ending June 30, 2018 Within 14th August, 2018
Results for quarter ending September 30, 2018 Within 14th November, 2018
Results for quarter ending December 31, 2018 Within 14th February, 2019
Results for quarter and year ending March 31, 2019 Within 30th May, 2019
AGM for the year ending March 31, 2019 Within 30th September, 2019

c. Book Closure :

From Saturday, 28th July, 2018 to Friday, 3rd August, 2018 (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 2018-19.

e. Market price data :

Monthly high / low during 2017-2018)

Month	BSE Sensex		Share Prices(₹) at BSE	
	High	Low	High	Low
April, 2017	30184.22	29241.48	435.00	382.05
May, 2017	31255.28	29804.12	454.00	320.00

Month	BSE Sensex		Share Prices(₹) at BSE	
	High	Low	High	Low
June, 2017	31522.87	30680.66	368.00	302.00
July, 2017	32672.66	31017.11	339.90	305.00
August, 2017	32686.48	31128.02	323.00	281.00
September, 2017	32524.11	31081.83	330.00	302.10
October, 2017	33340.17	31440.48	355.00	310.45
November, 2017	33865.95	32683.59	470.00	327.00
December, 2017	34137.97	32565.16	444.60	395.00
January, 2018	36443.98	33703.37	570.00	425.00
February, 2018	36256.83	33482.81	459.00	385.10
March, 2018	34278.63	32483.84	412.00	379.15

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	5020	90.12	467259	8.39
501-1000	260	4.67	204167	3.67
1001-5000	221	3.97	487900	8.76
5001-10000	37	0.66	267175	4.80
10001-50000	24	0.43	576014	10.34
50001-100000	2	0.04	129961	2.33
100001 & above	6	0.11	3437524	61.71
Total	5570	100.00	5570000	100.00

Category	No. of Shares	%
Promoters	3172752	56.96
Banks, FIs, Insurance Cos, Govt. & Non-Govt. Institutions	22682	0.41
Private Corporate Bodies	188890	3.39
Public (Indian)	2000227	35.91
NRIs / OCBs	66031	1.19
Clearing Member	100218	1.80
IEPF	19200	0.34
Total	5570000	100.00

i. Dematerialisation of shares and liquidity:

Out of total paid up capital of 5570000 equity shares as on 31st March, 2018, 4290114 equity shares (77.02%) and 1235967 equity shares (22.19%) 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:
Sinclairs Siliguri

(46 Rooms, 3 Suites)
PO Pradhan Nagar, Siliguri 734 403

Sinclairs Darjeeling

(46 Rooms, 1 Suite)
18/1 Gandhi Road, Darjeeling 734 101

Sinclairs Retreat Dooars

(68 Rooms, 3 Suites)
Chalsa Hilltop, Chalsa 735 206, Dist Jalpaiguri

Sinclairs Retreat Ooty

(72 Rooms, 7 Suites and 2 Villas)
Gorishola Road, Ootacamund 643 001

Sinclairs Bayview Port Blair

(43 Rooms, 3 Suites)
South Point, Port Blair 744 106
Andaman & Nicobar Islands

Sinclairs Retreat Kalimpong

(46 Rooms, 2 Suites)
Purbong, 6th Mile
Kalimpong 734 301, Dist. Darjeeling

Sinclairs Burdwan

(19 Rooms, 1 Suite)
High Street I, Renaissance Township
Nawabhat More, Burdwan 713 102

Project under implementation:
Sinclairs Kolkata

(114 Rooms)
Plot DJ 14, Action Area 1D
New Town, Rajarhat, Kolkata 700156

I. Address for Correspondence:

Compliance Officer
Sinclairs Hotels Limited
Pressman House, 10A Lee Road, Kolkata 700 020
Phone: (033) 40310807
Email: ir@sinclairshotels.com

Certification

The Board of Directors

Sinclairs Hotels Limited

1. We have reviewed Financial Statements and the Cash Flow Statement of Sinclairs Hotels Limited for the year ended 31st March, 2018 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, except as necessitated by Ind AS.
 - iii. that there are no instances of significant fraud of which we have become aware.

Kolkata Swajib Chatterjee B L Soni
May 22, 2018 Chief Operating Officer Chief Financial Officer

DECLARATION

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

I, Swajib Chatterjee, Chief Operating Officer, Sinclairs 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, 2018.

Kolkata Swajib Chatterjee
May 22, 2018 Chief Operating Officer

Independent Auditor's Report on Corporate Governance

Independent Auditor's Report on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To The Members of Sinclairs Hotels Limited

1. The Corporate Governance Report prepared by Sinclairs Hotels Limited ("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 ("the Listing Regulations") with respect to Corporate Governance for the year ended March 31, 2018. 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 w.r.t executive and non-executive directors has been met throughout the reporting period;

- iii. Obtained and read the Directors Register as on March 31, 2018 and verified that at least one woman director was on the Board during the year;
- iv. Obtained and read the minutes of the following meetings held from April 1, 2017 to March 31, 2018:
 - (a) Board of Directors meeting;
 - (b) Audit Committee;
 - (c) Nomination and Remuneration Committee;
 - (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 for the year ended March 31, 2018, 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 compliance with the relevant regulations of Corporate Governance 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
per Kamal Agarwal
Partner
Membership No.: 58652

Kolkata
May 22, 2018

Independent Auditor's Report

TO THE MEMBERS OF SINCLAIRS HOTELS LIMITED

Report on the Financial Statements

We have audited the accompanying Ind AS financial statements of Sinclairs Hotels Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 Ind AS 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 Ind AS 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 of the Ind AS financial statements 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 Ind AS 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 Ind AS 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 Ind AS 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 Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS 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, 2018, its profit including other comprehensive income, its cash flows and the changes in equity 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 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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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 with reference to these standalone Ind AS financial statements 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 Ind AS financial statements – Refer Note 33 to the Ind AS 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

For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005
per Kamal Agarwal
Partner
Kolkata
May 22, 2018
Membership Number: 58652

Annexure 1 to the Independent Auditor's Report

Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date to the members of Sinclairs Hotels Limited ('the Company')

(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 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 given 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 Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) To the best of our knowledge and as explained, the Central Government has not specified the maintenance of cost records under Section 148(1) of the Companies Act, 2013, for the products/services of the Company.

(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, goods and service tax, cess and other 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 amounts payable in respect of provident fund, employees' state insurance, income-tax, services tax, sales-tax, value added tax, goods and services tax, cess and other 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 of income-tax, sales-tax, service tax, duty of 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	Sales Tax and disallowance of remission.	2006-07	929,000	West Bengal Commercial Tax Appellate & Revisional Board

(viii) The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year.

