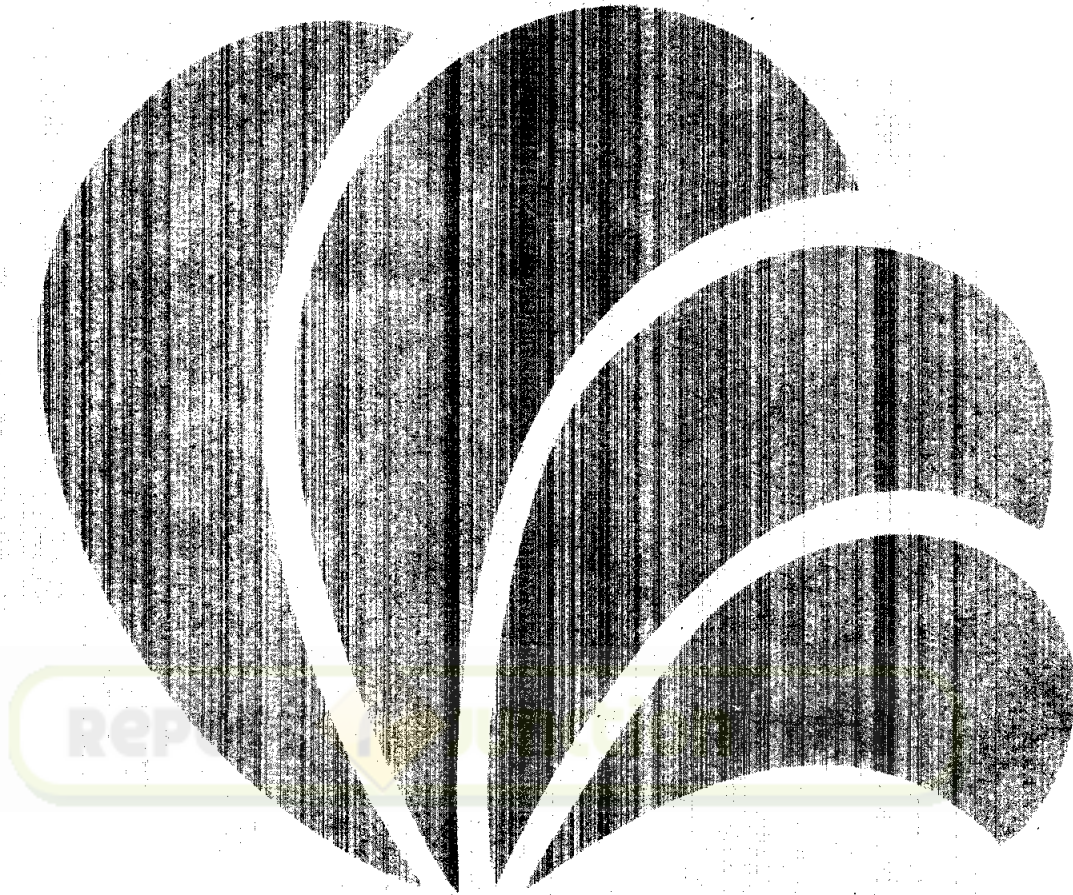


SINCLAIR'S

Annual Report 2001-2002



Report Junction

BOARD OF DIRECTORS

Dr Niren Suchanti, *Group Chairman*
Mr Navin Suchanti, *Chairman*
Mr S M Borar
Mr Prabir Chakravarti
Mr Sushil Kumar Mor

AUDITORS

Mookherjee, Biswas & Pathak
Chartered Accountants

BRANCH AUDITORS

R Ramakrishnan & Co., *Chartered Accountants*

REGISTERED OFFICE

56A, Mirza Ghalib Street,
Kolkata 700 016

CORPORATE OFFICE

Pressman House,
10A, Lee Road,
Kolkata 700 020

HOTELS & RESORT

Hotel Sinclairs, Siliguri
Hotel Sinclairs, Darjeeling
Hotel Sinclairs Bay View, Port Blair
Hotel Sinclairs, Ooty
Sinclairs Retreat Dooars, Chalsa, West Bengal

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NOTICE

Notice is hereby given that the Thirtieth Annual General Meeting will be held at Rotary Sadan, 94/2, Chowringhee Road, Kolkata 700 020 on Saturday, 31st August, 2002 at 12 noon to transact the following business :

As Ordinary Business

1. To receive, consider and adopt the Profit & Loss Account for the year ended 31st March, 2002 and the Balance Sheet as at that date and the Reports of the Directors and the Auditors thereon.
2. To appoint a Director in place of Mr Prabir Chakravarti who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint M/s Mookherjee, Biswas & Pathak, Chartered Accountants as Auditors of the company and to authorise the Board to fix their remuneration.
4. To appoint M/s R Ramakrishnan & Co., Chartered Accountants as Branch Auditors of the company and to authorise the Board to fix their remuneration.

