

## Contents

|   |    |
|---|----|
| Corporate Information                     | 1  |
| Directors' Report                         | 2  |
| Management Discussion and Analysis Report | 5  |
| Report on Corporate Governance            | 18 |
| Independent Auditor's Report              | 23 |
| Financial Statements                      | 29 |

## Corporate Information

### Board of Directors

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

### Chief Financial Officer

B L Soni

### Chief Operating Officer

Swajib Chatterjee

### Company Secretary and Compliance Officer

Srushti Mody

### 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

### Hotels & Resorts

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

### 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 Forty-ninth Annual Report of the company together with the Audited Accounts for the year ended March 31, 2021.

### Financial Highlights

₹ in lakh

| Particulars   | Current Year   | Previous Year |
|---|----------------|---------------|
| Total Revenue   | <b>2313.88</b> | 4716.66       |
| Earnings Before Interest, Depreciation, Taxes and Amortisation (EBIDTA) | <b>1021.10</b> | 1854.06       |
| Depreciation  | <b>544.80</b>  | 675.62        |
| Finance Cost  | <b>53.14</b>   | -             |
| Profit Before Tax   | <b>423.16</b>  | 1178.44       |
| Current Tax   | <b>82.87</b>   | 407.38        |
| Deferred Tax  | <b>(10.83)</b> | (177.84)      |
| Net Profit for the year   | <b>351.12</b>  | 948.90        |
| Other Comprehensive Income for the year, net of tax                     | <b>10.21</b>   | 6.65          |
| Total Comprehensive Income  | <b>361.33</b>  | 955.55        |

### 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, 2021;
- 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.

### Performance

This was an extraordinarily difficult year as the tourism industry was badly impacted by the Covid 19 pandemic. Despite the extremely challenging external environment, the Company achieved revenue of ₹ 2313.88 lakh as compared to ₹ 4716.66 lakh in the previous year. Earnings Before Interest, Depreciation, Tax and Amortisation (EBIDTA) were ₹ 1021.10 lakh

as compared to ₹ 1854.06 lakh last year. The Net Profit was lower at ₹ 351.12 lakh as compared to ₹ 948.90 lakh last year. Your Company is one of the few companies in the hospitality industry to have posted profits in the current fiscal year.

### Dividend

Your Directors are pleased to recommend a dividend of 40% (₹ 0.80 per equity share of ₹ 2) for the year 2020-2021 amounting to ₹ 222.80 lakh. The outgo from payment of dividend, if declared will be ₹ 222.80 lakh.

### Transfer to Investor Education and Protection Fund

No amounts, being dividends lying unclaimed for seven consecutive years, were due to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government during the year 2020-2021.

The dividends pertaining to financial year ended March 31, 2014 which had been declared on September 6, 2014 are tentatively due to be transferred to IEPF on October 10, 2021. Members who have not encashed their dividends pertaining to the financial year ended March 31, 2014 and onwards may approach the Company or the Registrars and Share Transfer Agents, for obtaining payments thereof before they become due for transfer to the IEPF.

List of shareholders whose dividend remain unclaimed, till date of last AGM held on August 27, 2020 have been uploaded in the Company's Investor Information website: [www.sinclairindia.com](http://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

Mr Navin Suchanti (DIN: 00273663), Director retires by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for reappointment. The Directors recommend re-appointment of Mr Navin Suchanti to the Board.

Mrs Pramina Suchanti (DIN: 002736736) was appointed as a Director effective July 9, 2020.

Based on the recommendation of the Nomination and Remuneration Committee, re-appointment of Ms Kumkum Gupta (DIN: 01575451) with effect from November 9, 2021 for a term of three years is proposed at the ensuing AGM for the approval of the Members by way of Special Resolution.

### 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.

### 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).

**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 ₹ 12.45 lakh in foreign exchange (previous year ₹ 44.13 lakh). There was expenditure in foreign currency of ₹ 4.74 lakh (previous year ₹ 5.04 lakh).

**Statutory Auditors**

The Shareholders at their 46th Annual General Meeting (AGM) held on August 3, 2018 had approved the appointment of M/s BSR & 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 ₹ 7.73 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. The report of the Secretarial Auditors for the year ended March 31, 2021 appears as Annexure II to this report.

**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.

**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 Board/Ministry of Corporate Affairs or any such statutory authority, appears as Annexure III to this report.

**Related Party Transactions**

Related party transactions that were entered into 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](http://www.sinclairsindia.com). The particulars of contracts entered during

the year as per Form AOC-2 are attached to this report as Annexure IV.

**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 2020-2021, no such transaction took place with any promoter/ promoter group, holding 10% or more shareholding.

**Corporate Social Responsibility**

The Company has revised the policy on Corporate Social Responsibility (CSR) to include changes based on Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 and the revised policy was recommended by the CSR and Sustainability Committee was approved by the Board and the same is available on the Company's investor information website [www.sinclairsindia.com](http://www.sinclairsindia.com). Details of amount spent on CSR activities during the financial year 2020-2021 are set out in Annexure V to this report.

As per Section 135(9) of the Companies (Amendment) Act, 2020, the requirement of having a CSR Committee has been done away with, if the amount spent by the Company on CSR does not exceed fifty lakh rupees. Accordingly, the CSR Committee of the Company is being dissolved and the Board of Directors shall now perform the functions of the Committee.

**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) Regulations, 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, 2021, there were no complaints. During the year, no personnel were denied access to Audit Committee.

**Board Meetings**

During the year, 4 (four) Board meetings were held on June 30, 2020, August 14, 2020, November 10, 2020 and February 9, 2021.

**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 VI 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.

#### **Extract of Annual Return**

The extract of the Annual Return in Form MGT-9 is annexed 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 following the highest standards of corporate governance.

#### **Material Changes and Commitments**

##### **New hotel in Gangtok**

The Company's new 60-room hotel at Gangtok, Sikkim commenced operations effective November 10, 2020.

#### **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.

For and on behalf of the Board

Pressman House  
10A Lee Road  
Kolkata 700 020  
June 15, 2021

Navin Suchanti  
Chairman  
DIN: 00273663

# Management Discussion and Analysis Report

## Industry Structure and Development, Opportunities and Threats

Globally, the hospitality industry continues to be among the worst hit sectors on account of Covid19 pandemic. For most of 2020-2021, hotels and restaurants were either closed or remained nearly vacant for months as governments and public health authorities imposed complete or partial lockdowns to contain the virus. According to industry experts, for over a century the tourism industry had not experienced any worse year like 2020-2021 and the severity of grimness will likely play out for another three to four quarters. No wonder, the World Trade Organisation (WTO) says global tourism beat a retreat by over 70% in 2020, that is, back to 30 year ago levels. UNWTO World Tourism Barometer says international tourist arrivals fell by 72% in January-October 2020 year-on-year, due to slow virus containment, low traveller confidence and pandemic triggered severe restrictions on travel being still in place. As it would happen, in Asia Pacific, the fall was even higher at 82%.

The first ten months of the year saw 900 million fewer international tourist arrivals compared to the same period in 2019, and this translated into a loss of \$(US) 935 billion in export revenues from international tourism, more than ten times the loss in 2009 when the world reeled under a severe economic crisis. The World Bank has, however, said the Covid 19 triggered global recession could be twice as bad as the 2009 crisis.

The loss estimated for the whole year was around 1 billion in arrivals and a whopping \$1.1 trillion in international tourism receipts. The unprecedented health related setback in global tourism will mean an estimated economic loss of over \$2 trillion in world GDP, more than 2% of the world's GDP in 2019. UNWTO's extended scenarios for 2021-2024, however, point to a rebound in international tourism by the second half of 2021. Nonetheless, a return to 2019 levels in terms of international arrivals could take two and a half to four years.

In view of the unprecedented crisis, concerned organizations were forced to mitigate the impact on their business by retrenching and furloughing staff, and also reducing costs in every other possible way. While in many countries, the Governments acted swiftly to announce hosts of measures and incentives to protect and support entities in the hospitality sector, which is one of the major providers of jobs, the Indian government offered only miniscule indirect relief to the hospitality sector. Unfortunately, this resulted in massive job losses, reduction in salaries and perquisites, etcetera, in spite of industry constituents' best efforts to help employees.

After long, harrowing six months, it appeared that the pandemic was brought under control and like the rest of the world, India too started reopening economic activities, albeit in a calibrated manner. The hospitality sector geared up well to welcome guests again. It had to quickly readjust to the changing customer behaviour and also introduce all Covid19 protocols for the safety of guests as of employees. It was a different world and the industry was conscious that understanding and responding to changing customer behaviour would be essential to facilitate recovery. Simultaneously, it also realised the compulsion to improve operational cost efficiency and develop resilience in the system, covering both

operational and financial management to navigate through uncertain times.

As more and more restrictions were eased, the hospitality sector, particularly those in the leisure segment began to see light at the end of the tunnel. Expectedly, the months of December, January and February saw a sudden surge in domestic tourist traffic and it appeared that people long confined within the four walls of their homes were desperate for a short break. Hotels and resorts at holiday destinations saw a big rush and then it appeared that the hospitality sector was soon to leave their trying times behind. However, just when it was appearing that we were seeing the end of the pandemic, there came the second wave that is proving to be devastatingly ferocious. The new strains of the virus are severely contagious and deadlier. There is a complete turnaround in the situation and the country once again sees a fresh set of restrictions imposed in various states. As a result, the hospitality industry is once again overwhelmed by many woes. Having seen the recurrence of the earlier bad times, the industry now finds itself in a situation where it is staring at dark days again, not knowing how long to live with these.

In the prevailing environment, the hospitality sector will have to rethink their staffing patterns in a world of physical distancing and fewer guests. The new normal may no longer support pre-pandemic staffing levels, and companies will be constrained to look at reducing staff or reassigning employees to other roles. Moreover, the industry perforce will have to be prepared for any sudden outbreak of the killer disease, as was seen recently. Such happenings will mean temporary closure of restaurants and other hospitality establishments and travel restrictions shall result in 'no show' of hotel guests. Therefore, companies will have to switch to flexible staffing models, where there will be lesser numbers of permanent staff. Contract staff or third party service providers will meet the balance requirements of hospitality establishments making it possible to quickly respond to changing business conditions.

## Outlook

As large scale vaccination campaign takes place the world over, the Covid19 pandemic is likely to eventually fade. The world economy will recover, and so also the hospitality sector will slowly 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 Covid19 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 steep fall in revenues during the year, being impacted by the unforeseen development of the Covid 19 pandemic. Revenue for the year was ₹ 2313.88 lakh (₹ 4716.66 lakh) and EBITDA stood at ₹ 1021.10 lakh (₹ 1854.06 lakh).

Your Company is continuously monitoring the impact of the pandemic and will take steps as are necessary to adapt itself to emerging changes and the new normal. Your company has the

resilience to withstand this crisis and is confident that with the support of all stakeholders bounce back into new heights of growth and profitability once the pandemic is over.

#### 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, 2021, there were 349 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, 2021 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.

For and on behalf of the Board

Pressman House  
10A Lee Road  
Kolkata 700 020  
June 15, 2021

Navin Suchanti  
Chairman  
DIN: 00273663

#### Annexure I

#### Policy on Appointment and Remuneration of Directors, Key Managerial Personnel and Senior Management

##### 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 (NRC)

##### 2. Accountability

- The Board is responsible for the appointment of directors.
- The 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:

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

##### 4. Appointment of Directors

- 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.
- The recommended Board member shall:

- be well qualified and have experience of management in reputed organization;
  - possess high standards of ethics and personal integrity.
- The Directors should ensure that they devote time and attention to the Company's affairs and regularly attend Board and committee meetings.
  - 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.
  - In addition, their dependent 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.

##### 6. Appointment of Key Managerial Personnel (KMP)

The Key Managerial Personnel namely

- Chief Financial Officer;
- Chief Operating Officer;
- Company Secretary; and
- such other executives as may be prescribed.

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 rewarding the executives with competitive salary and benefits.

- The remuneration is worked out on the basis of cost to the Company which includes both fixed and variable costs.
- 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 31 MARCH 2021**

*[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 conducts/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, 2021 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, 2021 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 Gas & 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 (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 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 the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- 5) I 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 laws, rules, regulations, guidelines, standards, etc., referred to above.

ARUP KUMAR ROY

ACS No.: 6784

C P No.: 9597

UDIN : A006784C000455991

Kolkata

June 14, 2021



**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 at 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) 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, 2021 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  
 June 15, 2021

ARUP KUMAR ROY  
 ACS No.: 6784  
 C P No.: 9597  
 UDIN : A006784C000472471

**Annexure IV**

**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 arm's 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<br>Chairman                           | Sitting Fee   | N.A.   | Reimbursement of cost of fuel, driver's salary, reimbursement of bills of three clubs, bill towards call charges for one cell phone, travelling, hotel and other expenses incurred by him during the course and in connection with business of the Company. | N.A.                                     | Nil                                |
| Dr Niren Suchanti<br>Director                           | Sitting Fee   | N.A.   | N.A.*   | N.A.                                     | Nil                                |
| Ms Pramina Suchanti<br>Director                         | Sitting Fee   | N.A.   | N.A.*   | N.A.                                     | Nil                                |
| Pressman Properties Ltd                                 | Rent for office space   | Perpetual  | ₹ 75000 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<br>Chief Financial Officer                  | Salary  | Contractual  | ₹ 1.81 lakh per month   | 11.02.2019                               | Nil                                |
| Mr Swajib Chatterjee<br>Chief Operating Officer         | Salary  | Contractual  | ₹ 1.45 lakh per month   | 26.05.2017                               | Nil                                |
| Ms Srushti Mody<br>Company Secretary                    | Salary  | Contractual  | ₹ 42,466 per month  | 01.08.2019                               | Nil                                |

\* The Board of Directors unanimously decided to renounce their sitting fees for the board meetings attended by them through video conference mode for the year 2020-2021.

**Annexure V**

**Details of CSR spent during the financial year 2020-2021:**

- (i) Total amount to be spent for the financial year: ₹ 24.83 lakh
- (ii) Amount unspent, if any: Nil
- (iii) Manner in which the amount spent during the financial year:

| Sl. No. | CSR Project or Activity identified   | Amount spend during 2020-2021 |
|---------|--|-------------------------------|
| 1.      | Contribution to Veerayatan for their activities for the welfare of the economically weaker sections of society | ₹ 24.85 lakh                  |

- (iv) Amount spent out of the balance for the year 2019-2020: ₹ 5.35 lakh
- (v) Details of the amount spent:

| Sl. No. | CSR Project or Activity identified   | Amount spend during 2020-2021 |
|---------|--|-------------------------------|
| 1.      | Contribution to Veerayatan for their activities for the welfare of the economically weaker sections of society | ₹ 5.35 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:

| Sl No | Name   | Total Remuneration 2020-2021<br>(₹ in lakh) | Total Remuneration 2019-2020<br>(₹ in lakh) | Percentage Increase |
|-------|--|---|---|---------------------|
| 1     | Mr B L Soni,<br>Chief Financial Officer          | 16.84                                       | 21.75                                       | (22.58) %           |
| 2     | Mr Swajib Chatterjee,<br>Chief Operating Officer | 11.70                                       | 17.36                                       | (32.62)%            |
| 3     | Ms Srushti Mody,<br>Company Secretary            | 3.93  | 2.69*                                       | NA                  |

\* Appointed w.e.f. August 1, 2019

- (iii) The percentage decrease in the median remuneration of employees in the financial year is 28.30%.  
(iv) There were 349 permanent employees on the rolls of Company as on March 31, 2021.  
(v) It is hereby affirmed that the remuneration of Directors and KMP's are in accordance with the Remuneration Policy.

## Annexure VII

**Form MGT 9  
EXTRACT OF ANNUAL RETURN  
As on financial year ended on March 31, 2021**

[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<br>10A Lee Road, Kolkata 700 020<br>Phone : +91 9007540731   |
| 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<br>3A Auckland Place, 7th Floor<br>Room No. 7A & 7B, Kolkata 700017<br>Phone: 033-2280 6616/18, Fax: 033-2280 6619<br>e: nichetechpl@nichetechpl.com |

**II. Principal Business Activities of the Company**

| Sl.No. | Name and Description of main products / services | NIC Code of the product/service | % of total turnover of the Company |
|--------|--|---------------------------------|------------------------------------|
| 1      | Hotels and motels                                | 55101                           | 74.65%                             |