(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 hence, reporting under clause 3(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 no fraud 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 and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, 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

Kolkata
May 22, 2018

per Kamal Agarwal
Partner
Membership No.: 58652

Annexure 2 to the Independent Auditor's Report

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SINCLAIR'S 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")

We have audited the internal financial controls over financial reporting of Sinclair's Hotels Limited ("the Company") as of March 31, 2018 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 with reference to these standalone financial statements 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 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 with reference to these standalone financial statements 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 over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, 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 over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls over Financial Reporting with Reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these standalone financial statements 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 with reference to these standalone financial statements 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 with Reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these standalone financial statements, 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 with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone financial statements 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, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2018, 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. Batliboi & Co. LLP
Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

per Kamal Agarwal
Partner

Membership No.: 58652

Kolkata
May 22, 2018

Balance Sheet as at 31st March, 2018

		As at	As at	As at
	Notes	31st March 2018	31st March 2017	1st April 2016
A) ASSETS				
1) Non-Current Assets				
a) Property, Plant and Equipment	3	599,764,148	659,652,828	691,483,095
Capital Work-in- Progress		4,586,392	1,893,238	48,069,933
b) Financial Assets - Other	4	7,148,601	10,279,586	9,221,105
c) Other Non-Current Assets	5	60,625	89,571	1,485,775
d) Non-Current Tax Assets	6	5,465,751	6,277,942	8,915,244
2) Current Assets				
a) Inventories	7	4,851,423	2,514,582	4,005,140
b) Financial Assets				
i) Investments	8	417,244,364	277,714,333	68,361,424
ii) Trade Receivables	9	11,734,453	14,336,519	13,511,366
iii) Cash and Cash Equivalents	10	10,235,400	2,924,605	3,931,248
iv) Other Bank Balance	11	5,253,987	3,951,526	3,802,911
v) Other Financial Assets	12	3,034,395	226,420	358,907
c) Other Current Assets	13	6,099,518	3,023,130	5,144,048
Total Assets		1,075,479,057	982,884,280	858,290,196
B) EQUITY AND LIABILITIES				
1) Equity				
a) Equity Share Capital	14	55,700,000	55,700,000	55,700,000
b) Other Equity	15	880,035,565	790,407,911	698,019,299
2) Non-Current Liabilities				
a) Deferred Tax Liabilities (Net)	16	60,109,199	67,842,833	47,826,302
b) Other Non-Current Liabilities	17	26,117,741	26,870,880	11,674,916
3) Current Liabilities				
a) Current Financial Liabilities				
i) Trade Payables	18	16,424,323	11,040,459	11,671,860
ii) Other Financial Liabilities	19	9,218,963	7,749,226	10,553,544
b) Other Current Liabilities	20	25,017,471	21,148,260	21,622,833
c) Provisions	21	2,855,795	2,124,711	1,221,442
Total Equity and Liabilities		1,075,479,057	982,884,280	858,290,196

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

Navin Suchanti
Chairman
(DIN: 00273663)

Dr Niren Suchanti
Director
(DIN: 00909388)

Kunal Bose
Director
(DIN: 02891649)

per Kamal Agarwal
Partner
Membership No. 58652
Kolkata, May 22, 2018

B L Soni
Chief Financial Officer

Swajib Chatterjee
Chief Operating Officer

Sangita Agarwal
Company Secretary

Statement of Profit and Loss for the year ended 31st March, 2018

		₹	
	Notes	Year ended 31st March 2018	Year ended 31st March 2017
Income:			
Revenue from Operations	22	459,128,449	471,055,767
Other Income	23	22,591,159	21,448,395
		<u>481,719,608</u>	<u>492,504,162</u>
Expenses:			
Food, Beverage and Stores Consumed	24	53,755,361	58,837,220
Employee Benefits Expense	25	82,611,402	81,325,611
Other Expenses	26	132,016,296	129,187,532
Depreciation and Amortization	27	73,827,195	80,085,924
		<u>342,210,254</u>	<u>349,436,287</u>
Profit Before Tax		139,509,354	143,067,875
Tax Expense:			
Current Tax		53,196,038	29,748,269
Less: MAT Credit Entitlement		-	6,453,088
Deferred Tax Charge		<u>(31,064,994)</u>	26,786,096
		<u>22,131,044</u>	<u>50,081,277</u>
Profit After Tax		<u>117,378,310</u>	<u>92,986,598</u>
Other Comprehensive Income			
Other Comprehensive Income not to be reclassified to profit or loss in subsequent period:			
Actuarial Loss on retirement benefits		(1,319,112)	(914,463)
Income tax relating to above		384,125	316,477
Total Other Comprehensive Income		<u>(934,987)</u>	<u>(597,986)</u>
Total Comprehensive income		<u>116,443,323</u>	<u>92,388,612</u>
Earnings Per Share			
[Nominal Value per share ₹ 10 (Previous year ₹ 10)]	28		
Basic and Diluted		21.07	16.69

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

Navin Suchanti
Chairman
(DIN: 00273663)

Dr Niren Suchanti
Director
(DIN: 00909388)

Kunal Bose
Director
(DIN: 02891649)

per Kamal Agarwal
Partner
Membership No. 58652
Kolkata, May 22, 2018

B L Soni
Chief Financial Officer

Swajib Chatterjee
Chief Operating Officer

Sangita Agarwal
Company Secretary

Cash Flow Statement for the year ended 31st March, 2018

	2017-18	2016-17
A. Cash Flow from Operating Activities		
Net Profit before Taxes	139,509,354	143,067,875
Adjustments For :		
Depreciation / Amortization	73,827,195	80,085,924
Profit on Redemption of Investments	(12,146,114)	(8,542,121)
Interest Income	(1,143,844)	(1,019,565)
Dividend received	(1,399,969)	-
Loss on Sale/Discard of Fixed Assets	33,794	(1,314,453)
Actuarial loss on gratuity	(1,319,112)	(914,463)
Unrealised Fair Value gain on current investments	(7,054,901)	(2,557,875)
Liabilities no longer required written back	(129,609)	(7,557,912)
Operating profit before working capital changes	190,176,794	201,247,410
Movements in working capital :		
Decrease/ (Increase) in Trade Receivables	2,602,066	(825,153)
Decrease/ (Increase) in Inventories	(2,336,841)	1,490,558
Decrease/ (Increase) in Other Non Current financial assets	(108,298)	(215,495)
Decrease/ (Increase) in Other Non Current assets	(3,047,442)	3,517,122
Increase / (Decrease) in Trade Payables	5,513,473	6,926,511
Increase / (Decrease) in Short-Term Provisions	731,084	903,269
Increase / (Decrease) in Other Current Liabilities	4,403,407	16,008,090
Cash Generated From Operation	197,934,243	229,052,312
Direct taxes paid (net)	(28,668,363)	(27,110,967)
Net Cash Flow from Operating Activities	169,265,880	201,941,345
B. Cash Flow from Investing Activities		
Purchase of Fixed Assets	(16,665,463)	(10,694,022)
Proceeds from Sale of Fixed Assets	-	5,815,914
Purchase of Current Investments	(511,089,498)	(514,482,602)
Dividend received	1,399,969	-
Proceeds from Sale/ Maturity of Current Investment	390,760,483	316,229,689
Purchase of Bank deposits (having original maturity of more than three months)	(1,120,059)	(126,033)
Maturity of Bank deposits (having original maturity of more than three months)	1,025,088	(379,738)
Interest Income	550,064	688,804
Net Cash from Investing Activities	(135,139,416)	(202,947,988)
C. Cash Flow from Financing Activities		
Dividends Paid	(22,280,000)	-
Tax on Dividend Paid	(4,535,669)	-
Net Cash used in Financing Activities	(26,815,669)	-
Net Increase in Cash and Cash Equivalents (A+B+C)	7,310,795	(1,006,643)
Cash and cash equivalents at the beginning of the year	2,924,605	3,931,248
Cash and cash equivalents at the end of the year	10,235,400	2,924,605
Components of cash and cash equivalents		
On current accounts	9,726,931	2,558,797
Cash in hand	508,469	365,808
Cash and Bank Balances as per note 10	10,235,400	2,924,605

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

per Kamal Agarwal
Partner
Membership No. 58652
Kolkata, May 22, 2018

For and on behalf of the Board of Directors

Navin Suchanti
Chairman
(DIN: 00273663)

Dr Niren Suchanti
Director
(DIN: 00909388)

Kunal Bose
Director
(DIN: 02891649)

B L Soni
Chief Financial Officer

Swajib Chatterjee
Chief Operating Officer

Sangita Agarwal
Company Secretary

Statement of Changes in Equity for the year ended 31st March, 2018

(A) Equity Share Capital	Number	Amount (₹)
Equity Shares of ₹10 each issued, subscribed and fully paid At 1st April, 2016	5,570,000	55,700,000
Issued during the year 2016-17	-	-
At 31st March, 2017	5,570,000	55,700,000
Issued during the year 2017-18	-	-
At 31st March, 2018	5,570,000	55,700,000

