







Blue Coast

Hotels Ltd.

Celebrating all things beautiful

When India calls, few can resist its enduring, gracious and myriad charms. Visitors are often pleasantly surprised as this ancient land unravels layer upon layer of treasures

past and present, classic and contemporary, startling and sophisticated ... conjuring it all up, almost magically, at the same time.



At Blue Coast Hotels Ltd., we capture the inimitable spirit of this great land through exclusive properties that celebrate the many facets, fragrances and flavours of India. Having benchmarked excellence with our maiden Resort and Spa – the world class Park Hyatt, Goa, we all set to redefine hospitality with upcoming properties that are sure to indulge the senses and celebrate all things beautiful.



PARK HYATT GOA™

RESORT AND SPA

Luxury's exotic tapestry

Spread over 45 acres of pristine beauty, the PARK HYATT GOA is a Blue Coast Hotel exclusive beach resort at Arossim that gives



luxury-in-hospitality a new meaning and out-of-this-world dimensions. Designed as a Portuguese Village with quaint

cottages and emerald lagoons, PARK HYATT GOA has benchmarked excellence since inception.



Away from the typically touristy layers, the PARK HYATT GOA hugs the coastline and indulges visitors with a beach front bedecked with swaying palms and amazing dimensions of luxury's exotic tapestry brought alive by endless blue skies, the comforting caress of the sea breeze and soothing serenade of rhythmic waves ... gently rolling over and over the placid beach.







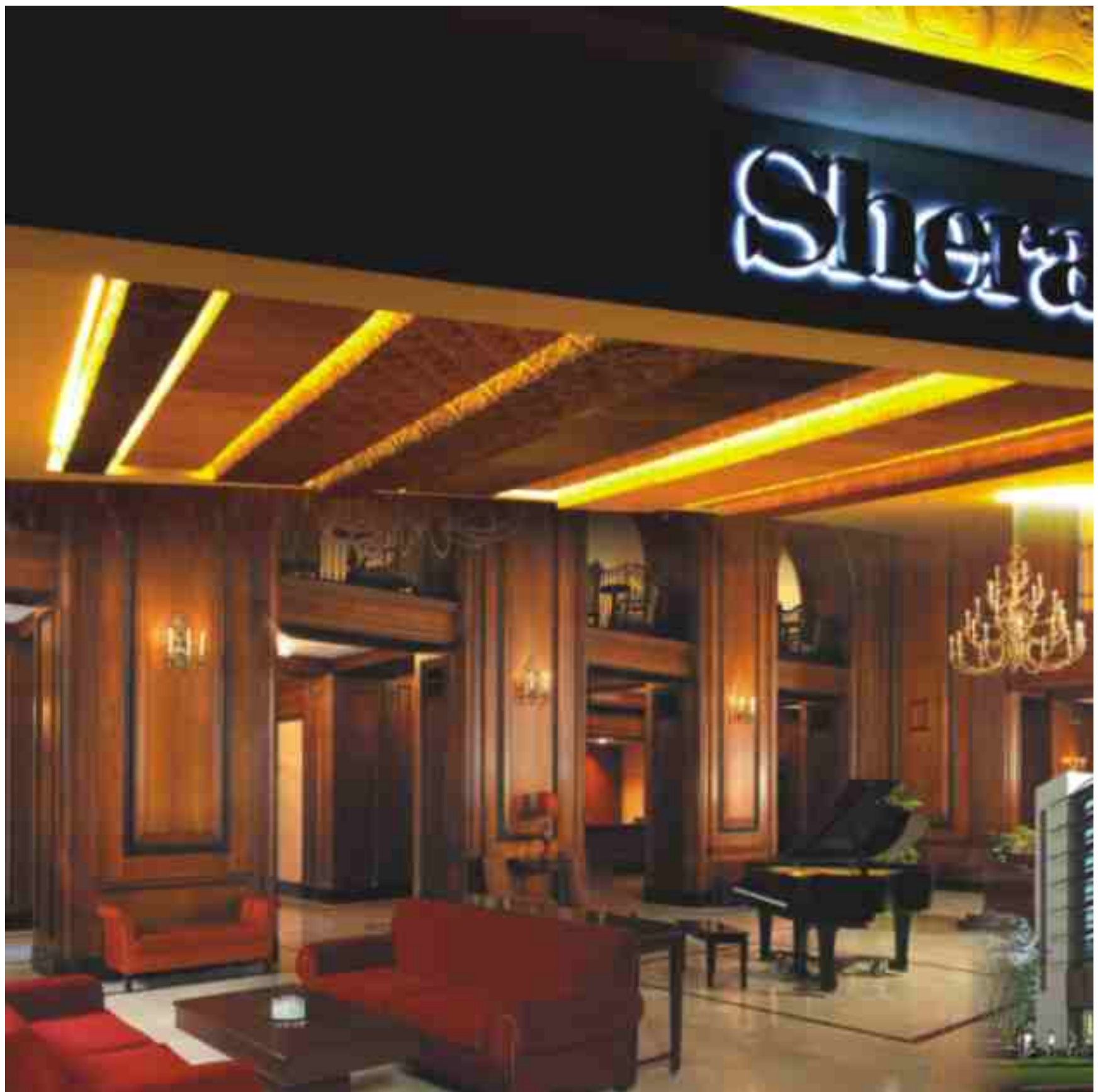


Delhi's Las Vegas

Located in the hospitality neighborhood of IGI Airport, MGM GRAND will bring alive the cheer, colours and celebrations of Las Vegas to the NCR of Delhi. With its strategic location and breathtaking façade, MGM GRAND will be a globe-trotters' dream come true, playing spectacular host to music, laughter, merriment and dance with luxuriously appointed rooms and world-class leisuretainment.



Shera





Sheraton®
Chandigarh

The confluence of revelry and relaxation

As a Destination Hotel, the SHERATON is all set to add opulent glamour and style to the skyline and lifestyle of Chandigarh. This 5-Star Deluxe Hotel will stand apart with its luxurious accommodation, sparkling shopping arcades and enthralling leisure facilities, eventually re-defining hospitality as the confluence of world-class revelry and relaxation.







Sheraton®
Amritsar

For connoisseurs of good living

When ready, Hotel Sheraton will stand tall as the hospitality hot-spot of Amritsar. Overlooking the historic Golden Temple, the SHERATON will be the Holy City's most luxurious landmark. While the Heritage Tower will be Amritsar's tallest edifice, the Hotel's many scintillating attractions will include roof top restaurants, several water bodies, first-of-its-kind services and a glittering shopping arcade, making it the glamorous destination for connoisseurs of good living.





Late Shri Arun Suri
(16.07.1960-12.11.2005)

Shri Arun Suri epitomized the Indian philosophy that considers the guest akin to God. He rendered this 'mantra' in a very special world made of very special experiences, infusing his values & beliefs into the Park Hyatt Goa, Resort & Spa, making it a destination that delivered luxury's exotic tapestry to every guest, every moment.

As a visionary individual who led from the front, Shri Arun Suri's ideologies continue to inspire his team at Blue Coast Hotels Ltd. to strive for perfection, exceed expectations and deliver excellence always...



Annual Report 2013 – 14

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Board of Directors

Mr. P.L. Suri
Chairman & Managing Director
Dr. V. M. Kaul, Director
Mr. Ashoka Kini, Director
Mr. Praveen Kumar Dutt, Director

Executives

Mr. Dilip Bhagtani
Chief Financial Officer

Ms. Neha Mittal
Company Secretary

Auditors

M/s. M. Kamal Mahajan And Co.
Chartered Accountants
S.C.O. 61, Madhya Marg,
Sector 26, Chandigarh -160019

Banks

State Bank of Mysore

Registered Office

263C, Arossim, Cansaulim,
Goa 403712
Tel: 0832 2721234
Fax: 0832 2721235

Corporate Office

415-417, Antriksh Bhawan,
22, Kasturba Gandhi Marg,
New Delhi - 110 001
Tel. : 011 23358774-775
Fax. : 011 23358776

Registrar & Share Transfer Agent

RCMC Share Registry Pvt. Ltd.
B 106, Sector 2,
Noida 201301 (U.P.)
Tel. : 0120 - 4015880
Fax : 0120 - 2444346

Notice

NOTICE is hereby given that the 21st Annual General Meeting of the members of **Blue Coast Hotels Limited** will be held on Tuesday, the 30th September 2014 at 11.00 am at 263C, Arossim, Cansaulim, Goa 403712 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2014 and the Statement of Profit & Loss Account of the Company for the period ended on that date alongwith the report of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. P.L. Suri, Director who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
3. To retire Mr. Ashoka Kini, Director.
4. To appoint the Auditors of the company and to fix their remuneration by passing the following resolution as an Ordinary Resolution:

“Resolved that pursuant to Section 139 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s M. Kamal Mahajan and Co. (Regn. No. 06855N), Chartered Accountants, Chandigarh, the retiring Auditors of the Company be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of the Twenty Fourth Annual General Meeting to be held in the Year 2017 subject to the ratification in each and every intervening Annual General Meeting and that the Board of Directors of the Company be and is hereby authorised to fix their remuneration.”

SPECIAL BUSINESS

To consider and if thought fit, to pass with or without modification(s) the following resolution as a **Special Resolution:-**

5.1 Appointment of Mr. P.L. Suri as a Chairman & Managing Director of the Company

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 152, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder read with Schedule V of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), as amended from time to time, Mr. P.L. Suri (DIN 00256300), who is eligible for appointment, be and is hereby re-appointed as the Chairman and Managing Director of the Company, liable to retire by rotation, to hold office for a term of 5(Five) consecutive years with immediate effect upto 29th September 2019 on the terms and conditions as specified in the statement pursuant to Section 102 of the Act annexed to this Notice and on the remuneration, which is as follows:-

S.I.No.	Particulars	Amount
1.	Basic Pay	NIL
2.	Other Perquisites	NIL
3.	Out of Pocket Expenses	Actual

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. To consider and if thought fit, to pass with or without modification(s) the following resolution as **Ordinary Resolution**

Appointment of Mr. Praveen Kumar Dutt as an Independent Director of the Company

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder read with Schedule IV of the Act, as amended from time to time, Mr. Praveen Kumar Dutt (DIN 06712574), in respect of whose candidature, the Company has received a notice in accordance with Section 160 of the Act and who has submitted a declaration that he meets the criterion for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company for a period of 5(Five) years with effect from September 2014 to September 2019.”

7. To consider and if thought fit, to pass with or without modification(s) the following resolution as **Ordinary Resolution**

Appointment of Dr. V.M. Kaul as an Independent Director of the Company

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder read with Schedule IV of the Act, as amended from time to time, Dr. Vijay Mohan Kaul (DIN 00472888), in respect of whose candidature, the Company has received a notice in accordance with Section 160 of the Act and who has submitted a declaration that he meets the criterion for independence as provided in Section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as Independent Director of the Company for a period of 5(Five) years with effect from September 2014 to September 2019.”

8. To consider and if thought fit, to pass with or without modification(s) the following resolution as **Ordinary Resolution**

Appointment of Mrs. Seema Joshi as a Non Executive Director of the Company

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, Mrs. Seema Joshi (DIN 06946689), in respect of whose candidature, the Company has received a notice in accordance with Section 160 of the Act and who is eligible for appointment, be and is hereby appointed as Non Executive Director of the Company liable to retire by rotation.”

9. To consider and if thought fit, to pass with or without modification(s) the following resolution as **Special Resolution:-**

Approval of Related Party Contract

“RESOLVED THAT pursuant to the provisions of Section 188(1) of the Companies Act, 2013 and other applicable provisions, if any, of the Act and the Rules framed thereunder, the consent of the members be and is hereby accorded for entering into related party transactions by the Company with effect from 01st October 2014 upto the maximum per annum amount as appended below:-

(Rs. In Crore)

Maximum Value of Contract/Transaction (Per annum) w.e.f.01st October 2014				
	Transactions defined u/s 188(1) of the Act			
	Sale/Purchase or supply of any goods, materials	Selling or otherwise disposing of or buying property of any kind	Leasing of Property of any kind	Availing or rendering of any services; Appointing of any agent for purchase or sale of goods, materials, services or property
Blue Coast Infrastructure Development Pvt. Ltd.	Hotel / Travel Bookings - Rs. 1.00 Crore	NA	NA	Related Party and Sole selling Agent for the Villas proposed to be developed at Park Hyatt Goa, Spa and Resorts as per Joint Development Agreement dated 31.03.2014

RESOLVED FURTHER THAT to give effect to this resolution, the Audit Committee be and is hereby authorised to settle any question, difficulty or doubt that may arise with regard to giving effect to the above resolution and to finalize any document or writings related thereto.

10. To consider and if thought fit, to pass with or without modification(s) the following resolution as **Special Resolution:-**

Limits of Borrowing u/s 180(1)(c) of the Companies Act, 2013

“RESOLVED that pursuant to the provisions of section 180(1)[c], the consent of the Company be and is accorded to the Board of Directors of the Company to borrow from time to time at its discretion for the purposes of the Company either from Bank(s), financial institution(s) and /or any other lending institution(s), bodies corporate or persons on such terms and conditions, with or without security as the Board of Directors may in its discretion deem fit, notwithstanding that the money or monies to be borrowed together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's Banker in the ordinary course of Business) may exceed the aggregate paid up share capital of the Company and its free reserves (i.e. reserves not set apart for any specific purpose) provided however that the total borrowings outstanding at any one time including the monies already borrowed shall not exceed a sum of Rs. 1000/- Crores (Rupees One Thousand Crore).”

11. To consider and if thought fit, to pass with or without modification(s) the following resolution as **Special Resolution:-**

Limits of Borrowing u/s 180(1)(a) of the Companies Act, 2013 in connection with the borrowings of the Company

“RESOLVED that pursuant to the provisions of section 180(1)(a) and other applicable provisions of the Companies Act, 2013, if any, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for mortgaging in favour of lenders viz., financial institution(s), bank(s) and/or any other lending institution(s), body(ies) corporate or person(s), all the immovable and movable properties of the company including its lease hold properties wherever situated, both present and future and all other fixed assets by way of charge and / or second charge in such form and manner as the Board of Directors may determine for the purpose of securing repayment of any money (ies) borrowed or to be borrowed by the Company upto a maximum limit of Rs. 1000/- Crores (One Thousand Crores) together with interest, cost, charges, expenses payable by the company to lenders viz., financial institution(s), bank(s) and/or any other lending institution(s), body(ies) corporate or person(s) in relation thereto.

By Order of the Board
For **Blue Coast Hotels Limited**

Place : New Delhi
Date : 12.08.2014

(P.L. Suri)
Chairman & Managing Director
DIN : 00256300

Regd. Office:
263C, Arossim,
Cansaulim, Goa-403712
CIN : L31200GA1992PLC003109

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM TO BE EFFECTIVE SHALL BE DULY STAMPED, SIGNED AND COMPLETED IN ALL RESPECT, MUST REACH THE COMPANY'S REGISTERED OFFICE ATLEAST 48 HOURS BEFORE THE TIME OF THE MEETING.** A person cannot act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 24th September 2014 to Tuesday, 30th September 2014 (both days inclusive).
3. The relevant Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 in respect of the business under Item No. 3 to 11 of the Notice, is annexed hereto. The relevant details as required under Clause 49 of the Listing Agreements entered into with the Stock Exchange(s), of person(s) seeking appointment as Directors under Item No. 5 to 8 of the Notice, are also attached.
4. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronics Clearing Services (NECS), Electronic Clearing Services (ECS), mandates, nominations, power of attorney, change of address, change of name, email address, contact numbers, etc. to their Depository Participants (DP). Changes intimated to the DP will then be automatically reflected in Company's records, which will help the Company and the Company's Registrar and Transfer Agent, RCMC Share Registry Pvt. Ltd. ("RCMC") to provide better and efficient services. Members holding shares in physical form are

requested to intimate such changes to RCMC.

5. Members holding shares in physical form are requested to consider converting their holding to dematerialised form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or RCMC for assistance in this regard.
6. Members/Proxies are requested to bring their copy of Annual Report to the Meeting. Members/Proxies should fill the attendance slip for attending the meeting. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those hold shares in Physical forms are requested to write their Folio Number in the attendance slip for attending the meeting.
7. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Corporate members intending to send their authorised representative are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend and vote at the Annual General Meeting.
9. Members are requested not to bring any article, briefcase, hand bag, carry bag etc., as the same will not be allowed to be taken inside the auditorium/hall for security reasons. Further, the Company or any of its officials shall not be responsible for their articles, bags etc., being misplaced, stolen or damaged at the Meeting place.
10. Members are requested to send their queries, if any, on the accounts and operations of the Company to the management of the Company at least 7 days before the Annual General Meeting.
11. The Notice of AGM along with the Annual Report 2013-14 is being sent by electronic mode to those members whose email address is registered with the Company/Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their email id, physical copies are being sent by the permitted mode.
12. We request you to cooperate with the Company in its endeavour to participate in "Green Initiative" taken by MCA and in protecting the environment.
13. In compliance with Section 108 of the Act and the Rules framed thereunder, the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide its Members the facility to exercise their right to vote at the 21st Annual General Meeting of the Company by electronic means on all resolutions set forth in this Notice, through e-voting services provided by NSDL. The Members, whose name appear in the Register of Members, holding shares in physical or in dematerialised form, as on the Record Date i.e. Thursday, 21st August 2014 (End of Day) are entitled to cast votes electronically on the resolutions set forth in this Notice. The e-voting will commence at 9:00 a.m. on Wednesday, 24th September 2014 and will end at 6:00 p.m. on Friday, 26th September 2014.

The instructions for e-voting are as under:-

- A. In case a Member receives an email from NSDL (for Members whose email id is registered with the Company/ Depositories):-
 - i) Open the email and also open PDF file namely "Blue Coast e-Voting" with your Client Id or Folio No. as password. The said pdf file contains your user Id and password for e-voting. Please note that the password is initial password.

- ii) Open the Internet browser and type the following URL: <http://www.evoting.nsdl.com>.
 - iii) Click on shareholder- Login
 - iv) If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
 - v) If you are logging in for the first time, please enter the User Id and password provided in the PDF file attached with the email as initial password.
 - vi) The Password Change Menu will appear on your screen. Change to new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
 - vii) Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
 - viii) Select "EVEN" (E-voting Event Number) of Blue Coast Hotels Limited, which is 100892. Now you are ready for e Voting as Cast Vote page opens.
 - ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
 - x) Upon confirmation, the message "Vote cast successfully" will be displayed.
 - xi) Once the vote on the resolution is cast, the Member shall not be able to change it subsequently.
 - xii) Institutional Shareholders (i.e. Other than individuals, HUF, NRI etc) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/ Authority Letter, etc. together with attested specimen signature of the duly authorised signatories who are authorised to vote, to the Scrutinizer through email to bluecoastscrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in
 - xiii) In case of any queries, you may refer the Frequently Asked Questions (FAQ)- Shareholders and e-voting user manual Shareholders available at the downloads section of www.evoting.nsdl.com
- B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/ Depositories):-
- i). Initial password provided in the enclosed ballot form: EVEN (E-Voting Event Number
 - ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote.
- C. Other Instructions :-
- i) The e-voting period commences on Wednesday, 24th September, 2014 (9:00 a.m. IST) and ends on Friday, 26th September 2014 (6:00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialised form, as on 21st August 2014 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a member, he shall not be allowed to change it subsequently.

- ii) The voting rights of the Members shall be in proportion to their shares of the paid up share capital of the Company as on 21st August 2014.
- iii) Mr. P.C. Goel, Practicing Company Secretary (Membership No. FCS 1434) has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- iv) The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizers Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- v) The results declared along with the Scrutinizers report shall be placed on Company's website www.bluecoast.in and on the website of NSDL www.evoting.nsdl.com within two working days of the passing of the resolution at the 21st AGM of the Company on 30th September 2014 and communicated to the BSE Limited and National Stock Exchange of India Limited, where the shares of the Company are listed.

By Order of the Board
For **Blue Coast Hotels Limited**

Place : New Delhi
Date : 12.08.2014

(P.L. Suri)
Chairman & Managing Director
DIN: 00256300

CIN : L31200GA1992PLC003109
Regd. Office:
263C, Arossim,
Cansaulim, Goa-403712

EXPLANATORY STATEMENT

(Pursuant to Section 102 (1) of the Companies Act, 2013)

As required by Section 102 of the Companies Act, 2013 (“Act”), the following explanatory statement sets out all material facts relating to the business mentioned under Item No. 3 to 11 of the accompanying Notice:-

Item 3

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

Due to the prior commitments, Mr. Ashoka Kini has not offered himself for re-appointment as the Director of the Company.

Item No. 4

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

M/s. M. Kamal Mahajan & Co., (ICAI Firm Registration No. 006855N), Chartered Accountant (CAs) was appointed as the Statutory Auditors of the Company at the Annual General Meeting of the Company held on 30.09.2013 to hold office until the conclusion of the next Annual General Meeting. M/s M. Kamal Mahajan & Co. have been the Auditors of the Company since inception and hence have been the Statutory Auditors of the Company for a period more than 10 years. As per the provisions of Section 139 of the Act, no Listed Company can appoint or re-appoint an audit firm as its auditor for more than two terms of five consecutive years. Section 139 of the Act has also provided a period of 3 (Three) years from the date of commencement of this Act to comply with this requirement.

In view of the above, M/s M. Kamal Mahajan & Co. being eligible for re-appointment and based on the recommendation of the Audit Committee, the Board of Directors of the Company have at their meeting held on 12.08.2014 proposed the appointment of M/s M. Kamal Mahajan & Co. as the Statutory Auditors of the Company for a period of three years to hold office from the conclusion of this AGM till the conclusion of the Twenty fourth AGM of the Company to be held in the year 2017 (subject to the ratification of their appointment at every AGM).

The Board recommends the Resolution at Item No. 4 for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of the Director and KMP is concerned or interested in the Resolution at Item No. 4 of the accompanying notice.

Item No. 5

Mr. Praduman Lal Suri has been appointed the Chairman & Managing Director of the Company by the Shareholders of the Company at their Annual General Meeting held on 30.09.2011 for a period of 3 years commencing from November 16, 2011 and his tenure shall come to an end on November 15, 2014. The Board of Directors of the Company have at their meeting held on 12.08.2014 approved the re-appointment of Mr. P.L. Suri as Chairman and Managing Director for a further period of 5 years commencing from 30.09.2014 to 29.09.2019 as approved and recommended by the Nomination and Remuneration Committee.

Annexure forming part of the Explanatory Statement as required to be given pursuant to Part II of Schedule V of the Companies Act, 2013:-

1. General Information :-

- a. Nature of Industry: - The Company is engaged in the Hotel Business and owns Park Hyatt Goa, Resorts & Spa, a Five star Deluxe Hotel in Goa.

The business of the Company is seasonal in nature.

- b. Date or expected date of commencement of commercial production :- The Company commenced its commercial operations in October 2003.
- c. In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:- Not applicable
- d. Financial Performance based on given indicators:-

(Rs. In Lakhs)

Particulars	Financial Year ended March 31, 2014	Financial Year ended March 31, 2013
Profit After Tax	(1809.86)	(747.60)
EPS (Basic and diluted earnings per share in Rupees)	Basic (25.55) Diluted (25.55)	Basic (13.57) Diluted (13.57)
Net Worth	131,15.96	149,25.82

- e. Export performance and Net Foreign Exchange Outgo

Expenditure incurred in Foreign Currency:-

(Rs. In Lakhs)

Particulars	Financial Year ended March 31, 2014	Financial Year ended March 31, 2013
Capital Goods	201.83	309.41
Other Matters	654.31	921.27

- f. Foreign Investments or Collaborations:-

Foreign shareholding in the Company as on March 31, 2014 is 26.16% of the Paid up Equity Share Capital of the Company.

II. Information about the appointee:-

- a. Background detail :-Mr. P.L. Suri carries valuable experience and is a seasoned entrepreneur.
- b. Past Remuneration :- Rs. 1.75 Lakh towards Monthly Salary plus the following Perquisites:
 1. Provident Fund :- As per Company Rules;
 2. Gratuity :- As per Company Rules;
 3. Leave Encashment:- As per Company Rules.
- c. Recognition or Awards :- None
- d. Job Profile and his suitability: - Mr. P.L. Suri is a seasoned entrepreneur. The Business of the Company has grown during his tenure with the Company and the Company has been able to achieve outstanding volumes during his tenure.

- e. Remuneration proposed: - As provided in the resolution.
- f. Comparative remuneration Profile with respect to the Industry, size of the Company, profile of the position and the person:- Since Mr. P.L. Suri hereby proposed to work without remuneration in view of the current financial position of the Company, hence the said clause is Not Applicable.
- g. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any: - Mr. P.L. Suri is the Promoter shareholder of the Company.

III. Other Information:-

- a). Reason for Loss /inadequate profits :- The Company has operational profits , however due to Investments made in the new hotel projects by the Company through its subsidiaries and its associates and further, due to tough economic conditions and general slow down, the financial closures for the project could not be achieved. This has led to the load on the operational profits of the Company and hence the profits after Tax are negative.
- b). Steps taken or proposed to be taken for improvement :- The Company is making active efforts to cure the financial health and it has identified an opportunity to develop high-end residential villas within the surplus boundary of the Hotel to raise revenues, which would be utilized to pay the debts of the Company. In addition to this, the Company is also trying to generate revenues by liquidating its investments.
- c). Expected increase in productivity and profits in measurable terms: - With the improving global business scenario, it is expected that the new projects of the Company shall achieve their financial closure and the running hotel of the Company i.e. Park Hyatt Goa, Resorts & Spa is expected to perform better than the last year yet the improvement cannot be quantified in measurable terms.

IV. Disclosures :-

The terms and conditions of his appointment are:-

- a) Remuneration :- As provided in the resolution
- b) Period of Appointment: - Term of 5(Five) consecutive years commencing from 30.09.2014 to 29.09.2019.
- c) Termination: - The appointment may be terminated by either Party by giving six (6) months' notice in writing of such termination or as may be mutually agreed between the Parties.
- d) Duties and Responsibilities: - Mr. P.L. Suri, Chairman and Managing Director shall perform such duties and responsibilities as shall from time to time be entrusted to him by the Board of Directors, subject to superintendence, guidance and control of the Board of Directors.

The Corporate Governance report which forms a part of the Directors' Report contains the details of remuneration being paid to Mr. P.L. Suri.

The Company has received the requisite disclosures from Mr. P.L. Suri regarding his eligibility and consent to become the Director of the Company as required under the Companies Act, 2013 and the Rules prescribed in this regard.

Pursuant to the provisions of Section 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V and the Companies (Appointment and Remuneration of the Managerial Personnel), Rules 2014 (including statutory modification(s) or re-enactment thereof, for the time being in force), since the age of Mr. P.L. Suri is above 70 years, the Board of Directors of the Company recommend the passing of the resolution set out under Item No. 5 as a **Special Resolution**.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. P.L. Suri and their relatives, are in any way, concerned or interested, financially or otherwise, in this resolution.