**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 |                          |
| <b>A. Promoters</b>  |  |              |                |                   |  |               |                 |                   |                          |
| <b>(1) Indian</b>  |  |              |                |                   |  |               |                 |                   |                          |
| a) Individual  | 3172752  | Nil          | 3172752        | 56.961            | 15863760                                 | Nil           | 15863760        | 56.961            | Nil                      |
| b) Central Govt.   | Nil  | Nil          | Nil            | Nil               | Nil                                      | Nil           | Nil             | Nil               | Nil                      |
| c) State Govt.   | Nil  | Nil          | Nil            | Nil               | Nil                                      | Nil           | Nil             | Nil               | Nil                      |
| d) Bodies Corporate  | 327635   | Nil          | 327635         | 5.882             | 1638175                                  | Nil           | 1638175         | 5.882             | Nil                      |
| e) Banks/Fl any other                                      | Nil  | Nil          | Nil            | Nil               | Nil                                      | Nil           | Nil             | Nil               | Nil                      |
| <b>Sub-total (A) (1) :</b>                                 | <b>3500387</b>                                 | <b>Nil</b>   | <b>3500387</b> | <b>62.844</b>     | <b>17501935</b>                          | <b>Nil</b>    | <b>17501935</b> | <b>62.844</b>     | <b>Nil</b>               |
| <b>(2) Foreign</b>   |  |              |                |                   |  |               |                 |                   |                          |
| 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/Fl  | Nil  | Nil          | Nil            | Nil               | Nil                                      | Nil           | Nil             | Nil               | Nil                      |
| e) Any other   | Nil  | Nil          | Nil            | Nil               | Nil                                      | Nil           | Nil             | Nil               | Nil                      |
| <b>Sub-total (A) (2)</b>                                   | <b>Nil</b>                                     | <b>Nil</b>   | <b>Nil</b>     | <b>Nil</b>        | <b>Nil</b>                               | <b>Nil</b>    | <b>Nil</b>      | <b>Nil</b>        | <b>Nil</b>               |
| <b>Total shareholding of promoter (A)= (A)(1) + (A)(2)</b> | <b>3500387</b>                                 | <b>Nil</b>   | <b>3500387</b> | <b>62.844</b>     | <b>17501935</b>                          | <b>Nil</b>    | <b>17501935</b> | <b>62.844</b>     | <b>Nil</b>               |
| <b>B. Public Shareholding</b>                              |  |              |                |                   |  |               |                 |                   |                          |
| <b>(1) Institutions</b>                                    | Nil  | Nil          | Nil            | Nil               | Nil                                      | Nil           | Nil             | Nil               | Nil                      |
| a) Mutual funds  | Nil  | Nil          | Nil            | Nil               | Nil                                      | Nil           | Nil             | Nil               | Nil                      |
| b) Banks/Fl  | 25   | 2200         | 2225           | 0.040             | 125                                      | 11000         | 11125           | 0.040             | Nil                      |
| c) Central Govt  | Nil  | Nil          | Nil            | Nil               | Nil                                      | Nil           | Nil             | Nil               | Nil                      |
| d) State Govt  | Nil  | Nil          | Nil            | Nil               | Nil                                      | Nil           | Nil             | Nil               | 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   | Nil  | Nil          | Nil            | Nil               | Nil                                      | Nil           | Nil             | Nil               | Nil                      |
| j) FPI-Corporate Cat-III                                   | Nil  | Nil          | Nil            | Nil               | Nil                                      | Nil           | Nil             | Nil               | Nil                      |
| <b>Sub-total (B) (1)</b>                                   | <b>25</b>                                      | <b>2200</b>  | <b>2225</b>    | <b>0.040</b>      | <b>125</b>                               | <b>11000</b>  | <b>11125</b>    | <b>0.040</b>      | <b>Nil</b>               |
| <b>(2) Non Institutions</b>                                |  |              |                |                   |  |               |                 |                   |                          |
| a) Bodies corp   |  |              |                |                   |  |               |                 |                   |                          |
| i) Indian  | 162841   | 205          | 163046         | 2.927             | 1078870                                  | 1025          | 1079895         | 3.878             | 0.951                    |
| ii) Overseas   | Nil  | Nil          | Nil            | Nil               | Nil                                      | Nil           | Nil             | Nil               | Nil                      |
| b) Individual  |  |              |                |                   |  |               |                 |                   |                          |
| i) Individuals holding share capital up to ₹1 lakh         | 1081047  | 33192        | 1114239        | 20.004            | 6360819                                  | 152760        | 6513579         | 23.388            | 3.384                    |
| ii) Individual holding share capital in excess of ₹1 lakh  | 648241   | Nil          | 648241         | 11.638            | 2209935                                  | Nil           | 2209935         | 7.935             | (3.703)                  |
| c) Others (specify) NRI/OCBs                               | 74462  | 600          | 75062          | 1.348             | 342756                                   | 3000          | 345756          | 1.241             | (0.107)                  |
| Clearing Members   | 43969  | Nil          | 43969          | 0.789             | 54395                                    | Nil           | 54395           | 0.195             | (0.594)                  |
| Trusts   | Nil  | Nil          | Nil            | Nil               | 6000                                     | Nil           | 6000            | 0.022             | 0.022                    |
| IEPF Authority   | 22831  | Nil          | 22831          | 0.410             | 127380                                   | Nil           | 127380          | 0.457             | 0.047                    |
| <b>Sub-total (B) (2):</b>                                  | <b>2033391</b>                                 | <b>33997</b> | <b>2067388</b> | <b>37.166</b>     | <b>10180155</b>                          | <b>156785</b> | <b>10336940</b> | <b>37.116</b>     | <b>Nil</b>               |
| <b>Total Public Shareholding (B) = (B)(1) +(B)(2)</b>      | <b>2033416</b>                                 | <b>36197</b> | <b>2069613</b> | <b>37.156</b>     | <b>10180280</b>                          | <b>167785</b> | <b>10348065</b> | <b>37.156</b>     | <b>Nil</b>               |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>     | Nil  | Nil          | Nil            | Nil               | Nil                                      | Nil           | Nil             | Nil               | Nil                      |
| <b>Grand Total (A+B+C)</b>                                 | <b>5533803</b>                                 | <b>36197</b> | <b>5570000</b> | <b>100.00</b>     | <b>27682215</b>                          | <b>167785</b> | <b>27850000</b> | <b>100.00</b>     | <b>Nil</b>               |

## ii) Shareholding of Promoters

| Sl. No. | Shareholders name  | Shareholding at the beginning of the year |                                  |  | Shareholding at the end of the year |                                  |  | % change in shareholding during the year |
|---------|--|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
|         |  | No of shares                              | % of total shares of the company | % of Shares pledged/encumbered to total shares | No of shares                        | % of total shares of the company | % of Shares pledged/encumbered to total shares |  |
| 1       | Mr Navin Suchanti  | 313051                                    | 5.620                            | Nil  | 1565255                             | 5.620                            | Nil  | Nil                                      |
| 2       | Dr Niren Suchanti  | 293738                                    | 5.274                            | Nil  | 1468690                             | 5.274                            | Nil  | Nil                                      |
| 3       | Dr Niren Suchanti (on behalf of Sara Suchanti Beneficiary Trust) | 250000                                    | 4.488                            | Nil  | 1250000                             | 4.488                            | Nil  | Nil                                      |
| 4       | Ms Pooja Suchanti Shah   | 250000                                    | 4.488                            | Nil  | 1250000                             | 4.488                            | Nil  | Nil                                      |
| 5       | Mrs Pramina Suchanti   | 778522                                    | 13.977                           | Nil  | 3892610                             | 13.977                           | Nil  | Nil                                      |
| 6       | Ms Preeti Khicha   | 250000                                    | 4.488                            | Nil  | 1250000                             | 4.488                            | Nil  | Nil                                      |
| 7       | M/s Pressman Properties Ltd                                      | Nil                                       | Nil                              | Nil  | 1370000                             | 4.919                            | Nil  | 4.919                                    |
| 7       | M/s Pressman Realty Pvt Ltd                                      | 327635                                    | 5.882                            | Nil  | 268175                              | 0.963                            | Nil  | -4.919                                   |
| 8       | Mrs Sujata Suchanti  | 1037441                                   | 18.626                           | Nil  | 5187205                             | 18.626                           | Nil  | Nil                                      |
|         | <b>Total</b>   | <b>3500387</b>                            | <b>62.844</b>                    | <b>Nil</b>                                     | <b>17501935</b>                     | <b>62.844</b>                    | <b>Nil</b>                                     | <b>Nil</b>                               |

## 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 of the company | No of shares                            | % of total shares of the company |
| 1       | Mr Navin Suchanti  |   |                                  |   |                                  |
|         | a) At the Beginning of the year                                  | 313051                                    | 5.620                            |   |                                  |
|         | b) Changes during the year                                       |   |                                  |   |                                  |
|         | Date Reason  |   |                                  |   |                                  |
|         | 19/06/2020 [Split of Equity Shares of FV. ₹ 10/- to FV. ₹ 2/-]   | 1565255                                   | 5.620                            | 1565255                                 | 5.620                            |
|         | c) At the End of the Year  |   |                                  | 1565255                                 | 5.620                            |
| 2       | Mr Niren Suchanti  |   |                                  |   |                                  |
|         | a) At the Beginning of the Year                                  | 293738                                    | 5.274                            |   |                                  |
|         | b) Changes during the year                                       |   |                                  |   |                                  |
|         | Date Reason  |   |                                  |   |                                  |
|         | 19/06/2020 [Split of Equity Shares of FV. ₹ 10/- to FV. ₹ 2/-]   | 1468690                                   | 5.274                            | 1468690                                 | 5.274                            |
|         | c) At the End of the Year  |   |                                  | 1468690                                 | 5.274                            |
| 3       | Mr Niren Suchanti (on behalf of Sara Suchanti Beneficiary Trust) |   |                                  |   |                                  |
|         | a) At the Beginning of the Year                                  | 250000                                    | 4.488                            |   |                                  |
|         | b) Changes during the year                                       |   |                                  |   |                                  |
|         | Date Reason  |   |                                  |   |                                  |
|         | 19/06/2020 [Split of Equity Shares of FV. ₹ 10/- to FV. ₹ 2/-]   | 1250000                                   | 4.488                            | 1250000                                 | 4.488                            |
|         | c) At the End of the Year  |   |                                  | 1250000                                 | 4.488                            |
| 4       | Ms Pooja Suchanti Shah   |   |                                  |   |                                  |
|         | a) At the Beginning of the Year                                  | 250000                                    | 4.488                            |   |                                  |
|         | b) Changes during the year                                       |   |                                  |   |                                  |
|         | Date Reason  |   |                                  |   |                                  |
|         | 19/06/2020 [Split of Equity Shares of FV. ₹ 10/- to FV. ₹ 2/-]   | 1250000                                   | 4.488                            | 1250000                                 | 4.488                            |
|         | c) At the End of the Year  |   |                                  | 1250000                                 | 4.488                            |

| Sl. No. | Name   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|--|---|----------------------------------|---|----------------------------------|
|         |  | No of shares                              | % of total shares of the company | No of shares                            | % of total shares of the company |
| 5       | Mrs Pramina Suchanti   |   |                                  |   |                                  |
|         | a) At the Beginning of the Year                                | 778522                                    | 13.977                           |   |                                  |
|         | b) Changes during the year                                     |   |                                  |   |                                  |
|         | Date Reason  |   |                                  |   |                                  |
|         | 19/06/2020 [Split of Equity Shares of FV. ₹ 10/- to FV. ₹ 2/-] | 3892610                                   | 13.977                           | 3892610                                 | 13.977                           |
|         | c) At the End of the Year                                      |   |                                  | 3892610                                 | 13.977                           |
| 6       | Ms Preeti Khicha   |   |                                  |   |                                  |
|         | a) At the Beginning of the Year                                | 250000                                    | 4.488                            |   |                                  |
|         | b) Changes during the year                                     |   |                                  |   |                                  |
|         | Date Reason  |   |                                  |   |                                  |
|         | 19/06/2020 [Split of Equity Shares of FV. ₹ 10/- to FV. ₹ 2/-] | 1250000                                   | 4.488                            | 1250000                                 | 4.488                            |
|         | c) At the End of the Year                                      |   |                                  | 1250000                                 | 4.488                            |
| 7       | M/s Pressman Properties Limited                                |   |                                  |   |                                  |
|         | a) At the Beginning of the Year                                | Nil                                       | Nil                              |   |                                  |
|         | b) Changes during the year                                     |   |                                  |   |                                  |
|         | Date Reason  |   |                                  |   |                                  |
|         | 04/12/2020 Transfer  | 1370000                                   | 4.919                            | 1370000                                 | 4.919                            |
|         | c) At the End of the Year                                      |   |                                  | 1370000                                 | 4.919                            |
| 8       | M/s Pressman Realty Private Limited                            |   |                                  |   |                                  |
|         | a) At the Beginning of the Year                                | 327635                                    | 5.882                            |   |                                  |
|         | b) Changes during the year                                     |   |                                  |   |                                  |
|         | Date Reason  |   |                                  |   |                                  |
|         | 19/06/2020 [Split of Equity Shares of FV. ₹ 10/- to FV. ₹ 2/-] | 1638175                                   | 5.882                            | 1638175                                 | 5.882                            |
|         | 04/12/2020 Transfer  | (1370000)                                 | 4.919                            | 268175                                  | 0.963                            |
|         | c) At the End of the Year                                      |   |                                  | 268175                                  | 0.963                            |
| 9       | Mrs Sujata Suchanti  |   |                                  |   |                                  |
|         | a) At the Beginning of the Year                                | 1037441                                   | 18.626                           |   |                                  |
|         | b) Changes during the year                                     |   |                                  |   |                                  |
|         | Date Reason  |   |                                  |   |                                  |
|         | 19/06/2020 [Split of Equity Shares of FV. ₹ 10/- to FV. ₹ 2/-] | 5187205                                   | 18.626                           | 5187205                                 | 18.626                           |
|         | c) At the End of the Year                                      |   |                                  | 5187205                                 | 18.626                           |
|         | <b>TOTAL</b>   | <b>3500387</b>                            | <b>62.844</b>                    | <b>17501935</b>                         | <b>62.844</b>                    |

**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       | Aditya Deorah  |   |                                  |   |                                  |
|         | a) At the Beginning of the year                                | 107000                                    | 1.921                            |   |                                  |
|         | b) Changes during the year                                     |   |                                  |   |                                  |
|         | Date Reason  |   |                                  |   |                                  |
|         | 19/06/2020 [Split of Equity Shares of FV. ₹ 10/- to FV. ₹ 2/-] | 424750                                    | 1.525                            | 424750                                  | 1.525                            |
|         | 30/06/2020 Transfer  | 250                                       | 0.001                            | 425000                                  | 1.526                            |
|         | 05/02/2021 Transfer  | 95000                                     | 0.284                            | 520000                                  | 1.867                            |
|         | 19/02/2021 Transfer  | (88068)                                   | 0.264                            | 431932                                  | 1.551                            |
|         | 05/03/2021 Transfer  | (2932)                                    | 0.009                            | 429000                                  | 1.540                            |
|         | c) At the End of the Year                                      |   |                                  | 429000                                  | 1.540                            |



| 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 |
| 2       | D Srimathi  |   |                                  |   |                                  |
|         | a) At the Beginning of the Year   | 52995                                     | 0.951                            |   |                                  |
|         | b) Changes during the year  |   |                                  |   |                                  |
|         | Date Reason   |   |                                  |   |                                  |
|         | 19/06/2020 [Split of Equity Shares of FV. ₹ 10/- to FV. ₹ 2/-]                    | 264975                                    | 0.951                            | 264975                                  | 0.951                            |
|         | c) At the End of the Year   |   |                                  | 264975                                  | 0.951                            |
| 3       | Harvinder Singh   |   |                                  |   |                                  |
|         | a) At the Beginning of the Year   | 53000                                     | 0.952                            |   |                                  |
|         | b) Changes during the year  |   |                                  |   |                                  |
|         | Date Reason   |   |                                  |   |                                  |
|         | 19/06/2020 [Split of Equity Shares of FV. ₹ 10/- to FV. ₹ 2/-]                    | 265000                                    | 0.952                            | 265000                                  | 0.952                            |
|         | 18/09/2020 Transfer   | (5689)                                    | 0.017                            | 259311                                  | 0.931                            |
|         | 11/12/2020 Transfer   | (10000)                                   | 0.030                            | 249311                                  | 0.895                            |
|         | 18/12/2020 Transfer   | (39311)                                   | 0.118                            | 210000                                  | 0.754                            |
|         | 31/12/2020 Transfer   | (10000)                                   | 0.030                            | 200000                                  | 0.718                            |
|         | 01/01/2021 Transfer   | (22500)                                   | 0.067                            | 177500                                  | 0.637                            |
|         | 08/01/2021 Transfer   | (12500)                                   | 0.037                            | 165000                                  | 0.592                            |
|         | 15/01/2021 Transfer   | (5000)                                    | 0.015                            | 160000                                  | 0.575                            |
|         | 22/01/2021 Transfer   | (9355)                                    | 0.028                            | 150645                                  | 0.541                            |
|         | 29/01/2021 Transfer   | (104976)                                  | 0.314                            | 45669                                   | 0.164                            |
|         | 05/02/2021 Transfer   | (45669)                                   | 0.137                            | Nil                                     | Nil                              |
|         | c) At the End of the Year   |   |                                  | Nil                                     | Nil                              |
| 4       | Hitesh Ramji Javeri   |   |                                  |   |                                  |
|         | a) At the Beginning of the Year   | 25111                                     | 0.451                            |   |                                  |
|         | b) Changes during the year  |   |                                  |   |                                  |
|         | Date Reason   |   |                                  |   |                                  |
|         | 19/06/2020 [Split of Equity Shares of FV. ₹ 10/- to FV. ₹ 2/-]                    | 125555                                    | 0.451                            | 125555                                  | 0.451                            |
|         | c) At the End of the Year   |   |                                  | 125555                                  | 0.451                            |
| 5       | Investor Education and Protection Fund Authority<br>Ministry of Corporate Affairs |   |                                  |   |                                  |
|         | a) At the Beginning of the Year   | 22831                                     | 0.410                            |   |                                  |
|         | b) Changes during the year  |   |                                  |   |                                  |
|         | Date Reason   |   |                                  |   |                                  |
|         | 19/06/2020 [Split of Equity Shares of FV. ₹ 10/- to FV. ₹ 2/-]                    | 127380                                    | 0.457                            | 127380                                  | 0.457                            |
|         | c) At the End of the Year   |   |                                  | 127380                                  | 0.457                            |
| 6       | Kishan Tibrewalla   |   |                                  |   |                                  |
|         | a) At the Beginning of the Year   | 29944                                     | 0.538                            |   |                                  |
|         | b) Changes during the year  |   |                                  |   |                                  |
|         | Date Reason   |   |                                  |   |                                  |
|         | 19/06/2020 [Split of Equity Shares of FV. ₹ 10/- to FV. ₹ 2/-]                    | 149720                                    | 0.538                            | 149720                                  | 0.538                            |
|         | c) At the End of the Year   |   |                                  | 149720                                  | 0.538                            |
| 7       | Lincoln P Coelho  |   |                                  |   |                                  |
|         | a) At the Beginning of the Year   | 25000                                     | 0.449                            |   |                                  |
|         | b) Changes during the year  |   |                                  |   |                                  |
|         | Date Reason   |   |                                  |   |                                  |
|         | 19/06/2020 [Split of Equity Shares of FV. ₹ 10/- to FV. ₹ 2/-]                    | 125000                                    | 0.449                            | 125000                                  | 0.449                            |
|         | c) At the End of the Year   |   |                                  | 125000                                  | 0.449                            |

