

LEELA PALACES AND RESORTS LTD.

Site Address: Taj East Gate Road, opposite Shilpgram, Tajganj, Agra, Uttar Pradesh 282 001 India.
P: +91 95 57 610929 F: +91 11 3933 1235 Email: agraprojects@theleela.com

DIRECTORS' REPORT

Dear Members,

Your Directors present the 14th Annual Report on the business and operations of your Company, together with the audited accounts for the year ended 31st March, 2019.

1. Financial Performance

Rupees

Particulars	Financial Year 2018-19	Financial Year 2017-18
Income		
Revenue from operations	-	-
Other income	63,687	67,710
Total income	63,687	67,710
Expenses		
Finance costs- Bank charges	118	37,818
Other expenses	411,490	33,217
Total expenses	411,608	71,035
Profit/(loss) before exceptional items and Tax	(347,921)	(3,325)
Exceptional items - profit/(loss) (net)	-	-
Profit/(loss) before Tax	(347,921)	(3,325)
Tax expense:		
Income tax	-	-
Profit/(loss) after Tax	(347,921)	(3,325)
Other comprehensive income:	-	-
Total comprehensive income for the year	(347,921)	(3,325)
Earnings per share (of Rs. 10 each):		
Basic & Diluted	(0.13)	(0.00)

2. State of Affairs of the Company

The Company did not undertake any operations during the financial year 2018-19. During the year, the Company incurred a loss of Rs. 347,921 as compared to loss of Rs. 3,325 during the previous year.

The Company has applied to the authorities concerned for various permissions and licenses, including renewal / extension of certain licenses and permissions, which

are required for construction and operation of a proposed hotel, on the land owned by the Company in Agra.

3. Dividend

The Directors do not recommend any dividend for the financial year ended 31st March, 2019.

4. Indian Accounting Standards (IND AS)

The financial statements for the year ended on 31st March, 2019 has been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 as amended from time to time. The estimates and judgements relating to the Financial Statements are made on a prudent basis, so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended 31st March, 2019.

5. Share Capital

There was no change in the Share Capital of the Company during the year. The Authorized Share Capital of the Company is Rs. 2,75,00,000 (Rupees Two Crore Seventy Five Lakhs) divided into 27,50,000 (Twenty Seven Lakhs Fifty Thousand) Equity Shares of Rs. 10 (Rupees Ten) each. On 31st March, 2019, the issued, subscribed and paid up share capital of your Company stood at Rs. 2,72,81,300 comprising 27,28,130 Equity shares of Rs. 10 each.

During the year under review, the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

6. Directorate

Mrs. Madhu Nair, Mr. Vinod Agnani and Mr. Ketan Danak are the Directors of the Company. There is no change in the Board of Directors of the Company during the financial year 2018-19. In accordance with the provisions of Section 152 of the Companies Act, 2013 read with Section 149 of the said Act, at least 2/3rd of the total number of Directors, excluding Independent Directors, shall be liable to retire by rotation and out of the Directors liable to retire by rotation, at least 1/3rd of the Directors shall retire by rotation at every Annual General Meeting.

In view of the above, Mr. Vinond Agnani, being longest in the office, shall be liable to retire by rotation at the ensuing Annual General Meeting.

Number of Meetings of the Board

Regular meetings of the Board are held to discuss and decide on various business policies, strategies and other businesses.

The Board met eight (8) times during the financial year 2018-19 viz. on 30th May, 2018, 13th August, 2018, 21st September, 2018, 26th September, 2018, 12th November,

2018, 12th February, 2019, 18th March, 2019 and 28th March, 2019. The intervening gap between two meetings was within the period prescribed under the Companies Act, 2013.

7. Statutory Auditors

Pursuant to the provisions of section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the Members, at the 13th Annual General Meeting of the Company held on 10th August, 2018, had appointed M/s. N. S. Shetty & Co., Chartered Accountants, as the Company's Statutory Auditors for a period of five years, from the conclusion of the 13th Annual General Meeting till the conclusion of the 18th Annual General Meeting of the Company.

As required under Section 139 of the Companies Act, 2013, the Company has obtained a written consent from the Auditors to their continued appointment and also a certificate from them to the effect that their existing appointment is in accordance with the conditions prescribed under the Companies Act, 2013 and the rules made thereunder.

The Auditors' Report to the shareholders for the year under review does not contain any qualification, reservation, adverse remark or disclaimer

8. Secretarial Auditors and Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company had appointed Mr. Dharendra Maurya, Practicing Company Secretary, as its Secretarial Auditor to conduct the secretarial audit of the Company for the financial year 2018-19. The report of Secretarial Auditor for the financial year 2018-19 is annexed to this report as Annexure "A".

The Secretarial Auditor has not made any adverse observation in his report.

9. Material Changes and Commitment affecting Financial Position of the Company

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of the financial year of the Company i.e. 31st March, 2019 and the date of the Directors' report i.e. 27th May, 2019.

10. Employee Remuneration

Since the Company has no employees, disclosure under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable.

Since the Company has no whole-time directors, the disclosure of remuneration of directors in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial

Personnel) Rules, 2014, is not applicable.

11. Fixed Deposits

During the year, the Company has not accepted any deposits from the public or from the shareholders.

12. Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

As there were no business activities during the financial year, the above disclosures under sub-section (3) (m) of Section 134 of the Companies Act 2013 read with Rule (8)(3) of the Companies (Accounts) Rules, 2014, are not applicable to the Company.

13. Holding and Subsidiary Company

Your Company continues to be a wholly owned subsidiary Company of Hotel Leelaventure Limited. Presently, the Company is not having a subsidiary, associate company or joint venture.

No Company has ceased to be the Company's Subsidiary, Joint Venture or Associate during financial year 2018-19.

