

HOTEL LEELAVENTURE LIMITED

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

Rs in lakhs

Sr. No.	Particulars	Standalone					Previous year ended 31-Mar-18
		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	
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	
1	Income						
	(a) Net sales /income from operations	16,414	15,620	15,839	32,034	30,849	71,854
	(b) Other income	352	296	142	648	301	2,458
	Total income	16,766	15,916	15,981	32,682	31,150	74,312
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	8,367
	(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)	(0.43)
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	
Particulars	Standalone		
	As at 30-Sep-18	As at 31-Mar-18	
	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 Hoteliering, 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 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.
- 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