| 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 |
| 8       | Minali Goyal   |   |                                  |   |                                  |
|         | a) At the Beginning of the Year                                | 23811                                     | 0.427                            |   |                                  |
|         | b) Changes during the year                                     |   |                                  |   |                                  |
|         | Date Reason  |   |                                  |   |                                  |
|         | 19/06/2020 [Split of Equity Shares of FV. ₹ 10/- to FV. ₹ 2/-] | 119055                                    | 0.427                            | 119055                                  | 0.427                            |
|         | c) At the End of the Year                                      |   |                                  | 119055                                  | 0.427                            |
| 9       | Pramod Kumar Rai   |   |                                  |   |                                  |
|         | a) At the Beginning of the Year                                | 34000                                     | 0.610                            |   |                                  |
|         | b) Changes during the year                                     |   |                                  |   |                                  |
|         | Date Reason  |   |                                  |   |                                  |
|         | 08/05/2020 Transfer  | 1000                                      | 0.018                            | 35000                                   | 0.628                            |
|         | 19/06/2020 [Split of Equity Shares of FV. ₹ 10/- to FV. ₹ 2/-] | 175000                                    | 0.628                            | 175000                                  | 0.628                            |
|         | 14/08/2020 Transfer  | (5000)                                    | 0.015                            | 170000                                  | 0.610                            |
|         | c) At the End of the Year                                      |   |                                  | 170000                                  | 0.610                            |
| 10      | Punji Financial and Hire Purchase Services Pvt. Ltd.           |   |                                  |   |                                  |
|         | a) At the Beginning of the Year                                | Nil                                       | Nil                              |   |                                  |
|         | b) Changes during the year                                     |   |                                  |   |                                  |
|         | Date Reason  |   |                                  |   |                                  |
|         | 30/06/2020 Transfer  | 19896                                     | 0.060                            | 19896                                   | 0.071                            |
|         | 03/07/2020 Transfer  | 80104                                     | 0.240                            | 100000                                  | 0.359                            |
|         | 10/07/2020 Transfer  | 68466                                     | 0.205                            | 168466                                  | 0.605                            |
|         | 17/07/2020 Transfer  | 40716                                     | 0.122                            | 209182                                  | 0.751                            |
|         | 24/07/2020 Transfer  | 53840                                     | 0.161                            | 263022                                  | 0.944                            |
|         | 31/07/2020 Transfer  | 27623                                     | 0.083                            | 290645                                  | 1.044                            |
|         | 07/08/2020 Transfer  | 29000                                     | 0.087                            | 319645                                  | 1.148                            |
|         | 14/08/2020 Transfer  | 3455                                      | 0.010                            | 323100                                  | 1.160                            |
|         | 21/08/2020 Transfer  | 27400                                     | 0.082                            | 350500                                  | 1.259                            |
|         | 04/09/2020 Transfer  | 9500                                      | 0.028                            | 360000                                  | 1.293                            |
|         | 13/11/2020 Transfer  | 10000                                     | 0.030                            | 370000                                  | 1.329                            |
|         | 04/12/2020 Transfer  | 15000                                     | 0.045                            | 385000                                  | 1.382                            |
|         | 01/01/2021 Transfer  | (2384)                                    | 0.007                            | 382616                                  | 1.374                            |
|         | 05/03/2021 Transfer  | 10000                                     | 0.030                            | 392616                                  | 1.410                            |
|         | 12/03/2021 Transfer  | 40079                                     | 0.120                            | 432695                                  | 1.554                            |
|         | 19/03/2021 Transfer  | 3550                                      | 0.011                            | 436245                                  | 1.566                            |
|         | 26/03/2021 Transfer  | 2084                                      | 0.006                            | 438329                                  | 1.574                            |
|         | c) At the End of the Year                                      |   |                                  | 438329                                  | 1.574                            |
| 11      | Shree Harivansh Securities Pvt Ltd                             |   |                                  |   |                                  |
|         | a) At the Beginning of the Year                                | 3547                                      | 0.064                            |   |                                  |
|         | b) Changes during the year                                     |   |                                  |   |                                  |
|         | Date Reason  |   |                                  |   |                                  |
|         | 22/05/2020 Transfer  | 2000                                      | 0.036                            | 5547                                    | 0.100                            |
|         | 29/05/2020 Transfer  | 678                                       | 0.012                            | 6225                                    | 0.112                            |
|         | 05/06/2020 Transfer  | 2101                                      | 0.038                            | 8326                                    | 0.149                            |
|         | 12/06/2020 Transfer  | 18011                                     | 0.323                            | 26337                                   | 0.473                            |
|         | 19/06/2020 [Split of Equity Shares of FV. ₹ 10/- to FV. ₹ 2/-] | 131685                                    | 0.473                            | 131685                                  | 0.473                            |
|         | 24/07/2020 Transfer  | 2000                                      | 0.006                            | 133685                                  | 0.480                            |
|         | c) At the End of the Year                                      |   |                                  | 133685                                  | 0.480                            |

| 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 |
| 12      | Vivek Mehrotra   |   |                                  |   |                                  |
|         | a) At the Beginning of the Year                                | 114406                                    | 2.054                            |   |                                  |
|         | b) Changes during the year                                     |   |                                  |   |                                  |
|         | Date Reason  |   |                                  |   |                                  |
|         | 24/04/2020 Transfer  | (114406)                                  | 0.342                            | Nil                                     | Nil                              |
|         | c) At the End of the Year                                      |   |                                  | Nil                                     | Nil                              |
| 14      | West Bengal Financial Corporation                              |   |                                  |   |                                  |
|         | a) At the Beginning of the year                                | 33000                                     | 0.592                            |   |                                  |
|         | b) Changes during the year                                     |   |                                  |   |                                  |
|         | Date Reason  |   |                                  |   |                                  |
|         | 19/06/2020 [Split of Equity Shares of FV. ₹ 10/- to FV. ₹ 2/-] | 165000                                    | 0.592                            | 165000                                  | 0.592                            |
|         | c) At the End of the year                                      |   |                                  | 165000                                  | 0.592                            |
|         | <b>TOTAL</b>   | <b>524645</b>                             | <b>9.419</b>                     | <b>2247699</b>                          | <b>8.071</b>                     |

#### v) Shareholding of Directors and Key Managerial Personnel

| Sl. No. | Name   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|---------|--|---|----------------------------------|---|----------------------------------|
|         |  | No of shares                              | % of total shares of the company | No of shares                            | % of total shares of the company |
| 1       | Mr Navin Suchanti  |   |                                  |   |                                  |
|         | a) At the Beginning of the year                                | 313051                                    | 5.620                            |   |                                  |
|         | b) Changes during the year                                     |   |                                  |   |                                  |
|         | Date Reason  |   |                                  |   |                                  |
|         | 19/06/2020 [Split of Equity Shares of FV. ₹ 10/- to FV. ₹ 2/-] | 1565255                                   | 5.620                            |   |                                  |
|         | c) At the End of the Year                                      |   |                                  | 1565255                                 | 5.620                            |
| 2       | Dr Niren Suchanti  |   |                                  |   |                                  |
|         | a) At the Beginning of the year                                | 293738                                    | 5.274                            |   |                                  |
|         | b) Changes during the year                                     |   |                                  |   |                                  |
|         | Date Reason  |   |                                  |   |                                  |
|         | 19/06/2020 [Split of Equity Shares of FV. ₹ 10/- to FV. ₹ 2/-] | 1468690                                   | 5.274                            |   |                                  |
|         | c) At the End of the year                                      |   |                                  | 1468690                                 | 5.274                            |
| 3       | Ms Pramina Suchanti  |   |                                  |   |                                  |
|         | a) At the Beginning of the year                                | Nil                                       | Nil                              |   |                                  |
|         | b) Changes during the year                                     |   |                                  |   |                                  |
|         | Date Reason  |   |                                  |   |                                  |
|         | 19/06/2020 [Split of Equity Shares of FV. ₹ 10/- to FV. ₹ 2/-] | 3892610                                   | 11.648                           | 3892610                                 | 13.977                           |
|         | c) At the End of the year                                      |   |                                  | 3892610                                 | 13.977                           |
|         | <b>Total</b>   | <b>606789</b>                             | <b>10.894</b>                    | <b>6926555</b>                          | <b>24.871</b>                    |

#### V. Indebtedness

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

## VI. Remuneration of Directors and Key Management Personnel

### A. Remuneration to Managing Director, Wholetime Directors and/or Manager

(₹ in lakh)

| Sl. No.                | Particulars of Remuneration  | Name of Chief Operating Officer (Manager) |     | Total Amount |
|------------------------|--|---|-----|--------------|
|                        |  | Mr Swajib Chatterjee                      |     |              |
| 1                      | Gross Salary<br>(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961<br>(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961<br>(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961 | 11.70                                     | Nil | 11.70        |
| 2                      | Stock Option   | Nil                                       | Nil | Nil          |
| 3                      | Sweat Equity   | Nil                                       | Nil | Nil          |
| 4                      | Commission as a % of profit  | Nil                                       | Nil | Nil          |
| 5                      | Others, please specify   | Nil                                       | Nil | Nil          |
|                        | Total (A)  | 11.70                                     |     | 11.70        |
| Ceiling as per the Act | ₹ 41.93 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 | Ms Pramina Suchanti | Mr Kunal Bose | Mr Dip Narayan Mittra | Ms Kumkum Gupta |              |
| 1       | Independent Directors<br>• Fee for attending board and audit committee meetings<br>• Commission<br>• Others, please specify | -                 | -                  | -                   | -             | -                     | -               | -            |
|         | Total (1)   | -                 | -                  | -                   | -             | -                     | -               | -            |
| 2       | Other Non-Executive Directors<br>• Fee for attending board meetings<br>• Commission<br>• Others, please specify             | -                 | -                  | -                   | -             | -                     | -               | -            |
|         | Total (2)   | -                 | -                  | -                   | -             | -                     | -               | -            |
|         | Total (1+2)   | -                 | -                  | -                   | -             | -                     | -               | -            |

\* The Board of Directors unanimously decided to renounce their sitting fees for the board meetings attended by them through video conference mode for the year 2020-2021.

### C. Remuneration to Key Managerial Personnel other than MD

(₹ in lakh)

| Sl. No. | Particulars of Remuneration  | Name of Key Managerial Personnel    |                                   | Total Amount |
|---------|--|-------------------------------------|-----------------------------------|--------------|
|         |  | B L Soni<br>Chief Financial Officer | Srushti Mody<br>Company Secretary |              |
| 1       | Gross Salary<br>(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961<br>(b) Value of perquisites u/s 17(2)<br>(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961 | 16.84                               | 3.93                              | 20.77        |
| 2.      | Stock Option   | Nil                                 | Nil                               | Nil          |
| 3.      | Sweat Equity   | Nil                                 | Nil                               | Nil          |
| 4.      | Commission<br>- as 2 % of profit<br>- others, specify  | Nil<br>Nil                          | Nil<br>Nil                        | Nil<br>Nil   |
| 5.      | Others, please specify   | Nil                                 | Nil                               | Nil          |
|         | <b>Total</b>   | <b>16.84</b>                        | <b>3.93</b>                       | <b>20.77</b> |

## VII. Penalties /Punishment/ Compounding of offences for Company, Directors and other Officers in Default: 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, two non-executive Director, and three (including one woman) non-executive independent Directors.

During the financial year 2020-2021, four meetings of the board were held. These meetings were held June 30, 2020, August 14, 2020, November 10, 2020 and February 9, 2021.

### Particulars of Directors are given below :

| Name                  | Designation | Category                           | Relationship between Director inter-se | Equity shareholding in the Company |
|-----------------------|-------------|------------------------------------|--|------------------------------------|
| Mr Navin Suchanti     | Chairman    | Non-Executive Director             | Brothers                               | 1565255                            |
| Dr Niren Suchanti     | Director    | Non-Executive Director             |  | 1468690                            |
| Ms Pramina Suchanti   | Director    | Non-Executive Director             | Spouse of Mr Navin Suchanti            | 3892610                            |
| Mr Kunal Bose         | Director    | Non-Executive Independent Director | Not Related                            | Nil                                |
| Mr Dip Narayan Mittra | Director    | Non-Executive Independent Director | Not Related                            | Nil                                |
| Ms Kumkum Gupta       | Director    | Non-Executive Independent Director | Not Related                            | Nil                                |

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

| Director              | No of Board Meetings held during the tenure | No of Board Meetings attended | Last AGM Attendance (Yes/No) | No of directorship on Board of other Listed Companies | Name of the other Listed Entity and category of Directorship | No of Committee memberships/ Chairmanship in other Listed Companies# |
|-----------------------|---|-------------------------------|------------------------------|---|--|--|
| Mr Navin Suchanti     | 4   | 4                             | Yes                          | 1   | Pressman Advertising Limited – Non Executive Director        | 2  |
| Dr Niren Suchanti     | 4   | 4                             | Yes                          | 1   | Pressman Advertising Limited – Chairman-Executive Director   | Nil  |
| Ms Pramina Suchanti   | 4   | 1                             | Yes                          | Nil   | Nil  | Nil  |
| Mr Kunal Bose         | 4   | 4                             | Yes                          | Nil   | Nil  | Nil  |
| Mr Dip Narayan Mittra | 4   | 4                             | Yes                          | Nil   | Nil  | Nil  |
| Ms Kumkum Gupta       | 4   | 2                             | Yes                          | Nil   | Nil  | Nil  |

# Audit Committee and Stakeholders Relationship Committee are only considered

### List of core skills/expertise/competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and those actually available with the board;

For management and operations of hotels and resorts, the core skills required are:

- Hotel management systems and processes to ensure operational efficiency
- Financial and accounting management
- Inventory procurement, management and cost controls
- Reporting requirement and compliance of financial, accounting, taxation and related laws/ regulations
- Sales and marketing management, public and guest relations, online and social media presence

The Company's directors have expertise and skills in diverse fields and are well versed to guide the team in the core areas as above. With an experience of more than 200 years, the Directors are well positioned to lead the Company in coming years.

### III. Audit Committee

#### Terms of Reference

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

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

#### Composition

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

#### Meetings and attendance during the year

During the financial year 2020-2021, four meetings of the committee were held June 30, 2020, August 14, 2020, November 10, 2020 and February 9, 2021. 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 Dip Narayan Mitra | 4             | 4                 |

### 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 Mitra | Member (Non-Executive Independent Director)   |
| Ms Kumkum Gupta      | Member (Non-Executive Independent Director)   |

#### Meeting and attendance during the year

During the financial year 2020-2021, two meeting of the committee were held on June 30, 2020 and November 10, 2020.

| Members              | Meetings held | Meetings attended |
|----------------------|---------------|-------------------|
| Mr Kunal Bose        | 2             | 2                 |
| Mr Dip Narayan Mitra | 2             | 2                 |
| Ms Kumkum Gupta      | 2             | 2                 |

#### Non-Executive Directors

The Board of Directors unanimously decided to renounce their sitting fees for the board meetings attended by them through video conference mode for the year 2020-2021. Hence, the Non-executive Directors are not remunerated for attending Board Meeting and Audit Committee Meeting.

The Chairman is reimbursed cost of fuel, driver's salary, bills of three clubs, bill towards call charges for one cell phone, 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:

As per Section 135(9) of the Companies (Amendment) Act, 2020, the requirement of having a CSR Committee has been done away with, if the amount spent by the Company on CSR does not exceed fifty lakh rupees. Accordingly, the CSR Committee of the Company is being dissolved and the Board shall now perform the functions of the Committee.

#### ii) Composition:

|                      |   |
|----------------------|---|
| 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 Mitra | Member (Non-executive Independent Director) |

#### Meeting and attendance during the year

During the financial year 2020-2021, one meeting of the committee was held on February 9, 2021.

| Members              | Meetings held | Meetings attended |
|----------------------|---------------|-------------------|
| Dr Niren Suchanti    | 1             | 1                 |
| Mr Navin Suchanti    | 1             | 1                 |
| Mr Kunal Bose        | 1             | 1                 |
| Mr Dip Narayan Mitra | 1             | 1                 |

### VI. Independent Directors' Meeting

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

- Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of performance of the Chairman of the Company, taking into account the views of the 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;



### Confirmation of Independence

The Independent Directors fulfill the conditions specified in SEBI (LODR) Regulations, 2015 and are independent of the management.

#### Meeting and attendance during the year

During the financial year 2020-2021, one meeting of the Independent Directors was held on February 9, 2021.

| Members              | Meetings held | Meetings attended |
|----------------------|---------------|-------------------|
| Mr Kunal Bose        | 1             | 1                 |
| Mr Dip Narayan Mitra | 1             | 1                 |
| Ms Kumkum Gupta      | 1             | 1                 |

The details of familiarization programme of the Independent Directors are available on the company's investor information website [www.sinclairsindia.com](http://www.sinclairsindia.com).

### VII. Stakeholders Relationship Committee

#### Terms of Reference

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

#### Composition

|                      |   |
|----------------------|---|
| Mr Dip Narayan Mitra | 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 2020-2021, one meeting of the committee was held on February 9, 2021.

| Members              | Meetings held | Meetings attended |
|----------------------|---------------|-------------------|
| Mr Dip Narayan Mitra | 1             | 1                 |
| Mr Kunal Bose        | 1             | 1                 |
| Mr Navin Suchanti    | 1             | 1                 |

Shareholders' complaints received and redressed during the year ended March 31, 2021 as under:

| Pending as on 31.03.2020 | Received during the year | Redressed during the year | Pending as on 31.03.2021 |
|--------------------------|--------------------------|---------------------------|--------------------------|
| Nil                      | 3                        | 3                         | Nil                      |

#### Name & Designation of Compliance Officer

Ms Srushti Mody, Company Secretary

### VIII. Shareholders' Meeting

Details of Annual General Meeting held in last three years:

| Year    | Date       | Venue  | Time     |
|---------|------------|--|----------|
| 2017-18 | 03.08.2018 | Gyan Manch,<br>11 Pretoria Street,<br>Kolkata 700 071  | 10:30 am |
| 2018-19 | 27.08.2019 | Gyan Manch,<br>11 Pretoria Street,<br>Kolkata 700 071  | 10:30 am |
| 2019-20 | 27.08.2020 | Conducted through Video Conferencing, deemed venue being the Company's registered office at Pressman House,<br>10A Lee Road, Kolkata 700 020 | 11.00 am |

b. Details of special resolutions passed during the last three years are given below:

| Date       | AGM/EGM | Particulars   |
|------------|---------|---|
| 03.08.2018 | AGM     | Nil   |
| 27.08.2019 | AGM     | Re-appointment of Mr Kunal Bose, Independent Director   |
| 27.08.2020 | AGM     | 1. Re-appointment of Dr Niren Suchanti, Director<br>2. Re-appointment of Mr Dip Narayan Mitra, Independent Director<br>3. Approval of Issuance of Equity Shares on a Preferential Basis to Promoters and Promoter Group |

### IX. Disclosures

- There were no material and significant related party transactions, with its promoters, the directors or the management or relatives, etc. that may have potential conflict with the interests of the Company at large. Transactions with the related parties have been disclosed in Note 37 to the Accounts in the Annual Report.
- The Company has an established whistle blower policy.
- The Company has complied with the mandatory requirement of the Listing Regulations.
- Total fees for all services in the year 2020-2021 paid by the Company and its subsidiaries in India, on a consolidated basis, to M/s. B S R & Co, LLP, Statutory Auditors within the network firm/network entity of which the statutory auditor is a part, is ₹ 7.73 lakh excluding GST.

#### Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

During the financial year 2020-2021, no sexual harassment complaints were filed with the Company.

The details of Policy on Prevention of Sexual Harassment of Women is available on the company's investor information website [www.sinclairsindia.com](http://www.sinclairsindia.com).

#### Subsidiary Company

The Company has no subsidiary.

#### Non-mandatory Requirements

The Company has complied with the following non-mandatory requirements of the Listing Regulations relating to Corporate Governance.

- During the year under review, there was no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.
- The Company follows a robust process of communicating with the shareholders which has been elaborated in the Report under the Heading "Means of Communication"
- The position of the Chairman & COO of the Company remained separate.
- The Internal Auditor reports to the Audit Committee.

### X. Means of Communication

#### Annual Report

Annual Reports, notice of the meetings and other communications to the Shareholders are sent through e-mail, post or courier. However, this year in view of the outbreak of Covid-19 pandemic and owing to the difficulties involved in dispatching of physical

copies of Annual Report, the Ministry of Corporate Affairs ("MCA") has vide its circular no 20/2020 dated May 5, 2020 directed the Companies to send the Annual Report only by e-mail to all the Members of the Company. Therefore, the Annual Report for FY 2020-2021 and Notice of 49th AGM of the Company is being sent to the Members at their registered e-mail addresses in accordance with MCA and SEBI Circulars.

#### Quarterly Results

The quarterly results were published during the year under review in all edition of Business Standard and Kolkata edition of Arthik Lipi. The quarterly results are displayed on the Company's investor information website [www.sinclairsondia.com](http://www.sinclairsondia.com)

### XI. General Shareholder Information

#### a. Annual General Meeting:

| Date       | Day      | Venue   | Time     |
|------------|----------|---|----------|
| 05.08.2021 | Thursday | To be conducted through Video Conferencing, deemed venue being the Company's registered office at Pressman House, 10A Lee Road, Kolkata 700 020 | 11.00 AM |

#### b. Tentative Financial Calendar

Results for quarter ending June 30, 2021  
Within August 14, 2021

Results for quarter ending September 30, 2021  
Within November 14, 2021

Results for quarter ending December 31, 2021  
Within February 14, 2022

Results for quarter and year ending March 31, 2022  
Within May 30, 2022

AGM for the year ending March 31, 2022  
Within September 30, 2022

These dates are subject to prevalence of normal conditions. These dates may be extended as per extra time granted by the Central Government.

#### c. Book Closure:

From July 30, 2021 to August 05, 2021 (both days inclusive)

#### d. Payment of Dividend:

Dividend for the financial year 2020-2021, if declared by the Company at the 49th Annual General Meeting, will be paid by September 04, 2021 to those shareholders whose name will appear on the register of shareholders of the Company as at the close of business on July 29, 2021.

#### e. 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 for financial year 2021-2022 to both the Stock Exchanges.

#### f. Market price data:

Monthly high/low during 2020-2021

| Month            | BSE Sensex |           | Share Prices(₹) at BSE |        |
|------------------|------------|-----------|------------------------|--------|
|                  | High       | Low       | High                   | Low    |
| April, 2020      | 33,887.25  | 27,500.79 | 218.50                 | 138.10 |
| May, 2020        | 32,845.48  | 29,968.45 | 157.70                 | 136.00 |
| June, 2020*      | 35,706.55  | 32,348.10 | 224.30                 | 35.60  |
| July, 2020*      | 38,617.03  | 34,927.20 | 40.30                  | 32.10  |
| August, 2020*    | 40,010.17  | 36,911.23 | 49.30                  | 36.05  |
| September, 2020* | 39,359.51  | 36,495.98 | 44.00                  | 36.50  |
| October, 2020*   | 41,048.05  | 38,410.20 | 40.50                  | 36.05  |
| November, 2020*  | 44,825.37  | 39,334.92 | 47.00                  | 35.80  |
| December, 2020*  | 47,896.97  | 44,118.10 | 53.80                  | 45.00  |
| January, 2021*   | 50,184.01  | 46,160.46 | 51.35                  | 43.00  |
| February, 2021*  | 52,516.76  | 46,433.65 | 49.95                  | 44.25  |
| March, 2021*     | 51,821.84  | 48,236.35 | 60.95                  | 47.00  |

\*Shares of face value of ₹ 10 was split into 5 shares of ₹ 2 each. The shares of face value of ₹ 2 started trading in BSE, effective June 18, 2020.

#### g. Registrar and Transfer Agent:

Niche Technologies Pvt Ltd  
3A Auckland Place, 7th Floor, Room No. 7A & 7B, Kolkata 700 017  
Phone: 22806618, Fax: 22806619  
Email: [nichetechpl@nichetechpl.com](mailto:nichetechpl@nichetechpl.com)  
Contact person: Mr Gautam Basu

#### h. 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 dematerialization of shares are generally processed within 21 days and the confirmation is given to the depositories.

#### i. Distribution of Shareholding

| No of Shares   | Shareholders |               | Total No. of Shares |               |
|----------------|--------------|---------------|---------------------|---------------|
|                | No.          | %             | No.                 | %             |
| 1-500          | 5317         | 74.9190       | 808041              | 2.9014        |
| 501-1000       | 619          | 8.7220        | 504599              | 1.8118        |
| 1001-5000      | 859          | 12.1037       | 2011008             | 7.2209        |
| 10000          | 144          | 2.0290        | 1098792             | 3.9454        |
| 10001-50000    | 125          | 1.7613        | 2790728             | 10.0206       |
| 50001-100000   | 12           | 0.1691        | 783883              | 2.8147        |
| 100001 & above | 21           | 0.2959        | 19852949            | 71.2853       |
| <b>Total</b>   | <b>7097</b>  | <b>100.00</b> | <b>27850000</b>     | <b>100.00</b> |

| Category  | No. of Shares   | %             |
|---|-----------------|---------------|
| Promoters   | 17501935        | 62.844        |
| Banks, FIs, Insurance Cos, Govt. & Non-Govt. Institutions | 11125           | 0.04          |
| Private Corporate Bodies                                  | 1079895         | 3.878         |
| Public (Indian)   | 8723514         | 31.323        |
| NRIs / OCBs   | 345756          | 1.241         |
| Clearing Member   | 60395           | 0.217         |
| IEPF  | 127380          | 0.457         |
| <b>Total</b>  | <b>27850000</b> | <b>100.00</b> |

#### j. Dematerialisation of shares and liquidity:

Out of total paid up capital of 27,850,000 equity shares as on March 31, 2021, 27,682,215 equity shares (99.39%) are held in dematerialised form. These are held at NSDL (21,946,615 shares - 78.80%) and CDSL (5,735,600 shares - 20.59%).

**k. Outstanding Instruments:**

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

**l. 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

**Sinclairs Gangtok**

(56 Rooms, 4 Suites)  
Cherry Residency Complex  
Zero Point, P.O. Rajbhawan  
Gangtok 737101

**m. Address for Correspondence:**

Compliance Officer  
Sinclairs Hotels Limited  
Pressman House, 10A Lee Road, Kolkata 700 020  
Phone: +91 9007540731  
Email: ir@sinclairshotels.com

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## 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 March 31, 2021 and confirm that to the best of our knowledge and belief:
  - i. These statements do not contain any information that are materially untrue or omits any material fact or contain comments 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 in violation 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 that :
  - i. There are no significant changes in internal control over financial reporting during the period.
  - ii. There are no significant changes in accounting policies during the period, except as necessitated by Ind AS.
  - iii. There are no instances of significant fraud of which we have become aware.

|               |                         |                         |
|---------------|-------------------------|-------------------------|
| Kolkata       | Swajib Chatterjee       | B L Soni                |
| June 15, 2021 | Chief Operating Officer | Chief Financial Officer |

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## Declaration

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

I, 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 March 31, 2021.

|               |                         |
|---------------|-------------------------|
| Kolkata       | Swajib Chatterjee       |
| June 15, 2021 | Chief Operating Officer |

# Independent Auditor's Report on Corporate Governance

## Independent Auditors' Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

### To the Members of Sinclairs Hotels Limited

1. This certificate is issued in accordance with the terms of our engagement letter dated 11 June 2021.
2. We have examined the compliance of conditions of Corporate Governance by Sinclairs Hotels Limited ("the Company"), for the year ended 31 March 2021, as stipulated in regulations 17 to 27, clauses (b) to (i) of regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock Exchanges.

### Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the listing regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

### Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2021.
6. We conducted our examination of the above corporate governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note on Certification of Corporate Governance both issued by the Institute of the Chartered Accountants of India (the "ICAI"), in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. 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.

### Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, subject to the following:
  - a. There was a delay in appointment of an additional director which was for meeting the requirements of minimum number of Directors as stipulated in Regulation 17 of Listing Regulations. The Company represented that the delay was on account of lockdown and as soon as the restrictions were relaxed, the compliance with the requirements of the composition of the Board of Directors was done. The penalty initially levied by BSE was waived off consequent to Company filing a writ petition in High Court at Calcutta challenging the same.  
We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company or the efficiency or effectiveness with which the management has conducted the affairs of the Company.

### Restriction on use

10. The certificate is addressed and provided to the Members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations 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 for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For B S R & Co. LLP  
Chartered Accountants  
Firm's Registration No.101248W/W-100022

Seema Mohnot  
Partner

Place: Kolkata  
June 15, 2021

Membership Number: 060715  
UDIN: 21060715AAAAGZ5612

# Independent Auditors' Report

## TO THE MEMBERS OF SINCLAIRS HOTELS LIMITED

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of Sinclairs Hotels Limited ("the Company"), which comprise the balance sheet as at 31 March 2021, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 31 March 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Going Concern

See note 2(D) to the financial statements

| The key audit matter  | How the matter was addressed in our audit  |
|---|--|
| As more fully explained in note 2(D), The lockdowns and restrictions announced by the Government of India on account of the Covid-19 pandemic have posed major challenges to the Company. | We have evaluated management's assessment of the Company's ability to continue as a going concern, relying on the sources of liquidity and funding available to the Company. We have discussed with management to obtain an understanding on the business plans and financing requirements and obtained written representations from management and those charged with governance, regarding their plans for |

The management has prepared the financial statements on a going concern basis after considering the future cash flow projection, the Company will have sufficient cash flow to meet the operating requirements.

Management's assessment of the Company's ability of having sufficient funds available for its operations are important considerations for the going concern assumption. In view of uncertainties identified outlined above, we identified a key audit matter related to going concern due to judgement required to conclude on the going concern assumption.

future actions and the feasibility of these plans.

We have considered the developments during the year and subsequent to the year end (including the potential impact of Covid-19) that would affect the operations of the Company.

We have obtained and evaluated the cash flows forecasts prepared by management as approved by the Board of Directors and assessed the reasonableness of the key assumptions used by checking against the Company's business plan and historical performance. We challenged the appropriateness of the key assumptions used by management comprising the Company's forecasts of revenue, gross margin and operating expenses.

#### Information Other than the Financial Statements and Auditors' Report Thereon

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Management's and Board of Directors' Responsibility for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other



comprehensive income, changes in equity and cashflows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. 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 design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

#### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 purposes 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, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditors' 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:
- The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its financial statements - Refer Note 34 to the financial statements;
  - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2021.
3. With respect to the matter to be included in the Auditors' Report under section 197(16):
- In our opinion and according to the information and explanations given to us, there is no remuneration paid by the company to its directors during the current year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For B S R & Co. LLP  
Chartered Accountants  
Firm's Registration No.101248W/W-100022

Seema Mohnot  
Partner

Place: Kolkata  
June 15, 2021

Membership Number: 060715  
UDIN: 21060715AAAAGZ5612

## Annexure 'A' to the Independent Auditor's Report

**Report on the matters specified in paragraphs 3 and 4 of Companies (Auditor's Report) Order, 2016 to the aforesaid financial statements under Section 143(11) of the Companies Act, 2013**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

We report that:

- The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties including immovable property taken on lease and disclosed as right-of-use assets in the financial statements are held in the name of the Company, except for the following:
 

| Total number of cases | Class of Asset     | Gross Block as on 31 March 2021 | Net Block as on 31 March 2021 |
|-----------------------|--------------------|---------------------------------|-------------------------------|
| Two                   | Freehold Land      | ₹ 93.72 Lakhs                   | ₹ 93.72 Lakhs                 |
| One                   | Leasehold Building | ₹ 1,120.75 Lakhs                | ₹ 1,066.08 Lakhs              |
- The inventory have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stock and the book records were not material.
- According to the information and explanation 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 Act. Accordingly, the provisions of paragraph 3(iii) of the Order are not applicable to the Company.
- According to the information and explanations given to us, the Company has not granted any loans or provided any guarantee or security during the year that would attract provisions of section 185 and 186 of the Act. The provisions of section 186 of the Act in respect of investments made, have been complied with by the Company.
- In our opinion and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed

- thereunder. Accordingly, the provisions of paragraph 3(v) of the Order are not applicable to the Company.
- (vi) In our opinion and according to the information and explanations given to us, the Central Government has not specified for the maintenance of cost records under Section 148(1) of the Act for the products/ services of the Company. Accordingly, the provisions of paragraph 3(vi) of the Order are not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Value Added Tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us by the management, the Company did not have any dues on account of Sales Tax, Service Tax, Duty of Excise and Duty of Customs.
- According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Value Added Tax, Cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, goods and service tax and value added tax which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company did not have any outstanding loan or borrowings from financial institutions or banks or government or debenture holders during the year. Accordingly, the provisions of paragraph 3(viii) of the Order are not applicable to the Company.
- (ix) According to the information and explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, the provisions of paragraph 3(ix) of the Order are not applicable to the Company.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.
- (xi) According to the information and explanations given to us and based on our examination of the records, the Company has paid or provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Sections 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, the provisions of paragraph 3(xii) of the Order are not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, wherever applicable, and the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of paragraph 3(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, the provisions of paragraph 3(xv) of the Order are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provisions of paragraph 3(xvi) of the Order is not applicable to the Company.

For B S R & Co. LLP  
Chartered Accountants  
Firm's Registration No.101248W/W-100022

Seema Mohnot  
Partner

Place: Kolkata  
June 15, 2021

Membership Number: 060715  
UDIN: 21060715AAAAGZ5612

## Annexure 'B' to the Independent Auditor's Report

### Annexure B to the Independent Auditor's Report on the financial statements of Sinclairs Hotels Limited for the year ended 31 March 2021

#### Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

[Referred to in clause (f) of paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

#### Opinion

We have audited the internal financial controls with reference to financial statements of Sinclairs Hotels Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

#### Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 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 ("the Act").

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 with reference to financial statements were established and maintained and whether 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements

included obtaining an understanding of such internal financial controls, 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 Company's internal financial controls with reference to financial statements.

#### Meaning of Internal Financial Controls with Reference to Financial Statements

A Company's internal financial controls with reference to 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 controls with reference to financial statements include 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 with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP  
Chartered Accountants  
Firm's Registration No.101248W/W-100022

Seema Mohnot  
Partner

Place: Kolkata  
June 15, 2021

Membership Number: 060715  
UDIN: 21060715AAAAGZ5612

## Balance Sheet as at 31 March 2021

₹ in lakh

|  | Notes | As at<br>31 March 2021 | As at<br>31 March 2020 |
|--|-------|------------------------|------------------------|
| <b>A) ASSETS</b>   |       |                        |                        |
| <b>Non-Current Assets</b>  |       |                        |                        |
| a) Property, Plant and Equipment   | 3     | 6,397.52               | 5,801.12               |
| b) Capital Work-in- Progress   | 3     | 7.59                   | -                      |
| c) Financial Assets  | `     |                        |                        |
| i) Investments   | 4     | 344.99                 | 1,092.92               |
| ii) Other Non-Current Financial Assets   | 5     | 61.56                  | 92.71                  |
| d) Non-Current Tax Assets  | 6     | 158.77                 | 116.39                 |
| e) Other Non-Current Assets  | 7     | 2.46                   | 44.45                  |
| <b>Current Assets</b>  |       |                        |                        |
| a) Inventories   | 8     | 19.59                  | 35.77                  |
| b) Financial Assets  |       |                        |                        |
| i) Investments   | 4     | 5,885.59               | 4,519.58               |
| ii) Trade Receivables  | 9     | 51.34                  | 82.22                  |
| iii) Cash and Cash Equivalents   | 10    | 15.44                  | 35.59                  |
| iv) Other Bank Balances  | 11    | 46.39                  | 22.21                  |
| v) Other Financial Assets  | 12    | 26.01                  | 26.29                  |
| c) Other Current Assets  | 13    | 42.95                  | 46.78                  |
| <b>Total Assets</b>  |       | <b>13,060.20</b>       | <b>11,916.03</b>       |
| <b>EQUITY AND LIABILITIES</b>  |       |                        |                        |
| <b>Equity</b>  |       |                        |                        |
| a) Equity Share Capital  | 14    | 557.00                 | 557.00                 |
| b) Other Equity  | 15    | 10,198.08              | 10,059.55              |
| <b>Liabilities</b>   |       |                        |                        |
| <b>Non-Current Liabilities</b>   |       |                        |                        |
| a) Deferred Tax Liabilities (Net)  | 16    | 543.05                 | 553.88                 |
| b) Deferred Income   | 17    | 264.26                 | 240.72                 |
| c) Lease Liabilities   |       | 1,029.70               | -                      |
| <b>Current Liabilities</b>   |       |                        |                        |
| a) Current Financial Liabilities   |       |                        |                        |
| i) Lease Liabilities   |       | 55.01                  |                        |
| ii) Trade Payables   | 18    |                        |                        |
| - total outstanding dues of micro-<br>enterprises and small enterprises;                     |       | 5.72                   | 1.38                   |
| - total outstanding dues of creditors<br>other than micro enterprises and small enterprises. |       | 134.77                 | 165.05                 |
| iii) Other Financial Liabilities   | 19    | 95.80                  | 177.01                 |
| b) Other Current Liabilities   | 20    | 168.13                 | 149.36                 |
| c) Deferred Income   | 21    | 8.68                   | 7.18                   |
| d) Provisions  | 22    | -                      | 4.90                   |
| <b>Total Equity and Liabilities</b>  |       | <b>13,060.20</b>       | <b>11,916.03</b>       |