Item No. 6 & 7

Pursuant to the provisions of Section 149 of the Act, which came in to effect from April 01, 2014, every Listed Public Company is required to have at least one third of the total number of directors as independent Director who are not liable to retire by rotation.

The Nomination & Remuneration Committee has recommended the appointment of these directors as Independent Directors of the Company not liable to retire by rotation, from September 30, 2014 to September 29, 2019.

Mr. Praveen Kumar Dutt and Dr. V.M. Kaul have given a declaration to the Board that they meet the criterion of independence as provided under Section 149(6) of the Act. In the opinion of the Board, each of the proposed Directors fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management.

Also the Company has received a notice in writing from the member of the Company as required under Section 160 of the Act along with the prescribed deposit.

In compliance with the provisions of Section 149 of the Act read with Schedule IV of the Act, the appointment of these Directors as Independent Directors is now being placed before the Members for their approval.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Corporate Office of the Company during normal business hours on any working day, except Saturday.

A brief profile of the Independent Directors to be appointed is given below :-

Mr. Praveen Kumar Dutt is a Fellow Member of the Chartered Accountants of India with a post qualification experience of around 20 years in the fields of Direct Tax matters, FEMA, International Taxation etc. He has been on the Board of the Company since 30.09.2013.

Dr. V.M. Kaul holds MBBS and Post Graduate Degree and is a Member of Indian Medical Association. He is a life member of HP Institute of Public Administration, Shimla. He has been on the Board of the Company since 28.03.2003.

Mr. Praveen Kumar Dutt and Dr. V.M. Kaul are concerned or interested in the Resolutions of the accompanying Notice relating to their own appointment.

Item No. 8

The Nomination & Remuneration Committee has recommended the appointment of Mrs. Seema Joshi as the Non-Executive Director of the Company liable to retire by rotation.

Also the Company has received a notice in writing from the member as required under Section 160 of the Act along with the prescribed deposit.

The Company has received from Mrs. Seema Joshi, the following disclosures as per the relevant provisions of the Companies Act, 2013:-

- a) Consent in writing to act as Director of the Company pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014;
- b) Intimation in Form DIR-8, pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that she is not disqualified under Sub Section (2) of Section 164 of the Act.

A brief profile of Mrs. Seema Joshi is given below:-

Mrs. Seema Joshi is a Lawyer by qualification and has a post qualification experience of more than 20 years in the field of Civil and Criminal Litigation.

Mrs. Seema Joshi is concerned or interested in the Resolutions of the accompanying Notice relating to her own appointment.

Details of Directors seeking appointment:

Name of Director	Praveen Kumar Dutt	Vijay Mohan Kaul	Seema Joshi	P.L. Suri
Date of Birth	01.08.1968	22.06.1956	09.08.1968	15.07.1937
Date of Appointment in the Company	30.09.2013	28.03.2003	N.A.	16.11.2005
Qualification	Chartered Accountant	M.B.B.S.	Advocate	Entrepreneur
Date of last Re-appointment	N.A.	30.09.2013	N.A.	30.09.2011
Expertise in specific functional areas	A Fellow Member of The Institute of Chartered Accountants of India with a post qualification experience of around 20 years in the fields of Direct Tax matters, FEMA, International Taxation etc.	MBBS and Post Graduate Degree and is a Member of Indian Medical Association. He is a life member of HP Institute of Public Administration, Shimla.	Advocate by qualification and has a post qualification experience of more than 20 years in the field of Civil and Criminal Litigation.	Mr. P.L. Suri is an old hand in running of business enterprises and has strong entrepreneurial expertise.
No. of equity shares held in the Company	Nil	Nil	Nil	30,400
Other Directorship (excluding Foreign Directorship)	Nil	Nil	Nil	1. Blue Coast Hospitality Limited 2. Shivalik Pesticides & Chemicals (P) Ltd. 3. React Investments and Financial Services Pvt. Ltd. 4. Golden Joy Hotel Pvt. Ltd. 5. IT biz systems Ltd. 6. Morepen Laboratories Ltd. 7. Morepen Golf Resorts Ltd. 8. Morepen Hospitality Ltd. 9. Morepen Tradelinks Ltd. 10. Morepen Landmark Ltd. 11. Scope Credit & Financial Services Pvt. Ltd.
Memberships/ Chairmanships of Committees of other Companies (includes only Audit Committee and Shareholder/ Grievance Committee)	Nil	Nil	Nil	Nil
DIN	06712574	00472888	06946689	00256300

Item No. 9

The provisions of Section 188(1) of the Companies Act, 2013 that govern the following Related Party Transactions require a Company to obtain prior approval of the Board of Directors and in case the paid up share capital of a Company is Rs. 10 Crores or more, the prior approval of shareholders by way of Special Resolution:-

- (a) Sale, purchase or supply of any goods or materials;
- (b) Selling or otherwise disposing of or buying, property of any kind;
- (c) Leasing of property of any kind;
- (d) Availing or rendering of any services;
- (e) Appointment of any agent for purchase or sale of goods, materials, service or property;
- (f) Such related party's appointment to any office or place of profit in the Company, its subsidiary company or associate company; and
- (g) Underwriting the subscription of any securities or derivatives thereof, of the Company

Further third proviso to Section 188(1) provides that nothing shall apply to any transaction entered into by the Company in its ordinary course of business other than the transactions that are on arm's length basis.

The provisions of Section 188(3) also provide that any contract or arrangement entered into u/s 188(1) may be ratified by the Board or as the case may be, by the shareholders of the Company at a meeting within three months from the date on which such contract or arrangement was entered into.

In light of the provisions of the Companies Act, 2013, the Board of Directors of your Company have approved the proposed transactions along with annual limits that your Company may enter into with its Related Parties for the Financial Year 2014-2015 and beyond.

All prescribed disclosures as required to be given under the provisions of the Act and the Companies (Meeting of Board and its Powers) Rules 2014 are given hereinbelow in a tabular format for kind perusal of the members.

(Rs. In Crore)

Maximum Value of Contract/Transaction (Per annum) w.e.f. 01st October 2014				
Transactions defined u/s 188(1) of the Act				
	Sale/Purchase or supply of any goods, materials	Selling or otherwise disposing of or buying property of any kind	Leasing of Property of any kind	Availing or rendering of any services; Appointing of any agent for purchase or sale of goods, materials, services or property
Blue Coast Infrastructure Development Pvt. Ltd.	Hotel / Travel Bookings 1.00 Crore	NA	NA	Related Party and Sole selling Agent for the Villas proposed to be developed at Park Hyatt Goa, Resorts and Spa as per Joint Development Agreement dated 31.03.2014

(a) Name of the related party and nature of relationship: - As provided in the table above.

(b) Nature, duration of the contract and particulars of the contract or arrangement:-

1. Hotel Travel Booking: - The BCIDPL Company may for the purposes of its business requirements book rooms in the hotel of the Company namely Park Hyatt Goa, Resorts & Spa or alternatively seek services of Help Desk of the Company with respect to Ticket bookings, hotel booking, airport pick ups or complimentary services.

Although the transaction shall happen at the prevailing market prices however the Company may provide Blue Coast Infrastructure Development Pvt. Ltd. a credit period of 30 days without levying any additional interest.

The arrangement shall be valid for the period of 3 years.

2. Villa Development Agreement Your Company has explored the option of developing villas within the boundary of the existing hotel of the Company, i.e. Park Hyatt Goa, Resorts & Spa. In this regard, the efforts for entering into a tie up with some other third parties were made however since the hotel is under continuing charge of the secured lenders, the Company could not conclude the transaction with any other non related third party. The BCIDPL Company is engaged in the business of development and marketing of the real estate projects and has successfully marketed the projects including Commercial Space of "MGM Grand Delhi" and "Sheraton Chandigarh" of our associate concerns and is further assisting in the development of the commercial areas within the Hotel.

3. Material Terms of the Agreement:-

a). Date of Execution: March 31, 2014

b). Project: Blue Coast Villa / Hotel Suites

c). Location: Plot admeasuring 23,776 Sq. Mtrs. adjoining Hotel Park Hyatt Goa Resort & Spa 263C Arossim, Cansaulim Goa 403712 but within the boundaries of the Hotel premises for the proposed development of Blue Coast Villas under the Sale & Long Term Lease Back to Hotel option on a Revenue Sharing Agreement basis.

d). Commercial: -

- i) The Company shall contribute the villa project land and the BCIDPL will be responsible for the development of the Villa on the identified land. The Company land shall remain exclusively with the Company and no rights of any nature are conferred upon either on the BCIDPL or the End-user of the Villas.
- ii) The Villa may be developed in Phases as mutually agreed amongst the parties considering the approvals, market demand or commercial viability and other commercial exigencies.
- iii) There will be 8 (Eight) or more "Blue Coast Villa" with a minimum of 50,000 Sq. Fts in the Phase -1 There shall be different types and sizes of Villas.
- iv) The proposed development includes Club House, Central Pool Deck, Pathways and a North East Water Lagoon and the End Users shall have the right to use the common areas subject to payment of the Maintenance Charges as applicable from time to time to be determined by BCIDPL.

- v) The Company shall obtain all the pre-construction approvals from the competent authorities after which the construction shall start.
- vi) The physical possession of Villas to be handed over to the prospective end user or its nominees within 48 months from the date of commencement of construction.
- vii) The BCIDPL shall be responsible for booking of the sale and leaseback of the Villas to the Hotel by the end users and shall bear the marketing and selling expenses including commission, assured return, if any or any other expenses in connection thereof.
- viii) The BCIDPL shall ensure that the end user complies with the terms and conditions stipulated on the Company under the brand management agreement which it has executed with Hyatt International, USA. The villa shall be marketed as “Blue Coast Villas”
- ix) The BCIDPL shall be responsible that the end users execute a detailed Agreement such as Villa Development Agreement, Sale Deed, Sale & Lease Back Deed to the Hotel, and Maintenance Agreement with the BCIDPL.

e) CONSIDERATION

- i) The BCIDPL shall pay the basic consideration to Company at the minimum guarantee rate of Rs 10,000/- per Sq.Fts. which shall be exclusive of taxes including but not limited to Service Tax, Works Contract Tax, Value Addition Tax (VAT), General Sales Tax (GST) as applicable from time to time. The amount of taxes will be borne by the Company with a right to recover the same from the BCIDPL.
- ii) The BCIDPL retains the right to retain the proceeds over and above the minimum guarantee amount realized by the BCIDPL from the End User to fund the development of the Villas and its incentive.

f) MANNER OF PAYMENT OF CONSIDERATION

The BCIDPL shall pay the minimum Gross Consideration of Rs 50 Crores to the Company as follows:

10% of the Gross Consideration - Within 60 days of receipt of preconstruction approvals and balance amount to be paid as per the physical progress of construction based on the Demand Note raised by the Company on the BCIDPL

g) TERMINATION

The Agreement shall be binding and effective only upon receipt of not less than 20% of the Consideration by the Company from the BCIDPL.

Further the Agreement will terminate upon failure to pay the agreed consideration by the BCIDPL to the Company within 365 days of the commencement of construction unless otherwise mutually agreed in writing by the parties to this Agreement

This Agreement shall terminate either on account of Events of Default of either party or by a mutual consent.

i) Events of Default

BCIDPL fails to commence the construction within a period of 12 (Twelve) months from the date of receipt of the pre construction approvals.

After the commencement of construction, BCIDPL fails to deliver the physical vacant possession beyond the 60 months from the date of commencement of construction.

BCIDPL fails to pay the consideration to BCIDPL after a grace period of 30 days from the due date of payment.

h) CONSEQUENCES OF TERMINATION:

Upon BCIDPL Event of Default:

- i) If amount paid is less than 20% of the Gross Consideration, BCHL shall forfeit the entire amount paid by BCIDPL.
 - a) If amount paid exceeds 20% of the Gross Consideration, Exclusivity given to the BCIDPL by the BCHL shall stand terminated.
 - b) The Gross Consideration received shall be retained by the BCHL and a proportionate allotment of the built up space with a rounding off to the number of Villas shall be made at the sole discretion of the BCHL or refund of the amount after the expiry of Five years from the date of Agreement.

i) DISPUTE RESOLUTION

Parties shall endeavor to resolve the dispute through arbitration.

j) JURISDICTION

Exclusive courts of New Delhi

- 4. Any advance paid or received for the contract or arrangement, if any:- NIL
- 5. Manner of determining the pricing and other commercial terms both included as part of contract and not considered as part of the contract:- All business transactions shall be carried out as per the business requirements of the Company and are ensured to be on arm's length basis.
- 6. Whether all factors relevant to the contract have been considered, if not details of factors not considered with the rationale for not considering those factors: - All factors have been considered.
- 7. Any other information relevant or important to take decision on the proposed transaction: - NIL.

Members are hereby informed that pursuant to the second proviso of Section 188 (1) of the Companies Act, 2013, no member of the Company shall vote on such special resolution to approve any contract or arrangement which may be entered into by the Company, if such member is a related party.

The Board of Directors of your Company has approved this item in the Board Meeting held on 31.03.2014 and recommends that the Resolution set out in accompanying Notice for the approval of members of the Company as a Special Resolution.

Except Promoter Directors and Key Managerial Personnel of the Company and their relatives, no other Director is concerned or interested in the Resolution.

Item No. 10 & 11

Limits of Borrowings u/s 180(1)(c) of the Companies Act, 2013 and providing Security u/s 180(1)(a) of the Companies Act, 2013 in connection with the borrowings of the Company

The members may kindly be informed that although they have in the earlier Annual General Meeting of the Company authorised the Board of Directors:-

To borrow monies under Section 293(1)(d) of the Companies Act, 1956, as well as to secure the same by suitable mortgage/charge on all or any of the moveable and /or immoveable properties regarded as disposal of the Company's undertakings under Section 293(1)(a) of the Companies Act, 1956.

However as per the corresponding provisions of Section 180 (1)(c) and Section 180(1)(a) of the Companies Act, 2013 which were notified on 12 September 2013 and based on the clarification thereof issued by GOI, MCA vide General Circular no. 04/2014 dated 25th March 2014, the Resolution passed u/s 293 of the Companies Act, 1956 prior to 12.09.2013 with reference to borrowings (subject to the limits prescribed) and/or creation of security on assets of the Company will be regarded as sufficient compliance of the requirements of Section 180 of the new Act, for a period of 1 year from the date of notification of Section 180.

Further the provisions of the Companies Act, 1956 required consent of the shareholders as an ordinary resolution for both borrowings and creation of security, however the provisions of the Companies Act, 2013 stipulate the consent of members by way of a Special Resolution.

Hence in order to remain compliant with the relevant provisions on borrowings and creation of security under the Companies Act, 2013 beyond 12.09.2014 consent of the members is hereby requested by way of proposed Special Resolution(s).

The Board of Directors of the Company have approved this item in the Board Meeting held on 12.08.2014 and recommends that the Resolution set out in the accompanying notice for the approval of the members of the Company as Special Resolutions.

None of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested in the Resolution except to the extent of their shareholding in the Company, if any.

By Order of the Board
For **Blue Coast Hotels Limited**

Place : New Delhi
Date : 12.08.2014

(P.L. Suri)
Chairman & Managing Director
DIN: 00256300

CIN : L31200GA1992PLC003109
Regd. Office:
263C, Arossim,
Cansaulim, Goa-403712

DIRECTORS' REPORT

The Members,

Your Directors have pleasure in presenting the 21st Annual Report of the Company for the period ended 31st March 2014.

FINANCIAL HIGHLIGHTS

The performance of the Company for the financial year ended 31st March 2014 is summarized below :

(Rs. in Lacs)

PARTICULARS	Consolidated		Stand Alone	
	2013-2014	2012-2013	2013-14	2012-13
Income from Operations	10334.35	9748.01	10334.35	9748.01
Expense	7484.14	6684.97	7467.66	6665.20
Depreciation	940.03	918.47	939.63	918.08
Profit from Operations before Finance Cost & Tax	1910.18	2144.57	1927.06	2164.73
Other Income	86.87	100.19	86.50	99.67
Profit before Interest & Tax	1997.05	2244.76	2013.56	2264.40
Interest / Finance Charges - Operation	924.05	1095.01	924.05	1095.01
Operating Profit before Tax	1073.00	1149.75	1089.51	1169.39
Interest / Finance Charges - New Hotel Projects	3649.34	3626.60	3649.34	3626.60
Profit (Loss) before Tax	(2576.34)	(1443.75)	(2559.83)	(2457.21)
Provision for Taxation (including deferred Tax)	(749.97)	(797.24)	749.97	(797.24)
Tax Adjustments for earlier years	–	120.73	–	120.73
Extraordinary Items (Net of Taxes)	–	1033.10	–	1033.10
Profit (Loss) after Tax	(1826.37)	(767.24)	(1809.86)	(747.60)
Share of Minority interest in Profit/Loss	(4.96)	(5.73)		
Net Profit/(Loss) for the Year available for majority shareholders	(1821.41)	(761.51)		
Transfer to Reserves	–	–	–	–

OPERATIONS

The Company's operational income is at Rs. 10334.35 Lacs in the F.Y. 2013-14 an improvement of 6.01% compared to the income of Rs. 9748.01 Lacs in the preceding year. The Average Daily Rate is marginally down to Rs 9610 /- as compared to the previous year ADR of Rs 9617/-. The occupancy rate has marginally improved to 75% during the year as compared to the 73% of the previous year. The Rev PAR has marginally improved to Rs 7,230/- during the year as compared to Rs 6,975/- during the preceding year. Your directors are pleased to inform you that Park Hyatt Goa Resort & Spa continues to be considered as one of the best hotels in Goa.

The delay in implementation of the projects in which the Company has made its investments and finance cost on the credit facilities availed by the Company for its making investments in new projects have affected the projected profitability of the company. The economic turbulence in the World economy also impacted the growth of the company; however the economic improvement in western countries specially USA, the tourists influx into India will improve further and the hotel is expecting to attract more tourists this season.

The year under review has been tumultuous for the Company as IFCI Ltd ("IFCI") had initiated recovery proceedings under SARFAESI Act, 2002 against the Company and issued a Demand Notice of Rs. 135.15 Crores against the Company. Your Directors took all reasonable steps to settle the matter with IFCI and made upfront payment of Rs 10 Crores on September 30, 2013 and offered to liquidate the debt in a time bound manner. However, instead of appreciating the efforts of the Company and supporting the Company in its turbulent times, IFCI sent a letter dated December 11, 2013 to the Company stating that if the interest default is not cleared immediately it shall be proceeding ahead with the Sale of Asset under various enactments including SARFAESI Act, for recovery of its dues.

The Company requested IFCI on December 30, 2013 for an extension of payment date upto January 15, 2014 citing that the company has tied up an off shore funds however some delay has occurred due to Christmas and New Year break. Further the Company also informed to IFCI that interest payment has been made upto date and during the period April 1, 2013 to December 29, 2013, it has paid a sum of Rs 26.58 Crores to IFCI. The Company also informed to IFCI that it has already offered the Escrow Arrangement of its Cash Flows from its Hotel Park Hyatt Goa Resort & Spa and a sum of Rs 10.25 Crores has been paid to IFCI under Escrow Arrangement during the period 7th August 2013 to December 29, 2013. The Company also made a request to IFCI to grant some more time upto March 31, 2014 and not to proceed further towards the sale of assets under SARFAESI Act 2002.

However IFCI vide its letter dated 8th January 2014 conveyed to the Company giving a reference to its earlier letter dated December 11, 2013 that the company has failed to clear outstanding dues and IFCI shall be proceeding ahead for recovery of its dues and rejected the request of the company for extension.

IFCI published a Notice for Sale of Assets in Business Standard on January 9, 2014 for the recovery of its secured debts of Rs 1,35,15,97,443/- and buy back of equity shares together with interest return thereon to the extent of Rs 51,18,60,081/- calculated upto March 15, 2013.

Your Company challenged the recovery proceedings before the Debts Recovery Tribunal-III, Mumbai and on 31.03.2014, the Honorable DRT-III, Mumbai was pleased to allow the Application filed by the Company and has quashed the Demand Notice issued u/s 13(2) of the SARFAESI Act 2002 and all the measures taken under the said Demand Notice. The members may accordingly note that the symbolic possession taken by IFCI was consequently vacated.

However, the members may note that IFCI Limited has on May 02, 2014 preferred an appeal before DRAT Mumbai bearing Appeal No. 152/14 against the order passed by the DRT-III, Mumbai and the Company is actively pursuing the same.

Also IFCI has also filed an application before Debt Recovery Tribunal-I, Delhi under Section 19 of the Recovery of the Debts due to Banks and Financial Institutions Act, 1993 for recovery of debt of Rs. 1,39,03,11,536.36.

The Company and Mr P.L.Suri and Ms Sunita Suri have also entered into a share buy back agreement with IFCI Limited for buy back of 8,50,00,000 equity shares of Rs 10/- each held by IFCI in Silver Resort Hotel India Private Limited (SPV which is developing a Five Star Hotel under the brand MGM Grand at New Delhi) and there has been a

default by the Company under the Share Buy Back Agreement executed with IFCI. IFCI has a right to sell its shareholding to a third party and the Company and Mr P.L.Suri and Ms Sunita Suri will be liable to pay the differential amount to give an effective committed yield and return of Principal to IFCI on the investment from the date of subscription to the date of such sale of investment by IFCI.

Additionally the members may note that due to the Company's investment in other projects, the financial resources of the Company underwent severe stress due to which the Company could not service the interest payment on its Debentures. Consequent to the above, Debenture holder recalled its entire amount of Debentures and consequent interest and redemption premium. SBI Cap Trustee Company Limited, Debenture Trustee, has on behalf of the Debenture holder, filed a Special Civil Suit No. 2/2014/A in the Court of Civil Judge, Senior Division, Vasco Da Gama praying for a decree of Rs. 162.50 Crores, which include principal amount along with all accrued interest on the said Debentures and premium on the redemption, liquidated damages fees, costs, charges, expenses and other monies relating thereto, in its favour and also praying that stay be granted against the parties and they may be restrained from alienating the asset at Goa. The matter is sub-judice in the Courts of Goa.

SHARE CAPITAL

During the year under review, there was no change in the promoter shareholding of the Company.

However in connection with the application filed before SEBI on October 10, 2009 by the Preference Share holders of the Company, for seeking an exemption from complying with the provisions of take over regulations for the proposed acquisition of Equity shares of the Company by conversion of 40,00,000 fully paid up 1% CRPS, SEBI granted an order dated 25th February 2014 by virtue of which the Preference shareholders being the persons acting in concert were granted exemption from applicability of the Take over Code. The Company was granted 45 days to complete the process of said conversion.

Although the exemption was granted from applicability of Takeover provisions, the Company still had to comply with the ICDR regulations. Your Company on 04.03.2014 applied to NSDL for incorporation of lock-in on pre-preferential shareholding. However NSDL stated that without the consent of the pledgee, the pledged shares couldn't be put under Lock in. Accordingly, your Company applied to IFCI on 04.04.2014 requesting them to give an undertaking that it shall not sell/transfer 33,33,742 Equity shares pledged with them. Upon non-receipt of any reply by IFCI, the Company on 07.04.14 applied to SEBI for extension of time for making the said allotment. On May 02, 2014, the Company received extension of 3 months by way of SEBI Letter No. CFD/DCR/OW/12540/2014 dated May 02, 2014.

However the Company received Letter No. IFCI/HO/BCHL/2014-140516019 dated 16.05.2014 from IFCI intimating their unwillingness to grant such declaration/No Objection. Your Company again sent a request to them vide its letter dated 04.07.2014 highlighting the urgency of such confirmation and that it's a genuine requirement of Stock Exchange. However in view of non receipt of any communication from IFCI, your Company has once again vide its letter dated 01.08.2014 requested SEBI to consider giving an extension of 3 (Three) months for such conversion.

DIVIDEND

In view of losses, the Board of Directors has not recommended any dividend for the financial year ended March 31, 2014.

EXPANSION / NEW PROJECTS

The proposed development of high end luxury branded residences and addition of hotel inventory on the surplus land within the boundary of the hotel will take place in two phases as part of the land is still awaiting the change of land use approval from the competent authorities. The redesigning of the project is in progress and process of pre construction approvals for the phase-1 will be taken up after obtaining the consent of the lenders of the company, which is unlikely to be received for the time being now in view of the ongoing recovery proceedings, by the lenders against the Company.

The Company is in the process of developing three Five Star luxury hotel projects at New Delhi, Chandigarh and Amritsar through its subsidiary and associate companies.

Your Company has invested substantially in the project namely 'Sheraton Chandigarh' hotel through its Associate Company, Joy Hotel & Resorts Pvt. Ltd.. However due to initiation of recovery proceedings against the Associate Company, the project has been brought to halt as the lenders for the project made a partial disbursement of the sanctioned credit facilities and recalled the loan. The Lenders of the said project have also initiated the recovery proceedings against the Associate Company under SARFAESI Act, 2002. The Associate Company has challenged the recovery proceedings before Debt Recovery Tribunal-1 at Chandigarh.

Your Company has invested substantially in the project namely "MGM GRAND, New Delhi" hotel through its subsidiary namely Silver Resort Hotel India Pvt. Ltd. ("SRHIPL"). Due to financial non-closure of the project, the project namely "MGM Grand is currently on a halt. The Company namely SRHIPL is making active efforts to revive the project and the management is hopeful that the project shall be started very soon.

The project at "Sheraton Amritsar" hotel through the subsidiary Golden Joy Private Limited shall be developed at Amritsar under Public Private Participation (PPP) scheme of the State Government of Punjab The Company was serviced with a legal notice to pay compensation / damages to the Government of Punjab for the loss or revenue to it and construction performance guarantee. The Company has represented before the competent authorities that demand raised is not tenable as the pre constructions approvals for the project are still in progress.

PUBLIC DEPOSITS

During the period under report, your Company has not accepted or renewed any public deposit and no amount of principal or interest was outstanding as on the Balance Sheet Date.

DIRECTORS

During the year Mrs. Sunita Suri has resigned from the office of the Executive Director of the company and Mrs. Mamta Suri has also resigned from the office of the Director of the company.

Mr. P. L. Suri, the Chairman and Managing Director of the Company retires by rotation and being eligible, offers himself for re-appointment. Mr. Ashoka Kini, Independent Director is also liable to retire by rotation at this Annual General Meeting and has not offered himself for re-appointment.

