



**THE LEELA**

PALACES HOTELS RESORTS

**HOTEL LEELAVENTURE LIMITED**

**CIN: L55101MH1981PLC024097**

**Registered Office:** The Leela, Sahar, Mumbai -400 059

**Tel:** 022-6691 1182 / 83; **Fax:** 022-6691 1458;

**Email:** investor.service@theleela.com; **Website:** www.theleela.com

**POSTAL BALLOT NOTICE**

[Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014]

To  
The Shareholders

Notice is hereby given pursuant to Section 110 and other applicable provisions of the Companies Act, 2013, (the "Act") if any, read together with the Companies (Management and Administration) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, that the special business items set out in the resolutions appended below are proposed to be passed as special resolution by way of postal ballot/e-voting. The explanatory statement pertaining to the said resolutions setting out the facts concerning the items and the reasons thereof, as required in terms of Section 102 of the Act, is annexed hereto along with a postal ballot form (the "Form") for your consideration.

The Board of Directors, at its meeting held on 18<sup>th</sup> March, 2019, has appointed Mr. Prashant S. Mehta, Practicing Company Secretary (Membership No.5814), as the Scrutinizer for conducting the postal ballot voting process in a fair and transparent manner.

Members are requested to carefully read the instructions printed on the Form, record your assent (for) or dissent (against) therein and return the same in original duly completed and signed in the attached self-addressed, postage pre-paid envelope (if posted in India) so as to reach the Scrutinizer not later than the close of working hours, i.e., 5.00 p.m. on 24<sup>th</sup> April, 2019.

In compliance with the Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to the provisions of Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014, the Company has extended e-voting facility, for its Members to enable them to cast their votes electronically instead of dispatching the postal ballot form(s). Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the notes to this Notice and instructions under the section "Voting through Electronic Means".

Upon completion of the scrutiny of the Forms, the Scrutinizer will submit his report to the Chairman & Managing Director or the Company Secretary of the Company.

The result of the voting conducted through postal ballot would be announced by a Director or the Company Secretary of the Company on 26<sup>th</sup> April, 2019 at 11 a.m. at the Registered Office of the Company.

The said result would be displayed at the Registered Office of the Company, intimated to BSE Limited and National Stock Exchange of India Limited, where the Company's shares are listed, published in the newspapers and displayed on the Company's website, viz., www.theleela.com and the website of Karvy Fintech Private Limited ("Karvy") viz., <https://www.evoting.karvy.com>, along with the Scrutinizer's report.

**Item No. 1: Approval for sale of the Company's Delhi Hotel Undertaking**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT**, pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the relevant rules made thereunder (including any statutory modification or re-enactment thereof, for the time

being in force), and the enabling provisions in the Articles of Association of the Company, read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**LODR**”) and subject to such approvals, sanctions, consents, registrations and permissions, as may be required, the consent of the members of the Company, be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “**Board**”, which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) for the sale, transfer, assignment and delivery of the entire undertaking of the Company pertaining to the hotel in New Delhi, namely “*The Leela Palace New Delhi*”, Chanakyapuri, Diplomatic Enclave, New Delhi - 110023, together with all its assets and liabilities, including but not limited to contracts, properties, permits, licenses, employees, employees’ benefit funds, records, except the assets and liabilities specifically excluded (“**Delhi Hotel Undertaking**”), as a going concern, on a ‘slump sale’ basis to an Indian subsidiary of BSREP III India Ballet Pte. Ltd. for a lumpsum consideration of ₹1,705 Crores (Rupees One Thousand Seven Hundred and Five Crores only), subject to adjustments, if any, with effect from such date and on such terms and conditions, and with such modifications as may be required, as the Board may deem fit and appropriate in the interest of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do and perform or cause to be done all such acts, deeds, matters and things, including actions which may have been taken, as may be necessary, or deemed necessary or incidental thereto, to effect the sale and transfer of the Delhi Hotel Undertaking to such Indian subsidiary of BSREP III India Ballet Pte. Ltd., including (i) to finalize, vary and settle the terms and conditions of the sale and transfer of the Delhi Hotel Undertaking; (ii) settle and finalise all issues that may arise in this regard, without further referring to the members of the Company; (iii) to negotiate and finalize the business transfer agreement, conveyance deeds, and/ or any other transaction documents (including providing such representations, warranties, indemnities and covenants and agreeing to price adjustments as may be agreed); (iv) to execute, deliver and perform such business transfer agreement, conveyance deeds, other contracts, deeds, undertakings and other documents and subsequent modifications thereto; (v) to file applications and make representations to seek the requisite approvals in respect thereof from the relevant government authorities and third parties, including lenders of the Company; and (vi) to take all necessary steps in the matter as it may in its absolute discretion and in the best interests of the Company deem necessary, desirable or expedient, to give effect to the above resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers or authorities herein conferred by this resolution, to any Director(s) or to any other official of the Company or to any Committee of Directors or any other Officer(s)/ Authorized Representative(s) of the Company or to engage any advisor, consultant, agent or intermediary, as may be deemed necessary to give effect to this resolution.”

