



# THE LEELA

PALACES HOTELS RESORTS

August 13, 2018

**The Department of Corporate Services**  
**BSE Limited**  
1<sup>st</sup> floor, Rotunda Building  
B.S. Marg, Fort  
Mumbai – 400 001

**Stock Code: 500193**  
**NCD Code: HLVL19DEC08**

**The Listing Department**  
**National Stock Exchange of India Limited**  
Exchange-Plaza,  
Bandra Kurla Complex  
Bandra (E)  
Mumbai – 400 051  
**HOTELEELA**

Dear Sir,

**Sub: Outcome of the Board Meeting held on 13<sup>th</sup> August, 2018**

We wish to inform you that the Board of Directors of the Company at their meeting held today have approved the Unaudited financial results of the Company for the first quarter ended 30<sup>th</sup> June, 2018.

Accordingly, in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the unaudited financial results for the said quarter along with the Limited Review Report of the Auditors.

The extract of the financial results are also being published in the newspapers.

The Board meeting started at 11.30 A.M. and concluded at 1.20 P.M.

Please take the above documents and information on record.

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](http://www.theleela.com)

The Leela Palaces, Hotels and Resorts: New Delhi, Bengaluru, Chennai, Mumbai, East Delhi, Gurugram, Udaipur, Goa, Kovalam and Mahatma Mandir Convention and Exhibition Centre, Gandhinagar, Gujarat.

Upcoming Hotels: Jaipur, Hyderabad, Bhartiya City Bengaluru, Gandhinagar Gujarat and Agra.

Corporate Identity Number (CIN): L55101MH1981PLC024097

# 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 2018

Rs in lakhs

Particulars	Quarter Ended 30-Jun-18	Quarter Ended 31-Mar-18	Quarter Ended 30-Jun-17	Year Ended 31-Mar-18
	Unaudited reviewed	Unaudited reviewed	Unaudited reviewed	Audited
<b>Income</b>				
(a) Net sales / income from operations	15,620	20,644	14,940	71,854
(b) Other income	296	397	350	2,458
<b>Total income</b>	<b>15,916</b>	<b>21,041</b>	<b>15,290</b>	<b>74,312</b>
<b>Expenses</b>				
(a) Food and beverages consumed	1,481	1,726	1,429	6,513
(b) Employee benefits expense	4,902	4,439	4,840	19,279
(c) Finance costs	3,187	2,233	2,040	8,367
(d) Depreciation and amortisation	2,917	3,036	3,206	12,542
(e) Other expenses	10,683	7,893	6,139	26,639
<b>Total expenses</b>	<b>23,170</b>	<b>19,327</b>	<b>17,654</b>	<b>73,340</b>
Profit / (loss) from operations before exceptional items and tax	(7,254)	1,714	(2,364)	972
Exceptional items	585	(3,294)	-	(3,294)
<b>Profit / (loss) before tax</b>	<b>(6,669)</b>	<b>(1,580)</b>	<b>(2,364)</b>	<b>(2,322)</b>
Tax expenses	-	-	-	-
<b>Net Profit / (loss) for the period</b>	<b>(6,669)</b>	<b>(1,580)</b>	<b>(2,364)</b>	<b>(2,322)</b>
<b>Other comprehensive income</b>				
- Remeasurement of defined benefit plan	(51)	225	(43)	137
- Gain / (losses) on financial assets to fair value	-	86	(29)	-
<b>Total other comprehensive income for the period</b>	<b>(51)</b>	<b>311</b>	<b>(72)</b>	<b>137</b>
<b>Total comprehensive income for the period</b>	<b>(6,720)</b>	<b>(1,269)</b>	<b>(2,436)</b>	<b>(2,185)</b>
Paid up equity share capital (face value Rs.2 per share)	12,611	12,611	9,332	12,611
Other equity (excluding revaluation reserve)				(7,552)
<b>Earnings per share (in Rs.) - Basic and diluted</b>	<b>(1.06)</b>	<b>(0.25)</b>	<b>(0.52)</b>	<b>(0.43)</b>



Notes:

- 1 The unaudited financial results of the Company for the quarter ended 30th June 2018 have been subjected to limited review by the statutory auditors, reviewed by the Audit Committee of the Board and approved by the Board of Directors at their meeting held on 13th August, 2018.
- 2 The results for the first quarter are not indicative of a full year's working, due to the seasonal nature of the hotel business in India.
- 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 The figures for the quarter ended 31st March 2018 are balancing figures between audited figures of the full financial year and year to date published figures up to the third quarter of the relevant financial year which were subject to limited review.
- 6 Other expenses for the quarter ended 30th June 2018 includes exchange rate loss amounting to Rs.4282 lakhs.
- 7 Exceptional items for the quarter ended 30th June 2018 represents profit on sale of non-core asset amounting to Rs.585 lakhs and for the quarter and year ended 31st March 2018 represents net income from Joint development of property amounting to Rs.1893 lakhs and impairment of capital work in progress and leasehold rights amounting to Rs.5187 lakhs.
- 8 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 ending 30th June 2018 is Rs.20814 lakhs (previous year quarter ending 30th June 2017, Rs.19733 lakhs). 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 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 ending 30th June 2018 would have been higher by Rs.20814 lakhs (previous year quarter ending 30th June 2017, Rs.19733 lakhs).
- 9 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 11000 sq. meters of land. The review petition filed before the Supreme Court is rejected. The Company based on the expert legal opinion received, that the entire proceedings before the Ld. Arbitrator is a "nullity" in law and void ab initio as the proceedings before them were "without jurisdiction" and, accordingly, the Company is not liable to pay the demand raised by the AAI. According to AAI the amount outstanding is Rs.31119 lakhs upto 31st July 2017. The Company is disputing their claim and has initiated the appropriate legal proceedings against AAI for nullification of the outstanding claim. Hence, no provision is made for the demand raised by AAI.
- 10 AAI has unilaterally terminated the lease of 18000 sq. meters of land on which the Mumbai hotel is built and have commenced eviction proceedings. The Company, based on the legal advise 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.
- 11 Figures for earlier period have been regrouped or rearranged, wherever necessary.