14. Sale of entire shareholding in the Company to M/s. Brookfield

Hotel Leelaventure Limited, the holding company, as has initiated the process for the sale and transfer, of the entire investment/ undertaking/ shareholding of 27,28,130 equity shares of the Company (comprising of 27,28,124 equity shares held solely by the Company and 6 equity shares held beneficially through 6 nominees, each nominee holding 1 equity share each) to subsidiaries, affiliates or nominees of BSREP III India Ballet Pte. Ltd., for a consideration of Rs. 115 Crores, subject to requisite approvals. The Board of Directors of the Company has approved the proposed transfer of shares by the holding company at their meeting held on 18th March, 2019.

15. Particulars of Loans, Guarantees or investments under Section 186 of the Companies Act, 2013

The Company has neither given any loans and guarantees nor made any investments during the financial year 2018-19.

16. Related Party Transactions

Suitable disclosure on related party transactions, as required by the Accounting Standards (AS18) has been made in the notes to the Financial Statements. There were no material related party contracts or arrangements or transactions entered into by the Company during the period under review hence disclosure of material Related Party Transactions pursuant to provisions of the Section 134(3)(h) read with section 188(2) of the Companies Act, 2013, is not required.

17. Risk Management Policy

The Company has laid down a well-defined risk management mechanism to mitigate the risks and has also adopted a policy in this regard in line with the requirement of the Companies Act, 2013. The Board of Directors oversees the Risk Management Processes including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting.

18. Corporate Social Responsibility Initiatives

As per Section 135 of Companies Act, 2013, the Company does not fall under the criteria of net worth or turnover for Corporate Social Responsibility spending, hence the same is not applicable to the Company.

19. Extracts of Annual Return

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extracts of the Annual Return as at 31st March, 2019 forms part of this report and is attached as Annexure "B".

20. Significant and Material Orders passed by the Regulators

During the year under review, no orders were passed by the regulators or courts or tribunals impacting the going concern status and company's operations.

21. Directors' Responsibility Statement

Pursuant to the requirement under Section 134 of the Companies Act, 2013, the Directors, based on the information and representations received from the operating management, hereby state and confirm that:

- (a) in the preparation of the annual accounts for the financial year ending 31st March, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) 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;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared the annual accounts on a going concern basis;

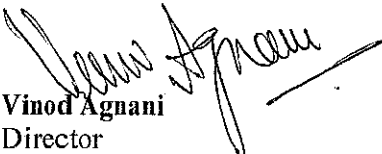
- (e) they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and were operating effectively; and
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.


22. Acknowledgements

Your directors are grateful for all the help, guidance and support being received from the Central and State Governments and regulatory authorities.

The Directors would like to place on record their appreciation for the continued support and co-operation received from Hotel Leelaventure Limited, the holding company.

On Behalf of the Board of Directors
For Leela Palaces and Resorts Limited


Vinod Agnani
Director


Ketan Danak
Director

Mumbai, 27th May, 2019

Dhirendra Maurya & Associates Company Secretaries

Annexure - A

Form No. MR-3

SECRETARIAL AUDIT REPORT

for the financial year ended 31st March, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

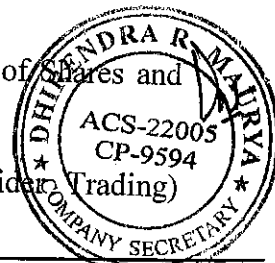
To,
The Members,
Leela Palaces and Resorts Limited
CIN: U70101DL2005PLC134480
Regd. Off: The Leela Palace,
Chanakyapuri, New Delhi - 110023,
India

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. **Leela Palaces and Resorts Limited** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31st March 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, as given in "**Annexure-I**" for the financial year ended on 31st March 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 [**Not applicable**];
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 [**Not applicable**];



Dhirendra Maurya & Associates Company Secretaries

- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 [**Not applicable**];
- d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 [**Not applicable**];
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [**Not applicable**];
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client [**Not applicable**];
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable**); and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not applicable**);
- (vi) I have relied on the Representation made by the company and its officers for systems and mechanism formed by the company for compliance under other applicable Acts, Laws & Regulations to the Company. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedure on test basis.

We have also examined compliance with the applicable clauses of the following:

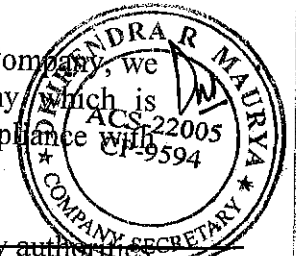
- (i) Secretarial Standards with regard to meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc;

We further report that:

- The Board of Directors of the Company is duly constituted in accordance with the provisions of the Companies Act, 2013.;
- Adequate notice was given to all Directors to schedule the Board meetings, agenda and detailed notes on agenda were sent generally seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting;
- All the decisions of the Board and committees thereof were carried out with requisite majority;

We further report that based on review of compliance mechanism established by the Company, we are of the opinion that there are adequate systems and processes in the Company which is commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.



Dhirendra Maurya & Associates Company Secretaries

I further report that during the audit period, the company has not undertaken event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For Dhirendra Maurya & Associates
Company Secretaries

Dmaurya

Dhirendra R. Maurya
Proprietor



Mem. No: 22005
C.P. No.: 9594

Place: Mumbai
Date: 27/05/2019

Dhirendra Maurya & Associates Company Secretaries

Annexure-I

In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished and representations made to me by the company, its officer and agents, I report that the Company has, during the financial year under review, complied with the provisions of the Acts, the Rules made thereunder the Memorandum of Association & Articles of Association of the Company with regard to:-

1. Minutes of the Meetings of the Board of Directors held during the financial year under review;
2. Minutes of the General body meeting held during the financial year under review;
3. Maintenance of various statutory Registers and documents and making necessary entries therein;
4. Notice and Agenda papers submitted to all the directors for the Board meetings;
5. E-forms filed by the Company from time-to-time, under applicable provisions of the companies Act, 2013 and attachments thereof during the financial year under review;
6. Declarations received from the Directors of the Company pursuant to the provisions of section 184 of the companies Act, 2013 and attachments thereto during the financial year under review;
8. Appointment and remuneration of Statutory Auditor;

For Dhirendra Maurya & Associates
Company Secretaries

Dhirendra R. Maurya

Proprietor



Mem. No: 22005

C.P. No.: 9594

Place: Mumbai

Date: 27/05/2019

Dhirendra Maurya & Associates Company Secretaries

To,
Leela Palaces and Resorts Limited
CIN: U70101DL2005PLC134480
Regd. Off: The Leela Palace,
Chanakyapuri, New Delhi – 110023,
India

Our Secretarial Audit Report of even date is to be read along with this letter:

Management's Responsibility:

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulation and to ensure that the systems are adequate and operate effectively.