## **Item No. 2: Approval for sale of the Company’s Bengaluru Hotel Undertaking**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**“RESOLVED THAT**, pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the relevant rules made thereunder (including any statutory modification or re-enactment thereof, for the time being in force), and the enabling provisions in the Articles of Association of the Company, read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**LODR**”) and subject to such approvals, sanctions, consents, registrations and permissions as may be required, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “**Board**”, which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) for the sale, transfer, assignment, and delivery of the entire undertaking of the Company pertaining to the hotel in Bengaluru, namely “*The Leela Palace Bengaluru*”, located at 23, Old Airport Road, Bengaluru – 560 008, together with all its assets (including windmills owned by the Company in Karnataka) and liabilities, including but not limited to contracts, properties, permits, licenses, employees, employees’ benefit funds, records, except the assets and liabilities specifically excluded (“**Bengaluru Hotel Undertaking**”), as a going concern, on a ‘slump sale’ basis, to an Indian subsidiary of BSREP III India Ballet Pte. Ltd. for a lumpsum consideration of ₹1,000 Crores (Rupees One Thousand Crores only), subject to adjustments, if any, with effect from such date and on such terms and conditions, and with such modifications as may be required, as the Board may deem fit and appropriate in the interest of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do and perform or cause to be done all such acts, deeds, matters and things, including actions which may have been taken, as may be necessary, or deemed necessary or incidental thereto, to effect the sale and transfer of the Bengaluru Hotel Undertaking to such Indian subsidiary of BSREP III India Ballet Pte. Ltd., including (i) to finalize, vary and settle the terms and conditions of the sale and transfer of the Bengaluru Hotel Undertaking; (ii) settle and finalise all issues that may arise in this regard, without further referring to the members of the Company; (iii) to negotiate and finalize the business transfer agreement, conveyance deeds, and/ or any other transaction documents (including providing such representations, warranties, indemnities and covenants and agreeing to price adjustments as may be agreed); (iv) to execute, deliver and perform such business transfer agreement, conveyance deeds, other contracts, deeds, undertakings and other documents and subsequent modifications thereto; (v) to file applications and make representations to seek the requisite approvals in respect thereof from the relevant government authorities and third parties, including lenders of the Company; and (vi) to take all necessary steps in the matter as it may in its absolute discretion and in the best interests of the Company deem necessary, desirable or expedient, to give effect to the above resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers or authorities herein conferred by this resolution, to any Director(s) or to any other official of the Company or to any Committee of Directors or any other Officer(s)/ Authorized Representative(s) of the Company or to engage any advisor, consultant, agent or intermediary, as may be deemed necessary to give effect to this resolution.”

### **Item No. 3: Approval for sale of the Company’s Chennai Hotel Undertaking**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**“RESOLVED THAT**, pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the relevant rules made thereunder (including any statutory modification or re-enactment thereof, for the time being in force), and the enabling provisions in the Articles of Association of the Company, read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**LODR**”) and subject to such approvals, sanctions, consents, registrations and permissions as may be required, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “**Board**”, which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) for the sale, transfer, assignment, and delivery of the entire undertaking of the Company pertaining to the hotel in Chennai, namely “The Leela Palace Chennai”, located at Satyadev Avenue Extension, MRC Nagar, Raja Annamalapuram, Chennai - 600 028, together with all its assets (including windmills owned by the Company in Tamil Nadu) and liabilities, including but not limited to contracts, properties, permits, licenses, employees, employees’ benefit funds, records, except the assets and liabilities specifically excluded (“**Chennai Hotel Undertaking**”), as a going concern, on a ‘slump sale’ basis to an Indian subsidiary of BSREP III India Ballet Pte. Ltd. for a lumpsum consideration of ₹675 Crores (Rupees Six Hundred and Seventy Five Crores only), subject to adjustments, if any, with effect from such date and on such terms and conditions, and with such modifications as may be required, as the Board may deem fit and appropriate in the interest of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do and perform or cause to be done all such acts, deeds, matters and things, including actions which may have been taken, as may be necessary, or deemed necessary or incidental thereto, to effect the sale and transfer of the Chennai Hotel Undertaking to such Indian subsidiary of BSREP III India Ballet Pte. Ltd., including (i) to finalize, vary and settle the terms and conditions of the sale and transfer of the Chennai Hotel Undertaking; (ii) settle and finalise all issues that may arise in this regard, without further referring to the members of the Company; (iii) to negotiate and finalize the business transfer agreement, conveyance deeds, and/ or any other transaction documents (including providing such representations, warranties, indemnities and covenants and agreeing to price adjustments as may be agreed); (iv) to execute, deliver and perform such business transfer agreement, conveyance deeds, other contracts, deeds, undertakings and other documents and subsequent modifications thereto; (v) to file applications and make representations to seek the requisite approvals in respect thereof from the relevant government authorities and third parties, including lenders of the Company; and (vi) to take all necessary steps in the matter as it may in its absolute discretion and in the best interests of the Company deem necessary, desirable or expedient, to give effect to the above resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers or authorities herein conferred by this resolution, to any Director(s) or to any other official of the Company or to any Committee of Directors or any other Officer(s)/ Authorized Representative(s) of the Company or to engage any advisor, consultant, agent or intermediary, as may be deemed necessary to give effect to this resolution.”