AUDITORS

M/s. M. Kamal Mahajan And Co., Chartered Accountants, Chandigarh, the Statutory Auditors of the Company shall retire at the ensuing 21st Annual General Meeting and being eligible, offer themselves for re-appointment. Pursuant to the provisions of Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014,

its is proposed to appoint M/s M. Kamal Mahajan & Co. as Statutory Auditors of the Company from the conclusion of forthcoming Annual General Meeting of the Company to the conclusion of Twenty Fourth Annual General Meeting of the Company to be held in 2017, subject to the ratification in each and every Annual General Meeting held during the intervening period.

VOTING RIGHTS

In terms of the provisions contained in Section 47(2) of the Companies Act, 2013, the Preference Shareholders of the Company with respect to the 81,50,000 Redeemable Cumulative Preference shares of Rs.100/- each are entitled to vote on every resolution placed before the Company at the General Meeting. The said preference shares are held by the existing Promoters /Promoters Group, there is no change in the management / control of the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

The Directors hereby confirm:

- a) that in the preparation of the annual accounts for the financial year ended 31st March, 2014 the applicable accounting standards have been followed, along with proper explanation relating to material departures;
- b) that they have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c) that they have taken proper and sufficient care for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d) that they have prepared the annual accounts on a going concern basis.

EXPLANATION TO AUDITOR'S REPORT

On Matters of Emphasis

- i. Regarding default by the company towards debenture holders and filing of suit by the debenture holders.

Investments made in the new hotel projects have a longer maturity / gestation period and the amounts raised by the Company has been invested for developing new Hotel projects. Further, due to tough economic conditions and general slow down, the financial closures for the project could not be achieved. The Company is making active efforts to cure the default and it has identified an opportunity to develop high-end residential villas within the surplus boundary of the Hotel to raise revenues, which would be utilized to pay the debts of the Company. In addition to this, the Company shall also endeavour to generate revenues by liquidating its investments and management considers default as a temporary event and the same shall have no material impact on the financial health of the Company.

- ii. Regarding default by the company towards term lender and pending application for recovery of debt before Hon'ble DRAT, Delhi

The Company has suo-moto offered the surplus from the revenues of the hotel operations in favour of the secured term lender and has paid a sum of Rs 44.08 Crores against the demand notice of Rs 135.16 Crores. The Company intends to continue to repay the debt out of surplus from the revenues of the hotel and is making active efforts to

settle the lawful dues of the Term Lender.

- iii. Regarding initiation of recovery proceedings by term lenders against associate company under SRFAESI Act, 2002 where company is guarantor for securing loans.

The Associate concern has challenged the recovery proceedings initiated by the secured lender before the Debt Recovery Tribunal, Chandigarh on the grounds that neither the project implementation has been completed nor the banks have fully disbursed the loan. The amount disbursed by the bank is comparatively very small as compared to the equity infused by the promoters. In addition to this the value of the security is substantial to cover the debt of the banks and Company does not anticipate or envisage any amount payable on account of the Corporate Guarantee obligation undertaken by it.

On Disclosures on Annexures in the Directors Report:-

- i) Para (ix)(a) of Annexure to Auditors Report- TDS liability of Rs. 233.31 Lacs and Income Tax Liability of Rs. 56.58 Lacs outstanding for more than six months:-

The Company is making an arrangement to raise the alternative source of financing, as surplus from the revenues of the hotel operations have been suo moto offered to the secured term lender.

- ii) Para (xix) of Annexure to Auditors Report - We submit that in terms of Debenture Subscription Agreement, the Company has pledged its 10,00,00,000 Equity shares in Silver Resort Hotel Pvt. Ltd. as Interim Security with Debenture Trustee. The Company took up the matter with IFCL limited for release of its 26% shareholding so that the same could be pledged with the Debenture holder but owing to the dispute with IFCL, the same could not be released.

SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL STATEMENTS

The Company has three (3) subsidiaries as on March 31, 2014. There has been no material change in the nature of the business of the subsidiaries.

As required under the Listing Agreements entered into with the Stock Exchanges, the Consolidated Financial Statements of the Company and all its subsidiaries are attached herewith. The Consolidated Financial statements have been prepared in accordance with the relevant accounting standards as prescribed under Section 211(3C) of the Companies Act, 1956 read with the General Circular No. 15/2013 dated 13th September 2013 of the Ministry of Corporate Affairs in respect to Section 133 of the Companies Act, 2013. The consolidated financial statements disclose the assets, liabilities, income, expenses and other details of the Company and its subsidiaries.

Pursuant to the provision of Section 212(8) of the Companies Act, 1956, the Ministry of Corporate Affairs vide its circular dated February 8, 2011 has granted a general exemption from attaching the balance sheet, statement of profit and loss and other documents of the subsidiary Companies with the balance sheet of the Company. A statement containing brief financial details of the Company's subsidiaries for the Financial Year ended March 31, 2014 is included in the Annual Report. The annual accounts of these subsidiaries and the related information shall be given to any member of the Company/its subsidiaries seeking such information and are available for inspection by any member of the Company/its subsidiaries at the registered office of the Company. The annual accounts of the said subsidiaries will also be available for inspection at the corporate offices of the respective subsidiaries.

SEGMENT REPORTING

Your Company's operations comprise of only one segment - Hotel Operations and accordingly, there are no separate reportable segments as envisaged by Accounting Standard 17.

CORPORATE GOVERNANCE

Your Company has complied with the provisions of the Code on Corporate Governance as required under Clause 49 of the Listing Agreement. The report on Corporate Governance is attached as **Annexure B** alongwith Auditor's Certificate and Report on Management Discussion and Analysis is attached as **Annexure C** forms part of the Report.

LISTING

The shares of your Company are listed at Bombay Stock Exchange Limited, Mumbai and National Stock Exchange of India Limited, Mumbai. The listing fees upto date have been paid to the Stock Exchanges.

AWARDS AND RECOGNITION

Park Hyatt Goa, Resort and Spa received the following Awards & Accolades:

Sereno Spa

2013 - Conde Nast Traveller India Readers' Travel Awards 2013 Favorite Destination Spa

2013 - Asia Spa India Awards 2012 - Best Resort Spa

Food and Beverage

2013 - Times Food Awards Goa, 2014 - Casa Sarita, Best Traditional Goan Restaurant

2013 - Times Food Awards Goa, 2014 Da Luigi, Best Italian Restaurant

2013 - Ospitalita' Italiana Awards 2013 - Da Luigi, Authentic Italian restaurant

2013 - Wine Spectator Awards, 2013 Award of Excellence for outstanding restaurant wine lists in the world

PARTICULARS OF EMPLOYEES

Required particulars pursuant to Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, are set out below:

Details of employees of Blue Coast Hotels Limited drawing remuneration of Rs.5 lakh p.m. or Rs.60 lakhs p.a. during the financial year 2013-14:

Name of the Employee	Age (Yrs.)	Designation (Nature of Duty)	Remuneration (Rs.)	Qualification	Experience (in years)	Date of Employment	Previous Employment, Post held & Period	Nature of Duties
Saulo Bacchilega	46	Executive Chef (Administration & General)	1,00,03,744/-	Graduate in Hotel Management	22	August 16, 2010	Executive Chef Hyatt Regency Hua Hin (July 2007 August 2010)	Hotel Operations
Thomas Abraham	46	General Manager (Administration & General)	1,06,01,179/-	Graduate in Hotel Management	22	February 2012	Resident Manager Grand Hyatt Mumbai (Nov 2009 to Feb 2012)	Hotel Operations

Notes:

- Employments of aforesaid officials are on contractual basis and at the Hotel. Other terms and conditions are as per Company's Rules.
- None of the above mentioned employees hold the prescribed Percentage of Equity Shares in the company within the meaning of 217(2A)(a)(iii) of the Act.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 pertaining to the conservation of energy, technology absorption, foreign exchange earnings & outgo are set out as Annexure A to this report.

ACKNOWLEDGEMENT

The Directors express their sincere appreciation of the co-operation and assistance received from Shareholders, Bankers and Hyatt International and other Business Associates. The Directors also wish to place on record their deep sense of appreciation for the commitment displayed by the Employees at all levels.

By Order of the Board
For **Blue Coast Hotels Limited**

Place : New Delhi
Date : 12.08.2014

(P.L. Suri)
Chairman & Managing Director
DIN: 00256300

CIN : L31200GA1992PLC003109
Regd. Office:
263C, Arossim,
Cansaulim, Goa-403712

FORM "A"

Form for Disclosure of Particulars with respect to Conservation of Energy

A. ELECTRICITY AND FUEL CONSUMPTION:

	Previous Year	Current Year
1. Electricity		
(a) Purchased		
Unit in Lacs (kWh)	72.60	72.60
Total Amount (Rs. in Lacs)	277.29	319.42
Rate/Unit (Rs.)	3.82	4.40
(b) Own generation		
(i) Through diesel generator		
Unit in Lacs (kWh)	1.56	4.23
Units per Ltr. Of diesel oil	3.49	3.66
Cost/unit (Rs.)	13.91	18.13
(ii) Through steam turbine/generator		N.A.
Coal (specify quality and where used)		N.A.
2. Diesel oil		
Quantity (K. Ltrs.)	390.17	486.80
Total amount (Rs. in Lacs)	195.96	325.15
Average rate (Rs. per Ltr)	50.22	66.79
Others/internal generation (please give details)		N.A.

B. Consumption per unit of production:

	Standards (if any)	Current year	Previous year
Electricity	(KWH)	N.A.	N.A.
Furnace oil	(Ltr/Kg)	N.A.	N.A.
Coal	N.A.	N.A.	N.A.
Others		N.A.	N.A.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

A. CONSERVATION OF ENERGY

(a) Energy Conservation measures taken

- (1) The Company during this year has undertaken a major project of replacement of Chilled Water, Hotel Water and Potable cold water pipe lines from plant room to individual residential courts, the header line has been completed for the North Zone of the property, pipe installation with Polybutylene pipes imported from Holland i.e. Thermaflex, also installation of pipes in 1st, 2nd and 5th residential courts is completed. This will also result in reducing leakage losses as well as dirt / rust entering the HVAC systems clogging of guest room FCU, resulting into an effective air conditioning now in the hotel.
- (2) Installation of solar powered LED lighting system around north perimeter wall has been completed.

(b) Additional investment and proposals, if any, being implemented for reduction of Energy consumption

- (1) Rs 7.69 Crores approx. invested on the project of installation of Polybutylene pipes and Rs 1.80 Crores approx. is further investment to be made during the year.
- (2) Replacement of Cooling Towers and Fan Coil Unit (FCU) is in progress for gaining more energy efficiency

(c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on production of services

Work is In progress and impact will be measured upon completion of replacement of Polybutylene pipeline is completed

(d) Total energy consumption and energy consumption per unit of production as per Form A of the Annexure

B TECHNOLOGY ABSORPTION

(e) Efforts made in technology, Research and Development (R&D)

1. Specific areas in which R&D is carried out by the Company

- (1) Safety standards were inspected by an independent agency viz Tui & Argent U.K. recommendations thereof have been completed
- (2) Thermography survey carried out as predictive maintenance for electrical installation and necessary corrective measures undertaken
- (3) ISO 22000:2005 Audit has been carried out for Preparation & services of Food & Beverages (F&B)

2. Benefit derived as a result of the above R&D

Reduction in an unplanned shut downs, increase in MTBF (Mean time between failures) & reduction in MTTR (Mean Time to Repair)

3. Future Plan of Action

- (1) Replacement of chilled water, Hot Water and Potable cold water pipe lines in 4th Court of the Hotel is to commence soon.

- (2) Construction of a New Equalization tank for STP is under progress
- (3) Enhancing main entrance area external lighting by energy efficient LED
- (4) Installation of solar powered LED lighting system around south perimeter wall of the property
- (5) Sensor taps for public area wash rooms

(Rs. / Lacs)

4. Expenditure on R & D	2012-13	2013-14
a) Capital	–	–
b) Recurring	–	–
c) Total	–	–
d) Total R & D expenditure as a percentage of total turnover is nil (previous year nil).		

Technology Absorption, Adaptation and Innovation :

Nil

C. Foreign Exchange Earnings and Outgo

Activities relating to export; initiative taken to increase exports; development of new export markets; and export plans:

The Company is into Hotel Business. The Company did not carry on any export and related activities during the financial year 2013-14.

g. Total Foreign Exchange used and earned.

(Rs. / Lacs)

	<u>2012-13</u>	<u>2013-14</u>
i. Foreign Exchange Earnings :	4073.92	2650.18
Total	<u>4073.92</u>	<u>2650.18</u>
ii. Foreign Exchange Outgo :		
Capital Goods	309.41	183.97
Other matters	921.27	672.16
Total	<u>1230.68</u>	<u>856.13</u>

Statement pursuant to Section 212 of the Companies Act, 1956

Name of the Subsidiary	Blue Coast Hospitality Limited	Golden Joy Hotel Private Limited	Silver Resort Hotel India Private Limited
Financial Year of the subsidiary ended on	March 31, 2014	March 31, 2014	March 31, 2014
Number of shares in the subsidiary held by the Company and percentage	50,000 Equity shares of Rs.10/- each fully paid up aggregating to Rs.5,00,000/- (100%)	50,000 Equity shares of Rs.10/- each fully paid up aggregating to Rs.5,00,000/- (100%)	18,85,10,000 Equity shares of Rs.10/- each fully paid up aggregating to Rs.188,51,00,000/- (68.92%)
Net aggregate profits/losses of the subsidiary for the current year so far as it concerns the members of the holding company:	(Rs. in Thousand)	(Rs. in Thousand)	(Rs. in Thousand)
a) Dealt with or provided for in the accounts of the holding company	Nil	Nil	Nil
b) Not dealt with or provided for in the accounts of the holding company	(41.00)	(20.00)	(1595)
Net aggregate profits/ losses of the subsidiary for the previous financial years so far as it concerns the members of the holding company:			
a) Dealt with or provided for in the accounts of the holding company	Nil	Nil	Nil
b) Not dealt with or provided for in the accounts of the holding company	(753)	(218)	(5229)
Change in the interest of the Company between the end of the last financial year and 31st March 2014	Nil	Nil	Nil
Material Changes between the end of the last financial year and 31st March 2014	Nil	Nil	Nil

Corporate Governance Report

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is based on the principles of integrity, fairness, equity, transparency, accountability and commitment to values. Good governance practices stem from culture and mindset of the organization.

The Company is committed to focus on expanding its business while upholding the values of transparency, integrity and accountability. Your company is committed to best Corporate Governance practices and providing all the necessary information and disclosures to various stakeholders of the Company.

BOARD OF DIRECTORS

The Board of Directors of the Company consists of a combination of Directors having varied experience and knowledge. The functioning of the Board is aimed at steering the Company towards the path of growth by taking the decisions in the best interests of the Company.

The Board of the Company, as on 31st March 2014, was comprised of Chairman and Managing Director and three Non-Executive Independent Directors.

The Board Meetings are scheduled in accordance with the provisions of the applicable laws and guidelines. During financial year 2013-14, Five (5) meetings of the Board have taken place on 13th June, 2013, 13th August 2013, 11th November 2013, 13th February 2014 & 31st March, 2014. Necessary quorum was present for all the meetings.

None of the Directors on the Board, is a Member of more than 10 committees or Chairman of more than five Committees across all the public Companies in which he is a Director. Necessary disclosures regarding Committee positions in other public Companies as on March 31, 2014 have been made by the Directors.

Composition and Category of the Board during the year 2013-14 and their attendance in the Board and Annual General Meetings are as hereunder:

Name of Director	Category	No. of Board Meetings During the year 2013-14	No. of Board Meetings attended	Last AGM attended	No. of other Directorships (Public Ltd companies)@	No. of other Directorships (Private Ltd companies)	No. of Committee member-ships@#	No. of Chairman-ship in Board/committees@#
Mr. P.L. Suri (DIN: 00256300)	Chairman & Mg. Director Promoter	5	5	Yes	1	3	-	-
Mrs. Sunita Suri* (DIN: 00256236)	Executive Director Promoter	5	4	No	-	-	-	-
Mrs. Mamta Suri* (DIN: 00256150)	Non Executive Promoter	5	3	No	-	-	-	-
Dr. Vijay Mohan Kaul (DIN: 00472888)	Independent Non Executive	5	2	No	-	-	-	-
Mr. Ashoka Kini (DIN: 00584044)	Independent Non Executive	5	4	Yes	1	2	-	-
Mr. Praveen Kumar Dutt (DIN: 06712574)	Independent Non Executive	5	3	No	-	-	-	-
Mr. P.V. Srinivas# (DIN: 03135146)	Nominee Director-IFCI	5	1	No	-	-	-	-

* Mrs. Sunita Suri & Mrs. Mamta Suri resigned from Directorship wef.31.03.2014.

Nomination withdrawn by the financial Institution w.e.f. 10.07.2013.

+ Other Directorships does not include the Directorships in Section 8 Companies of the Companies Act, 2013.

@ No. of Other Directorships / Membership / Chairmanship in the Board / Committees of the Company exclude the Directorship / Membership / Chairmanship in the Company.

None of the Non Executive Directors have any material pecuniary relationships or transactions with the Company.

During the year 2013-2014, information as mentioned in Annexure 1A to Clause 49 of the Listing Agreement has been placed before the Board for its consideration.

COMMITTEE OF DIRECTORS:

The following Committees of the Board of Directors of the Company were in existence during the year 2013-14:

a) Audit Committee:

The Audit Committee has been constituted as per Section 177 of the Companies Act, 2013 and the guidelines set out in Clause 49 of the Listing Agreement. The terms of reference includes:-

- Overseeing financial reporting processes and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
- Reviewing periodic financial results, financial statements and adequacy of internal control systems;
- Discussion and review of periodic audit reports;
- Discussions with external auditors about the scope of audit including the observations of the auditors;
- Disclosure of contingent liabilities;
- Recommending the appointment, remuneration and removal of statutory auditors and approval for payment of any other services;
- Discussing with internal auditors any significant findings and follow up there on;
- Reviewing the adequacy of internal control systems with management, external and internal auditors and reviewing the Company's financial risk and management policies;
- Approval of appointment of CFO.
- Reviewing of findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Looking into reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

All the members of the Audit Committee including the Chairman are Non-Executive Director and Independent Directors. All the members of the Committee are financially literate.

Four meetings of the committee were held during the period under report viz., on 13th June 2013, 13th August, 2013, 11th November 2013 & 13th February, 2014. The necessary quorum was present for all the meetings.

The members of the Audit Committee and their attendance are as under:

Audit Committee Composition			Attendance Particulars	
Name of Members	Position	Category	No. of Meetings held	No. of Meetings attended
Mr. Ashoka Kini.	Chairman	Independent / Non executive	4	3
Dr. V M Kaul	Member	Independent / Non -executive	4	2
Mrs. Mamta Suri*	Member	Non -executive	4	3
Mr. Praveen Kumar Dutt#	Member	Independent / Non -executive	2	2

* Mrs. Mamta Suri has resigned during the year w.e.f. 31st March 2014.

Mr. Praveen Kumar Dutt was inducted in the committee on 11th November 2013

The Audit Committee invites such of the executives as it considers appropriate (particularly the head of the finance function), representatives of the Statutory Auditors and representatives of the internal auditors to be present at the Audit Committee.

The previous Annual General Meeting of the Company was held on 30.09.2013 and was attended by Mr. Ashoka Kini, Chairman of the Audit Committee.

The Company Secretary of the Company acts as Secretary of the Audit Committee.

b) Nomination & Remuneration Committee (Earlier known as Remuneration Committee):

The name of the committee was changed to Nomination & Remuneration Committee in line with the provisions of section 178 of the Companies Act, 2013 vide Board Resolution dt. 30th May 2014. The constitution of the committee was further changed with the following:

1. Mr. Ashoka Kini - Chairman
2. Mr. Praveen Kumar Dutt - Member
3. Dr. V. M. Kaul - Member

Terms of Reference of the Remuneration Committee include:

- To determine the remuneration, review of performance and decide on variable pay of executive Directors and managerial personnel
- Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by the Nomination & Remuneration Committee.

The Nomination & Remuneration Policy of the Company for managerial personnel is primarily based on the following criteria:

- Performance of the Company, its divisions and units.
- Track record, potential, past remuneration and performance of individual appointee
- External competitive environment.

No meeting of the committee was held during the year 2013-14.

No remuneration was paid to the Non-Executive Directors except the sitting fee payable for attending the Board / Committee Meetings. No stock option has been offered to the Directors or Executives of the Company.

Details of remuneration paid/payable to the directors during the year 2013-14 are as under:-

							(Amount in Rs.)
Name of the Director(s)	Mr. P L Suri	Mrs. Sunita Suri	Mrs. Mamta Suri	Mr. Ashoka Kini	Dr. V M Kaul	Mr. P V Srinivas	Mr. Praveen Kumar Dutt
Designation	Chairman & Managing Director	Executive Director	Director	Director	Director	Nominee Director	Director
Salary	21,00,000	15,00,000	--	--	--		--
Benefits			--	--	--		--
Bonus			--	--	--		--
Commission			--	--	--		--
Pension			--	--	--		--
Others (Provident Fund)			--	--	--		--
Break up of fixed components and Performance linked incentives with performance criteria			--	--	--		--
Performance Incentive			--	--	--		--
Service Contract			--	--	--		--
Notice Period, Severance fees	Nil	Nil	Nil	Nil	Nil		Nil
Stock Options details (if any): Whether issued at discount. Period over which it is accrued and is exercisable	Nil	Nil	Nil	Nil	Nil		Nil
Sitting Fees	-	-	30,000	35,000	20,000	5000	25,000
Total	21,00,000	15,00,000	30,000	35,000	20,000	5000	25,000

Details of the equity shares held by each of the Directors in the Company as on March 31, 2014:

Name of Director	Category	No. of Equity shares of Rs. 10/- each	No. of Preference shares of Rs. 100/- each
Mr. P. L. Suri	Chairman & Managing Director	30,400	Nil
Mrs. Sunita Suri	Executive Director	25,200	3,15,000
Mrs. Mamta Suri	Non Executive	89,000	2,50,000
Dr. Vijay Mohan Kaul	Independent Non Executive	Nil	Nil
Mr. Ashoka Kini	Independent Non Executive	Nil	Nil
Mr. Praveen Kumar Dutt	Independent Non Executive	Nil	Nil

c) Stakeholders Relationship Committee (Earlier known as Investors Grievance Committee):

The name of the committee was changed to Stakeholders Relationship Committee in line with the provisions of Section 178 of the Companies Act, 2013 vide Board Resolution dt. 30th May 2014. The constitution of the committee was further changed with the following:

1. Mr. Praveen Kumar Dutt - Chairman
2. Mr. Ashoka Kini - Member
3. Dr. VM Kaul - Member

The Chairman of the Committee is Non-Executive and Independent Director. The Committee ensures redressal of shareholders and investors complaints like transfer of shares, non-receipt of balance sheet, etc. Share transfers are processed well within the stipulated period.

The Company Secretary of the Company is the Compliance Officer of the Company.

No meeting of the committee was held during the year 2013-14.

Status of Shareholders Complaints during the year

Complaints at the beginning of the year, 1st April 2013	Complaints received during the year 1st April 2013 31st March 2014	Complaints settled during the year 1st April 2013 31st March 2014	Complaints pending at the end of the year, 31st March 2014
NIL	NIL	NIL	NIL

GENERAL BODY MEETINGS

Location and time where last 3 Annual General Meetings were held:

FINANCIAL YEAR	AGM	DATE	VENUE	TIME
2010-11	18th	30th September, 2011	263C, Arossim, Cansaulim, Goa-403712.	10.30 a.m.
2011-12	19th	29th September, 2012	263C, Arossim, Cansaulim, Goa-403712.	3.30 p.m.
2012-13	20th	30th September, 2013	263C, Arossim, Cansaulim, Goa-403712.	10.30 a.m.

No Extraordinary General Meeting of the Members was held during the year 2013-2014.

Details of special resolutions passed in last three Annual General Meetings:

Sl. No.	Particulars of Special Resolution	Date	Financial Year
1	Re-appointment of Mr. P L Suri as Chairman & Managing Director for a period of three years	30th September 2011	2010-11
2	Re-appointment of Mrs. Sunita Suri as Executive Director for a period of three years	30th September 2011	2010-11
3	Alteration of Articles of Association of the Company	30th September 2011	2010-11
4	Investment in Subsidiary Company	30th September 2011	2010-11
5	Investment in Wholly Owned Subsidiary Company	30th September 2011	2010-11
6	Investment in Wholly Owned Subsidiary Company	30th September 2011	2010-11

Special Resolutions passed last year through postal ballot details of voting pattern:

During the financial year 2013-14, the Company had not passed any special resolutions through postal ballot.

Whether any special resolution is proposed to be conducted through postal ballot and Procedure for postal ballot: NIL

DISCLOSURES:

- i. Disclosures on materially significant related party transactions that may have potential conflict with the interests of company at large:

None of the transactions with related parties is in conflict with the interests of the Company at large. Transactions with related parties are disclosed in Note No. 34 of Notes on Accounts in the Annual Report.

- ii. Details of non-compliance by the company, penalties, and strictures imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:

NIL

- iii. Whistle Blower Policy and affirmation that no personnel has been denied access to the audit committee:

During the year under review, the Company did not have a Whistle Blower Policy. No personnel of the Company have been denied access to the Audit Committee.

- iv. Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of this clause:

The Company has complied with all the mandatory requirements of Clause 49. As regard the non-mandatory requirements, the extent of compliance has been stated in this report against each of them.

SUBSIDIARY COMPANIES

The Audit Committee reviews the consolidated financial statements of the Company. The minutes of the Board Meeting of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.

MEANS OF COMMUNICATION

- i. The quarterly results of the Company are published in leading and widely circulated English/Hindi National/Regional Newspapers as per the requirements of the Stock Exchanges. The results are emailed and couriered to the Stock Exchanges where the Company is listed.
- ii. The results are normally published in Financial Express (English) and Tarun Bharat (Hindi) in the reporting period.
- iii. The Company's Financial Results, Shareholding Pattern etc. are displayed on the Company's website www.bluecoast.in.
- iv. The Company regularly updates the media, analysts, etc., through its financials. The Management Discussion and Analysis forms an integral part of the Annual Report. Annual Report is sent to all the Stock Exchanges and Members of the Company.