Particulars	Reserves and Surplus							Total
	Securities Premium	Capital Redemption Reserve	Capital Reserve	Capital Investment subsidy	Revaluation reserve	General Reserve	Retained Earnings	
Balance as on 1st April, 2016	321,221,225	17,232,220	7,279,767	8,136,724	34,785,705	202,437,254	106,926,404	698,019,299
Profit for the year	-	-	-	-	-	-	92,986,598	92,986,598
Other Comprehensive income (net of tax) for the period/year	-	-	-	-	-	-	(597,986)	(597,986)
Adjustments :								
Transfer to General Reserve	321,221,225	17,232,220	7,279,767	8,136,724	34,785,705	202,437,254	199,315,016	790,407,911
Balance as on 31st March, 2017						20,000,000	(20,000,000)	-
Profit for the year	321,221,225	17,232,220	7,279,767	8,136,724	34,785,705	222,437,254	179,315,016	790,407,911
Other Comprehensive income (net of tax) for the period/year							117,378,310	117,378,310
Adjustments :							(934,987)	(934,987)
Transfer to General Reserve	321,221,225	17,232,220	7,279,767	8,136,724	34,785,705	222,437,254	295,758,339	906,851,234
Payment of Cash Dividend for FY 2016-17						20,000,000	(20,000,000)	-
Payment of Dividend distribution Tax for FY 2016-17							(22,280,000)	(22,280,000)
Balance as on 31st March, 2018	321,221,225	17,232,220	7,279,767	8,136,724	34,785,705	242,437,254	248,942,670	880,035,565

For and on behalf of the Board of Directors

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

per Kamal Agarwal
Partner

Membership No. 58652
Kolkata, May 22, 2018

Navin Suchanti
Chairman
(DIN: 00273663)

Dr Niren Suchanti
Director
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B L Soni
Chief Financial Officer

Swajib Chatterjee
Chief Operating Officer

Sangita Agarwal
Company Secretary

Notes to financial statements for the year ended 31st March, 2018

1. CORPORATE INFORMATION

The Company is in the hospitality industry and has hotels/ resorts at Siliguri, Darjeeling, Chalsa, Kalimpong and Burdwan in West Bengal, Ooty in Tamilnadu and Port Blair in Andaman and Nicobar Islands. The Company is a public Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India. The registered office of the Company is located at Pressman House, 10A, Lee Road, Kolkata, West Bengal 700020.

2 BASIS OF PREPARATION

The financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time). For all periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance accounting standards notified under the section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). These financial statements for the year ended 31st March 2018 are for the first time prepared in accordance with Ind AS (Refer to note 38 for information on how the Company adopted Ind AS).

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Land and buildings classified as property, plant and equipment.
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

The financial statements are presented in INR and all values are in absolute terms.

2.1 SIGNIFICANT ACCOUNTING POLICIES

(a) Current versus non-current classification

The Company's present assets and liabilities in the balance sheet are based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading

- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

(b) Property, Plant and Equipment

Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost comprises of purchase price and any attributable cost of bringing the asset to its working condition for its intended use. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Under the previous GAAP (Indian GAAP), property, plant and equipment were carried in the balance sheet at cost net of depreciation. The Company has elected to regard such net cost as deemed cost at the date of transition.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

The Company identifies and determines cost of asset significant to the total cost of the asset having useful life that is materially different from that of the remaining life.

i. Depreciation on Property, Plant and Equipment 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 Property, Plant and Equipment added/discharged 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 subsidies

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 subsidy will be received.

When the 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 subsidy 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 subsidy, 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 subsidy of the nature of promoters' contribution are credited to capital reserve and treated as a part of shareholders' funds.

(f) Inventories

Inventories are valued as lower of cost and net realizable value. However, materials and other supplies held for use in the ultimate product/supply are not written down below cost if the finished products in which they will be used are expected to be sold at or above cost. 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.

(g) 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. GST 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.

(h) 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 on 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 on 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.

(i) Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- a) Financial assets at amortised cost
- b) Financial assets at fair value through profit or loss (FVTPL)

- a) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- b) Financial assets at FVTPL

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in the statement of profit and loss.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when the rights to receive cash flows from the asset have expired.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the trade receivables or another financial asset that result from transactions that are within the scope of Ind AS 18. ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR.

Financial Liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables only.

Subsequent measurement

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Derecognition

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

(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 Tax**Current Income Tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Policy on MAT

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax for the year. The deferred tax asset is recognised for MAT credit available only to the extent that it is probable that the concerned 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, it is created by way of credit to the statement of profit and loss and shown as part of deferred tax asset. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent that it is no longer probable 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, 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.

(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 equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

(q) Critical accounting estimates and judgments

In the application of the Company's accounting policies, the directors of the Company are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgments is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

The areas involving critical estimates or judgments are:

Estimation of fair values of contingent liabilities - Note 33
Estimation of employee benefit obligations – Note 29

Estimates and judgments are continually evaluated. They are based on historical experience and other factors, including expectations of future events that may have a financial impact on the Company and that are believed to be reasonable under the circumstances.

Notes to financial statements for the year ended 31st March, 2018

3) PROPERTY, PLANT AND EQUIPMENT

3) PROPERTY, PLANT AND EQUIPMENT											₹
	Tangible Asset										
	Freehold Land	Leasehold Land	Building	Plant and equipment	Furniture and fixture	Electrical installation	Vehicles	Office equipment	Total		
Cost or Revalued											
At 1 April 2016	114,976,209	6,923,299	536,865,269	104,222,230	163,091,220	50,861,335	7,952,405	9,054,053	993,946,020		
Additions	-	-	45,525,976	2,914,063	2,357,484	3,979,745	67,845	512,005	55,357,118		
Disposals	2,564,154	-	4,919,439	226,000	356,500	25,200	1,308,706	221,000	9,620,999		
At 31 March 2017	112,412,055	6,923,299	577,471,806	106,910,293	165,092,204	54,815,880	6,711,544	9,345,058	1,039,682,139		
Additions	506,385	-	7,373,536	3,670,998	1,500,203	179,506	-	741,681	13,972,309		
Disposals	-	-	-	6,292,629	1,625,210	59,800	1,567,666	24,188	9,569,493		
As At 31st March 2018	112,918,440	6,923,299	584,845,342	104,288,662	164,947,197	54,935,586	5,143,878	10,062,551	1,044,084,955		
Depreciation/ Amortisation											
At 1 April 2016	-	843,432	105,662,496	69,818,044	90,749,489	24,743,120	5,533,658	5,112,686	302,462,925		
Charge for the year	-	181,931	33,720,761	11,127,535	24,531,786	8,560,102	834,600	1,129,209	80,085,924		
Disposals	-	-	442,784	226,000	356,500	25,200	1,248,054	221,000	2,519,538		
At 31 March 2017	-	1,025,363	138,940,473	80,719,579	114,924,775	33,278,022	5,120,204	6,020,895	380,029,311		
Charge for the year	-	181,931	36,601,794	9,089,344	18,634,259	7,042,221	672,389	1,605,257	73,827,195		
Disposals	-	-	-	6,292,629	1,625,210	35,082	1,567,666	15,112	9,535,699		
As At 31st March 2018	-	1,207,294	175,542,267	83,516,294	131,933,824	40,285,161	4,224,927	7,611,040	444,320,807		
Net Block											
1st April, 2016	114,976,209	6,079,867	431,202,773	34,404,186	72,341,731	26,118,215	26,118,215	3,941,367	691,483,095		
31st March, 2017	112,412,055	5,897,936	438,531,333	26,190,714	50,167,429	21,537,858	1,591,340	3,324,163	659,652,828		
31st March, 2018	112,918,440	5,716,005	409,303,075	20,772,368	33,033,373	14,650,425	918,951	2,451,511	599,764,148		

a) Building includes those constructed on leasehold land, Gross Block ₹ 181,139,968 (previous year ₹ 181,139,968), Depreciation charge for the year ₹ 9,330,057 (previous year ₹ 9,389,698), Accumulated depreciation ₹ 39,893,688 (previous year ₹ 30,563,633), Net book value ₹ 141,245,280 (previous year ₹ 150,575,335).