#### **Item No. 4: Approval for sale of the Company’s Udaipur Hotel Undertaking**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT**, pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the relevant rules made thereunder (including any statutory modification or re-enactment thereof, for the time being in force), and the enabling provisions in the Articles of Association of the Company, read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**LODR**”) and subject to such approvals, sanctions, consents, registrations and permissions as may be required, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “**Board**”, which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) for the sale, transfer, assignment, and delivery of the entire undertaking of the Company pertaining to the hotel in Udaipur, namely “The Leela Palace Udaipur”, located at Lake Pichola, P.O. Box No. 125, Udaipur – 313 001, together with all its assets and liabilities, including but not limited to contracts, properties, permits, licenses, employees, employees’ benefit funds, records, except the assets and liabilities specifically excluded (“**Udaipur Hotel Undertaking**”), as a going concern, on a ‘slump sale’ basis to an Indian subsidiary of BSREP III India Ballet Pte. Ltd. for a lumpsum consideration of ₹320 Crores (Rupees Three Hundred and Twenty Crores only) subject to adjustments, if any, with effect from such date and on such terms and conditions, and with such modifications as may be required, as the Board may deem fit and appropriate in the interest of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do and perform or cause to be done all such acts, deeds, matters and things, including actions which may have been taken, as may be necessary, or deemed necessary or incidental thereto, to effect the sale and transfer of the Udaipur Hotel Undertaking to such Indian subsidiary of BSREP III India Ballet Pte. Ltd., including (i) to finalize, vary and settle the terms and conditions of the sale and transfer of the Udaipur Hotel Undertaking; (ii) settle and finalise all issues that may arise in this regard, without further referring to the members of the Company; (iii) to negotiate and finalize the business transfer agreement, conveyance deeds, and/ or any other transaction documents (including providing such representations, warranties, indemnities and covenants and agreeing to price adjustments as may be agreed); (iv) to execute, deliver and perform such business transfer agreement, conveyance deeds, other contracts, deeds, undertakings and other documents and subsequent modifications thereto; (v) to file applications and make representations to seek the requisite approvals in respect thereof from the relevant authorities and third parties, including lenders of the Company; and (vi) to take all necessary steps in the matter as it may in its absolute discretion and in the best interests of the Company deem necessary, desirable or expedient, to give effect to the above resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers or authorities herein conferred by this resolution, to any Director(s) or to any other official of the Company or to any Committee of Directors or any other Officer(s)/ Authorized Representative(s) of the Company or to engage any advisor, consultant, agent or intermediary, as may be deemed necessary to give effect to this resolution.”

#### **Item No. 5: Approval for sale of the Company’s Hotel Operations Undertaking**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

“**RESOLVED THAT**, pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the relevant rules made thereunder (including any statutory modification or re-enactment thereof, for the time being in force), and the enabling provisions in the Articles of Association of the Company, read with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**LODR**”) and subject to such approvals, sanctions, consents, registrations and permissions as may be required, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “**Board**”, which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) for the sale, transfer, assignment, and delivery of



the entire undertaking of the Company pertaining to the hotel management operations of the Company together with all its assets and liabilities, including but not limited to contracts, records, employees, employees' benefit funds, intellectual property used in, held for use in, or related to the hospitality, hotels and resorts business or related to the hotel and hospitality business undertakings, permits and licenses, all the aforesaid as applicable, except the assets and liabilities specifically excluded ("**Hotel Operations Undertaking**"), as a going concern, on a 'slump sale' basis to an Indian subsidiary of BSREP III India Ballet Pte. Ltd. for a lumpsum consideration of ₹135 Crores (Rupees One Hundred and Thirty Five Crores only), subject to adjustments, if any, with effect from such date and on such terms and conditions, and with such modifications as may be required, as the Board may deem fit and appropriate in the interest of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do and perform or cause to be done all such acts, deeds, matters and things, including actions which may have been taken, as may be necessary, or deemed necessary or incidental thereto, to effect the sale and transfer of the Hotel Operations Undertaking to such Indian subsidiary of BSREP III India Ballet Pte. Ltd., including (i) to finalize, vary and settle the terms and conditions of the sale and transfer of the Hotel Operations Undertaking; (ii) settle and finalise all issues that may arise in this regard, without further referring to the members of the Company; (iii) to negotiate and finalize the business transfer agreement, conveyance deeds, intellectual property assignment agreement and/ or any other transaction documents (including providing such representations, warranties, indemnities and covenants and agreeing to price adjustments as may be agreed); (iv) to execute, deliver and perform such business transfer agreement, conveyance deeds, intellectual property assignment agreement and other contracts, deeds, undertakings and other documents and subsequent modifications thereto; (v) to file applications and make representations to seek the requisite approvals in respect thereof from the relevant government authorities and third parties, including lenders of the Company; and (vi) to take all necessary steps in the matter as it may in its absolute discretion and in the best interests of the Company deem necessary, desirable or expedient, to give effect to the above resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers or authorities herein conferred by this resolution, to any Director(s) or to any other official of the Company or to any Committee of Directors or any other Officer(s)/ Authorized Representative(s) of the Company or to engage any advisor, consultant, agent or intermediary, as may be deemed necessary to give effect to this resolution."