### Significant accounting policies

2

### The accompanying notes are an integral part of the financial statement

As per our report of even date  
For B S R & Co. LLP  
Chartered Accountants  
Firm's Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors  
SINCLAIRS HOTELS LIMITED  
CIN: L55101WB1971PLC028152

Seema Mohnot  
Partner  
Membership No.: 060715  
Kolkata, June 15, 2021

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

Srushti Mody  
Company Secretary

## Statement of Profit and Loss for the year ended 31 March 2021

|   |       | ₹ in lakh                   |                             |
|---|-------|-----------------------------|-----------------------------|
|   | Notes | Year ended<br>31 March 2021 | Year ended<br>31 March 2020 |
| <b>Income</b>   |       |                             |                             |
| Revenue from Operations   | 23    | 1,727.20                    | 4,544.93                    |
| Other Income  | 24    | 586.68                      | 171.73                      |
| <b>Total Income</b>   |       | <b>2,313.88</b>             | <b>4,716.66</b>             |
| <b>Expenses:</b>  |       |                             |                             |
| Food, Beverage and Stores Consumed  | 25    | 218.52                      | 555.77                      |
| Employee benefits expense   | 26    | 455.39                      | 972.00                      |
| Finance Costs   | 27    | 53.14                       | -                           |
| Depreciation and amortization expenses                                    | 28    | 544.80                      | 675.62                      |
| Other expenses  | 29    | 618.87                      | 1,334.83                    |
| <b>Total Expenses</b>   |       | <b>1,890.72</b>             | <b>3,538.22</b>             |
| <b>Profit before tax</b>  |       | <b>423.16</b>               | <b>1,178.44</b>             |
| <b>Tax Expense:</b>   | 16    |                             |                             |
| Current Tax   |       | 82.87                       | 407.38                      |
| Deferred Tax  |       | (10.83)                     | (177.84)                    |
| <b>Income Tax Expense</b>   |       | <b>72.04</b>                | <b>229.54</b>               |
| <b>Profit for the year</b>  |       | <b>351.12</b>               | <b>948.90</b>               |
| <b>Other Comprehensive Income</b>   |       |                             |                             |
| <b>Items that will not be reclassified subsequently to profit or loss</b> |       |                             |                             |
| Remeasurements of defined benefit liability (asset)                       | 31    | 13.64                       | 8.89                        |
| Income tax relating to above  | 16    | (3.43)                      | (2.24)                      |
| <b>Other Comprehensive Income for the year, net of Income Tax</b>         |       | <b>10.21</b>                | <b>6.65</b>                 |
| <b>Total Comprehensive Income for the year</b>                            |       | <b>361.33</b>               | <b>955.55</b>               |
| <b>Earnings Per Share</b>   |       |                             |                             |
| [Nominal value per share ₹ 2 (previous year ₹ 2)] (refer note 40)         | 30    |                             |                             |
| Basic and Diluted   |       | 1.26                        | 3.41                        |

**Significant accounting policies** 2  
**The accompanying notes are an integral part of the financial statement**

As per our report of even date  
 For B S R & Co. LLP  
 Chartered Accountants  
 Firm's Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors  
 SINCLAIRS HOTELS LIMITED  
 CIN: L55101WB1971PLC028152

Navin Suchanti  
 Chairman  
 (DIN: 00273663)

Dr Niren Suchanti  
 Director  
 (DIN: 00909388)

Kunal Bose  
 Director  
 (DIN: 02891649)

Seema Mohnot  
 Partner  
 Membership No.: 060715  
 Kolkata, June 15, 2021

B L Soni  
 Chief Financial Officer

Swajib Chatterjee  
 Chief Operating Officer

Srushti Mody  
 Company Secretary

## Cash Flow Statement for the year ended 31 March 2021

|  | ₹ in lakh                   |                             |
|--|-----------------------------|-----------------------------|
|  | Year ended<br>31 March 2021 | Year ended<br>31 March 2020 |
| <b>A. Cash Flow from Operating Activities</b>                                  |                             |                             |
| <b>Net Profit before Taxes</b>   | <b>423.16</b>               | 1,178.44                    |
| <b>Adjustments For :</b>   |                             |                             |
| Depreciation and amortization expenses   | <b>544.80</b>               | 675.62                      |
| Provision for Doubtful debts   | <b>2.88</b>                 | -                           |
| Profit on redemption of investments  | <b>(175.84)</b>             | (42.24)                     |
| Interest Income  | <b>(98.14)</b>              | (110.56)                    |
| Finance Costs  | <b>53.14</b>                | -                           |
| Dividend received  | -                           | (7.33)                      |
| Profit on sale of property, plant and equipment                                | -                           | (0.91)                      |
| Change in fair value of investments  | <b>(290.91)</b>             | 0.94                        |
| Liabilities no longer required written back                                    | <b>(5.09)</b>               | (5.50)                      |
| <b>Operating profit before working capital changes</b>                         | <b>454.00</b>               | 1,688.46                    |
| Movements in working capital :   |                             |                             |
| Decrease/ (Increase) in Trade Receivables                                      | <b>28.00</b>                | 33.13                       |
| Decrease/ (Increase) in Inventories  | <b>16.18</b>                | 3.37                        |
| Decrease/ (Increase) in Other financial assets                                 | <b>(34.47)</b>              | (35.86)                     |
| Decrease/ (Increase) in Other assets   | <b>59.46</b>                | (53.35)                     |
| Increase / (Decrease) in Trade Payables  | <b>(20.85)</b>              | 20.95                       |
| Increase / (Decrease) in other financial liability                             | <b>(81.21)</b>              | 14.06                       |
| Increase / (Decrease) in Provisions  | <b>(4.90)</b>               | (0.01)                      |
| Increase / (Decrease) in Other Liabilities                                     | <b>43.81</b>                | (35.27)                     |
| Cash generated from operating activities                                       | <b>460.02</b>               | 1,635.48                    |
| Direct taxes paid (net)  | <b>(128.68)</b>             | (489.70)                    |
| <b>Net Cash from Operating Activities</b>                                      | <b>331.34</b>               | 1,145.78                    |
| <b>B. Cash Flow from Investing Activities</b>                                  |                             |                             |
| Purchase/construction of Property, Plant and Equipment                         | <b>(28.06)</b>              | (191.10)                    |
| Proceeds from Sale of Property, Plant and Equipment                            | -                           | 0.97                        |
| Purchase of Current Investments  | <b>(2,623.35)</b>           | (4,085.00)                  |
| Proceeds from Sale/ Maturity of Investment                                     | <b>2,528.34</b>             | 3,390.48                    |
| Purchase of Bank deposits (having original maturity of more than three months) | <b>(5.05)</b>               | (4.59)                      |
| Maturity of Bank deposits (having original maturity of more than three months) | -                           | 75.17                       |
| Interest Income  | <b>41.84</b>                | 49.97                       |
| <b>Net Cash used in Investing Activities</b>                                   | <b>(86.28)</b>              | (764.10)                    |
| <b>C. Cash flow from financing activities</b>                                  |                             |                             |
| Dividends Paid   | <b>(222.80)</b>             | (334.20)                    |
| Payment of Lease Rentals   | <b>(42.41)</b>              | -                           |
| Tax on Dividend Paid   | -                           | (68.70)                     |
| <b>Net cash used in financing activities</b>                                   | <b>(265.21)</b>             | (402.90)                    |
| Net increase/ (decrease) in cash and cash equivalents (A+B+C)                  | <b>(20.15)</b>              | (21.22)                     |
| Cash and cash equivalents at the beginning of the year                         | <b>35.59</b>                | 56.81                       |
| Cash and cash equivalents at the end of the year                               | <b>15.44</b>                | 35.59                       |
| Components of cash and cash equivalents  |                             |                             |
| Balances in Bank   | <b>11.93</b>                | 34.48                       |
| Cash in hand   | <b>3.51</b>                 | 1.11                        |
| Cash and cash equivalents as per note 10                                       | <b>15.44</b>                | 35.59                       |

### The accompanying notes are an integral part of the financial statement

|   |   |  |   |
|---|---|--|---|
| As per our report of even date  | For and on behalf of the Board of Directors   |  |   |
| For B S R & Co. LLP   | SINCLAIRS HOTELS LIMITED                      |  |   |
| Chartered Accountants   | CIN: L55101WB1971PLC028152                    |  |   |
| Firm's Registration Number: 101248W/W-100022                                | Navin Suchanti<br>Chairman<br>(DIN: 00273663) | Dr Niren Suchanti<br>Director<br>(DIN: 00909388) | Kunal Bose<br>Director<br>(DIN: 02891649) |
| Seema Mohnot<br>Partner<br>Membership No.: 060715<br>Kolkata, June 15, 2021 | B L Soni<br>Chief Financial Officer           | Swajib Chatterjee<br>Chief Operating Officer     | Srushti Mody<br>Company Secretary         |

## Statement of Changes in Equity for the year ended 31 March 2021

### (A) Equity Share Capital

Equity Shares of ₹10 each issued, subscribed and fully paid

At 1 April 2019

Issued during the financial year 2019-2020

At 31 March 2020

Increase in number of shares on account of share split (refer note 40)

**At 31 March 2021**

|  | Number of Shares  | ₹ in lakh<br>Amount |
|--|-------------------|---------------------|
|  | 5,570,000         | 557.00              |
|  | -                 | -                   |
|  | 5,570,000         | 557.00              |
|  | 22,280,000        | -                   |
|  | <b>27,850,000</b> | <b>557.00</b>       |

### (B) Other Equity

| Particulars   | Reserves and Surplus |                    |                            |                            |                     |                 | Total            |
|---|----------------------|--------------------|----------------------------|----------------------------|---------------------|-----------------|------------------|
|   | Capital Reserve      | Securities Premium | Capital Redemption Reserve | Capital Investment subsidy | Revaluation Reserve | General Reserve |                  |
| <b>Balance as on 1 April 2019</b>                                 | 72.80                | 3,212.21           | 172.32                     | 81.37                      | 347.86              | 2,424.37        | 9,506.90         |
| Profit for the year   | -                    | -                  | -                          | -                          | -                   | -               | 3,195.97         |
| Other Comprehensive income (net of tax) for the year              | -                    | -                  | -                          | -                          | -                   | -               | 948.90           |
| <b>Transactions with shareholder, recorded directly in equity</b> |                      |                    |                            |                            |                     |                 |                  |
| Payment of dividend for financial year 2018-2019                  | -                    | -                  | -                          | -                          | -                   | -               | (334.20)         |
| Payment of dividend distribution tax for financial year 2018-2019 | -                    | -                  | -                          | -                          | -                   | -               | (68.70)          |
| Balance as on 31 March 2020                                       | 72.80                | 3,212.21           | 172.32                     | 81.37                      | 347.86              | 2,424.37        | 10,462.45        |
| Profit for the year   | -                    | -                  | -                          | -                          | -                   | -               | 351.12           |
| Other Comprehensive income (net of tax) for the year              | -                    | -                  | -                          | -                          | -                   | -               | 10.21            |
| <b>Transactions with shareholder, recorded directly in equity</b> |                      |                    |                            |                            |                     |                 |                  |
| Payment of dividend for financial year 2019-2020                  | -                    | -                  | -                          | -                          | -                   | -               | (222.80)         |
| <b>Balance as on 31 March 2021</b>                                | <b>72.80</b>         | <b>3,212.21</b>    | <b>172.32</b>              | <b>81.37</b>               | <b>347.86</b>       | <b>2,424.37</b> | <b>10,420.88</b> |
|   |                      |                    |                            |                            |                     |                 | (222.80)         |
|   |                      |                    |                            |                            |                     |                 | <b>10,198.08</b> |

### The accompanying notes are an integral part of the financial statement

As per our report of even date  
For B S R & Co. LLP  
Chartered Accountants  
Firm's Registration Number: 101248W/W-100022

Seema Mohnot

Partner

Membership No.: 060715

Kolkata, June 15, 2021

For and on behalf of the Board of Directors  
SINCLAIRS HOTELS LIMITED  
CIN: L55101WB1971PLC028152

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

Srushti Mody  
Company Secretary



# Notes to financial statements for the year ended 31 March 2021

## 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 Tamil Nadu, Gangtok in Sikkim 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 recognized stock exchanges in India. The registered office of the Company is located at Pressman House, 10A, Lee Road, Kolkata 700020, West Bengal.

## 2 BASIS OF PREPARATION

### A. Statement of compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The financial statements were authorised for issue by the Company's Board of Directors on June 15, 2021.

### B. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakh, unless otherwise indicated.

### C. Basis of measurement

The financial statements have been prepared on a historical cost basis, except for Investments that are required to be carried at fair value by Ind AS and Net defined benefit (asset)/liability, which are measured at Fair Value of plan assets less present value of defined benefit obligation.

### D. Use of estimates and judgments

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed below. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

### Critical accounting estimates

**Measurement of defined benefit obligations: key actuarial assumptions** - The cost of defined benefits that include gratuity

and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate; future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

**Recognition and measurement of provisions and contingencies:** Key assumptions are made about the likelihood and magnitude of an outflow of resources. Provision is towards known contractual obligation, litigation cases and pending assessments in respect of taxes, duties and other levies in respect of which management believes that there are present obligations and the settlement of such obligations are expected to result in outflow of resources, to the extent provided for.

**Impairment test of non-financial asset:** The Company's non-financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

### Judgements

#### Going Concern

During the year, the Company's business has been very adversely impacted on account of the Covid-19 pandemic. The revenues were badly affected due to the restrictions and lockdown imposed during the first six months of the year and the Company's hotels had to be closed.

With the easing of restrictions, the Company's operations commenced in a phased manner and the business started improving steadily. All the properties saw a sharp increase in occupancies in the second half of the fiscal year. Unfortunately, in the last month of the fiscal year, there was a sudden second wave of the Covid-19 pandemic leading to cancellations of bookings and substantial reduction in revenues.

The Government has embarked on a focused vaccination drive and it is expected that the situation will improve soon and lead to the removal of lockdowns and travel restrictions. The Company's properties are well maintained with all safety protocols in place and ready to welcome guests again.

The Company has assessed the possible impact of Covid-19 in preparation of the financial results, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenues and costs. The Company has considered internal and external sources of information and based on current estimates, expects to recover the carrying amount of these assets. The Covid-19 pandemic has no precedents and its impact could widely differ from estimates. The Company will continue to closely monitor the environment. The Company has enough liquidity to

meet its financial obligations and accordingly, the financial results of the Company have been prepared on a going concern basis.

#### E. Measurement of fair values

A number of accounting policies and disclosures require the measurement of fair values of assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the Management assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: inputs other than quoted prices included in 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 for the asset or liability that are not based on observable market data (unobservable inputs).

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions and valuation techniques made in measuring fair values is included in Note 33.

### 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
- It is held primarily for the purpose of trading
- It is 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

Current assets include the current portion of non-current financial assets.

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

Current liabilities include the current portion of long term financial liabilities.

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

##### i. Recognition and measurement

Items of Property, Plant and Equipment is stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Cost of an item comprises of its purchase price and any attributable cost of bringing the asset to its working condition for its intended use. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

On transition to Ind AS, the Company had opted to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as 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.

##### ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that future economic benefits associated with the item will flow to the entity.

##### iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss. Assets acquired under leases are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Company will obtain ownership by the end of the lease term. Freehold land is not depreciated.

Depreciation on additions/ (disposals) is provided on a pro-rata basis i.e. from/ (up to) the date on which asset is ready for use/ (disposed off).

Estimated useful lives of items of property, plant and equipment are as follows:

| Class of Assets                          | Estimated useful life (in 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                          |

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

Leasehold land is amortised over the period of lease. Leasehold improvements are amortised over the period of lease or estimated useful life, whichever is lower.

#### **(c) Impairment of non-financial assets**

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are combined together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or Company of CGUs) on a pro rata basis.

In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### **(d) Leases**

##### **The Company as a Lessee**

The Company assesses whether a contract contains a lease as per the requirements of Ind AS 116 "Leases" at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company recognizes a right-of-use asset ("ROU") and a lease liability at the lease commencement date, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the incremental borrowing rate of the company. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease payments are classified as financing cash flows.

#### **Transition**

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, had notified Ind AS 116 "Leases" which replaced the erstwhile lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

Effective April 1, 2019, the Company adopted Ind AS 116 'Leases' and applied the standard to lease contracts existing on April 1, 2019 using the modified retrospective method on the date of initial application. Accordingly, the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

For transition, the Company has elected not to apply the requirements of Ind AS 116 to leases which are expiring within

12 months from the date of transition by class of asset and leases for which the underlying asset is of low value on a lease-by-lease basis. The Company has also used the practical expedient provided by the standard when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17 and therefore, has not reassessed whether a contract, is or contains a lease, at the date of initial application.

There is no significant impact of transition to Ind AS 116 on the date of initial application.

#### **(e) Government subsidies**

Government grants including non-monetary grant are recognised when there is reasonable assurance that they will be received and the Company will comply with the conditions associated with the grant.

Government grants relating to income are deferred and recognised in the statement of profit and loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in other liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

#### **(f) Inventories**

Inventories are valued as lower of cost and net realizable value. However, materials and other supplies held for use in the production of inventories 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**

The Company earns revenue primarily from providing hospitality services. The services are provided through eight hotels/resorts located at Siliguri, Darjeeling, Chalsa, Kalimpong and Burdwan in West Bengal, Ooty in Tamil Nadu, Gangtok in Sikkim and Port Blair in Andaman and Nicobar Islands.

##### **i. Income from Services**

Revenue is recognised upon transfer of control of promised products or services to customers at an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue from hospitality services is recognised over time 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, membership fees and other services.

Membership fee which entitles the members the access to the club is recognized as income equally over the period of lease on which the club is constructed.

Membership fees which will be recognised in future periods are disclosed under Other Liabilities – Deferred revenue - Advances-membership fees.

#### **(h) Recognition of dividend income, interest income or expense**

##### **i. Interest income and expenses**

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

##### **ii. Dividends**

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

#### **(i) Foreign Currency Transactions**

##### **i. Initial Recognition**

Transactions in foreign currencies are translated into the functional currency of Company at the exchange rates prevailing on dates of the transactions.

