



THE LEELA

PALACES HOTELS RESORTS

November 29, 2018

Wholesale Debt Market Segment

Bombay Stock Exchange Limited

P J Towers

Dalal Street

Mumbai 400 001

Dear Sir,

Sub: Compliance under Regulation 52(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the half-year ended 30th September, 2018

Ref. Secured Redeemable Non-convertible Debentures issued on Private Placement Basis aggregating to Rs.90 crores (Scrip ID: HLVL19DEC08 / Code No.945983 / ISIN Number – INE102A07013)

In terms of Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has submitted the relevant information / documents for the half-year ended 30th September, 2018 vide its letter dated 28th November, 2018 to Axis Trustee Services Limited, the Debenture Trustee.

We submit herewith Debenture Trustee's confirmation letter dated 29th November, 2018 confirming that the Company has submitted relevant information / documents in terms of Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Trustee has taken note of the contents.

Please take the above information.

Thanking you,

Yours faithfully

For **Hotel Leelaventure Limited**

Alen Ferns
Company Secretary



Encl: as above

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

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





ATSL/CO/18-19/ 6642
November 29, 2018

HOTEL LEELAVENTURE LIMITED
The Leela Mumbai, Sahar,
Mumbai 400 059.

Kind Attn.: The Company Secretary

Sub: Letter of Debenture Trustee pursuant to Regulation 52 (5) of the SEBI (Listing Obligations and Disclosure Requirements) 2015 - for half year ended 30th September 2018

Dear Sir/ Ma'am,

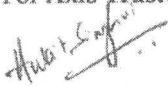
This has reference to privately placed listed Non-Convertible Debentures issued by Hotel Leelaventure Limited ("Company") and listed on the Stock Exchange ("Listed Debt Securities").

Pursuant to Regulation 52(4) read with Regulation 52 (5) of the SEBI (Listing Obligations and Disclosure Requirements) 2015, the Company is required to submit its half yearly/annual financial results to the Stock Exchange, with a letter of the Debenture Trustee (Axis Trustee Services Limited) that the Debenture Trustee has noted the contents furnished by the Company as per Regulation 52(4).

In pursuance thereof we hereby confirm that we have received the aforesaid information vide your letter dated November 28, 2018 (enclosed herewith) along with the relevant/necessary supporting and we have noted the contents in respect of the Listed Debt Securities issued by the Company.

Thanking You,

Yours faithfully,
For Axis Trustee Services Limited


Ankit Singhvi
Assistant General Manager



Encl.: As above

AXIS TRUSTEE SERVICES LTD.

(A wholly owned subsidiary of Axis Bank)

Corporate Identity Number (CIN): U74999MH2008PLC182264

REGISTERED OFFICE: Axis House, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400 025.

CORPORATE OFFICE: Axis Trustee Services Limited | The Ruby | 2nd Floor | SW | 29 Senapati Bapat Marg | Dadar West | Mumbai- 400 028

Tel. No.: 022 6230 0451 • Website: www.axistrustee.com



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.

TO WHOM SO EVER IT MAY CONCERN

We have reviewed the accounts of Hotel Leelaventure Limited ("the Company") for the quarter ended 30th September, 2018 and based on our audit and explanations given to us, we hereby certify the following:

1. The debt Service Coverage ratio as on 30th September, 2018 is Negative
2. Interest Service Coverage ratio as on 30th September, 2018 is Negative
3. The net worth of the Company as on 30th September, 2018 is (8044.57) Lakhs
4. Net Loss including comprehensive income for the quarter ended 30th September, 2018 is 6473 Lakhs
5. Earnings / (loss) per share for the half year ended 30th September, 2018 is Rs.(2.11)

Note: For the purpose of above computation:

- (a) Long Term Debts as on 30th September, 2018 is considered as debt and the entire capital and reserve, excluding revaluation reservation, less intangible assets as on 30th September, 2018 is treated as equity.
- (b) The Company has not provided interest on dues to Asset Reconstruction Companies (ARCs) and hence not considered while computing the debt.

