

“My vision of the hospitality business

is very different from others.

It focuses on single-mindedly offering our guests

an unforgettable experience, comprising

a magical blend of sights, sound & smells

that pamper the senses, complemented

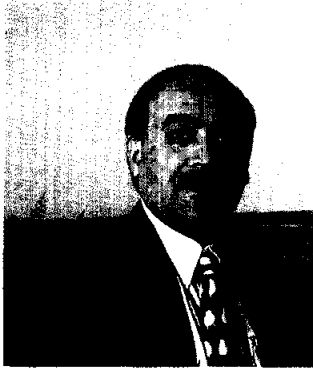
by the highest standards of excellence across

every area of activity at par

with the best across the globe.”

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Chairman's Perspective



Arun Suri
Chairman & Managing Director

Goa ... mention the word & it evokes tranquil images of sea, sun, sand & sky beckoning the tension filled city dweller.

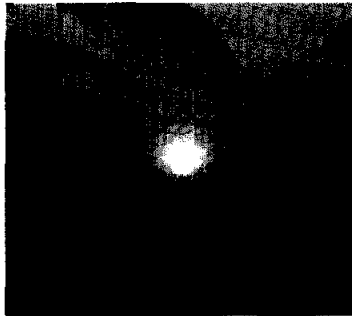
A place that is more a celebration of life than a geographical entity.

Our vision was to capture this free flowing spirit of Goa in our resort, in all its natural splendor & provide to our valued guests a retreat that relaxes as it rejuvenates both body & soul.

Welcome to Hyatt Regency, Goa.

Its much more than a Resort ... its an experience.

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Late Shri K.B. Suri
Founder, Morepen Group

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NOTICE

Notice is hereby given that the 10th Annual General Meeting of the members of Blue Coast Hotels and Resorts Limited will be held at Hyatt Regency Goa, Arossim Beach, Cansaulim, Goa 403712 on Monday, the 30th September, 2002 at 11.30 a.m. to transact the following business :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2002 and the Profit & Loss Account for the year ended on that date and reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr B K Goswami, who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration. The retiring Auditors, M/s M Kamal Mahajan & Co., Chartered Accountants, Chandigarh are eligible and offer themselves for re-appointment.

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification, the following resolutions as Ordinary Resolutions:

“Resolved that the 1,50,00,000 (One crore fifty lakhs) equity shares of Rs. 10/- (Rupees ten) each out of the total 3,50,00,000 (Three crore fifty lakhs) equity shares of Rs. 10/- (Rupees ten) each forming part of the existing Authorised Equity Shares Capital of the Company be cancelled and substituted by 15,00,000 (Fifteen lakhs) Redeemable Preference Shares of Rs. 100/- (Rupees one hundred) each.

Resolved further that the Authorised Share Capital of the Company be increased from Rs. 50,00,00,000/- (Rupees fifty crores only) to Rs. 70,00,00,000/- (Rupees seventy crores only) by creation of 20,00,000 (Twenty lakhs) Redeemable Preference Shares of Rs. 100/- (Rupees one hundred) each.

Resolved further that the existing Clause V of the Memorandum of Association of the Company as to Share Capital be and is hereby altered by deleting the same and substituting in place and instead thereof the following as new Clause V :

“The Authorised Share Capital of the Company is Rs. 70,00,00,000/- (Rupees seventy crores only) divided into 2,00,00,000 (Two crores) equity shares of Rs. 10/- (Rupees ten) each and 50,00,000 (fifty lakhs) redeemable preference shares of Rs. 100/- (Rupees one hundred) each.”

5. To consider and, if thought fit, to pass with or without modification, the following resolutions as Special Resolutions:

“Resolved that the existing Article 3 of the Articles of Association of the Company be and is hereby altered by deleting the same and substituting in place and instead thereof the following:

“The Authorised Share Capital of the Company shall be such sum, divided and classified into such shares as may be provided in Clause V of the Memorandum of Association of the Company with power to increase, reduce or divide the Capital for the time being into several classes and to attach thereto respectively such preferential priority, deferred, qualified or special rights, privileges, conditions or restrictions whether in regard to dividend, voting,

return on capital, distribution of assets or otherwise, however as may be determined in accordance with law and regulations of the Company in force and to vary, modify or abrogate any such rights, privileges, conditions or restrictions in such manner as may from time to time be provided by the regulations of the Company and to consolidate or subdivide or re-organise shares or issues of shares of higher or lower denominations. The Directors may in their discretion, increase or decrease the rate of dividend payable on any Preference Shares and issue the said shares under the non-cumulative or cumulative dividend payment scheme at the time of issue of such shares. The Directors may at any time issue any part of the un-issued preference shares as equity shares and for this purpose, sub-divide preference shares of Rs.100/- each into equity shares of Rs.10/- each.' ”

