

Annual Report 2014 – 15

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Board of Directors

Mr. Sushil Suri
Chairman & Managing Director
Dr. V. M. Kaul
Independent Director
Mr. Ashok Kini
Independent Director
Mr. Praveen Kumar Dutt
Independent Director
Mrs. Seema Joshi
Non-Executive Director
Mr. Kushal Suri
Non-Executive Director

Executives

Mr. Dilip Bhagtani
Chief Financial Officer

Mr. Shivam Kumar
Company Secretary

Auditors

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

Company Bankers

State Bank of Mysore

Stock Exchanges where Company's Securities Listed

Bombay Stock Exchange Limited (Scrip Code: 531495)
National Stock Exchange of India Limited (Scrip Code: BLUECOAST)

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

Secretarial Auditor

M/s. PD & Associates
302 Dakha, 2068/38 Naiwala,
Karol Bagh, New Delhi - 110005

Notice

NOTICE is hereby given that the **22nd Annual General Meeting** of the members of **Blue Coast Hotels Limited** will be held on **Wednesday the 30th September 2015 at 11.00 A.M.** 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 2015 and the Statement of Profit & Loss Account of the Company for the period ended on that date along with the report of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Seema Joshi (DIN 06946689), Director who retires by rotation at this Annual General Meeting and being eligible, offers herself for re-appointment.
3. To ratify the appointment of Auditors and fix their remuneration and in this regard, to consider and if thought fit, to pass, with or without modification(s), 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 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the appointment of M/s M. Kamal Mahajan and Co. (Reg. No. 06855N), Chartered Accountants, Chandigarh, the Statutory Auditors of the Company, by the members in the 21st Annual General Meeting (AGM) held on 30th September, 2014 to hold the office till the conclusion of the 24th Annual General Meeting (AGM) of the Company to be held in the year 2017, be and are hereby ratified.”

SPECIAL BUSINESS

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

APPOINTMENT OF MR. SUSHIL SURI AS THE CHAIRMAN & MANAGING DIRECTOR OF THE COMPANY

“**RESOLVED THAT** pursuant to the provisions of Section 152, 196, 197, 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 and subject to such approval(s) as may be required Mr. Sushil Suri (DIN 00012028), be and is hereby appointed as the Chairman and Managing Director of the Company to hold office for a term of 5 (five) consecutive years with effect from 21st March, 2015 upto 20th March, 2020 without any remuneration and /or perquisites, not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to alter and vary the term and conditions of appointment as recommended by the Nomination and Remuneration Committee to the Board.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to all acts, deeds and things and execute all such documents, instruments and writings as may be required and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

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



APPOINTMENT OF MR. ASHOK KINI 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 Companies (Appointment and Qualification of Directors) Rules 2014 (including any statutory modifications(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Act, as amended from time to time and Clause 49 of the Listing Agreement with the Stock Exchange, Mr. Ashok Kini (DIN 00584044), 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 an Independent Director of the Company for a period of 5(Five) years from the date of appointment, not liable to retire by rotation.”

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

APPOINTMENT OF MR. KUSHAL SURI AS 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 rules framed thereunder, Mr. Kushal Suri (DIN 02450138), who was appointed as an Additional Director of the Company by the Board of Director with effect from 21st March, 2015 and who hold office till the date of this Annual General Meeting in term of Section 161 of Companies Act, 2013, in respect of whose candidature, the Company has received a notice in accordance with Section 160 of the Act, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