#### **Item No. 6: Approval for sale of the Company's shareholding in Leela Palaces and Resorts Limited, a wholly owned subsidiary of the Company**

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

**"RESOLVED THAT**, pursuant to Regulation 24 (5) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**LODR**") and further pursuant to Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and the relevant rules made thereunder (including any statutory modification or re-enactment thereof, for the time being in force), and the enabling provisions in the Articles of Association of the Company, and subject to such approvals, sanctions, consents, registrations and permissions as may be required, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "**Board**", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) 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) in Leela Palaces and Resorts Limited, a wholly owned subsidiary of the Company, to subsidiaries, affiliates or nominees of BSREP III India Ballet Pte. Ltd. ("**Sale Shares**"), for a consideration of ₹115 Crores (Rupees One Hundred and Fifteen Crores only), on such terms and conditions, and with such modifications as may be required, as the Board may deem fit and appropriate in the interest of the Company.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do and perform or cause to be done all such acts, deeds, matters and things, including actions which may have been taken, as may be necessary, or deemed necessary or incidental thereto, to effect the sale and transfer of the Sale Shares to such subsidiaries, affiliates or nominees of BSREP III India Ballet Pte. Ltd. including (i) to finalize, vary and settle the terms and conditions of the sale and transfer of the Sale Shares; (ii) settle and finalise all issues that may arise in this regard, without further referring to the members of the Company; (iii) to negotiate and finalize the share purchase agreement and/ or any other transaction documents

(including providing such representations, warranties, indemnities and covenants as may be agreed); (iv) to execute, deliver and perform such share purchase agreement, and other contracts, deeds, undertakings and other documents and subsequent modifications thereto; (v) to file applications and make representations to seek the requisite approvals from the relevant government authorities and third parties, including lenders of the Company; and (vi) to take all necessary steps in the matter as it may in its absolute discretion and in the best interests of the Company deem necessary, desirable or expedient, to give effect to the above resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers or authorities herein conferred by this resolution, to any Director(s) or to any other official of the Company or to any Committee of Directors or any other Officer(s)/ Authorized Representative(s) of the Company or to engage any advisor, consultant, agent or intermediary, as may be deemed necessary to give effect to this resolution.”

**By order of the Board  
For Hotel Leelaventure Limited**

**Alen Ferns  
Company Secretary**

**Registered Office:**

The Leela, Sahar

Mumbai - 400 059

**CIN:** L55101MH1981PLC024097

Mumbai, 18<sup>th</sup> March, 2019

**Notes:**

1. The explanatory statement and reasons for the proposed resolution pursuant to Section 102 of the Companies Act, 2013 (“**Act**”), read with, Rule 22 of the Companies (Management and Administration) Rules, 2014 setting out material facts is annexed hereto.
2. The dispatch of the postal ballot notice and the Explanatory Statement shall be announced through advertisement in at least one English newspaper and at least one Marathi newspaper, each with wide circulation in **Mumbai**, where the registered office of the Company is situated, and published on the website of the Company.
3. The postal ballot notice is being sent to all the Members, whose names appear in the Register of Members / Statements of beneficial ownership maintained by the Depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), as on the record date, i.e., on close of business hours on 18<sup>th</sup> March, 2019. A person who is not a Member on the record date should treat this notice, for information purposes only.
4. In compliance with the provisions of Section 108 and 110 of the Act, read with, Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is offering e-voting facility to all its Members to exercise their right to vote. For this purpose, the Company has entered into an agreement with Karvy Fintech Private Limited (“**Karvy**”) for facilitating e-voting to enable the Members to cast their votes electronically.
5. Only a Member who is entitled to vote is entitled to exercise his/ her vote through the postal ballot form or through e-voting. Voting rights of every Member shall be reckoned on the paid-up value of shares on the basis of names appearing in the ‘Register of Members’ or in the records of the depository, as applicable, as on 18<sup>th</sup> March, 2019, and any recipient of the postal ballot notice whose name does not appear as a Member in relation to the shares as on the aforesaid date should treat the same as intimation only.
6. In accordance with the provisions of Section 101 & 110 of the Act, read with, Rules 18 and 22 of the Companies (Management and Administration) Rules, 2014, this postal ballot notice is being sent by e-mail to those Members who have registered their e-mail address with the Company (in respect of shares held in physical form) or with their Depository Participants (DP) (in respect of shares held in electronic form) and made available to the Company by the Depositories. Members who have not registered their e-mail address will receive this postal ballot notice along with the postal ballot form through post.
7. The voting rights of the Members shall be in proportion to their shares in the total paid-up equity share capital of the Company as on 18<sup>th</sup> March, 2019 (cut-off date).
8. The Special Resolutions passed by the Members through postal ballot are deemed to have been passed as if they have been passed at a General Meeting of the Members.

