

BLUE COAST HOTELS LIMITED
CIN : L31200GA1992PLC003109
Statement of Standalone Unaudited Financial Results
For the Quarter and Nine Months Ended 31st December, 2018

Particulars		(Rs. in Lakhs except EPS)					
		Quarter ended			Nine Months ended		Year ended
		(Unaudited)					(Audited)
		31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
1	Revenue from operations						
	a) Revenue from operations	-	2,276.99	4,211.35	5,274.48	9,141.93	13,489.24
	b) Other Income	1.36	57.53	21.36	156.61	73.17	143.06
	Total Revenue	1.36	2,334.52	4,232.71	5,431.09	9,215.10	13,632.30
2	Expenses						
	a) Cost of Materials consumed	14.55	324.90	655.84	764.10	1,377.14	1,900.44
	b) Employee benefits expense	51.08	731.08	687.98	1,472.27	1,987.76	2,529.71
	c) Power, fuel & light	1.47	165.49	210.26	409.50	622.19	835.07
	d) Finance Cost	7.22	238.08	(173.84)	853.30	732.21	2,427.27
	f) Sales & Marketing	0.77	127.17	295.90	319.94	710.03	1,050.20
	g) Depreciation	2.24	142.02	167.06	309.29	498.82	674.42
	h) Other expenses	102.82	866.85	1,517.84	1,723.57	3,179.19	4,380.78
	Total Expenses	180.15	2,595.59	3,361.03	5,851.97	9,107.34	13,797.91
3	Profit before Exceptional Items & Tax (1-2)	(178.79)	(261.07)	871.68	(420.88)	107.76	(165.61)
4	Exceptional Items	-	-	-	-	-	-
5	Profit before Tax (3-4)	(178.79)	(261.07)	871.68	(420.88)	107.76	(165.61)
6	Income Tax	-	-	-	-	-	-
7	Net Profit for the period (5-6)	(178.79)	(261.07)	871.68	(420.88)	107.76	(165.61)
8	Other Comprehensive Income	-	-	3.03	-	9.09	34.98
9	Total Comprehensive Income	(178.79)	(261.07)	874.71	(420.88)	116.85	(130.63)
10	Paid-up-Equity Share Capital (face Value of Rs. 10/- per share)	1,274.85	1,274.85	1,274.85	1,274.85	1,274.85	1,274.85
	Paid-up Preference Share Capital (face Value of Rs. 100/- per share)	4,150.00	4,150.00	4,150.00	4,150.00	4,150.00	4,150.00
11	Reserves excluding Revaluation Reserve	-	-	-	-	-	11,158.33
12	Earning per share (in Rupees)						
	-Basic & Diluted before extraordinary items	(1.40)	(2.05)	6.04	(3.29)	(1.54)	(1.31)
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Blue Coast Hotels Ltd.

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- 1 The above unaudited financial results of the Company have been prepared in accordance with Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulation 2015 (as amended). The results were reviewed by the Audit Committee and approved by the Board of Directors in its meeting held on February 09, 2019. The statutory auditors have carried out the limited review and relied upon the information submitted by the management in regard to legal cases and financial statements.
- 2 The Company has been engaged in only one segment of business i.e. Hotel operations. The Hotel property 'Park Hyatt Goa Resort & Spa' ceases to operate w.e.f. 19.09.2018 pursuant to the order of the Hon'ble Supreme Court of India. The agreements with Hyatt India Consultancy Pvt. Ltd. have ended by an operation of law. In view of hotel property ceasing to operate since 19.09.2018, pending reconciliations with vendors, customers, expenditure, income, adjustments etc. have been accounted for in the current quarter.
- 3 In compliance with the Hon'ble Supreme Court of India order dated 19.03.2018, upholding the auction by IFCI Ltd. in favour of ITC Ltd. for a sum of Rs. 515.44 crores, Hotel Park Hyatt Goa Resort & Spa, Goa (the mortgaged assets), the company has handed over the possession of the property to ITC Ltd. alongwith relevant accounts on 19.09.2018. However, the handover of the hotel property is without prejudice to its rights for redemption in the writ petition filed by the Company in the Hon'ble High Court of Bombay at Goa bench seeking enforcement of its right of redemption u/s 60 of the Transfer of Property Act, 1882. The outcome of the writ petition may have the material impact on the company as a going concern.
- 4 As informed to the courts, IFCI has fully appropriated the alleged sale consideration of Rs. 515.44 crores towards - (a) Rs. 311.78 crores for its interest and loan dues of Rs. 123.27 crores and Rs. 188.51 crores towards recoveries under buyback agreement with the company, consisting of its investment of Rs. 85.00 crores in Silver resort Hotel India Pvt. Ltd. (SRHIPL), alongwith assured return on investment of Rs. 103.51 crores (b) Rs. 8.52 crores to a working capital lender (c) Balance sum allocated towards dues payable to a debenture holder. However, civil suit filed by the company against this debenture holder for non-fulfilment of various obligations is pending adjudication. The matter of redemption of property being sub-judice, aforesaid events have not yet been recorded in the books of accounts and will have material financial impact. Further, having handed over the possession of the Hotel Property to ITC Ltd., survey and search carried out by the Income Tax Department to determine tax liability in advance, is pending assessment.
- 5 During the financial years ending March 2010 and 2011, the company invested a sum of Rs. 188.51 crores in Silver Resort Hotel India Pvt. Ltd (SRHIPL), a special purpose vehicle (SPV) created for the development of Five Star Hotel at Aerocity, Delhi. However on account of delay in obtaining security clearances and various other factors beyond the control of the company, Delhi International Airport Limited (DIAL) terminated the development agreement with the company and took over the possession of the said hotel plot alongwith construction thereupon. SRHIPL invoked arbitration proceedings against the said termination and the matter is pending adjudication before Hon'ble High Court of Delhi. The value of the investment has been significantly eroded. Consequent to the said termination, the company has settled with various creditors for the refund of their dues including liquidated damages, under the supervision of Hon'ble Delhi High Court. The financial impact in respect of above is yet to be determined.
- 6 The Company and its shareholders are contesting the ownership of Equity Shares held by Northern Projects Limited, Namedi Leasing & Finance Ltd, Morgan Ventures Ltd and Praveen Electronics Pvt. Ltd. The matter is pending for adjudications at different foras.
- 7 The Board of Directors in their meeting dated 11.08.2017 had proposed modification in the terms of redemption of 41,50,000 Cumulative Redeemable Preference Shares and the same were approved by shareholders in their meeting held on 20.09.2017. However, the Hon'ble National Company Law Tribunal (NCLT) Delhi in a petition filed by one litigant, vide its order dated 24.11.2017 restrained these Preference Shareholder holders from exercising voting rights in respect these preference shares and directed the Company not to give effect to the resolution dated 11.08.2017 till further orders. The Company is contesting the matter before jurisdictional court.
- 8 The Company is contesting the Hon'ble National Company Law Tribunal (NCLT) order dated 26.09.2018, staying the resolutions passed by the Company at its Annual General Meeting held on 09.08.2018 with regard to adoption of annual accounts for the financial year ending March 31, 2018 by the shareholders, reappointment of Mr. Sushil Suri as director, who retires by rotation and appointment of Mrs. Shalu Suri as a Non-Executive director of the Company. Mr. Sushil Suri and Mrs. Shalu Suri have tendered their resignation from the Board of Directors of the company.