Auditor's Responsibility

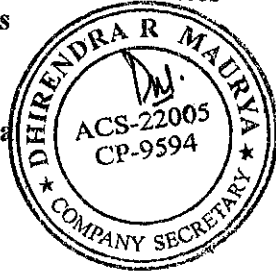
2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliance.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Dhirendra Maurya & Associates
Company Secretaries


Dhirendra R. Maurya
Proprietor



Mem. No: 22005
C.P. No.: 9594

Place: Mumbai
Date: 27/05/2019

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	U70101DL2005PLC134480
ii)	Registration Date	29th March, 2005
iii)	Name of the Company	LEELA PALACES AND RESORTS LIMITED
iv)	Category / Sub - Category of the Company	Public Company / Limited by shares
v)	Address of the Registered office and Contact details	The Leela Palace, Chanakyapuri, New Delhi - 110023 Tel. 39331234
vi)	Whether listed Company	No
vii)	Name , Address & contact details of Registrar & Transfer Agents if any	----- N.A.-----

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
N.A.			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. NO	Name and address of the Company	CIN	Holding/ Subsidiary / Associate	% of Shares Held	Applicable Section
1	Hotel Leelaventure Limited The Leela, Sahar, Mumbai - 400059	L55101MH1981PLC024097	Holding	100%	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders		No. of Shares held at the beginning of the year 01.04.2018				No. of Shares held at the end of the year 31.03.2019			% Change during the year	
		Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A	Promoters									
1	Indian									
(a)	Individuals/ HUF	0	2	2	0.00	2	0	2	0.00	0.00
(b)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
(c)	State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Bodies Corporate	2,728,124	4	2,728,128	100.00	2,728,128	0	2,728,128	100.00	0.00
(e)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
(f)	Any Others-Trust	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (A)(1):	2,728,124	6	2,728,130	100.00	2,728,130	0	2,728,130	100.00	0.00
2	Foreign	0	0	0	0.00	0	0	0	0.00	0.00
(a)	NRIs - Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total (A)(2):	0	0	0	0.00	0	0	0	0.00	0.00
	Total shareholding of Promoter (A) = (A)(1)+(A)(2)	2,728,124	6	2,728,130	100.00	2,728,130	0	2,728,130	100.00	0.00
B	Public shareholding									
1	Institutions									
(a)	Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
	State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	FIs	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (B)(1)	0	0	0	0.00	0	0	0	0.00	0.00

2	Non-institutions									
(a)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Indian	0	0	0	0.00	0	0	0	0.00	0.00
(ii)	Overseas	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Individual shareholders holding nominal share capital up to Rs 1 lakh	0	0	0	0.00	0	0	0	0.00	0.00
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Others (specify)	0	0	0	0.00	0	0	0	0.00	0.00
i)	NRI- holdings	0	0	0	0.00	0	0	0	0.00	0.00
ii)	Trust	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-Total (B)(2)	0	0	0	0.00	0	0	0	0.00	0.00
	Total Public Shareholding (B) = (B) (1) + (B) (2)	0	0	0	0.00	0	0	0	0.00	0.00
	Shares held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0.00
C	Grand Total (A+B+C)	2,728,124	6	2,728,130	100.00	2,728,130	0	2,728,130	100.00	0.00

(ii) Shareholding of Promoters

Sl. No.	Shareholder's name	Shareholding at the beginning of the year 01.04.2018			No. of Shares held at the end of the year 31.03.2019			% change in shareholding during the year
		No. of shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Hotel Leelaventure Limited	2,728,124	100.00	0.00	2,728,124	100.00	0.00	0.00
2	Mr. Vivek Nair – Jointly with Hotel Leelaventure Limited *	1	0.00	0.00	1	0.00	0.00	0.00
3	Mr. Dinesh Nair – Jointly with Hotel Leelaventure Limited *	1	0.00	0.00	1	0.00	0.00	0.00

4	Leela Lace Holdings Private Limited – Jointly with Hotel Leelaventure Limited *	1	0.00	0.00	1	0.00	0.00	0.00
5	Leela Lace Software Solutions Private Limited – Jointly with Hotel Leelaventure Limited *	1	0.00	0.00	1	0.00	0.00	0.00
6	Rockfort Estate Developers Private Limited – Jointly with Hotel Leelaventure Limited *	1	0.00	0.00	1	0.00	0.00	0.00
7	Leela Fashions Private Limited – Jointly with Hotel Leelaventure Limited *	1	0.00	0.00	1	0.00	0.00	0.00
		2,728,130	100%	0.00	100.00	2,728,130	0.00	0.00

* Shares which were held jointly with Hotel Leelaventure Limited in the beginning of the year are now held by the said shareholders as nominees of Hotel Leelaventure Limited at the end of the year.