GENERAL SHAREHOLDER INFORMATION**i. Annual General Meeting**

21st Annual General Meeting is scheduled as under:-

Day	Date	Time	Venue
Tuesday	30th September 2014	11:00 A.M.	263C, Arossim, Cansaulim, Goa 403712

ii. Financial Year: 1st April to 31st March

Financial Calendar (tentative and subject to change)

For the year ending 31st March 2015 the financial results will be announced by:

Quarter Ended 30th Sept., 2014	:	First fortnight of November, 2014
Quarter Ended 31st Dec., 2014	:	First fortnight of February, 2015
Quarter Ended 31st March, 2015 and Annual Results	:	End of May, 2015

iii. Book Closure:

Wednesday, 24th September 2014 to Tuesday 30th September, 2014 (both days inclusive)

iv. Dividend Payment Date: No dividend is being recommended for the year ended 31st March 2014**v. Listing on Stock Exchanges:**

Equity shares of the Company are listed on:

- Bombay Stock Exchange Limited
- The National Stock Exchange of India Limited

vi. Stock Code : 531495(BSE), BLUECOAST (NSE)

ISIN : INE472B01011

CIN : L31200GA1992PLC003109

vii. High & low Market Price Data of Equity Shares during each month in last financial year:

Months	BSE			NSE		
	High	Low	Total Number of Equity shares traded	High	Low	Total Number of Equity share traded
April 2013	76.80	51.70	948	94.80	85.55	92
May 2013	65.00	56.40	7354	Not Traded	Not Traded	Not Traded
June 2013	Not traded	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded
July 2013	59.85	44.55	683	Not Traded	Not Traded	Not Traded
August 2013	42.35	40.30	3558	81.30	81.30	3
September 2013	41.80	37.80	7147	81.10	77.10	89
October 2013	38.00	36.15	3362	Not Traded	Not Traded	Not Traded
November 2013	Not traded	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded
December 2014	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded	Not Traded
January 2014	36.15	36.15	3	80.95	80.95	3
February 2014	38.00	36.50	180	89.15	84.95	60
March 2014	51.20	38.30	345	101.75	84.70	372

viii. Share price performance in comparison to BSE Sensex and NSE Nifty:

MONTH(S) (As on end of last trading day of the month)	SHARE PRICES COMPARISION			
	BLUECOAST (BSE)	BSE (Sensex)	BLUECOAST (NSE)	NSE (Nifty)
April 2013	56.70	19,504.18	85.55	6696.40
May 2013	57.00	19,760.30	Not Traded	7229.95
June 2013	Not Traded	19,395.81	Not Traded	7611.35
July 2013	44.55	19,345.70	Not Traded	7721.30
August 2013	42.30	18,619.72	81.30	5471.80
September 2013	38.00	19,379.77	77.10	5833.20
October 2013	36.15	21,164.52	Not Traded	6299.15
November 2013	Not Traded	20,791.93	Not Traded	6176.10
December 2013	Not Traded	21,170.68	Not Traded	6304.00
January 2014	36.15	20,513.85	80.95	6089.50
February 2014	36.50	21,120.12	89.15	6276.95
March 2014	51.20	22,386.27	90.25	6704.20

ix. Registrar and Share Transfer Agent

The Company has appointed RCMC Share Registry Pvt. Ltd. as its Registrar and Share Transfer Agent (RTA) for equity shares (kept in physical as well as electronic mode). All communication relating to the transfer of shares, change of address etc. can be addressed to the RTA at the following address:

RCMC Share Registry Pvt. Ltd.

B 106, Sector 2,

NOIDA 201301 U.P.

Ph. : 0120-4015880

Fax: 0120 2444346.

x. Share Transfer System

The Company's shares being in compulsory de-mat form are transferable through the depository system. The Shares in physical form are processed by the Registrar and Transfer Agents and approved by the Investors Grievances Committee. Share transfer process is regularly reviewed by the Board.

In compliance with the Listing Guidelines a practicing Company Secretary audits the Share Transfer system and a certificate to that effect is issued by him periodically.

xi. Distribution of equity shareholders as on 31st March 2014:

Nominal Share Capital (Rs.)			No. of Shareholders	% of total Shareholders	Shareholding
Up to	-	5000	920	87.87	0.93
5001	-	10000	28	2.67	0.25
10001	-	20000	25	2.39	0.41
20001	-	30000	28	2.67	0.78
30001	-	40000	3	0.29	0.12
40001	-	50000	3	0.29	0.16
50001	-	100000	2	0.19	0.15
100001	-	& above	38	3.63	97.20
TOTAL			1047	100	100

Categories of equity shareholders as on 31st March 2014:

	No. of Folio's	% to total Folios	No. of Shares held	% to total Shares
PROMOTERS				
Indian	24	2.29	39,43,000	44.48
TOTAL (A)	24	2.29	39,43,000	44.48
NRI's	9	0.86	11,688	0.13
Bodies Corporate	55	5.25	23,56,035	26.58
Clearing Members	2	0.19	11	0.00
Individual	955	91.22	2,42,066	2.73
Trusts	2	0.19	23,12,162	26.08
TOTAL (B)	1,023	97.71	49,21,962	55.52
TOTAL {(A) + (B)}= (C)	1,047	100.00	88,64,962	100.00

Voting Rights in the Company

Break up of the paid-up Share Capital of the Company, which enjoys right to vote on every resolution placed before the Company at the ensuing Annual General Meeting:

Held by	Equity shares (listed) Rs.	%age	Pref. Share Capital (not listed) Rs.	%age	Total Rs.	Total %age
Promoters	39430000	44.48	815000000*	100.00	854430000	94.55
Non Promoters	49219620	55.52	0	0.00	49219620	5.45
Total	88649620	100.00	815000000	100.00	903649620	100.00

* in terms of the provisions contained in Section 47(2) of the Companies Act, 2013.

xii. Dematerialisation of Shares and liquidity:

The Company's shares are traded only in dematerialized form and to facilitate, the Company has executed agreements with both existing Depositories namely National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and has established connectivity with the depositories through its Registrar and Share Transfer Agent, RCMC Share Registry Pvt. Ltd. As on March 31, 2014, 87,84,199 equity shares that is 99.09% of the Company's Issued and Paid-up Equity Share Capital have been dematerialized.

xiii. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments etc. during the Financial Year 2013-14.

xiv. Plant Location:

The Company is solely engaged in the Hotel business and its hotel is situated at the following address:

Hotel Park Hyatt Goa, Resort & Spa
263C, Arossim, Cansaulim, Goa - 403712

xv. Address for Correspondence:

Blue Coast Hotels Limited

Registered Office:

263C, Arossim, Cansaulim,
Goa 403712
Tel.: 0832 2721234
Fax: 0832 2721235

Corporate Office:

415 417, Antriksh Bhawan
22, Kasturba Gandhi Marg
New Delhi - 110 001
Tel. : 011 23358774-775
Fax. : 011 23358776

COMPLIANCE WITH THE CODE OF CONDUCT

Pursuant to the SEBI (Prevention of Insider Trading) Regulations, 2002 the Board of Directors of the Company has adopted a Code of Conduct for the Prevention of Insider Trading. The Code is available on the official website of the Company www.bluecoast.in

CEO/CFO CERTIFICATION

The Managing Director and Chief financial Officer have certified to the Board, inter-alia, the accuracy of financial statements and adequacy of Internal Controls for the financial reporting purpose as required under Clause 49(V) of the Listing Agreement, for the year ended 31st March 2014.

Non-Mandatory Requirements

The status/extent of compliance of non-mandatory requirements is as follows:

(1) (a) Maintenance of Non-Executive Chairman's Office

Presently, the Company is not maintaining office of the Non-Executive Chairman.

(b) Independent Directors may have tenure, not exceeding, in the aggregate, a period of nine years, on the Board of the Company.

The Company does not have policy of tenure of Independent Directors.

(2) **Remuneration Committee.**

Already constituted. Details given in the preceding paragraphs.

- (3) Half-yearly financial performance and summary of significant events to be sent to each household of shareholders.

The Company's Financial Results, Shareholding Pattern etc. are displayed on the Company's website **www.bluecoast.in**.

- (4) Audit Qualifications The Company is striving to correct the same.

- (5) Training of the Board Members.

Presently the Company does not have such training programme.

- (6) Mechanism for evaluating Non-Executive Board Members.

Presently, the Company does not have such a mechanism as contemplated for evaluating the performance of Non-Executive Board Members.

- (7) Whistle Blower Policy

Whistle Blower Policy has been approved by the Board of Directors recently however in the past no personnel has been denied access to the Audit Committee.

Depository Services

For guidance on depository services, shareholders may write to the Company or to the respective Depositories:

National Securities Depository Ltd.

Trade World, 4th Floor, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel, Mumbai-400013.

Telephone: 022-24994200

Facsimile : 022-24972993

E-Mail : info@nsdl.co.in

Website : www.nsdl.co.in

Central Depository Services (India) Ltd.

Phiroze Jeejeebhoy Towers,
28th Floor, Dalal Street, Mumbai-400023.

Telephone : 022-22723333/3224

Facsimile : 022-22723199

E-Mail : investors@cdslindia.com

Website : www.cdslindia.com

Declaration by the Chairman & Managing Director under Clause 49 (1D) of the Listing Agreement on Code of Conduct

I hereby confirm that all Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management, as approved by the Board, for the financial year ended March 31, 2014.

For **Blue Coast Hotel Limited**

Sd/-

P. L. Suri

Chairman & Managing Director

DIN : 00256300

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Industry Structure & Developments

India growth engine slowed from a solid 6.70% increase in Gross Domestic Product during 2008-09 to closed at about 5% during at the end of 2013-2014. The onus of giving the growth engine a firm push fell on the new government. Thankfully, the new government is thinking and acting simultaneously to resuscitate the nations growth by putting a workable plan to tackle the burgeoning fiscal deficit, tame inflation, maintain a trade deficit level that can be financed by capital inflows and most important is the revival of the industry confidence. India has huge tourism potential, however it inbound tourist's arrivals have not been encouraging during the past one-year in particular. Huge opportunities got wasted, as demand did not match the supply of rooms. The Prime Minister of India considers tourism as an important economic activity and has recognized the tourism as one of the vital sectors in the country and his recent speeches amplifies his intention and passion for the sector. The recognition that tourism will be a pivotal pillar of India's transformational growth and must be nurtured as an integral element of our national development agenda to promote socio-economic progress. There is lot of expectations from the newly elected government as it is committed to create 50 affordable tourism circuits and will give a big boost to the domestic travel market with Indian travellers getting more options to explore new destinations within the country.

The Government of India has amended its Visa Manual to extend the collective landing permits facility with effect from 1st April 2013. Foreign tourists in groups of four or more arriving by air or sea and sponsored by Indian travel agencies approved by the Ministry of Tourism and with a pre-drawn itinerary will be granted Collective Landing Permit for a period not exceeding 60 days, with multiple entry facilities

FTAs (Foreign Tourist Arrivals) during the Month of June 2014 were 4.92 lakh as compared to FTAs of 4.51 lakh during the month of June 2013 and 4.33 lakh in June 2012.

There has been a growth of 9.0% in June 2014 over June 2013 as compared to a growth of 4.1% registered in June 2013 over June 2012.

FTAs during the period January-June 2014 were 35.43 lakh with a growth of 5.2%, as compared to the FTAs of 33.68 lakh with a growth of 4.5% during January-June 2013 over the corresponding period of 2012

Global Tourism Industry

1. Asia and the Pacific (+6%) consolidated its growth of recent years, with South Asia (+8%) and North-East Asia (+7%) in the lead.
2. Growth picked up in the Americas (+6%), with all four-sub regions showing significant improvement compared to 2013.
3. Europe, the most visited region in the world, maintained the strength it showed in 2013 with international tourist arrivals growing by 5% through April. Northern Europe and Southern Mediterranean Europe (+8% each) led growth.
4. Africa's international tourist numbers grew by 5% as the recovery was consolidated further in North Africa (+8%).
5. International tourist arrivals in the Middle East are estimated to be down by 4%, though this figure should be taken with caution as it is based on limited available data for the region.

Indian Tourism and Hotel Industry

India's rich cultural heritage and history, food, friendly people, architectural monuments, hospitality and services are positive strengths for its tourism sector, which make it ahead of many of the emerging markets.

As per the UNWTO World Tourism Barometer, December 2013, India's rank in the World Tourism Receipts during 2012 was 16th and rank in international tourist arrivals was 41. The rank of India was 7th among Asia & the Pacific Region in terms of tourism receipts during 2012.

Government of India has allowed 100% foreign investment for Hotel & Tourism industry.

Tourism and Hotel Industry in Goa

1. The tourism department's latest figures reveal that the trend of domestic tourists thronging the state continues even in 2014, as till April 2014, 7.77 lakh domestic tourists arrived which is expected to increase in the months to come, especially in September- December period. Mr Mascarenhas, Minister of Tourism Goa, said that the tourism growth is driven by segments like honeymooners and wedding events that bring in sizeable travellers to the state.
2. Goa Tourism received 1128 charter flights, between October 2013 and May 2014, carrying a record number of 2.61 lakh passengers. The corresponding figure for the previous year was 996 charter flights carrying 2.15 lakh passengers. This amounts to a 13.25 per cent increase in the arrival of charter flights on a year on year basis.
3. State expense to participate in 26 trade fairs and road shows in last two years in the events like Lisbon Travel Mart, Portugal, ITB, Berlin, Roadshow in New York, World Travel Mart, London, Beijing International tourism expo, Matka tourism expo, Finland were attended by Goa delegations.
4. Bangalore-based Champions Group is aiming to bring in 'experiential luxury travel' in Goa, a concept that is picking up worldwide in tourism.
5. The Goa Tourism department officials in association with the State Police have decided to ensure that major beaches, which are crowded with the tourists, are regularly under surveillance.
6. The Department of Tourism, Government of Goa has announced the appointment of a consortium of KPMG Advisory Services and Tourism & Leisure Advisory Services Sl. (T&L) to prepare a 25-year tourism master plan for Goa.
7. With Calangute beach finally getting its much-needed public toilets and changing rooms, the project of the Goa tourism development corporation is expected to be replicated on other tourist-thronged beaches before the start of the new season in October.
8. From March 2012 to May 2014 the state spent over 9 crore attending foreign trade shows and holding roadshows in Europe, Russia, Asia and South East Asia, to promote Goa as a tourist destination.
9. Indian Ministry of Tourism has just launched an Android application that will help people to take a virtual walking tour of 16 Indian cities, right on their smartphones including Goa.

10. AirAsia India starts operations with Bangalore-Goa flight
11. Goa Tourism conducts Goa Wedding Show in New Delhi
12. Hotel has launched holiday packages such as
 - (a) Hyatt Free Time. The package offers a 4 nights however guest pay for 3 nights and 4th night is complimentary. In addition to this, 50% discount is offered on a second treatment at Spa and complimentary Internet access in rooms.
 - (b) Tropical Escape: The package offers a buffet breakfast, food and beverage credit per night, discount for Spa treatments and laundry services. Complimentary airport transfers in an air-conditioned coach, daily yoga classes, life style consultation, Camp Hyatt facility for guest's upto 12 years of age and internet access in rooms.
 - (c) Timeless Moments: The package offers all three buffet meals i.e. Breakfast, lunch and dinner, discount on Spa treatments and laundry services. Complimentary airport transfers, daily yoga classes, life style consultation, Hyatt Camp facilities for children and Internet access in rooms and highly concessional value privileges for children between 6-12 years of age.

Opportunities and Threats

Hotels are now being recognized as an infrastructure instead of a luxury sector. The industry has an ability to create a tremendous job opportunities both direct and indirect. The sluggish period is over.

1. Goa in race to host 2015 Commonwealth TT Championship.
2. Goa to host Durand Cup for first time in Oct Nov 2014.
3. Goa Tourism becomes the Tourism Partner of Force Gurkha RFC India 2014. Touted to be the first international off-road motorsport event on Indian soil; it will be a shot in the arm for India's off-roading community as a platform to flaunt credible talent.
4. Goa Government has said that the decennial exposition of relics of St Francis Xavier scheduled in December this year will be publicized across the globe to attract maximum tourists for the event. Last year, 3.5 million tourists arrived in Goa, which was almost one million more than 2.4 million arrivals reported a year before, he said.
5. ITC Ltd, hotel division, will have its first luxury property in Goa, one of India's top tourism destinations. It has acquired erstwhile "Ramada Caravela Beach Resort" from Advani Hotels & Resorts at a cost of Rs 700 Crores.
6. W hotels to open in Goa in 2015.
7. The power is considered as the biggest fixed cost in the hotel operations.
8. A national policy is required for the Hotels and Food & Beverage Industry. The different laws for restaurant permits, excise permits, liquor permits etc. are taxing. The need for single window clearances and either one or long term approvals is need of an Industry.

Financial Performance with respect to operational performance

Park Hyatt Goa Resort and Spa is known for a luxury. Luxury hotel means escaping concrete jungles for the refined beach resort and landscaped gardens of the hotel property. The success of a Hotel depends on offering value for money to the guests, Food & Beverage, brand value, role of GM in fostering sustainability for a hotel. The coordination between revenue management and marketing team of the hotel is critical. The adoption of new age technologies in hotel operations is gaining importance day by day. The major source of revenue in hotel is no longer limited to rooms and restaurants. The emerging areas of huge revenue generations are from conferences, events and Wellness, which is equipped with Spa, swimming pool, and state of the art gymnasium. The concept of in-room dining is gaining currency in today's hotel business. The expectation of the guests from in-room dining has also increased. The growth of budget properties is posing a major challenge to the luxury hotels

For the period under report the Company's total income stood at Rs 10297.91 lakhs (previous period Rs 9748.86 lakhs). The Company has incurred a net loss (after tax) of Rs 747.60 Lacs as against the net loss (after tax) of Rs 1034.83 Lacs last year. For the period under report Park Hyatt Goa Resort & Spa achieved an average occupancy of 75.2% and its Rev PAR is 3.67% higher than previous year.

Segment Wise Performance

The company is presently engaged in only one segment of business i.e. Hotel and owns Park Hyatt Goa Resort & Spa which is located in the State of Goa.

Park Hyatt Goa Resort and Spa is known as one of the India's finest luxury beach resort and spa providing a distinct product and personalized service in an environment truly committed to our guests.

Future Plans and Outlook

The Company is in the process of developing a Villa Project on vacant land of the Company's Hotel "Park Hyatt Goa Resort & Spa" at Goa. Outlook of the company in the immediate future look promising.

Risks and Concerns

India has often been cited as one of the most lucrative albeit difficult markets to develop properties in. Issues like land availability, rising land prices, licensing issues, multiple approvals, complex approval procedures, high financing costs lead to a long development cycle of 3-5 years for a 5 star hotel in India which ultimately results in high room tariffs and long gestation periods for achieving break even. There are several other challenges in the sector that needs to be addressed & key among them include talent management, tax and regulatory issues and the infrastructure deficit.

The rupee has depreciated considerably against dollar and hence there large fluctuation on foreign exchange conversion. In our hotel, Hyatt International is following single currency concept, which has to a large extent neutralize the impact of foreign exchange fluctuation.

Our hotel is over 12 years old and is due for renovation as per industry practices.

Other new and renovated properties are also matter of concern, since now more number of properties is giving competition.

Innovations and incentives are required to promote hotels. F&B, brand loyalty, initiatives & imaginations of the GM, trends and incentives are major contributors to the success of the property amidst stiff completion. Repeat guests are essential for sustainability and success of a hotel

Internal Control Systems and their adequacy

The Company believes that internal controls are essential ingredient towards achieving excellence in corporate governance. Accordingly, it has set adequate control systems in terms of financial reporting, efficiency of operations and compliance with various rules, regulations etc. Regular Audit is being carried out by the Internal Auditors as well as Statutory Auditors, reports whereof are regularly presented before the Audit Committee of the Board which reviews the adequacy of the internal control system on regular basis and monitors on continuous basis the implementations of the Internal Audit recommendations.

Development in Human Resources

Your Company lays great emphasis on the importance of human resources and recognizes the fact that no organization can grow without a committed team of employees at all level. The company continues to focus on its endeavor to be a preferred employer in Goa and aims to retain and recruit quality professional and provide them with a high performance environment. The number of people employed on full time basis by the Company as on 31st March 2014 stood at 580, including outsourced employees.

Cautionary Statement

Certain statements made in the Management Discussions and Analysis Report is based on the prediction and expectations of the Management and may be 'forward looking statements' within the meaning of applicable securities laws and regulations. The views and futuristic statements contained in this report are the perception of management and subject to certain risks and uncertainty that could cause actual results to differ materially from those reflected in such statements. The Company undertakes no obligations to publicly update or revise any of these futuristic statements, whether as a result of new information, future events, or otherwise.

The Board of Directors
Blue Coast Hotels Ltd.
263C, Arossim, Cansaulim
Goa - 403712

CEO/CFO CERTIFICATION

We, P. L. Suri, Chairman & Managing Director and Suresh Gupta, Asstt. Vice President (Finance & Accounts) & CFO of Blue Coast Hotels Ltd., certify that: -

- a) We have reviewed the financial statements and the cash flow statement for the year ended as on 31.03.2014 and that to the best of our knowledge and belief: -
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee that there are no deficiencies in the design or operation of such internal controls of which we are aware.
- d) We have indicated to the auditors and the Audit Committee: -
 - i) Significant changes in internal control over financial reporting during the year;
 - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) That there has been no significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: New Delhi
Date: 30.05.2014

P. L. SURI
Chairman & Managing Director

SURESH GUPTA
Asstt. Vice President
(Finance & Accounts) & CFO

Undertaking

The Company hereby undertakes that the annual accounts of the subsidiary companies for the Financial Year 2013-2014 and the related detailed information shall be made available to shareholders of the holding and subsidiary companies seeking such information at any point of time.

The annual accounts of the subsidiary companies shall also be kept open for inspection by any shareholder(s) at the corporate office of the holding company and of the subsidiary company (ies) concerned at 415-417, Antriksh Bhawan, 22, K G Marg, New Delhi - 110001.

The Company shall furnish a hard copy of the details of accounts of subsidiaries to any shareholder on demand.

On behalf of the Board
For **Blue Coast Hotels Limited**

Date : 12.08.2014
Place : New Delhi

Sd/-
PL Suri
Chairman & Managing Director
DIN : 00256300

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Blue Coast Hotels Limited

We have examined the compliance of conditions of Corporate Governance by Blue Coast Hotels Limited, for the period ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that in respect of investor grievances received during the year ended 31st March 2014, no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the company which is presented to the shareholders/Investors Grievance Committee.

We further state that such compliance is neither an assurance as the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M. Kamal Mahajan And Co.
Chartered Accountants

Place : New Delhi
Date : 12.08.2014

Partner
M.No.: 017418

Independent Auditors' Report

To the Members of Blue Coast Hotels Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Blue Coast Hotels Limited** ("the company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular No. 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal controls 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.

Our Responsibility

Our responsibility is to express an opinion on these financial statements based on our examination. We conducted our examination in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the examination to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we considered the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Matters of Emphasis

Without qualifying our opinion, we draw attention to the following Notes on the financial statements:-

- i. Note no.4 (A)(iii) regarding default by the company towards debenture holders and filing of suit by the debenture holders.
- ii. Note no.4 (B)(ii) regarding default by the company towards term lender and pending application for recovery of debt before Hon'ble DRT, Delhi.

- iii. Note no. 20(iii) regarding initiation of recovery proceedings by term lenders against associate company under SRFAESI Act, 2002 where company is guarantor for securing loans.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- b) in the case of the Statement of Profit and Loss, of the loss of the Company for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order, to the extent applicable to the Company.
2. As required by section 227(3) of the Act, we report that :
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our examination.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act read with the General Circular No. 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
 - e. On the basis of written representations received from the directors and taken on record by the Board of Directors of the company, none of the directors is disqualified as on 31.03.2014 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act. For M Kamal Mahajan And Co.

For **M Kamal Mahajan And Co.**
Chartered Accountants
Firm Regn No. 006855N

Place : New Delhi
Date : 30th May, 2014

M. K. Mahajan
(Partner)
M. No. 017418

Annexure to Independent Auditors' Report of Blue Coast Hotels Limited

Referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date.

- (i) (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) As explained to us, all the fixed assets have been physically verified by the management during the year. As explained to us by the company, no material discrepancies were noticed on such verification.
 - (c) During the period, the company has not disposed off substantial part of the fixed assets.
- (ii) (a) As explained to us, the inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
 - (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining proper records of inventory. As explained to us, the discrepancies noticed on verification between the physical stocks and the book records were not material and have been properly dealt with in the books of accounts.
- (iii) As per records of the company and as per information and explanations furnished to us, during the year, the company has not granted any loans, secured or unsecured to/from companies, firms and other parties covered in the register maintained under Section 301 of the Companies Act, 1956 except existing interest free unsecured loans of Rs. 463.96 lacs (Maximum and year end balance Rs. 463.96 lacs) to two wholly owned subsidiary companies. As the companies are wholly owned subsidiaries of the company, in our opinion, terms of the loans are not prejudicial to the interest of the company.

As per records of the company and as per information and explanations furnished to us, the company has not taken any loans, secured or unsecured to/from companies, firms and other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls systems.
- (v) (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the act, wherever applicable, have been entered in the register required to be maintained under that section.
 - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices not below the costs incurred by the company.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted deposits from public and hence provisions of section 58A and 58AA of the Companies Act, 1956 are not applicable.
- (vii) In our opinion and according to the information and explanations given to us, the company has an internal audit system commensurate with the size of the company and nature of its business.
- (viii) As explained to us, the Central Government has not prescribed any cost records under Section 209 (1) (d) of the Companies Act, 1956 for the company.
- (ix) (a) According to the records of the company, the company in general, is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Sales-tax,

Wealth-tax Service tax, custom duty, Excise duty, Cess and other statutory dues applicable to it **except undisputed amount of Rs. 233.31 lacs in respect of TDS & Rs. 56.58 lacs as income tax which are outstanding in the books of accounts as on 31.03.2014 for a period of six months from the date the amount became payable.**

- (b) According to the information and explanations given to us and on the basis of our verification of books of accounts of the company, no amounts payable in respect of Sales-tax, Wealth tax, Income tax, Service-tax Custom duty, Excise duty, cess were outstanding, as at 31st March, 2014 due to any dispute.
- (x) The accumulated losses of the company are not more than 50% of net worth of the company. The company has incurred cash losses during the year covered by our audit but not in the immediately preceding financial year.
- (xi) **Based on our audit procedures and on the information and explanations given by the management, the company has defaulted in repayments of dues and interest thereon to a financial institution amounting to Rs. 11828.23 lacs and also to debenture holders amounting to Rs. 15874.35 lacs from a period ranging from one year to three years. (Refer Note no. 4(D) of Notes on financial statements).**
- (xii) Based on our examination of documents and records, we are of the opinion that the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund/nidhi/mutual benefit fund/societies and hence provisions of clause (xiii) are not applicable to it.
- (xiv) In our opinion, the company is not dealing or trading in shares, securities, debentures and other investments hence provisions of this clause are not applicable to it.
- (xv) Based on our examination of the records of the company and as explained to us, **the company has given guarantee of Rs. 6500.00 lacs to bank/financial institution for loans taken by an associate company setting up five star hotel project in Chandigarh.** As the guarantee is given for an associate company, in our opinion, the terms & condition of the guarantee is not prima-facie prejudicial to the interest of the company. (Refer Foot Note No. (iii) of note 20 of notes on financial statements)
- (xvi) Based on our examination of the records, we are of the opinion that the term loans have been applied for the purpose for which they were raised.
- (xvii) Based on our examination of the records, we are of the opinion that funds raised from short term basis were not used for long term investment.
- (xviii) During the year the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) **The company is yet to pledge 26% of equity shareholding of the company, as security, as held by its promoters and their affiliates in favour of debentures trustees.** (Refer Note no. 4(A)(c) of Notes on financial statements).
- (xx) During the year covered by our audit, the company has not raised any money by way of public issue.
- (xxi) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.