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

(Sushil Suri)
Chairman & Managing Director
DIN : 00012028

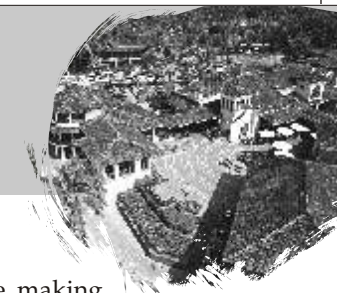
Place : New Delhi
Date : 20.08.2015

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 Thursday, 24th September 2015 to, Wednesday the 30th September 2015 (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. 4 to 6 of the Notice, is annexed hereto. The relevant details as required under Clause 49 of the Listing Agreements with the Stock Exchange(s), of person(s) seeking appointment as Directors under Item No. 4 to 6 of the Notice, are also attached.
4. Pursuant to Section 101 and 136 of the Companies Act 2013 read with relevant rules thereunder, companies can serve Annual Report and other communication through electronic mode to those members who have registered their email address either with the Company or with the Depository Participant(s). Members who have not registered their email address with the Company can register the same with the Company.
5. 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 Share Registry Pvt. Ltd. (“RCMC”).
6. 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 Share Registry Pvt. Ltd. (“RCMC”) for assistance in this regard.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their de-mat accounts. Members holding shares in physical form can submit their PAN to the RTA 'RCMC Share Registry Pvt. Ltd. (“RCMC”)
8. 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.
9. 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.
10. 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.
11. 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.
12. 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.



13. The Notice of AGM along with the Annual Report 2014- 15 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.
14. The Auditors Report pursuant to section 145 of Companies Act, 2013, Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and Register of Contracts or arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM
15. We request you to cooperate with the Company in its endeavour to participate in “Green Initiative” taken by MCA and in protecting the environment.
16. 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 22nd 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 appears in the Register of Members, holding shares in physical or in dematerialised form, as on the Record Date i.e. Wednesday, 23rd September, 2015 (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 Sunday, 27th September 2015 and will end at 5:00 P.M. on Tuesday, 29th September 2015.

Voting Options

(1) Voting through Electronic Means

Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means.

The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

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 Participants(s)]:-

- i) Open the email and also open PDF file namely “Blue Coast e-Voting.pdf” 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.

Voting at AGM: The members who have not cast their vote by remote e-voting can exercise their voting rights at the AGM. The Company will make arrangements of ballot papers in this regards at the AGM Venue.

C. Other Instructions:-

- i) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholder available at the Downloads section of www.evoting.nsdl.com
- ii) The e-voting period commences on Saturday 9:00A.M, 27th September 2015 and will end at 5:00 P.M. on Tuesday, 29th September 2015 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.
- iii) The voting rights of the Members shall be in proportion to their shares of the paid up share capital of the Company as on 28th August 2015.
- iv) 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.



- v) The Scrutiniser shall, immediately after the conclusion of voting at general meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company. Scrutiniser shall within 3 days of conclusion of the meeting submit a consolidated scrutiniser report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing.
- vi) 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 22nd AGM of the Company on 30th September 2015 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**

(Sushil Suri)
Chairman & Managing Director
DIN : 00012028

Place : New Delhi
Date : 20.08.2015

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. 4 to 6 of the accompanying Notice.

Item No.3

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

M/s M. Kamal Mahajan and Co. (Reg. No. 06855N), Chartered Accountants, Chandigarh, were appointed as the Statutory Auditors of the Company for a period of three years at the 21st Annual General Meeting held on 30.9.2014.

As per the provision of section 139(1) of the Act, their appointment for the above tenure is subject to ratification by the members at every AGM.

Accordingly, ratification by the members is being sought for the proposal contained in the Resolution set out at item no. 3 of the Notice.

The Board commends the resolution at item no. 3 for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company and their relatives, are deemed to be, concerned or interested, financially or otherwise, in the resolution.

Item No. 4

Mr. Sushil Suri (DIN: 00012028), is a fellow member of The Institute of Chartered Accountants of India possesses a vast experience of more than 24 years in the various fields including finance, operations, management and managerial entrepreneurship in the pharmaceutical and hospitality industry.

Pursuant to Rule 13 of the Companies (Appointment & Qualification of Directors) Rules, 2014, the members of the Company are hereby informed that the Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 ("Act"), from a member along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. Sushil Suri, for the office of Chairman & Managing Director of the Company, to be appointed as such under the provisions of Section 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Schedule V 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).

