
THE LEELA
PALACES HOTELS RESORTS
40
years
Four decades of
true Indian luxury
Leela Palaces Hotels & Resorts Limited
Annual Report 2025-26



ACROSS THE PAGES

02-123
Corporate Overview

Four Decades of True Indian Luxury	02
Company Overview	04
The Epitome of True Indian Luxury	06
Leadership Rooted in Legacy	08
A Journey of Distinction	10
Institutional Backing by Brookfield	12
Letter from the Whole-time Director and Chief Executive Officer	14
The Anatomy of a Luxury Leader	18
Committed to Customer Delight	24
Performance that Drives Leadership	26
Industry Leading RevPAR Growth	28
Excellence, Delivered in Numbers	32
The Leela Luxury Ecosystem	34
The Leela Footprint	36
Expanding Value Beyond Rooms	38
Reimagining Wellness as a Signature Advantage	42
Giving Luxury Its Operating Soul	48
Awards & Accolades	50
Growth Pipeline	54
Our Invite-Only Luxury Lifestyle Club Offering	56
Defining International Luxury in Dubai	58
Luxury at Country's Most Elite Central Business District	62
A New Era of Luxury in Jaisalmer	66
A New Sanctuary of Luxury in Coorg	68
On Track for 1,000+ Keys	70
Multi-pronged Growth Strategy Firing on All Cylinders	72
Value Creation Approach	78
The Art of Creating Enduring Value	80
The Leela Commitment to Mindful Luxury	82
Where Luxury Meets Sustainability	84
Environmental Stewardship	86
Responsible Sourcing	93
Inclusive Culture	96
Heritage and Communities	112
Governance in Practice	118
Elevating Experience through Advanced Technology	120

124-284
Statutory Reports

Management Discussion and Analysis	124
Notice of Annual General Meeting	149
Board's Report	164
Corporate Governance Report	199
Business Responsibility and Sustainability Report	229

285-496
Financial Statements

Standalone	285
Consolidated	375

Scan this QR code to navigate investor-related information

https://www.theleela.com/investors

ABOUT THE REPORT

This Report highlights the performance and priorities of The Leela Palaces, Hotels and Resorts and provides a comprehensive overview of our strategic priorities, operational performance, financial results, and environmental and social impact for the year under review. It is designed to offer transparent insight into how we create enduring value for our stakeholders.

Reporting Principle

The non-statutory sections of this report are guided by the principles of the International Integrated Reporting Framework (IIRC), which encourage an integrated view of strategy, governance, performance, and future outlook. The statutory sections of this report - including the Directors' Report, Management Discussion and Analysis (MD&A), and Corporate Governance Report - have been prepared in compliance with:

- The Companies Act, 2013 and applicable rules
- The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by the Securities and Exchange Board of India
- Applicable Secretarial Standards prescribed by the Institute of Company Secretaries of India
- Indian Accounting Standards (Ind AS) for the preparation of financial statements

Reporting Period

This Annual Report covers the financial year from April 1, 2025 to March 31, 2026.

Stakeholder Engagement

We believe that open, consistent, and transparent engagement with stakeholders is essential to building trust and supporting sustainable, long-term growth. Our key stakeholder groups include:

- Investors and shareholders
- Guests and loyalty members
- Employees and associates
- Local communities
- Value chain partners
- Government and regulatory authorities

We are committed to understanding and addressing their evolving expectations through ongoing dialogue, structured feedback channels, and collaborative initiatives.

Feedback

We welcome feedback, suggestions, and questions from all stakeholders to help us further strengthen our approach to transparency, communication, and impact.

Please write to us at:
investor.relations@theleela.com

Your perspectives help us improve and serve with greater purpose.

Disclaimer: This document contains statements about expected future events and financials of Leela Palaces Hotels & Resorts Limited ('The Company'), which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as several factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis section of this Annual Report.

40 years

Four decades of true Indian luxury

For four decades, The Leela Palaces, Hotels and Resorts has defined the art of Indian luxury hospitality. Built on a foundation of grace, grandeur and genuine warmth, our journey has been shaped by a deep respect for heritage and a pursuit of excellence.

As we mark 40 extraordinary years, we celebrate a legacy shaped by five enduring pillars, brought to life through iconic destinations, refined service and unforgettable experiences, and continually redefined by our ability to evolve, refine and reimagine luxury for a changing world while remaining true to our ethos, Atithi Devo Bhava.

Culinary Excellence brings together artistry and indulgence, where every creation is thoughtfully crafted to awaken the senses and celebrate the richness of flavour.

Indian Art & Culture lives within our spaces, where architecture, craftsmanship and tradition come together to honour a heritage that is both timeless and evolving.

Mindful Luxury reflects a conscious approach, where elegance is balanced with responsibility towards nature, communities and the preservation of legacy.

Timeless Hospitality is expressed through empathy and grace, guided by enduring values and The Leela Dharmas, creating moments that feel personal and deeply considered.

Holistic Well-Being completes the experience, offering spaces of calm and renewal where balance is restored and the mind, body and spirit are gently nurtured.

This milestone is not only a celebration of the past, but also a promise for the future, to keep creating spaces where elegance is timeless, hospitality is gracious, and every experience is evocative of the spirit of India. It reflects confidence in a tomorrow where Indian luxury continues to find its voice on the global stage, where heritage and modernity move in harmony, and where The Leela remains a true custodian of Indian culture, heritage and hospitality.

Travel + Leisure USA
World's Best Awards 2026
#2 Hotel Brand in the World

Travel + Leisure
India's Best Awards 2025
Best Hotel Group
for the 6th consecutive year
The Leela Palaces, Hotels and Resorts



Company Overview

6
The Epitome of True Indian Luxury

8
Leadership Rooted in Legacy

10
A Journey of Distinction

12
Institutional Backing by Brookfield

14
Letter from the Whole-time Director and Chief Executive Officer

18
The Anatomy of a Luxury Leader

24
Committed to Customer Delight



THE EPITOME OF TRUE INDIAN LUXURY

Leela Palaces, Hotels and Resorts is synonymous with the finest expression of luxury hospitality in India. At The Leela, every moment is designed to offer unparalleled experiences that are deeply rooted in timeless Indian traditions. Each property seamlessly blends exceptional luxury with cultural authenticity, redefining standards of elegance while paying tribute to India's rich heritage and legacy.

Founded in 1986 by Late Capt. C. P. Krishnan Nair, The Leela was born from a visionary dream: to showcase India's grandeur and traditions through world-class hospitality. Guided by this vision, The Leela continues to create extraordinary experiences that celebrate the spirit of India while delivering exceptional service and luxury to guests from around the world.

Headquartered in Mumbai and owned by Brookfield Asset Management, The Leela's portfolio spans iconic urban landmarks and serene resorts. Each address blends Indian artistry with contemporary refinement. This is expressed through architecture, curated art, regionally inspired cuisine, elegant interiors, and calm natural settings.

We are committed to environmental stewardship while we focus on refined experiences that reflect the country's enduring beauty and spirit.

Our Core Pillars

- Nature
- Grace
- Luxury
- Indian Heritage

Our Vision

To be the definitive expression of Indian luxury hospitality - admired for our timeless elegance, purpose-led services and iconic experiences.

We envision a world where Indian traditions, values and craftsmanship are celebrated on the global stage. At The Leela, we aspire to lead this narrative by curating soul-stirring stays and becoming the brand of choice for discerning travellers, guests and all our stakeholders alike.

Service Philosophy

Atithi Devo Bhava (Guest is God)

The Leela Dharmas

The Leela Dharmas are the eight guiding principles that form the moral and cultural compass of The Leela. Drawn from the timeless wisdom of the Upanishads, the concept of Dharma speaks to duty, purpose, and right conduct, values that inform how we lead, serve, and engage with our guests, associates, and the communities we touch. They shape our service ethos, inspire mindful leadership, and bring to life our abiding belief in Atithi Devo Bhava, where the guest is held in the highest regard.

