

Annual Report 2003-04



Blue Coast
Hotels and Resorts Ltd.

Something magical is happening to Goa... to its shimmering sands and blue waves, to its strumming

guitars and captivating spirit. It is

the Park Hyatt Goa Resort and

Spa -an exclusive resort of the

Hyatt Group with the 'Park Hyatt'

distinction-that's shared by only a handful of resorts,

world over.

Perceived as a dream resort with an unparalleled

array of deluxe pleasures, the Park Hyatt Goa

Resort and Spa is a

celebration of human

enterprise in the business

of leisure.



*C*ontents

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Board Of Directors

Mr. Arun Suri, Managing Director
Mrs. Mamta Suri
Mr. B K Goswami
Mr. K S Mehta
Dr. V M Kaul

**Vice President (Corporate Affairs)
& Company Secretary**

I S Deo

Auditors

M/s M Kamal Mahajan & Co.
Chartered Accountants
SCO 61 Madhya Marg,
Sector 26, Chandigarh

Registered Office

263C, Arossim, Cansaulim, Goa 403712

Corporate Office

415 417, Antriksh Bhawan
22, Kasturba Gandhi Marg
New Delhi - 110 001

Share Transfer Agent

RCMC Share Registry Pvt. Ltd.
1515, (1st Floor), Bhisham Pitamah Marg
Kotla Mubarakpur
New Delhi 110003
Tel: 011-24692346, 24601017
Fax: 011-24692345

Notice

NOTICE is hereby given that the **12th Annual General Meeting** of the members of Blue Coast Hotels and Resorts Limited will be held at 263C, Arossim, Cansaulim, Goa 403712 on Monday, the 28th March, 2005 at 11.30 a.m. to transact the following business:

1. To receive, consider and adopt the audited Balance Sheet as at 30th September, 2004 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 Arun Suri, who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr K S Mehta, who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment.
4. 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

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

"Resolved that the 1,00,00,000 (one crore) equity shares of Rs. 10/- (Rupees ten) each out of the total 2,85,00,000 (Two crore eighty five 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 10,00,000 (Ten 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. 100,00,00,000/- (Rupees one hundred crores only) divided into 1,85,00,000 (One crore eighty five lakhs) equity shares of Rs. 10/- (Rupees ten) each and 81,50,000 (Eighty one lakhs fifty thousands) redeemable preference shares of Rs. 100/- (Rupees one hundred) each'."

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

"RESOLVED that pursuant to Section 81 and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) and relevant provisions of the Memorandum and Articles of Association of the Company and the Listing Agreements entered into by the Company with the Stock Exchanges where the Company's shares are listed and subject to any necessary approval, consent, permission and/ or sanction of the Central Government, Reserve Bank of India (RBI), Securities & Exchange Board of India (SEBI) and/ or any other appropriate authority(ies), Institution(s) or other Bodies and subject to such conditions and such modifications thereto as may be prescribed by any of them while granting any such approval, consent, permission or sanction, the Board of Directors of the Company (hereinafter referred to as the "Board") and/ or any duly authorized Committee thereof for the time being exercising the powers conferred by the Board (hereinafter referred to as the "Committee"), be and is hereby authorized on behalf of the Company to issue and allot equity shares/ preference shares including unclassified shares after classifying them as equity/ preference shares and/ or any securities convertible into equity shares/ preference shares at the option of the Company and/ or at the option of the holder of the security and/ or securities linked to equity shares/ preference shares and/ or any instrument or securities representing either equity shares /

preference shares or non convertible bonds or debentures or convertible securities or warrants convertible to or representing equity shares/ preference shares (hereinafter referred to as "Securities") to the promoters / promoters group and or their associates by way of preferential allotment/ Private Placement for (or which, upon conversion of all Securities so issued or allotted, would give rise to the issue of), an aggregate face value of upto Rs. 10 Crores (Rupees ten crores only).

RESOLVED FURTHER that the aforesaid issue and allotment of Securities is to be made at such time or times and with or differential voting rights in General meetings/ Class meetings of the Company, in one or more tranche or tranches, at such price or prices and in such manner as the Board/ Committee may, in its absolute discretion think fit, in consultation with the Lead Manager(s), Underwriter(s) and Advisor(s), if any and otherwise on such terms and conditions as may be decided and deemed appropriate by the Board/ Committee at the time of issue or allotment.

