March 17, 2020

THE LEELA
MUMBAI

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

Dear Sir / Madam,

Sub: Clarification for non-submission of Consolidated Financial Results

With reference to your query on the captioned subject, we submit our clarification as follows:

M/s. Leela Palaces and Resorts Limited (the only subsidiary) was subsidiary of the Company only for a period of 16 days i.e. from 1st October, 2019 to 16th October, 2019 during the quarter ended on 31st December, 2019. From 1st October, 2019 to 16th October, 2019 the Company was in the process of selling the subsidiary to BSREP III India Ballet Pte. Limited (Brookfield). The transaction got completed and the Company's control over the subsidiary ceased on 16th October, 2019.

As on 31st December, 2019 the Company did not had any subsidiary and during the said period of 16 days the subsidiary had transactions neither by way of income nor expenditure and the financial results were nil. Therefore, on practical grounds the Company did not submit the consolidated financial statements for quarter ended 31st December, 2019. The detailed disclosure of the above mentioned transaction was made in made in Note No.5 & 6 of the quarterly financial results for the quarter ended 31st December, 2019.

By doing so practically there wasn't any non-compliance with applicable Rules, Regulations or Accounting Standards. The purposes of the applicable laws are fully serviced.

As per Para B88 of Ind AS 110 - ***"An entity includes the income and expenses of a subsidiary in the consolidated financial statements from the date it gains control until the date when the entity ceases to control the subsidiary".*** In compliance with the same we have submitted the consolidated financial statements till 30th September, 2019 in the unaudited financial results for the second quarter and half year ended September, 2019.

In view of the aforesaid Accounting Standard, the Company ceased control over the subsidiary in 31st December, 2019 quarter, the requirement of consolidated financial statement does not exist.

The Exchange is requested to consider the above and close the matter.

We trust that we have clarified your query.

Please take the above information on record.

Thanking you,

Yours faithfully
For **HLV Limited**

Company Secretary

HLV LIMITED Mumbai