9 Consolidated figures for the quarter ended December 31, 2018 stands as below

Particulars	Amount
Income from Operations (Rs in Lakh)	1.36
Comprehensive Income (Rs in Lakh)	(178.79)
Earning per share (in Rupees)	(1.40)

For and on behalf of the Board of Directors of Blue Coast Hotels Limited

Place New Delhi
Date 09.02.2019



Kushal Suri
Director





Limited Review Report —Standalone Financial Results

**Review Report to
The Board of Directors
Blue Coast Hotels Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of Blue coast Hotels Limited ("the Company") for the quarter ended December 31, 2018 and year to date from April 1, 2018 to December 31, 2018 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulations"), read with SEBI Circular No. CIR/CFDIFAC/62/2016 dated July 5, 2016 ("the Circular").
2. The preparation of the statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting (Ind AS-34) prescribed under section 133 of the Companies Act, 2013, read with Rule 3 of Companies (Indian Accounting Standards) Rules, 2015 as amended and "the Circular", is the responsibility of the Company's management and has been approved by the Board of Directors of the company. Our responsibility is to issue a report based on our review.
3. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit, and accordingly, we do not express an audit opinion.



4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with the recognition and measurement principles laid down in applicable Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act 2013, read with relevant rules issued there under and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to the following matters, however our conclusion is not qualified in respect of these matters:

Note No. 3 In compliance with the Hon'ble Supreme Court of India order dated 19.03.2018, upholding the auction by IFCI Ltd. in favour of ITC Ltd. for a sum of Rs. 515.44 crores, Hotel Park Hyatt Goa Resort & Spa, Goa (the mortgaged assets), the company has handed over the possession of the property to ITC Ltd. alongwith relevant accounts on 19.09.2018. However, the handover of the hotel property is without prejudice to its rights for redemption in the writ petition filed by the Company in the Hon'ble High Court of Bombay at Goa bench seeking enforcement of its right of redemption u/s 60 of the Transfer of Property Act, 1882. The outcome of the writ petition may have the material impact on the company as a going concern.

Note No. 4 As informed to the courts, IFCI has fully appropriated the alleged sale consideration of Rs. 515.44 crores towards - (a) Rs. 311.78 crores for its interest and loan dues of Rs. 123.27 crores and Rs. 188.51 crores towards recoveries under buyback agreement with the company, consisting of its investment of Rs. 85.00 crores in Silver resort Hotel India Pvt. Ltd. (SRHIPL), alongwith assured return on investment of Rs. 103.51 crores (b) Rs. 8.52 crores to a working capital lender (c) Balance sum allocated towards dues payable to a debenture holder. However, civil suit filed by the company against this debenture holder for non-fulfilment of various obligations is pending adjudication. The matter of redemption of property being sub-judice, aforesaid events have not yet been recorded in the books of accounts and will have material financial impact. Further, having handed over the possession of the Hotel Property to ITC Ltd., survey and search carried out by the Income Tax Department to determine tax liability in advance, is pending assessment.



Note No. 5 During the financial years ending March 2010 and 2011, the company invested a sum of Rs. 188.51 crores in Silver Resort Hotel India Pvt. Ltd (SRHIPL), a special purpose vehicle (SPV) created for the development of Five Star Hotel at Aerocity, Delhi. However on account of delay in obtaining security clearances and various other factors beyond the control of the company, Delhi International Airport Limited (DIAL) terminated the development agreement with the company and took over the possession of the said hotel plot alongwith construction thereupon. SRHIPL invoked arbitration proceedings against the said termination and the matter is pending adjudication before Hon'ble High Court of Delhi. The value of the investment has been significantly eroded. Consequent to the said termination, the company has settled with various creditors for the refund of their dues including liquidated damages, under the supervision of Hon'ble Delhi High Court. The financial impact in respect of above is yet to be determined.

For Dewan & Gulati

FRN 003881N

Chartered Accountants

CA (Dr.) Sunil Gulati

M. No. 82929

Partner

New Delhi

February 09, 2019