RESOLVED FURTHER that without prejudice to the generality of the above, the aforesaid issue of Securities may have all or any terms and combination of terms in accordance with prevailing market practice including but not limited to conditions in relation to payment of interest, additional interest, premium on redemption, prepayment and any other debt service payments whatsoever including terms for issue of additional equity shares/ preference shares or variation of the conversion price of the Security during the duration of the Security and also to seek the listing of such Securities or Securities representing the same in one or more Domestic Stock Exchanges.

RESOLVED FURTHER that in accordance with Section 81(1A) of the Companies Act, 1956, if prior to conversion of such of the securities offered and issued as are convertible into equity shares (hereinafter referred to as "the Convertible Securities") any equity shares are declared and allotted by the Company to the holders of existing equity shares as rights (hereinafter referred to as "Right Shares") and/ or as bonus shares (hereinafter referred to as "Bonus Shares"), the Board/ Committee, be and is hereby authorized, to offer and/ or issue and/ or allot to the holders of the convertible securities in addition to the equity shares to which they are entitled upon conversion, additional equity share in the same proportion and subject to the same condition as to price and payment mutatis mutandis as the right shares are offered and allotted to holders of the existing equity shares and/ or Bonus Shares in the same proportion as are allotted to the holders of the existing Equity Shares.

RESOLVED FURTHER that the Board/ Committee be and is hereby authorized to issue and allot such number of equity shares / preference shares as may be required to be issued and allotted upon conversion of any convertible securities referred to hereinabove or as may be necessary in accordance with the terms of the offering, all such shares being pari passu with the then existing equity shares/preference shares of the Company in all respects, excepting such right as to dividend as may be provided under the Terms of the Issue and in the Offer Document.

RESOLVED FURTHER that for the purpose of giving effect to any issue or allotment of equity shares/preference shares or Securities or instruments or Securities representing the same, as described in paragraph above, the Board/Committee be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things as it may at its discretion deem necessary or desirable for such purpose, and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in regard to any such issue or allotment as it may in its absolute discretion deem fit.

RESOLVED FURTHER that the Board/ Committee be and is hereby authorized to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilization of the issue proceeds as it may in its absolute discretion deem fit without being required to seek any further consent or approval of the Members or

otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER that the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or Managing Director or any Whole-time Director or Director or any other Officer or Officers of the Company to give effect to the aforesaid resolution."

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

"RESOLVED THAT subject to the provisions of the Companies act, 1956, Securities Contract (Regulation) Act, 1956 and the Rules framed thereunder, Listing Agreements and any other consent(s), permission(s) or sanction(s) as may be required from any authority, statutory or otherwise and subject to such conditions and modifications as may be prescribed or imposed by any such authority while granting any consent(s), permission(s) or sanction(s) and pursuant to the Securities and Exchange Board of India (Delisting of Securities) Guidelines, 2003 consent of the Company be and is hereby given to the Board of Directors of the company to seek voluntary delisting of its equity shares from the Delhi Stock Exchange Association Limited (DSE), Jaipur Stock Exchange Limited and Ludhiana Stock Exchange Association Limited and for that matter to approach the Delhi, Jaipur and Ludhiana Stock Exchange(s) and / or any other concerned authorities seeking its/their approval for voluntary delisting of equity shares of the Company from the said Stock Exchange(s).

RESOLVED FURTHER THAT the Board of Directors be and is hereby also authorised to settle all questions, difficulties or doubts as may arise in regard to the aforesaid voluntary delisting of shares as it may in its absolute discretion deem fit.

RESOLVED FURTHER THAT the Board of Directors be and is hereby also authorised to take all necessary steps in this regard in order to comply with all the legal and procedural formalities and further to authorise any of its directors or any of the officers of the company to do all such acts, deeds or things as may be required to give effect to the above said resolution."

For and on behalf of the Board

New Delhi
February 25, 2005

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.

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.

- b) 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 March 21, 2005 to March 28, 2005 (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.**

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

ITEM NO. 5 & 6

It is proposed to issue and allot equity shares / redeemable preference shares or such other securities as may be permitted to the promoters/ promoter group and/or their associates against the funds inducted by them into the Company for meeting the debt: equity ratio stipulated by the term lenders in respect of the debt taken by the Company for Park Hyatt Goa Resort & Spa.

Accordingly, the authorised share capital of the Company is required to be re-organised in the manner set out in the resolution under Item No. 5 of the notice. Consequently, the relevant Capital Clauses in the Memorandum of Association of the Company is also required to be altered and this is sought to be brought about by passing the resolutions mentioned at Item Nos. 5 of the notice.