##### **ii. Translation**

Foreign currency monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Foreign currency non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

##### **iii. Exchange Differences**

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

#### **(j) 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.

### **i. Recognition and initial measurement**

Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

#### **Financial assets**

##### **Classification of financial asset**

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- The asset is held within a business model whose objective is to hold assets 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.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL.

##### **Subsequent measurement and gains and losses of Financial Asset**

Financial assets at FVTPL are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

Financial assets at amortised cost are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Equity investments at FVOCI are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or 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**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

#### **Financial Liabilities**

##### **Classification, subsequent measurement and gains and losses**

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

##### **Derecognition of financial liability**

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.

##### **Offsetting of Financial assets and financial liabilities**

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### **(k) Employee benefits**

#### **Short-term employee benefits**

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

#### **Defined contribution plans**

A Defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay



further amounts. The Company makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in profit or loss in the periods during which the related services are rendered by employees.

Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

#### **Post-employment benefit plan**

Post-employment benefit plan in the form of Gratuity is a plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan ('the asset ceiling'). In order to calculate the present value of economic benefits, consideration is given to any minimum funding requirements.

Measurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised in OCI. The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

#### **(l) Income Tax**

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

##### **i. Current Tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected

to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

##### **ii. Deferred Tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary difference or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity).

##### **(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.

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented in case of shares splits.

**(n) Provisions**

A provision is recognised if, as a result of a past event, the Company has a present, legal or constructive, obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

**(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 record a contingent liability in books of account 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) Standards issued but not effective**

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which are applicable from April 1, 2021.



## Notes to financial statements for the year ended 31 March 2021

|                                       | Tangible Asset  |                 |                     |                        |                          |              |                  |                |                     |                  | Capital Work-in-Progress |  |
|---------------------------------------|-----------------|-----------------|---------------------|------------------------|--------------------------|--------------|------------------|----------------|---------------------|------------------|--------------------------|--|
|                                       | Owned Assets    |                 |                     |                        |                          |              |                  |                |                     |                  |                          |  |
|                                       | Freehold Land   | Building        | Plant and machinery | Furniture and fixtures | Electrical installations | Vehicles     | Office equipment | Leasehold Land | Leasehold Buildings | Total            |                          |  |
| <b>Cost (Gross carrying amount) -</b> |                 |                 |                     |                        |                          |              |                  |                |                     |                  |                          |  |
| As at 1 April 2019                    | 1,127.53        | 6,160.74        | 1,109.98            | 2,107.80               | 601.20                   | 51.35        | 103.12           | 69.23          | -                   | 11,330.95        | 6.05                     |  |
| Additions                             | -               | 50.27           | 16.89               | 109.01                 | 11.09                    | 6.31         | 3.23             | -              | -                   | 196.80           | 190.76                   |  |
| Disposals                             | -               | 10.44           | 4.43                | 27.46                  | 2.16                     | 7.81         | 6.27             | -              | -                   | 58.57            | 196.81                   |  |
| <b>As at 31 March 2020</b>            | <b>1,127.53</b> | <b>6,200.57</b> | <b>1,122.44</b>     | <b>2,189.35</b>        | <b>610.13</b>            | <b>49.85</b> | <b>100.08</b>    | <b>69.23</b>   | <b>-</b>            | <b>11,469.18</b> | <b>-</b>                 |  |
| <b>Additions</b>                      | <b>-</b>        | <b>-</b>        | <b>8.02</b>         | <b>3.14</b>            | <b>2.98</b>              | <b>-</b>     | <b>6.31</b>      | <b>-</b>       | <b>1,120.75</b>     | <b>1,141.20</b>  | <b>12.68</b>             |  |
| <b>Disposals</b>                      | <b>-</b>        | <b>-</b>        | <b>-</b>            | <b>32.66</b>           | <b>0.40</b>              | <b>-</b>     | <b>12.58</b>     | <b>-</b>       | <b>-</b>            | <b>45.64</b>     | <b>5.09</b>              |  |
| <b>As at 31 March 2021</b>            | <b>1,127.53</b> | <b>6,200.57</b> | <b>1,130.46</b>     | <b>2,159.83</b>        | <b>612.71</b>            | <b>49.85</b> | <b>93.81</b>     | <b>69.23</b>   | <b>1,120.75</b>     | <b>12,564.74</b> | <b>7.59</b>              |  |
| <b>Accumulated depreciation</b>       |                 |                 |                     |                        |                          |              |                  |                |                     |                  |                          |  |
| As at 1 April 2019                    | -               | 2,062.90        | 928.03              | 1,451.41               | 459.70                   | 46.44        | 88.59            | 13.89          | -                   | 5,050.96         | -                        |  |
| Charge for the year                   | -               | 291.26          | 85.68               | 221.02                 | 65.41                    | 2.81         | 7.62             | 1.82           | -                   | 675.62           | -                        |  |
| Disposals                             | -               | 10.44           | 4.43                | 27.46                  | 2.11                     | 7.81         | 6.27             | -              | -                   | 58.52            | -                        |  |
| <b>As at 31 March 2020</b>            | <b>-</b>        | <b>2,343.72</b> | <b>1,009.28</b>     | <b>1,644.97</b>        | <b>523.00</b>            | <b>41.44</b> | <b>89.94</b>     | <b>15.71</b>   | <b>-</b>            | <b>5,668.06</b>  | <b>-</b>                 |  |
| <b>Charge for the year</b>            | <b>-</b>        | <b>220.09</b>   | <b>51.09</b>        | <b>167.58</b>          | <b>40.66</b>             | <b>2.34</b>  | <b>6.55</b>      | <b>1.82</b>    | <b>54.67</b>        | <b>544.80</b>    | <b>-</b>                 |  |
| <b>Disposals</b>                      | <b>-</b>        | <b>-</b>        | <b>-</b>            | <b>32.66</b>           | <b>0.40</b>              | <b>-</b>     | <b>12.58</b>     | <b>-</b>       | <b>-</b>            | <b>45.64</b>     | <b>-</b>                 |  |
| <b>As at 31 March 2021</b>            | <b>-</b>        | <b>2,563.81</b> | <b>1,060.37</b>     | <b>1,779.89</b>        | <b>563.26</b>            | <b>43.78</b> | <b>83.91</b>     | <b>17.53</b>   | <b>54.67</b>        | <b>6,167.22</b>  | <b>-</b>                 |  |
| Net Block                             |                 |                 |                     |                        |                          |              |                  |                |                     |                  |                          |  |
| As at 31 March 2020                   | 1,127.53        | 3,856.85        | 113.16              | 544.38                 | 87.13                    | 8.41         | 10.14            | 53.52          | -                   | 5,801.12         | -                        |  |
| As at 31 March 2021                   | 1,127.53        | 3,636.76        | 70.09               | 379.94                 | 49.45                    | 6.07         | 9.90             | 51.70          | 1,066.08            | 6,397.52         | 7.59                     |  |

₹ in lakh

### 3) Property, Plant and Equipment and Capital Work-in-Progress

#### Note:

- Building includes those constructed on leasehold land, Gross Block ₹ 1,919.54 Lakh (previous year ₹ 1,919.54 Lakh), Depreciation charge for the year ₹ 72.09 Lakh (previous year ₹ 94.28 Lakh), Accumulated depreciation ₹ 658.27 Lakh (previous year ₹ 586.18 Lakh), Net book value ₹ 1,261.26 Lakh (previous year ₹ 1,333.36 Lakh).
- Freehold land at Port Blair has been transferred from Pressman Resorts Limited, pursuant to a scheme of Amalgamation effective 1 April 1993. The title deed of the same is yet to be transferred in the Company's name.
- Freehold land at Ooty has been transferred from Benchmark Homes & Resorts Limited, pursuant to a scheme of Amalgamation effective April 1, 1997. The title deed of the same is yet to be transferred in the Company's name.
- The lease agreement of hotel at Gangtok is yet to be registered.
- Right-of-use assets included in the carrying amount of property, plant and equipment are described in Note 38. "Leases."

## Notes to financial statements for the year ended 31 March 2021

|  |                              |                              |                        | ₹ in lakh              |  |
|--|------------------------------|------------------------------|------------------------|------------------------|--|
|  | No of Units<br>31 March 2021 | No of Units<br>31 March 2020 | As at<br>31 March 2021 | As at<br>31 March 2020 |  |
| <b>4) Investments</b>  |                              |                              |                        |                        |  |
| <b>A. Current Investments</b>  |                              |                              |                        |                        |  |
| Investments in Direct Growth Schemes of Mutual Funds (unquoted) -<br>Fair value through profit and loss  |                              |                              |                        |                        |  |
| SBI Magnum Medium Duration Fund  | 1,234,093.417                | 1,234,093.417                | 512.21                 | 467.69                 |  |
| Kotak Banking and PSU Fund   | 778,851.18                   | 241,341.073                  | 401.29                 | 114.99                 |  |
| ICICI Prudential Banking and PSU Debt Fund   | 2,666,230.263                | 2,666,230.263                | 682.99                 | 630.39                 |  |
| Axis Banking and PSU Debt Fund   | 62,135.933                   | 39,563.925                   | 1,303.48               | 767.94                 |  |
| Axis Corporate Debt Fund   | 765,617.465                  | Nil                          | 103.87                 | -                      |  |
| Axis Dynamic Bond Fund   | 463,714.582                  | Nil                          | 115.05                 | -                      |  |
| Axis Money Market Fund   | 16,612.019                   | Nil                          | 183.88                 | -                      |  |
| Kotak Bond Short Term Fund   | 539,094.61                   | Nil                          | 234.39                 | -                      |  |
| Kotak Corporate Bond Fund  | 1,493.418                    | Nil                          | 44.57                  | -                      |  |
| SBI Banking and PSU Debt Fund  | 43,860.26                    | 25,521.112                   | 1,120.20               | 603.66                 |  |
| DSP BlackRock Focus Fund   | Nil                          | 879,546.154                  | -                      | 162.53                 |  |
| ICICI Prudential Short Term Fund   | Nil                          | 498,613.783                  | -                      | 221.22                 |  |
| ICICI Prudential Liquid Fund   | Nil                          | 16,023.738                   | -                      | 47.07                  |  |
| Kotak Money Market Fund  | Nil                          | 3,090.423                    | -                      | 102.39                 |  |
| Kotak Standard Multicap Fund   | Nil                          | 598,408.234                  | -                      | 173.50                 |  |
| SBI Dynamic Asset Allocation Fund  | Nil                          | 1,900,678.162                | -                      | 229.29                 |  |
| SBI Equity Savings Fund  | Nil                          | 1,892,906.899                | -                      | 240.23                 |  |
| SBI Bluechip Fund  | Nil                          | 549,749.644                  | -                      | 174.94                 |  |
| HDFC FMP 1372D September 2018 (1) - Growth -Series 42  | 3,000,000                    | 3,000,000                    | 383.64                 | 353.50                 |  |
| Investments in Corporate Bond/Deposits (unquoted)- At amortised cost   |                              |                              |                        |                        |  |
| Kotak Mahindra Prime Limited - NCD   |                              |                              | -                      | 230.24                 |  |
| Tata Capital Financial Services Limited  |                              |                              | 329.34                 | -                      |  |
| HDFC Limited   |                              |                              | 355.56                 | -                      |  |
| LIC Housing Finance Limited  |                              |                              | 115.12                 | -                      |  |
|  |                              |                              | <b>5,885.59</b>        | <b>4,519.58</b>        |  |
| <b>B. Non-current Investments</b>  |                              |                              |                        |                        |  |
| Investments in Corporate Bond (unquoted) - At amortised cost   |                              |                              |                        |                        |  |
| Tata Capital Financial Services Limited  |                              |                              | -                      | 329.34                 |  |
| HDFC Limited   |                              |                              | 229.78                 | 548.17                 |  |
| LIC Housing Finance Limited  |                              |                              | 115.21                 | 215.41                 |  |
|  |                              |                              | <b>344.99</b>          | <b>1092.92</b>         |  |
| <b>Total Investments</b>   |                              |                              | <b>6,230.58</b>        | <b>5,612.50</b>        |  |
| <b>Aggregate value of unquoted investments</b>   |                              |                              | <b>6,230.58</b>        | <b>5,612.50</b>        |  |
| Corporate bonds classified as amortised cost have interest rate of <b>8.1% to 8.9%</b><br>(previous year : 8.1% to 8.9%) and mature in <b>one to two years</b> (previous year : one to three years). |                              |                              |                        |                        |  |
| <b>5) Other Non Current Financial Assets</b><br><i>(Unsecured, considered good, unless stated otherwise)</i>   |                              |                              |                        |                        |  |
| Security Deposits  |                              |                              | 46.69                  | 50.75                  |  |
| Bank deposits with original maturity for more than twelve months (refer note 11)*  |                              |                              | 14.35                  | 40.00                  |  |
| Interest accrued, but not due on deposits with bank  |                              |                              | 0.52                   | 1.96                   |  |
|  |                              |                              | <b>61.56</b>           | <b>92.71</b>           |  |

## Notes to financial statements for the year ended 31 March 2021

|  | ₹ in lakh              |                        |
|--|------------------------|------------------------|
|  | As at<br>31 March 2021 | As at<br>31 March 2020 |
| <b>6) Non-Current Tax Assets</b>   |                        |                        |
| Advance income tax [net of provision for taxation] ₹ 1,610.55 lakh<br>(previous year ₹ 1,524.25 lakh)]   | <b>158.77</b>          | 116.39                 |
| <b>7) Other Non-Current Assets</b><br><i>(Unsecured, considered good)</i>  |                        |                        |
| Capital Advances   | -                      | 3.98                   |
| Prepaid expenses   | -                      | 40.47                  |
| Excess amount paid for defined benefit plans (refer note 31)   | <b>2.46</b>            | -                      |
|  | <b>2.46</b>            | 44.45                  |
| <b>8) Inventories</b><br><i>(Valued at lower of cost and net realizable value)</i>   |                        |                        |
| Food and Beverages   | <b>15.82</b>           | 17.22                  |
| Store and operating supplies   | <b>3.77</b>            | 18.55                  |
|  | <b>19.59</b>           | 35.77                  |
| <b>9) Trade Receivables</b>  |                        |                        |
| Unsecured, considered good   | <b>54.22</b>           | 82.22                  |
| Less: Loss allowance   | <b>2.88</b>            | -                      |
|  | <b>51.34</b>           | 82.22                  |
| a. Trade Receivables are non-interest bearing and generally on terms of 0 to 90 days   |                        |                        |
| b. The exposure to credit risk related to trade receivables are disclosed in note 33   |                        |                        |
| <b>10) Cash and Cash Equivalents</b>   |                        |                        |
| Bank Balances  | <b>11.93</b>           | 34.48                  |
| Cash in hand   | <b>3.51</b>            | 1.11                   |
|  | <b>15.44</b>           | 35.59                  |
| <b>11) Other Bank Balances</b>   |                        |                        |
| Unclaimed Dividend Account   | <b>10.97</b>           | 17.49                  |
| Deposits with original maturity for more than twelve months *  | <b>35.42</b>           | 4.72                   |
|  | <b>46.39</b>           | 22.21                  |
| * Bank deposits aggregating ₹ 39.54 lakh (previous year ₹ 39.54 lakh) pledged against Bank Guarantees and ₹ 9.77 lakh (previous year ₹ 4.72 lakh) pledged with the Registrar, Calcutta High Court towards certain litigations. |                        |                        |
| <b>12) Other Financial Assets</b><br><i>(Unsecured, considered good)</i>   |                        |                        |
| Interest accrued, but not due on deposits with bank  | <b>4.22</b>            | 4.50                   |
| Government grant receivable  | <b>21.79</b>           | 21.79                  |
|  | <b>26.01</b>           | 26.29                  |
| <b>13) Other Current Assets</b><br><i>(Unsecured, considered good)</i>   |                        |                        |
| Advances for goods and services  | <b>4.41</b>            | 2.14                   |
| Goods and service tax  | <b>10.93</b>           | 14.17                  |
| Prepaid expenses   | <b>27.61</b>           | 30.47                  |
|  | <b>42.95</b>           | 46.78                  |

## Notes to financial statements for the year ended 31 March 2021

₹ in lakh

|   | As at<br>31 March 2021 | As at<br>31 March 2020 |
|---|------------------------|------------------------|
| <b>14) Equity Share Capital</b>   |                        |                        |
| <b>Authorised Share Capital</b>   |                        |                        |
| 75,000,000 (previous year 15,000,000 of ₹ 10 each) equity shares of ₹ 2 each  | 1,500.00               | 1,500.00               |
| 5,000,000 (previous year 5,000,000) redeemable preference shares of ₹ 10 each   | 500.00                 | 500.00                 |
|   | <u>2,000.00</u>        | <u>2,000.00</u>        |
| <b>Issued, subscribed and fully paid-up shares</b>  |                        |                        |
| 27,850,000 equity shares of ₹ 2 each fully paid-up (previous year 5,570,000 equity shares of ₹ 10 each fully paid-up) | <u>557.00</u>          | <u>557.00</u>          |

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

|  | 31 March 2021     |                  | 31 March 2020    |                  |
|--|-------------------|------------------|------------------|------------------|
|  | Number of Shares  | Amount ₹ in lakh | Number of Shares | Amount ₹ in lakh |
| Equity Shares  |                   |                  |                  |                  |
| At the beginning and end of the year                                   | 5,570,000         | 557.00           | 5,570,000        | 557.00           |
| Increase in number of shares on account of share split (refer note 40) | 22,280,000        | -                | -                | -                |
| Outstanding at the end of the year                                     | <u>27,850,000</u> | <u>557.00</u>    | 5,570,000        | 557.00           |

### (b) Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of ₹ 2 per share (previous year ₹ 10). 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 ₹ 2 each fully paid up (previous year ₹ 10 fully paid up) in the Company

| Name of the shareholder         | 31 March 2021        |           | 31 March 2020        |           |
|---------------------------------|----------------------|-----------|----------------------|-----------|
|                                 | No. of Equity Shares | % holding | No. of Equity Shares | % holding |
| Sujata Suchanti                 | 5,187,205            | 18.63%    | 1,037,441            | 18.63%    |
| Pramina Suchanti                | 3,892,610            | 13.98%    | 778,522              | 13.98%    |
| Pressman Realty Private Limited | 268,175              | 0.96%     | 327,635              | 5.88%     |
| Navin Suchanti                  | 1,565,255            | 5.62%     | 313,051              | 5.62%     |
| Dr. Niren Suchanti              | 1,468,690            | 5.27%     | 293,738              | 5.27%     |