The Nomination and Remuneration Committee of the Board has recommended his appointment as a Chairman & Managing Director of the Company, not liable to retire by rotation, to hold office for a term of 5 (Five) consecutive years with effect from 21st March, 2015 upto 20th March, 2020. His appointment has been approved by the Board of Directors of the Company in its meeting held on 21st March, 2015, subject to the approval of members in the ensuing AGM.

Annexure forming part of the Explanatory Statement as required to be given.



Pursuant to Part II of Schedule V of the Companies Act, 2013:-

Particulars	(Rs. In Lakhs)	
	Financial Year ended March 31, 2015	Financial Year ended March 31, 2014
Profit After Tax	(1,979.03)	(1,809.86)
EPS (Basic and diluted earnings per share in Rupees)	Basic (22.63)	Basic (25.55)
	Diluted (22.63)	Diluted (25.55)
Net Worth	10,821.13	131,15.96

1. General Information :-

- 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.
- Date or expected date of commencement of commercial production: - The Company commenced its commercial operations in October 2003.
- In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:- Not Applicable
- Financial Performance based on given indicators:-
- Export performance and Net Foreign Exchange Outgo

Expenditure incurred in Foreign Currency:-

Particulars	(Rs. In Lakhs)	
	Financial Year ended March 31, 2015	Financial Year ended March 31, 2014
Capital Goods	129.85	201.83
Other Matters	1019.49	654.31

- Foreign Investments or Collaborations:-

Foreign shareholding in the Company as on March 31, 2015 is 18.47% of the Paid up Equity Share Capital of the Company.

2. Information about the appointee:-

- Background detail: -Mr. Sushil Suri carries valuable experience.
- Past Remuneration :- NA
- Recognition or Awards :- None

- Job Profile and his suitability: - Mr. Sushil Suri is a seasoned entrepreneur.
- Remuneration proposed: - NIL.
- Comparative remuneration Profile with respect to the Industry, size of the Company, profile of the position and the person: - Since Mr. Sushil Suri hereby proposed to work without remuneration in view of the current financial position of the Company; hence the said clause is not applicable.
- Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any: - Mr. Sushil Suri is the Promoter shareholder of the Company.

2. Other Information:-

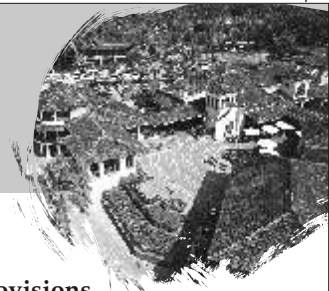
- Reason for Loss /inadequate profits: - The Company has operational profits, however due to Investments made in the new hotel projects by the Company through its subsidiaries and its associates and, due to tough economic conditions and general slowdown, the financial closures for the project could not be achieved. This has led to the load on the operational profits of the Company and hence the profits after Tax are negative.
- 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. The Company is trying to generate revenues by liquidating its investments.
- 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.

Further Company has received from Mr. Sushil Suri, the following disclosures as per the relevant provisions of the Companies Act, 2013:-

- Consent in writing to act as Director of the Company pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014;
- 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.

The terms and conditions of his appointment are as follows:

- Remuneration: NIL.
- Period of Appointment: term of 5 (Five) consecutive years with effect from 21st March, 2015 up to 20th March, 2020.
- Termination: The appointment may be terminated by either party by giving six months' notice in writing of such termination or as may be mutually agreed between the parties.
- Duties and Responsibilities: Mr. Sushil Suri, Chairman & Managing Director of the Company, shall perform such duties and responsibilities as shall from time to time be entrusted to him by the Board of Directors.



Pursuant to the provisions of Section 196, 197 and 203 and other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with Schedule V 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), the Board of Directors of the Company recommend the passing of the resolution set out under Item No. 4 as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Sushil Suri, to the extent of his appointment, are deemed to be, concerned or interested, financially or otherwise, in the resolution.

Item No. 5

The Nomination & Remuneration Committee has recommended the appointment of Mr. Ashok Kini as an Independent Directors of the Company not liable to retire by rotation.