The Leela Way of Hosting India

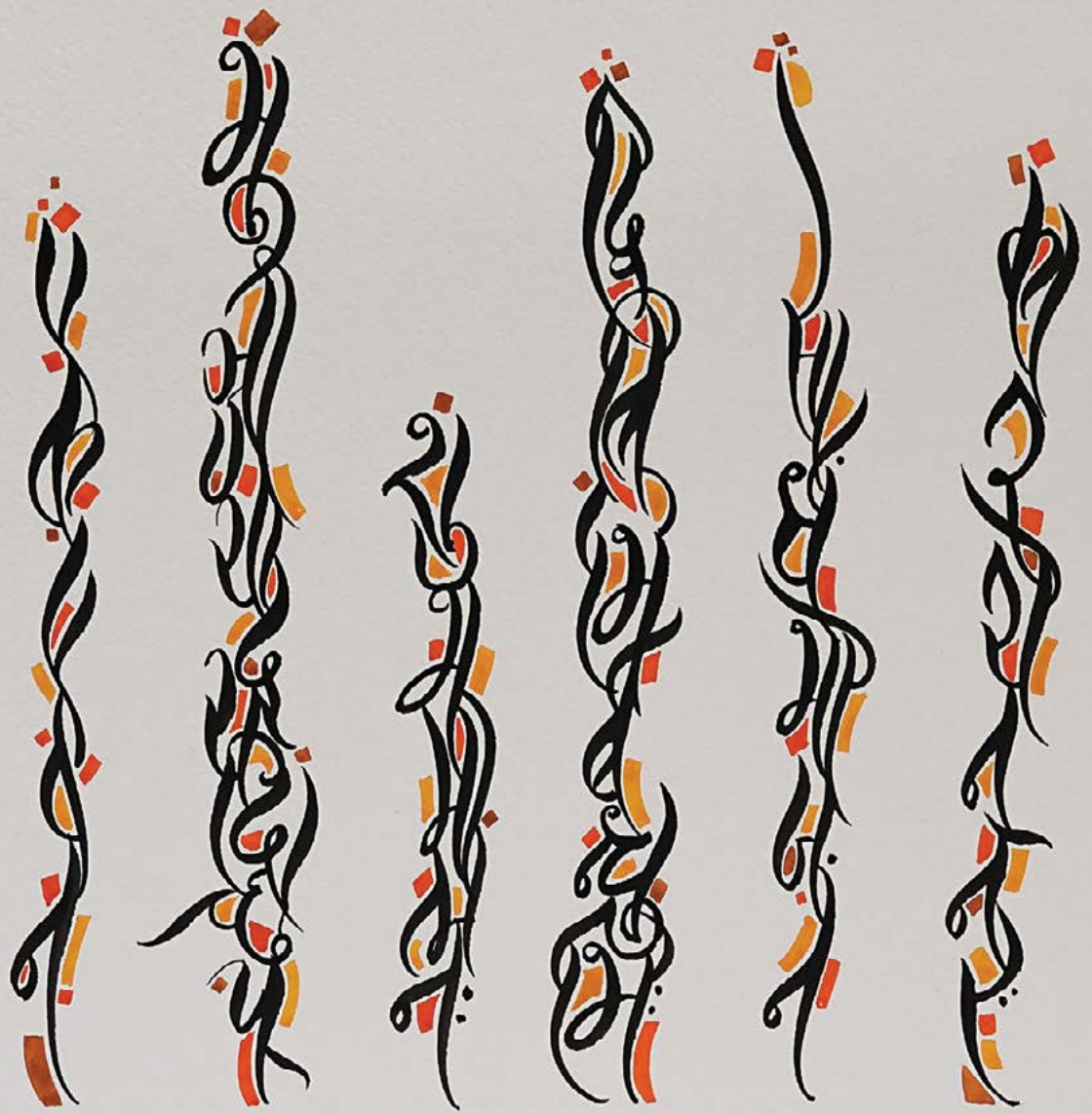
The Leela creates experiences that transcend hospitality. Each destination is imagined to evoke meaning and a deep sense of belonging. Inspired by its setting, every address weaves cultural memory with contemporary refinement, expressed through a lens of quiet elegance and considered detail.

To know more about our experiences, navigate to https://www.theleela.com/#experiencesattheleela



LEADERSHIP ROOTED IN LEGACY

For four decades, The Leela has helped shape the conversation around luxury hospitality in India, one that balances cultural depth with contemporary refinement and delivers consistency across every touchpoint. More than iconic architecture or accolades, our strength lies in setting standards that others aspire to, while remaining rooted in authenticity. As we look ahead, we continue to lead with clarity and conviction, evolving thoughtfully while preserving the values that have defined us for forty years.





As we enter our fifth decade, we do so with gratitude and quiet confidence. Gratitude for the guests, partners and dedicated teams who have shaped this journey and continue to bring our vision to life each day. Confidence in the natural evolution of a brand that has always believed in growing with purpose.

40 years | THE LEELA PALACES HOTELS RESORTS

Marking this milestone is a specially created 40 Years' identity, guided by the wave as its defining motif. Inspired by the flowing lines and harmonious curves that shape The Leela's visual language, the wave symbolises four decades of graceful evolution. Continuous and intuitive, it reflects movement with balance and a philosophy rooted in warmth and graciousness. Much like The Leela's ethos of *Atithi Devo Bhava,* it expresses a spirit of welcome and a form of hospitality that flows naturally across generations.

A JOURNEY OF DISTINCTION

The Leela Palaces | The Leela Resorts | The Leela Hotels

1986
The Leela Mumbai



November

2001
The Leela Palace Bengaluru



August

2009
The Leela Palace Udaipur



May

The Leela Ambience Gurugram Hotels & Residences



July

2011
The Leela Palace New Delhi



April

2013
The Leela Palace Chennai



January

2015
The Leela Ambience Convention Hotel, Delhi



December

2019
Acquired by Brookfield*



October

The Leela Palaces | The Leela Resorts | The Leela Hotels

2021

The Leela Palace, Jaipur



May

The Leela Bhartiya City, Bengaluru



September

2022

The Leela Kovalam A Raviz Hotel



August

The Leela Gandhinagar



September

2023

The Leela Ashtamudi A Raviz Hotel



July

2024

The Leela Hyderabad



November

2025

Listed successfully on BSE and NSE



June

2026

Acquired a marquee ultra-luxury resort in Coorg in March 2026, marking the brand's entry into immersive, nature-led, wellness-anchored hospitality



March

- Expanded into Mumbai with 250 key Leela Palace Hotel at the gateway to BKC
- Acquired approximately 1.8 acres of land adjoining The Leela Palace Udaipur for future expansion
- Acquired a 25% stake in a luxury operating beachfront resort on Dubai's Palm Jumeirah
- Entered into a management contract for The Leela Jaisalmer

*Brookfield Corporation (Formerly known as Brookfield Asset Management Inc.) and its affiliates

INSTITUTIONAL BACKING BY BROOKFIELD

As we continue to strengthen our position as one of India's leading luxury hospitality brands, institutional ownership plays an important role in supporting long-term growth, operational excellence, and financial resilience. We are supported by private equity funds managed and advised by affiliates of Brookfield, a global leader in alternative asset management. Brookfield's recognised expertise in real estate and luxury hospitality brings institutional scale, capital discipline and a proven track record in creating iconic destinations, strengthening our financial resilience and long-term growth.



US$ 1.2 trillion

Assets under Management by Brookfield as on December 31, 2025

174 HOTELS

Owned Globally (making up ~43,000 keys)

01 Institutional Ownership & Governance

Brookfield's institutional ownership introduces global standards of governance, transparency, and capital discipline. This strengthens decision-making, enhances risk management, and supports sustainable, long-term value creation across the portfolio.



02 Capital Strength & Financial Resilience

Brookfield's scale, balance sheet strength, and global capital markets enhances financial flexibility and resilience. This enables prudent funding of growth initiatives, efficient capital structuring, and the ability to pursue opportunities across market cycles.

03 Network-led Growth Opportunities

Brookfield's expansive global network and operating presence across key international markets unlock differentiated growth channels, strategic partnerships, and acquisition opportunities, enhancing portfolio expansion and global brand visibility.

04 Disciplined Asset Stewardship

Brookfield's asset management-led approach brings rigour to development, repositioning, and long-term stewardship of assets, ensuring scalability without compromising quality or brand integrity.

LETTER FROM THE WHOLE-TIME DIRECTOR AND CHIEF EXECUTIVE OFFICER

As we mark 40 years of The Leela, we do so with both pride and gratitude. What began as a bold vision by our Founder, Captain C. P. Krishnan Nair, to showcase the finest expression of Indian luxury to the world, has grown into one of the country's most respected hospitality brands. His belief was simple yet powerful: that India's heritage, culture and traditions of hospitality could stand shoulder to shoulder with the finest luxury experiences anywhere in the world. Four decades later, that vision continues to guide how we build, operate and grow The Leela.

From the very beginning, The Leela has remained focused on luxury hospitality. This clarity of purpose has shaped the way our hotels are designed, the way our teams serve our guests and the standards we hold ourselves to across every aspect of the business.