AS SPECIAL BUSINESS :

5. To consider and if thought fit to pass, with or without modification(s) the following resolution as Ordinary Resolution: "RESOLVED THAT Mr Sushil Kumar Mor be and is hereby appointed as Director of the company."

Regd. Office:
56A, Mirza Ghalib Street,
Kolkata 700 016
Date : 29th June, 2002

For and on behalf of the Board

Navin Suchanti
Chairman

NOTES :

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and on poll to vote in his stead. The proxy need not be a member. Proxies in order to be valid should be lodged at the registered office of the company not less than 48 hours before the meeting.
2. The Register of Members and Share Transfer Register of the Company will remain closed from Friday, 23rd August, 2002 to Saturday 31st August, 2002 (both days inclusive).
3. The explanatory statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business is enclosed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Mr Sushil Kumar Mor was appointed as an Additional Director at the Board Meeting held on 29th June, 2002. In terms of Section 260 of the Companies Act, 1956, Mr Mor is due to retire at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Mr Mor aged about 48 years, holds a degree in Commerce and is a Senior Consultant in Ernst & Young. He has diverse and wide experience of over 20 years in corporate sector.

The company has received a notice from a member under section 257 of the Companies Act, 1956 proposing the candidature of Mr Mor as a Director of the Company.

He is a member of the following committees of the Board of Directors of the company.

1. Audit Committee
2. Investors' Grievance Committee

Except Mr Mor, none of the Directors of the company are interested or concerned in the proposed Resolution.

The Directors recommend the adoption of the Resolution.



SINCLAIRS

DIRECTORS' REPORT

To the Members,

Your Directors present their Thirtieth Annual Report together with the Audited Accounts for the year ended 31st March, 2002.

Financial Results

	(Rs. in lacs)	
	Year ended 31.03.2002	Year ended 31.03.2001
Gross Income	1039.66	1055.70
Profit for the year before interest and depreciation	155.21	193.45
Less : Finance charges	52.67	77.29
Depreciation	92.17	104.02
Profit before tax	10.37	12.14
Provision for taxation	1.00	-
Profit after tax	9.37	12.14
Profit brought forward	8.01	15.86
Profit available for appropriation	17.38	28.00
Transfer to General Reserve	10.00	20.00
Balance carried to Balance Sheet	7.38	8.00
	17.38	28.00

Operations & Performance :

This has been a very difficult year for the travel and tourism industry. Post September, the inbound tourist traffic to India had almost dried up and your company too had to bear the brunt because all the foreign groups booked at the various hotels had cancelled their reservations. During the year, extensive renovation and refurbishing was undertaken at the Siliguri hotel. The occupancy levels at Siliguri has gradually started improving.

Major renovation and refurbishing is being undertaken in the current year at Port Blair unit to provide better facilities.

The operations at Darjeeling unit had to be suspended in November 2001 on account of staff indiscipline. The unit restarted operations after about five months in the month of April 2002. At Ooty, Port Blair and Chalsa units, the operations were satisfactory.

Future Prospects

The Union Budget for the year 2002 has acknowledged tourism as a "priority area" and a comprehensive

National Tourism Policy has been announced. Emphasis has been laid on development of domestic tourism. Certain concessions have been extended to the hotel industry on expenditure tax, service tax and TDS rates. Hopefully, these should give a boost to domestic tourism. The prospects of inbound tourists, however, continues to be difficult.

Dividend

To conserve resources, your Directors do not recommend any dividend on the equity shares for the year under review.

Dematerialisation of Shares

Securities & Exchange Board of India (SEBI) has notified that the shares of your company will now have to be compulsorily traded in demat form. The shareholders are requested to dematerialise their holdings. The Security Code No. (ISIN) is INE 985A01014.

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 also does not use any imported technology. Therefore, information regarding conservation of energy and technology absorption as required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors), Rules 1988 are not annexed.

During the year, your company earned Rs.3,58,233 in foreign exchange (Previous year Rs.3,97,388). There was expenditure in foreign currency of Rs.58,024 (Previous year: Rs.12,220).