Besides, the Special Resolutions set out at item 6 of this Notice are enabling resolutions which enable the Company to issue equity shares/preference shares and/or convertible securities and/or other instruments or Securities representing the same to the promoters/ promoter group and/or their associates subject to the prevailing norms.

The aggregate value of securities/ shares to be issued pursuant to the said resolution will not exceed Rs. 10 Crores in the nominal value of the share capital of the Company. Since the pricing of the Offering can be decided only at a later stage, an enabling resolution is proposed with flexibility and discretion to the Board/ Committee to finalise the terms in consultation.

Securities so issued would be listed on the Stock Exchanges where the equity shares of the Company are presently listed, if so required.

Section 81 of the Companies Act, 1956, and the Listing Agreement inter alia provide that when it is proposed to increase the issued capital of a Company by allotment of further shares, such further shares shall be offered to the existing shareholders of the Company in the manner provided there under unless the shareholders in a general meeting decide otherwise hence the resolution.

The Board of Directors believes that the raising of further capital as aforesaid will be in the best interest of the Company.

Accordingly, the Board of Directors of the Company recommend the resolutions set out under Item No. 5 & 6 of the notice for the necessary approval of the shareholders at the ensuing Annual General Meeting.

The Directors of your Company may be deemed to be concerned or interested in these resolutions to the extent of the shares that may be subscribed to, by them or their relatives or by the Companies in which they or their relatives are Directors.

ITEM NO. 7

Presently the Company's Securities are listed on the following five Stock Exchanges in India, namely:

1. The Stock Exchange, Mumbai (BSE)
2. The National Stock Exchange of India Limited (NSE)
3. Delhi Stock Exchange Association Limited (DSE)
4. Jaipur Stock Exchange Limited
5. Ludhiana Stock Exchange Association Limited

The trading volumes on the Stock Exchange(s) in Delhi, Jaipur and Ludhiana have been very thin or negligible for last few years. No extra benefits are available to the shareholders of the Company by continuing the listing of the Company's Equity Shares on these exchanges. Delisting from these Stock Exchanges will reduce the administrative work of various mandatory compliances, and also save costs for the Company. With the networking of various centers of the Stock Exchange-Mumbai (BSE), and the National Stock Exchange of India (NSE), the members of the Company all over India have access to online dealings in the Company's Shares from across the country. The liquidity of the shares will, therefore, continue to be same as at present. The proposed delisting from the above named Stock Exchanges will not adversely affect any investor located in regions where the above three Stock Exchanges are situated.

Your Directors have already approved the delisting of Equity Shares of the Company from Delhi Stock Exchange Association Limited (DSE), Jaipur Stock Exchange Limited and Ludhiana Stock Exchange Association Limited subject to your approval in their meeting held on 25.02.2005 and recommend the same to be passed as a special resolution at the ensuing Annual General Meeting.

None of the directors is interested in the delisting of Equity Shares.

All the documents referred to in the Notice and the Explanatory Statement will be available for inspection by the Members of the Company at its Registered Office between 10.30 a.m. and 5.30 p.m. on all working days from the date hereof up to the date of the meeting.

For and on behalf of the Board

New Delhi
February 25, 2005

IS DEO
Company Secretary

DETAILS OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT IN THE ANNUAL GENERAL MEETING BEING HELD ON MARCH 28, 2005

Name of Director	Mr. Arun Suri	Mr. K S Mehta
Date of Birth	16/07/1960	16/10/1946
Date of Appointment	01/11/1994	29/06/2001
Expertise in specific functional areas	Park Hyatt Goa Resort & Spa has been implemented under the stewardship of Mr Suri and has undergone a successful year of commercial operation	Mr Mehta is a Chartered Accountant and has the requisite expertise.
List of companies in which outside Directorship held	<ol style="list-style-type: none"> 1. Blue Coast Infrastructure Development Limited 2. Shivalik Pesticides & Chemicals Pvt. Limited 3. Solace Investment & Financial Services Pvt Ltd 	<ol style="list-style-type: none"> 1. Prudential ICICI Assets Management Company Ltd. 2. Delhi Stock Exchange Association Limited 3. Radico Khaitan Limited 4. Ayurvet Limited 5. Transport Corporation of India Limited 6. Kothari Industrial Management Company Limited 7. Medpat Finance Limited 8. Gas Auto Limited