At the heart of this philosophy is what we call The Leela Dharmas. It is the belief that excellence is not an aspiration but a responsibility. Guided by Atithi Devo Bhava, our enduring brand ethos, it informs how we design our spaces, how we care for our guests and how we continue to evolve as a brand.

INR 8,133 million

EBITDA in FY 2025-26

INR 5,800+

RevPAR Premium in FY 2025-26

15%

YoY Growth in F&B Revenues

Disciplined Execution and Strong Performance

FY 2025-26 was a year of strong performance for The Leela, with RevPAR growth of 14%, significantly outperforming the Indian luxury hospitality segment (~6%).

EBITDA increased to INR 8,133 million, a 16% increase from the previous year, with margins expanding by 111 basis points to 50.9%. A significant share of incremental revenue converted to EBITDA, reflecting operating leverage and careful cost management.

We maintained a premium of approximately INR 5,800+ over the broader luxury market RevPAR, reinforcing the strength of our brand and guest positioning.

Room revenues grew 13.6% supported by strong occupancy and pricing power. Revenue through our website increased 125%, strengthening direct guest engagement and improving margin quality.

Food and Beverage revenues grew 15%, supported by strong non-resident patronage at our city hotels and robust in-house capture at our resorts, as our hotels continued to serve as culinary and social destinations in their respective cities.

During the year, we successfully refinanced the residual term loans outstanding following the repayment from IPO proceeds, resulting in lower borrowing costs and enhanced balance sheet flexibility.

The Luxury Hospitality Landscape

India continues to see strong structural demand for luxury hospitality, supported by rising affluence, premium travel and increasing global interest in the country. With fewer than 35,000+ luxury hotel keys nationwide, supply remains constrained, creating favourable conditions for established luxury brands.

Within this environment, The Leela is well positioned to continue strengthening its leadership in India's luxury hospitality sector.

Despite multiple unfavourable geopolitical developments during FY 2025-26, we remain confident in the long-term strength of the industry. The Indian hospitality sector continues to benefit from strong structural tailwinds, and we believe the recent turbulence represents a temporary disruption rather than any fundamental shift in the sector's growth trajectory.

Source: HVS Anarock Research

India's luxury segment is entering a multi-decadal growth phase, and Leela's exclusive focus on pure play luxury, positions us uniquely to capitalise on these dynamics and sustain a clear competitive advantage.

Unlocking Value within Our Existing Portfolio

One of the most important drivers of our future performance lies within our existing portfolio. We drive operational efficiencies through our structured and disciplined approach to asset management, which in turn helps us deliver industry-leading EBITDA margins.

As part of our active asset management approach, over the past few years, we have invested nearly INR 8,000 million across our five key owned hotels to upgrade infrastructure, strengthen operating systems, introduce value drivers. These investments include both guest facing improvements and upgrades to core operational infrastructure.

Complementing these enhancements, we launched Arq By The Leela, an exclusive, members-only, by-invite-only ultra-luxury club offering. Arq By The Leela targets a select set of members curated from thought leaders in business and industry, offering exclusive access to facilities, private events, and premium bespoke services.

With this investment cycle now largely complete, these hotels are effectively renewed. We expect operating leverage from the existing assets to continue to drive superior performance in FY 2026-27.

Strategic Expansion

Our expansion strategy remains deliberate and asset disciplined. During the year, we maintained a steady cadence of growth, adding one strategic asset to our

portfolio each quarter, through carefully selected opportunities.

Through a 50:50 JV with Brookfield Group, we have acquired the rights to construct & operate a 250-key luxury hotel in Mumbai's Bandra Kurla Complex.

Similarly in Dubai, we acquired a 25% equity stake in a 546-key marquee asset at Palm Jumeirah, along with an upcoming management contract, with Brookfield Group owning the rest of the 75%. The investment is expected to recover equity within two to three years through branded residence sales, making this effectively an asset-light investment. The property is planned to be repositioned under The Leela brand following upgrades.

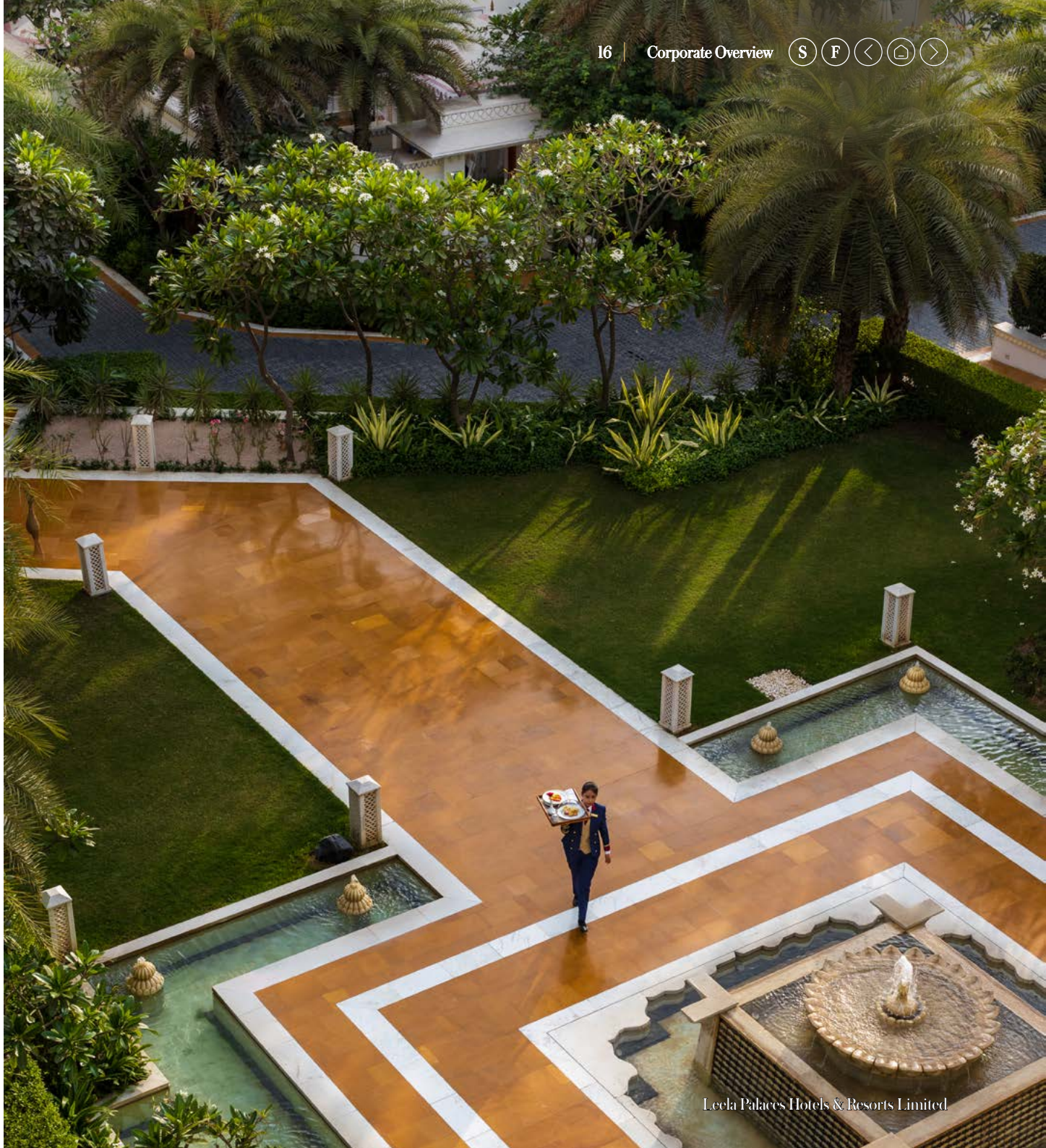
In Jaisalmer, we signed a management agreement for an 80-key luxury hotel that is currently undergoing improvements and is scheduled to open by the end of calendar year 2026 and will enhance our existing Rajasthan circuit.

In Coorg, we acquired an ultra-luxury all-villa resort spread across 76 acres, which has recently been built and is currently operational. The resort currently comprises 71 villas, with a phased expansion of 19 additional villas, increasing the total inventory to 90 villas. This acquisition expands The Leela's network and market presence across South India, strengthening brand positioning and creating cross-selling opportunities. It also supports our foray into wellness tourism, aligning with growing consumer preferences for experiential travel.

Each of these additions strengthens our platform while maintaining prudent capital allocation.

Strong Sponsor Support

With Brookfield Group as our promoter, we benefit from strong institutional ownership, robust governance, and access to unique growth opportunities, including marquee developments at BKC in Mumbai and Palm Jumeirah in Dubai.



