

Blue Coast

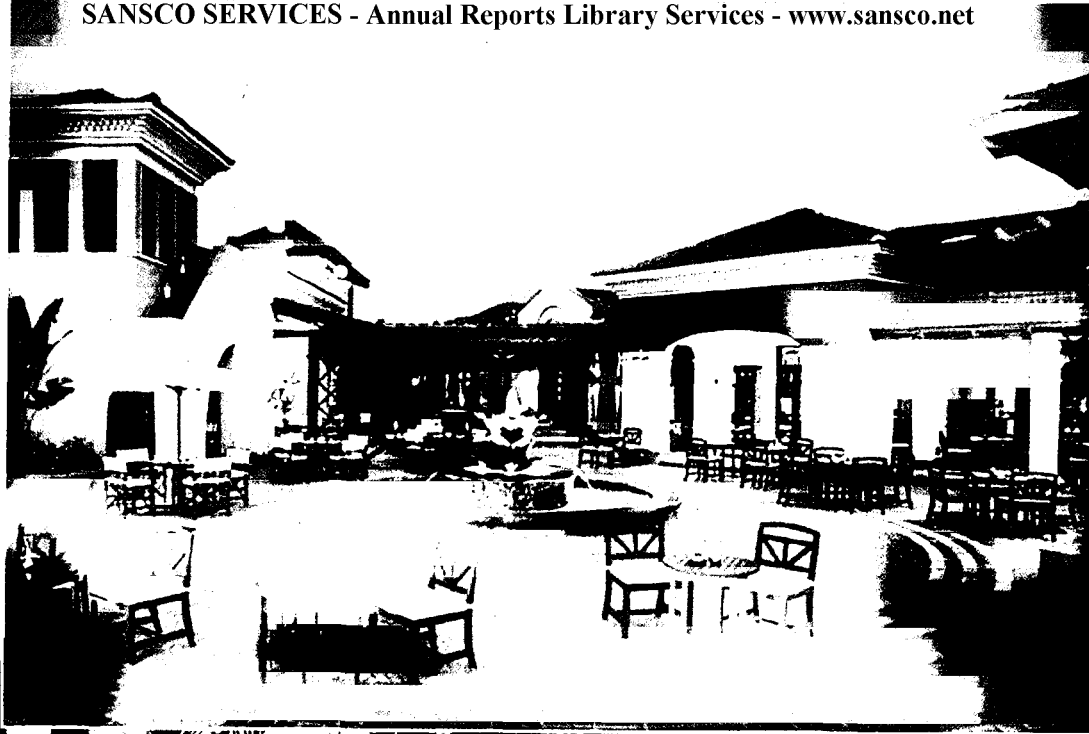
Hotels and Resorts Ltd.

Annual Report 2006-07

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PARK HYATT GOA[®]

RESORT AND SPA



Annual Report 2006 – 2007

*C*ontents

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Board Of Directors

Mr. P.L.Suri, Chairman & Managing Director.
Mrs. Sunita Suri, Executive Director.
Mrs. Mamta Suri
Mr. B K Goswami
Mr. K S Mehta
Dr. V M Kaul
Mr. Ashoka Kini

Executives

Mr. I S Deo
Vice President (Corporate Affairs) & Company Secretary
Mr Suresh Gupta
General Manager Finance & Accounts

Auditors

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

Registered Office

263C, Arossim, Cansaulim,
Goa 403712
Tel. : 0832 2721234
Fax : 0832 2721238

Corporate Office

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

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 **14th Annual General Meeting** of the members of Blue Coast Hotels and Resorts Limited will be held at 263C, Arossim, Cansaulim, Goa 403712 on Friday, the 28th September, 2007 at 11.00 a.m. to transact the following business:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2007 and the Profit & Loss Account of the Company for the year ended on that date along with the reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mrs. Mamta Suri, who retires by rotation at this Annual General Meeting and, being eligible, offers herself 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 M/s. M. Kamal Mahajan & Co., Chartered Accountants, Chandigarh, the retiring Auditors, as the Auditors of the Company and to fix their remuneration.