9. Voting period commences on 26<sup>th</sup> March, 2019 at 9.00 a.m. and ends on 24<sup>th</sup> April, 2019, at 5.00 p.m.
10. The Company has appointed Mr. Prashant S. Mehta, Practicing Company Secretary (Membership No. 5814), as the Scrutinizer for conducting the postal ballot/e- voting process in a fair and transparent manner.
11. The Scrutinizer will collate the votes downloaded from the e-voting system and votes received through post to declare the final result for each of the resolutions forming part of the Notice of Postal Ballot. Upon completion of the scrutiny of the Ballot Forms and collation of the votes downloaded from the e-voting system, the Scrutinizer shall, within a period not exceeding three working days from the conclusion of the voting by postal ballot/e-voting, submit his consolidated report to the Chairman & Managing Director or the Company Secretary of the Company.
12. The results of the voting by postal ballot/e-voting will be announced on or before 26<sup>th</sup> April, 2019 at the Registered Office of the Company at The Leela, Sahar, Mumbai 400 059.
13. The said results will also be intimated to the stock exchanges, published in newspapers and uploaded on the Company's website viz., [www.theleela.com](http://www.theleela.com) and of Karvy's website viz., <https://www.evoting.karvy.com>.
14. The last date for the receipt of duly completed Postal Ballot Forms or e-voting shall be the date on which the resolution would be deemed to have been passed, if approved by the requisite majority.
15. Kindly note that the Members can opt for only one mode of voting i.e., either by postal ballot or e-voting. If the Members opt for e-voting, then they should not vote by postal ballot and vice versa. However, in case Members cast their vote by postal ballot and e-voting, then voting done through e-voting shall prevail and voting done by postal ballot will be treated as invalid.
16. In case a Member is desirous of obtaining postal ballot in printed form or a duplicate one, the Member may write to the Company or send an e-mail to [investor.service@theleela.com](mailto:investor.service@theleela.com). The Company shall forward the same along with self-addressed postage prepaid Business Reply Envelope to the Member.
17. The postal ballot notice is also being uploaded on the Company's website viz., [www.theleela.com](http://www.theleela.com) and on Karvy's website viz., <https://www.evoting.karvy.com>.
18. All documents referred to in this postal ballot notice and explanatory statement setting out material facts are open for inspection by the Members at the Registered Office of the Company between 10.00 a.m. and 12.00 noon on all working days except Saturdays, Sundays and national holidays, from the date hereof up to 24<sup>th</sup> April, 2019.

#### **19. Instructions for Voting:**

##### **A. Voting through Physical Postal Ballot Form**

1. A Member desiring to exercise vote by postal ballot are requested to carefully read the instructions printed in the Postal Ballot Form and shall complete the enclosed postal ballot Form with assent (for) or dissent (against) and send it to the Scrutinizer in the closed self-addressed postage prepaid Business Reply Envelope. However, in case a Member sends the postal ballot by courier or registered post / speed post or delivers it in person at his expense, such postal ballots will also be accepted.
2. The postal ballot form, duly completed and signed by the Member(s) should be returned in the enclosed self-addressed postage prepaid Business Reply Envelope directly to the Scrutinizer so as to reach the Scrutinizer before the close of working hours on 24<sup>th</sup> April, 2019. Any postal ballot form received after the said date shall be treated as if the reply from the Member(s) has not been received. No other form or photo copy of the postal ballot form will be permitted/ accepted.

##### **B. Voting through electronic means**

In compliance with provisions of Section 108, 110 and other applicable provisions, if any, of the Companies Act 2013, read with, the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "LODR"), the Company is pleased to offer e-voting facility to all the Members of the Company and the business may be transacted through electronic voting system. The Company has engaged the services of Karvy for facilitating e-voting to enable the shareholders to cast their votes electronically. A Member may avail this facility at his discretion as per the instructions provided herein.

- In case of Members receiving postal ballot intimation by e-mail (for members whose email addresses are registered with the Company/Depository Participant)
  - a. Launch an internet browser by typing the URL:<https://evoting.karvy.com>.
  - b. Enter the login credentials (i.e. User ID and password). Your Folio No. or DP ID-Client ID will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your

existing User ID and password for casting your vote. If required, please visit <https://evoting.karvy.com> or contact toll free number 1-800-3454-001 for your existing password.

- c. After entering the above details click on - login.
  - d. You will now reach password change menu, wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.) The system will also prompt you to update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - e. You need to login again with the new credentials.
  - f. On successful login, the system will prompt you to select the E-Voting Event Number for Hotel Leelaventure Limited.
  - g. On the voting page enter the number of shares (which represents the number of votes) as on the cut-off date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option "ABSTAIN" and the shares held will not be counted under either head.
  - h. Members holding shares under multiple folios/ demat accounts shall choose the voting process separately for each of the folios/ demat accounts.
  - i. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
  - j. You may then cast your vote by selecting an appropriate option and click on "Submit".
  - k. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any number of times till they have not voted on the Resolution(s).
  - l. Corporate/ Institutional Members (i.e. other than individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution / Authority Letter, etc., together with attested specimen signature(s) of the duly authorized representative(s), to Scrutinizer at e-mail ID: [acs.pmehta@gmail.com](mailto:acs.pmehta@gmail.com) with a copy marked to [evoting@karvy.com](mailto:evoting@karvy.com). The scanned images of the above mentioned documents should be in the naming format "Corporate Name\_EVENT NO."
- **In case of Members receiving postal ballot form by post:**
    - a. User ID and Initial password is provided as shown below at the bottom of the postal ballot form to be used to exercise your vote in respect of the proposed resolution.