Vision

We remain firmly on track for our vision to grow at an accelerated pace by FY 2029-30, led by a combination of new assets adding to our same-store growth. Since the IPO, we have added four luxury hotels in Mumbai BKC, Dubai, Jaisalmer and Coorg which are expected to contribute to this long-term target.

With a pipeline of ten luxury hotels (1,000+ keys), our growth trajectory remains strong driven by a combination of same-store performance, entry into new business verticals, operationalisation of carefully selected pipeline assets and future strategic ventures. The foundation for this growth is already in place, supported by secured approvals, disciplined financing and a clear execution roadmap.

Institutionalising Excellence

At the heart of our strategy is a continued focus on service excellence.

Through LIBRA, our Leela Internal Brand Recognition and Assurance programme, we are embedding consistent service standards across the portfolio while preserving the individuality of each property.

The programme reinforces hyper personalised service, signature guest rituals and distinctive Leela experiences. Complementing this is our focus on being at the forefront of technology adoption. We continue to invest in digital platforms, data-driven insights, and smart operating systems that enhance both guest engagement and operational efficiency. By thoughtfully integrating technology into our service ecosystem, we are enabling more intuitive, responsive, and personalised guest experiences while empowering our teams with sharper tools and real-time insights.

This commitment is reflected in the strength of The Leela brand and our focus on Customer Service Excellence, which enables us to achieve best-in-industry Net Promoter Scores. Our Net Promoter Score, at 86, is 12 points higher than industry average for luxury segment in APAC region, which we believe represents a strong and sustainable moat in our business.

Mindful Luxury and Our People

Mindful Luxury remains central to how we operate and grow at The Leela, shaping strategic decision-making and enabling long-term, resilient value creation. We continue to strengthen our environmental commitments through a focused approach to decarbonisation, water stewardship, waste reduction, and responsible sourcing. Today, 67% of our energy consumption is sourced from green power, and we have achieved a 22% reduction in Scope (1+2) emissions from our baseline, reflecting strong momentum in our transition toward low-carbon future. We are strengthening our water stewardship approach through reuse and efficiency to build long-term water resilience, while advancing circular economy practices to optimise resource use and reduce waste across our operations.

Equally important are our people, who remain our greatest strength. Through structured development programmes and leadership initiatives, we continue to invest in talent, culture and service excellence across the organisation. Their care, precision and warmth shape the guest experience across every hotel of The Leela.

In line with this commitment, the Leela Centre of Excellence (LCOE) will be the cornerstone of learning and capability building at The Leela, reflecting our vision of nurturing world-class hospitality leaders. Conceived as a dedicated learning infrastructure and ecosystem, enabled by collaborative platforms and technology, it will serve as the central hub for leadership development, functional capability, and continuous learning across the organisation. Through LCOE, we aim to empower our managers to grow, stay deeply engaged, and build enduring careers while advancing The Leela's legacy of exceptional hospitality and timeless excellence.

We remain deeply committed to inclusive growth and meaningful community impact. Through our initiatives, we have impacted over 50,000 individuals till date, creating sustained value across the communities we serve. At The Leela, empowering women is integral to this vision. Through programmes spanning cultural preservation, circular craft, hospitality skilling, and responsible sourcing partnerships, we have enabled livelihood and development opportunities for over 13,000 rural women artisans, workers, and community members supporting sustainable incomes while preserving India's rich cultural heritage and advancing gender equity across our value chain. Together, these efforts reflect our belief that true luxury is defined by the positive and lasting impact we create.

Looking Ahead

Forty years ago, The Leela set out to create palaces that celebrated India while serving the world. That purpose continues to guide us as we shape the next chapter of the brand.

As we enter our fifth decade, our priorities remain clear: to scale thoughtfully, protect yield quality, allocate capital with discipline and continue strengthening The Leela as one of the defining luxury hospitality brands from India.

To our shareholders, thank you for your continued trust and confidence in The Leela's journey.

Best regards,

Anuraag Bhatnagar
Whole-time Director and Chief Executive Officer

THE ANATOMY OF A LUXURY LEADER

The Leela offers exposure to a tightly curated portfolio of luxury hospitality assets defined by irreplaceable locations, high replacement costs, and enduring demand drivers. Supported by a storied brand and institutional stewardship, the Company is positioned to deliver resilient cash flows and long-term value across market cycles. Clear operating levers, disciplined capital allocation, and strong barriers to entry further reinforce our ability to generate attractive risk-adjusted returns while preserving capital over the long term.





An Iconic Name in Global Luxury Hospitality

The Leela stands as one of India's most established and respected luxury hospitality brands, shaped by decades of excellence, cultural authenticity, and thoughtful design. Our hotels and dining destinations are consistently recognised among the world's best, reinforcing a reputation built on timeless design and highly personalised guest experiences.

40
Years of
True Indian Luxury

86
Net Promoter Score
in FY 2025-26

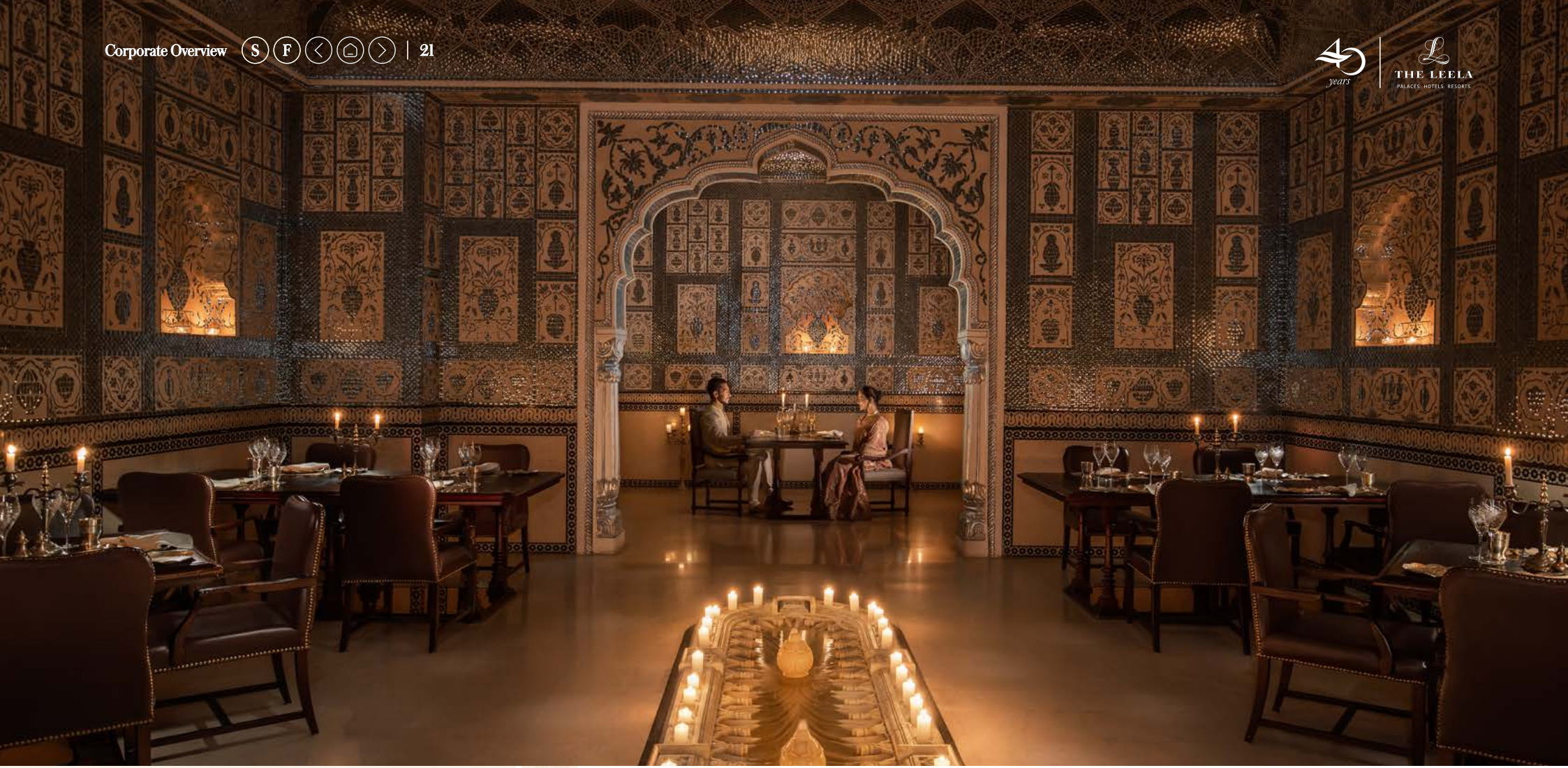
Strategically Located High-Value Owned Assets

Our operating portfolio comprises seven marquee owned hotels in New Delhi, Bengaluru, Chennai, Jaipur, Udaipur, Coorg and Dubai. These markets are defined by strong demand and structurally limited luxury supply, driven by land constraints, regulatory barriers and long development timelines resulting in structurally limited supply of comparable luxury assets.