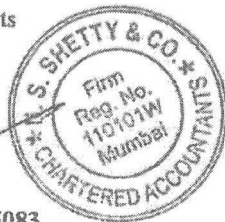
For N S Shetty & Co
 Chartered Accountants
 FRN/110101W


 N S Shetty
 Partner

Membership No.:035083

Place: Mumbai

Date: 12th November, 2018





N. S. SHETTY & CO.
CHARTERED ACCOUNTANTS

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

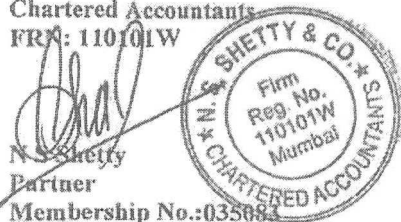
"Arjun", Plot No. 6A, V.P. Road,
 Andheri (W), Mumbai - 400 058.

TO WHOM SO EVER IT MAY CONCERN

We have examined the relevant documents relating to Rs. 90 Crores of redeemable non-convertible debentures issued by Hotel Leelaventure Limited ("the Company") on 19th December, 2008 and on the basis of the relevant records produced before us and according to the information and explanation given to us by the Company, we certify the following:

1. The assets offered as security by the Company against the said debenture in terms of Master Restructuring Agreement (MRA) dated 28th September, 2012 are fully insured against all risks.
2. The Debt Equity ratio maintained by the Company is 15. The ratio is computed based on the audited accounts of the Company as on 30th September, 2018. For the purpose of Computation:
 - (a) Borrowings as on 30th September, 2018 is considered as debts and entire capital and reserve, including revaluation reserves, as on that date is treated as equity.
 - (b) The Company has not provided interest on dues to Asset Reconstruction Companies (ARCs) and hence not considered while computing the debt.
3. The Company has transferred Rs. 6,750 Lakhs till 30th September, 2018 to the Debenture Redemption Reserve.

For N S Shetty & Co
 Chartered Accountants
 FRA: 110101W



N. S. Shetty
 Partner

Membership No.:035084

Place: Mumbai

Date: 12th September, 2018



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.

CERTIFICATE

We have verified the books of accounts and other records of Hotel Leelaventure Limited, having its Registered Office at The Leela, Sahar, Mumbai-400059.

In terms of the Master Restructuring Agreement (MRA) dated 28th September, 2012, the security, earlier held by the Debenture Trustee, has been pooled with other assets of the Company and security has been created in favour of Security Trustee (SBICAP Trustee Company Limited), who hold the assets on behalf of all the secured lenders including Axis Trustee Services Limited for the benefit of Life Insurance Corporation of India, the debenture holder.

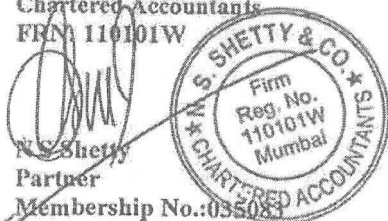
On the basis of such verification, we certify that the Book Value of Fixed Assets (including revaluation) offered as security to the secured lenders including the debenture holder as stated above as on 30th September, 2018 is Rs. 3139.36 Crores

The Company has not provided interest on dues to Asset Reconstruction Companies (ARC). Hence, for the purpose of Computation of dues to other lenders, interest upto 30th September, 2018 amounting to Rs. 3456.80 Crores not provided to ARCs is not considered.

Details of Secured Loans	Rs. in Crores
Life Insurance Corporation of India (Including Accrued Interest)	81.55
Other Lenders on pari passu basis	2602.75
Total	2684.30

Fixed Asset Coverage Ratio	1.17
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For N S Shetty & Co
 Chartered Accountants
 FRN 110101W



N. S. Shetty
 Partner
 Membership No.: 035083
 Place: Mumbai
 Date: 12th November, 2018



N. S. SHETTY & CO.
CHARTERED ACCOUNTANTS

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E-mail : nsshetty_co@yahoo.com

"Arjun", Plot No. 6A, V.P. Road,
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Annexure-4

**LIMITED REVIEW REPORT ON THE UNAUDITED STANDALONE FINANCIAL
RESULTS FOR THE QUARTER AND HALF YEAR ENDED ON SEPTEMBER 30, 2018**

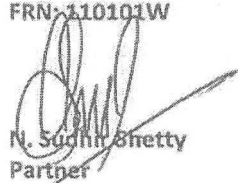
Review Report To,
The Board of Directors,
Hotel Leelaventure Limited
Mumbai

