



BURDWAN



**SINCLAIRS**  
HOTELS *and* RESORTS



DARJEELING



DOOARS

**Nine Destinations.  
One Signature Brand.**



GANGTOK



KALIMPONG



SILIGURI



ANDAMANS



OOTY



YANGANG

**Sinclairs Hotels Ltd.**  
Annual Report 2021-2022

## Contents

Corporate Information	1
Directors' Report	2
Management Discussion and Analysis Report	5
Report on Corporate Governance	10
Independent Auditor's Report	15
Financial Statements	22

# Corporate Information

## Board of Directors

Navin Suchanti, Chairman  
Dr Niren Suchanti  
Pramina Suchanti  
Kunal Bose  
Dip Narayan Mittra  
Kumkum Gupta  
Sanjeev Khandelwal

## Chief Financial Officer

B L Soni

## Chief Operating Officer

Swajib Chatterjee

## Company Secretary and Compliance Officer

Kriti Kochar

## Auditors

B S R & Co. LLP  
Chartered Accountants  
(Firm Registration No.101248W/ W-100022)

## Registered and Corporate Office

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

*Effective June 09, 2022*

147 Block G, New Alipore  
Kolkata-700053

## Hotels & Resorts

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

## Registrar & Transfer Agent

Niche Technologies Pvt Ltd  
7th Floor, Room No. 7A & 7B  
3A Auckland Place, Kolkata 700017

## Hotel Website

[www.sinclairshotels.com](http://www.sinclairshotels.com)

## Investor information Website

[www.sinclairsindia.com](http://www.sinclairsindia.com)

## Directors' Report

Your Directors have pleasure in presenting the 50th Annual Report of the company together with the Audited Accounts for the year ended March 31, 2022.

### Financial Highlights

₹ in lakh

Particulars	Current Year	Previous Year
Total Revenue	<b>3433.02</b>	2313.88
Earnings Before Interest, Depreciation, Taxes and Amortisations (EBIDTA)	<b>1493.92</b>	1021.10
Depreciation	<b>453.71</b>	544.80
Finance Cost	<b>105.99</b>	53.14
Profit Before Tax	<b>934.22</b>	423.16
Current Tax	<b>261.95</b>	82.87
Deferred Tax	<b>(40.45)</b>	(10.83)
Net Profit for the year	<b>712.72</b>	351.12
Other Comprehensive Income for the year, net of tax	<b>7.48</b>	10.21
Total Comprehensive Income	<b>720.20</b>	361.33

### Performance

The Company achieved revenue of ₹ 3433.02 lakh as compared to ₹ 2313.88 lakh in the previous year. Earnings Before Interest, Depreciation, Tax and Amortization (EBIDTA) were ₹ 1493.92 lakh as compared to ₹ 1021.10 lakh last year. The Net Profit increased to ₹ 712.72 lakh as compared to ₹ 351.12 lakh last year.

### Future Prospects

Your Company is constantly looking at new areas of revenue growth and are pro-actively adapting itself to emerging changes and the new normal. Your company's prudent financial management has enabled it to withstand the unprecedented crisis creditably. The future outlook of the company is bright and the management expects that the coming years shall witness a quantum growth in domestic tourist movement and enable the company not only to bounce back but also to attain new heights of growth and profitability.

### Change in the nature of Business

During the year under review, there was no change in the nature of the business of the Company.

### Dividend

Your Directors are pleased to recommend a dividend of 50% (₹ 1 per equity share of ₹ 2 each) for the year 2021-22 amounting to ₹ 271.50 lakh.

### 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 March 31, 2022;
- 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 have 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.

### Share Capital

Your Company's paid up Equity Share Capital as on March 31, 2022 is ₹ 557 lakh. During the year under review, the Company has not issued any shares with differential voting rights, stock options, sweat equity shares.