7
Owned Operating Assets

7
Upcoming Owned Assets by FY 2029-30





A Holistic Luxury Ecosystem with Diversified Revenue Streams

Beyond rooms, The Leela operates a broad ecosystem of curated dining, wellness, banqueting, and MICE offerings. This diversified mix attracts leisure, corporate, and event-led demand, deepening guest engagement while reducing reliance on any single revenue stream.

INR 7,548 million
Revenue from Non-Room Segments

36
F&B Venues

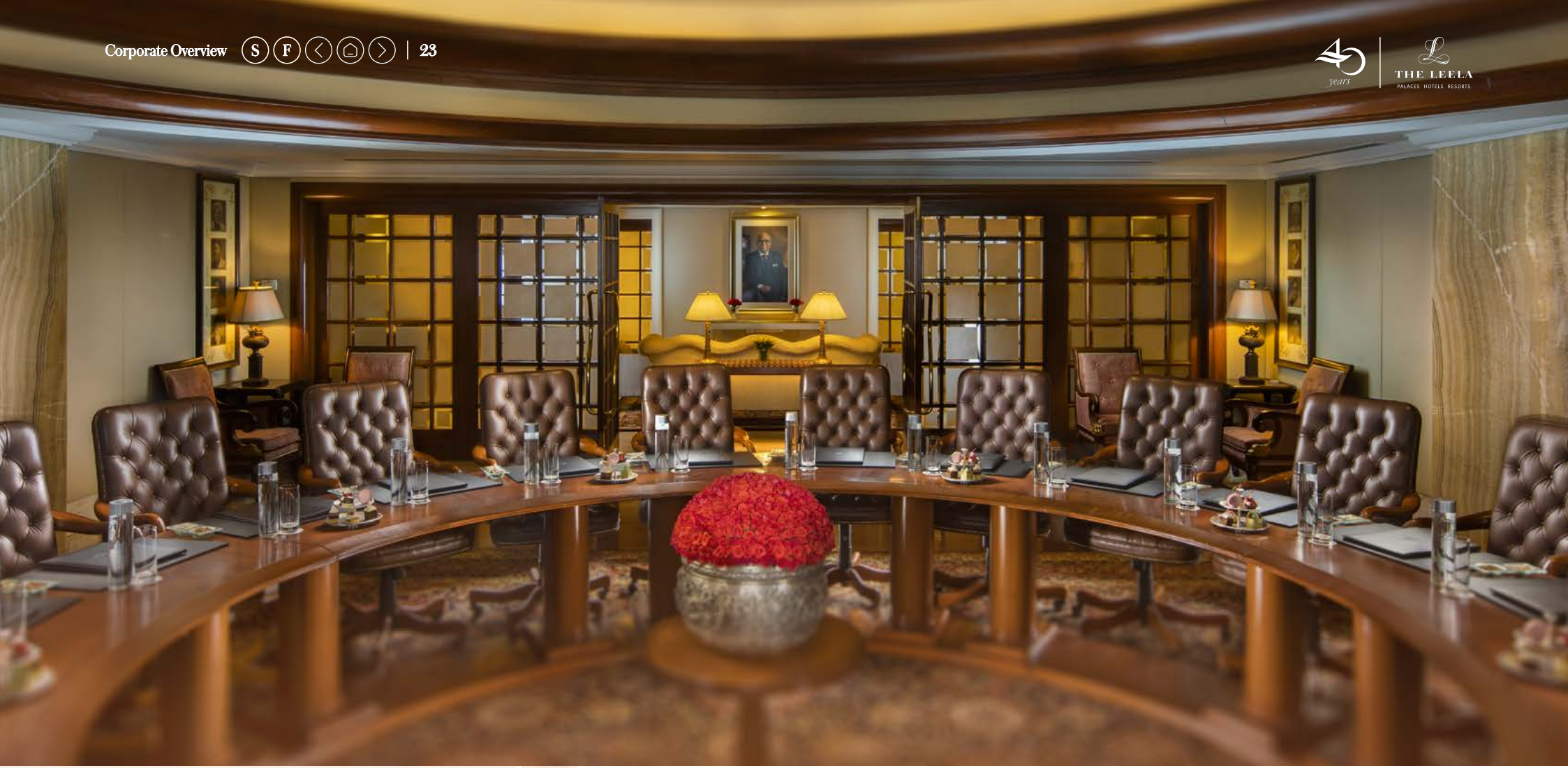
~1 lakh sq. ft.
Banqueting Space

Asset Management that Elevates Experiences and Improves Margins

The Leela follows a structured, owner-led approach to capital allocation, prioritising initiatives that elevate guest experience and asset quality. Targeted upgrades and repositioning initiatives have strengthened space utilisation, premiumisation, and long-term margin expansion across the portfolio.

INR 8,000 million
Capital expenditure incurred over the past few years





Experienced Leadership and Strong Governance

The Leela is supported by a strong governance framework and a seasoned leadership team with deep hospitality and financial expertise. An experienced Board and management have consistently driven improvements in RevPAR, operating EBITDA, and portfolio scale through disciplined execution.

Cumulative Experience

~230 YEARS
Board & Management

~120 YEARS
Independent Directors

COMMITTED TO CUSTOMER DELIGHT

In luxury hospitality, performance is shaped not just by how many rooms are sold, but by customer mix, retention & repeat rates and by the depth of guest engagement across the experience. This begins with delivering a level of service and design that consistently earns guest preference.

At The Leela, this is elevated through a consistent commitment to guest delight and a deeply considered approach to experience design. When preference is earned, it strengthens pricing power. Strong pricing drives higher realisations, while a well-rounded offering encourages greater engagement across the stay. With consistency and intent, this creates a more resilient and enduring model of performance.



How True Luxury Translates into Performance

Exceptional Guest Experience

↓

Preference

↓

Pricing Confidence

↓

Revenue Depth

↓

Margin Quality

A Complete Luxury Ecosystem

The Leela proposition is designed to feel complete. Rooms create the first impression, but dining, wellness and curated experiences shape the memory and influence how guests return, recommend, and spend. This is where revenue depth is built. Not by adding more, but by strengthening what already defines the brand, and making the ecosystem work as one.



Rooms | Dining | Wellness | Experiences

As this discipline has compounded, performance quality has become more visible. Realisations have strengthened alongside the guest proposition. Revenue has become broader-based across the stay. And the business has been able to carry its standards forward while sharpening execution across the portfolio.

Key Markers of Performance Quality in FY 2025-26

INR 17,460
RevPAR
(+14% YoY)

1.5x
RevPAR Premium vs Luxury Industry
(1.4x in Previous Year)

86
Net Promoter Score
(luxury Industry Average of 74)

49%
Operating EBITDA Margin
(Best in Class)

Performance that Drives Leadership

28

Industry Leading RevPAR Growth

32

Excellence, Delivered in Numbers



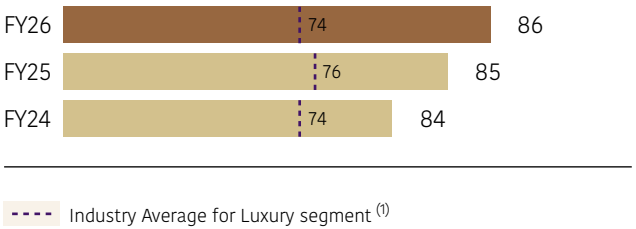
INDUSTRY LEADING REVPAR GROWTH

RevPAR is not merely a metric. It is the clearest expression of pricing power, demand depth and brand desirability working together. Over the course of the year, our RevPAR growth has been more than two times the market benchmark, reinforcing structural outperformance driven by strong pricing power, premium brand equity, asset upgrades, direct channel growth, and favourable luxury demand–supply dynamics.



Industry Leading Net Promoter Score

Guest advocacy remains central to The Leela's commercial strength, reflected in our industry-leading Net Promoter Score of 86. This places us consistently ahead of the luxury segment average, highlighting the strength of our guest experience and service delivery. High advocacy reflects the strength of the brand's luxury proposition and service experience, reinforcing loyalty while increasing the likelihood of guests choosing to engage directly with the brand. This sustained preference improves the quality and stability of demand, supporting both pricing power and occupancy resilience across key markets.