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 31 March 2021

|   | As at<br>31 March 2021 | As at<br>31 March 2020 |
|---|------------------------|------------------------|
| ₹ in lakh   |                        |                        |
| <b>15) Other Equity</b>   |                        |                        |
| <b>Capital Reserve</b>  |                        |                        |
| <b>Amalgamation Reserve</b>   |                        |                        |
| Balance as at the beginning and end of the year   | <u>72.80</u>           | <u>72.80</u>           |
| <b>Securities Premium</b>   |                        |                        |
| Balance as at the beginning and end of the year   | <u>3,212.21</u>        | <u>3,212.21</u>        |
| <b>Capital Redemption Reserve</b>   |                        |                        |
| Balance as at the beginning and end of the year   | <u>172.32</u>          | <u>172.32</u>          |
| <b>Capital Investment Subsidy</b>   |                        |                        |
| Balance as at the beginning and end of the year   | <u>81.37</u>           | <u>81.37</u>           |
| <b>Revaluation Surplus</b>  |                        |                        |
| Balance as at the beginning and end of the year   | <u>347.86</u>          | <u>347.86</u>          |
| <b>General Reserve</b>  |                        |                        |
| Balance as at the beginning of the year   | <u>2,424.37</u>        | <u>2,424.37</u>        |
| <b>Retained Earnings</b>  |                        |                        |
| Balance as per last financial statements  | <b>3,748.62</b>        | 3,195.97               |
| Add: Profit for the year  | <b>351.12</b>          | 948.90                 |
| Add: Other Comprehensive income (net of tax) for the year   | <b>10.21</b>           | 6.65                   |
| Less: Dividend [₹ 0.80 per equity share of Face Value of ₹ 2]<br>(31 March 2020 : ₹ 6 per equity share of Face Value of ₹ 10)] (refer note 40)  | <b>222.80</b>          | 334.20                 |
| Less: Tax on Dividend   | <u>-</u>               | <u>68.70</u>           |
|   | <b>3,887.15</b>        | <u>3,748.62</u>        |
|   | <b>10,198.08</b>       | <u>10,059.55</u>       |
| <b>Dividends</b>  |                        |                        |
| After the reporting dates the following dividends were proposed by the directors subject to the approval at the annual general meeting, the dividends has not been recognised as liabilities. |                        |                        |
| <b>₹ 0.80 per equity share of face value of ₹ 2</b>   |                        |                        |
| (31 March 2020 : ₹ 0.80 per equity share of face value of ₹ 2) (refer note 40)  | <u><b>222.80</b></u>   | <u>222.80</u>          |

### Securities Premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

### Capital Redemption Reserve

Under Section 69 of the Act, if the buy-back of shares is out of free reserves, the nominal value of the shares so purchased is required to be transferred to capital redemption reserve from distributable profit. It may be applied by the Company in paying up unissued shares of the Company to be issued to members of the Company as fully paid bonus shares.

### Revaluation Surplus

Revaluation Reserve represents increase in net book value arising on revaluation of Property, Plant and Equipment under previous GAAP appearing as on the transition to Ind AS i.e. on April 1, 2017 and is not available for distribution and thus presented separately from retained earnings.

## Notes to financial statements for the year ended 31 March 2021

### Capital Investment Subsidy

Capital Investment subsidy represents balances of government grant recognised as income before the date of transition to Ind AS on a systematic basis over the earlier periods in which the Company had recognised expenses for which the related costs for which the grants was intended to compensate.

The balances under the reserve are in the nature of free reserves which are available for distribution.

### General Reserve

General Reserve represents balances in the nature of free reserves which are available for distribution.

|   | As at<br>31 March 2021 | As at<br>31 March 2020 |
|---|------------------------|------------------------|
| ₹ in lakh   |                        |                        |
| <b>16) Income Tax</b>   |                        |                        |
| <b>A. Amounts recognised in statement of profit and loss</b>            |                        |                        |
| Current tax (a)   | 82.87                  | 407.38                 |
| Deferred tax (b)  | (10.83)                | (177.84)               |
| <b>Tax expense (a + b)</b>  | <b>72.04</b>           | <b>229.54</b>          |
| <b>B. Amounts recognised in other comprehensive income</b>              |                        |                        |
| On remeasurement (gain)/loss of the net defined benefit liability plans | (3.43)                 | (2.24)                 |
| <b>C. Recognised deferred tax assets and liabilities</b>                |                        |                        |
| Property, plant and equipment   | 451.06                 | 520.20                 |
| On Fair valuation of Investments in Mutual Fund                         | 134.49                 | 68.65                  |
| <b>Gross Deferred tax liability</b>                                     | <b>585.55</b>          | <b>588.85</b>          |
| <b>Deferred Tax Asset</b>   |                        |                        |
| Deferred Income   | 42.50                  | 34.97                  |
| <b>Gross Deferred Tax Asset</b>   | <b>42.50</b>           | <b>34.97</b>           |
| <b>Deferred Tax Liability (net)</b>                                     | <b>543.05</b>          | <b>553.88</b>          |
| <b>D. Reconciliation of effective tax rate</b>                          |                        |                        |
| Accounting Profit before Income Tax                                     | 423.16                 | 1,178.44               |
| Income Tax rate   | 25.17%                 | 25.17%                 |
| Tax using the above rate  | 106.51                 | 296.59                 |
| Non deductible expenses   | 7.60                   | 5.29                   |
| Impact of change in income tax rate                                     | -                      | (104.64)               |
| Exempt income   | -                      | (1.85)                 |
| Others  | (42.07)                | 34.15                  |
| <b>Total</b>  | <b>72.04</b>           | <b>229.54</b>          |
| <b>17) Deferred Income</b>  |                        |                        |
| Advances- membership fees   | 99.43                  | 104.30                 |
| Deferred Government Subsidies*  | 164.83                 | 136.42                 |
|   | <b>264.26</b>          | <b>240.72</b>          |

\* The Company was awarded a government grant amounting to ₹ 148.50 lakh in earlier years and ₹ 44.38 lakh in current year. The grant was conditional upon capital investment in the nature of construction of new hotels in specified region. The grant has been recognised as deferred income and is amortised over useful life of building in proportion to the related depreciation expenses.

### 18) Trade Payables

|  |               |               |
|--|---------------|---------------|
| Trade Payables   |               |               |
| Total outstanding dues of micro and small enterprises (refer note 32)      | 5.72          | 1.38          |
| Total outstanding dues of creditors other than micro and small enterprises | 134.77        | 165.05        |
|  | <b>140.49</b> | <b>166.43</b> |

## Notes to financial statements for the year ended 31 March 2021

|   | ₹ in lakh              |                        |
|---|------------------------|------------------------|
|   | As at<br>31 March 2021 | As at<br>31 March 2020 |
| <b>19) Other Financial Liabilities</b>  |                        |                        |
| Payables for Capital Goods  | 21.52                  | 61.87                  |
| Unclaimed dividends<br>(to be credited to Investor Education and Protection Fund as and when due) | 10.97                  | 17.49                  |
| Other payables (includes employee related payments)   | 62.93                  | 97.27                  |
| Security Deposit  | 0.38                   | 0.38                   |
|   | <u>95.80</u>           | <u>177.01</u>          |
| <b>20) Other Current Liabilities</b>  |                        |                        |
| Advances from customers   | 127.03                 | 116.69                 |
| Statutory Dues  | 41.10                  | 32.67                  |
|   | <u>168.13</u>          | <u>149.36</u>          |
| <b>21) Deferred Income</b>  |                        |                        |
| Advances- membership fees   | 4.63                   | 4.64                   |
| Deferred Government Subsidies   | 4.05                   | 2.54                   |
|   | <u>8.68</u>            | <u>7.18</u>            |
| <b>22) Provisions</b>   |                        |                        |
| Provision for Gratuity (refer note 31)  | -                      | 4.90                   |

|  | ₹ in lakh                   |                             |
|--|-----------------------------|-----------------------------|
|  | Year ended<br>31 March 2021 | Year ended<br>31 March 2020 |
| <b>23) REVENUE FROM OPERATIONS</b>   |                             |                             |
| Revenue from contracts with customers  | 1,727.20                    | 4,544.93                    |
| <b>A. Disaggregation of revenue from contracts with customers</b>                        |                             |                             |
| Major Service lines  |                             |                             |
| Room   | 977.22                      | 2,682.35                    |
| Food and Beverages   | 657.16                      | 1,557.03                    |
| Car Hire Income  | 25.21                       | 110.93                      |
| Other services   | 67.61                       | 194.62                      |
|  | <u>1,727.20</u>             | <u>4,544.93</u>             |
| <b>B. Contract Balances</b>  |                             |                             |
| Receivables, which are included in 'trade and other receivables'                         | 54.22                       | 82.22                       |
| Contract liabilities - Advances - membership fees  | 104.06                      | 108.94                      |
| <b>C. Roll forward of contract liabilities</b>   |                             |                             |
| Balance at the beginning of the year   | 108.94                      | 115.71                      |
| Revenue recognised that was included in the deferred income at the beginning of the year | (4.73)                      | (4.73)                      |
| Other adjustments for credit notes issued  | (0.15)                      | (2.04)                      |
|  | <u>104.06</u>               | <u>108.94</u>               |

The advance membership fees will be recorded as revenue over the period of lease on which the club is constructed.



## Notes to financial statements for the year ended 31 March 2021

|  | ₹ in lakh                   |                             |
|--|-----------------------------|-----------------------------|
|  | Year ended<br>31 March 2021 | Year ended<br>31 March 2020 |
| <b>D. Contracted revenue and Revenue recognised in statement of profit and loss</b>      |                             |                             |
| Contracted revenue   | 1,722.47                    | 4,540.20                    |
| Revenue recognised that was included in the deferred income at the beginning of the year | 4.73                        | 4.73                        |
| Revenue recognised   | <u>1,727.20</u>             | <u>4,544.93</u>             |
| <b>24) OTHER INCOME</b>  |                             |                             |
| Interest Income under the effective interest method on                                   |                             |                             |
| - deposits with Banks at amortised cost  | 3.69                        | 2.65                        |
| - under effective interest method on corporate bond at amortised cost                    | 92.37                       | 107.91                      |
| - security deposits at amortised cost  | 2.08                        | -                           |
| Net gain on sale of property, plant and equipment  | -                           | 0.91                        |
| Net gain on sale of current investments  | 175.84                      | 42.24                       |
| Fair value gain on current investments at FVTPL (net)                                    | 290.91                      | -                           |
| Subsidy income (Government grant related to income)                                      | -                           | 2.74                        |
| Income from Dividend and AIF III Instruments   | -                           | 7.33                        |
| Deferred Income (Government grant)   | 14.45                       | 2.45                        |
| Insurance Claim Received   | 2.25                        | -                           |
| Liabilities no longer required written back  | 5.09                        | 5.50                        |
|  | <u>586.68</u>               | <u>171.73</u>               |
| <b>25) FOOD, BEVERAGE AND STORES CONSUMED</b>  |                             |                             |
| Inventory at the beginning of the year   | 17.22                       | 24.82                       |
| Add: Purchases   | 217.12                      | 548.17                      |
|  | <u>234.34</u>               | <u>572.99</u>               |
| Less : Inventory at the end of the year  | 15.82                       | 17.22                       |
|  | <u>218.52</u>               | <u>555.77</u>               |
| <b>26) EMPLOYEE BENEFITS EXPENSE</b>   |                             |                             |
| Salaries, Wages and Bonus  | 325.92                      | 800.17                      |
| Contribution to Provident and other Funds  | 27.19                       | 59.88                       |
| Expenses related to post-employment defined benefit plans (refer note 31)                | 11.18                       | 13.79                       |
| Staff welfare expenses   | 91.10                       | 98.16                       |
|  | <u>455.39</u>               | <u>972.00</u>               |
| <b>27) FINANCE COST</b>  |                             |                             |
| Interest expense on lease liability  | 53.14                       | -                           |
|  | <u>53.14</u>                | <u>-</u>                    |

## Notes to financial statements for the year ended 31 March 2021

|   | ₹ in lakh                   |                             |
|---|-----------------------------|-----------------------------|
|   | Year ended<br>31 March 2021 | Year ended<br>31 March 2020 |
| <b>28) DEPRECIATION AND AMORTIZATION</b>        |                             |                             |
| Depreciation on property, plant and equipment   | 544.80                      | 675.62                      |
|   | <u>544.80</u>               | <u>675.62</u>               |
| <b>29) OTHER EXPENSES</b>                       |                             |                             |
| Linen, Curtains, Housekeeping Items etc.        | 104.80                      | 187.66                      |
| Power and Fuel                                  | 158.68                      | 291.30                      |
| Rent  | 9.16                        | 21.40                       |
| Rates and Taxes                                 | 47.71                       | 137.89                      |
| Insurance                                       | 16.29                       | 14.54                       |
| Repairs and Maintenance :                       |                             |                             |
| Plant and Machinery                             | 6.69                        | 13.07                       |
| Buildings                                       | 19.14                       | 31.76                       |
| Others  | 31.53                       | 50.08                       |
| Advertisement and Sales Promotion               | 26.68                       | 54.54                       |
| Commission to Selling Agents                    | 62.95                       | 203.02                      |
| Travelling and Conveyance                       | 4.73                        | 24.81                       |
| Motor Car Expenses                              | 3.86                        | 12.69                       |
| Bank Charges                                    | 8.37                        | 19.80                       |
| Car and Other Hire Charges                      | 25.89                       | 110.39                      |
| Communication Expenses                          | 3.66                        | 10.10                       |
| Corporate Social Responsibility expenditure     | 30.20                       | 21.01                       |
| Printing and Stationery                         | 4.63                        | 10.99                       |
| Provision for Loss Allowance                    | 2.88                        | -                           |
| Legal and Professional Fees                     | 9.05                        | 32.26                       |
| Fair Value loss on Current Investments at FVTPL | -                           | 0.94                        |
| Directors' Sitting Fees                         | -                           | 1.55                        |
| Remuneration to Auditor                         |                             |                             |
| As Auditor:                                     |                             |                             |
| Statutory Audit                                 | 4.50                        | 7.25                        |
| Limited Review                                  | 3.00                        | 5.25                        |
| Reimbursement of Expenses                       | 0.23                        | 0.38                        |
| Miscellaneous Expenses                          | 34.24                       | 72.15                       |
|   | <u>618.87</u>               | <u>1,334.83</u>             |

### Details of Corporate Social Responsibility expenditure

The Company has spent ₹ 30.20 lakh (previous year ₹ 21.01 lakh) towards schemes of Corporate Social Responsibility as prescribed under Sec. 135 of the Companies Act, 2013. The details are:

I. Gross amount required to be spent by the Company during the year ₹ 24.83 lakh (previous year ₹ 26.33 lakh)

II. Amount spent during the year on :

- i) Construction/Acquisition of any asset  
ii) For purposes other than (i) above

|  |              |              |
|--|--------------|--------------|
|  | -            | -            |
|  | 30.20        | 21.01        |
|  | <u>30.20</u> | <u>21.01</u> |

## Notes to financial statements for the year ended 31 March 2021

### 30) Earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic earnings per share calculation are as follows:

|  | Year ended<br>31 March 2021 | Year ended<br>31 March 2020 |
|--|-----------------------------|-----------------------------|
| i) Profit or loss attributable to equity shareholders (basic) - (₹ in lakh)              | 351.12                      | 948.90                      |
| ii) Weighted average number of equity shares (basic) - (Numbers in lakh) (refer note 40) | 278.50                      | 278.50                      |
| Basic and diluted earnings per share (₹)   | 1.26                        | 3.41                        |

In compliance with Indian Accounting Standard 33 - 'Earnings per share', the disclosure of earnings per share for the year ended 31 March 2020 has been arrived at after giving effect to the above sub-division. Also refer note 40.

### 31) Employee Benefits

The Company has a defined benefit gratuity plan in India with Life Insurance Corporation of India (LIC), governed by the Payment of Gratuity Act, 1972. The plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days salary/ wages for every completed year of service or part thereof in excess of six months, based on the rate of salary/ wages last drawn by the employee concerned.

The defined benefit plan for gratuity is administered by a single gratuity fund that is legally separate from the Company. The board of the gratuity fund is required by law to act in the best interests of the plan participants and is responsible for setting certain policies (e.g. investment and contribution policies) of the fund.

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

#### A. Funding

The Plan is fully funded by the Company. The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. The funding of the Plan is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions set out in (E). Employees do not contribute to the plan.