### Directors and Key Managerial Personnel

Dr Niren Suchanti (DIN: 00909388), Director retires 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. The notice convening the 50th AGM to be held on July 22, 2022 sets out the details.

Based on the recommendation of the Nomination and Remuneration Committee, Mr Sanjeev Khandelwal (DIN: 00419799), was appointed to the Board as Independent Director with effect from May 26, 2022 for a term of five years subject to the approval of shareholders by way of Special Resolution. In the opinion of the Board, he is a well-respected businessman who brings a rich experience and financial acumen to the Board. His vast experience in the realm of corporate governance would greatly benefit the Company. Mr Sanjeev Khandelwal has given a declaration that he meets the criteria of independence as laid down in Section 149(6) of the Companies Act, 2013. The Board recommends his appointment to the shareholders. The notice convening the 50th AGM to be held on July 22, 2022 sets out the details.

Based on the recommendation of the Nomination and Remuneration Committee, appointment of Mr Swajib Chatterjee Chief Operating Officer, as Manager of the Company with effect from May 26, 2022 for a term of five years is proposed at the ensuing AGM for the approval of the Members.

The second consecutive term of Mr Kunal Bose as Independent Director will end on September 6, 2022. Accordingly he is not eligible to be re-appointed as an Independent Director. The Board recorded appreciation of the guidance and counsel provided from Mr Kunal Bose during his tenure as Independent Director.

Ms Srushti Mody resigned as Company Secretary with effect from January 17, 2022. Ms Kriti Kochar has been appointed as a Company Secretary and Compliance Officer with effect from February 01, 2022.

### Board Meetings

Four meetings of the Board were held during the year ended March 31, 2022 on the following dates:

June 15, 2021, August 12, 2021, November 12, 2021 and February 10, 2022.

### 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 following the highest standards of corporate governance.

#### **Declaration by Independent Directors**

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

#### **Directors' Qualification Certificate**

In terms of SEBI (LODR) Regulations 2015, a certificate from Mr Arup Kumar Roy, Practicing Company Secretary stating that none of the directors on the Board of the company have been debarred or disqualified from being appointed or continuing as director of companies by the SEBI/Ministry of Corporate Affairs or any such statutory authority, appears as Annexure 1 to this report.

#### **Disclosures of transactions of the listed entity with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the listed entity**

During the financial year 2021-22, no such transaction took place with any promoter/ promoter group, holding 10% or more shareholding.

#### **Statutory Auditors**

The Shareholders at their 46th Annual General Meeting (AGM) held on August 3, 2018 had approved the appointment of M/s B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/ W-100022) as Statutory Auditors of the Company, to hold office from the conclusion of the 46th AGM up to the conclusion of the 51st AGM.

There are no qualifications, adverse remarks or disclaimer made by the Auditors in their Report.

Total fees for services paid to the Statutory Auditor by the Company in the year under review is ₹ 12.88 lakh excluding GST.

#### **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 of the Company. There are no qualifications, adverse remarks or disclaimer made by the Secretarial Auditors in their Report. The report of the Secretarial Auditors for the year ended March 31, 2022 is given as Annexure 2 to this report.

#### **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.sinclairsindia.com](http://www.sinclairsindia.com). During the year ended March 31, 2022, there were no complaints. During the year, no personnel were denied access to Audit Committee.

#### **Risk Management Policy**

The policy on risk management is not applicable to the Company.

#### **Business Responsibility and Sustainability Reporting**

The Business Responsibility and Sustainability Report is not applicable to the Company during the period under review.

#### **Internal Financial Control**

Your Company has adequate internal control system, which is commensurate with the size, scale and complexity of its operations. Your Company has designed and implemented a process driven framework for Internal Financial Controls (IFC) within the meaning of the explanation of Section 134(5) of the Act, SEBI Regulations, 2015 and other relevant statutes applicable to your Company.

Your Company has a process in place to continuously monitor existing controls and identify gaps and implement new and / or improved controls wherever the effect of such gaps would have a material effect on your Company's operation.