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Name of shareholder	Shareholding at the beginning end of the year (31.03.2018)		Date of transaction	Increase / Decrease in shareholding	Cumulative Shareholding during the year (31.03.2019)	
		No. of shares	% of total shares of the Company			No. of shares	% of total shares of the Company
1	Hotel Leelaventure Limited	2,728,124	100.00	N.A.	N.A.	2,728,124	100.00
2	Mr. Vivek Nair – Nominee of Hotel Leelaventure Limited *	1	0.00	N.A.	N.A.	1	0.00
3	Mr. Dinesh Nair – Nominee of Hotel Leelaventure Limited *	1	0.00	N.A.	N.A.	1	0.00
4	Leela Lace Holdings Private Limited – Nominee of Hotel Leelaventure Limited *	1	0.00	N.A.	N.A.	1	0.00
5	Leela Lace Software Solutions Private Limited – Nominee of Hotel Leelaventure Limited *	1	0.00	N.A.	N.A.	1	0.00
6	Rockfort Estate Developers Private Limited – Nominee of Hotel Leelaventure Limited *	1	0.00	N.A.	N.A.	1	0.00
7	Leela Fashions Private Limited – Nominee of Hotel Leelaventure Limited *	1	0.00	N.A.	N.A.	1	0.00

* Shares which were earlier held jointly with Hotel Leelaventure Limited in the beginning of the year are now held by the said shareholders as nominees of Hotel Leelaventure Limited at the end of the year.

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulating shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	For each of the Top 10 Shareholders				
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity, etc.).	----- N.A.-----			
	At the End of the year (or on the date of separation, if separated during the year)				

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulating shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
	For each of the Directors and KMP				
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity, etc.).	----- N.A.-----			
	At the End of the year (or on the date of separation, if separated during the year)				

V. INDEBTEDNESS**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	8,60,000	0	8,60,000
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i + ii + iii)	0	8,60,000	0	8,60,000
Change in Indebtedness during the financial year				
* Addition	0	0	0	0
* Reduction	0	0	0	0
Net Change	0	0	0	0
Indebtedness at the end of the financial year				
i) Principal Amount	0	8,60,000	0	8,60,000
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
Total (i + ii + iii)	0	8,60,000	0	8,60,000

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary	-----N.A.-----	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission - as % of profit - others, specify		
5	Others, please specify		
	Total (A)		
	Ceiling as per the Act		

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors					
	Fee for attending board / committee meetings	-----N.A.-----				
	Commission					
	Others, please specify					
	Total (1)					

2	Other Non-Executive Directors					Total Amount
	Fee for attending board / committee meetings	-----N.A.-----				
	Commission					
	Others, please specify					
	Total (2)					
	Total (B) = (1+2)					
	Total Managerial Remuneration					
Overall Ceiling as per the Act]						

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Company Secretary	CFO	
1	Gross salary	-----N.A.-----			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	others, specify				
5	Others, please specify				
	Total				

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties or punishments on the Company during the year. Also, there was no necessity for the Company to compound any offence.



N. S. SHETTY & CO.
CHARTERED ACCOUNTANTS

Phone : 2623 1716, 2623 7669 Fax : 2624 5364
E-mail : nsshetty_co@yahoo.com

"Arjun", Plot No. 6A, V.P. Road,
Andheri (W), Mumbai - 400 058.

Independent Auditor's Report

To the Members of Leela Palaces & Resorts Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Leela Palaces & Resorts Limited ("the Company")** which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

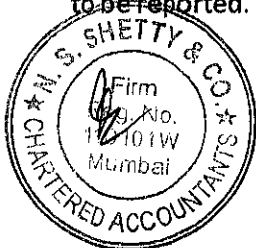
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the *Indian Accounting Standards (Ind AS)* specified under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and Loss including Other Comprehensive Income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon. Based on the circumstances and facts of the Audit, there are no key audit matters to be reported.



Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive Income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the company's financial reporting process

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

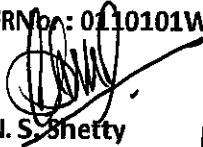
1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, based on our audit we report that :

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The standalone financial statements dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e. On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none the directors are disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. As required by section 197(16) of the Act, we report that the Company has not paid/provided remuneration to its Director during the year.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company has made provisions as required under the applicable law or Ind AS, for material foreseeable losses, if any, on long-term contracts. We have been informed that the Company did not have any pending derivative contracts.
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For N S Shetty & Co.
Chartered Accountants
FRN No. : 0110101W


N. S. Shetty
Partner
M. No. 035083
Place : Mumbai
Date : 27th May, 2019



ANNEXURE - A TO THE INDEPENDENT AUDITOR'S REPORT

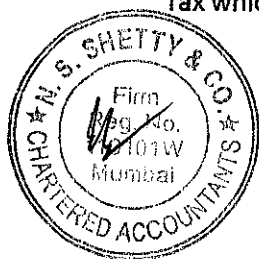
(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, all the fixed assets were physically verified by the Management during the year under review, which in our opinion is reasonable, having regard to the size of the Company and nature of its business and no discrepancies were noticed on such verification.

(c) On the basis of our examination of the records of the Company, the title deeds of immovable properties disclosed in standalone financial statements are held in the name of the Company.
- ii. As explained to us, the Company does not have any inventory during the year under review. Hence clause (ii) of the Order is not applicable to the Company.
- iii. The Company has not granted secured/unsecured loans to Companies, firms, LLP's, or parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, clause (iii) of the Order is not applicable to the Company.
- iv. The Company has not granted any loans or made investments or provided any guarantees or security to the parties covered in Section 185 of the Act. Accordingly, clause (iv) of the Order is not applicable to the Company.
- v. The Company has not accepted any deposits from the public in accordance with the provisions of Section 73 to 76 of the Act and the rules framed thereunder.
- vi. The Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Act, for any of the services rendered by the Company.
- vii. According to the information and explanations given to us in respect of Statutory dues :
 - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues wherever applicable to it with the appropriate authorities.
 - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable.
 - (c) There were no dues of Income Tax, Sales Tax, Service Tax, Excise Duty and Value Added Tax which have not been deposited as at March 31, 2019 on account of dispute.