EVEN (E-Voting Event Number)	USER ID	PASSWORD/PIN

- b. Please follow all steps from Sr. No. a to Sr. No. l above, to cast your vote by electronic means.

#### General Instructions:

1. The e-voting period will commence on 26<sup>th</sup> March, 2019 (9:00 a.m.) and end on 24<sup>th</sup> April, 2019 (5:00 p.m.) (both days inclusive). During this period Members, holding shares either in physical form or in dematerialized form as on the record date, may cast their vote electronically. The e-voting module shall be disabled by Karvy thereafter. Please note that once the vote on a resolution has been cast, Members cannot change it subsequently.
2. The said results will also be intimated to the stock exchanges, published in newspapers and uploaded on the Company's website viz., [www.theleela.com](http://www.theleela.com) and on Karvy's website viz., <https://www.evoting.karvy.com>.
3. In case of any query pertaining to e-voting, please visit Help & FAQ's section available at Karvy's website <https://www.evoting.karvy.com> or contact Karvy at toll free number 1-800-3454-001.
4. If you are already registered with Karvy for e-voting, then you can use your existing user ID and password for casting your vote.
5. You can also update your e-mail ID in the user profile details of the folio which may be used for sending future communication(s).



## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (“ACT”) IN RESPECT OF SPECIAL BUSINESS SET OUT IN THE NOTICE

### Item Numbers 1 to 6:

As the Members are aware, the Company had restructured its debts under the Corporate Debt Restructuring (“CDR”) mechanism in September 2012 with January 1, 2012 as the cut-off date. The Company has been seeking a viable restructuring package from its lenders, but it did not materialize.

In order to reduce debts, the Members had passed a special resolution in December 2014 for sale of Leela Palaces and Resorts Limited (“LPRL”), a wholly-owned subsidiary of the Company, together with the property owned by the said subsidiary in Agra. The Members also had passed special resolutions in September 2016 for sale of the Hotels owned by the Company in Delhi and/or Chennai. However, the Company could not conclude the sale of any of the aforesaid properties.

The Company has been evaluating various options for a viable restructuring, including sale/ monetization of non-core assets, sale of hotels, equity infusion and debt refinancing by investors.

In this regard, the Company has received a proposal from BSREP III India Ballet Pte. Ltd., a company incorporated in Singapore and an affiliate of BSREP III, Brookfield Asset Management’s (NYSE: BAM) latest flagship private real estate fund, which globally owns and operates \$350 billion of assets, with interests in various sectors (“**Brookfield**”), for acquiring (i) the Company’s hotel undertakings in Delhi, Bengaluru, Chennai and Udaipur; (ii) the Company’s business of hospitality and hotel management operations together with all intellectual property of the Company used in, held for use in, or related to the hospitality, hotels and resorts business or related to the Undertakings (as defined below); and (iii) the shares of LPRL, which owns certain property and holds licenses for the development of a hotel in Agra, through various subsidiaries (direct or indirect) or affiliates of Brookfield (each, a “**Purchaser Entity**”) as they intend to engage in the hospitality business in India. It is a composite proposal for the acquisition of the aforementioned hotels and related assets, as well as the “The Leela” brand and other associated brands and intellectual property rights as mentioned herein. Brookfield, through the Purchaser Entities, will purchase and consummate all of what is mentioned herein simultaneously. If any one of the transactions mentioned herein are not consummated, the entire transaction will fail and therefore, each and every aspect of the transaction described below is connected, interlinked and integral for the entire transaction to close.

In order to consummate the above transaction, it is now proposed to sell the Company’s hotel undertakings (other than the Company’s hotel in Mumbai) and the business of hotel management operations and all the shares of LPRL to the Purchaser Entities, in the following manner (“**Transaction**”):

- (a) The hotel undertaking of the Company located in Delhi is proposed to be transferred by way of a slump sale, as a ‘going concern’ to a Purchaser Entity, for a lumpsum consideration of ₹1,705 Crores, subject to adjustments, if any (“**Delhi Hotel Undertaking**”);
- (b) The hotel undertaking of the Company located in Bengaluru is proposed to be transferred by way of a slump sale, as a ‘going concern’ to a Purchaser Entity, for a lumpsum consideration of ₹1,000 Crores, subject to adjustments, if any (“**Bengaluru Hotel Undertaking**”);
- (c) The hotel undertaking of the Company located in Chennai is proposed to be transferred by way of a slump sale, as a ‘going concern’ to a Purchaser Entity, for a lumpsum consideration of ₹675 Crores, subject to adjustments, if any (“**Chennai Hotel Undertaking**”);
- (d) The hotel undertaking of the Company located in Udaipur is proposed to be transferred by way of a slump sale, as a ‘going concern’ to a Purchaser Entity, for a lumpsum consideration of ₹320 Crores, subject to adjustments, if any (“**Udaipur Hotel Undertaking**”);
- (e) The undertaking of the Company pertaining to the hotel/ project management operations of the Company (including the hotel management contracts and technical service agreements in relation to hotels/serviced apartments at Gurgaon, Delhi, Cavelossim, Kovalam, Hyderabad, Mumbai, Bengaluru, Gandhinagar), together with all intellectual property of the Company used in, held for use in, or related to the hospitality, hotels and