#### **Details of significant and material orders passed by the Regulators, Courts and Tribunals:**

There is no significant or material order passed during the year by any regulator, court or tribunal impacting the going concern status of your Company or its future operations.

#### **Familiarization programme for Independent Director**

The details of the training and familiarization programme for Independent Director is available on Company's investor website: [www.sinclairsindia.com/investor/policies/Details-of-familiarization-programmes-imparted-to-independent-directors.pdf](http://www.sinclairsindia.com/investor/policies/Details-of-familiarization-programmes-imparted-to-independent-directors.pdf)

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

In accordance with Section 178 of the Companies Act 2013 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 Appointment and Remuneration of Directors, Key Managerial Personnel and Senior Management. The policies are outlined in Annexure I and forms part of this report and has been uploaded on the investor information website [www.sinclairsindia.com](http://www.sinclairsindia.com).

#### **Reporting of Fraud by Auditors**

During the year under review, the Auditors have not reported any instances of frauds committed in the Company by its Officers or Employees, to the Audit Committee under Section 143(12) of the Companies Act, 2013.

#### **Managerial Remuneration**

The information required pursuant to Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 in respect of employees of the Company is attached as Annexure 3 and forms part of the Director's 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.

#### **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 applicable.

During the year, your Company earned ₹ 3.78 lakh in foreign exchange (previous year ₹ 12.45 lakh). There was expenditure in foreign currency of ₹ 5.55 lakh (previous year ₹ 4.74 lakh).

#### **Transfer to Investor Education and Protection Fund**

Pursuant to Section 124 of the Companies Act 2013, and Investor Education and Protection Fund Authority (Accounting, Audit,

Transfer and Refund) Rules, 2016, as amended, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had transferred ₹ 164,008 being the unpaid and unclaimed dividend amount pertaining to the Final Dividend for the Financial Year 2013-2014 on October 18, 2021.

In terms of the provisions of Section 124(6) of the Companies Act, 2013 and Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Amendment Rules, 2017, the Company is required to transfer the shares in respect of which dividend remains unpaid and unclaimed for a period of seven consecutive years to the Investor Education and Protection Fund (IEPF) Suspense Account. Accordingly, 10795 equity shares have been transferred to IEPF during the year on November 19, 2021 after giving individual notices to concerned shareholders and advertisements in newspapers.

List of shareholders whose dividend remain unclaimed, till date of last AGM held on August 05, 2021 have been uploaded in the Company's Investor Information website: [www.sinclairsindia.com](http://www.sinclairsindia.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.

### Corporate Social Responsibility (CSR)

The key philosophy of the CSR initiative undertaken by the Company is to contribute in the areas of education and healthcare of the underprivileged, irrespective of caste and creed. The CSR policy as approved by the Board is available on the Company's investor information website [www.sinclairsindia.com](http://www.sinclairsindia.com). The Board had received CSR Fund Utilization certificate from the Chief Financial Officer of the Company confirming that the fund have been utilized for the projects approved by the Board. Disclosures as required under Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 are given in Annexure 4 to this report.

### Related Party Transactions

The contracts, arrangements or transactions entered with related parties during financial year 2021-22 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](http://www.sinclairsindia.com). The particulars of contracts entered during the year as per Form AOC-2 are attached to this report as Annexure 5.

### Corporate Governance

The Company has complied with all the corporate governance requirements under SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. A separate report on the Corporate Governance together with Auditors Certificate confirming compliance is given as Annexure 6 to this report.

### Secretarial Standards

The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Act.

### Management Discussion and Analysis Report

Management's Discussion and Analysis Report for the year under review, as per Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is annexed to this report.

### Public Deposits

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

### 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.

### Listing

Your Company's equity shares are listed on Bombay Stock Exchange (BSE) and Calcutta Stock Exchange (CSE). Annual listing fees for the FY 2021-22 have been paid to BSE and CSE.