Notes to financial statements for the year ended 31st March, 2018

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Non-Current Assets			
4) FINANCIAL ASSETS - Others			
(Unsecured, considered good, unless stated otherwise)			
Security Deposits	1,206,767	1,098,469	882,974
Bank deposits with original maturity for more than twelve months - (refer note 11)	5,426,875	6,451,963	6,072,225
Interest accrued, but not due on deposits with bank	514,959	2,729,154	2,265,906
	<u>7,148,601</u>	<u>10,279,586</u>	<u>9,221,105</u>
5) OTHER NON-CURRENT ASSETS			
(Unsecured, considered good)			
Prepaid expenses	60,625	89,571	43,010
Advances recoverable in cash or kind	-	-	1,442,765
	<u>60,625</u>	<u>89,571</u>	<u>1,485,775</u>
6) NON-CURRENT TAX ASSETS			
Advance income tax (net of provision for taxation ₹ 128,601,637 (31st March 2017: ₹ 166,059,759 1st April 2016: ₹ 136,311,490))	5,465,751	6,277,942	8,915,244
Current Assets			
7) INVENTORIES			
(Valued at lower of cost and net realizable value)			
Food and Beverages	2,258,116	1,619,258	2,864,061
Linen, Curtains, Housekeeping Items etc.	2,593,307	895,324	1,141,079
	<u>4,851,423</u>	<u>2,514,582</u>	<u>4,005,140</u>
Financial Assets			
8) INVESTMENTS			
Investments in Mutual Funds (unquoted)			
Nil (3,455,074.791)	HDFC Cash Management Fund - Treasury Advantage Plan - Retail - Growth	-	122,403,280
Nil (92,455.523)	HDFC Floating Rate Income Fund - Short Term Plan - Growth	-	2,621,992
Nil (1,534,389.505)	HDFC Banking and PSU Debt Fund - DP - Growth	-	20,373,164
Nil (1,118,493.166)	HDFC Corporate Bond Fund - Growth	-	20,331,410
Nil (1,431,646.059)	SBI Dynamic Bond Fund - Growth	-	30,286,759
869,204.578 (869,204.578)	SBI Magnum Income Fund - Growth	37,895,668	35,714,921
1,234,093.417 (1,234,093.417)	SBI Magnum Medium Duration Fund - Growth	38,760,036	35,967,036
3,924.187 (3,924.187)	SBI Liquid Fund - Growth	10,691,032	10,015,771
Nil (Nil, 1st April 2016: 22,861.84)	HDFC Liquid Fund - Growth	-	-
372,494.971 (Nil)	Motilal Oswal Multicap 35 Fund - Growth	10,178,462	-
526,619.225 (Nil)	ICICI Prudential Regular Savings Fund - Growth	10,255,541	-
461,392.945 (Nil)	Aditya Birla Sun Life Short Term Fund - Growth	30,830,507	-
1,361,816.482 (Nil)	Aditya Birla Sun Life Medium Term Plan - Growth	30,939,381	-
474,077.445 (Nil)	UTI Short Term Income Fund - Institutional Option - Growth	10,256,997	-

Contd...

Notes to financial statements for the year ended 31st March, 2018

		As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Financial Assets				
8) Investments (contd.)				
598,408.234 (Nil)	Kotak Standard Multicap Fund - Growth	20,031,716	-	-
879,546.154 (Nil)	DSP BlackRock Focus Fund - Growth	19,908,527	-	-
697,790.447 (Nil)	DSP BlackRock Credit Risk Fund - Growth	20,572,746	-	-
710,065.894 (Nil)	Reliance Corporate Bond Fund - Growth	10,281,399	-	-
38,077.000 (Nil)	SBI Banking and PSU Debt Fund - Growth	75,325,825	-	-
524,228.532 (Nil)	SBI Bluechip Fund - Growth	20,450,522	-	-
1,187,892.995 (Nil)	Edelweiss Arbitrage Fund - Monthly Dividend	14,852,464	-	-
173,119.35 (Nil)	SBI Magnum Multicap Fund - Growth	8,307,613	-	-
32,274.125 (Nil)	SBI Large and Midcap Fund - Growth	6,872,594	-	-
1,062,729.372 (Nil)	SBI Arbitrage Opportunities Fund - Dividend	15,036,664	-	-
-	Aventus Absolute Return Fund - Class A2	25,796,670	-	-
		<u>417,244,364</u>	<u>277,714,333</u>	<u>68,361,424</u>
* Figures in bracket represent last year units				
9) TRADE RECEIVABLES				
Unsecured, considered good		<u>11,734,453</u>	<u>14,336,519</u>	<u>13,511,366</u>
a. Trade Receivables are non-interest bearing and generally on terms of 0 to 90 days				
b. For ageing analysis of Trade Receivable, Refer Note 36				
10) CASH AND CASH EQUIVALENTS				
Bank Balances		9,726,931	2,558,797	3,668,453
Cash in hand		508,469	365,808	262,795
		<u>10,235,400</u>	<u>2,924,605</u>	<u>3,931,248</u>
11) OTHER BANK BALANCES				
Unpaid dividend account		1,703,771	1,521,369	1,498,787
Deposits with original maturity for more than twelve months *		3,550,216	2,430,157	2,304,124
		<u>5,253,987</u>	<u>3,951,526</u>	<u>3,802,911</u>
* Bank deposits aggregating ₹ 8,467,288 ((31st March 2017: ₹ 8,372,317, 1st April 2016: ₹ 7,469,744) pledged against Bank Guarantees and ₹ 472,010 (31st March 2017: ₹ 472,010, 1st April 2016: ₹ 472,010) pledged with the Registrar, Calcutta High Court towards certain litigations.				
12) OTHER FINANCIAL ASSETS				
(Unsecured, considered good)				
Interest accrued, but not due on deposits with bank		<u>3,034,395</u>	<u>226,420</u>	<u>358,907</u>
13) OTHER CURRENT ASSETS				
(Unsecured, considered good)				
Capital Advance		1,021,500	-	-
Advances recoverable in cash or kind		2,060,449	911,320	1,223,862
Advance to employees		23,291	18,000	77,614
Prepaid expenses		2,994,278	2,058,938	1,882,109
Balance with service tax and VAT authorities		-	34,872	1,960,463
		<u>6,099,518</u>	<u>3,023,130</u>	<u>5,144,048</u>

Notes to financial statements for the year ended 31st March, 2018

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
14) EQUITY SHARE CAPITAL			
Authorised Share Capital			
15,000,000 (31st March 2017: 15,000,000, 1st April 2016: 15,000,000) equity shares of ₹10/- each	150,000,000	150,000,000	150,000,000
5,000,000 (31st March 2017: 5,000,000, 1st April 2016: 5,000,000) redeemable preference shares of ₹10/- each	50,000,000	50,000,000	50,000,000
	<u>200,000,000</u>	<u>200,000,000</u>	<u>200,000,000</u>
Issued, subscribed and fully paid-up shares			
5,570,000 (31st March 2017: 5,570,000, 1st April 2016: 5,570,000) equity shares of ₹10/- each fully paid paid-up	<u>55,700,000</u>	<u>55,700,000</u>	<u>55,700,000</u>