- viii. The Company has not availed any loan from Government/banks/financial institutions or raised fund by issue debentures during the year. Hence clause (viii) of the Order is not applicable to the company.
- ix. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause (ix) of the Order is not applicable to the Company.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. The Company has not paid/provided for managerial remuneration during the year. Hence clause (xi) of the order is not applicable to the Company.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company.
- xiii. According to the information and explanations given to us, transactions with the related parties are in compliance with Section 177 and 188 of the Act. The details of related party have been disclosed in the financial statements as required by the applicable Indian Accounting Standards.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them during the year. Accordingly, clause (xv) of the Order is not applicable to the Company.
- xvi. According to the information and explanations given to us the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For N. S. Shetty & CO.

Chartered Accountants

Registration No: 110101W


N. S. Shetty

Partner

Membership No. 35083



Mumbai, 27th May, 2019

Annexure - B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred in Para 2(f) under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

Report on the Internal Financial Controls over financial reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Leela Palace & Resorts Limited** ("the Company") as of 31st March 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

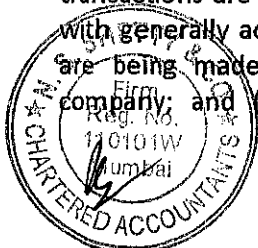
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control and financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of



unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

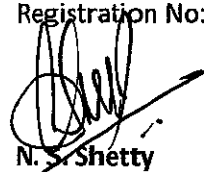
Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For N. S. Shetty & CO.

Chartered Accountants

Registration No: 110101W



N. S. Shetty

Partner

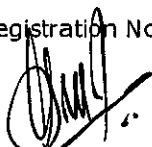
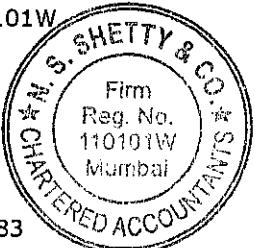
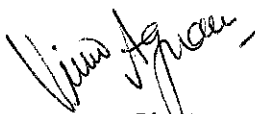

Membership No. 35083



Mumbai, 27th May, 2019

LEELA PALACES AND RESORTS LIMITED

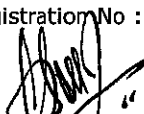

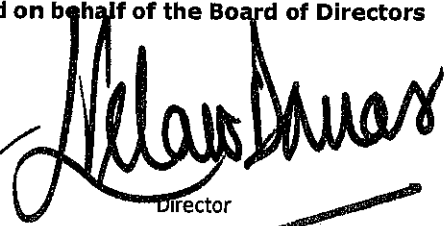
Balance Sheet as at 31 March, 2019

Particulars	Note No.	Rupees	
		AS at 31 March 2019	AS at 31 March 2018
ASSETS			
Non-current assets			
Property, plant and equipment			
Land-freehold as per last balance sheet		564,951,658	564,951,658
Capital work-in-progress		5,728,195	4,164,940
Financial assets	2	974,363	850,000
Tax Assets (net)	3	12,315	5,946
Total non-current assets		571,666,531	569,972,544
Current assets			
Financial assets			
Cash and cash equivalents	4	1,667,695	3,576,318
Other financial assets	5	80,575	147,620
Other current assets		-	-
Total current assets		1,748,270	3,723,938
Total Assets		573,414,801	573,696,482
EQUITY AND LIABILITIES			
Equity			
Equity share capital	6	27,281,300	27,281,300
Other equity	7	545,189,561	545,537,482
Total equity		572,470,861	572,818,782
Liabilities			
Current liabilities			
Financial liabilities			
Borrowings	8	860,000	860,000
Other liabilities-for expenses		83,940	17,700
Current Tax provision		-	-
Total current liabilities		943,940	877,700
Total equity and liabilities		573,414,801	573,696,482
Notes forming part of the financial statements	1 to 11		
In terms of our report attached			
For N S Shetty & Co Chartered Accountants Registration No : 110101W  N S Shetty Partner Membership No. 035083 Mumbai, 27th May 2019		For and on behalf of the Board of Directors  Director	 Director

LEELA PALACES AND RESORTS LIMITED

Statement of Profit and Loss for the year ended 31 March, 2019

Rupees

Particulars	Note No.	Year Ended 31 March 2019	Year Ended 31 March 2018
Income			
Revenue from operations		-	-
Other income	9	63,687	67,710
Total income		<u>63,687</u>	<u>67,710</u>
Expenses			
Finance costs- Bank charges		118	37,818
Other expenses	10	411,490	33,217
Total expenses		<u>411,608</u>	<u>71,035</u>
Profit/(loss) before exceptional items and Tax		(347,921)	(3,325)
Exceptional items - profit/(loss) (net)		-	-
Profit/(loss) before Tax		(347,921)	(3,325)
Tax expense:			
Income tax		-	-
Profit/(loss) after Tax		(347,921)	(3,325)
Other comprehensive income:		-	-
Total comprehensive income for the year		<u>(347,921)</u>	<u>(3,325)</u>
Earnings per share (of Rs 10 each):			
Basic & Diluted		(0.13)	(0.00)
Notes forming part of the financial statements	1 to 11		
In terms of our report attached			
For N S Shetty & Co Chartered Accountants Registration No : 110101W  N S Shetty Partner Membership No. 035083 Mumbai, 27th May 2019		For and on behalf of the Board of Directors  Director  Director	



LEELA PALACES AND RESORTS LIMITED
Cash Flow Statement for the year ended 31 March, 2019