### Annual Return

In accordance with the Companies Act, 2013, the Annual Return for the financial year 2021-22 in the prescribed format is available in your Company's website at: [www.sinclairsindia.com](http://www.sinclairsindia.com)

### Material Changes and Commitments

#### i) Buyback of Shares

On April 26, 2022, the Board had approved Buyback up to 7,00,000 (Seven Lakh) fully paid up equity shares of face value of ₹ 2 each by the Company at a price of ₹ 143 per equity share payable in cash. The Buyback will be done on proportionate basis through Tender Offer process from shareholders on the record date May 13, 2022. This Buyback represent 2.51% of the total number of equity shares of the company and 9.93% of the paid-up share capital and free reserves of the company as per the audited financial statements for the financial year ended on March 31, 2021.

The total payout for buyback would be ₹ 10,01,00,000 (excluding transaction costs such as fees, brokerage, taxes, duties, etc.)

#### ii) Change of Registered Office

The Registered office of the Company will be shifted from Pressman House 10A Lee Road Kolkata 700020 to 147 Block G, New Alipore, Kolkata-700053 with effect from June 09, 2022.

#### iii) Addition of a new hotel in Yangang, Sikkim

The Company has acquired another property on lease at Yangang, Sikkim. This property in South Sikkim is the ninth property in the Sinclairs chain and its second property in Sikkim. Spread over one acre of land, this brand new 17 room property is open for guest from May 3, 2022. It has a picturesque location with a panoramic view of the Maenam Hills popularly known as Bhalay-Dhunga.

There are no other material changes and commitments which affect the financial position of the Company that have occurred between the end of the financial year to which the financial statements relate and the date of this report.

### Acknowledgements

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, Government of Sikkim and other authorities, and look forward to their continued support.

The Directors thank the shareholders for their confidence and the employees for their dedicated service. We thank our guest, vendors and bankers for their continued support during the year.

For and on behalf of the Board

Pressman House  
10A Lee Road  
Kolkata 700 020  
May 26, 2022

Navin Suchanti  
Chairman  
DIN: 00273663

# Management Discussion and Analysis Report

## Industry Structure and Development, Opportunities and Threats

The hospitality industry in India had registered moderate growth during the last few years prior to the pandemic. With its rich culture and diversity, India had begun attracting a larger number of tourists from across the globe in comparison to the earlier years. The continuous growth in tourist arrivals is reflected in the fact that the country moved from the 65th position in 2013 to the 34th position in 2019 in the World Economic Forum's Travel and Tourism Competitiveness Index. Simultaneously, domestic tourism was also on the rise on account of several factors like the rapidly growing middle class and their rising levels of disposable income and increasing interest among millennials to travel in their home country.

The tourism industry was on a consistent growth path and accounted for 6.9% of the GDP in 2019 (Source: Statista.com). India is now a part of the Top 100 Club on 'Ease of Doing Business' and ranks 1st in the greenfield FDI ranking globally. All this augurs well for the future growth of tourism industry in India.

India's hotel sector was one of the worst-hit segments of the economy during the COVID-19 pandemic, and less than three million foreign tourists visited India in 2020, a dip of around 75% as compared to the previous year, due to travel restrictions and the industry's contribution to GDP declined to 4.7% (Source: Statista.com). In 2021, the industry declined by nearly 70%.

The tourism sector is vital to the country as it is one of the largest employment generators. In FY20, 39 million jobs were created in the tourism sector in India, accounting for 8% of the total employment in the country (Source: ibef.org).

The future, will see new trends emerging partly on account of the changing values after two years of pandemic. Hygiene and safety protocols are now firmly embedded as essentials in the hospitality business. There is increased consumer awareness towards sustainable tourism. Unique experiences that give back to local communities in meaningful ways are in demand, as are niche properties, adventure holidays, relaxation retreats and health and well-being vacations.