- 1 We have reviewed the accompanying statement of unaudited standalone financial results ('the statement') of **Hotel Leelaventure Limited** ('the Company') for the quarter and half year ended September 30, 2018 attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2 The preparation of Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India, is responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to issue a report on the Statements based on our review.
- 3 We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor Of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
- 4 Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement, prepared in accordance with applicable Accounting Standards i.e. Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting practices and polices, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure



Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For N S Shetty & Co
Chartered Accountants
FRN: 110101W


N. Sudhir Shetty
Partner



Membership No.: 035083
Place: Mumbai
Date: 12th November, 2018

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

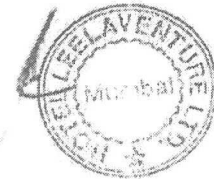
STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER & HALF YEAR ENDED 30TH SEPTEMBER, 2018

Rs in lakhs

Sr. No.	Particulars	Standalone					
		Quarter ended 30-Sep-2018	Quarter ended 30-Jun-2018	Quarter ended 30-Sep-2017	Half year ended 30-Sep-18	Half year ended 30-Sep-17	Previous year ended 31-Mar-18
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Income						
	(a) Net sales / income from operations	16,414	15,620	15,839	32,034	30,849	21,854
	(b) Other income	352	296	142	648	301	2,458
	Total income	16,766	15,916	15,981	32,682	31,150	24,312
2	Expenses						
	(a) Food and beverages consumed	1,561	1,481	1,555	3,042	2,984	6,513
	(b) Employee benefits expense	5,103	4,902	4,883	10,005	9,747	19,279
	(c) Finance costs	3,418	3,187	2,096	6,605	4,136	8,361
	(d) Depreciation and amortisation	2,934	2,917	3,222	5,851	6,428	12,542
	(e) Other expenditure	11,132	10,683	6,669	21,815	12,663	26,639
	Total expenses	24,148	23,170	18,425	47,318	35,958	73,340
3	Profit / (loss) from operations before exceptional items and tax	(7,382)	(7,254)	(2,444)	(14,636)	(4,808)	972
4	Exceptional items	729	585	-	1,314	-	(3,294)
5	Profit / (loss) before tax	(6,653)	(6,669)	(2,444)	(13,322)	(4,808)	(2,322)
6	Tax expenses	-	-	-	-	-	-
7	Net Profit / (loss) for the period	(6,653)	(6,669)	(2,444)	(13,322)	(4,808)	(2,322)
8	Other comprehensive income						
	- Remeasurement of defined benefit plan	180	(51)	(16)	129	(59)	137
	- Gain / (losses) on financial assets to fair value	-	-	(29)	-	(58)	-
	Total other comprehensive Income for the period	180	(51)	(45)	129	(117)	137
9	Total comprehensive income for the period	(6,473)	(6,720)	(2,489)	(13,193)	(4,925)	(2,185)
10	Paid up equity share capital (face value Rs.2 per share)	12,611	12,611	9,332	12,611	9,332	12,611
11	Other equity (excluding revaluation reserve)						(7,552)
12	Debenture redemption reserve						6,750
13	Earnings per share (In Rs.) - Basic and diluted	(1.06)	(1.06)	(0.53)	(2.11)	(1.03)	(0.47)
14	Interest service coverage ratio (refer note 6)				Negative	Negative	Negative
15	Debt service coverage ratio (refer note 6)				Negative	Negative	Negative
16	Debt equity ratio (refer note 6)				15	51	10



Statement of Assets and Liabilities	Rs. in lakhs	
	Standalone	
	As at 30-Sep-18	As at 31-Mar-18
Particulars	Unaudited	Audited
ASSETS		
Non-current assets		
Property, plant and equipment	368,816	374,499
Capital work-in-progress	402	464
Investment property	7,439	7,498
Intangible assets	181	229
Financial assets:		
Investments	9,002	9,038
Other financial assets	6,403	6,280
Tax Assets (net)	2,401	1,986
Other non-current assets	7,226	7,155
Total non-current assets	401,870	407,149
Current assets		
Inventories	3,063	3,226
Financial assets		
Trade receivables	8,372	8,255
Cash and cash equivalents	3,205	2,040
Other balances with banks	779	154
Other financial assets	646	679
Other current assets	3,542	4,021
Total current assets	19,607	18,375
Non-current assets held for sale	13,827	30,628
Total assets	435,304	456,152
EQUITY AND LIABILITIES		
Equity		
Equity Share Capital	12,611	12,611
Other Equity	12,632	25,825
Total Equity	25,243	38,436
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	293,097	307,305
Other financial liabilities	2,140	2,124
Provisions	1,470	1,665
Total non-current liabilities	296,707	311,094
Current liabilities		
Financial liabilities		
Borrowings	11,955	11,955
Trade payables	9,120	9,624
Other financial liabilities	84,316	65,474
Other liabilities	3,617	3,679
Provisions	756	567
Total current liabilities	109,764	91,299
Advance received against asset held for sale	3,590	15,323
Total equity and liabilities	435,304	456,152