Mr. Ashok Kini has given a declaration to the Board that he meets the criterion of independence as provided under Section 149(6) of the Act. In the opinion of the Board, proposed Director fulfills the conditions specified in the Act and the Rules framed there-under for appointment as Independent Director and he is independent on the board.

Pursuant to Rule 13 of the Companies (Appointment & Qualification of Directors) Rules, 2014, the members of the Company are hereby informed that the Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 ("Act"), from a member along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. Ashok Kini, for the office of Independent Director of the Company.

Further Company has received from Mr. Ashok Kini, the following disclosures as per the relevant provisions of the Companies Act, 2013:-

- Consent in writing to act as Director of the Company pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014;
- 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.

The terms and conditions of appointment of the Director 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.

Item No. 6

The Nomination & Remuneration Committee has recommended the appointment of Mr. Kushal Suri as Director of the Company liable to retire by rotation.

Pursuant to Rule 13 of the Companies (Appointment & Qualification of Directors) Rules, 2014, the members of the Company are hereby informed that the Company has received notice in writing under the provisions of Section 160 of the Companies Act, 2013 ("Act"), from a member along with a deposit of Rs. 1,00,000/- proposing the candidature of Mr. Kushal Suri, for the office of Director of the Company.

Further the Company has received from Mr. Kushal Suri, the following disclosures as per the relevant provisions of the Companies Act, 2013:-

- Consent in writing to act as Director of the Company pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014;
- 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.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Kushal Suri, to the extent of his appointment, are deemed to be, concerned or interested, financially or otherwise, in the resolution.

Details of Directors seeking appointment:

(Pursuant to Secretarial Standards 2, Clause 49 of Listing Agreement & Companies Act, 2013)

Name of Director	Mr. Sushil Suri	Mr. Ashok Kini	Mr. Kushal Suri
Date of Birth	18.01.1964	13.12.1962	09.09.1989
Date of Appointment in the Company	21.03.2015	11.02.2015	21.03.2015
Qualification	Chartered Accountant	Ex- Army Man	MBA from Regents University, London (UK)
Date of last Re-appointment	N.A	N.A	N.A
	A Fellow Member of The Institute of Chartered Accountants of India a post Wide experience of more than 24 years in the various fields including finance, operations, management and managerial entrepreneurship in the pharmaceutical and hospitality industry.	With more than 20 years of experience in Indian Army has handled several key assignments of planning and execution. Also as comptroller of President's House Hold was in complete charge of hospitality and protocol.	Pursued MBA from Regents University, London (UK) with a Major in Marketing and a Minor in Consultancy along with various other accolades from Harvard University, Cambridge (USA). Mr. Suri has worked in international organisations such as H o u l i h a n L o k e y Singapore, where he worked in M&A's in India.
No. of equity shares held in the Company	33,100	Nil	20,200



Other Directorship (excluding Foreign)	1	3	2
Memberships/Chairmanships of Committees of other Companies (includes only Audit Committee and Shareholder/Grievance Committee)	<ul style="list-style-type: none">Seed Securities and Services Private LimitedScope Credits and Financial Services Private LimitedEpitome Holdings Private LimitedConcept Credits and Consultants Private LimitedSquare Investments and Financial Services Private LimitedLiquid Holdings Private LimitedBrook Investments and Financial Services Private LimitedMorepen Laboratories LimitedReact Investments and Financial Services Pvt LtdShivalik Pesticides and Chemical Private Limited	<ul style="list-style-type: none">Tathastu Wellness Pvt. LtdGreen Switch On Entech India LimitedAssociation of business Chambers of Commerce and IndustrySilver Resort Hotels Private Ltd.	<ul style="list-style-type: none">Golden Joy Hotels LimitedBlue Coast Hospitality Limited

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

(**Sushil Suri**)
Chairman & Managing Director
DIN : 00012028

Place : New Delhi
Date : 20.08.2015

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

DIRECTORS' REPORT

Dear Members,

Mr. P.L. Suri, the Chairman & Managing Director of the Company passed away on March 1, 2015. He was on the Board of the Company for the period from November 16, 2005 to March 1, 2015 and his loving compassionate nature and vision will always inspire the company achieve a success in future.