The next few years is likely to witness a huge growth in domestic tourism as customers may prefer to stay closer to home, for environmental or budget reasons. Our picturesque country with its incredible diversity of attractions is well placed to witness a boom in tourism.

## Outlook

India has seen an unprecedented vaccination programme and a large percentage of our population is now fully vaccinated. There is a strong reason to believe that the Covid 19 pandemic is finally behind us now. The world economy is slowly recovering, and along with that the hospitality sector will steadily regain its footing. The stakeholders in the hospitality industry have reasons to be optimistic of a successful and thriving future. Now is the time for industry entities to realign and redesign their offerings, adapting to the new normal and position themselves for operational flexibility and optimal cost control. Such actions will create condition for the industry to flourish in years ahead.

## Risks and Concerns

The growth of your Company's portfolio is linked to the overall economic growth. Primary risk to the business will be on account of adverse changes to the economy. Further, the changes in consumer behavior, travelling preferences and working environment arising due to Covid 19 has given rise to new challenges.

## Risk mitigation

In view of Covid 19, the hotels are required to set up certain safety facilities in their operations, as mandated by Ministry of Health,

Government of India and FSSAI. These measures have been proposed to stop/minimise the risk of spread of the corona virus. The properties of Sinclairs Hotels are well known for high standards of cleanliness and hygiene; in the changed situation Sinclairs has introduced a series of safety checks and measures to ensure that guests have a safe, healthy and enjoyable stay.

## Internal control systems and their adequacy

Your Company maintains adequate internal control systems commensurate with the Company's size and business, which provide, inter alia, 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 witnessed a healthy recovery in revenues during the year, although the impact of pandemic in the first quarter and the third wave in the last quarter put brakes on a sharper recovery. In FY 2022, our Company posted a Revenue of ₹ 3433.02 lakh (₹ 2313.88 lakh) and EBITDA of ₹ 1493.92 lakh (₹ 1021.10 lakh). Your Company is constantly looking at new areas of revenue growth and will take necessary steps to adapt itself to emerging changes and the new normal. Your company's prudent financial management has enabled it to withstand the unprecedented crisis creditably. The management is confident that with the support of all stakeholders, the company will bounce back into new heights of growth and profitability.

## Material developments in Human Resources

Value based policies have been laid down to attract, train, retain and motivate employees. Your Company continuously takes adequate steps to maintain a competitive, healthy and harmonious work environment. As on March 31, 2022, there were 379 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, 2022 have been prepared in accordance with Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, read with Section 133 and other applicable provisions of the Companies Act, 2013.

## Details of Significant Key Financial Ratios

Particulars	2021-22	2020-21
Trade Receivable Turnover	49.73%	25.86%
Inventory Turnover	12.63%	7.89%
Current Ratio	8.87%	13.00%
Net Profit Ratio	23.50%	20.33%
Return on Capital Employed	8.09%	3.96%

Debt-Equity ratio is not applicable since there is no Borrowings. The details of key financial ratios with explanation is provided in note no. 35 of financial statement.

For and on behalf of the Board

Pressman House  
10A Lee Road  
Kolkata 700 020  
May 26, 2022

Navin Suchanti  
Chairman  
DIN: 00273663

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

**To**  
**The Members**  
**Sinclair's Hotels Limited**  
**Pressman House**  
**10A, Lee Road**  
**Kolkata-700020**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Sinclair's Hotels Limited having CIN L55101WB1971PLC028152 and having registered office Pressman House, 10A, Lee Road, Kolkata-700020 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr Navin Suchanti	00273663	30.06.1990
2	Dr Niren Suchanti	00909388	30.06.1990
3	Ms Pramina Suchanti	00273736	09.07.2020
4	Mr Kunal Bose	02891649	19.12.2009
5	Mr Dip Narayan Mittra	05016332	23.06.2017
6	Ms Kumkum Gupta	01575451	09.11.2018

Mr Kunal Bose, Mr Dip Narayan Mittra and Ms Kumkum Gupta are Independent Directors whose names are registered in the Independent Director's Data Bank of Ministry of Corporate Affairs pursuant to the Companies (Creation and Maintenance of Databank of Independent Directors) Rules, 2019 and the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019.