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

	31st March 2018		31st March 2017		1st April 2016	
	No.	Amount in ₹	No.	Amount in ₹	No.	Amount in ₹
Equity Shares						
At the beginning and end of the year	5,570,000	55,700,000	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. Each 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 of ₹10 each fully paid up in the Company

Name of the shareholder	31st March 2018		31st March 2017		1st April 2016	
	No. of Equity Shares	% holding	No. of Equity Shares	% holding	No. of Equity Shares	% holding
Sujata Suchanti	1,287,441	23.11%	1,164,142	20.90%	1,164,142	20.90%
Pramina Suchanti	1,278,522	22.95%	1,141,022	20.49%	1,141,022	20.49%
Navin Suchanti	313,051	5.62%	313,051	5.62%	293,738	5.27%
Dr. Niren Suchanti	293,738	5.27%	293,738	5.27%	313,051	5.62%
Xander Investment Holding X Ltd	-	-	1,568,187	28.15%	1,585,119	28.46%
MCCS Investment Holding Ltd.	-	-	588,000	10.56%	588,000	10.56%

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, 2018

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
15) OTHER EQUITY			
Securities Premium Account			
Balance as per last financial statements	321,221,225	321,221,225	321,221,225
Capital Redemption Reserve			
Balance as per last financial statements	17,232,220	17,232,220	17,232,220
Capital Reserve			
Amalgamation Reserve			
Balance as per last financial statements	7,279,767	7,279,767	7,279,767
Capital Investment Subsidy			
Balance as per last financial statements	8,136,724	8,136,724	8,136,724
Revaluation Reserve			
Balance as per last financial statements	34,785,705	34,785,705	34,785,705
General Reserve			
Balance as per last financial statements	222,437,254	202,437,254	202,437,254
Add: Amount transferred from surplus balance in the statement of Profit and Loss	20,000,000	20,000,000	-
	242,437,254	222,437,254	202,437,254
Retained Earnings			
Balance as per last financial statements	179,315,016	106,926,404	106,926,404
Add: Profit for the year	117,378,310	92,986,598	-
Add: Other Comprehensive income (net of tax) for the period/year	(934,987)	(597,986)	-
Less: Dividend [amount per share ₹4 (previous year ₹ Nil)]	22,280,000	-	-
Less: Tax on Dividend	4,535,669	-	-
Less: Transferred to General Reserve	20,000,000	20,000,000	-
	248,942,670	179,315,016	106,926,404
	880,035,565	790,407,911	698,019,299
Non-Current Liabilities			
16) DEFERRED TAX AND INCOME TAX			
A. Deferred Tax Liability			
Fixed Assets: Impact of difference between tax depreciation and depreciation/ amortisation charged for the financial reporting	81,036,393	113,654,670	132,046,198
On Fair valuation of Investments in Mutual Fund	2,054,387	885,229	396,865
Gross Deferred Tax liability	83,090,780	114,539,899	132,443,063
Deferred Tax Asset			
MAT Credit Entitlement	22,981,581	46,697,066	40,243,978
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	22,981,581	46,697,066	84,616,761
Deferred Tax Liability (net)	60,109,199	67,842,833	47,826,302

Notes to financial statements for the year ended 31st March, 2018

B. Income Tax

The major components of income tax expense for the years ended are:

	As at 31st March 2018	As at 31st March 2017
Current Tax	53,196,038	29,748,269
Deferred Tax	(31,064,994)	26,786,096
MAT credit entitlement	-	(6,453,088)
Income Tax expense	<u>22,131,044</u>	<u>50,081,277</u>
Accounting Profit before Income Tax	139,509,354	143,067,875
Income Tax rate	29.12%	34.61%
Computed expected tax expense	40,625,124	49,512,930
Effect of non deductible expenses	303,900	568,347
Effect of exempt non-operating income	(634,695)	-
Effect on change in Tax rate	(18,163,285)	-
Total	<u>22,131,044</u>	<u>50,081,277</u>

	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
17) OTHER NON - CURRENT LIABILITIES			
Advances - membership fees	11,974,087	12,473,666	11,674,916
Deferred Government Subsidies	14,143,654	14,397,214	-
	<u>26,117,741</u>	<u>26,870,880</u>	<u>11,674,916</u>
Current Financial Liabilities			
18) TRADE PAYABLES			
Trade Payables (refer note 30 for details of dues to micro and small enterprises)	-	-	-
Total outstanding dues of micro and small enterprises	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	16,424,323	11,040,459	11,671,860
	<u>16,424,323</u>	<u>11,040,459</u>	<u>11,671,860</u>
19) OTHER FINANCIAL LIABILITIES			
Creditors for fixed assets	138,800	138,800	4,252,399
Unclaimed dividend	1,703,771	1,521,369	1,498,787
(To be credited to Investor Education and Protection Fund when due)			
Other payables (for employees, etc)	7,344,392	6,054,057	4,442,358
Deposits received from others	32,000	35,000	360,000
	<u>9,218,963</u>	<u>7,749,226</u>	<u>10,553,544</u>
20) OTHER CURRENT LIABILITIES			
Advances from customers	17,183,240	17,773,374	10,875,007
Advances - membership fees	489,017	498,947	1,420,000
Statutory Dues	7,090,957	2,621,682	9,327,826
Deferred Revenue (Government Subsidy)	254,257	254,257	-
	<u>25,017,471</u>	<u>21,148,260</u>	<u>21,622,833</u>
21) PROVISIONS			
Provision for Gratuity	2,855,795	2,124,711	1,221,442

Notes to financial statements for the year ended 31st March, 2018

	Year ended 31st March 2018	Year ended 31st March 2017
22) REVENUE FROM OPERATIONS		
Sale of services		
Room	280,114,856	293,038,955
Food and Beverages	149,321,189	150,209,670
Other operating revenues		
Car Hire Income	9,780,023	12,689,363
Others	19,912,381	15,117,779
	459,128,449	471,055,767
23) OTHER INCOME		
Interest Income		
- Deposits with Banks	1,029,860	1,000,581
- Others	113,984	18,984
Profit on sale of fixed assets	-	1,278,607
Profit on sale of land	-	35,846
Net gain on sale of current investments	12,146,114	8,542,121
Fair Value gain on current investments	7,054,901	2,557,875
Subsidy Income	222,626	-
Income from Dividend and AIF III Instruments	1,399,969	-
Deferred Income (Grant)	253,560	198,529
Insurance Claim Received	191,660	-
Liabilities no longer required written back	129,609	7,557,912
Other non-operating income	48,876	257,940
	22,591,159	21,448,395
24) FOOD, BEVERAGE AND STORES CONSUMED		
Inventory at the beginning of the year	1,619,258	2,864,061
Add: Purchases	54,394,213	57,592,417
	56,013,471	60,456,478
Less : Inventory at the end of the year	2,258,110	1,619,258
	53,755,361	58,837,220
25) EMPLOYEE BENEFITS EXPENSE		
Salaries, Wages, Bonus etc.	67,851,197	67,206,847
Contribution to Provident and other Funds	5,441,989	4,765,616
Staff welfare expenses	9,318,216	9,353,148
	82,611,402	81,325,611