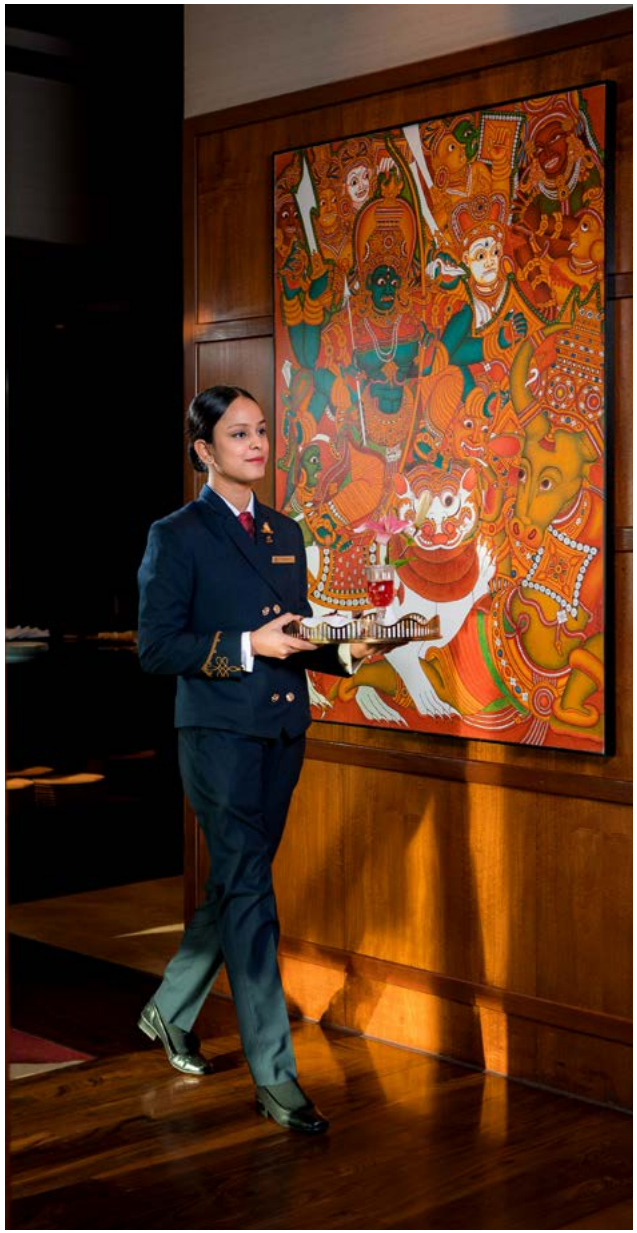
Source: Revinate Hospitality Benchmark Report 2025 & 2026. The Leela Metric presented above pertains to Portfolio Hotels.

Industry average represents data for CY23, CY24 and CY25 for Luxury segment in APAC Region

As guest relationships deepen, a larger share of bookings is naturally shifting toward high-margin direct channels, including the official direct booking platform (Theleela.com). The relaunch and continued growth of Theleela.com has enabled us to capture demand more efficiently while maintaining rate integrity. Together, strong guest advocacy and disciplined distribution enhance both demand visibility and operating leverage, strengthening the overall quality of earnings.

This robust commercial foundation also underpins The Leela's expansion strategy. New developments are structured to leverage the brand's ability to command premium ADRs while sustaining strong occupancies.

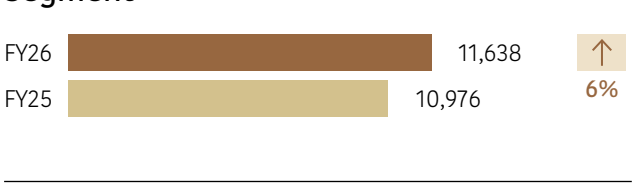
Reflecting this disciplined approach to growth, The Leela delivered a strong track record of execution, achieving over 15% CAGR in REVPAR growth, since FY 2019-20. This performance was supported by a combination of asset upgrades, strengthening commercial capabilities, and carefully selected expansion opportunities. With a strong development pipeline across key destinations, we remain well positioned to sustain our growth momentum while continuing to reinforce our leadership within the luxury hospitality segment.



Outperforming Luxury Benchmark by 2.3x YoY Growth

11 points market share gain vs India luxury > driving a ~₹6k RevPAR premium

YOY REVPAR GROWTH[1]



Source: CoStar; Details for 5 Owned Palaces

We continue to command a RevPAR premium ~INR 6,000 over the broader luxury segment. With a **RevPAR Index of 1.5x** in FY 2025-26, The Leela generates **50%** more revenue per available room than the luxury market average. This performance reflects sustained pricing power and continued market share gains across key destinations.

This sustained outperformance reflects the consistency of our service delivery and the depth of our brand equity, directly supporting long-term pricing power.



Average Daily Rate growth remained firmly in double digits. Steady occupancy expansion to ~69%, in tandem, demonstrated that volume growth has complemented, not diluted the pricing discipline. With margins reaching 49%, RevPAR growth translated into stronger EBITDA expansion, reinforcing the quality of earnings. As a result, The Leela gained 11 points of market share relative to the luxury segment in FY 2025-26.

INR 25,375
ADR in FY 2025-26

13%
YoY Growth

RevPAR leadership, therefore, is not incidental. It is the outcome of brand conviction, disciplined execution and a luxury proposition that continues to command both preference and premium.

Consistent Outperformance Powering the Next Phase of Growth

A Decade of Growth, over FY20-FY30:

2X Keys

3X Properties

10X EBITDA

	FY 2019-20[2]	FY 2025-26	FY 2029-30
Total Properties | Keys	8 | 2,498	15 | 4,162 (1.9x | 1.7x)	25 hotels, 5,257 keys[3] + 14 hotels, 2,646 keys[3]
Owned Properties | Keys	4 | 1,007	7 | 1,834 (1.8x | 1.8x)	
RevPAR[1] (INR)	7,584	17,460 (15% CAGR)	
RevPAR Premium[1]	1.2X	1.5X	
EBITDA (INR Mn)	1,930	8,133 (27% CAGR)	
EBITDA Margin	34%	51%	

New Deals (Acq. + HMA) under evaluation

10 Openings, expanding into 8 New Locations spanning multiple segments

New verticals, including Luxury Residences and Clubs

Note:
1. For 5 owned palaces
2. Basis management information
3. Includes contracted hotels which will get operationalised by FY 2029-30

EXCELLENCE, DELIVERED IN NUMBERS

Anchored in prudence, purposeful expansion and sustained value creation, our performance reflects quiet strength and structural resilience. Each outcome is the result of considered choices and disciplined stewardship.

Every metric represents our resolve to uphold excellence across all dimensions of the enterprise, from guest experience to capital allocation. They form the financial expression of a brand committed to enduring distinction and measurable progress.

The numbers speak with clarity.

They capture not only growth, but judgement.

Not only momentum, but method.



Occupancy

(%)



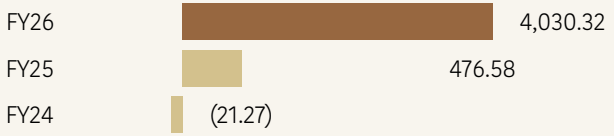
Revenue from Operations

(INR million)



PAT

(INR million)



ARR
(INR)



RevPAR
(INR)



TRevPAR
(INR)



F&B Revenue
(INR million)



EBITDA
(INR million)



EBITDA Margin
(%)



PAT Margin
(%)



Operational KPI details pertaining to 5 owned palaces.

Occupancy represents the total number of room nights sold expressed as a percentage of the total number of room nights available in a given year.

ARR represents room revenue divided by total number of room nights sold in a given year.

RevPAR represents the room revenue generated per available room calculated by multiplying the ARR charged and the average occupancy achieved in a given year.

TRevPAR represents total revenue from hotel operations for a year, divided by the number of available room nights for the relevant year.