Your Directors place on record the pleasure in presenting the 22nd Annual Report together with audited financial statements of the Company for the period ended 31st March 2015.

FINANCIAL HIGHLIGHTS

The performance of the Company for the financial year ended 31st March 2015 is summarized below:

(Rs. in Lacs)

PARTICULARS	Consolidated		Stand Alone	
	2014-15	2013-14	2014-15	2013-14
Income from Operations	10,665.99	10,334.35	10,665.99	10,334.35
Expenses	(8,131.49)	(7,484.14)	(8,130.13)	(7,467.66)
Depreciation	(519.16)	(940.03)	(519.16)	(939.63)
Profit from Operations before Finance Cost & Tax	2,015.34	1,910.18	2,016.69	1,927.06
Other Income	99.44	86.87	80.68	86.50
Profit before Interest & Tax	2,114.78	1,997.05	2,097.37	2,013.56
Interest / Finance Charges - Operation	(758.67)	(924.05)	(758.67)	(924.05)
Operating Profit before Tax	1,356.11	1,073.00	1,338.70	1,089.51
Interest / Finance Charges - New Hotel Projects	(3,336.49)	(3,649.34)	(3,336.49)	(3,649.34)
Profit (Loss) before Tax	(1,980.38)	(2,576.34)	(1,997.79)	(2,559.83)
Deferred Tax Asset (Liability)	-	749.97	-	749.97
Profit (Loss) after Tax	(1,980.38)	(1,826.37)	(1,979.03)	(1,809.86)
Share of Minority interest in Profit/Loss	-	(4.96)	-	-
Net Profit/(Loss) for the Year available for majority shareholders	(1,980.38)	(1,821.41)	-	-

Performance Parameter	2014-15	2013-14	Growth (Decline)
Average Daily Rate	Rs 10,213.00	Rs 9,610.00	6.27%
Occupancy	73.48%	75.00%	(1.52)%
RevPar	Rs 7,619.00	Rs 7,230.00	5.38%



OPERATIONS

The Company's has registered a nominal growth of 3% in its income from operations as compared to the previous year. The operating profit has grown by 26% as compared to the previous year however due to interest and finance charges on the projects under implementation and having a long gestation period resulted the company in incurring a loss even during the year under review. 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 and was awarded the 2014 Favourite Leisure Hotel in India - Conde Nast Traveller India Readers' Travel Awards, 2014 Most Luxurious Spa (Resort).

Your Directors also inform that during the year, the secured lender had allegedly sold the secured asset i.e. Hotel Park Hyatt Goa under the provisions of the SARFAESI Act 2002 which has been challenged by the Company before the Hon'ble High Court of Judicature at Bombay. The Company has also challenged the order of the Debt Recovery Appellate Tribunal which had set aside the order of the Debt Recovery Tribunal which had quashed the recovery proceedings initiated by the secured lender and all further measures undertaken therein by the Secured lender. The Goa bench of the Hon'ble Bombay High Court has directed the respondents i.e. the secured lender and auction purchaser to maintain a "Status Quo". The Company has also filed its counter claim against the secured lender before the Debt Recovery Tribunal, Delhi in response to the application filed by the secured lender for recovery of debt. The ongoing litigations may have a material impact on the operations of the Company.

The Company is also seeking a legal opinion to challenge the enforcement of the security by the secured lender for the obligation of the company in respect of the buy back, minimum assured return on investment on the equity contribution of Rs.8,500 lacs made by the secured lender in the subsidiary of the company Silver Resort Hotel India Private Limited (SPV which is developing a Five Star Hotel under the brand MGM Grand at New Delhi)

Further, the trustees for the debenture holders have also initiated a recovery proceedings and the matter is sub-judice in the Courts at Goa.