For M.Kamal Mahajan And Co.
Chartered Accountants
Firm Regn No. 006855N

M. K. Mahajan
(Partner)
M. No. 017418

Date : 30.05.2014
Place : New Delhi

Balance Sheet

As at 31st March, 2014

(Rs. in lacs)

	Notes	As at 31.03.2014	As at 31.03.2013
<u>EQUITY AND LIABILITIES</u>			
1. SHAREHOLDERS' FUNDS			
Share capital	2	9036.50	9036.50
Reserves and Surplus	3	4079.46	5889.32
		<u>13115.96</u>	<u>14925.82</u>
2. NON - CURRENT LIABILITIES			
Long-term borrowings	4	14.38	6697.55
Deferred tax liability (Net)	31	-	749.97
Other Long term liabilities	5	98.66	2098.66
Long-term provisions	6	130.34	128.58
		<u>243.38</u>	<u>9674.76</u>
3. CURRENT LIABILITIES			
Short-term borrowings	7	1089.14	930.82
Trade payables	8	1022.88	615.32
Other current liabilities	9	29445.57	21259.45
Short-term provisions	10	101.71	145.18
		<u>31659.30</u>	<u>22950.77</u>
		<u>45018.64</u>	<u>47551.35</u>
<u>ASSETS</u>			
1. NON-CURRENT ASSETS			
<u>Fixed Assets</u>	11		
Tangible Assets		16852.06	17642.40
Intangible Assets		5.31	27.52
Capital work-in-progress		882.56	389.71
		<u>17739.93</u>	<u>18059.63</u>
Non-current Investments	12	23139.23	23139.23
Long-term loans and advances	13	551.57	517.60
Other non current assets	14	-	247.01
		<u>41430.73</u>	<u>41963.47</u>
2. CURRENT ASSETS			
Inventories	15	1623.09	1612.76
Trade receivables	16	514.42	488.35
Cash and cash equivalents	17	239.53	288.26
Short-term loans and advances	18	1023.84	953.27
Other current assets	19	187.03	2245.24
		<u>3587.91</u>	<u>5587.88</u>
		<u>45018.64</u>	<u>47551.35</u>
SIGNIFICANT ACCOUNTING POLICIES	1		
NOTES ON FINANCIAL STATEMENTS	2-36		

Per our separate report of even date

For M.Kamal Mahajan And Co.
Chartered Accountants
Firm Regn. No. 006855N

(M K Mahajan)
Partner
Membership No. 017418
Place : New Delhi
Date : 30.05.2014

For & on behalf of the Board

(P. L. Suri)
Chairman & Managing Director
DIN : 00256300

(Suresh Gupta)
AVP (Fin.& Accts.) & CFO

(Neha Mittal)
Company Secretary

(Vijay Mohan Kaul)
Director
DIN : 00472888

(Ashoka Kini)
Director
DIN : 00584044

Statement of Profit and Loss

For the Year Ended 31st March, 2014

			(Rs. in lacs)
	Notes	Year Ended 31.03.2014	Year Ended 31.03.2013
REVENUE			
Revenue from operations	21	10334.35	9748.01
Other Income	22	86.50	99.67
Total Revenue		<u>10420.85</u>	<u>9847.69</u>
EXPENSES			
Cost of materials, stores & supplies	23	1675.89	1491.56
Employee benefits expense	24	2047.35	1862.76
Finance Cost	25	4573.39	4721.61
Depreciation	11	939.63	918.08
Other expenses	26	3744.43	3310.88
Total expenses		<u>12980.68</u>	<u>12304.89</u>
Profit/(Loss) before exceptional and extraordinary items and tax		(2559.83)	(2457.20)
Exceptional items		-	-
Profit/(Loss) before extraordinary items and tax		(2559.83)	(2457.20)
Extraordinary Items - Income(net of taxes)		-	1033.10
Profit/(Loss) before tax		(2559.83)	(1424.10)
Tax expense:			
(1) Current tax		-	-
(2) Deferred tax	31	749.97	(797.24)
(3) Income Tax - earlier years		-	120.73
Profit/(Loss) for the year		(1809.86)	(747.60)
Earnings per equity share of Rs.10/- each:	32		
(1) Basic		(25.55)	(13.57)
(2) Diluted		(25.55)	(13.57)
SIGNIFICANT ACCOUNTING POLICIES	1		
NOTES ON FINANCIAL STATEMENTS	2-36		

Per our separate report of even date

For M.Kamal Mahajan And Co.
Chartered Accountants
Firm Regn. No. 006855N

(M K Mahajan)

Partner

Membership No. 017418

Place : New Delhi

Date : 30.05.2014

For & on behalf of the Board

(P. L. Suri)
Chairman & Managing Director
DIN : 00256300

(Suresh Gupta)
AVP (Fin.& Accts.) & CFO

(Neha Mittal)
Company Secretary

(Vijay Mohan Kaul)
Director
DIN : 00472888

(Ashoka Kini)
Director
DIN : 00584044

Cash Flow Statement

For the Year Ended 31st March, 2014

	Notes	Year Ended 31.03.2014	(Rs in lacs) Year Ended 31.03.2013
A. CASH FLOWS FROM OPERATING ACTIVITIES :			
Net Profit/(Loss) before Tax and extraordinary items		(2559.83)	(2457.20)
Adjustments for :			
Depreciation for the year	11	939.63	918.08
Loss on Sale of Fixed Assets	26	-	0.37
Allowance for bad & doubtful debts	26	-	2.71
Finance cost	25	4573.39	4721.61
Interest Received	22	(12.81)	(9.01)
		<u>5500.21</u>	<u>5633.76</u>
Operating profit before working capital changes		2940.38	3176.56
Changes in current assets and current liabilities			
(Increase)/ Decrease in Trade Receivables	16	(26.07)	38.14
(Increase)/ Decrease in Short term Loans & advances	18	(70.57)	(249.99)
(Increase)/ Decrease in other current assets	19	2058.21	(1282.35)
(Increase)/ Decrease in Inventories	15	(10.33)	(145.63)
Increase/ (Decrease) in Current liabilities & Provisions	7,8,9 &10	8708.52	12901.19
Increase in Long term Provisions	6	1.76	24.47
Cash generated from operations		13601.90	14462.39
Income Tax (TDS)		-	(120.73)
Cash Flow before extraordinary items		13601.90	14341.66
Extraordinary items - net of taxes		-	1033.10
Deferred tax liability on extraordinary items		-	496.17
NET CASH GENERATED BY OPERATING ACTIVITIES		13601.90	15870.93
B. CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of Fixed Assets (net)	11	(619.92)	(543.72)
Long-term loans and advances	13	(33.97)	11.34
Others non current assets	14	247.01	800.00
Interest Received	22	12.81	9.01
NET CASH (USED)/GENERATED IN INVESTING ACTIVITIES		(394.07)	276.64
C. CASH FLOWS FROM FINANCING ACTIVITIES:			
Finance cost (net)	25	(4573.39)	(2064.59)
Proceeds from Long Term borrowings (Net)	4	(6683.17)	(13413.57)
Proceeds from Long Term liabilities	5	(2000.00)	(803.95)
NET CASH GENERATED/(USED) IN FINANCING ACTIVITIES		(13256.56)	(16282.11)
Net Increase/(Decrease) in Cash and Cash equivalents(A+B+C)		(48.73)	(134.54)
Cash and Cash equivalents as at beginning of the year		288.26	422.81
Cash and Cash equivalents as at end of the year		239.53	288.26
SIGNIFICANT ACCOUNTING POLICIES	1		
NOTES ON FINANCIAL STATEMENTS	2-36		

Per our separate report of even date

For M.Kamal Mahajan And Co.
Chartered Accountants
Firm Regn. No. 006855N

(M K Mahajan)
Partner
Membership No. 017418
Place : New Delhi
Date : 30.05.2014

For & on behalf of the Board

(P. L. Suri)
Chairman & Managing Director
DIN : 00256300

(Suresh Gupta)
AVP (Fin.& Accts.) & CFO

(Neha Mittal)
Company Secretary

(Vijay Mohan Kaul)
Director
DIN : 00472888

(Ashoka Kini)
Director
DIN : 00584044

I. SIGNIFICANT ACCOUNTING POLICIES

a) Basis for preparation of accounts

These financial statements have been prepared and presented under the historical cost convention on an accrual basis of accounting and comply with the Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006, other pronouncements of the Institute of Chartered Accountants of India, the relevant provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India, to the extent applicable.

b) Use of Estimates

The preparation of financial statement requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and the reported amount of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, employee benefits, provision for income taxes, useful life of depreciable fixed assets and provision for impairment.

c) Fixed Assets

- i) Fixed assets are recorded at cost of acquisition and stated at historical cost.
- ii) Expenditure incurred on projects during implementation including cost of borrowing is capitalized and shown as capital work-in-progress and is apportioned to various assets on commissioning / completion of the same.

d) Depreciation

Depreciation on fixed assets is provided on straight line method in accordance with Section 205(2)(b) of the Companies Act, 1956 at the rates which are not lower than the rates specified in Schedule XIV to the Companies Act, 1956. Depreciation on additions/deletions during the year has been provided for on pro-rata basis. Assets purchased/installed during the year costing less than Rs. 5,000/- each are fully depreciated in the year of purchase/installation.

e) Investments

Investments are stated at cost of acquisition. Provision is made, where, there is a permanent fall in the value of investment.

f) Revenue recognition

Revenue is recognized when there is reasonable certainty of its ultimate realization/ collection. Dividend income is accounted for when the right to receive the same is established.

g) Share Issue Expenses

Share issue expenses including advertisement, printing & stationery and communication expenses are written off against securities premium account.

h) Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction.

Monetary foreign currency assets and liabilities (monetary items) are reported at the exchange rate prevailing on the balance sheet date and the resultant net gains or losses are recognized as incomes or expenses in the year in which they arise.

i) Inventory

Inventory of provisions & beverages, wine and liquor, store and operating supplies have been valued at cost on first-in-first-out basis or net realizable value whichever is less.

j) Impairment of assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. The recoverable amount of an asset which is identified as impaired is estimated and impairment loss is recognized.

k) Provision

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.

Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

l) Taxation

The provision for taxation is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income Tax Act, 1961. Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

m) Earning per Share

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

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 dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date.

n) Employee Retirement benefits

Short-term employee benefits

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognized in the statement of profit and loss in the period in which the employee renders the related service.

Defined benefit plans

Defined benefit plans of the company consist of gratuity and leave encashment.

- Gratuity

The company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service.

- Leaves Encashment

As per the company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods either to be utilized during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. The value of benefits is determined based on the seniority and the employee's salary.

The liability in respect of defined benefit plans is accrued in the books of accounts on the basis of actuarial valuation carried out by an independent actuary.

Defined contribution plans

Defined contribution plans of the company consist of Provident fund and Employees State Insurance.

- Provident Fund & Employees State Insurance (ESI)

The company makes specified monthly contribution towards the employees' provident fund & ESI for the eligible employees.

The contribution made to provident fund and ESI are charged to statement of profit and loss as and when these become payable.

Notes on Financial Statements for the Year

Ended 31st March 2014

(Rs in lacs)

	As at 31.03.2014	As at 31.03.2013
2. A. SHARE CAPITAL		
<u>Authorised</u>		
26500000 (Previous Year 26500000) Equity Shares of Rs.10/- each	2650.00	2650.00
8150000 (Previous Year 8150000) Preference shares of Rs. 100/- each	<u>8150.00</u>	<u>8150.00</u>
<u>Issued, Subscribed & Paid up</u>		
(i) <u>Equity Share Capital</u>		
8864962 (Previous Year 8864962) Equity Shares of Rs. 10/- each fully paid up	886.50	886.50
(ii) <u>Preference Share capital</u>		
4150000 (Previous Year 4150000), 10% Cumulative Redeemable Preference Shares of Rs.100/- each fully paid up	4150.00	4150.00
4000000 (Previous Year 4000000), 1% Cumulative Redeemable Preference Shares of Rs.100/- each fully paid up	4000.00	4000.00
	<u>8150.00</u>	<u>8150.00</u>
	<u>9036.50</u>	<u>9036.50</u>

B Reconciliation of the numbers and amount of Equity Shares :

	31.03.2014		31.03.2013	
	Nos.	Amount (Rs./Lacs)	Nos.	Amount (Rs./Lacs)
Outstanding at beginning of the year	8864962	886.50	8864962	886.50
Add : Shares issued during the year	-	-	-	-
Less : Shares bought back during the year	-	-	-	-
Outstanding at the end of year	8864962	886.50	8864962	886.50

Reconciliation of the numbers and amount of 10% Cumulative Redeemable Preference Shares :

	31.03.2014		31.03.2013	
	Nos.	Amount (Rs./Lacs)	Nos.	Amount (Rs./Lacs)
Outstanding at beginning of the year	4150000	4150.00	4150000	4150.00
Add : Shares issued during the year	-	-	-	-
Less : Shares bought back during the year	-	-	-	-
Outstanding at the end of year	4150000	4150.00	4150000	4150.00

Reconciliation of the numbers and amount of 1% Cumulative Redeemable Preference Shares :

	31.03.2014		31.03.2013	
	Nos.	Amount (Rs./Lacs)	Nos.	Amount (Rs./Lacs)
Outstanding at beginning of the year	4000000	4000.00	4000000	4000.00
Add : Shares issued during the year	-	-	-	-
Less : Shares bought back during the year	-	-	-	-
Outstanding at the end of year	4000000	4000.00	4000000	4000.00

C. Rights, preferences and restrictions attached to each class of Shares and terms of redemption :

- The company has two classes of shares referred as equity shares and preference shares. The equity shares are having a par value of Rs. 10/- each whereas par value for each preference shares is Rs. 100/-. Each holder of equity shares is entitled to one vote per share, whereas preference share holders are participating preference shares and entitled to vote on every resolution placed before the company which directly affects the rights attached to their shares.
- In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company after distribution of preferential amounts. The distribution will be in the proportion of the number of equity shares held by the shareholders.
- 41,50,000 10% cumulative preference shares are redeemable at par in the year 2017-18 and 40,00,000 1% cumulative preference shares are redeemable at par in the year 2019-20. All these shares are subject to put and call option exercisable at the end of 3rd, 6th, 9th and 12th year of allotment. Dividend arrears on above cumulative preference shares as at 31.03.2014 are Rs. 5112.94 Lacs (Previous year Rs. 4657.94 Lacs)
- SEBI has granted approval to convert 40,00,000, 1% cumulative redeemable preference shares into equity shares of Rs. 10/- each and company is in the process of conversion of such shares into equity shares.
- Capital Redemption Reserve for redemption of Preference Shares could not be created during the year because of unavailability of surplus.

- D.** The company itself being ultimate holding company, therefore, disclosure requirements about its parent company are not applicable in the present case.

E. Shareholders holding more than 5% shares -

i) Equity Shares

Name of Shareholder	As at 31-03-2014		As at 31-03-2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ferry Holdings Limited	1162162	13.11	1162162	13.11
Jetty Capital Limited	1150000	12.97	1150000	12.97
Northern Projects Limited*	660000	7.45	660000	7.45

*The ownership in equity shares held by Northern Projects Limited is in dispute with the original owner of these shares & the matter is pending in the court. The court has restrained the present owner of these shares from transferring, alienating, encumbering or otherwise dealing with or parting with the possession of the shares held by it.

ii) Preference Shares

a) 41,50,000, 10% Cumulative Redeemable Shares -

Name of Shareholder	As at 31-03-2014		As at 31-03-2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Brook Investment & Financial Services Pvt. Ltd.	350000	8.43	350000	8.43
Concept Credit & Consultants Pvt. Ltd.	350000	8.43	350000	8.43
Epitom Holdings Pvt. Ltd.	400000	9.64	400000	9.64
Liquid Holdings Pvt. Ltd.	400470	9.65	400470	9.65
Mid-Med Financial Services Pvt. Ltd.	399600	9.63	399600	9.63
React Investment & Financial Services Pvt. Ltd.	400000	9.64	400000	9.64
Scope Credit & Financial Services Pvt. Ltd.	400000	9.64	400000	9.64
Solace Investment & Financial Services Pvt. Ltd.	350000	8.43	350000	8.43
Solitary Investment & Financial Services Pvt. Ltd.	350000	8.43	350000	8.43
Square Investment & Financial Services Pvt. Ltd.	400000	9.64	400000	9.64
Seed Securities & Services Pvt. Ltd.	349930	8.43	349930	8.43

b) 40,00,000, 1% Cumulative Redeemable Shares -

Name of Shareholder	As at 31-03-2014		As at 31-03-2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Epitom Holdings Pvt. Ltd.	285000	7.13	285000	7.13
Liquid Holdings Pvt. Ltd.	287590	7.19	287590	7.19
Mid-Med Financial Services Pvt. Ltd.	285400	7.14	285400	7.14
React Investment & Financial Services Pvt. Ltd.	285000	7.13	285000	7.13
Scope Credit & Financial Services Pvt. Ltd.	285000	7.13	285000	7.13
Solace Investment & Financial Services Pvt. Ltd.	830691	20.77	830691	20.77
Solitary Investment & Financial Services Pvt. Ltd.	335000	8.37	335000	8.37
Square Investment & Financial Services Pvt. Ltd.	285000	7.13	285000	7.13
Seed Securities & Services Pvt. Ltd.	335070	8.38	335070	8.38
Mrs. Sunita Suri	345000	8.63	345000	8.63
Mrs. Mamta Suri	250000	6.25	250000	6.25

- F.** During last 5 years immediately preceding the balance sheet date, no Equity Share or Preference share has been issued pursuant to any contract without payment being received in cash. Further the company has neither allotted any share by way of bonus shares, nor it had bought back any Equity or Preference Share during aforesaid period of 5 years.

G. There is no call unpaid as on 31.03.2014

H. No shares have been forfeited by the company during the year.

		(Rs. in Lacs)	
		As at 31.03.2014	As at 31.03.2013
3.	<u>RESERVES & SURPLUS</u>		
	General Reserve	1926.68	1926.68
	Securities Premium Account	4668.15	4668.15
	Surplus/(Deficit) -		
	Opening balance	(705.51)	42.08
	Profit/(Loss) for the year	(1809.86)	(747.60)
	Closing balance	<u>(2515.37)</u>	<u>(705.51)</u>
		<u>4079.46</u>	<u>5889.32</u>
4.	<u>LONG TERM BORROWING</u>		
	<u>(i) Secured</u>		
	10000,12% Redeemable Non Convertible Debentures of Rs. 100000/- each fully paid up	-	6666.67
	Term Loan from others	-	-
	Term Loans from Banks	14.38	30.88
		<u>14.38</u>	<u>6697.55</u>

Nature of Security and Terms of Repayment -

A Non Convertible Debentures

- (i) These debentures together with interest, redemption premium etc. are secured as under:-
- a first charge over the immovable property of Rs. 6.00 lacs in Gujarat;
 - Second charge on Company's immovable properties located at 263C, Arossim, Cansaulim, Goa, both present and future and the charges of the Debenture holders shall be subject/subsequent to the prior following existing charges:
 - First charge on all the company's immovable properties, both present and future, on which term loan and corporate loan lenders have their charge for the principal amounts and interest thereon or any other charges due to the bank in the ordinary course of business.
 - Second charge on all the company's immovable properties, both present and future, on which lenders of working capital limits have their charge for principal amounts and interest thereon or any other charges due to the bank in the ordinary course of business.
 - A pledge of 26% equity shareholding in the company as held by its promoters and affiliates in favour of Debenture Trustees, which is currently held by term loan lender, after securing release of the same within a period of 90 days from the date of receipt of full subscription. Pledge of shares is still pending.

- d. Pending creation of the security envisaged in (c) above, 10,00,00,000 number of equity shares of Silver Resort Hotel India Private Limited (a subsidiary of the company) held by the company are pledged with the Debentures Trustees as interim Security. This Interim Security shall be released once the security as envisaged in clause (c) above has been created in favour of the Debentures Trustees.
- (ii) Debenture Redemption Reserve has not been created because of unavailability of surplus.
- (iii) Due to tough economic conditions and general slow down, the company could not meet its obligations towards debenture holders. As a result, the debenture holder has filed a suit for recovery of dues with interest & premium thereon. The amount has been shown as "Current maturities of Non Convertible Debentures" under head "Other Current Liabilities". (Refer Note no.9(i))

B Term Loans from Others

- a. Term loan from others represents long term loan taken from a financial institution repayable on quarterly basis, along with all interest, liquidated damages, premia on prepayment or on redemption, costs, expenses and other monies etc are secured by first mortgage on hotel property of the company at Goa and further secured by personal guarantee of the executive directors. The entire amount of loan and interest due thereon, is shown as "Current Maturities of Term loan from others" under the head "Other Current Liabilities". (Refer note no.9(ii))
- b. During the year Hon'ble DRT in, action taken by a term lender has quashed and set aside its Demand notice and further measures taken u/s 13(4) of SRFAESI Act pursuant to the said notice. An Application for recovery of debt by the aforesaid lender under RDDB Act, 1993 is pending before the Hon'ble DRT Delhi.

C. Term Loans from Banks

Term loans from banks represents vehicle loans, repayable on monthly basis, are secured by way of hypothecation of specific assets purchased under the hire purchase scheme.

Year of Repayment	2015-16	2016-17	2017-18	Total
Annual Repayment Amount (Rs./Lacs)	9.73	2.33	2.32	14.38
Annual Rate of Interest	10 -12.50%			

Current portion of term loan from banks payable in 12 months is shown as "Current maturities of term loan from banks" under the head "Other Current Liabilities". (Refer note no.9(iii))

D. Detail of Continuing Default in payment of long term borrowings is as under: -

Particulars	Principal (in lacs)	Interest (in lacs)	Period of default
Term Loan from others -	11682.07		0 - 2 Years
Term Loan from others - Interest		146.16	0 - 1 Year
Debentures	10000.00		0 - 1 Year
Debentures - Interest		3321.36	1 - 3 Years
		3467.52	
Premium on redemption of Debentures	2552.99		0 - 1 Year

(Rs. in Lacs)		
	As at 31.03.2014	As at 31.03.2013
5. <u>OTHER LONG TERM LIABILITIES</u>		
Earnest Money received from business associates & Others	50.00	53.95
Sundry Creditors for Capital Expenses	48.66	48.66
Premium on redemption of Debentures	-	2000.00
	<u>98.66</u>	<u>2098.66</u>
6. <u>LONG TERM PROVISIONS</u>		
Provision for employees' benefits -		
- Gratuity (unfunded)	82.04	78.43
- Leave Encashment (Unfunded)	48.30	50.15
	<u>130.34</u>	<u>128.58</u>
7. <u>SHORT TERM BORROWINGS</u>		
<u>Secured Loan</u>		
Working capital loans from banks	1089.14	930.82
	<u>1089.14</u>	<u>930.82</u>
Working Capital loans from banks are secured by way of hypothecation of raw materials, semi-finished goods, finished goods, stores, book debts and other current assets of the company in addition to second pari-passu charge over the entire fixed assets of the company present and future with other term lenders.		
8. <u>TRADE PAYABLES</u>		
Trade Creditors	1022.88	615.32
	<u>1022.88</u>	<u>615.32</u>

Based on the information available with the Company, a sum of Rs. Nil (Previous Year Nil) is payable to Micro & Small Enterprises as defined under the MSMED Act, 2006. Further, no interest during the year has been paid or payable under the terms of the MSMED Act, 2006.

