

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

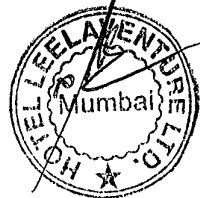
AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2019

Rs. in lakhs

Sr. No.	Particulars	Standalone					Consolidated	
		Quarter Ended 31-Mar-19	Quarter Ended 31-Dec-18	Quarter Ended 31-Mar-18	Year Ended 31-Mar-19	Year Ended 31-Mar-18	Year Ended 31-Mar-19	Year Ended 31-Mar-18
		Unaudited	Unaudited	Unaudited	Audited	Audited	Audited	Audited
1	Income							
	(a) Net sales /income from operations	4,306	3,996	4,154	15,434	13,784	15,434	13,784
	(b) Other income	101	72	455	418	645	418	645
	Total income	4,407	4,068	4,609	15,852	14,429	15,852	14,429
2	Expenses							
	(a) Food and beverages consumed	346	372	339	1,330	1,190	1,330	1,190
	(b) Employee benefits expense	1,600	1,351	1,493	6,043	5,810	6,043	5,810
	(c) Finance costs	4	6	6	40	13	40	13
	(d) Depreciation and amortisation	286	219	250	957	1,326	957	1,326
	(e) Other expenditure	2,260	1,922	2,432	8,296	7,982	8,296	7,982
	Total expenses	4,496	3,870	4,520	16,666	16,321	16,666	16,321
3	Profit/(loss) from operations before exceptional items and tax	(89)	198	89	(814)	(1,892)	(814)	(1,892)
4	Exceptional items	(4,382)	102	(3,294)	(2,966)	(3,294)	(2,966)	(3,294)
5	Profit/(loss) before tax	(4,471)	300	(3,205)	(3,780)	(5,186)	(3,780)	(5,186)
6	Tax expenses	-	-	-	-	-	-	-
7	Net Profit/(loss) from continued operations for the period	(4,471)	300	(3,205)	(3,780)	(5,186)	(3,780)	(5,186)
8	Profit/(loss) from discontinued operations	1,489	4,117	1,625	(8,110)	2,863	(8,113)	2,863
9	Tax expenses from discontinued operations	-	-	-	-	-	-	-
10	Net Profit/(loss) from discontinued operations for the period	1,489	4,117	1,625	(8,110)	2,863	(8,113)	2,863
11	Net Profit/(loss) for the period	(2,982)	4,417	(1,580)	(11,890)	(2,323)	(11,893)	(2,323)
12	Items that may not be reclassified subsequently to the statement of profit and loss							
	- Remeasurement of defined benefit plan	91	(198)	225	22	137	22	137
	- Gain/(losses) on financial assets to fair value	-	-	86	-	-	-	-
13	Items that may be reclassified subsequently to the statement of profit and loss							
14	Total other comprehensive income for the period	91	(198)	311	22	137	22	137
15	Total comprehensive income for the period	(2,891)	4,219	(1,269)	(11,868)	(2,186)	(11,871)	(2,186)
	Paid up equity share capital (face value Rs.2 per share)	12,611	12,611	12,611	12,611	12,611	12,611	12,611
	Other equity (excluding revaluation reserve)				(18,616)	(7,552)	(18,616)	(7,552)
	Debenture redemption reserve				6,750	6,750	6,750	6,750
	Earnings per share (continued operations) (in Rs.) - Basic and diluted	(0.71)	0.05	(0.51)	(0.60)	(0.96)	(0.60)	(0.96)
	Earnings per share (discontinued operations) (in Rs.) - Basic and diluted	0.24	0.65	0.26	(1.29)	0.53	(1.29)	0.53
	Earnings per share (continued and discontinued operations) (in Rs.) - Basic and diluted	(0.47)	0.70	(0.25)	(1.89)	(0.43)	(1.89)	(0.43)
	Interest service coverage ratio (refer note 5(b))				Negative	Negative	Negative	Negative
	Debt service coverage ratio (refer note 5(b))				Negative	Negative	Negative	Negative
	Debt equity ratio (refer note 5(b))				Negative	Negative	Negative	Negative