Notes to financial statements for the year ended 31st March, 2018

	₹	
	Year ended 31st March 2018	Year ended 31st March 2017
26) OTHER EXPENSES		
Linen, Curtains, Housekeeping Items etc.	15,998,642	19,948,702
Power and Fuel	26,801,800	30,213,704
Rent	2,148,000	2,148,000
Rates and Taxes	6,033,277	6,366,695
Insurance	1,394,514	1,215,601
Repairs and Maintenance :		
Plant and Machinery	944,133	1,518,841
Buildings	3,406,714	3,937,062
Others	6,722,543	7,907,911
Advertisement and Sales Promotion	11,673,511	8,406,700
Commission to Selling Agents	27,384,765	14,666,075
Travelling and Conveyance	2,145,436	2,884,746
Motor Car Expenses	1,463,987	1,590,010
Bank Charges	2,068,657	2,135,882
Car and Other Hire Charges	8,986,944	10,687,273
Communication Expenses	984,006	1,034,648
CSR Expenditure	2,147,000	1,568,833
Printing and Stationery	1,228,257	1,585,203
Legal and Professional Fees	2,528,957	2,924,954
Loss on Sale of Fixed Assets	33,794	-
Directors' Sitting Fees	152,500	132,500
Remuneration to Auditor		
As auditor:		
Statutory Audit	725,000	725,000
Limited Review	525,000	525,000
Reimbursement of Service Tax and Out-of-Pocket Expenses	12,815	14,379
Miscellaneous Expenses	6,506,044	7,049,813
	132,016,296	129,187,532
27) DEPRECIATION AND AMORTIZATION		
Depreciation on tangible assets	73,827,195	80,085,924

28) EARNINGS PER SHARE (EPS)

Particulars		2017-18	2016-17
Net profit as per statement of profit and loss	₹	117,378,310	92,986,598
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	₹	21.07	16.69

Notes to financial statements for the year ended 31st March, 2018

29) 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	2017-18	2016-17
Current service cost	1,415,669	1,084,768
Interest cost on benefit obligation	566,592	541,001
Expected return on plan assets	(445,578)	(415,521)
Re-measurement losses/(gains) in other Comprehensive Income	1,319,112	914,463
- Re-measurements - Due to Financial Assumptions	(145,085)	1,044,437
- Re-measurements - Due to Experience Adjustments	1,530,759	(145,658)
- (Return) on Plan Assets (Excluding Interest Income)	(66,562)	15,684
Past service cost	-	-
Net benefit expense	2,855,795	2,124,711
Actual return on plan assets	512,140	399,837

Gratuity Expenses have been recognised in Contribution to Provident and Other Funds under Note 25.

Balance Sheet

Details of Provision for Gratuity

₹

Particulars	As at 31st March, 2018	As at 31st March, 2017
Defined benefit obligation	10,115,547	7,874,105
Fair value of plan assets	(7,259,752)	(5,749,394)
Net Liability	2,855,795	2,124,711

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

₹

Particulars	As at 31st March, 2018	As at 31st March, 2017
Opening defined benefit obligation	7,874,105	6,552,600
Interest cost	566,592	541,001
Current service cost	1,415,669	1,084,768
Benefits paid	(1,126,493)	(1,203,043)
Re-measurements - Due to Financial Assumptions	(145,085)	(145,658)
Re-measurements - Due to Experience Adjustments	1,530,759	1,044,437
Closing defined benefit obligation	10,115,547	7,874,105

Notes to financial statements for the year ended 31st March, 2018

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

₹

Particulars	As at 31st March, 2018	As at 31st March, 2017
Opening fair value of the plan assets	5,749,394	5,331,158
Expected return	445,578	415,521
Contributions by employer	2,124,711	1,221,442
Benefits paid	(1,126,493)	(1,203,043)
Re-measurements -Return on Assets (Excluding Interest Income)	66,562	(15,684)
Closing fair value of plan assets	7,259,752	5,749,394

The Company expects to contribute ₹ 2,855,795 to gratuity fund in the next year (previous year ₹ 2,124,711).

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, 2018	As at 31st March, 2017
Investments with insurer	100%	100%

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

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Discount rate	7.75%	7.50%	8.00%
Expected rate of return on assets	7.75%	7.50%	8.00%
Expected rate of future salary increase	6.00%	6.00%	5.00%
Withdrawal rate	1%-8%	1%-8%	1%-8%
Mortality Table	IALM(2006-08) ultimate	IALM(2006-08) ultimate	IALM(2006-08) ultimate

A quantitative sensitivity analysis for significant assumption is as shown below:

₹

	As at 31st March, 2018		As at 31st March, 2017	
Assumptions	Discount rate		Discount rate	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on Gratuity	9,384,658	10,956,874	6,778,821	8,214,211
Assumptions	Future Salary Movement		Future Salary Movement	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on Gratuity	10,989,375	9,347,509	8,168,547	6,809,018
Assumptions	Withdrawal		Withdrawal	
Sensitivity level	1% increase	1% decrease	1% increase	1% decrease
Impact on Gratuity	10,179,159	10,039,327	7,960,720	7,803,238

The following payments are expected contributions to the defined benefit plan in future years:

₹

Particulars	As at 31st March, 2018	As at 31st March, 2017
Within the next 12 months (next annual reporting period)	448,446	546,026
Between 2 and 5 years	4,966,154	2,168,678
Between 5 and 10 years	3,870,589	5,159,401
Total expected payments	9,285,189	7,874,105

Notes to financial statements for the year ended 31st March, 2018

Amount incurred as expense for defined contribution plans:

₹

Particulars	2017-18	2016-17
Contribution to Provident Fund	3,905,306	3,555,368

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.

- 30) 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.

31) 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 Ind AS 108 "Operating Segments". The Company at present, operates in India only and therefore the analysis of geographical segment is not applicable.

32) CAPITAL COMMITMENT

₹

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Estimated amount of contracts remaining to be executed on capital contract and not provided for (Net of Advances)	388,600	-	1,109,151

33) CONTINGENT LIABILITIES NOT PROVIDED FOR

₹

Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
Sales Tax matters under dispute / appeal	164,558	169,186	228,809
EPCG (Duty amount on outstanding export obligations)	-	-	263,457

34) RELATED PARTY DISCLOSURES

(a) Names of related parties:

Key Management Personnel	Mr Navin Suchanti, Chairman Dr Niren Suchanti, Director Mr Kunal Bose, Director Mr Dip Narayan Mittra, Director Ms Bipasha Mukhopadhyay, Director Mr Rohan Sikri, Director* Mr Aseem Kohli, Director* Mr Chandrasekhar Subrahmoneyan, Director* Mr Sumit Guha, Director* Mr B L Soni, Chief Financial Officer Mr Swajib Chatterjee, Chief Operating Officer** Ms Sangita Agarwal, Company Secretary
Enterprises owned or significantly influenced by Key Management Personnel or their relatives	Pressman Advertising Limited Pressman Properties Limited Pressman Realty Limited Son-et-Lumiere Art Gallery Private Limited

* up to 23rd June, 2017

** from 26th May, 2017

Notes to financial statements for the year ended 31st March, 2018

[illegible]

Particulars	Enterprises owned or significantly influenced by key management personnel or their relatives				Total
	Pressman Properties Limited	Pressman Realty Limited	Son-et-Lumiere Art Gallery Pvt. Ltd.	Pressman Advertising Limited	
Electricity Charges	60,929				60,929
	(54,958)				(54,958)
Rent Paid	1,200,000 (1,200,000)	600,000 (600,000)	180,000 (180,000)		1,980,000 (1,980,000)
Advertisement and Sales Promotion				11,551,720 (7,889,376)	11,551,720 (7,889,376)
Sponsorship fees received		2,500,000			2,500,000
Trade Payable at year end		-			-
As on 31.03.2018				1,045,005	1,045,005
As on 31.03.2017				-	-
As on 31.03.2016				-	-

Note : previous years figures are given in bracket

Notes to financial statements for the year ended 31st March, 2018

35) FAIR VALUE

The carrying value and fair value of financial instruments by categories as at 31st March, 2018, 31st March, 2017 and 1st April 2016 is as follows:

a) Fair value of financial assets and liabilities:

₹
31st March, 2018

Particulars	Fair Value through Profit and Loss	Amortised Cost	Total Carrying Value	Total Fair Value
Assets :				
Cash and Cash Equivalents	-	10,235,400	10,235,400	10,235,400
Other bank balances	-	2,110,991	2,110,991	2,110,991
Trade Receivables	-	11,734,453	11,734,453	11,734,453
Investments	417,244,364	-	417,244,364	417,244,364
Other Financial Assets	-	13,325,992	13,325,992	13,325,992
Total	417,244,364	37,406,836	454,651,200	454,651,200
Liabilities:				
Trade Payables	-	16,316,972	16,316,972	16,316,972
Other Financial Liabilities	-	9,218,963	9,218,963	9,218,963
Total	-	25,535,935	25,535,935	25,535,935

31st March, 2017

Particulars	Fair Value through Profit and Loss	Amortised Cost	Total Carrying Value	Total Fair Value
Assets :				
Cash and Cash Equivalents	-	2,924,605	2,924,605	2,924,605
Other bank balances	-	3,951,526	3,951,526	3,951,526
Trade Receivables	-	14,336,519	14,336,519	14,336,519
Investments	277,714,332	-	277,714,332	277,714,332
Other Financial Assets	-	10,506,006	10,506,006	10,506,006
Total	277,714,332	31,718,656	309,432,987	309,432,988
Liabilities:				
Trade Payables	-	11,040,459	11,040,459	11,040,459
Other Financial Liabilities	-	7,749,226	7,749,226	7,749,226
Total	-	18,789,685	18,789,685	18,789,685

1st April, 2016

Particulars	Fair Value through Profit and Loss	Amortised Cost	Total Carrying Value	Total Fair Value
Assets :				
Cash and Cash Equivalents	-	3,931,248	3,931,248	3,931,248
Other bank balances	-	3,802,911	3,802,911	3,802,911
Trade Receivables	-	13,511,366	13,511,366	13,511,366
Investments	68,361,424	-	68,361,424	68,361,424
Other Financial Assets	-	9,580,012	9,580,012	9,580,012
Total	68,361,424	30,825,537	99,186,961	99,186,961
Liabilities:				
Trade Payables	-	11,671,860	11,671,860	11,671,860
Borrowings	-	-	-	-
Other Financial Liabilities	-	10,553,544	10,553,544	10,553,544
Total	-	22,225,404	22,225,404	22,225,404

Notes to financial statements for the year ended 31st March, 2018

b) Fair value hierarchy:

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

- Level 1 — Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 — Inputs are other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs are not based on observable market data (unobservable inputs). Fair value is determined in whole or in part using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

The following table summarizes financial assets and liabilities measured at fair value on a recurring basis:

As at 31.03.2018	Level 1	Level 2	Level 3	Total
Financial Assets				
Mutual Funds units	-	417,244,364	-	417,244,364
Total	-	417,244,364	-	417,244,364
As at 31.03.2017	Level 1	Level 2	Level 3	Total
Financial Assets				
Mutual Funds units	-	277,714,332	-	277,714,332
Total	-	277,714,332	-	277,714,332
As at 01.04.2016	Level 1	Level 2	Level 3	Total
Financial Assets				
Mutual Funds units	-	68,361,424	-	68,361,424
Total	-	68,361,424	-	68,361,424

36) FINANCIAL RISK MANAGEMENT OBJECTIVE AND POLICIES

The Company's principal financial liabilities comprise of trade and other payables only. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include investments at fair value, trade and other receivables, and cash and cash equivalents.

The Company is exposed to market risk and credit risk. The Company's senior management monitors these risks and is supported by professional managers who advise on financial risks and assist in preparing the appropriate financial risk governance framework. It provides assurance to the senior management that the financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and approves policies for managing each of these risks which are summarized below:

(a) Market risk

Market risk is the risk when the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Financial instruments affected by market risk includes FVTPL Investments only. Market risk comprises only the fluctuations in the net asset value of the respective funds. Reports on the investment portfolio are submitted to the Company's senior management on a regular basis. The Board of Directors reviews and approves all investment decisions.

(b) Commodity risk

The Company is affected by the price volatility of certain commodities. The operating activities require ongoing purchase of groceries, housekeeping items, diesel, gas etc. The price fluctuations are passed on to the customers as and when there is a significant rise in the commodity prices.

Notes to financial statements for the year ended 31st March, 2018

(c) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions. The Company only deals with parties which has sound worthiness based on internal assessment.

The ageing analysis of the receivables has been considered from the date the invoice falls due.

₹					
Trade Receivables	< 30 days	31 - 90 days	91 - 180 days	> 180 days	Total
As at 31st March, 2018	5,401,716	3,749,908	1,907,483	675,346	11,734,453
As at 31st March, 2017	11,033,024	2,553,160	510,076	240,259	14,336,519
As at 1st April, 2016	9,027,470	2,209,740	1,434,285	839,870	13,511,366

37) CAPITAL MANAGEMENT

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The Company is not subject to any externally imposed capital requirements.

38) FIRST TIME ADOPTION OF Ind AS

These financial statements, for the year ended 31st March 2018, are for the first time prepared in accordance with Ind AS. For periods up to and including the year ended 31st March 2017, the financial statements were prepared in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31st March 2018, together with the comparative period data as at and for the year ended 31st March 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1st April 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1st April 2016 and the financial statements as at and for the year ended 31st March 2017.

A. Exemptions applied

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has applied the following exemption:

The Company has elected to continue with the net carrying value i.e. cost less accumulated depreciation of Property, plant and equipment as recognised in its Indian GAAP financial statement as deemed cost at the transition date, viz., 1st April, 2016.

B. Estimates

The estimates at 1st April 2016 and at 31st March 2017 are consistent with those made for the same dates in accordance with Indian GAAP (after adjustments to reflect any differences in accounting policies).

The estimates used by the Company to present these amounts in accordance with Ind AS reflect conditions at 1st April 2016, the date of transition to Ind AS and as of 31st March 2017.

C. Reconciliations

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101:

- (1) Equity as at 1st April 2016, and 31st March 2017
- (2) Net profit for the year ended 31st March 2017

Notes to financial statements for the year ended 31st March, 2018

RECONCILIATION OF BALANCE SHEET AS AT 1ST APRIL, 2016

₹

	Foot notes	Indian GAAP as at 1st April 2016	Effect of Transition to Ind AS	Ind AS as at 1st April 2016
A) ASSETS				
1) Non-Current Assets				
a) Property, Plant and Equipment		691,483,095		691,483,095
Capital Work-in- Progress		48,069,933		48,069,933
b) Financial Assets - Others		9,221,105		9,221,105
c) Other Non-Current Assets		1,485,775		1,485,775
d) Non-Current Tax Assets		8,915,244		8,915,244
2) Current Assets				
a) Inventories		4,005,140		4,005,140
b) Financial Assets				
i) Investments	a	67,214,680	1,146,744	68,361,424
ii) Trade Receivables		13,511,366		13,511,366
iii) Cash and Cash Equivalents		3,931,248		3,931,248
iv) Other Bank Balances		3,802,911		3,802,911
v) Others		358,907		358,907
c) Other Current Assets		5,144,048		5,144,048
Total Assets		857,143,452	1,146,744	858,290,196
B) EQUITY AND LIABILITIES				
1) Equity				
a) Equity Share Capital		55,700,000		55,700,000
b) Other Equity				
Capital Reserve	b	20,374,683	(13,094,916)	7,279,767
Capital Redemption Reserve		17,232,220		17,232,220
Capital Investment Subsidy		8,136,724		8,136,724
Securities Premium Account		321,221,225		321,221,225
Revaluation Reserve		34,785,705		34,785,705
General Reserve		202,437,254		202,437,254
Retained Earnings	a,e	106,176,525	749,879	106,926,404
2) Non - Current Liabilities				
a) Deferred Tax Liabilities (Net)	e	47,429,437	396,865	47,826,302
b) Other Non-Current Liabilities	b	-	11,674,916	11,674,916
3) Current Liabilities				
a) Financial Liabilities				
i) Trade Payables		11,671,860		11,671,860
ii) Other Financial Liabilities		10,553,544		10,553,544
b) Other Current Liabilities	b	20,202,833	1,420,000	21,622,833
c) Provisions		1,221,442		1,221,442
Total Equity and Liabilities		857,143,452	1,146,744	858,290,196