(Rs. in Lacs)		
	As at 31.03.2014	As at 31.03.2013
9. OTHER CURRENT LIABILITIES		
i. Current maturities of Non Convertible Debentures (Refer Note - 4A(iii))	10000.00	3333.34
ii Current maturities of term loan from others (Refer Note - 4B(a))	11682.07	13609.82
iii Current maturities of term loan from banks (Refer Note - 4C)	25.10	30.24
iv Interest accrued and due on borrowings	3467.52	1613.66
v Interest accrued but not due on borrowings	-	506.53
vi Premium on redemption of Debentures	2552.99	800.00
vii Advance received from customers & others	192.50	223.99
viii Other expense payable	894.32	473.43
ix <u>Other payables</u> -		
- Tax deducted at source (TDS)	332.60	299.54
- Indirect Taxes	0.72	95.78
x <u>Employee benefits payable</u> -		
-Salaries & benefits	235.29	217.02
-Provident fund /ESI	16.39	15.03
-Bonus & incentives	46.07	41.07
	<u>29445.57</u>	<u>21259.45</u>
10. SHORT TERM PROVISIONS		
Provision for Income Tax	75.04	120.73
<u>Provision for Employees' benefits :</u>		
-Gratuity (unfunded)	15.37	13.34
-Leave Encashment (Unfunded)	11.30	11.11
	<u>101.71</u>	<u>145.18</u>

11. FIXED ASSETS TANGIBLE ASSETS

(Rs in lacs)

PARTICULARS	GROSS BLOCK			DEPRECIATION			CARRYING VALUE	
	As at 01.04.2013	Additions	Deductions	As at 31.03.2014	For the year	Deductions	As at 31.03.2014	As at 31.03.2013
Land and Site development								
- Land	1696.97	-	-	1696.97	-	-	1696.97	1696.97
- Site Development	326.83	-	-	326.83	-	-	326.83	326.83
Buildings								
- Hotel	15817.75	-	-	15817.75	257.83	-	13151.13	13408.96
- Others	20.42	-	-	20.42	0.33	-	14.27	14.60
Plant and Equipment	4131.92	20.42	-	4152.34	373.71	-	425.23	778.52
Electrical Installations	780.42	11.43	-	791.85	37.28	-	354.57	463.13
Furnitures & Fixtures - Hotel	1564.95	15.82	-	1580.77	149.67	-	1219.22	495.39
Furnitures & Fixtures - Others	106.47	-	-	106.47	6.74	-	18.88	25.62
Vehicles	402.93	14.03	-	416.96	39.60	-	209.71	232.82
Office Equipments	54.69	0.27	-	54.96	3.88	-	6.68	10.29
Operating Equipment	299.60	49.99	-	349.59	31.61	-	151.99	133.60
Computers	72.01	11.61	-	83.62	13.27	-	29.61	55.67
Total	25274.95	123.57	-	25398.52	913.92	-	16852.06	17642.40
Previous Year	25122.37	157.06	4.48	25274.95	895.18	2.87	17642.40	-

INTANGIBLE ASSETS

Computer Software	75.50	3.50	-	79.00	25.71	-	5.31	27.52
Previous Year	63.48	12.02	-	75.50	22.90	-	27.52	-

CAPITAL WORK-IN-PROGRESS

CWIP	389.71	492.85	-	882.56	-	-	882.56	389.71
Previous Year	13.82	375.89	-	389.71	-	-	389.71	-

Grand Total	25740.16	619.92	-	26360.08	939.63	-	17739.93	18059.63
Previous Year	25199.67	544.97	4.48	25740.16	918.08	2.87	18059.63	-

	(Rs. in Lacs)	
	As at 31.03.2014	As at 31.03.2013
12. NON- CURRENT INVESTMENTS		
A. Trade Investments (At Cost)		
(b) Unquoted		
<u>Subsidiary Companies</u>		
(i) 50000 (P.Y. 50000) Equity Shares of Rs.10/- each fully paid up of Blue Coast Hospitality Ltd	5.00	5.00
(ii) 50000 (P.Y. 50000) Equity Shares of Rs.10/- each fully paid up of Golden Joy Hotel Pvt. Ltd.	5.00	5.00
(iii) 188510000 (P.Y. 188510000) Equity Shares of Rs.10/- each fully paid up of Silver Resorts Hotel India Private Limited	18851.00	18851.00
<u>Associate Companies</u>		
15600 (P.Y.15600) Equity Shares of Rs.10/- each fully paid up of Joy Hotel & Resorts Pvt. Ltd.	4275.00	4275.00
	<u>23136.00</u>	<u>23136.00</u>
B. Other Investments (At Cost) -		
Others		
(a) Quoted		
1250 (P.Y.1250) Equity Shares of Rs. 10/- each fully paid-up of ICICI Bank Limited (Market value of quoted investment is Rs. 15.56 lacs (P.Y. Rs.13.07 lacs))	1.22	1.22
(b) Unquoted		
4020 (P.Y. 4020) Equity Shares of Rs.50/- each fully paid up of Domvibli Nagari Sehkari Bank Ltd.	2.01	2.01
	<u>3.23</u>	<u>3.23</u>
Total (A+B)	<u>23139.23</u>	<u>23139.23</u>
Aggregate amount of quoted investment	1.22	1.22
Aggregate amount of unquoted investment	23138.01	23138.01
(i) Provision for fall in carrying value of investments in respect of losses in the subsidiaries & the associate Company has not been made, as these losses, in management's perception, are temporary in nature. These companies has not started commercial operation till the balance sheet date.		
(ii) Out of 18,85,10,000 equity share of Rs. 10/- each fully paid up of subsidiary company Silver Resort Hotel India (P) Limited , 10,00,00,000 equity share of Rs. 10/- each are pledged with debenture holders as interim security. The rest 8,85,10,000 equity shares are pledged with Term Lenders.		
(iii) All 15,600 equity share of Rs. 10/- each fully paid up of associate company Joy Hotel & Resorts (P) Limited are pledged with term lenders of the associate company for securing the term loans, interest on loans and all other related moneys payable as availed by the associate company for its upcoming five star hotel project at Chandigarh.		
(iv) The investments in shares in Silver Resort Hotel India (P) Limited and associate company are made solely with the motive to acquire and retain controlling stake, in furtherance of its business interest in hotel business.		

		(Rs. in Lacs)	
		As at 31.03.2014	As at 31.03.2013
13.	<u>LONG TERM LOANS AND ADVANCES</u>		
	(Unsecured, considered good)		
	Security Deposits	87.60	53.63
	Loans & Advances to subsidiaries :-		
	- Blue Coast Hospitality Limited (Maximum balance outstanding during the year- Rs. 206.34 lacs)	206.34	206.34
	- Golden Joy Hotel Pvt. Limited (Maximum balance outstanding during the year- Rs. 257.63 lacs)	257.63	257.63
		<u>551.57</u>	<u>517.60</u>
14	<u>OTHER NON-CURRENT ASSETS</u>		
	Unamortised amount of premium on redemption of debentures*	-	247.01
		<u>-</u>	<u>247.01</u>
	Other non-current assets represents unamortised amount of premium on redemption of debentures to be charged to revenue beyond 12 months from the date of balance sheet.		
15	<u>INVENTORIES</u>		
	(At cost or Net Realisable Value whichever is lower)		
	Stores and Operating supplies	1455.55	1430.65
	Provisions & Beverages	102.20	105.05
	Wine & Liquor	65.34	77.06
		<u>1623.09</u>	<u>1612.76</u>
	The inventory has been taken, valued and certified by the management.		
16	<u>TRADE RECEIVABLES</u>		
	Trade receivables outstanding for a period exceeding six months		
	Unsecured -		
	considered good	5.10	0.44
	considered doubtful	1.68	5.93
	Less : Allowance for doubtful debts	(1.68)	(5.93)
		<u>5.10</u>	<u>0.44</u>
	Other Debts		
	Unsecured -		
	considered good	509.32	487.91
		<u>514.42</u>	<u>488.35</u>

(Rs. in Lacs)		
	As at 31.03.2014	As at 31.03.2013
17 CASH AND CASH EQUIVALENTS		
Balances with banks		
i) Current Accounts	84.86	134.46
ii) Bank Balances held as -		
- Fixed Deposit against Margin money	133.28	140.72
Cash on hand	21.39	13.08
	<u>239.53</u>	<u>288.26</u>
18 SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Income Tax Deducted at source	783.89	729.42
Advances with Suppliers & Others	232.97	217.15
Loans & advances to employees	6.98	6.70
	<u>1023.84</u>	<u>953.27</u>
19 OTHER CURRENT ASSETS		
Prepaid Expenses	124.52	176.23
Interest on fixed deposits accrued but not due	48.58	41.33
Commission receivable	5.74	7.54
Unamortised amount of premium on redemption of debentures	-	800.00
Others	8.19	1220.14
	<u>187.03</u>	<u>2245.24</u>
Unamortised amount of premium on redemption of debentures represents amount of premium on redemption of debentures to be charged to revenue within 12 month from the date of balance sheet.		
20 CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)		
a) Contingent Liabilities		
Guarantees		
- For securing loans of upcoming hotel project at Chandigarh related to associate company	6500.00	6500.00
- For operation of the company	17.12	49.27
- Guarantee for Subsidiary Company Golden Joy Hotel (P) Ltd.	-	500.00
b) Commitments		
- Estimated amount of contracts remaining to be executed on capital account	40.31	436.40

(Rs. in Lacs)		
	As at 31.03.2014	As at 31.03.2013
c) Other money for which company is contingently liable		
- Liability for short fall of buy back of equity share capital with return on investment of subsidiary company Silver Resort Hotel India (P) Limited	17363.40	16199.93
- Liability for non performance of obligations by Subsidiary Company Golden Joy Hotel (P) Ltd.	776.25	-
- Liability for reimbursement of expenses.	336.66	-
- Dividend on cumulative preference shares	5112.94	4657.94
10% cumulative redeemable preference shares (12 years dividend)		
1% cumulative redeemable preference shares (10 years dividend)		
	<u>30146.68</u>	<u>28343.54</u>
(i) The financial institution from which the company has taken term loan has also invested in the equity share capital of the subsidiary of the company Silver Resort Hotel India (P) Limited (setting up a five star hotel project near International Airport, Delhi) to the tune of Rs. 8500.00 lacs. The company is party to the Share Buy Back Agreement along with promoters of the company. Exercising the above right, during the year ending 31.3.2013, the institution has called upon the company to honour buy back obligation in respect of Rs. 2800.00 lacs of equity and return on investment and has thus raised demand of Rs. 5118.60 lacs. Buy back obligation for Rs. 2800.00 has fallen due during the year. Balance buy back obligations with return on investment for Rs. 2900 lacs will fall due in the financial year 2014-15. The shortfall if any, of buy back amount along with return on investment are secured by way of equitable mortgage on first charge basis on "Park Hyatt Goa Resort & Spa" Hotel property of the company situated at 263C, Arrossim, Consaulim, Goa and additionally guaranteed by the executive directors of the company and the company.		
(ii) The company has taken opinion from expert that Corporate guarantee of Rs. 6500.00 lacs given for securing loans of upcoming hotel project at Chandigarh related to associate company does not require approval from Central Govt.		
(iii) The lenders to whom guarantee is given for securing term loans of associate company have initiated recovery proceedings against the associate company under SRFAESI Act, 2002.		
21 REVENUE FROM OPERATIONS		
Room Income	6545.39	6313.53
Provisions & Beverages	2073.88	1815.48
Wine and liquor	1116.71	992.68
Communications	32.56	29.03
Others	565.81	597.29
	<u>10334.35</u>	<u>9748.01</u>
22 OTHER INCOME		
Interest Income	12.81	9.01
Dividend received on non-trade investments	0.69	0.51
Miscellaneous Income	73.00	90.15
	<u>86.50</u>	<u>99.67</u>

		(Rs. in Lacs)	
		As at 31.03.2014	As at 31.03.2013
23	<u>COST OF MATERIALS, STORES & SUPPLIES</u>		
(a)	Stores & Operating supplies		
	Opening Stock	1430.65	1364.19
	Add : Purchases	597.01	791.91
		2027.66	2156.10
	Less: Closing Stock	1455.55	1430.65
		572.10	725.45
(b)	Provisions & Beverages		
	Opening Stock	105.05	41.06
	Add : Purchases	935.79	775.01
		1040.84	816.07
	Less: Closing Stock	45.19	105.05
		995.65	711.02
(c)	Wine & Liquor		
	Opening Stock	77.06	61.88
	Add : Purchases	153.43	70.27
		230.49	132.15
	Less: Closing Stock	122.34	77.06
		108.14	55.09
	Total (a+b+c)	1675.89	1491.56
24	<u>EMPLOYEE BENEFITS EXPENSE</u>		
	Salaries and Wages	1632.37	1457.94
	Gratuity & Leave Encashment	31.40	55.28
	Contribution to provident and ESI	126.33	117.03
	Staff Welfare	257.25	232.51
		2047.35	1862.76
25	<u>FINANCE COST</u>		
	<u>Finance Cost on operations</u>		
	Interest	912.52	1083.37
	Bank charges	11.53	11.64
	<u>Finance Cost on Investments*</u>		
	Interest	2849.34	2826.60
	Premium on redemption of debentures	800.00	800.00
		4573.39	4721.61

*Finance cost on Investments is incurred on loans/debentures taken for investments in subsidiary company Silver Resort Hotel India (P) Limited setting up a five star hotel at Delhi

(Rs. in Lacs)		
	As at 31.03.2014	As at 31.03.2013
26		
<u>OTHER EXPENSES</u>		
Telephone	25.99	24.19
Power & Fuel	713.55	535.92
Rent	58.13	53.31
Repairs to buildings	53.00	59.70
Repairs to machinery	490.02	325.77
Insurance	31.36	48.44
Rates and Taxes	6.24	5.98
Legal and Professional Expenses	165.88	169.57
Travelling Expenses	42.85	78.57
Selling and Advertisement Expenses	818.39	767.78
Management fees	674.30	667.44
Printing & Stationery	49.34	49.62
Allowance for bad & doubtful Debts	-	2.71
Loss on sale of Fixed Assets	-	0.37
Miscellaneous Expenses	615.38	521.51
	<u>3744.43</u>	<u>3310.88</u>

27 PAYMENT TO STATUTORY AUDITORS

	31.03.2014	31.03.2013
Audit Fee	15.00	13.60
Tax Audit Fee	3.00	2.80
Tax Matters	2.20	3.70
Certification	1.06	0.74
Service Tax	2.50	2.58
Total	23.76	23.42

28 PRIOR PERIOD ITEMS

Expenses include Rs. 0.20 lacs (Previous Year Rs. 24.52 lacs) as expenses (net) relating to earlier years.

29 EMPLOYEE BENEFITS

Disclosures as per Accounting Standard, AS-15 (Revised) "Employee Benefits" is as under:-

(A) Disclosure for Defined Contribution Plans :-

(Rs. In lacs)

Particulars	31.03.2014	31.03.2013
Employer's contribution to Provident Fund	89.83	81.06
Employer's contribution to Employees State Insurance	36.50	35.97
Total	126.33	117.03

(B) Disclosure for Defined Benefits Plans

(Rs. In lacs)

i.	Particulars	Gratuity (Un-funded)		Leave Encashment (Un-funded)	
	Change in the present value of obligation :	31.03.2014	31.03.2013	31.03.2014	31.03.2013
	Present Value of Obligation as at the beginning of the year	91.78	80.58	61.26	44.91
	Add : Interest Cost	7.33	6.85	4.90	3.82
	Add : Current Service Cost	21.31	22.41	23.71	26.87
	Less : Benefit paid	(12.34)	(17.63)	(15.06)	(10.11)
	Add : Actuarial gain/ (loss) on obligations	(10.68)	(0.43)	(15.21)	(4.23)
	Present Value of Obligation as at the close of the year	97.40	91.78	59.60	61.26
ii.	Particulars	Gratuity (Un-funded)		Leave Encashment (Un-funded)	
	Change in the fair value of Plan Assets :	31.03.2014	31.03.2013	31.03.2014	31.03.2013
	Fair Value of Plan Assets at the beginning of the year	-	-	-	-
	Add : Expected Return on Plan Assets	-	-	-	-
	Add : Contributions	-	-	-	-
	Less : Benefit paid	-	-	-	-
	Fair Value of Plan Assets as at the close of the year	-	-	-	-

iii. Particulars	Gratuity (Un-funded)		Leave Encashment (Un-funded)	
Expense recognized in the Statement of Profit and Loss	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Current Service Cost	21.33	22.41	23.72	26.87
Add: Interest Cost	7.34	6.85	4.90	3.82
Less: Expected Return On Plan Assets	-	-	-	-
Less: Settlement Credit	-	-	-	-
Add: Net actuarial gain/ (loss) recognized	(10.68)	(0.43)	(15.21)	(4.23)
Total expenses recognized in Statement of Profit & Loss	17.99	28.83	13.41	26.46

iv. The following table sets out the assumptions used in actuarial valuation of gratuity and leave encashment-

Particulars	Gratuity (Un-funded)		Leave Encashment (Un-funded)	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Discount Rate	9.10%	8.00%	9.10%	8.00%
Rate of Increase in Compensation Levels	10.00%	10.00%	10.00%	10.00%
Rate of Return on Plan Assets	-	-	-	-
Expected average remaining working lives of employees (years)	28.85	29.66	28.86	29.29

30 SEGMENT REPORTING

The Company's business activity falls within a single primary business segment i.e. hotel operations, hence the disclosure requirements of Accounting Standards (AS - 17) "Segment Reporting", issued by the Institute of Chartered Accountants of India are not applicable.

31 Deferred Tax Liability/ (Assets):-

As required by Accounting Standard - 22 "Accounting for taxes on income" issued by Institute of Chartered Accountants of India, deferred tax asset on losses for the year has been created to the extent of existing deferred tax liability appearing in the books i.e. equivalent to Rs.749.97 lacs and no further deferred tax asset has been created on balance losses.

32 EARNING PER SHARE:

	31.03.2014	31.03.2013
Profit/(Loss) for the year (Rs.in lacs)	(1809.86)	(747.61)
Less : Preference Share Dividend	455.00	455.00
Profit/(Loss) available for equity share holders (Rs. In lacs)	(2264.86)	(1202.61)
Add: Dividend on cumulative preference shares (Refer Note no. 2C(iv)) (Convertible)	40.00	40.00
Adjusted Profit/(Loss) available for equity share holders (Rs.in lacs)	(2224.86)	(1162.61)
Weighted average number of equity shares outstanding for Basic earning per share	8864962	8864962
Effect of dilutive equity shares on account of conversion of preference shares	10000000	10000000
Weighted average number of equity shares outstanding for Diluted Earning per share	18864962	18864962
Basic earnings per share in rupees (face value - Rs.10 per share)	(25.55)	(13.57)
Diluted earnings per share in rupees (face value - Rs.10 per share) Potential equity shares in current year considered to be anti-dilutive in nature, hence 10000000 equity share being conversion of preference shares have not been adjusted to arrive at the diluted earning per share	(25.55)	(13.57)

- 33 In the opinion of management, there is no impairment condition exists as on 31st March, 2014. Hence no provision is required in the accounts for the current period ending.

34 RELATED PARTY DISCLOSURES

Disclosure as required by the accounting standard "Related Party Disclosures" (AS-18) issued by the Institute of Chartered Accountants of India are given here under :

a.	Related parties	Name
i.	Subsidiary Companies	Blue Coast Hospitality Limited Golden Joy Hotel Private Limited Silver Resort Hotel India Pvt. Limited
ii.	Associate Company	Joy Hotel and Resorts Private Limited
iii.	Key Mnagement Personnel	Mr. P.L. Suri, Chairman & Managing Director Mrs. Sunita Suri (resigned during the year)
iv.	Entities over which management personnel/relatives of key management personnel are able to exercise significant influence with which the company has transactions during the year	Blue Coast Infrastructure Development (P) Ltd.

b.	Transaction with Related parties	Nature of transaction	Amount (Rs /lacs)
i.	Subsidiary Companies	Loans given Closing balance as on 31.03.2014 (Payable)/Recoverable Maximum balance outstanding during the year	- 463.97 463.97
ii.	Associate Company	Nil	-
iii.	Key Management Personnel	Remuneration/Perquisites Closing balance as on 31.03.2014 (Payable)/Recoverable Maximum balance outstanding during the year	36.00 (146.50) (146.50)
iv.	Entities over which management personnel/ relatives of key management personnel are able to exercise significant influence	Advance for Reimbursement of Expenses Closing balance as on 31.03.2014 (Payable)/Recoverable Maximum balance outstanding during the year	(26.32) (26.32) (26.32)

35. Foreign Exchange Earnings

(Rs. In lacs)

Particulars	31.03.2014	31.03.2013
Earning in Foreign Exchange	2650.18	4073.92

Expenditure in Foreign Currency

Particulars	31.03.2014	31.03.2013
Capital Goods	201.83	309.41
Others	654.31	921.27

36 OTHERS SIGNIFICANT DISCLOSURES

- In the opinion of directors, all the assets, except stated otherwise, have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the books of accounts and the provision for depreciation and for all known liabilities is adequate and considered reasonable.
- Balances with parties, lenders appearing under various heads are subject to confirmation.
- No provision for current Income tax has been made in view of loss during the year.
- Previous year figures have been regrouped and rearranged wherever necessary to suit the present year layout.
- Figures have been given in lacs.

Independent Auditors' Report

To

The Board of Directors of Blue Coast Hotels Limited

We have audited the accompanying consolidated financial statements of Blue Coast Hotels Limited ("the company") and its subsidiaries (**as per list appearing in Note 1(a) of Financial Statements**), collectively referred to as "Blue Coast Group", which comprise the Consolidated Balance Sheet as at 31st March, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management Responsibility for the Financial Statements

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the companies in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Our Responsibility

Our responsibility is to express an opinion on these financial statements based on our examination. We conducted our examination in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the examination to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we considered the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Matters of Emphasis

Without qualifying our opinion, we draw attention to the following notes to the financial statement:-

- (i) Note no.5 (A)(iii) regarding default by the company towards debenture holders and filing of suit by the debenture holders.
- (ii) Note no.5 (B)(ii) regarding default by the company towards term lender and pending application for recovery of debt before Hon'ble DRT, Delhi.
- (iii) Note no.10 (c) regarding non-payment of fees to the ministry of corporate affairs pending since 2010-11, as a result the company could not file Annual Returns and other forms with MCA for the last three years.

- (iv) Note no. 20(i) regarding initiation of recovery proceedings by term lenders against associate company under SRFAESI Act, 2002 where company is guarantor for securing loans.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, and on the consideration of the separate audit reports of the financial statements of the parent company and its two domestic subsidiaries and on the other financial information of the components the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India :

- a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at 31st March, 2014;
- b) in the case of the Consolidated Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the year ended on that date.

For M.Kamal Mahajan And Co.
Chartered Accountants
Firm Regn No. 006855N

Place : New Delhi
Date : 30th May, 2014

M. K. Mahajan
(Partner)
M. No. 017418

Consolidated Balance Sheet

As at 31st March, 2014

(Rs. in lacs)

	<u>Notes</u>	<u>As at 31.03.2014</u>	<u>As at 31.03.2013</u>
<u>EQUITY AND LIABILITIES</u>			
1. SHAREHOLDERS' FUNDS			
Share capital	2	9036.50	9036.50
Reserves and Surplus	3	4022.13	5843.54
		13058.63	14880.04
2. MINORITY INTEREST	4	8478.79	8483.75
3. NON - CURRENT LIABILITIES			
Long-term borrowings	5	14.38	6697.55
Deferred tax liability (Net)	31	-	749.97
Other Long term liabilities	6	98.66	2098.66
Long-term provisions	7	130.35	128.58
		243.39	9674.77
4. CURRENT LIABILITIES			
Short-term borrowings	8	1089.14	930.82
Trade payables	9	1025.26	617.07
Other current liabilities	10	44175.16	32145.82
Short-term provisions	11	101.71	145.18
		46391.27	33838.90
		68172.09	66877.45
<u>ASSETS</u>			
1. NON-CURRENT ASSETS			
<u>Fixed Assets</u>	12		
Tangible Assets		46374.99	46769.46
Intangible Assets		5.31	27.52
Capital work-in-progress		11724.83	9400.72
		58105.13	56197.70
Non-current Investments	13	4278.23	4278.23
Long-term loans and advances	14	534.55	498.83
Other non current assets	15	-	247.01
		62917.91	61221.77
2. CURRENT ASSETS			
Inventories	16	1623.09	1612.76
Trade receivables	17	514.42	488.35
Cash and cash equivalents	18	242.70	294.69
Short-term loans and advances	19	2235.58	1014.21
Other current assets	20	638.39	2245.68
		5254.18	5655.68
		68172.09	66877.45
SIGNIFICANT ACCOUNTING POLICIES	1		
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS	2-36		

Per our separate report of even date

For M.Kamal Mahajan And Co.

Chartered Accountants

Firm Regn. No. 006855N

(M K Mahajan)

Partner

Membership No. 017418

Place : New Delhi

Date : 30.05.2014

For & on behalf of the Board

(P. L. Suri)

Chairman & Managing Director

DIN : 00256300

(Suresh Gupta)

AVP (Fin.& Accts.) & CFO

(Neha Mittal)

Company Secretary

(Vijay Mohan Kaul)

Director

DIN : 00472888

(Ashoka Kini)

Director

DIN : 00584044

Consolidated Statement of Profit and Loss

For the Year Ended 31st March, 2014

			(Rs. in lacs)
		Year Ended	Year Ended
	<u>Notes</u>	31.03.2014	31.03.2013
REVENUE			
Revenue from operations	22	10334.35	9748.01
Other Income	23	86.87	100.19
Total Revenue		<u>10421.22</u>	<u>9848.21</u>
EXPENSES			
Cost of materials, stores & supplies	24	1675.89	1491.56
Employee benefits expense	25	2047.35	1862.76
Finance Cost	26	4573.39	4721.61
Depreciation	12	940.03	918.47
Other expenses	28	3760.90	3330.65
Total expenses		<u>12997.56</u>	<u>12325.05</u>
Profit/(Loss) before exceptional and extraordinary items and tax		(2576.34)	(2476.85)
Exceptional items		-	-
Profit/(Loss) before extraordinary items and tax		(2576.34)	(2476.85)
Extraordinary Items - Income(net of taxes)			<u>1033.10</u>
Profit/(Loss) before tax		(2576.34)	(1443.75)
Tax expense:			
(1) Current tax		-	-
(2) Deferred tax	31	749.97	(797.24)
(3) Income Tax provision of earlier years		-	120.73
Profit/(Loss) after tax but before Minority Interest		(1826.37)	(767.24)
Share of Minority Interest in Profit/(Loss)		<u>(4.96)</u>	<u>(5.73)</u>
Profit/(Loss) for the year available for majority shareholders		(1821.41)	(761.51)
Earnings per equity share of Rs.10/- each:	32		
(1) Basic		(25.68)	(13.72)
(2) Diluted		(25.68)	(13.72)
SIGNIFICANT ACCOUNTING POLICIES	1		
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS	2-36		

Per our separate report of even date

For M.Kamal Mahajan And Co.
Chartered Accountants
Firm Regn. No. 006855N

(M K Mahajan)
Partner
Membership No. 017418
Place : New Delhi
Date : 30.05.2014

For & on behalf of the Board

(P. L. Suri)
Chairman & Managing Director
DIN : 00256300

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(Neha Mittal)
Company Secretary

(Vijay Mohan Kaul)
Director
DIN : 00472888

(Ashoka Kini)
Director
DIN : 00584044

Consolidated Cash Flow Statement

For the year ended 31st March, 2014

	Notes	Year Ended 31.03.2014	(Rs. in lacs) Year Ended 31.03.2013
A. CASH FLOWS FROM OPERATING ACTIVITIES:			
Net Profit/(Loss) before Tax and extraordinary items		(2576.34)	(2476.85)
Adjustments for :			
Depreciation for the year	12	940.03	918.47
Loss on Sale of Fixed Assets	27	-	0.37
Allowance for bad & doubtful debts	27	-	2.71
Finance cost	26	4573.39	4721.61
Interest Received	23	(13.00)	(9.13)
		<u>5500.42</u>	<u>5634.03</u>
Operating profit before working capital changes		2924.08	3157.18
(Increase)/ Decrease in Trade Receivables	17	(26.07)	38.14
(Increase)/ Decrease in Short term Loans & advances	19	(1221.37)	(264.67)
(Increase)/ Decrease in other current assets	20	1607.29	(1282.47)
(Increase)/ Decrease in inventories	16	(10.33)	(145.63)
Increase/ (Decrease) in Current liabilities & Provisions	8,9, 10 & 11	12552.37	16322.04
Increase in Long term provisions	7	1.76	24.47
Cash generated from operations		15827.74	17849.06
Income Tax (TDS)		-	120.73
Cash Flow before extraordinary items		15827.74	17728.33
Extraordinary items	28	-	1033.10
Deferred tax liability on extraordinary items		-	496.17
NET CASH GENERATED BY OPERATING ACTIVITIES		15827.74	19257.60
B. CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of Fixed Assets (net)	12	(2847.46)	(3922.74)
Long-term loans and advances	14	(35.72)	1.83
Others non current assets	15	247.01	800.00
Interest Received	23	13.00	9.13
NET CASH USED IN INVESTING ACTIVITIES		(2623.17)	(3111.78)
C. CASH FLOWS FROM FINANCING ACTIVITIES:			
Finance cost (paid)	26	(4573.39)	(2064.59)
Proceeds from Long Term borrowings (Net)	5	(6683.17)	(13413.57)
Proceeds from Long Term liabilities	6	(2000.00)	(803.95)
NET CASH GENERATED/(USED) IN FINANCING ACTIVITIES		(13256.56)	(16282.11)
Net Increase/(Decrease) in Cash and Cash equivalents (A+B+C)		(51.98)	(136.29)
Cash and Cash equivalents as at beginning of the year		294.69	430.98
Cash and Cash equivalents as at end of the year		242.70	294.69
SIGNIFICANT ACCOUNTING POLICIES	1		
NOTES ON CONSOLIDATED FINANCIAL STATEMENTS	2-36		

Per our separate report of even date

For M.Kamal Mahajan And Co.
Chartered Accountants
Firm Regn. No. 006855N

(M K Mahajan)
Partner
Membership No. 017418
Place : New Delhi
Date : 30.05.2014

For & on behalf of the Board

(P. L. Suri)
Chairman & Managing Director
DIN : 00256300

(Suresh Gupta)
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Company Secretary

(Vijay Mohan Kaul)
Director
DIN : 00472888

(Ashoka Kini)
Director
DIN : 00584044

I. SIGNIFICANT ACCOUNTING POLICIES

a) Basis for preparation of accounts

The accounts have been prepared to comply in all material aspects with applicable accounting principles in India, the accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

The consolidated financial statements consist of financial statements of Blue Coast Hotels Limited (parent company) and its three subsidiaries namely Blue Coast Hospitality Limited, Golden Joy Hotel Private Limited and Silver Resort Hotel India Private Limited.