For and on behalf of the Board

New Delhi
28th August, 2007

I S DEO
Company Secretary



Notes

- A) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the company.
- B) Instrument appointing proxies in order to be effective should be duly stamped, signed and complete in all respect must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.
- C) A blank proxy form for use of the members is enclosed to this notice.
- D) The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 25th September, 2007 to Friday, the 28th September, 2007 (both days inclusive).
- E) Members/ Proxies should bring the Attendance Slip sent herewith duly filled in and signed for attending the meeting.
- F) 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.
- G) Relevant details in respect of the Directors seeking Appointment/Reappointment are given at the end of the NOTICE.



DETAILS OF DIRECTORS SEEKING APPOINTMENT / REAPPOINTMENT IN THE 14th ANNUAL GENERAL MEETING BEING HELD ON SEPTEMBER 28, 2007

Name of Director	Mrs Mamta Suri	Mr K. S. Mehta
Date of Birth	14.12.1964	16.01.1946
Date of Appointment	31.10.2000	29.06.2001
Expertise in specific functional areas	Mrs. Mamta Suri has strong entrepreneurial expertise and is well versed with the operation of business enterprises.	Mr K. S. Mehta is a Chartered Accountant by profession with over 40 years of experience. He has specialization in Corporate Financial Restructuring. He held the directorship positions in DSE & NSE as nominee of SEBI. He was also a member of Advisory Committee on primary markets of SEBI.
No. of equity shares of Rs. 10/- each held in the Company	89,000	Nil
Other Directorship	<ol style="list-style-type: none"> 1. Concept Credit & Consultants Pvt. Ltd. 2. Sunset Resort Ltd. 3. Liquid Holdings Pvt. Ltd. 4. Blue Heaven Marketing Pvt. Ltd. 	<ol style="list-style-type: none"> 1. Radico Khaitan Ltd. 2. Prudential ICICI Asset Management Co. Ltd. 3. Medpat Finance Ltd. 4. Kothari Industrial Mgmt Company Ltd. 5. Transport Corporation of India Ltd. 6. Ayurvet Ltd. 7. Consafe McNulty JV. Ltd. 8. Consafe Engineering Services Ltd. 9. McNulty Offshore Construction Ltd. 10. McNulty Group Holdings Ltd. 11. Innorem Services Pvt. Ltd. 12. Gas Auto Pvt. Ltd 13. Federation of Indian Chambers of Commerce & Industry

Directors' Report

THE MEMBERS,

Your Directors have pleasure in presenting the 14th Annual Report of the Company for the year ended 31st March 2007.

1. PARK HYATT GOA RESORT & SPA

Park Hyatt Goa Resort & Spa has established itself as market leader in terms of total revenue and is gradually moving towards occupying the leadership position in terms of Revenue Market Share Index (RMSI) by ramping up its occupancy and ARR. For the period under report Park Hyatt Goa Resort & Spa achieved an average occupancy of 79.79% and its ARR and Rev Par stood at Rs. 7785 and Rs. 6212 respectively.

In order to continue to be the market leader and with a view to excel on the guest satisfaction index your company continues to invest in the up-gradation and enrichment of various components of the hotel.

2. OPERATIONAL RESULTS & APPROPRIATIONS

The Board is pleased to inform you that the Company's Total Income for the year under report stood at Rs. 8624.55 lakhs (previous period Rs. 10,192.53 lakhs) against which it made a profit (before tax) of Rs. 1549.61 lakhs (previous period Rs. 765.10 lakhs).

As the surplus generated is being deployed towards the up-gradation of the hotel in terms of the plan finalised in consultation with Hyatt International, your Directors prefer not to recommend any dividend on share capital of the Company for the year under report.

As at the end of the year under report balance available for appropriation stood at Rs. 1066.37 lakhs [previous period Rs. 41.10 lakhs] which was carried forward to the Balance Sheet.