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Kolkata  
 May 26, 2022

ARUP KUMAR ROY  
 ACS No.: 6784  
 C P No.: 9597  
 UDIN : A006784D000391355



**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 31 MARCH 2022

*[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 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 March 31, 2022 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 March 31, 2022 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 there under 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, 2018 - 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, Food Safety and Standards Act, 2006, Food Safety and Standards Rules, 2011, Liquor License, Pollution Control Act, Fire License, Fire & Explosives Act (for storage of cooking gas and diesel), Goods and Service Tax (GST) Act, Value Added Tax Act, Provident Fund, Employee State Insurance Act, Payment of Gratuity Act, Payment of Bonus Act.
- 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
  - (iii) (CSE) and BSE Limited (BSE).
- 3) I further report that:
  - (i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
  - (ii) Adequate notice is given to all directors to schedule the Board Meetings; agenda and detailed notes on agenda were generally 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.
  - (iii) Decisions at the Board Meetings were taken unanimously.
- 4) 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.
- 5) We further report that during the audit period there were no specific events/actions having a major bearing on Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc., referred to above.

This report is to be read with Annexure A which forms an integral part of this report.

Kolkata  
May 26, 2022

ARUP KUMAR ROY  
ACS No.: 6784  
C P No.: 9597  
UDIN : A006784D000391377

## Annexure A

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

My report of even date is to be read along with this letter

1. Maintenance of Secretarial Record is the responsibility of the management of the Company responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Kolkata  
May 26, 2022

ARUP KUMAR ROY  
ACS No.: 6784  
C P No.: 9597  
UDIN : A006784D000391377

## Annexure 3

**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:

Sl No	Name	Total Remuneration 2021-2022 (₹ in lakh)	Total Remuneration 2020-2021 (₹ in lakh)	Percentage Increase
1	Mr B L Soni Chief Financial Officer	22.28	16.84	32.28%
2	Mr Swajib Chatterjee Chief Operating Officer	16.50	11.70	41.00%
3	Ms Srushti Mody* Company Secretary	3.77	3.93	NA
4	Ms Kriti Kochar** Company Secretary	0.92	-	NA

\* Resigned w.e.f January 17, 2022

\*\* Appointed w.e.f. February 1, 2022

- (iii) The percentage increase in the median remuneration of employees in the financial year is 17.35 %
- (iv) There were 379 permanent employees on the rolls of Company as on March 31, 2022.
- (v) It is hereby affirmed that the remuneration of Directors and KMP's are in accordance with the Remuneration Policy.

## Annexure 4

**Details of CSR spent during the financial year 2021-2022:**

- i. A brief outline of the Company's CSR Policy:  
Our CSR Policy aims to provide a dedicated approach to uplift the society by improved healthcare facilities, supporting education, skill development and other activities included in Schedule VII of the Companies Act 2013. The CSR policy as approved by the Board is available on the web link <https://www.sinclairsindia.com/investor/policies/Policy-Corporate-Social-Responsibility.pdf>.  
In terms of the new guidelines inserted by the Companies (Amendment) Act, 2020 notification dated September 28, 2020 the CSR policy is monitored and implemented by the Board.
- ii. Average net profit of the company for last three financial years: ₹ 844 lakh
- iii. Prescribed CSR Expenditure (2% of average net profit): ₹ 16.88 lakh

Sl. No.	CSR Project or Activity identified	Amount spent during 2021-2022
1.	Promoting education and healthcare: Contribution to Haparo Foundation for their project which shall generate income for helping the underprivileged in the areas of education and healthcare, irrespective of caste and creed.	₹ 17.00 lakh