Investment in Associate Company has been accounted as per Accounting Standard 23 i.e. Accounting for Investment in Associates in Consolidated Financial Statements issued by the Institute of Chartered Accountants of India.

The particulars of the subsidiary companies included in consolidation and parent company's holding therein are as under:-

Subsidiary Company	Country of Incorporation	Percentage of Holding (%)
Blue Coast Hospitality Ltd.	India	100
Golden Joy Hotel Private Ltd.	India	100
Silver Resort Hotel India Private Ltd.	India	68.92

b) Basis for preparation of accounts

These financial statements have been prepared and presented under the historical cost convention on an accrual basis of accounting and comply with the Accounting Standards as specified in the Companies (Accounting Standards) Rules, 2006, other pronouncements of the Institute of Chartered Accountants of India, the relevant provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India, to the extent applicable.

c) Use of Estimates

The preparation of financial statement requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and the reported amount of income and expenses during the year. Examples of such estimates include provisions for doubtful debts, employee benefits, provision for income taxes, useful life of depreciable fixed assets and provision for impairment.

d) Fixed Assets

- Fixed assets are recorded at cost of acquisition and stated at historical cost.
- Expenditure incurred on projects during implementation including cost of borrowing is capitalized and shown as capital work-in-progress and is apportioned to various assets on commissioning / completion of the same.

e) Depreciation

Depreciation on fixed assets is provided on straight line method in accordance with Section 205(2)(b) of the Companies Act, 1956 at the rates which are not lower than the rates specified in Schedule XIV to the Companies Act, 1956. Depreciation on additions/deletions during the year has been provided for on pro-rata basis. Assets purchased/installed during the year costing less than Rs. 5,000/- each are fully depreciated in the year of purchase/installation.

f) Investments

Investments are stated at cost of acquisition. Provision is made, where, there is a permanent fall in the value of investment.

g) Revenue recognition

- (I) Revenue is recognized when there is reasonable certainty of its ultimate realization/ collection. Dividend income is accounted for when the right to receive the same is established.
- (II) Revenue from sale of leasehold rights of commercial area in the hotel project is recognized on "Percentage of Completion Method" of accounting. Revenue comprises the aggregate amounts of sale price in terms of the agreements entered into and is recognized on the basis of percentage of actual costs incurred thereon, including proportionate land cost and total estimated cost related to commercial area in the hotel project under execution, subject to such actual costs being 40% or more of the total estimated cost of commercial area. Total costs of commercial area in the hotel project is the proportion of total costs on the whole hotel project as the ratio of area of commercial area is to the entire built-up area in the hotel project.

Where aggregate of the payment received provide insufficient evidence of buyers commitment to make the complete payment, revenue is recognized only to the extent of realization.

The estimates of the saleable areas and costs are reviewed periodically by the management and any effect of changes in estimates is recognized in the period such changes are determined. However, when the total cost on commercial area is estimated to exceed total revenues from the commercial area, the loss is recognized immediately.

As uncertainties involved, interest on delayed payment is accounted for on realization.

h) Share Issue Expenses

Share issue expenses including advertisement, printing & stationery and communication expenses are written off against securities premium account.

i) Foreign Currency Transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction.

Monetary foreign currency assets and liabilities (monetary items) are reported at the exchange rate prevailing on the balance sheet date and the resultant net gains or losses are recognized as incomes or expenses in the year in which they arise.

j) Inventory

Inventory of provisions & beverages, wine and liquor, store and operating supplies have been valued at cost on first-in-first-out basis or net realizable value whichever is less.

k) Impairment of assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. The recoverable amount of an asset which is identified as impaired is estimated and impairment loss is recognized.

l) Provision

A provision is recognized when an enterprise has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates.

m) Taxation

The provision for taxation is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income Tax Act, 1961. Deferred tax is recognized, subject to the consideration of prudence, on timing differences,

being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

n) Earning per Share

Basic earning per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year.

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 dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date.

o) Employee Retirement benefits

Short-term employee benefits

All employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognized in the statement of profit and loss in the period in which the employee renders the related service.

Defined benefit plans

Defined benefit plans of the company consists of gratuity and leave encashment.

- Gratuity

The company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service.

- Leaves Encashment

As per the company's policy, eligible leaves can be accumulated by the employees and carried forward to future periods either to be utilized during the service, or encashed. Encashment can be made during service, on early retirement, on withdrawal of scheme, at resignation and upon death of the employee. The value of benefits is determined based on the seniority and the employee's salary.

The liability in respect of defined benefits plans is accrued in the books of accounts on the basis of actuarial valuation carried out by an independent actuary.

Defined contribution plans

Defined contribution plans of the company consist of Provident fund and Employees State Insurance.

- Provident Fund & Employees State Insurance (ESI)

The company makes specified monthly contribution towards the employees' provident fund & ESI for the eligible employees.

The contribution made to provident fund and ESI are charged to statement of profit and loss as and when these become payable.

Notes on Consolidated Financial Statements

For The Year Ended 31st March 2014

		(Rs in lacs)	
		As at 31.03.2014	As at 31.03.2013
2 A. <u>SHARE CAPITAL</u>			
<u>Authorised</u>			
26500000 (Previous Year 26500000) Equity Shares of Rs.10/- each		2650.00	2650.00
8150000 (Previous Year 8150000) Preference shares of Rs. 100/- each		8150.00	8150.00
<u>Issued, Subscribed & Paid up</u>			
(i) <u>Equity Share Capital</u>			
8864962 (Previous Year 8864962) Equity Shares of Rs. 10/- each fully paid up		886.50	886.50
(ii) <u>Preference Share capital</u>			
4150000 (Previous Year 4150000), 10% Cumulative Redeemable Preference Shares of Rs.100/- each fully paid up		4150.00	4150.00
4000000 (Previous Year 4000000), 1% Cumulative Redeemable Preference Shares of Rs.100/- each fully paid up		4000.00	4000.00
		8150.00	8150.00
		9036.50	9036.50

B Reconciliation of the numbers and amount of Equity Shares :

		31.03.2014		31.03.2013	
	Nos.	Amount (Rs./Lacs)	Nos.	Amount (Rs./Lacs)	
Outstanding at beginning of the year	8864962	886.50	8864962	886.50	
Add : Shares issued during the year	-	-	-	-	
Less : Shares bought back during the year	-	-	-	-	
Outstanding at the end of year	8864962	886.50	8864962	886.50	

Reconciliation of the numbers and amount of 10% Cumulative Redeemable Preference Shares :

		31.03.2014		31.03.2013	
	Nos.	Amount (Rs./Lacs)	Nos.	Amount (Rs./Lacs)	
Outstanding at beginning of the year	4150000	4150.00	4150000	4150.00	
Add : Shares issued during the year	-	-	-	-	
Less : Shares bought back during the year	-	-	-	-	
Outstanding at the end of year	4150000	4150.00	4150000	4150.00	

Reconciliation of the numbers and amount of 1% Cumulative Redeemable Preference Shares :

	31.03.2014		31.03.2013	
	Nos.	Amount (Rs./Lacs)	Nos.	Amount (Rs./Lacs)
Outstanding at beginning of the year	4000000	4000.00	4000000	4000.00
Add : Shares issued during the year	-	-	-	-
Less : Shares bought back during the year	-	-	-	-
Outstanding at the end of year	4000000	4000.00	4000000	4000.00

C. Rights, preferences and restrictions attached to each class of Shares and terms of redemption :

- The company has two classes of shares referred as equity shares and preference shares. The equity shares are having a par value of Rs. 10/- each whereas par value for each preference shares is Rs. 100/-. Each holder of equity shares is entitled to one vote per share, whereas preference share holders are participating preference shares and entitled to vote on every resolution placed before the company which directly affects the rights attached to their shares.
- In the event of liquidation of the company, the holders of equity shares will be entitled to receive the remaining assets of the company after distribution of preferential amounts. The distribution will be in the proportion of the number of equity shares held by the shareholders.
- 41,50,000 10% cumulative preference shares are redeemable at par in the year 2017-18 and 40,00,000 1% cumulative preference shares are redeemable at par in the year 2019-20. All these shares are subject to put and call option exercisable at the end of 3rd, 6th, 9th and 12th year of allotment. Dividend arrears on above cumulative preference shares as at 31.03.2014 are Rs. 5112.94 Lacs (Previous year Rs. 4657.94 Lacs)
- SEBI has granted approval to convert 40,00,000, 1% cumulative redeemable preference shares into equity shares of Rs. 10/- each and company is in the process of conversion of such shares into equity shares.
- Capital Redemption Reserve for redemption of Preference Shares could not be created during the year because of unavailability of surplus.

- D.** The company itself being ultimate holding company, therefore disclosure requirements about its parent company are not applicable in the present case.

E. Shareholders holding more than 5% shares -

i) Equity Shares

Name of Shareholder	As at 31-03-2014		As at 31-03-2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Ferry Holdings Limited	1162162	13.11	1162162	13.11
Jetty Capital Limited	1150000	12.97	1150000	12.97
Northern Projects Limited*	660000	7.45	660000	7.45

*The ownership in equity shares held by Northern Projects Limited is in dispute with the original owner of these shares & the matter is pending in the court. The court has restrained the present owner of these shares from transferring, alienating, encumbering or otherwise dealing with or parting with the possession of the shares held by it.

ii) Preference Shares

a) 41,50,000, 10% Cumulative Redeemable Shares -

Name of Shareholder	As at 31-03-2014		As at 31-03-2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Brook Investment & Financial Services Pvt. Ltd.	350000	8.43	350000	8.43
Concept Credit & Consultants Pvt. Ltd.	350000	8.43	350000	8.43
Epitom Holdings Pvt. Ltd.	400000	9.64	400000	9.64
Liquid Holdings Pvt. Ltd.	400470	9.65	400470	9.65
Mid-Med Financial Services Pvt. Ltd.	399600	9.63	399600	9.63
React Investment & Financial Services Pvt. Ltd.	400000	9.64	400000	9.64
Scope Credit & Financial Services Pvt. Ltd.	400000	9.64	400000	9.64
Solace Investment & Financial Services Pvt. Ltd.	350000	8.43	350000	8.43
Solitary Investment & Financial Services Pvt. Ltd.	350000	8.43	350000	8.43
Square Investment & Financial Services Pvt. Ltd.	400000	9.64	400000	9.64
Seed Securities & Services Pvt. Ltd.	349930	8.43	349930	8.43

b) 40,00,000, 1% Cumulative Redeemable Shares -

Name of Shareholder	As at 31-03-2014		As at 31-03-2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Epitom Holdings Pvt. Ltd.	285000	7.13	285000	7.13
Liquid Holdings Pvt. Ltd.	287590	7.19	287590	7.19
Mid-Med Financial Services Pvt. Ltd.	285400	7.14	285400	7.14
React Investment & Financial Services Pvt. Ltd.	285000	7.13	285000	7.13
Scope Credit & Financial Services Pvt. Ltd.	285000	7.13	285000	7.13
Solace Investment & Financial Services Pvt. Ltd.	830691	20.77	830691	20.77
Solitary Investment & Financial Services Pvt. Ltd.	335000	8.37	335000	8.37
Square Investment & Financial Services Pvt. Ltd.	285000	7.13	285000	7.13
Seed Securities & Services Pvt. Ltd.	335070	8.38	335070	8.38
Mrs. Sunita Suri	345000	8.63	345000	8.63
Mrs. Mamta Suri	250000	6.25	250000	6.25

- F. During last 5 years immediately preceding the balance sheet date, no Equity Share or Preference share has been issued pursuant to any contract without payment being received in cash. Further the company has neither allotted any share by way of bonus shares, nor it had bought back any Equity or Preference Share during aforesaid period of 5 years.

- G. There is no call unpaid as on 31.03.2014
H. No shares have been forfeited by the company during the year.

	(Rs. in lacs)	
	As at 31.03.2014	As at 31.03.2013
3. <u>RESERVES & SURPLUS</u>		
General Reserve	1926.68	1926.68
Securities Premium Reserve	4668.15	4668.15
Surplus/(Deficit) -		
Opening balance	(751.29)	10.22
Profit/(Loss) for the year	(1821.41)	(761.51)
Closing balance	(2572.70)	(751.29)
	<u>4022.13</u>	<u>5843.54</u>
4. <u>MINORITY INTEREST</u>		
Share capital	8500.00	8500.00
Share in profit/(loss)	(21.21)	(16.25)
	<u>8478.79</u>	<u>8483.75</u>
5. <u>LONG TERM BORROWINGS</u>		
(i) <u>Secured</u>		
10000,12% Redeemable Non Convertible Debentures of Rs. 100000/- each fully paid up*	-	6666.67
Term Loans From Others	-	-
Term Loans From Banks	14.38	30.88
	<u>14.38</u>	<u>6697.55</u>

Nature of Security and Terms of Repayment -

A. Non Convertible Debentures

- (i) These debentures together with interest, redemption premium etc. are secured as under:-
- A first charge over the immovable property of Rs. 6.00 lacs in Gujarat;
 - Second charge on Company's immovable properties located at 263C, Arossim, Cansaulim, Goa, both present and future and the charges of the Debenture holders shall be subject/subsequent to the prior following existing charges:
 - First charge on all the company's immovable properties, both present and future, on which term loan and corporate loan lenders have their charge for the principal amounts and interest thereon or any other charges due to the bank in the ordinary course of business.
 - Second charge on all the company's immovable properties, both present and future, on which lenders of working capital limits have their charge for principal amounts and interest thereon or any other charges due to the bank in the ordinary course of business.

- c. A pledge of 26% percent equity shareholding in the company as held by its promoters and affiliates in favour of Debenture Trustees, which is currently held by term loan lender, after securing release of the same within a period of 90 days from the date of receipt of full subscription. Pledge of shares is still pending.
- d. Pending creation of the security envisaged in (c) above, 10,00,00,000 number of equity shares of Silver Resort Hotel India Private Limited held by the company are pledged with the Debenture Trustees as interim Security. This Interim Security shall be released once the security as envisaged in clause (c) above has been created in favour of the Debentures Trustees.
- (ii) Debenture Redemption Reserve for the year has not been created because of unavailability of surplus.
- (iii) Due to tough economic conditions and general slow down, the company could not meet its obligations towards debenture holders. As a result, the debenture holder has filed a suit for recovery of dues with interest & premium thereon. The amount has been shown as "Current maturities of Non Convertible Debentures" under head "Other Current Liabilities". (Refer Note no.10(i))

B. Term Loans from Others

- (i) Term loan from others represents long term loan taken from a financial institution repayable on quarterly basis, along with all interest, liquidated damages, premia on prepayment or on redemption, costs, expenses and other monies etc are secured by first mortgage on hotel property of the company at Goa and further secured by personal guarantee of the executive directors. The entire amount of loan and interest due thereon, is shown as "Current maturities of long term debt" under the head "Other Current Liabilities". (Refer note no.10(ii))
- (ii) During the year Hon'ble DRT in, action taken by a term lender has quashed and set aside its Demand notice and further measures taken u/s 13(4) of SRFAESI Act pursuant to the said notice. An Application for recovery of debt by the aforesaid lender under RDDB Act, 1993 is pending before the Hon'ble DRT Delhi.

C. Term loan from Banks

Term loans from banks represents vehicle loans, repayable on monthly basis, are secured by way of hypothecation of specific assets purchased under the hire purchase scheme.

Year of Repayment	2015-16	2016-17	2017-18	Total
Annual Repayment Amount (Rs./Lacs)	9.73	2.33	2.32	14.38
Annual Rate of Interest	10 -12.50%			

Current portion of term loan from banks payable in 12 months is shown as "Current maturities of term loan from banks" under the head "Other Current Liabilities". (Refer note no.10(iii))

D Detail of Continuing Default in payment of long term borrowings is as under: -

Particulars	Premium (in lacs)	Principal (in lacs)	Interest (in lacs)	Period of default
Term Loan from others		11682.07		0 - 2 Years
Term Loan from others			146.16	0 - 1 Year
Debentures		10000.00		0 - 1 Year
Debentures			3321.36	1 - 3 Years
			<u>3467.52</u>	
Premium on redemption of Debentures	2552.99			0 - 1 Year
				(Rs. in Lacs)
		As at	As at	
		31.03.2014	31.03.2013	
6. OTHER LONG TERM LIABILITIES				
Earnest Money received from business associates & Others		50.00		50.00
Sundry Creditors for Capital Expenses		48.66		48.66
Premium on redemption of Debentures		-		2000.00
		<u>98.66</u>		<u>2098.66</u>
7. LONG TERM PROVISIONS				
Provision for employees' benefits -				
- Gratuity (unfunded)		82.04		78.43
- Leave Encashment (Unfunded)		48.30		50.15
		<u>130.34</u>		<u>128.58</u>
8. SHORT TERM BORROWINGS				
Secured Loan				
Working capital loans from banks		1089.14		930.82
		<u>1089.14</u>		<u>930.82</u>
Working Capital loans from banks are secured by way of hypothecation of raw materials, semi-finished goods, finished goods, stores, book debts and other current assets of the company in addition to second pari-passu charge over the entire fixed assets of the company present and future with other term lenders.				
9. TRADE PAYABLES				
Trade Creditors		1025.26		617.07
		<u>1025.26</u>		<u>617.07</u>
Based on the information available with the Company, a sum of Rs. Nil (Previous Year Nil) is payable to Micro & Small Enterprises as defined under the MSMED Act, 2006. Further, no interest during the year has been paid or payable under the terms of the MSMED Act, 2006.				
10. OTHER CURRENT LIABILITIES				
i. Current maturities of Non Convertible Debenture(Refer Note 5A(iii))		10000.00		3333.34
ii. Current maturities of term loans from others (Refer Note 5B(i))		11682.07		13609.82
iii. Current maturities of term loans from banks (Refer Note 5C)		25.10		30.23
iv. Interest accrued and due on borrowings		3467.52		1613.66
v. Interest accrued but not due on borrowings		-		506.53

	(Rs. in Lacs)	
	As at 31.03.2014	As at 31.03.2013
vi. Premium on redemption of Debentures	2552.99	800.00
vii. Advance received from customers	192.48	223.99
viii. Other expense payable	1175.27	505.78
ix. State Bank of Maysore, credit balance	-	47.42
x. <u>Other payables -</u>		
-Payable to Delhi International Airport Pvt. Ltd. for hotel land	6854.04	4661.07
-Payable for capital expenditures	538.92	511.85
-Construction linked receipts for commercial space in the hotel	6215.27	5391.46
- Tax deducted at source (TDS)	479.80	532.10
- Indirect Taxes	451.45	95.99
- Other Fees	225.21	
xi <u>Employee benefits payable -</u>		
-Salaries & benefits	252.59	226.48
-Provident fund /ESI	16.38	15.03
-Bonus & incentives	46.07	41.07
	<u>44175.16</u>	<u>32145.82</u>
<p>a. "Payable to Delhi International Airport Pvt. Ltd. for hotel land" represents default amount on account of Licence fee and Development Charges and interest thereon. As a result of default, DIAL has issued "Notice to Cure" and "Notice of intention to terminate" Development Agreement and Infrastructure Development & Service Agreement. The company has requested for grant of more time to clear the dues.</p> <p>b. In the year ending 31.03.2010, the company had entered into a Joint Development Agreement (JDA) for in respect of commercial space in the company's five star hotel project with a company (called co-developer). The co-developer is entitled and responsible for marketing of entire commercial space in the hotel project and retain the proceeds thereof. The co-developer shall provide the company a construction linked funding for the cold shell, for the construction of commercial area. The co-developer shall also be responsible for bearing marketing expenses, all the obligations, liabilities including but not limited to legal obligations arising on booking and sublease of commercial areas and servicing of assured lease rents etc, and these expenses will not form part of the project cost. The surplus, arising out of the joint development will be shared by the company and co-developer in the ratio of 85:15 respectively.</p> <p>c. Due to cash flow constraint pending financial closure of the project in the subsidiary Silver Resort Hotel India (P) Ltd., the subsidiary company find it difficult to pay statutory liabilities. Other fees represents amount payable to Ministry of Corporate Affairs(MCA) being fees (including additional fees) payable for increase in authorised share capital became due in F.Y. 2010-2011 under Section 97 of the Companies Act, 1956. As a consequence, the subsidiary company could not file other requisite forms under Companies Act, 1956 like Return of allotment of shares (Section 75), annual return (Section 159), balance sheet and profit and loss account (Section 220) for the years ending 31.03.2011, 31.03.2012 & 31.03.2013.</p>		
11. <u>SHORT TERM PROVISIONS</u>		
Provision for Income Tax	75.04	120.73
<u>Provision for Employees' benefits :</u>		
-Gratuity (unfunded)	15.37	13.34
-Leave Encashment (Unfunded)	11.30	11.11
	<u>101.71</u>	<u>145.18</u>

12. FIXED ASSETS

TANGIBLE ASSETS

(Rs. in lacs)

Particulars	GROSS BLOCK			DEPRECIATION			CARRYING VALUE		
	As at 01.04.2013	Additions	Deduc- tions	As at 31.03.2014	For the year	Capitalized to WIP	Deduc- tions	As at 31.03.2014	As at 31.03.2013
Land and Site development									
- Land	30819.94	396.48	-	31216.42	-	-	-	31216.42	30819.94
- Site Development	326.83	-	-	326.83	-	-	-	326.83	326.83
Buildings									
- Hotel	15817.75	-	-	15817.75	257.83	-	-	2666.62	13408.96
- Others	20.42	-	-	20.42	0.33	-	-	6.15	14.60
Plant and Equipment	4134.56	20.42	-	4154.98	373.71	0.20	-	3727.72	780.75
Electrical Installations	780.42	11.43	-	791.85	37.28	-	-	354.57	463.13
Furnitures & Fixtures - Hotel	1564.95	15.82	-	1580.77	149.67	-	-	1219.22	495.39
Furnitures & Fixtures - Others	106.47	-	-	106.47	80.85	-	-	361.54	25.62
Vehicles	402.93	14.03	-	416.96	39.60	-	-	18.88	232.82
Office Equipments	54.98	0.27	-	55.25	3.90	-	-	207.25	10.56
Operating Equipment	299.60	49.99	-	349.59	31.61	-	-	6.93	133.60
Computers	74.35	11.61	-	85.96	13.65	-	-	151.98	57.26
Total	54403.19	520.05	-	54923.24	914.32	0.20	-	46374.99	46769.46
Previous Year	53851.70	555.97	4.48	54403.19	6740.82	0.20	2.87	7633.72	-

INTANGIBLE ASSETS

Computer Software	75.50	3.50	-	79.00	25.71	-	-	5.31	27.52
Previous Year	63.48	12.02	-	75.50	25.08	-	-	47.98	-

CAPITAL WORK-IN-PROGRESS

CWIP	9400.72	2324.11	-	11724.83	-	-	-	11724.83	9400.72
Previous Year	6044.52	3356.20	-	9400.72	-	-	-	9400.72	-
Grand Total	63879.41	2847.66	-	66727.07	940.03	0.20	-	58105.13	56197.70
Previous Year	59959.70	3924.19	4.48	63879.41	918.47	0.20	2.87	56197.70	-

a. Land includes -

Development charges paid to DIAL
Long term Security deposit with DIAL
Interest on delayed payments to DIAL

As at 31.03.2014		As at 31.03.2013	
	8030.00		8030.00
	19288.78		19288.78
	1996.71		1600.23
	<u>29315.49</u>		<u>28919.01</u>

b. Capital work-in -progress includes:-

	01.04.2013	Additions During the year	31.03.2014
Project Consultancy Fees	1289.82	(19.10)	1270.72
License Fees & interest thereon	4098.68	1427.13	5525.81
Site Development	1018.58	(5.72)	1012.86
Finance Charges	771.04	(46.78)	724.26
Legal & Professional Fees	197.48	(9.09)	188.39
Company Incorporation & Other Secretarial expenses	329.19	29.63	358.82
Salary & wages	238.67	91.53	330.20
Travelling	74.47	3.77	78.24
Building under construction	993.08	359.89	1352.97
Villa Project at Goa	13.82	-	13.82
Chiller at Goa	375.89	120.82	496.71
Fire Fighting Pipeline at Goa	-	24.31	24.31
Boiler Pipeline at Goa	-	347.72	347.72
Closing Balance	9400.72	2324.11	11724.83

Note :- Input on service tax on services availed in the previous years is deducted from respective expense heads and shown as input on Service tax recieveable under the head "Short Term Loans & Advances" to be set off against service tax payable. Addition during the year is net of such input on service tax of Rs.395.23 lacs. This amount is included in input on service tax recieveable of Rs.546.13 (Refer Note - 19).

(Rs. in Lacs)

	As at 31.03.2014	As at 31.03.2013
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13 NON- CURRENT INVESTMENTS**A. Trade Investments (At Cost)**

(a) Unquoted

Associate Company

15600 (P.Y.15600) Equity Shares of Rs.10/- each fully paid up of Joy Hotel & Resorts Pvt. Ltd.

- As Associate

- As Goodwill

1.56

1.56

4273.44

4273.44

4275.00

4275.00

B. Other Investments (At Cost) -

(b) Quoted

1250 (P.Y.1250) Equity Shares of Rs. 10/- each fully paid-up of ICICI Limited

1.22

1.22

(Market value of quoted investment is Rs. 15.56 lacs (P.Y. Rs.13.07 lacs))

(a) Unquoted

4020 (P.Y. 4020) Equity Shares of Rs.50/- each fully paid up of Domvibli Nagari Sehkari Bank Ltd.