resorts business or related to the Undertakings (as defined below), is proposed to be transferred by way of a slump sale, as a 'going concern' to a Purchaser Entity, for a lumpsum consideration of ₹135 Crores, subject to adjustments, if any ("**Hotel Operations Undertaking**"); and

- (f) The entire shareholding of Leela Palaces and Resorts Limited ("**LPRL**"), which owns property in Agra and holds licenses for the development of a hotel, held by the Company is proposed to be transferred to a Purchaser Entity for a total consideration of ₹115 Crores.

Each of the aforementioned hotel undertaking set forth in items (a) to (e) are proposed to be transferred as a going concern on a 'slump sale' basis (as defined under Section 2(42C) of the Income Tax Act, 1961) for a lumpsum consideration, without values being assigned to individual assets and liabilities, based on certain representations, warranties and indemnities provided by the Company. Each hotel undertaking for the purpose of such transfer would comprise all undertakings of the Company pertaining exclusively to the relevant hotel, including the transfer of all its movable assets, immovable assets, liabilities, customer contracts, vendor contracts, properties, permits and licenses, employees and employee benefit funds, bookings/reservations made by customers, and records pertaining to the relevant hotel undertaking. The windmills owned by the Company in Karnataka and Tamil Nadu are also being transferred as part of the Bengaluru Hotel Undertaking and the Chennai Hotel Undertaking, respectively. The employees of each hotel undertaking shall be transferred to the relevant Purchaser Entity with full continuity of service and on terms no less favourable in the aggregate than the terms on which they are currently employed with the Company. A post-closing working capital adjustment is also envisaged in the transfer of each hotel undertaking. As part of the Transaction, the Company and the Promoters of the Company have agreed to certain exclusivity, non-compete and non-solicit restrictions.

The completion of the Transaction is subject to fulfilment of certain conditions precedent including, inter alia, receipt of the approval of the lenders of the Company, receipt of the approval of shareholders of the Company by way of special resolution and other regulatory approvals, as applicable, as well as the condition that all security created by or over the assets of the Company and/or the Promoters / Promoter Group in favour of the lenders of the Company are to be released upon and as a part of closing of the Transaction. The entire transaction is subject to lender's approval and in fact, the Company has already submitted the necessary documents for evaluation by lenders and approval by them.

As a part of the Transaction, the Company has, on March 18, 2019, entered into a Framework Agreement with Brookfield, among others, to record the understanding of the parties in relation to the contemplated Transaction ("**Framework Agreement**"), and, in addition the Company will execute separate Business Transfer Agreements ("**BTAs**"), as well as various supplementary and ancillary agreements, for the transfer of the Bengaluru Hotel Undertaking, Chennai Hotel Undertaking, the Delhi Hotel Undertaking, the Udaipur Hotel Undertaking, and the Hotel Operations Undertaking (collectively the "**Undertakings**") as part of their transfer on a slump sale basis as a going concern which will also include agreements for assignment of all intellectual property used in, held for use in, or related to the hospitality, hotels and resorts business or related to the Undertakings and agreements for the conveyance of immovable property in relation to the Undertakings. The Company will also execute a separate share purchase agreement with a Purchaser Entity for the sale of the entire 100% shareholding of the Company in LPRL. Further, the Company will provide transition support to the Purchaser Entity through, *inter alia*, limited licenses for the use of office space for a transition period and other support services as may be mutually agreed. In addition, Brookfield will have a right of first refusal over the Company's hotel in Mumbai, as a part of the transaction.

Voting and exclusivity agreements with *inter alia* the Promoters have also been entered into, where relevant members of the Promoter / Promoter group have provided their express consent to vote in favour of the resolutions contained in this notice in such manner so as to give effect to, and prescribing the manner of dealing with competing offers in relation to, the transaction.

In addition to the above, for the consummation of the Transaction, the following additional agreements are proposed to be entered into:

- (a) An escrow agreement will be entered into between Brookfield, the Company and its lenders, which will provide for the total consideration payable for the Transaction being deposited by Brookfield/ the relevant Purchase Entities in an escrow account which will be used for repayment of the loans taken by the Company from such lenders.

Simultaneous with such repayment, there will be a corresponding release of all mortgages/security interests created by the Company and its Promoters / Promoter Group in favour of such lenders and the Company's assets, including the Mumbai Hotel, which will then be free from all mortgages/security interests.