Rupees

Particulars		2018-19		2017-18	
A	CASH FLOW FROM OPERATING ACTIVITIES				
	Net Profit/(loss) before exceptional items and Tax		(3,47,921)		(3,325)
	Adjustments for :				
	Interest /Bank charged	118		37,818	
	Interest income	(63,687)		(67,710)	
			(63,569)		(29,892)
	Operating Profit before working capital changes		(4,11,490)		(33,217)
	Adjustments for (increase)/decrease in operating assets:				
	Trade and other receivables	-		-	
	Adjustments for increase/(decrease) in operating liabilities:				
Trade and other payables	66,240	66,240	450	450	
Cash generated from operations		(3,45,250)		(32,767)	
Less : Direct Tax paid (net)		(6,369)		(7,091)	
Net cash flow from operating activities		(3,51,619)		(39,858)	
B	CASH FLOW FROM INVESTING ACTIVITIES				
	Interest received		1,30,732		6,771
	Increase in Capital WIP		(15,63,255)		-
	Investment in Bank Deposits		(1,24,363)		-
	Net cash flow from investing activities		(15,56,886)		6,771
C	CASH FLOW FROM FINANCIAL ACTIVITIES				
	Bank Charges		(118)		(37,818)
	Net cash flow from financing activities		(118)		(37,818)
	Net changes in cash and cash equivalents		(19,08,623)		(70,905)
	Cash and cash equivalents at the beginning of the year		35,76,318		36,47,223
	Cash and cash equivalents at the end of the year		16,67,695		35,76,318

In terms of our report attached

For **N S Shetty & Co**
Chartered Accountants
Registration No : 110101W

N S Shetty
Partner
Membership No. 035083
Mumbai, 27th May 2019



For and on behalf of the Board of Directors

Kunoo Jagan
Director

Alauddin
Director

LEELA PALACES AND RESORTS LIMITED
Statement of Changes in Equity

	Rupees
a) Equity share capital	
As at 1st April, 2017	27,281,300
Changes in the equity share capital during the year	-
As at 1st April, 2018	27,281,300
Changes in the equity share capital during the year	-
As at 31st March 2019	<u>27,281,300</u>

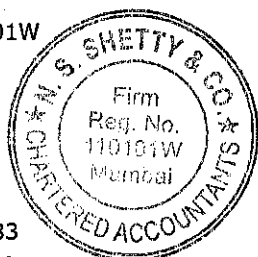
Particulars	Reserve & Surplus		Total
	Security premium	Retained earnings	
Balance as at 1 April 2017	553,001,600	(7,460,793)	545,540,807
Profit/(loss) for the year	-	(3,325)	(3,325)
Other comprehensive income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(3,325)	(3,325)
Allocations/Appropriations			
Transferred (to) / from retained earnings	-	-	-
Balance as at 31 March, 2018	553,001,600	(7,464,118)	545,537,482
Balance as at 1 April 2018	553,001,600	(7,464,118)	545,537,482
Profit/(loss) for the year	-	(347,921)	(347,921)
Other comprehensive Income for the year, net of tax	-	-	-
Total comprehensive income for the year	-	(347,921)	(347,921)
Allocations/Appropriations			
Transferred (to) / from retained earnings	-	-	-
Balance as at 31 March, 2019	553,001,600	(7,812,039)	545,189,561

In terms of our report attached

For **N S Shetty & Co**
Chartered Accountants
Registration No : 110101W

N S Shetty
Partner

Membership No. 035083
Mumbai, 27th May 2019



For and on behalf of the Board of Directors

[Signature]
Director

[Signature]
Director

ILEELA PALACES AND RESORTS LIMITED
Notes forming part of the Financial Statements

Note 1: Corporate Information

Leela Palaces and Resorts Limited (the "Company"), is a public limited company incorporated in India and has its registered office situated at "The Leela Palace", Diplomatic Enclave, Chanakyapuri, New Delhi - 110 023.

The financial statements for the year ended 31st March, 2019 were approved by the Board of Directors and authorised for issue on 27th May, 2019.

Note 2: Basis of Preparation, Critical Accounting Estimates and Judgements, Significant Accounting Policies and Recent Accounting Pronouncements:

(i) Compliance with Ind AS

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as prescribed under Section 133 of the Companies Act, 2013 (the Act) read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, and other relevant provisions of the Act.

The accounting policies are applied consistently to all the periods presented in the financial statements.

(ii) Basis of preparation

These financial statements have been prepared on a historical cost basis.

(iii) Critical accounting estimates and judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires, management to make judgements, estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements pertain to:

(a) Useful lives of property, plant and equipment and intangible assets:

The Company has estimated the useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the useful life of property, plant and equipment and intangible assets as at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

(b) Impairment testing:

Property, plant and equipment and intangible assets that are subject to amortisation /depreciation are tested for impairment when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which include turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, and future economic and market conditions.

(c) Income Taxes:

Deferred tax assets are recognized to the extent that it is regarded as probable that deductible temporary differences can be realized. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charge in the Statement of Profit or Loss.

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case law and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit or Loss.

(d) Litigation:

From time to time, the Company is subject to legal proceedings the ultimate outcome of each being always subject to many uncertainties inherent in litigation. A provision for litigation is made when it is considered probable that a payment will be made and the amount of the loss can be reasonably estimated. Significant judgement is made when evaluating, among other factors, the probability of unfavourable outcome and the ability to make a reasonable estimate of the amount of potential loss. Litigation provisions are reviewed at each accounting period and revisions made for the changes in facts and circumstances.

(iv) Significant Accounting Policies:

(a) Revenue recognition:

(i) Income from operations

Revenue from operations is accounted on accrual, is net of indirect taxes, returns and discounts. Revenue is measured at the fair value of the consideration received or receivable.

(ii) Interest:

Interest income is accrued on a time proportion basis using the effective interest rate method.