2.01

2.01

3.23

3.23

Total (A+B)

4278.23

4278.23

Aggregate amount of quoted investment

1.22

1.22

Aggregate amount of unquoted investment

4277.01

4277.01

(Rs. in Lacs)

	As at 31.03.2014	As at 31.03.2013
(i) All 15,600 equity share of Rs. 10/- each fully paid up of associate company Joy Hotel & Resorts (P) Limited are pledged with term lenders of the associate company for securing the term loans, interest on loans and all other related moneys payable as availed by the associate company for its upcoming five star hotel project at Chandigarh.		
14. LONG TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
Capital Advances	446.46	444.71
Security Deposits	88.09	54.12
	<u>534.55</u>	<u>498.83</u>
15. OTHER NON-CURRENT ASSETS		
Unamortised amount of premium on redemption of debentures*	-	247.01
	<u>-</u>	<u>247.01</u>
Other non-current assets represents unamortised amount of premium on redemption of debentures to be charged to revenue beyond 12 months from the date of balance sheet.		
16. INVENTORIES		
(At cost or Net Realisable Value whichever is lower)		
Stores and Operating supplies	1455.55	1430.65
Provisions & Beverages	102.20	105.05
Wine & Liquor	65.34	77.06
	<u>1623.09</u>	<u>1612.76</u>
The inventory of store & operating supplies, provisions & beverages & wine and liquor has been taken, valued and certified by the management.		
17. TRADE RECEIVABLES		
Trade receivables outstanding for a period exceeding six months		
Unsecured -		
considered good	5.10	0.44
considered doubtful	1.68	5.93
Less : Allowance for doubtful debts	(1.68)	(5.93)
	<u>5.10</u>	<u>0.44</u>
Other Debts		
Unsecured -		
considered good	509.32	487.91
	<u>514.42</u>	<u>488.35</u>
18. CASH AND CASH EQUIVALENTS		
<u>Balances with banks</u>		
i) Current Accounts	86.53	137.36
ii) Bank Balances held as -		
- Fixed Deposit against Margin money	134.78	142.22
Cash on hand	21.39	15.11
	<u>242.70</u>	<u>294.69</u>

(Rs. in Lacs)		
	As at 31.03.2014	As at 31.03.2013
19 <u>SHORT TERM LOANS AND ADVANCES</u>		
(Unsecured, considered good)		
Income Tax Deducted at source	783.89	729.43
Input on Service Tax	546.13	-
Advances with Suppliers & Others	898.58	278.02
Loans & advances to employees	6.98	6.76
	<u>2235.58</u>	<u>1014.21</u>
20 <u>OTHER CURRENT ASSETS</u>		
Prepaid Expenses	124.52	176.23
Interest on fixed deposits accrued but not due	49.22	41.77
Commission receivables	5.74	7.54
Unamortised amount of premium on redemption of debentures	-	800.00
Others	458.91	1220.13
	<u>638.39</u>	<u>2245.68</u>
Unamortised amount of premium on redemption of debentures represents amount of premium on redemption of debentures to be charged to revenue with in 12 month from the date of balance sheet.		
21 <u>CONTINGENT LIABILITIES AND COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)</u>		
a) <u>Contingent Liabilities</u>		
Guarantees		
For securing loans of upcoming hotel project at Chandigarh related to associate company	6500.00	6500.00
For operation of the company	17.12	549.27
Dividend on cumulative preference shares	5112.94	4657.94
- 10% cumulative redeemable preference shares (12 years dividend)		
- 1% cumulative redeemable preference shares (10 years dividend)		
b) <u>Commitments</u>		
Estimated amount of contracts remaining to be executed on capital account	9159.73	9665.52
c) <u>Other money for which company is contingently liable</u>		
Obligation to buy back equity share capital with return on investment of subsidiary company Silver Resort Hotel India (P) Limited	17363.40	16199.93
On account of booking of commercial space in the hotel at Delhi.	21577.76	22535.63
Liability for non performance of obligations by Subsidiary Company Golden Joy Hotel (P) Ltd.	776.25	-
	<u>60507.20</u>	<u>60108.29</u>

(Rs. in Lacs)

	As at 31.03.2014	As at 31.03.2013
(i) The lenders to whom guarantee is given for securing term loans of associate company have initiated recovery proceedings against the associate company under SRFAESI Act, 2002.		
22 REVENUE FROM OPERATIONS		
Room Income	6545.39	6313.53
Provisions & Beverages	2073.88	1815.48
Wine and liquor	1116.71	992.68
Communications	32.56	29.03
Others	565.81	597.29
	<u>10334.35</u>	<u>9748.01</u>
23 OTHER INCOME		
Interest Income	13.00	9.13
Dividend received on non-trade investments	0.69	0.51
Miscellaneous Income	73.18	90.55
	<u>86.87</u>	<u>100.19</u>
24 COST OF MATERIALS, STORES & SUPPLIES		
(a) Stores & Operating supplies		
Opening Stock	1430.65	1364.19
Add : Purchases	597.01	791.91
	<u>2027.66</u>	<u>2156.10</u>
Less: Closing Stock	1455.55	1430.65
	<u>572.10</u>	<u>725.45</u>
(b) Provisions & Beverages		
Opening Stock	105.05	41.06
Add : Purchases	935.79	775.01
	<u>1040.84</u>	<u>816.07</u>
Less: Closing Stock	45.19	105.05
	<u>995.65</u>	<u>711.02</u>
(c) Wine & Liquor		
Opening Stock	77.06	61.88
Add : Purchases	153.43	70.27
	<u>230.49</u>	<u>132.15</u>
Less: Closing Stock	122.34	77.06
	<u>108.14</u>	<u>55.09</u>
Total (a+b+c)	<u>1675.89</u>	<u>1491.56</u>

	(Rs. in Lacs)	
	As at 31.03.2014	As at 31.03.2013
25 EMPLOYEE BENEFITS EXPENSE		
Salaries and Wages	1632.37	1457.94
Gratuity & Leave Encashment	31.40	55.28
Contribution to provident fund and ESI	126.33	117.03
Staff Welfare	257.25	232.51
	<u>2047.35</u>	<u>1862.76</u>
26 FINANCE COST		
<u>Finance Cost on operations</u>		
Interest	3761.86	3909.97
Premium on redemption of debentures	800.00	800.00
Bank charges	11.53	11.64
	<u>4573.39</u>	<u>4721.61</u>
27 OTHER EXPENSES		
Telephone	27.38	25.83
Power & Fuel	713.55	535.92
Rent	58.13	53.31
Repairs to buildings	53.00	59.70
Repairs to machinery	490.02	325.77
Insurance	31.36	48.44
Rates and Taxes	6.24	5.98
Legal and Professional Expenses	172.88	169.88
Travelling Expenses	42.85	78.57
Selling and Advertisement Expenses	818.39	767.78
Management fees	674.30	667.44
Printing & Stationery	49.45	49.68
Allowance for bad & doubtful Debts	-	2.71
Loss on sale of Fixed Assets	-	0.37
Miscellaneous Expenses	623.34	539.27
	<u>3760.90</u>	<u>3330.65</u>
28 PRIOR PERIOD ITEMS		
Expenses include Rs. 0.20 lacs (Previous Year Rs. 24.92 lacs) as expenses (net) relating to earlier years.		
29 EMPLOYEE BENEFITS		
Disclosures as per Accounting Standard, AS-15 (Revised) "Employee Benefits" is as under:-		

(Rs. in Lacs)

	As at 31.03.2014	As at 31.03.2013
(A) Disclosure for Defined Contribution Plans		(Rs. In lacs)
Employer's contribution to Provident Fund	89.83	81.06
Employer's contribution to Employees State Insurance	36.50	35.97
Total	126.33	117.03

(B) Disclosure for Defined Benefits Plans

(Rs. In lacs)

i.	Particulars	Gratuity (Un-funded)		Leave Encashment (Un-funded)	
	Change in the present value of obligation:	31.03.2014	31.03.2013	31.03.2014	31.03.2013
	Present Value of Obligation as at the beginning of the year	91.78	80.58	61.26	44.91
	Add : Interest Cost	7.33	6.85	4.90	3.82
	Add : Current Service Cost	21.31	22.41	23.71	26.87
	Less : Benefit paid	(12.34)	(17.63)	(15.06)	(10.11)
	Add : Actuarial gain/ (loss) on obligations	(10.68)	(0.43)	(15.21)	(4.23)
	Present Value of Obligation as at the close of the year	97.40	91.78	59.60	61.26
ii.	Particulars	Gratuity (Un-funded)		Leave Encashment (Un-funded)	
	Change in the fair value of Plan Assets:	31.03.2014	31.03.2013	31.03.2014	31.03.2013
	Fair Value of Plan Assets at the beginning of the year	-	-	-	-
	Add : Expected Return on Plan Assets	-	-	-	-
	Add : Contributions	-	-	-	-
	Less : Benefit paid	-	-	-	-
	Fair Value of Plan Assets as at the close of the year	-	-	-	-
iii.	Particulars	Gratuity (Un-funded)		Leave Encashment (Un-funded)	
	Expense recognized in the Statement of Profit and Loss	31.03.2014	31.03.2013	31.03.2014	31.03.2013
	Current Service Cost	21.33	22.41	23.72	26.87
	Add: Interest Cost	7.34	6.85	4.90	3.82
	Less: Expected Return On Plan Assets	-	-	-	-
	Less: Settlement Credit	-	-	-	-
	Add: Net actuarial gain/ (loss) recognized	(10.68)	(0.43)	(15.21)	(4.23)
	Total expenses recognized in Statement of Profit & Loss	17.99	28.83	13.41	26.46

iv. The following table sets out the assumptions used in actuarial valuation of gratuity and leave encashment-

Particulars	Gratuity (Un-funded)		Leave Encashment (Un-funded)	
	31.03.2014	31.03.2013	31.03.2014	31.03.2013
Discount Rate	9.10%	8.00%	9.10%	8.00%
Rate of Increase in Compensation Levels	10.00%	10.00%	10.00%	10.00%
Rate of Return on Plan Assets	-	-	-	-
Expected average remaining working lives of employees (years)	28.85	29.66	28.86	29.29

30 SEGMENT REPORTING

The Company's business activity falls within a single primary business segment i.e. hotel operations, hence the disclosure requirements of Accounting Standards (AS - 17) "Segment Reporting", issued by the Institute of Chartered Accountants of India are not applicable.

31 Deferred Tax Liability/(Assets):-

As required by Accounting Standard - 22 "Accounting for taxes on income" issued by Institute of Chartered Accountants of India, deferred tax asset on losses for the year has been created to the extent of existing deferred tax liability appearing in the books i.e. equivalent to Rs.749.97 lacs and no further deferred tax asset has been created on balance losses.

32 EARNING PER SHARE :

	31.03.2014	31.03.2013
Profit/(Loss) for the year (Rs.in lacs)	(1821.41)	(761.51)
Less : Preference Share Dividend	455.00	455.00
Profit/(Loss) available for equity share holders (Rs. In lacs)	(2276.41)	(1216.51)
Add: Dividend on cumulative preference shares (Refer Note no. 2C(iv) (Convertible)	40.00	40.00
Adjusted Profit/(Loss) available for equity share holders (Rs.in lacs)	(2236.41)	(1176.51)
Weighted average number of equity shares outstanding for Basic earning per share	8864962	8864962
Effect of dilutive equity shares on account of conversion of preference shares	10000000	10000000
Weighted average number of equity shares outstanding for Diluted Earning per share	18864962	18864962
Basic earnings per share in rupees (face value - Rs.10 per share)	(25.68)	(13.72)
Diluted earnings per share in rupees (face value - Rs.10 per share) Potential equity shares in current year considered to be anti-dilutive in nature, hence 10000000 equity share being conversion of preference shares have not been adjusted to arrive at the diluted earning per share	(25.68)	(13.72)

- 33 In the opinion of management, there is no impairment condition exists as on 31st March, 2014. Hence no provision is required in the accounts for the current period ending.

34 RELATED PARTY DISCLOSURES

Disclosure as required by the accounting standard "Related Party Disclosures" (AS-18) issued by the Institute of Chartered Accountants of India are given here under :

a. Related parties	Name
i. Associate Company	Joy Hotel and Resorts Pvt. Limited
ii. Key management Personnel	Mr.P.L.Suri, Chairman & Managing Director Mrs. Sunita Suri, Executive Director (resigned during the year)
iii. Entities over which management personnel/ relatives of key management personnel are able to exercise significant influence with which the company has transactions during the year	Blue Coast Infrastructure Development Pvt. Limited

b. Transaction with Related parties	Nature of transaction	Amount (Rs./lacs)
i. Key Management Personnel	Remuneration/Perquisites Closing balance as on 31.03.2014 (Payable)/Recoverable Maximum balance outstanding during the year	36.00 (146.50) (146.50)
ii. Entities over which key management personnel/ relatives of key management personnel are able to exercise significant influence	Advances for Reimbursement of Expenses Closing balance as on 31.03.2014 (Payable)/Recoverable Maximum balance outstanding during the year	(26.32) (26.32) (26.32)

35 Foreign Exchange Earnings (Rs. in Lacs)

Particulars	31.03.2014	31.03.2013
Earning in Foreign Exchange	2650.18	4073.92

Expenditure in Foreign Currency

Particulars	31.03.2014	31.03.2013
Capital Goods	201.83	309.41
Others	654.31	921.27

36 OTHERS SIGNIFICANT DISCLOSURES

- In the opinion of directors, all assets other than fixed assets and non-current investments, except stated otherwise, have a value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the books of accounts and the provision for depreciation and for all known liabilities is adequate and considered reasonable.
- Balances with banks, parties & lenders appearing under various heads are subject to confirmation.
- No provision for current Income tax has been made in view of loss during the year.
- Previous year figures have been regrouped and rearranged wherever necessary to suit the present year layout.
- Figures have been given in lacs.

Blue Coast Hotels Ltd.

Regd. Office: 263C, Arossim, Cansaulim, Goa 403712,
CIN: L31200GA1992PLC003109;
Website: www.bluecoast.in; **E-mail Id:** investorrelation@bluecoast.in;
Tel. No.: +91 8322721234, **Fax:** +91 8322721235

Form No. MGT 11 PROXY FORM

[Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

Name of the Member (s):	
Registered address:	
E-mail Id:	Folio No./DP ID & Client ID:

I/We, being the member (s) of holding shares of the above named company,
hereby appoint

- 1) Name: E-mail Id:
Address:
..... Signature: or failing him/her
- 2) Name: E-mail Id:
Address:
..... Signature: or failing him/her

as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual General Meeting of the Company, to be held
on Tuesday, the 30th day of September, 2014 at 11.00 a.m. at the Registered Office of the Company at 263C, Arossim, Cansaulim, Goa-
403712 and at any adjournment thereof in respect of such resolutions as are indicated below:

Res. No.	Description	For*	Against*
1.	Adoption of Annual Accounts and Reports thereon for the financial year ended as on 31 st March, 2014.		
2.	To appoint a Director in place of Mr. P.L. Suri, Director, who retires by rotation and being eligible, offers himself for re-appointment.		
3.	To retire Mr. Ashoka Kini, Director		
4.	Appointment of M/s M. Kamal Mahajan & Co., Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration.		
5.	Appointment of Mr. P.L. Suri (DIN: 00256300) as Chairman & Managing Director of the Company		
6.	Appointment of Mr. Praveen Kumar Dutt (DIN: 06712574) as Independent Director of the Company		
7.	Appointment of Dr. V.M. Kaul (DIN: 00472888) as Independent Director of the Company		
8.	Appointment of Mrs. Seema Joshi (DIN: 06946689) as Non-Executive Director of the Company		
9.	Approval of Related Party Contract		
10.	Limits of Borrowing u/s 180(1)(c) of the Companies Act, 2013		
11.	Limit u/s 180(1)(a) of the Companies Act, 2013 in connection with the borrowings of the Company		

Signed this day of 2014. Signature of Shareholder:

NOTES:

- Please put a 'X' in the appropriate column against the respective resolutions. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in the aggregate not more than ten percent (10%) of the total Share Capital of the Company carrying voting rights. A member holding more than ten percent (10%) of the total Share Capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other member.
- This form of Proxy in order to be effective should be duly completed, stamped, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.

Affix
Revenue
Stamp



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ATTENDANCE SLIP

(To be handed over at the entrance of the meeting venue)

Name of the Member(s) / Proxy*:

(*Strike off whichever is not applicable)

Registered address:.....

E-mail Id: Folio No. /DP ID & Client ID:.....

I/We, being the member (s) of the above named company, hereby record my/our presence at the 21st Annual General Meeting of the Company, to be held on Tuesday, the 30th day of September, 2014 at 11.00 a.m. at the Registered Office of the Company at 263C, Arossim, Cansualim, Goa-403712 and at any adjournment thereof.

Signature of the Member/Proxy*:

(*strike out whichever is not applicable)

NOTES:

- 1) Members/Proxies are requested to bring the duly signed attendance slip to the meeting and hand it over at the entrance.
- 2) Corporate members intending to send their authorized representatives to attend the meeting are requested to send, to the Company, a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
- 3) For the convenience of Members, persons other than Members/Proxies will not be admitted.



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E-COMMUNICATION REGISTRATION FORM

Dear Shareholders,

As you must be aware that majority of the provisions of the Companies Act, 2013 have been made effective from 01st April 2014 therefore pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules issued thereunder, Companies can serve Annual Reports, Notices and other communications through electronic mode to those shareholders who have registered their email address either with the Company/RTA or with the Depository.

It is a welcome move that would benefit the society at large, as this will reduce paper consumption to a great extent and allow shareholders to contribute towards a greener environment. This provides a golden opportunity to every shareholder of Blue Coast Hotel Limited to contribute towards the cause of 'Green Initiative' by giving their consent to receive various communications from the Company through electronic mode.

We therefore invite all our shareholders to contribute to the cause by filling up the form given below to receive communication from the Company in electronic mode. You can also download the appended registration form from the website of the Company www.bluecoast.in.

[Please note that as a Member of the Company, you shall be entitled to receive all such communication in physical form, upon request.]

Best Regards,

Sd/-

P.L. Suri

Chairman & Managing Director

DIN : 00256300

E-COMMUNICATION REGISTRATION FORM

Folio No./DP ID & Client ID:

Name of the 1st Registered Holder:

Name of the Joint Holder[s]:

Registered Address:

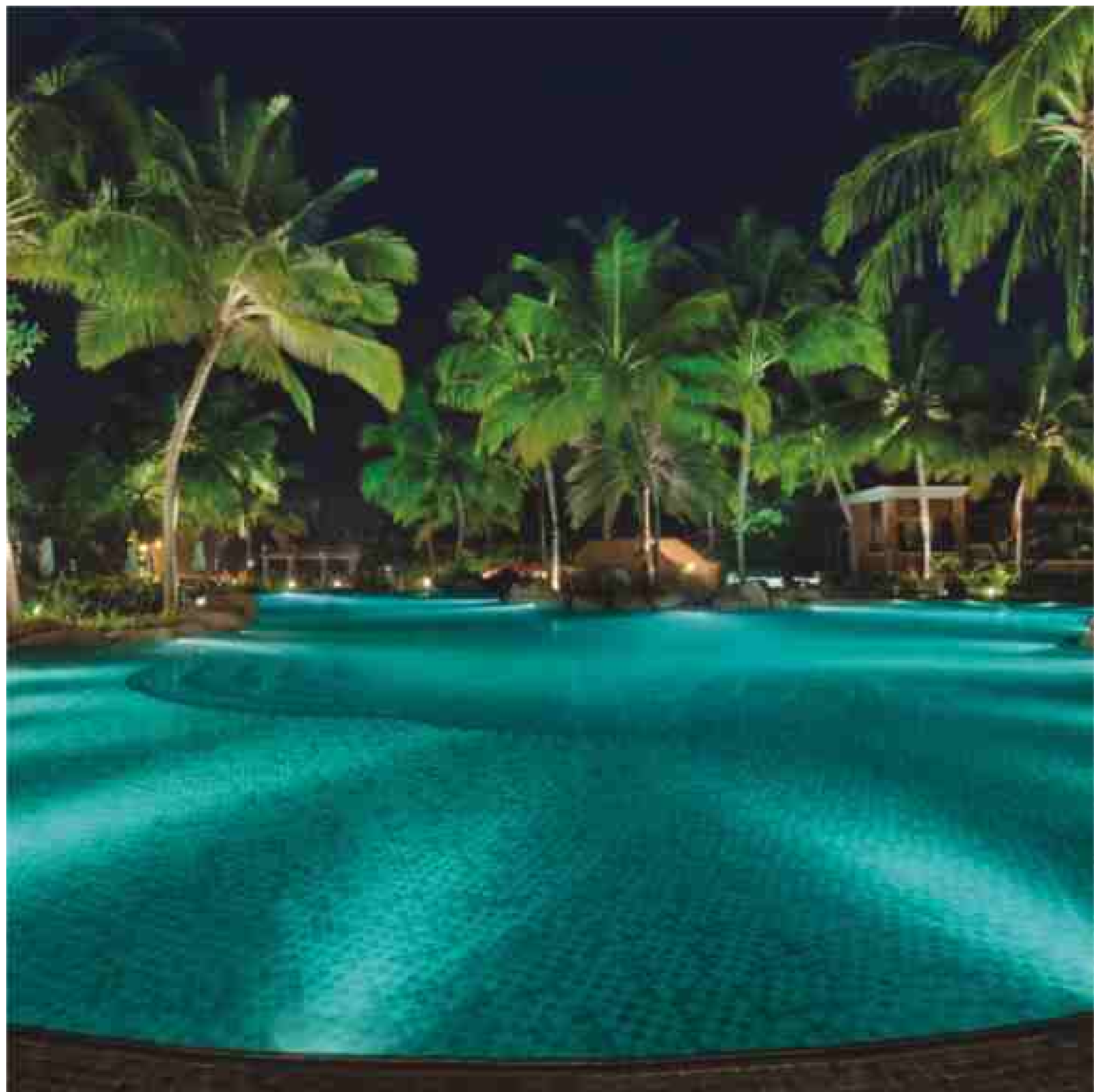
E-mail ID (to be registered): Mob./Tel. No.:

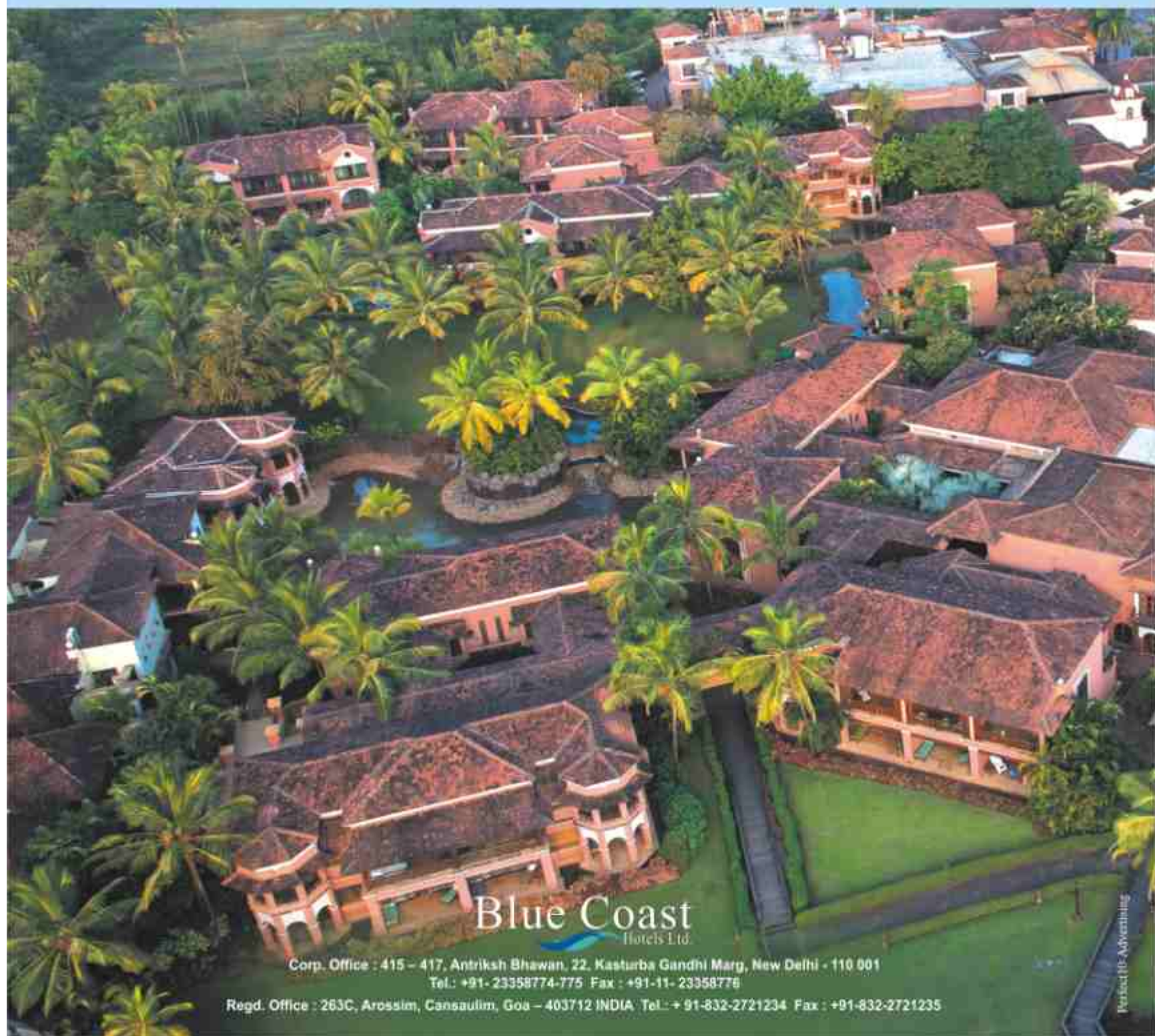
I/We shareholder(s) of Blue Coast Hotels Limited hereby agree to receive communications from the Company in electronic mode. Please register my above E-mail ID in your records for sending communications in electronic form.

Date:

Signature:

Note: Shareholder(s) are requested to keep the Company informed as and when there is any change in the e-mail address.





Blue Coast Hotels Ltd.

Corp. Office : 415 - 417, Antriksh Bhawan, 22, Kasturba Gandhi Marg, New Delhi - 110 001

Tel.: +91- 23358774-775 Fax : +91-11- 23358776

Regd. Office : 263C, Arossim, Cansaulim, Goa - 403712 INDIA. Tel.: + 91-832-2721234 Fax : +91-832-2721235