Notes:

- 1 The unaudited financial results for the quarter and half year ended 30th September, 2018 were considered by the Audit Committee and have been approved by the Board of Directors at their meeting held on 12th November 2018.
- 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. Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS.
- 3 As the Company does not have reportable segment other than Hotelling, segment-wise reporting is not applicable.
- 4 Other expenses for the quarter and half year includes exchange rate loss amounting to Rs. 4,403 lakhs (Previous Year Rs. 1,056 Lakhs) and Rs. 8,685 lakhs (Previous Year Rs. 865 Lakhs) respectively.
- 5 Exceptional items for the quarter and half year includes a) net income from Joint development of property amounting to Rs.729 lakhs, and b) profit on sale of non-core asset for the quarter Rs.Nil and for half year Rs.585 lakhs.
- 6 The erstwhile CDR Lenders with exposure of 95.6% of the CDR Debt assigned their debt to JM Financial Asset Reconstruction Company Limited and 1 lender with exposure of about 1% of the CDR Debt to Phoenix ARC Private Limited on 30th June,2014. 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.21,721 lakhs and till 30th September 2018 is Rs.345,680 lakhs; and (iii) the debt amount is Rs.599,362 lakhs as against Rs.253,682 lakhs accounted by the Company. The Company has been evaluating various options for a viable restructuring, including sale / monetisation of non-core assets, sale of hotels, equity infusion and debt refinancing by investors, etc. The Company expects the restructuring to include certain waiver / concessions in interest and repayment terms and pending approval of the same, has classified the debt as Non-current Liability in the Asset & Liability statement above and has not provided for the interest as per rates notified by ARCs.
If interest provision was made in accordance with the intimation received from the ARCs, the finance cost and the loss for the quarter and half year would have been higher by Rs.21,721 lakhs (previous year Rs 20,595 lakhs) and Rs.42,535 lakhs (previous year Rs.40,329 lakhs) respectively. The interest liability till 30th September 2018 would have been higher by Rs.345,680 lakhs.
- 7 The Supreme Court had dismissed the special leave petition filed by the Company against the judgement of Delhi High Court setting aside the Award passed by the sole arbitrator in relation to a dispute with Airports Authority of India (AAI) regarding the minimum guaranteed amounts on lease of 11,000 sq. meters of land at Mumbai. The amount in dispute according to AAI is Rs 31,119 lakhs upto 31st July 2017. Company has received expert opinion that the entire proceedings before the Ld. Arbitrator is a "nullity" in law and void ab initio and according to their opinion, the Company is not liable to pay any amounts to AAI. Hence, no provision is made for the demand raised by AAI.
- 8 AAI has unilaterally terminated the lease of 18,000 sq. meters of land on which the Mumbai hotel is built and have commenced eviction proceedings. The Company, based on the legal advice is contemplating to legally challenge the same. Depreciation on the Mumbai hotel is provided at the applicable rate, on the assumption that the lease will be renewed.
- 9 The listed non-convertible debentures of the Company amounting to Rs 6,750 lakhs as at 30th September, 2018 are secured by way of mortgage/charge on certain properties of the Company, Details of Non-convertible debentures are as follows:

	Previous Due Date	Previous Due Date
	Principal	Interest
12.5% Non Convertible Debentures	30th Sep 18	30th Sep 18

The entire principal amount of Rs.6,750 lakhs is due for redemption along with interest amounting to Rs.1,406 lakhs till the date of actual redemption.

- 10 The previous quarter / half year figures have been rearranged and / or regrouped, wherever necessary, to make them comparable with those of current quarter / half year.

Place : Mumbai
Dated : 12th November 2018



For and on behalf of the Board of Directors

Vivek Nair
Vivek Nair
Chairman and Managing Director