(b) Property, Plant and Equipment:

Property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, expenses directly related to bringing the

asset to the location and condition necessary for making them operational for their intended use and, in the case of qualifying assets, the attributable borrowing costs.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

On transition to Ind AS, the Company has elected to continue with the carrying value of all property, plant and equipment recognised as at 1st April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

(c) Taxation:

- (i) Provision for current taxation has been made in accordance with the Income Tax laws applicable to the assessment year.
- (ii) Deferred tax is recognized on timing difference being the difference between taxable incomes and accounting income that originates in one period and is capable of reversal in one or more subsequent periods. Where there is unabsorbed depreciation, or carry forward losses, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets.
- (iii) Minimum Alternate Tax ("MAT") credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. Such asset is reviewed at each balance sheet date and the carrying amount is written down to the extent there is no longer a convincing evidence that the Company will be liable to pay normal income tax during the specified period.

(d) Impairment of assets:

The carrying amounts of assets are reviewed at each balance sheet date, to assess any indication of impairment. If any such indication exists, the recoverable amount of such assets is estimated. An impairment loss is recognized wherever the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is greater of the net selling price or value in use. In assessing value in use, the estimated future cash flows are discounted to their present value, based on an appropriate discounting factor. After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

(e) Accounting for Provisions, Contingent Liabilities and Contingent Assets:

- (i) Provisions are recognised when the Company has a binding present obligation. This may be either legal because it derives from a contract, legislation or other operation of law because the Company created valid expectations on the part of the third parties by accepting certain responsibilities. To record such an obligation it must be probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation.

(ii) Contingent Liability is disclosed in case of;

- (a) A present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle that obligation;
- (b) A present obligation when no reliable estimate is possible; and
- (c) A possible obligation arising from past events where the probability of outflow of resources is remote.

(iii) Disclosure of the contingent assets are made when it is probable that there is an inflow of future economic benefits. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

(f) Statement of Cash Flows :

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. Cash flow for the year are classified by operating, investing and financing activities.

(g) Earnings per Share :

Basic earnings per share is computed, by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share.

(h) Financial Instruments:

(1) Financial assets

Initial recognition and measurement

Financial assets are recognised when and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial assets at initial recognition.

When financial assets are recognised initially, they are measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

Classification:

a. Cash and Cash Equivalents

Cash comprises cash/cheques on hand and demand deposits with banks. Cash equivalents are short-term balances with an original maturity of three months or less from the date of acquisition, highly liquid investment that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

b. Debt Instruments

The Company classifies its debt instruments, as subsequently measured at amortised cost or fair value through Other Comprehensive Income or fair value through profit or loss based on its business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

(i) Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest. Interest income from these financial assets is included as a part of the Company's income in the Statement of Profit and Loss using the effective interest rate method.

(ii) Financial assets at fair value through Other Comprehensive Income (FVOCI)

Financial assets are subsequently measured at fair value through Other Comprehensive Income if these financial assets are held for collection of contractual cash flows and for selling the financial assets, where the assets cash flows represent solely payments of principal and interest. Movements in the carrying value are taken through Other Comprehensive Income, except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains or losses which are recognised in the Statement of Profit and Loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in Other Comprehensive Income is reclassified from Other Comprehensive Income to the Statement of Profit and Loss. Interest income on such financial assets is included as a part of the Company's income in the Statement of Profit and loss using the effective interest rate method.

(iii) Financial assets at fair value through profit or loss (FVTPL)

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on such debt instrument that is subsequently measured at FVTPL and is not part of a hedging relationship as well as interest income is recognised in the Statement of Profit and Loss.

De-recognition

A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset. Where the Company has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the Company has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

(2) Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at fair value through profit or loss are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are derecognised, and through the amortisation process.

De-recognition

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability, and the difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

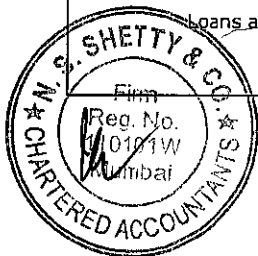
(3) Impairment of financial assets

The Company assesses, at each reporting date, whether a financial asset or a group of financial assets is impaired and allowance for losses on such assessment is made in the Statement of Profit and Loss.