6. To consider and, if thought fit, to pass with or without modification, the following resolutions as Special Resolutions:

“Resolved that in accordance with the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment thereto or re-enactment thereof), and in accordance with the guidelines and clarifications issued thereon from time to time by the Securities & Exchange Board of India (SEBI) and subject to all necessary approvals, consents, permissions and/or sanctions of appropriate authorities, institutions or bodies and subject to such conditions as may be prescribed by any of them while granting such approvals, consents, permissions or sanctions which the Board of Directors of the Company (hereinafter

referred to as “the Board” which term shall be deemed to include any Committee(s) constituted / to be constituted to exercise its powers including the powers conferred by this Resolution) is hereby authorised to accept, the Board be and is hereby authorized, on behalf of the Company, to create, issue, offer and allot preference shares and/or securities convertible into preference shares and/or any instruments or securities representing preference shares (hereinafter collectively referred to as “securities”) to promoters of the Company and their associates (whether individuals or bodies corporate), for an amount not exceeding Rs. 45.00 crores in aggregate including premium, if any, such issue and allotment to be made at such time or times, in one or more tranches, at such price or prices and on such terms and conditions as may be decided and deemed appropriate by the Board at the time of issue or allotment.

Resolved further that without prejudice to the generality of the above, the aforesaid issue of the securities may have all or any terms or combination of terms in accordance with prevalent market practice including but not limited to terms and conditions in relation to payment of dividend, premium on redemption, or early redemption at the option of the Company and/or holders of any securities.

Resolved further that for the purpose of giving effect to any offer, issue or allotment of the securities, as described above, the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may in its absolute discretion, deem necessary or desirable for such purpose and to settle all questions, difficulties or doubts that may arise

in regard to such issue(s) or allotment(s) as it may, in its absolute discretion, deem fit.”

7. To consider and, if thought fit, to pass with or without modification, the following resolutions as an Ordinary Resolution:

“Resolved that pursuant to the provisions of Section 198, 269, 309, 311 and other applicable provisions, if any, of the Companies Act, 1956 and in accordance with the conditions as contained in Schedule XIII to the Act and subject to the approvals of the Central Government and other approvals as may be necessary, the approval of the Company be and is hereby accorded to the appointment of Mr Arun Suri as *Managing Director of the Company for a period of five years commencing from 1st August, 2002 on the terms and conditions as set out in the explanatory statement annexed to the notice convening this Annual General Meeting.*

Resolved further that the Board of Directors be and is hereby authorised to alter and vary the terms and conditions of appointment of Mr Arun Suri in accordance with the provisions of the Companies Act, 1956 as amended/ modified including any guidelines or notification or rules on managerial remuneration issued by the Central Government from time to time and within the limits prescribed under Schedule XIII to the Act and also in accordance with the terms and conditions laid down by the Central Government while granting the required approval.”

By order of the Board of Directors

Place : New Delhi
Date : 30th July 2002

I S Deo
Company Secretary

NOTES :

- a) The relative explanatory statements pursuant to Section 173 of the Companies Act, 1956 in respect of the Special Business are annexed hereto.
- b) **A MEMBER ENTITLED TO ATTEND THE MEETING AND VOTE THEREAT IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
Instrument appointing proxies in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered office of the Company not less than 48 hours before the meeting.
- c) The Register of Members and Share Transfer Books of the Company will remain closed from September 20, 2002 to September 30, 2002 (both days inclusive)
- d) Members/ Proxies should bring the Attendance Slip sent herewith duly filled in and signed for attending the meeting.
- e) **Members of the Company are requested to complete all the formalities for conversion of their shares from physical form into demat form as the equity shares of the Company are traded in demat form.**

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 173 of the Companies Act, 1956.

ITEM NO. 4 & 5

It is proposed to issue and allot redeemable preference shares to promoters of the Company and their associates against the funds inducted by them into the Company for