The Leela Luxury Ecosystem

36
The Leela Footprint

38
Expanding Value Beyond Rooms

42
Reimagining Wellness as a Signature Advantage

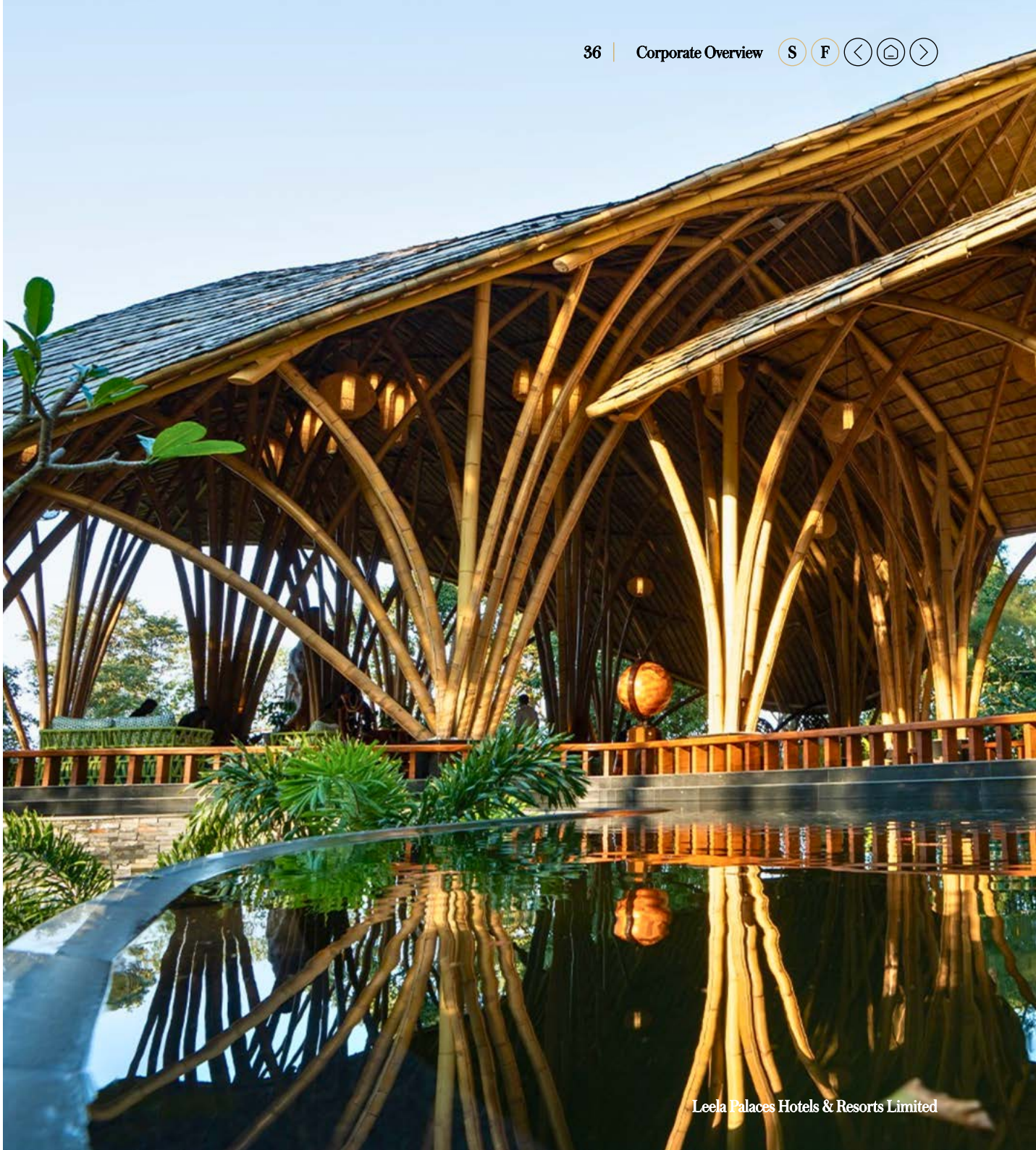
48
Giving Luxury Its Operating Soul

50
Awards & Accolades

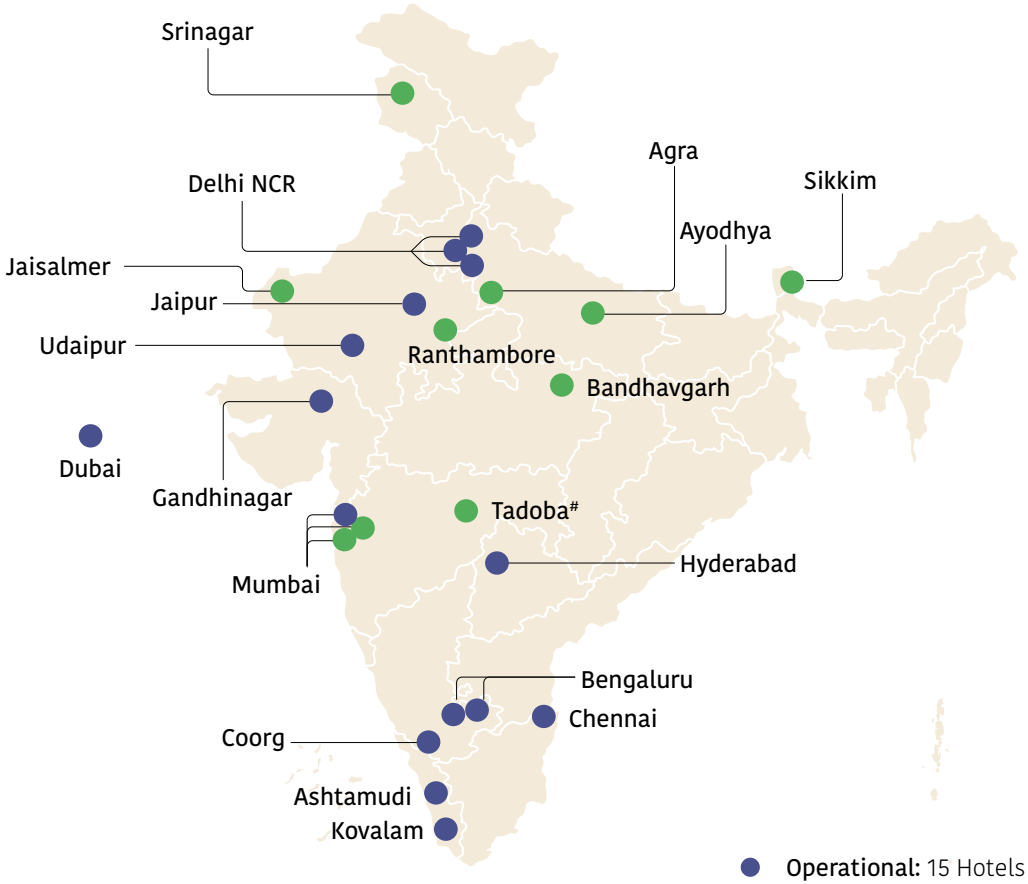


THE LEELA FOOTPRINT

Rooted in a vision to showcase India's finest traditions of hospitality to the world, The Leela has grown into a distinctive symbol of refined Indian luxury. Today, our portfolio comprises 15 hotels, with a strong pipeline of properties expanding our presence to 25 hotels by 2030. This growth reflects a mix of owned properties, management partnerships and franchise presence, each guided by a commitment to excellence. With consistent recognition from Travel + Leisure, Condé Nast Traveller and other respected global institutions, The Leela has earned a reputation not just for luxury, but for representing India's hospitality ethos on the world stage.



5,200+ Luxury Keys across 25 Properties



- **Operational:** 15 Hotels | 4,162 Keys
- **Pipeline:** 10 Hotels | 1,065 Keys[1]

[1] Including 38 keys under development at The Leela Palace Udaipur and expansion of 19 keys at The Leela Coorg Forest Sanctuary

#Concession agreement for Tadoba has been signed subsequent to the year end

Disclaimer: This map is a generalised illustration and not intended for reference. The Company does not assume responsibility for its accuracy or use.