SHARE CAPITAL

During the year under review, the company has converted its 40,00,000 1% Cumulative Redeemable Preference Shares of the face value of Rs. 100/- each into 38,83,495 equity shares of the face value of Rs. 10/- each fully paid up allotted at an issue price of Rs. 103/- (including premium of Rs. 93/-) to the persons belonging to the promoters group in terms of the provisions of the CDR scheme thus the paid up Equity Share Capital of the Company as on March 31, 2015 increased to Rs. 5,424.85 Lacs after taking all the necessary approvals from SEBI and Stock Exchanges.

The shares issued by Company are listed at following Stock Exchanges as on March 31, 2015:

1. National Stock Exchange of India Limited (NSE)
2. Bombay Stock Exchange Limited (BSE)

DIVIDEND

On account of losses during the current Financial Year, the Board of Directors do not recommend any dividend.

PUBLIC DEPOSITS

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

BOARD OF DIRECTORS

During the year under review, the Company has lost its mentor when Mr. P.L. Suri, Chairman & Managing Director suddenly passed away on 1st of March, 2015. He was keeping healthy and was the driving force for the family and the group.

The Board of Directors in their meeting held on March 21, 2015 and subject to the approval thereof in the forthcoming General Meeting appointed Mr. Sushil Suri as the Chairman and Managing Director of the Company to hold office from March 21, 2015 to March 20, 2020. Further, Mr. Ashok Kini was appointed as an Additional Director under the Category of Independent Director and Mr. Kushal Suri was appointed as an Additional Director under the category of Non Executive Director on the Board of the Company. The above appointments were made upon the recommendation of the Nomination and Remuneration Committee of the Company.

Pursuant to Section 152, no Independent Director is liable to retire by rotation. Ms. Seema Joshi, the Non Executive Woman Director is liable to retire by rotation at this Annual General Meeting and being eligible has offered for re-appointment.

BOARD EVALUATION

Clause 49 of the Listing Agreement mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 and Schedule IV of Companies Act 2013 state that a formal evaluation needs to be made by the Board of its own performance and that of its committees and individual Directors and that the performance evaluation of the Independent Directors shall be done by the entire Board of Directors, excluding the Director being evaluated.

DECLARATION BY INDEPENDENT DIRECTOR (S) AND RE-APPOINTMENT

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013 that he meets the criteria of independence as provided in Section 149(6) of Companies Act, 2013 and Clause 49 of the Listing Agreement.

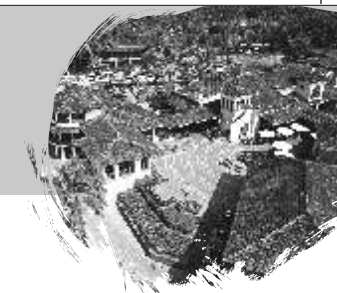
MEETINGS OF BOARD OF DIRECTORS

During the year under review, the Board of Directors met 7 (seven) times to transact the business of the Company, the details of which are given in Corporate Governance Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

The current policy is to have an appropriate mix of Executive and Independent Directors to maintain the independence of the Board, and separate its function of management and governance. As on March 31, 2015, the Board consists of 6 members comprising a Chairman and Managing Director, two Non-Executive Directors (including one-Woman Director) and three Independent Directors. The Nomination & Remuneration Committee periodically evaluates the need for change in its composition and size.

The Policy on Directors appointment and remuneration, including criterion determining the qualifications, positive attributes, independence of a Director and other matters provided under Sub Section (3) of Section 178 of the Companies Act, 2013, adopted by the Board is available on our website www.bluecoast.in.



INDEPENDENT DIRECTORS TRAINING/MEETING

During the year under review a separate meeting of the Independent Directors of the Company was held on February 11, 2015, without the presence of other Directors and Members of Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole, performance of Chairperson of the Company and assessed the quality, quantity and timelines of flow of information between the Company management and the Board. The Company Secretary acted as a secretary to the Meeting.