Particulars of Employees

There were no employees of the category mentioned in Section 217(2A) of the Companies Act, 1956 read with the Companies (Particular of Employees) Rules, 1975 as amended.

Listing Requisites

The equity shares of the company are listed at the Calcutta and Mumbai Stock Exchanges and the annual listing fees for each of these stock exchanges have been paid upto 2002-2003.

Directors

Mr P K Goenka has resigned at the Board Meeting held on 29th June, 2002. The Board records deep appreciation of his services during his tenure.



Mr Sushil Kumar Mor was appointed as an Additional Director. In terms of section 260 of the Companies Act, 1956, Mr Mor is due to retire at the ensuing Annual General Meeting and being eligible offers himself for reappointment. A notice u/s. 257 was received from a member of the company proposing his candidature as a Director.

Mr Prabir Chakravarti retires by rotation and being eligible offers himself for re-appointment.

Auditors

M/s Mookherjee, Biswas and Pathak, Chartered Accountants, Auditors of the company who retire at the ensuing Annual General Meeting, offer themselves for re-appointment.

It is also proposed to re-appoint M/s R Ramakrishnan & Co., Chartered Accountants as Branch Auditors in respect of the company's hotel at Ooty.

Corporate Governance

As prescribed by the Securities & Exchange Board of India (SEBI) and in pursuance to Clause 49 of the Listing Agreement, the Corporate Governance code is going to be applicable to your company from the financial year 2002-2003. However, your company has taken steps to implement all the mandatory recommendations of clause 49 of the Listing Agreement. The company has formed Audit Committee and Investors' Grievance Committee, details of which are enclosed with this Annual Report.

Directors' Responsibility Statement

As stipulated in Section 217(2AA) of the Companies Act, 1956, your Directors subscribe to the Directors' Responsibility Statement and confirm as under :

- i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

- ii) that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the period;
- iii) that the Directors have taken proper and sufficient care of maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) that the Directors have prepared the annual accounts on a going concern basis.

Acknowledgement

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

The Directors also wish to thank all the shareholders for their continued support.

Regd. Office :

56A, Mirza Ghalib Street,
Kolkata 700 016

Dated : 29th June, 2002

On behalf of the Board

Navin Suchanti
Chairman

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Details of the Directors seeking Reappointment in Annual General Meeting

- A.**
1. Name of Director : Mr Sushil Kumar Mor
 2. Date of Birth : 25th April, 1954
 3. Date of Appointment : 29th June, 2002 as Additional Director
 4. Qualifications : B.Com (Hons.)
 5. a) Member of any Committees of Board of Directors : Audit Committee - Member
Investors' Grievance Committee - Member
 - b) of any other company : None
 6. Expertise in specific functional Area : Accounts, Finance, Administration and Legal Affairs.
- B.**
1. Name of Director : Mr Prabir Chakravarti
 2. Date of Birth : 30.04.1944
 3. Date of Appointment : 29th June, 1998 as Additional Director
 4. Qualifications : B.A (Hons.), MA (Economics), LL.B., MBA
 5. List of other Directorships held :
 1. Roopacherra Tea Co. Ltd
 2. Baghmari Tea Co. Ltd
 3. Bhoruka Aluminium Ltd
 4. Nicco Financial Services Ltd
 5. Reliance Jute Mills (International) Ltd
 6. Vidula Chemicals & Manufacturing Ind. Ltd
 7. BNK Capital Markets Ltd
 8. Nicco Corporation Ltd
 9. GPI Textiles Ltd
 10. Gontermann Peipers (India) Ltd
 11. Carumaco Pvt Ltd
 12. Bally Investment Pvt Ltd
 13. BNK e-solutions Pvt Ltd
 6. a) Member of any Committees of Board of Directors : Investors' Grievance Committee - Member
 - b) of any other company : Gontermann Peipers(I) Ltd. Audit Sub Committee, Financial Matters Committee, Share Transfer & Investors' Grievance Committee.
 7. Expertise in specific functional Area : Accounts, Finance, Administration and Legal Affairs.

Details of Committees appointed under Clause 49 of the Listing Agreement in accordance with Corporate Governance code introduced by Securities & Exchange Board of India.

Investors' Grievance Committee :

Mr Navin Suchanti	-	Chairman
Mr Prabir Chakravarti	-	Member
Mr Sushil Kumar Mor	-	Member

Audit Committee :

Mr S M Borar	-	Chairman
Mr Navin Suchanti	-	Member
Mr Sushil Kumar Mor	-	Member