Place : Mumbai  
Dated : 13th August 2018

For and on behalf of the Board of Directors



*Vivek Nair*  
Vivek Nair  
Chairman and Managing Director



# HOTEL LEELAVENTURE LIMITED

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

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## EXTRACT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2018

Rs in lakhs

Particulars	Quarter Ended 30-Jun-18	Quarter Ended 31-Mar-18	Quarter Ended 30-Jun-17	Year Ended 31-Mar-18
	Unaudited reviewed	Unaudited reviewed	Unaudited reviewed	Audited
Total Income from operations (net)	15,916	21,041	15,290	74,312
Net Profit / (loss) for the period (before tax and exceptional items)	(7,254)	1,714	(2,364)	972
Net Profit / (loss) before tax (after exceptional items)	(6,669)	(1,580)	(2,364)	(2,322)
Net Profit / (loss) after tax	(6,669)	(1,580)	(2,364)	(2,322)
Total comprehensive income for the year	(6,720)	(1,269)	(2,436)	(2,185)
Equity share capital	12,611	12,611	9,332	12,611
Earnings per share (of Rs) - Basic and diluted	(1.06)	(0.25)	(0.52)	(0.43)

### Notes

- The above is an extract of the detailed format of quarterly financial results filed with the Stock Exchanges under regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. The full format of the quarterly financial results are available on the websites of NSE and BSE at www.nseindia.com and www.bseindia.com respectively and on Company's website at www.theleela.com
- The financial results of the Company for the quarter ended 30th June 2018 have been subjected to limited review by the statutory auditors, reviewed by the Audit Committee of the Board and approved by the Board of Directors at their meeting held on 13th August, 2018.
- 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 ending 30th June 2018 is Rs.20814 lakhs (previous year quarter ending 30th June 2017, Rs.19733 lakhs). 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 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 ending 30th June 2018 would have been higher by Rs.20814 lakhs (previous year quarter ending 30th June 2017, Rs.19733 lakhs).
- 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 11000 sq. meters of land. The review petition filed before the Supreme Court is rejected. The Company based on the expert legal opinion received, that the entire proceedings before the Ld. Arbitrator is a "nullity" in law and void ab initio as the proceedings before them were "without jurisdiction" and, accordingly, the Company is not liable to pay the demand raised by the AAI. According to AAI the amount outstanding is Rs.31119 lakhs upto 31st July 2017. The Company is disputing their claim and has initiated the appropriate legal proceedings against AAI for nullification of the outstanding claim. Hence, no provision is made for the demand raised by AAI.
- AAI has unilaterally terminated the lease of 18000 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.
- Results for the quarter ended 30th June 2018 are in compliance with Indian Accounting Standards ("Ind AS" as notified by the Ministry of Corporate Affairs).
- Figures for the earlier periods have been regrouped, wherever necessary

Place : Mumbai

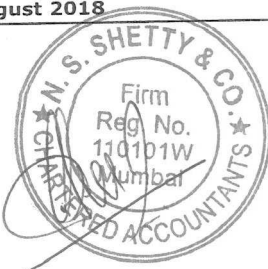
Dated : 13th August 2018



For and on behalf of the Board of Directors

*Vivek Nair*

Chairman and Managing Director





**N. S. SHETTY & CO.**  
**CHARTERED ACCOUNTANTS**

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

**LIMITED REVIEW REPORT ON THE UNAUDITED STANDALONE FINANCIAL  
RESULTS FOR THE QUARTER ENDED ON JUNE 30, 2018**

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

- 1 We have reviewed the accompanying statement of unaudited standalone Ind AS financial results ('the statement') of **Hotel Leelaventure Limited** ('the Company') for the quarter ended June 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. Attention is drawn to the fact that the figures for the quarter ended 31<sup>st</sup> March, 2018 as reported in these unaudited standalone financial results are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures upto the third quarter of the previous financial year. The figures upto the end of the third quarter of previous financial year had only been reviewed and not subject to audit.
- 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.
  
- 5 The Comparative Ind AS financial information of the Company for the corresponding quarter ended 30<sup>th</sup> June, 2017, included in these standalone Ind AS financial results, was reviewed by the predecessor auditor who expressed an unmodified review opinion on that financial information on 8<sup>th</sup> September, 2017.

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



**N. Sudhir Shetty**  
**Partner**  
**Membership No.:035083**  
**Place: Mumbai**  
**Date: 13th August, 2018**