To familiarize the new inductees with the strategy, operations and functions of the Company, the Executive Directors/Senior Managerial Personnel make presentations to the inductees about the Company's strategies, operations. Further at the time of joining, the Independent Directors are issued a formal letter of appointment outlining his/her role, functions, duties and responsibilities as a director. The format of Letter of appointment is available on our website www.bluecoast.in.

DIRECTORS' RESPONSIBILITY STATEMENT

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134 (3) (c) of the Companies Act, 2013, ("Act"):

- in the preparation of annual accounts, the applicable accounting standards have been followed, along with proper explanation relating to material departures, wherever applicable;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are 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;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for prevention and detecting fraud and other irregularities;
- the annual accounts have been prepared on a going concern basis;
- they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- they had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

MANAGERIAL REMUNERATION AND OTHER DISCLOSURES

The disclosures as required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- Ratio of the remuneration of each Director to the median employee's remuneration and other details pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The aforesaid Disclosure is annexed and forms part of this report as ANNEXURE 'A'.
- Detail of every employee of the Company as required pursuant to Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The aforesaid Disclosure is annexed and forms part of this report as ANNEXURE 'B'.
- No Director of the Company, including its Managing Director, is in receipt of any commission from the Company or its Subsidiary Companies.

AUDITORS

i) STATUTORY AUDITORS

M. Kamal Mahajan and Co. was appointed as the Statutory Auditors of the Company by the shareholders in 21st Annual General Meeting to hold office till conclusion of 24th Annual General Meeting to be held in the year 2017. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every subsequent Annual General Meeting. Accordingly the appointment of M. Kamal Mahajan & Co., Chartered Accountants, as the Statutory Auditors of the Company, is placed for ratification by the shareholders. In this regard, the Company has received a certificate from the auditors to the effect that if their appointment were ratified, it would be in accordance with Section 141 of the Companies Act, 2013.

ii) SECRETARIAL AUDITOR

During the year under review, the Company has appointed M/s. PD and Associate, Practicing Company Secretaries, (C.P No 2139) Delhi to conduct the Secretarial Audit of the Company as per the provisions under section 204(1) of the Companies Act 2013 and other laws as applicable for the financial year 2014-15. The Report in Form MR-3 is enclosed as Annexure - 'C' to this Annual Report along with observations and clarifications therein.

EXPLANATION TO SECRETARIAL AUDIT REPORT

Regarding the Appointment of Chief Financial Officer:

The said observation is self-explanatory and needs no further clarification.

Regarding interest free loan to its subsidiaries

The Company had incorporated two wholly owned subsidiaries as special purpose vehicles (SPV) in name of Blue Coast Hospitality Limited and Golden Joy Hotel Private Limited and under the Section 372A(8) of the erstwhile Companies Act 1956, the interest free loans granted to the Wholly owned subsidiaries were exempt. Hence your Directors in consultation with the Statutory Auditors deemed it fit that no interest be charged to the earlier transactions.

iii) INTERNAL AUDITOR

During the year under review, pursuant to Section 138 and any other applicable provisions of the Companies Act 2013, M/s. KSMN & Company has been appointed as the Internal Auditors for the Financial Year 2014-15.

COMMITTEES OF THE BOARD

Currently, the Board has three Committees: the Audit Committee, Nomination and Remuneration Committee and Stakeholder Relationship Committee, .The composition of the Committees, as per the applicable provisions of the Act and Rules thereof is as follows:-

Name of the Committee	Composition of the Committee	Designation
AUDIT COMMITTEE	Mr. Praveen Kumar Dutt	Chairman
	Mr. Ashok Kini	Member
	Dr. V M Kaul	Member
	Ms. Seema Joshi	Member
NOMINATION AND REMUNERATION COMMITTEE	Mr. Ashok Kini	Chairman
	Mr. Praveen Kumar Dutt	Member
	Dr. V M Kaul	Member
STAKEHOLDER RELATIONSHIP COMMITTEE	Ms. Seema Joshi	Chairman
	Dr. V M Kaul	Member
	Mr. Praveen Kumar Dutt	Member
	Mr. Ashok Kini	Member