Statement of Assets and Liabilities		Rs. in lakhs			
		Standalone		Consolidated	
Particulars	As at	As at	As at	As at	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	
ASSETS					
Non-current assets					
Property, plant and equipment	26,984	374,499	26,984	380,149	
Capital work-in-progress	68	464	68	507	
Investment property	7,349	7,498	7,349	7,498	
Goodwill	-	-	-	3,254	
Intangible assets	62	229	62	229	
Financial assets:					
Investments	-	9,037	-	37	
Other financial assets	2,518	6,426	2,518	6,434	
Tax Assets (net)	2,956	1,986	2,956	1,986	
Other non-current assets	2,247	7,155	2,247	7,155	
Total non-current assets	42,184	407,294	42,184	407,249	
Current assets					
Inventories	784	3,225	784	3,225	
Financial assets					
Trade receivables	6,538	8,255	6,538	8,255	
Cash and cash equivalents	2,899	2,040	2,899	2,076	
Other balances with banks	-	154	-	154	
Other financial assets	214	534	214	535	
Other current assets	1,192	4,021	1,192	4,021	
Total current assets	11,627	18,229	11,627	18,266	
Non current assets held for sale	13,529	30,628	13,529	30,628	
Assets included in disposal group(s) held for sale	351,549	-	351,537	-	
Total assets	418,889	456,151	418,877	456,143	
EQUITY AND LIABILITIES					
Equity					
Equity Share Capital	12,611	12,611	12,611	12,611	
Other Equity	13,958	25,825	13,937	25,808	
Total Equity	26,569	38,436	26,548	38,419	
Liabilities					
Non-current liabilities					
Financial liabilities					
Borrowings	71,052	307,305	71,052	307,305	
Other financial liabilities	1,056	2,124	1,056	2,124	
Provisions	579	1,664	579	1,664	
Total non-current liabilities	72,687	311,093	72,687	311,093	
Current liabilities					
Financial liabilities					
Borrowings	5,743	11,955	5,743	11,964	
Trade payables	-	-	-	-	
Outstanding dues of MESE	1	15	1	15	
Outstanding dues other than of MESE	6,305	9,609	6,305	9,609	
Other financial liabilities	290,661	65,452	290,661	65,452	
Other liabilities	876	3,680	876	3,680	
Provisions	200	588	200	588	
Total current liabilities	303,786	91,299	303,786	91,308	
Liabilities classified as held for sale	4,787	15,323	4,787	15,323	
Liabilities included in disposal group(s) held for sale	11,060	-	11,069	-	
Total equity and liabilities	418,889	456,151	418,877	456,143	



Notes:

- 1 The audited results for the year ended 31st March, 2019 were considered by the Audit Committee and have been approved by the Board of Directors at their meeting held on 27th May, 2019
- 2 The figures for the last quarter ended 31st March 2019 and 31st March 2018 are derived after taking into account the unaudited financial information for the period of nine months ended 31st December 2018 and 31st December 2017 respectively.
- 3 As the Company does not have reportable segment other than Hotelliering, segment-wise reporting is not applicable.
- 4 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.
- 5 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 groups"), 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 year is Rs.87,321 lakhs and till 31st March 2019 is Rs.390,466 lakhs; and (iii) the total debt amount is Rs.635,756 lakhs as against Rs.245,290 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 year would have been higher by Rs. 87,321 lakhs (previous year Rs 78,873 lakhs) and the interest liability till 31st March 2019 would have been higher by Rs. 390,466 lakhs (previous year Rs 303,145 lakhs). Pending this, the Company had classified the debt as non-current financial liabilities till 31st March 2018 and as other current liabilities as on 31st March 2019.
c) The Board had approved the Brookfield Transaction on 18th March 2019 and binding agreement was signed on the same date. Shareholders have approved the same by way of special resolution passed through a Postal ballot on 24th April 2019. However, some minority shareholders have filed separate complaints with Securities & Exchange Board of India (SEBI) and National Company Law Tribunal (NCLT) alleging oppression and mismanagement by the majority shareholders against 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 (PBN), till further directions from them. The petition before NCLT is pending.
d) In the opinion of the Management and also as per the legal opinion received, there is no substance in the complaint / petition made by the minority shareholders with SEBI and before NCLT and the Company has a good case on merits.
- 6 In the meanwhile, JM Finance Asset Reconstruction Company Ltd has filed a petition under Section 7 of the Insolvency & Bankruptcy Code, 2016 which is pending before NCLT, Mumbai bench. The Company has made an application to NCLT to keep it in abeyance, in view of the settlement proposed out of the Brookfield Transaction.
- 7 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 and no depreciation is provided from 18th March 2019. Corresponding reclassification is made in comparable quarter/year end results.
- 8 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 the basis of such arbitrary increase works out to by Rs.5,184 lakhs for the period upto 31st March 2019 (upto 31st March 2018 Rs 3877 lakhs). 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.
- 9 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.
- 10 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 and this 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.



- 11 Exceptional items for the year ended represent net income from Joint development of property amounting to Rs.878 lakhs and net loss on sale of immovable properties Rs. 3,844 lakhs
- 12 The listed non-convertible debentures of the Company amounting to Rs 6750 lakhs as at 31st March, 2019 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 2018	30th Sep 2018

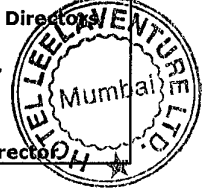
Interest overdue as on 31st March 19 is Rs.1667 lakhs. Three yearly instalments of Rs.2250 lakhs each was due for redemption on 30th September 2016, 30th September 2017 and 30th September 2018 respectively.

- 13 Figures have been regrouped or rearranged, wherever necessary.

For and on behalf of the Board of Directors

[Handwritten Signature]

Vivek Nair
Chairman and Managing Director



Place : Mumbai
Dated : 27th May 2019

