

HOTEL LEELAVENTURE LIMITED

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

Tel: 022-6691 1234 □ Fax: 022-6691 1458 Email: investor.service@theleela.com □ Website: www.theleela.com □ CIN No.: L55101MH1981PLC024097

STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2019

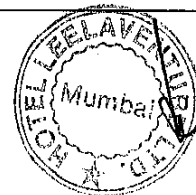
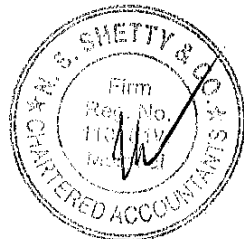
Rs in lakhs

Sr. No.	Particulars	Quarter Ended 30-Jun-19	Quarter Ended 31-Mar-19	Quarter Ended 30-Jun-18	Year Ended 31-Mar-19
		Unaudited reviewed	Audited (refer note 3)	Unaudited reviewed	Audited
1	Income				
	(a) Net sales /income from operations	3,188	4,306	3,493	15,434
	(b) Other income	106	101	102	418
	Total income	3,294	4,407	3,595	15,852
2	Expenses				
	(a) Food and beverages consumed	287	346	315	1,330
	(b) Employee benefits expense	1,435	1,600	1,496	6,043
	(c) Finance costs	3	4	22	40
	(d) Depreciation and amortisation	265	286	276	957
	(e) Other expenses	1,907	2,260	1,804	8,296
	Total expenses	3,897	4,496	3,913	16,666
3	Profit / (loss) from operations before exceptional items and tax	(603)	(89)	(318)	(814)
4	Exceptional items	477	(4,382)	585	(2,966)
5	Profit/(loss) before tax	(126)	(4,471)	267	(3,780)
6	Tax expenses	-	-	-	-
7	Net Profit/(loss) from continued operations for the period	(126)	(4,471)	267	(3,780)
8	Profit/(loss) from discontinued operations	(626)	1,489	(6,936)	(8,110)
9	Tax expenses from discontinued operations	-	-	-	-
10	Net Profit/(loss) from discontinued operations for the period	(626)	1,489	(6,936)	(8,110)
11	Net Profit/(loss) for the period	(752)	(2,982)	(6,669)	(11,890)
12	Items that may not be reclassified subsequently to the statement of profit and loss				
	- Remeasurement of defined benefit plan	(71)	91	(51)	22
	- Gain/(losses) on financial assets to fair value	-	-	-	-
13	Items that may be reclassified subsequently to the statement of profit and loss.				
14	Total other comprehensive income for the period	(71)	91	(51)	22
15	Total comprehensive income for the period	(823)	(2,891)	(6,720)	(11,868)
	Paid up equity share capital (face value Rs.2 per share)	12,611	12,611	12,611	12,611
	Other equity (excluding revaluation reserve)				(18,616)
	Debenture redemption reserve				6,750
	Earnings per share (continued operations) (in Rs.) - Basic and diluted	(0.02)	(0.71)	0.04	(0.60)
	Earnings per share (discontinued operations) (in Rs.) - Basic and diluted	(0.10)	0.24	(1.10)	(1.29)
	Earnings per share (continued and discontinued operations) (in Rs.) - Basic and diluted	(0.12)	(0.47)	(1.06)	(1.89)



Notes:

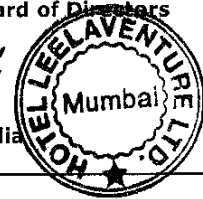
- 1 The financial results for the quarter ended 30th June, 2019 were reviewed by the Audit Committee of the Board and approved by the Board of Directors at their meeting held on 13th August, 2019. The results have been reviewed by the Statutory Auditors of the Company.
- 2 These financial results have been prepared in accordance with the recognition and measurement principles of Indian Accounting Standards ("Ind AS") prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
- 3 The figures for the quarter ended 31st March, 2019 are arrived at as difference between audited figures in respect of the full financial year ended on 31st March, 2019 and unaudited figures for the period of nine months ended 31st December, 2018.
- 4 As the Company does not have reportable segment other than Hotelling, segment-wise reporting is not applicable.
- 5 Exceptional items for the quarter represent net income from Joint development of property amounting to Rs.477 lakhs.
- 6 a) In order to resolve the Company's debt problem, the Company has entered into a binding agreement with BSREP III INDIA BALLET PTE. LTD. ("Brookfield") on 18th March 2019 to sell its hotel business undertaking at New Delhi, Udaipur, Bengaluru and Chennai, Hospitality and hotel operations business and its 100% shareholding in its subsidiary company which owns property at Agra and all intellectual property owned by the Company used in and held for use in the hotel owned and managed by it ("Disposal group(s)"), for an amount of Rs.395,000 lakhs (Brookfield Transaction). The Company intends to pay all its secured lenders including Assets Restructuring Companies (ARCs) out of the net proceeds, as a one-time settlement subject to the approval of lenders.
b) No provision for interest is made on the dues of ARCs from 30th June 2014 onwards, the date on which CDR lenders assigned the debts to ARCs, as the Company expects certain waiver/concession of interest from its secured lenders at the time of one-time settlement. The ARCs have notified the Company that (i) interest and penal interest are applicable as per the rates contracted prior to admission to CDR; (ii) the finance cost on the debt for the quarter is Rs.23,441 lakhs and till 30th June 2019 is Rs.413,907 lakhs; and (iii) the total debt amount is Rs.657,744 lakhs as against Rs. 243,837 lakhs accounted by the Company. If the provision for interest was made in accordance with the intimation received from the ARCs, the finance cost and the loss for the quarter would have been higher by Rs.23,441 lakhs (previous year Rs 20,814 lakhs).
c) The Brookfield Transaction was approved by the Board on 18th March 2019 and the shareholders by way of special resolution passed through a Postal Ballot on 24th April 2019. However, some minority shareholders filed complaints with Securities & Exchange Board of India (SEBI) and petition before the National Company Law Tribunal (NCLT) alleging that there are Related Party transactions and that the transaction is against the interests of the minority shareholders. Pursuant thereto, SEBI notified the Company, that while these representations are being examined by them, the Company shall not act upon the transaction proposed in the Postal Ballot Notice, till further directions from them. Now, SEBI vide its order dated 23rd July 2019 and addendum dated 30th July 2019, has held that the transactions are not Related Party transactions, but has directed the Company to conduct a fresh Postal Ballot, with additional disclosures. The Company is in the process of complying with the said order. However, the minority shareholder has filed an appeal against the said order before Securities Appellate Tribunal (SAT), which is pending. The petition before NCLT is also pending.
d) In the opinion of the Management and as per the legal opinion received, there is no substance in the complaint / petition filed by the minority shareholders before NCLT and the Company has a good case on merits.
- 7 The petition under Section 7 of the Insolvency & Bankruptcy Code, 2016 filed by JM Finance Asset Reconstruction Company Ltd is pending before NCLT, Mumbai bench. In view of the debt settlement proposed out of the Brookfield transaction, NCLT has given time till 27th September 2019 to submit the debt resolution agreement.
- 8 In compliance with Ind AS 105, operational results of the Disposal Group(s) forming part of the Brookfield Transaction are disclosed as 'profit /(loss) from discontinued operations' and related assets and liabilities of Disposal group(s) are classified as 'assets/liabilities held for sale'. The company has therefore not adopted Ind AS 116 for its discontinued operations.



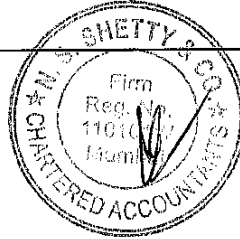
- 9 Airports Authority of India (AAI) has arbitrarily increased the lease rent payable for the Mumbai hotel, effective from 1st October 2014, the increased rentals on basis of such arbitrary increase works out to Rs.352 lakhs for the quarter ended 30th June 2019 and Rs.5,536 lakhs for the period upto 30th June 2019. The Company has objected to this increase and has not provided for the same. AAI has unilaterally terminated the lease and commenced eviction proceedings and the Company is legally contesting the same. Depreciation on Mumbai hotel building is provided at the applicable rate, on the assumption that the lease will be renewed.
- 10 AAI has claimed an amount of Rs.80,705 lakhs as on 31st January 2019 towards rent and minimum guarantee amount in respect of lease of 11,000 sq.mtrs. of land in Mumbai. The Company is disputing the claim on several grounds and based on the legal opinion obtained, the liability is contingent in nature. Hence, no provision is made for the claim.
- 11 The financial statements of the Company have been prepared on a 'Going concern basis' as (a) the proposed Brookfield Transaction would be concluded once the Company is legally allowed which would help in one-time settlement of dues with the lenders and the Company would be debt free and (b) the Company is confident of getting favourable judgement/ orders in respect of disputes with AAI and continuing the Mumbai Hotel operations.
- 12 Figures have been regrouped, rearranged or reclassified wherever necessary.

For and on behalf of the Board of Directors


Vinay Kapadia
Director



Place : Mumbai
Dated : 13th August 2019



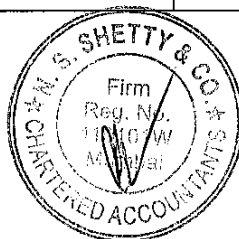
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CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2019

		Rs in lakhs			
Sr. No.	Particulars	Quarter Ended 30-Jun-19	Quarter Ended 31-Mar-19	Quarter Ended 30-Jun-18	Year Ended 31-Mar-19
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6	Tax expenses	-	-	-	-
7	Net Profit / (loss) from continued operations for the period	(126)	(4,471)	267	(3,780)
8	Profit / (loss) from discontinued operations	(626)	1,489	(6,936)	(8,113)
9	Tax expenses from discontinued operations	-	-	-	-
10	Net Profit / (loss) from discontinued operations for the period	(626)	1,489	(6,936)	(8,113)
11	Net Profit / (loss) for the period	(752)	(2,982)	(6,669)	(11,893)
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