- (b) An agreement for assignment will be entered into by Leela Lace Holdings Private Limited (“**LLHPL**”) and a Purchaser Entity, for assignment of the intellectual property owned by LLHPL used in, held for use in or related to the hospitality, hotels and resorts and business, as may be mutually agreed between the Purchaser Entity and LLHPL, for a total consideration of ₹ 150 Crores (Rupees One Hundred and Fifty Crores).
- (c) An agreement for the license of the right to use the name “The Leela” with respect to the hotel operated by the Company in Mumbai, and related matters, and also an agreement for use of centralized services to be provided by Brookfield in this respect.
- (d) An agreement to be entered into between Brookfield and certain Promoters / members of the Promoter Group (or their affiliates) with respect to business expansion services to be provided to Brookfield, whereby the said Promoters / members of the Promoter Group (or their affiliates) would provide services and may receive consideration up to an amount of ₹150 Crores (Rupees One Hundred and Fifty Crores), subject to due performance of the terms and achievement of the milestones set out therein.
- (e) As the Bengaluru Hotel Undertaking is built partly on the land leased from Leela Lace Holdings Private Limited, as a part of the transfer of the Bengaluru Hotel Undertaking, there will be a fresh lease deed to be executed with respect to the grant of leasehold rights with respect to the Bengaluru Hotel Undertaking land which is owned by LLHPL, initially on the same rent as currently being paid by the Company. This agreement also grants to Brookfield a right of first refusal for the acquisition of the Bangalore hotel land.
- (f) Given that Promoters own the “The Leela” brand *inter alia* in respect of real estate projects, Brookfield and certain Promoters will enter into a joint venture agreement for the development of real estate projects using the said brand.
- (g) An intellectual property assignment agreement to be executed between the Promoters / Promoter Group and their affiliates and LLHPL as may be mutually agreed between the parties and Brookfield.
- (h) An intellectual property assignment agreement between the Company and identified promoters and their affiliates, with respect to registrations/ applications for registration of the trademark ‘Jamavar’, as may be mutually agreed between the parties and Brookfield.

Pursuant to the foregoing, the Audit Committee of the Company, at its meeting held on 18<sup>th</sup> March, 2019, has approved and recommended the Transaction to the Board of Directors. Pursuant thereto, the Board of Directors of the Company, at its meeting held on 18<sup>th</sup> March, 2019 has approved the Transaction, subject to the approval of the members and other requisite approvals and also subject to the fulfillment of various conditions, including that all security created by or over the assets of the Company and/or the Promoters / Promoter Group in favour of the lenders of the Company are to be released upon and as a part of closing of the Transaction. The Board has further accorded its approval for the execution of relevant transaction documents for giving effect to the above. The agreements and documents referred to in the postal ballot notice and explanatory statement are available for inspection.

In terms of Section 180(1)(a) of the Companies Act, 2013 (“**Act**”) a company shall not, except with the consent of the members by way of a special resolution, sell, lease, or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company in which the investment of the Company, exceeds 20% of its net worth as per the audited balance sheet of the preceding financial year or 20% of the total income of the company during the previous financial year.

In addition, Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “**LODR**”) provides that no company shall dispose of shares in its material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than 50% or cease to exercise of control over the subsidiary without passing a special resolution in its General Meeting, except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/ National Company Law Tribunal.

The net worth of the Company as on 31<sup>st</sup> March, 2018 is ₹48.30 Crores and the consolidated turnover of the Company for the financial year is ₹743.13 Crores.

LPRL is a material subsidiary of the Company as its net worth exceeds 20% of the consolidated net worth of the Company in the immediately preceding accounting year.

Since the proposed Transaction involves transfer/sale of the various Undertakings as mentioned above, as well as sale of shares held by the Company in LPRL, which exceeds 20% of the net worth of the Company as per the last audited balance sheet and also exceeds 20% of the total income of the Company during the previous financial year, the transactions mentioned under resolution Nos. 1 to 6 require the approval of the shareholders of the Company, as per the provisions of the Act/ LODR.

The proceeds of the Transaction would be used in accordance with the provisions of the transaction documents to repay the existing lenders of the Company, and upon closing, all the borrowings of the Company from all banks and financial institutions would have been repaid. The Company will continue to have and operate the hotel in Mumbai, certain land in Hyderabad (valued at about ₹40 Crores) and the joint development project of residential apartments with Prestige Developers in Bangalore (the balance value of which is about ₹90 Crores).

None of the Directors/ Managers/ Key Managerial Personnel of the Company and their relatives is/ are, in any way, concerned or interested in the said resolutions, except to the extent stated above, and also to the extent of their respective shareholdings in the Company, if any, and such other additional obligations that they are required to fulfil in order to complete the transaction.

The Board of Directors recommend to the members passing of these resolutions as special resolutions, through Postal Ballot.

**By order of the Board  
For Hotel Leelaventure Limited**

**Alen Ferns  
Company Secretary**

**Registered Office:**

The Leela, Sahar

Mumbai - 400 059

**CIN:** L55101MH1981PLC024097

Mumbai, 18<sup>th</sup> March, 2019