LEELA PALACES AND RESORTS LIMITED
Notes forming part of the financial statements

Rupees

Particulars		As at 31 March 2019	As at 31 March 2018																
Note 2	Non-current financial assets																		
	Margin money deposit with banks *	9,74,363	8,50,000																
	Total	9,74,363	8,50,000																
	* pledged with HDFC Bank Ltd as a security towards a bank guarantee of Rs.8,50,000 issued by them.																		
Note 3	Tax assets (Net)																		
	Income Tax assets (net)																		
	Opening balance for the year	5,946	6,855																
	Less : Tax payable for the year	-	(8,000)																
	Add : Taxes paid	6,369	7,091																
	Add/(Less) : Refund/adjustment for earlier years	-	-																
	Closing balance	12,315	5,946																
Note 4	Cash and cash equivalents																		
	Cash on hand	90,000	90,000																
	Balances with bank in current account	15,77,695	34,86,318																
	Total	16,67,695	35,76,318																
Note 5	Other current financial assets																		
	Interest receivable	80,575	1,47,620																
	Total	80,575	1,47,620																
Note 6	Equity Share Capital																		
a)	Authorised Capital 27,50,000 Equity shares of Rs.10 each	2,75,00,000	2,75,00,000																
b)	Issued share capital 27,28,130 Equity shares of Rs.10 each	2,72,81,300	2,72,81,300																
c)	Subscribed and fully paid up 27,28,130 Equity shares of Rs.10 each	2,72,81,300	2,72,81,300																
		2,72,81,300	2,72,81,300																
d)	Reconciliation of the number of shares outstanding at the beginning and at the end of the year																		
		<table border="1"> <thead> <tr> <th colspan="2">As at 31 March 2019</th> <th colspan="2">As at 31 March 2018</th> </tr> <tr> <th>No. of shares</th> <th>Rupees</th> <th>No. of shares</th> <th>Rupees</th> </tr> </thead> <tbody> <tr> <td>At the beginning of the year</td> <td>27,28,130</td> <td>27,28,130</td> <td>2,72,81,300</td> </tr> <tr> <td>At the end of the year</td> <td>27,28,130</td> <td>27,28,130</td> <td>2,72,81,300</td> </tr> </tbody> </table>		As at 31 March 2019		As at 31 March 2018		No. of shares	Rupees	No. of shares	Rupees	At the beginning of the year	27,28,130	27,28,130	2,72,81,300	At the end of the year	27,28,130	27,28,130	2,72,81,300
As at 31 March 2019		As at 31 March 2018																	
No. of shares	Rupees	No. of shares	Rupees																
At the beginning of the year	27,28,130	27,28,130	2,72,81,300																
At the end of the year	27,28,130	27,28,130	2,72,81,300																
e)	Shareholders holding more than 5% shares																		
		<table border="1"> <thead> <tr> <th colspan="2">As at 31 March 2019</th> <th colspan="2">As at 31 March 2018</th> </tr> <tr> <th>No. of shares</th> <th>% of holding</th> <th>No. of shares</th> <th>% of holding</th> </tr> </thead> <tbody> <tr> <td>Hotel Leelaventure Limited</td> <td>27,28,130</td> <td>27,28,124</td> <td>100%</td> </tr> </tbody> </table>		As at 31 March 2019		As at 31 March 2018		No. of shares	% of holding	No. of shares	% of holding	Hotel Leelaventure Limited	27,28,130	27,28,124	100%				
As at 31 March 2019		As at 31 March 2018																	
No. of shares	% of holding	No. of shares	% of holding																
Hotel Leelaventure Limited	27,28,130	27,28,124	100%																
Note 7	Other equity																		
(a)	Securities premium account As per Last Balance Sheet	55,30,01,600	55,30,01,600																
(b)	Retained earnings																		
	As at 1st April	(74,64,118)	(74,60,793)																
	Add/Less: Profit/(loss) for the year	(3,47,921)	(3,325)																
	As at 31st March	(78,12,039)	(74,64,118)																
	Total	54,51,89,561	54,55,37,482																
Note 8	Current borrowings - unsecured																		
	Loans and advances from related party @ 0% interest	8,60,000	8,60,000																
	Total	8,60,000	8,60,000																



LEELA PALACES AND RESORTS LIMITED
Notes forming part of the financial statements

Particulars	Rupees	
	Year ended 31 March 2019	Year ended 31 March 2018
Note 9 Other Income		
Interest income from financial assets at amortised costs		
Deposit with bank	63,687	67,710
	<u>63,687</u>	<u>67,710</u>
Note 10 Other expenses		
Rates and taxes	375,482	1,239
Legal and professional *	36,008	31,978
	<u>411,490</u>	<u>33,217</u>
*Includes Auditor's remuneration:		
Statutory audit	17,700	17,700
	<u>17,700</u>	<u>17,700</u>



HOTEL LEEVAVENTURE LIMITED

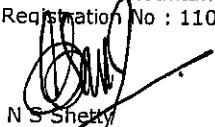
Notes forming part of the Standalone Financial Statements

11 Additional information to the Financial Statements

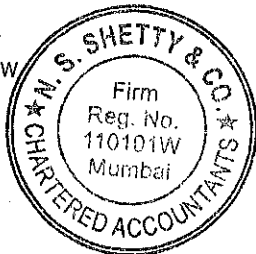
11.1	Related party transactions		
(i)	Details of related parties:		
	Associates: Leela Lace Holdings Pvt. Ltd. Leela Lace Software Solutions Pvt. Ltd. Leela Fashions Pvt. Ltd. Rockfort Estate Developers Pvt. Ltd. Leela Hospitality Pvt Ltd. Elegant Eateries Pvt. Ltd. Emmel Realtors and Developers Pvt. Ltd. Esteem Construction Pvt. Ltd. Fransisco Hospitality Pvt. Ltd. Leela Capital and Finance Limited. Leela Housing Pvt Ltd Leela IT Projects Pvt. Ltd.	Leela Lace Builders Pvt. Ltd. Leela Lace Estate Pvt. Ltd. Leela Realty Ltd Leela Villas Pvt. Ltd. LM Realtors Pvt. Ltd. LMV Associates Limited Leela Palace (Banglore) Pvt. Ltd. Leela Palace Chennai Pvt. Ltd. Leela Palace New Delhi Pvt. Ltd. Season Apparels Pvt. Ltd. Vibgyor Leasing Pvt. Ltd. Zillion Hotels & Resorts Pvt. Ltd.	
(ii)			Rupees
	Particulars		As at 31 March 2019
			As at 31 March 2018
	Associates		
	<u>Unsecured loans outstanding</u> Leela Villas Pvt. Ltd.	8,60,000	8,60,000
11.2	Particulars	2018-19	2017-18
	Earnings per share		
	Basic & Diluted		
	Net profit / (loss) for the year (Rs Lakhs)	(3,47,921)	(3,325)
	Weighted average number of equity shares	27,28,130	27,28,130
	Par value per share (Rs.)	10.00	10.00
	Earnings per share (Rs.)	(0.13)	(0.00)
	Note : Since there are no extraordinary items, the Basic and Diluted value of earnings per share excluding / including extraordinary items is the same.		
11.3	Financial assets and liabilities are valued at amortised cost.		

In terms of our report attached


For **N S Shetty & Co**
Chartered Accountants
Registration No : 110101W

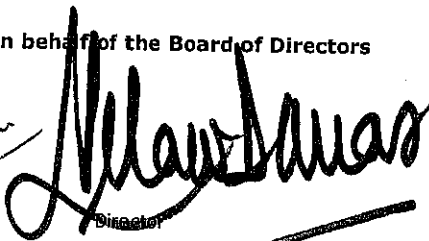

N S Shetty

Membership No. 035083
Mumbai, 27th May 2019



For and on behalf of the Board of Directors


Director


Director