



## THE LEELA

PALACES HOTELS RESORTS

May 27, 2019

**The Department of Corporate  
Services**

**BSE Limited**

1<sup>st</sup> floor, New Trading Ring,  
Rotunda Building,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001

**Scrip Code: 500193**

**The Listing Department**

**National Stock Exchange of India  
Limited**

Exchange-Plaza, 5th Floor,  
Plot No .C/1,G block,  
Bandra Kurla Complex,  
Bandra (E)

Mumbai – 400 051

**Scrip Code: HOTELEELA**

Dear Sir / Madam,

**Sub: Annual Secretarial Compliance Report for the Financial Year 2018-19**

Pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read along with circular no. CIR/CFD/CMD1/27/2019 dated February 8, 2019, please find enclosed the Annual Secretarial Compliance Report dated 27<sup>th</sup> May 2019 of the Company issued by Mr. Prashant S. Mehta, Practicing Company Secretary for the financial year 2018 -19.

This is for your kind information and record.

Thanking you,

Yours faithfully,

For **Hotel Leelaventure Limited**

**Alen Ferns**

**Company Secretary**

Regd. Office:

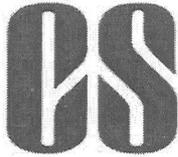
**HOTEL LEELAVENTURE LIMITED**

The Leela Mumbai, Sahar, Mumbai 400 059 India. Phone: (91-22) 6691 1234; Fax: (91-22) 6691 1212; Email: leela@theleela.com; [www.theleela.com](http://www.theleela.com)

The Leela Palaces, Hotels and Resorts: New Delhi, Bengaluru, Chennai, Mumbai, East Delhi, Gurugram, Udaipur, Goa and Kovalam

Upcoming Hotels: Bhartiya City Bengaluru, Jaipur and Agra.

Corporate Identity Number (CIN): L55101MH1981PLC024097



**P. MEHTA & ASSOCIATES**  
Practising Company Secretaries

**Secretarial compliance report of Hotel Leelaventure Limited for the  
year ended 31<sup>st</sup> March, 2019.**

I, Prashant S. Mehta, Proprietor of P. Mehta & Associates, Practising Company Secretaries, have examined:

- a) all the documents and records made available to me and explanation provided by Hotel Leelaventure Limited ("the listed entity"),
- b) the filings/ submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31<sup>st</sup> March, 2019 ("Review Period") in respect of compliance with the provisions of:

- a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;- Not applicable
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;- Not applicable
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;- Not applicable
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;- Not applicable
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- i) FEMA Regulations;

In addition, based on the above examination, I hereby report that, during the Review Period:

- a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-



Sr No	Compliance Requirement (Regulations/Circulars/Guidelines including specific clause)	Deviations	Observations/Remarks of the Practicing Company Secretary
1	Regulation 24 of SEBI (LODR) Regulations, 2015	Non-appointment of the Company's Independent Director on the Board of its material unlisted subsidiary.	The Company's Independent Director is not appointed as Director on the Board of the unlisted material subsidiary i.e. Leela Palaces and Resorts Limited after 17 <sup>th</sup> September, 2018 since all the Directors of the Company are disqualified under section 164(2)(b) of the Companies Act, 2013.

- b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from my examination of those records.
- c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr No	Action taken by	Details of violation	Details of Action taken E.g. fines, warning letter, debarment etc	Observations/Remarks of the Practicing Company Secretary, if any
1	SEBI vide its letter dated 23/04/2019 read with email dated 25/04/2019	ITC Limited and LIC have filed complaint with SEBI against sale of Company's undertakings/ shareholding in wholly owned subsidiary to BSREP III India Ballet Pte. Ltd. or its affiliates ("Brookfield") by Postal Ballot, alleging violation of the provisions relating to related party transactions and oppression and mismanagement against minority shareholders. The resolutions for sale of undertakings were approved by the shareholders on 24 <sup>th</sup> April, 2019 by way of postal ballot and the results were declared on 26 <sup>th</sup> April 2019.	Nil	SEBI has advised the Company to ensure that none of the transactions proposed in the Postal Ballot notice dated 18 <sup>th</sup> March, 2019 are acted upon till further directions from SEBI.  The Company has responded promptly to the queries raised and clarification sought by SEBI. The Company is awaiting the Order from SEBI in this regard.



d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr No	Observations/Remarks of the Practising Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended (The years are to be mentioned)	Actions taken by the listed entity, if any	Observations of the Practising Company Secretary on the actions taken by the listed entity
1	The Company has been in default in payment of principal amount since September, 2016 and interest since March, 2017 to LIC of India, the debenture holder. The Company has intimated the said defaults to the stock exchanges in April, 2018. Due to the aforesaid default Mr. Vivek Nair, Mr. Dinesh Nair and Mrs. Anna Malhotra Directors of the Company have been disqualified under Section 164(2) of the Act.	31.03.2018	In order to repay debts the Company has entered into a binding agreement with BSREP III India Ballet Pte. Ltd ("Brookfield") for acquiring the Company's hotel undertakings in Delhi, Bengaluru, Chennai and Udaipur as well as the Company's business of hotel management operations and 100% shareholdings of LPRL, which owns property in Agra. The Company has obtained Shareholders approval by way of special resolution through postal ballot on 24th April 2019. However, the Company is awaiting clearance and approval from the lenders and regulatory authorities for concluding the transaction.	The Company is still in default of payment of principal amount and interest on Secured Redeemable Non-convertible Debentures (NCD) due to LIC of India, Hence, all the Directors of the Company are disqualified under Section 164(2)(b) of the Act.
2	In accordance with the provisions of Section 152 of the Act, read with Section 149 of the said Act, the Directors are liable to retire by rotation at every Annual General Meeting. However, the Company has not complied with the requirements of the said Act.	31.03.2018	Mr. Vivek Nair, Chairman & Managing Director and Mr. Dinesh Nair, Co-Chairman and Managing Director, Executive Directors of the Company, are not liable to retire by rotation in terms of their appointment. The Board of the Company does not have any Non-Independent, Non-executive Director, who can be subjected to retire by rotation.	The Company has still not complied with the requirements of Section 152 of the Act, read with Section 149 of the said Act.



3	The Composition of the Board of Directors of the Company was not in compliance with the SEBI (LODR) during the part of the year. However, the Company has complied with the same during the year under review.	31.03.2018	The Company has complied with the requirement of composition of the Board by appointing requisite number of independent directors during the year under review.	The Company has complied with the requirements of the SEBI (LODR).
4	During the part of the year under review, the composition of Nomination & Remuneration Committee (NRC) did not consist of minimum 3 non-executive directors and is therefore not as per regulations 19 of the SEBI (LODR). However, the Board at its meeting held on 9 <sup>th</sup> May, 2018 has reconstituted the said committee to be in compliance with the requirements of the SEBI (LODR). Further, the Chairperson of NRC was not present at the previous Annual General Meeting of the Company.	31.03.2018	The Company has reconstituted the Nomination & Remuneration Committee, during the year under review.	The Company has complied with the requirements of the SEBI (LODR).

For P Mehta & Associates.  
Practicing Company Secretaries

*P. Mehta*

Prashant S. Mehta  
(Proprietor)  
ACS No. 5814  
C.P. No. 17341



Date: 27<sup>th</sup> May, 2019  
Place: Mumbai