

Mumbai Newsbox

SINCLAIRS HOTELS TO PAY 40% DIVIDEND

114 Room Upscale Business Hotel Project In Kolkata Receives Sanction

Kalimpong And Burdwan Projects To Go On Stream This Year

Sinclairs Hotels Limited has posted a higher revenue of Rs.225.30 million for the year ended 31st March 2014 as compared to Rs 195.94 million last year, reflecting an increase of 15%. The modest growth is creditable as it came in a very difficult year for the hospitality industry. The Gross Operating Profit for the year was Rs 61.50 million as compared to Rs 40.71 million last year. Taking into account Other Income including profit on sale of shares of associate company, the Gross Profit for the year stood at Rs 120.74 million.

In view of its excellent performance, the board has recommended a dividend of 40% (Rs 4 per equity share of Rs 10). This dividend will absorb a sum of Rs 26 million including dividend distribution tax. The dividend comes as a double bonanza after the Company's recent buyback on proportionate basis from shareholders of 495,222 equity shares of Rs 10 each at a price of Rs 390, resulting in a total distribution of Rs 193.20 million.

In a significant development, the company received the final sanction for its 114 room upscale business hotel project on one acre of land in New Town Rajarhat, Kolkata. Meanwhile, its 48 room and suite luxury resort project in Kalimpong will open in the second quarter of this fiscal year. In addition, the company's Tourist Resort project in Burdwan is in final stages of implementation and will be commissioned during the current fiscal year as well.

Navin Suchanti, CEO and Managing Director, said, "Sinclairs' performance is a reflection of the quality of its products and service at all locations. Our customer-centric approach focuses on delivering outstanding value for money and a truly memorable guest experience. With strong performance of its existing properties and two new properties to be commissioned in the current year Sinclairs is well poised to post high growth in the year."

Sid Yog, Managing Partner of The Xander Group Inc., that has been invested in Sinclairs since 2007 added, "We continue to be pleased with the progress at Sinclairs Hotels. The firm has consistently delivered strong operational performance, substantially spent time and money to upgrade its properties while maintaining a healthy balance sheet and a zero debt position. With refurbished hotels coming on line and new openings planned in the current

fiscal year, the company is set to harvest the growth from implementing the strategy on which we have closely worked with the company's management.

"As shareholders, we are also pleased with the surplus cash which the Company has distributed from unlocking value from its prime assets. We believe there is substantial further value to be unlocked, even as operations register strong growth year on year."

By the end of this year, the company will own a chain of seven operational properties with zero debt in its books.