Notes to financial statements for the year ended 31st March, 2018

RECONCILIATION OF BALANCE SHEET AS AT 31ST MARCH, 2017

₹

	Foot notes	Indian GAAP As at 31st March 2017	Effect of Transition to Ind AS	Ind AS As at 31st March 2017
A) ASSETS				
1) Non-Current Assets				
a) Property, Plant and Equipment	c	625,360,061	34,292,767	659,652,828
Capital Work-in- Progress		1,893,238		1,893,238
b) Financial Assets - Others		10,279,586		10,279,586
c) Other Non-Current Assets		89,571		89,571
d) Non-Current Tax Assets		6,277,942		6,277,942
2) Current Assets				
a) Inventories		2,514,582		2,514,582
b) Financial Assets				
i) Investments	a	274,009,714	3,704,619	277,714,333
ii) Trade Receivables		14,336,519		14,336,519
iii) Cash and Cash Equivalents		2,924,605		2,924,605
iv) Other Bank Balances		3,951,526		3,951,526
v) Others		226,420		226,420
c) Other Current Assets		3,023,130		3,023,130
Total Assets		944,886,894	37,997,386	982,884,280
B) EQUITY AND LIABILITIES				
1) Equity				
a) Equity Share Capital		55,700,000		55,700,000
b) Other Equity				
Capital Reserve	b	20,751,326	(13,471,559)	7,279,767
Capital Redemption Reserve		17,232,220		17,232,220
Capital Investment Subsidy	d	22,986,724	(14,850,000)	8,136,724
Securities Premium Account		321,221,225		321,221,225
Revaluation Reserve	c	-	34,785,705	34,785,705
General Reserve		222,437,254		222,437,254
Retained Earnings	a,b,c,d,e	176,291,088	3,023,928	179,315,016
2) Non - Current Liabilities				
a) Deferred Tax Liabilities (Net)	e	66,957,604	885,229	67,842,833
b) Other Non-Current Liabilities	b,d	-	26,870,880	26,870,880
3) Current Liabilities				
a) Financial Liabilities				
i) Trade Payables		11,040,459		11,040,459
ii) Other Financial Liabilities		7,749,226		7,749,226
b) Other Current Liabilities	b,d	20,395,057	753,203	21,148,260
c) Provisions		2,124,711		2,124,711
Total Equity and Liabilities		944,886,894	37,997,386	982,884,280

Notes to financial statements for the year ended 31st March, 2018

RECONCILIATION OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2017 ₹

	Foot notes	Indian GAAP as at 31st March 2017	Effect of Transition to Ind AS	Ind AS as at 31st March 2017
Income				
Revenue from Operations	b	470,556,820	498,947	471,055,767
Other Income	a,d	18,691,991	2,756,404	21,448,395
		489,248,811	3,255,351	492,504,162
Expenses:				
Food, Beverage and Stores Consumed		58,837,220	-	58,837,220
Employee Benefits Expense	f	82,240,074	(914,463)	81,325,611
Other Expenses		129,187,532	-	129,187,532
Depreciation and Amortization	c	79,592,986	492,938	80,085,924
		349,857,812	(421,525)	349,436,287
Profit Before Tax		139,390,999	3,676,876	143,067,875
Tax Expense:				
Current Tax [including ₹ Nil for earlier years (previous year ₹ 512,127)]		29,748,269		29,748,269
Less: MAT Credit Entitlement		6,453,088	-	6,453,088
		23,295,181		23,295,181
Deferred Tax Charge	e	25,981,255	804,841	26,786,096
		49,276,436	804,841	50,081,277
Profit After Tax		90,114,563	2,872,035	92,986,598

Other Comprehensive Income Statement

Other Comprehensive Income not to be reclassified to profit or loss in subsequent period:

Actuarial Loss on retirement benefits	f		(914,463)	(914,463)
Income Tax relating to above			316,477	316,477
Total Other Comprehensive Income		-	(597,986)	(597,986)
Total Comprehensive income		90,114,563	2,274,049	92,388,612

- D. Footnotes to the reconciliation of equity as at 1st April 2016 and 31st March 2017 and profit or loss for the year ended 31st March 2017.

a) Investments at Fair value

Under Indian GAAP, the Company accounted for investments in mutual funds as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, the Company has designated such investments as FVTPL investments. Ind AS requires FVTPL investments to be measured at fair value. At the date of transition to Ind AS and as on 31st March, 2017, difference between the instrument's fair value and Indian GAAP carrying amount has been recognised in retained earnings and statement of profit and loss respectively. The corresponding impact of deferred tax has been accounted through retained earnings.

b) Membership fees

In earlier year, the Company had received membership fees for providing club facilities over the period of membership. As these fees were non-refundable, the same was transferred to Capital Reserve in previous year. Under Ind AS such membership fees are to be treated as deferred revenue and hence it has been reclassified into liabilities. Revenue therefrom is being recognised over the membership period.

c) Property, plant and equipment

Pursuant to application of Companies (Accounting Standards) Amendment Rule, 2016 in the financial year 2016-17, the revaluation reserve on freehold land and buildings (property) was reversed and adjusted against fixed assets. The Company has elected to consider the carrying values of property, plant and equipment under Indian GAAP as on the date of transition as deemed cost. Hence the revaluation reserve has been added to the carrying cost of land and buildings as on 1st April, 2016.

Notes to financial statements for the year ended 31st March, 2018

d) Government subsidies

Under Indian GAAP the capital investment subsidy was treated as a reserve being in the nature of promoters' contribution. Under Ind AS, subsidy received shall be recognised in profit or loss on a systematic basis over the remaining life of the property.

e) Deferred Tax

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

(f) Defined benefit liabilities

Both under Indian GAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, the entire cost, including actuarial gains and losses, are charged to profit or loss. Under Ind AS, remeasurements [comprising of actuarial gains and losses] are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

39) STANDARDS ISSUED BUT NOT YET EFFECTIVE

The amendments to standards that are issued, but not yet effective, up to the date of issuance of the Company's financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

The Ministry of Corporate Affairs (MCA) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2017 and Companies (Indian Accounting Standards) Amendment Rules, 2018 amending the following standard:

a) Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 was issued on 29th March 2018 and establishes a five-step model to account for revenue arising from contracts with customers. Under Ind AS 115, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

The new revenue standard will supersede all current revenue recognition requirements under Ind AS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after 1st April 2018. The Company plans to adopt the new standard on the required effective date using the full retrospective method. These amendments are not expected to have any material impact on the Company.

b) Amendments to Ind AS 12 Recognition of Deferred Tax Assets for Unrealised Losses

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after 1st April 2018. These amendments are not expected to have any impact on the Company as the Company has no deductible temporary differences or assets that are in the scope of the amendments.

In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred tax adjustments are recognised in correlation to the underlying transaction in the retained earnings.

40) 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 Kamal Agarwal
Partner
Membership No. 58652
Kolkata, May 22, 2018

For and on behalf of the Board of Directors

Navin Suchanti
Chairman
(DIN: 00273663)

Dr Niren Suchanti
Director
(DIN: 00909388)

Kunal Bose
Director
(DIN: 02891649)

B L Soni
Chief Financial Officer

Swajib Chatterjee
Chief Operating Officer

Sangita Agarwal
Company Secretary

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