

HLV LIMITED

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Unaudited Financial Results For The Quarter Ended 30th June 2022

Rs. in lakhs

| Sr. No. | Particulars | Quarter Ended 30-June-22 | Quarter Ended 31-Mar-22 | Quarter Ended 30-June-21 | Year ended 31-Mar-22 |
|---------|---|--------------------------|-------------------------|--------------------------|----------------------|
| | | Unaudited | Unaudited | Unaudited | Audited |
| 1 | Income | | | | |
| | (a) Net sales / income from operations | 3,994 | 2,500 | 734 | 7,300 |
| | (b) Other income | 96 | 179 | 36 | 332 |
| | Total income | 4,090 | 2,679 | 770 | 7,632 |
| 2 | Expenses | | | | |
| | (a) Food and beverages consumed | 317 | 208 | 71 | 715 |
| | (b) Employee benefits expense | 1,152 | 889 | 481 | 2,938 |
| | (c) Finance costs | 129 | 54 | 71 | 235 |
| | (d) Depreciation and amortisation | 265 | 288 | 329 | 1,276 |
| | (e) Other expenditure | 2,055 | 1,549 | 1,398 | 5,722 |
| | Total expenses | 3,918 | 2,988 | 2,350 | 10,887 |
| 3 | Profit / (loss) from operations before exceptional items and tax | 172 | (309) | (1,580) | (3,255) |
| 4 | Exceptional items | (439) | (1,159) | 261 | (996) |
| 5 | Profit / (loss) before tax | (267) | (1,468) | (1,319) | (4,251) |
| 6 | Tax expenses | - | - | - | - |
| 7 | Net Profit / (loss) for the period | (267) | (1,468) | (1,319) | (4,251) |
| 8 | Items that may not be reclassified subsequently to the statement of profit and loss | | | | |
| | - Remeasurement of defined benefit plan | 76 | 279 | 8 | 302 |
| | - Gain / (losses) on financial assets to fair value | - | - | - | - |
| 9 | Items that may be reclassified subsequently to the statement of profit and loss | - | - | - | - |
| 10 | Total other comprehensive income for the period | 76 | 279 | 8 | 302 |
| 11 | Total comprehensive income for the period | (191) | (1,189) | (1,311) | (3,949) |
| | Paid up equity share capital (face value Rs.2 per share) | 13,185 | 13,185 | 12,611 | 13,185 |
| | Other equity (excluding revaluation reserve) | - | - | - | 18,035 |
| | Earnings per share (in Rs.) - Basic and diluted | (0.04) | (0.22) | (0.21) | (0.66) |



Notes:

- 1 The unaudited results for the quarter ended 30th June, 2022 were considered by the Audit Committee and have been approved by the Board of Directors at their meeting held on 10th August, 2022.
- 2 The figures for the last quarter ended 31st March, 2022 are derived after taking into account the unaudited financial information for the period of nine months ended 31st December, 2021.
- 3 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.
- 4 As the Company does not have reportable segment other than Hoteliering, segment-wise reporting is not applicable.
- 5 Exceptional items represent
 - i) income from Joint development of property amounting to Rs. 13 lakhs for the quarter ended 30th June, 2022 .
 - ii) write off of Fixed Deposit of Rs. 452 Lakhs adjusted by the Bank towards settled loan.
- 6 An appeal filed by one of the minority shareholder viz. ITC Ltd. with Supreme Court of India against the order of Securities Appellate Tribunal (SAT) in the matter of transfer of Business Undertaking to Brookfield Group is pending. Further the petition filed by the said ITC Ltd. before National Company Law Tribunal ("NCLT"), Mumbai alleging oppression and mismanagement is also pending for disposal. These matters have not been taken up for hearing till date.
- 7 (a) 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.760 lakhs for the quarter ended 30th June, 2022 and Rs.10,168 lakhs for the period upto 30th June, 2022. The Company has objected to this arbitrary increase and has not provided for the same. AAI has unilaterally terminated the lease and commenced eviction proceedings. The Company is legally contesting the same and Hon'ble Bombay High Court vide it's interim order dated 30th June, 2021 directed AAI not to proceed in the matter of eviction. The final judgement in the matter of eviction is reserved on 27th October, 2021 and awaiting for final order. Depreciation on Mumbai hotel building is provided at the applicable rate, on the assumption that the lease will be renewed.
(b) AAI has claimed an amount of Rs.80,705 lakhs as on 31st January 2019 towards rent and minimum guarantee amount on projected turnover alongwith interest in respect of lease of 11,000 sq.mtrs. of land in Mumbai. The Company is disputing the claim on several grounds and Hon'ble Bombay High Court vide it's interim order dated 30th June, 2021 directed AAI not to proceed in the matter of eviction. The final judgement in the matter of eviction is reserved on 27th October, 2021 and awaiting for final order. Based on the legal opinion obtained, the liability is contingent in nature. Hence, no provision is made for the claim.
(c) The above disputes are at present with the Settlement Advisory Committee duly constituted by the Board of AAI. The Company in the various meetings held with them, putforth their submissions against the demand raised by them arbitrarily and for the renewal of lease for further period. The Company is awaiting the outcome of the same shortly.
- 8 The Company's operations and performance has been improving compared to previous quarters. Improved COVID 19 situation and other measures taken by Government of India from time to time including lifting the travel restrictions, have resulted in improved business. The management has made an assessment of liquidity position and recoverability of carrying value of its assets and the management believes that the company will be able to meet all of its obligations.
- 9 The financial result of the Company have been prepared on a 'Going concern basis' on the assumption that the Company shall get favourable judgements and settlements in respect of matters referred in Note No. 7(a) and (b) including the renewal of lease and continue the business.
- 10 The basic and diluted Earning Per Share (EPS) have been calculated after considering the equity shares issued on 4th September, 2021 on preferential basis. Thus EPS for current quarter and preceeding quarters are not comparable
- 11 Figures have been regrouped, rearranged or reclassified wherever necessary.

Place : Mumbai

Dated : 10th August, 2022


Vinay Kapadia
Chairman