#### B. Reconciliation of the net defined benefit (asset)/liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components

|  | ₹ in lakh                   |                             |
|--|-----------------------------|-----------------------------|
|  | Year ended<br>31 March 2021 | Year ended<br>31 March 2020 |
| <b>Reconciliation of present value of defined benefit obligation</b> |                             |                             |
| <b>Balance at the beginning of the year</b>                          | <b>106.85</b>               | 123.87                      |
| Benefits paid  | (32.72)                     | (27.56)                     |
| Current service cost   | 9.86                        | 13.07                       |
| Interest cost  | 7.48                        | 7.80                        |
| Actuarial losses/ (gain) recognised in OCI - financial assumption    | 0.65                        | (10.81)                     |
| Actuarial losses/ (gain) recognised in OCI - experience adjustments  | (9.27)                      | 0.48                        |
| <b>Balance at the end of the year</b>                                | <b>82.85</b>                | <b>106.85</b>               |
| <b>Reconciliation of the present value of plan assets</b>            |                             |                             |
| Balance at the beginning of the year                                 | 101.95                      | 110.07                      |
| Contribution paid to the plan  | 4.90                        | 13.80                       |
| Benefits paid  | (32.72)                     | (27.56)                     |
| Interest income  | 6.16                        | 7.08                        |
| Return on plan assets excluding interest income                      | 5.02                        | (1.44)                      |
| <b>Balance at the end of the year</b>                                | <b>85.31</b>                | 101.95                      |
| <b>Net defined benefit liability at the end of the year</b>          | <b>(2.46)</b>               | 4.90                        |

## Notes to financial statements for the year ended 31 March 2021

### 31) Employee Benefits (continued)

|   | ₹ in lakh                   |                             |               |          |
|---|-----------------------------|-----------------------------|---------------|----------|
|   | Year ended<br>31 March 2021 | Year ended<br>31 March 2020 |               |          |
| <b>C. i) Expense recognised in Statement of Profit and Loss</b>   |                             |                             |               |          |
| Current service cost  | 9.86                        | 13.07                       |               |          |
| Net interest cost   | 1.32                        | 0.72                        |               |          |
|   | <b>11.18</b>                | 13.79                       |               |          |
| <b>ii) Remeasurements recognised in other comprehensive income</b>  |                             |                             |               |          |
| Actuarial losses/ (gain) recognised in OCI - financial assumption   | 0.65                        | (10.81)                     |               |          |
| Actuarial losses/ (gain) recognised in OCI - experience adjustments   | (9.27)                      | 0.48                        |               |          |
| Return on plan asset excluding interest income  | (5.02)                      | 1.44                        |               |          |
|   | <b>(13.64)</b>              | (8.89)                      |               |          |
| <b>D. Plan assets</b>   |                             |                             |               |          |
| Plan assets comprise the following:   |                             |                             |               |          |
| Funds managed by Life Insurance Corporation of India  | 100%                        | 100%                        |               |          |
| <b>E. Defined benefit obligation</b>  |                             |                             |               |          |
| <b>i. Actuarial assumptions</b>   |                             |                             |               |          |
| <b>Principal actuarial assumptions at the reporting date:</b>   |                             |                             |               |          |
| Discount rate   | 6.90%                       | 7.00%                       |               |          |
| Future salary growth  | 4.00%                       | 4.00%                       |               |          |
| Withdrawal rate   | 1% - 8%                     | 1% - 8%                     |               |          |
| Assumptions regarding future mortality are based on "Indian Assured Lives Mortality (2012-2014)".   |                             |                             |               |          |
| <b>ii. Sensitivity analysis</b>   |                             |                             |               |          |
| Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:- |                             |                             |               |          |
| Amount in ₹   | 31 March 2021               |                             | 31 March 2020 |          |
|   | Increase                    | Decrease                    | Increase      | Decrease |
| Discount rate (1% movement)   | (6.23)                      | 7.15                        | (7.31)        | 8.37     |
| Future salary growth (1% movement)  | 7.62                        | (6.71)                      | 8.87          | (7.84)   |
| Withdrawal rate (1% movement)   | 1.31                        | (1.46)                      | 1.49          | (1.69)   |
| <b>iii. Maturity Profile of Defined Benefit Obligation</b>  |                             |                             |               |          |
| Amount in ₹   | 31 March 2021               | 31 March 2020               |               |          |
| a) 0 to 1 year  | 9.45                        | 16.10                       |               |          |
| b) 1 to 5 years   | 4.52                        | 32.56                       |               |          |
| c) 5 to 10 years  | 69.60                       | 42.37                       |               |          |

F. The Company shall pay ₹ NIL (₹ 4.90 lakh paid in last year) in contributions to its defined benefit plans in 2021-2022.

## Notes to financial statements for the year ended 31 March 2021

32) Disclosures as required under the Micro, Small and Medium Enterprises Development Act, 2006 ("the MSMED Act") based on the information available with the Company are given below:

|  | ₹ in lakh     |
|--|---------------|
|  | 31 March 2021 |
|  | 31 March 2020 |
| (a) The amounts remaining unpaid to micro and small suppliers as at the end of the accounting year   |               |
| - Principal  | 5.72          |
| - Interest   | 1.38          |
| (b) The amounts of the interest paid by the buyer in terms of section 16 of the MSMED Act along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.  | -             |
| (c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under MSMED Act   | -             |
| (d) The amount of interest accrued and remaining unpaid at the end of each accounting year   | -             |
| (e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance of a deductible expenditure under Section 23 of the MSMED Act. | -             |

### 33) Financial instruments - Fair values and risk management

#### A. Accounting classifications and fair values

i) The following table shows the carrying amounts and fair values of financial assets and financial liabilities

31 March 2021

₹ in lakh

|  | Carrying amount |                               |  |                              |                       |
|--|-----------------|-------------------------------|--|------------------------------|-----------------------|
|  | Note            | Mandatorily at FVTPL - others | Other financial assets - amortised cost* | Other financial liabilities* | Total carrying amount |
| <b>Financial assets measured at fair value</b>           |                 |                               |  |                              |                       |
| Investments in mutual fund and alternate investment fund | 4               | 5,085.57                      | -  | -                            | 5,085.57              |
|  |                 | 5,085.57                      | -  | -                            | 5,085.57              |
| <b>Financial assets not measured at fair value</b>       |                 |                               |  |                              |                       |
| Investments in Corporate Bonds                           | 4               | -                             | 1,145.01                                 | -                            | 1,145.01              |
| Trade Receivables  | 9               | -                             | 51.34                                    | -                            | 51.34                 |
| Cash and Cash Equivalents                                | 10              | -                             | 15.44                                    | -                            | 15.44                 |
| Bank balances other than Cash and Cash Equivalents above | 11              | -                             | 46.39                                    | -                            | 46.39                 |
| Other financial assets                                   | 5 and 12        | -                             | 87.57                                    | -                            | 87.57                 |
|  |                 | -                             | 1,345.75                                 | -                            | 1,345.75              |
| <b>Financial liabilities not measured at fair value</b>  |                 |                               |  |                              |                       |
| Lease Liabilities  |                 | -                             | -  | 1,084.71                     | 1,084.71              |
| Trade Payables   | 18              | -                             | -  | 140.49                       | 140.49                |
| Other Financial Liabilities                              | 19              | -                             | -  | 95.80                        | 95.80                 |
|  |                 | -                             | -  | 1,321.00                     | 1,321.00              |

## Notes to financial statements for the year ended 31 March 2021

31 March 2020

₹ in lakh

|  | Carrying amount |                               |  |                              |                       |
|--|-----------------|-------------------------------|--|------------------------------|-----------------------|
|  | Note            | Mandatorily at FVTPL - others | Other financial assets - amortised cost* | Other financial liabilities* | Total carrying amount |
| <b>Financial assets measured at fair value</b>           |                 |                               |  |                              |                       |
| Investments in mutual fund and alternate investment fund | 4               | 4,289.34                      | -  | -                            | 4,289.34              |
|  |                 | 4,289.34                      | -  | -                            | 4,289.34              |
| <b>Financial assets not measured at fair value</b>       |                 |                               |  |                              |                       |
| Investments in Corporate Bonds                           | 4               | -                             | 1,323.16                                 | -                            | 1,323.16              |
| Trade Receivables  | 9               | -                             | 82.22                                    | -                            | 82.22                 |
| Cash and Cash Equivalents                                | 10              | -                             | 35.59                                    | -                            | 35.59                 |
| Bank balances other than Cash and Cash Equivalents above | 11              | -                             | 22.21                                    | -                            | 22.21                 |
| Other financial assets                                   | 5 and 12        | -                             | 119.00                                   | -                            | 119.00                |
|  |                 | -                             | 1,582.18                                 | -                            | 1,582.18              |
| <b>Financial liabilities not measured at fair value</b>  |                 |                               |  |                              |                       |
| Trade Payables   | 18              | -                             | -  | 166.43                       | 166.43                |
| Other Financial Liabilities                              | 19              | -                             | -  | 177.01                       | 177.01                |
|  |                 | -                             | -  | 343.44                       | 343.44                |

\* The carrying amount of the Company's financial assets and financial liabilities are reasonable approximation of their fair value.

ii) The following table shows the fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy

|  | Fair value - Level 2 |               |
|--|----------------------|---------------|
|  | 31 March 2021        | 31 March 2020 |
| Investments in mutual fund and alternate investment fund | 5,085.57             | 4,289.34      |

### B. Measurement of fair values

For Investments in mutual funds and alternate investment funds, the fair value is determined using Level 2 inputs. The mutual funds and alternate investment funds are valued against closing Net asset value.

### C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see (C) (ii));
- liquidity risk (see (C) (iii)); and
- market risk (see (C) (iv)).

## Notes to financial statements for the year ended 31 March 2021

### i. Risk management framework

"The Company is exposed to normal business risks from changes in market interest rates and from non-performance of contractual obligations by counterparties. The Company does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Company. The Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved."

### ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables, investment in mutual funds, investments in Corporate bonds and bank deposits which are represented by the carrying amount of receivables in the Balance Sheet.

#### Trade receivables

A significant part of the Companies' sales are against advances or payable at the time of checkout which entails no credit risk. For others, an impairment analysis is performed at each reporting date on an individual basis for all the customers.

The Company's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across locations; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty, etc. Loss allowances and impairment is recognised, where considered appropriate by responsible management.

Details of concentration of revenue are included in **Note 35**.

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

₹ in lakh

| Trade Receivables          | Less than 30 days | 31 - 90 days | 91 - 180 days | Greater than 180 days | Total        |
|----------------------------|-------------------|--------------|---------------|-----------------------|--------------|
| <b>As at 31 March 2021</b> | <b>35.61</b>      | <b>4.33</b>  | <b>4.39</b>   | <b>9.89</b>           | <b>54.22</b> |
| As at 31 March 2020        | 22.71             | 45.01        | 7.71          | 6.79                  | 82.22        |

### Investments and bank deposits

Credit risk from balances with banks and financial institutions is managed by the management in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. Credit risk on investments and cash and cash equivalents including other bank balances is limited as the Company generally invests in deposits with banks, financial institutions and investees with high credit ratings assigned by international and domestic credit rating agencies.

#### Credit risk exposure

The allowance for lifetime expected credit loss on customer balances for the year ended 31 March 2021 was ₹ **2.88 lakh** (previous year ₹ Nil).

### iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

As of 31 March 2021, the Company had cash and bank balances of ₹ **15.44 lakh**. As of 31 March 2020, the Company had cash and bank balances of ₹ 35.59 lakh.

The contractual maturities of financial liabilities at the reporting date are due within one year from the reporting date.

### iv. 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.



## Notes to financial statements for the year ended 31 March 2021

### - Price Risk

#### Exposure

The Company's exposure to price risk arises from investments held by the Company and classified as fair value through profit or loss. To manage its price risk arising from investments in mutual funds, the Company diversifies its portfolio. Diversification of the portfolio is done in accordance with the limits set by the Company.

#### Sensitivity

The table below summarizes the impact of increases/decreases of the NAV on the Company's equity.

₹ in lakh

| Mutual Funds   | 31 March 2021 | 31 March 2020 |
|--|---------------|---------------|
| Increase in NAV by 5%  | 254.28        | 214.47        |
| Decrease in NAV by 5%  | (254.28)      | (214.47)      |
| Profit and equity for the period would increase/decrease as a result of gains/losses on mutual funds classified as at fair value through profit or loss. |               |               |
| 34) Contingent Liability and commitments   | 31 March 2021 | 31 March 2020 |
| <b>Contingent Liability</b>  |               |               |
| Claims against the Company not acknowledged as debts   | 10.00         | 10.00         |
| <b>Commitments</b>   |               |               |
| Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)                                 | 2.08          | 12.54         |

### 35) Operating Segment

The Company has identified eight operating segments viz, based on the eight hotel units. As per Ind AS - 108, due to similar nature of products, production process, customer types, etc., the eight operating segments have been aggregated as single operating segment of "Hoteliering" during the year. The analysis of geographical segments is based on the areas from which the Company render services. The Company primarily operates in India and therefore the analysis of geographical segment is not applicable.

The Company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of its revenues from transactions with any single external customer.

### 36) 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.

### 37) Related Parties

#### Name of the related parties and description of relationship

##### A. Key Managerial Personnel (KMP)

| Name                  | Designation                               |
|-----------------------|---|
| Mr. Navin Suchanti    | Chairman                                  |
| Dr. Niren Suchanti    | Director                                  |
| Ms. Pramina Suchanti  | Director                                  |
| Mr. Kunal Bose        | Director                                  |
| Mr. Dip Narayan Mitra | Director                                  |
| Ms. Kumkum Gupta      | Director                                  |
| Mr. B L. Soni         | Chief Financial Officer                   |
| Mr. Swajib Chatterjee | Chief Operating Officer                   |
| Ms. Sangita Agarwal   | Company Secretary (up to 31st July 2019)  |
| Ms. Srushti Mody      | Company Secretary (w.e.f 1st August 2019) |

##### B. Companies in which Key Managerial Personnel have significant influence and with whom transactions took place during the year

- (i) Pressman Advertising Limited
- (ii) Pressman Properties Limited
- (iii) Pressman Realty Private Limited
- (iv) Son-et-Lumiere Art Gallery Private Limited

## Notes to financial statements for the year ended 31 March 2021

|   | ₹ in lakh     |               |
|---|---------------|---------------|
|   | 31 March 2021 | 31 March 2020 |
| <b>C. Transaction with Key management personnel</b> |               |               |
| <b>Directors' Sitting Fees</b>                      |               |               |
| - Mr. Navin Suchanti                                | -             | 0.35          |
| - Dr. Niren Suchanti                                | -             | 0.25          |
| - Mr. Kunal Bose                                    | -             | 0.35          |
| - Mr. Dip Narayan Mitra                             | -             | 0.35          |
| - Ms. Kumkum Gupta                                  | -             | 0.25          |
| <b>Short-term employee benefits</b>                 |               |               |
| - Mr. B L Soni                                      | <b>16.84</b>  | 21.75         |
| - Mr. Swajib Chatterjee                             | <b>11.70</b>  | 17.36         |
| - Ms. Sangita Agarwal                               | -             | 1.55          |
| - Ms. Srushti Mody                                  | <b>3.93</b>   | 2.69          |
| <b>Electricity Charges</b>                          |               |               |
| - Pressman Properties Limited                       | -             | 0.79          |
| <b>Rent Expenses</b>                                |               |               |
| - Pressman Properties Limited                       | <b>9.00</b>   | 12.00         |
| - Pressman Realty Private Limited                   | -             | 6.00          |
| - Son-et-Lumiere Art Gallery Private Limited        | -             | 1.80          |
| <b>Advertisement and Sales Promotion</b>            |               |               |
| - Pressman Advertising Limited                      | <b>25.24</b>  | 54.48         |
| <b>D. Balances as at the end of the year</b>        |               |               |
| Trade Payables                                      |               |               |
| - Pressman Advertising Limited                      | <b>5.72</b>   | 1.38          |

### 38) Leases

#### A. Leases as lessee

##### i. Short-term / Low-value leases

The Company leases office premises which are considered to be short-term leases. The Company has elected not to recognise right-of-use assets and lease liabilities for these leases.

Lease payments for short-term leases and leases of low-value assets not included in the measurement of the lease liability are classified as cash flows from operating activities.

##### ii. "Right-of-use and lease liabilities recognised in the financial statements represents the Company's lease of lands and building. The leases are ranging between a period of 10.25 - 99 years.

The Company has recorded the lands acquired on lease under property, plant and equipment (separately from other owned assets) at an amount equal to the upfront lease payment plus initial direct costs. Such amount is amortized over the period of the lease on a straight line method.

During the year the company has acquired Hotel located at Gangtok Location on a non cancellable lease of 10.25 years. The company has recognised Lease Liabilities and corresponding Right of Use Assets on such lease under property, plant and equipment (separately from other owned assets). The lease payments are to be made on a periodic basis. The Company has recognised such lease as Right of use assets for the purpose of Ind AS 116."

##### iii. Lease related expenses, cash flows and increase in right-of-use assets

|   | ₹ in lakh       |               |
|---|-----------------|---------------|
|   | 31 March 2021   | 31 March 2020 |
| a) Depreciation on Right-of-use assets                  |                 |               |
| Land  | <b>1.82</b>     | -             |
| Buildings   | <b>54.67</b>    | -             |
| b) Interest expenses on Lease Liabilities               | <b>53.14</b>    | -             |
| c) Lease expenses under exemption for short term leases | <b>9.16</b>     | 21.40         |
| d) Increase in Right-of-use assets                      | <b>1,120.75</b> | -             |

## Notes to financial statements for the year ended 31 March 2021

|   | ₹ in lakh       |               |
|---|-----------------|---------------|
|   | 31 March 2021   | 31 March 2020 |
| <b>Total amount of Lease Cash Outflows</b>  |                 |               |
| Total amount of lease cash outflows   | 51.57           | 21.40         |
| <b>iv. Reconciliation of liabilities from financing activities</b>  |                 |               |
| Balance at the beginning of the year  | -               | -             |
| Lease liability recognised during the year  | 1,073.98        | -             |
| Interest expenses recognised during the year  | 53.14           | -             |
| Lease payments reflected in the Statement of Cash Flow  | (42.41)         | -             |
| Balance at the end of the year  | <u>1,084.71</u> | <u>-</u>      |
| <b>v. Future cash outflows to which the lessee is potentially exposed that are not reflected in the measurement of lease liabilities.</b> |                 |               |
| Undiscounted Cash flows   | -               | 1,492.50      |

The above commitment amount to which the Company was potentially exposed was against the hotel property at Gangtok taken on long term lease.

39) The disclosures regarding details of specified bank notes held and transacted during November 8, 2016 to December 30, 2016 has not been made in these financial statements since the requirement does not pertain to financial year ended March 31, 2021.

40) The Board of Directors at their meeting held on February 10, 2020 approved the sub-division of each equity share of face value of ₹ 10 fully paid up into 5 equity shares of face value of ₹ 2 each fully paid. The same has been approved by the members on March 12, 2020 through postal ballot and e-voting. The record date for the sub-division was June 18, 2020.

#### 41) Subsequent Events

There are no material non-adjusting events after the reporting period till the date of issue of these financial statements.

As per our report of even date  
For B S R & Co. LLP  
Chartered Accountants  
Firm's Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors  
SINCLAIRS HOTELS LIMITED  
CIN: L55101WB1971PLC028152

|                 |                   |                 |
|-----------------|-------------------|-----------------|
| Navin Suchanti  | Dr Niren Suchanti | Kunal Bose      |
| Chairman        | Director          | Director        |
| (DIN: 00273663) | (DIN: 00909388)   | (DIN: 02891649) |

Seema Mohnot  
Partner  
Membership No.: 060715  
Kolkata, June 15, 2021

|                         |                         |                   |
|-------------------------|-------------------------|-------------------|
| B L Soni                | Swajib Chatterjee       | Srushti Mody      |
| Chief Financial Officer | Chief Operating Officer | Company Secretary |