3. PUBLIC DEPOSITS

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

4. SUBSIDIARY COMPANY

During the year under report the Company has incorporated a wholly owned subsidiary namely Blue Coast Hospitality Limited on 23rd February 2007 which may be used as special purpose vehicle for any new projects to be undertaken by the Company. The members may refer to the Statement under Section 212 of the Companies Act, 1956 as annexed to this report for further information. The first financial year of the subsidiary shall close on 31st March 2008 hence no financial statement of the subsidiary is being annexed to this report.

5. VOTING RIGHTS

In terms of the provisions contained in Section 87(2)(b)(i) of the Companies Act, 1956, the Preference Shareholders of the Company with respect to the 41,50,000 Redeemable Cumulative Preference shares of Rs.100 each, allotted on 30th October 2002 to the promoters/ promoters group, are entitled to vote on every resolution placed before the Company at any general meeting. As the said preference shares are held by the existing Promoters/ Promoters Group there is no change in the management/ control of the Company.

6. BOARD OF DIRECTORS

The Board recommends the re-appointment of Mrs. Mamta Suri and Mr. K. S. Mehta who retire by rotation as Directors of the Company and, being eligible, offer themselves for re-appointment.



7. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors hereby confirm:

- a) that in the preparation of the annual accounts for the financial year ended 31st March, 2007 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.

8. AUDITORS

M/s. M. Kamal Mahajan And Co., Chartered Accountants, the Auditors of the Company will retire on the conclusion of the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment.

Request of the Company for the transfer of unclaimed dividend amounting to Rupees Seventy Five Thousand Only to the Investor Education and Protection Fund remain pending with the Bank for want of re-conciliation which explains the observation made by the Auditors in this regard. Other observations made by the Auditors in their report read with the relative notes on accounts are self explanatory.

9. CORPORATE GOVERNANCE

Your Company has complied with the provisions of the Code on Corporate Governance and as required by Clause 49 of the Listing Agreement entered into with the Stock Exchanges, the report on Corporate Governance and the Auditors' Certificate in connection therewith form part of this report. The Management Discussion and Analysis Report are also appended to this report.

10. 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 in the annexure to this report. However, the same is not being sent to all the shareholders. Any shareholder desirous of obtaining a copy of the said particulars may write to the Company at its Corporate Office.

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

Information in pursuance of 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 annexed to this report.

12. LISTING OF EQUITY SHARES

The equity shares of the Company are continued to be listed on The Ludhiana Stock Exchange Association Ltd. Ludhiana, Bombay Stock Exchange Ltd. Mumbai, National Stock Exchange of India Ltd. Mumbai, Jaipur Stock Exchange Ltd. Jaipur and The Delhi Stock Exchange Association Ltd. Delhi. The Company has paid the annual listing fee up to date to the said stock exchanges.

13. ACKNOWLEDGEMENTS

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.

For and on behalf of the Board

New Delhi
28th August, 2007

P.L. SURI
Chairman & Managing Director

PARTICULARS AS PER THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988

Conservation Of Energy

An Energy Conservation Committee has been set-up to suggest various measures to be adopted at all levels for conserving energy and also to bring about more awareness among employees. Each and every employee is encouraged to participate and contribute in the program for energy conservation. Besides, an Energy Audit is being commissioned to set bench marks for energy consumption in various areas with a view to facilitate better control over the energy consumptions.

Water, Electricity & Fuel Conservation

Following measures adopted to conserve Water, Electricity and Fuel:

Water:

By further strengthening the leakage proofing of water bodies in the resort the Company has been able to reduce water consumption considerably.

Electricity:

As the consumption of electricity in the air conditioning forms major part of the total power consumption, the Company with a view to reduce the load on the chillers has a) replaced the fills of 2 cooling towers b) descaled the chiller condensers both chemically and mechanically improving the heat exchange in the condenser and c) is in the process of using the chilled air, a by-product of the heat pumps being installed, for cooling the laundry area.

Diesel:

- The heat Pumps being installed for generating hot water will ultimately reduce the number of hot water generators leading to the reduction in the consumption of HSD.
- AVR installed in the resort is being commissioned with a view to eliminate the necessity of running DG during voltage fluctuations thereby saving in HSD consumption.