Strong Growth Pipeline

25 PROPERTIES

15 Operational Properties

10 Properties in Pipeline

~50% Owned, 50% Managed

5,257 KEYS

2,646 Owned Keys

2,611 Managed Keys

Additions in FY 2025-26

546 KEYS
Dubai

250 KEYS
BKC, Mumbai

80 KEYS
Jaisalmer

90 KEYS*
Coorg

* Including planned expansion of 19 keys at Coorg

EXPANDING VALUE BEYOND ROOMS

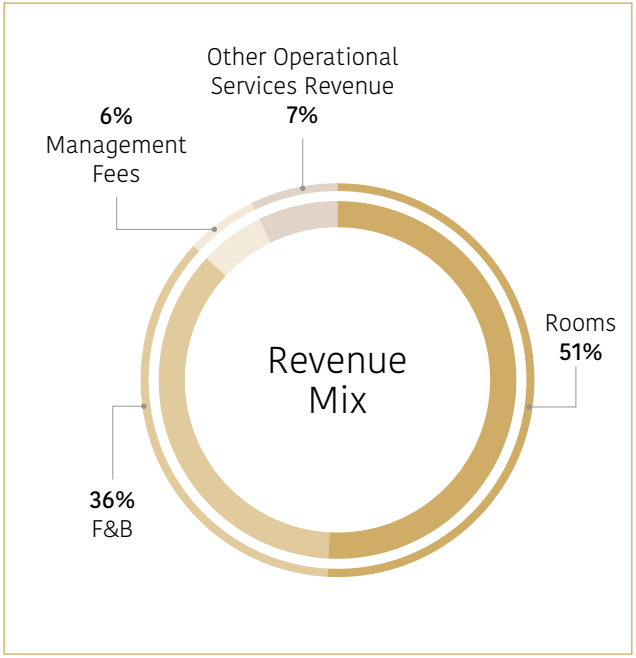
Luxury hospitality today is defined not only by where guests stay, but by how completely a destination fulfils the time spent within it. While rooms establish the first impression, enduring preference is shaped across the hours that surround the stay through dining, celebrations, wellness, retail, and thoughtfully curated experiences.

At The Leela, these dimensions are not ancillary extensions of hospitality. They are integral components of a deliberately constructed commercial ecosystem that expands monetisation while deepening guest engagement.

Consistency of service, attention to detail, and depth of engagement create pricing confidence. As guest trust strengthens, pricing is guided by experience-led value rather than volume-led incentives. Investments in service excellence, talent capability, and asset upkeep follow this philosophy, recognising that operating excellence precedes financial outcomes. By positioning experience as a commercial driver rather than a branding exercise, we strengthen pricing power, improve revenue density, and enhance earnings resilience across its portfolio.

FY 2025-26 Highlights

During FY 2025-26, our non-room revenues continued to account for a meaningful share of the Company's revenue mix, reflecting an ongoing structural evolution in how luxury hospitality assets generate value.



Designing a Holistic Luxury Ecosystem

The Leela experience is conceived as an ecosystem rather than a transaction. Guests do not simply check in. They dine, celebrate, rejuvenate, and engage with the destination through a series of interconnected experiences.

This integrated engagement deepens spend per stay while extending demand beyond resident guests through destination-led restaurants, banqueting venues, wellness offerings, and signature experiences that attract both travelling and local luxury audiences.

Over time, richer engagement strengthens participation across rooms, dining, wellness, and curated experiences. The resulting diversification broadens the revenue base, reduces dependence on individual income streams, and enhances lifetime guest value.

F&B as a Demand Multiplier

Food and beverage remains a central catalyst in activating non-room demand and enhancing asset productivity.

Non-Room F&B Outcome Markers for FY 2025-26

15%
YoY Increase in F&B Revenue

54%
Non-Resident Cover Mix

71.2%
F&B Revenue/Room Revenue
(+87 bps YoY)

13%
YoY Increase in Non-Resident Covers (In City Hotels)

Destination dining enables hotel spaces to function as independent demand centres, improving utilisation throughout the day while reinforcing the brand's presence within local luxury ecosystems.

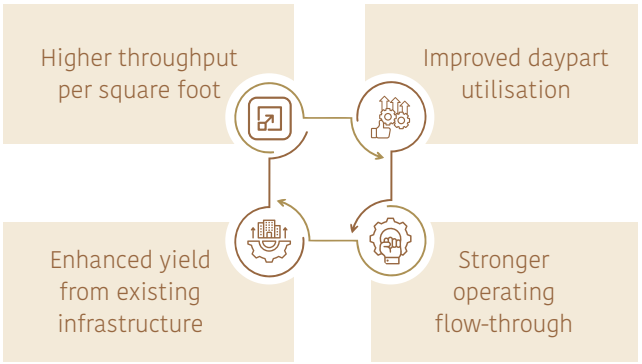
Reimagining Space to Improve Asset Productivity

A defining feature of The Leela's approach has been purposeful spatial recalibration. Underutilised areas are not simply renovated but re-envisioned to unlock latent commercial potential.

Rooftops evolve into social destinations. Lounges assume renewed identities. Transitional spaces are transformed into high-margin environments that increase throughput within the same architectural footprint.

Such interventions elevate guest experience while strengthening revenue density and margin quality, allowing assets to generate greater value without compromising design integrity.

Asset Productivity Framework



Activating Experience-led Growth at The Leela Palace Jaipur

The Leela Palace Jaipur offers a clear illustration of how ecosystem thinking translates into measurable commercial outcomes through targeted repositioning and experiential activation.

A series of carefully considered interventions has reshaped the property's experiential landscape and strengthened its non-room contribution:

- The Aravalli Dining Room anchors the hotel as a refined global cuisine destination
- Jamavar, relaunched in November 2025, has delivered 27% revenue growth since reopening
- The Peacock Lounge transitions from an exclusive villa lounge during the day to a Mediterranean dining venue in the evening, expanding utilisation across dayparts
- Amber Terrace activates rooftop real estate as a destination bar, delivering ~25% yield on cost

Complementary additions, including family-oriented programming and enhanced villa formats, have strengthened appeal among longer-stay and multi-generational travellers. Together, these initiatives have supported RevPAR performance while improving overall asset yield.



Performance Snapshot (FY 2025-26)

49%
Non-Room Revenue Contribution

INR 7,548 million
Non-Room Revenue

7 Curated F&B Launches and Upgrades across Key Properties – YoC of +25% on Projected Stabilised EBITDA

- In New Delhi, Le Cirque has returned as a Franco-Italian fine dining destination, achieving 36% year-on-year revenue growth in Q4 FY 2025-26 following its launch in late 2025.
- In New Delhi, Palace Terrace has been transformed into an all-weather banquet facility with a convertible roof optionality, thereby enhancing the revenue potential by more than 4x.
- Enhancement and upgrade of ~33,000 sq. ft. luxury retail space in Bengaluru
- In New Delhi, The Qube has been re-envisioned as a refined three-meal atelier, strengthening all-day engagement.
- In Bengaluru, ZLB23, a Kyoto-inspired speakeasy, has been recognised among Asia's 50 Best Bars, reinforcing the brand's ability to curate globally resonant experiences.
- In Bengaluru and New Delhi, Arq By The Leela has been introduced as an invite-only members' club, with Chennai set to follow in the coming months
- Operationalisation of new and upgraded F&B outlets at The Leela Palace Jaipur

Expanding beyond Dining

The strength of non-room revenues extends well beyond food and beverage, reflecting a broader luxury participation model.

- Wellness enhances dwell time and premiumisation through branded spa concepts and curated programming that deepen experiential engagement.
- Luxury retail strengthens brand adjacency while monetising both resident guests and destination visitors, extending asset utilisation beyond hospitality-only demand cycles.
- Membership-led engagement through private club formats increases frequency of interaction and deepens lifetime value, enabling participation in high-intent local demand alongside traveller demand.

Ecosystem Levers

- Food and Beverage
- Banqueting and Celebrations
- Wellness
- Retail
- Membership and Curated Access

A Complete and Integrated Luxury Proposition

Non-room revenues at The Leela expand the monetisation surface of each asset while strengthening revenue density within existing hotels. Through the deliberate activation of dining, wellness, celebrations, retail, and membership engagement, each property evolves into a complete luxury destination rather than a singular hospitality offering. This integrated ecosystem enhances utilisation, improves earnings quality, and supports sustained long-term value creation across the portfolio.

REIMAGINING WELLNESS AS A SIGNATURE ADVANTAGE

Wellness today is no longer a luxury set apart; it is an essential way of being. It spans the physical, mental, emotional and spiritual, while vitality brings energy, resilience and a quiet sense of joy to everyday life.

At The Leela, this philosophy is expressed through 'Aujasya by The Leela'. In FY 2023-24, we reimagined our wellness offering to be more inclusive, inviting every guest to pursue well-being from within. As aspirations shift towards longevity, balance and mindful living, our approach moves beyond stay and service, creating a refined and holistic expression of well-being that is both timeless and deeply felt.

Wellness for the Discerning Guests

Aujasya by The Leela is envisioned for the discerning modern traveller, one who seeks a seamless harmony between productivity, restoration and a deeper sense of well-being.

Whether arriving for business, leisure or a blend of both, each guest is drawn to experiences that go beyond the expected, spaces designed to restore, inspire and elevate. With every detail curated to nurture both body and mind, Aujasya by The Leela becomes a sanctuary where individuals reconnect, rebalance and quietly thrive.

From wellness seekers and global business travellers to families, couples and retreat communities, it welcomes all who seek a more meaningful, refined way to experience well-being.





The Leela Magazine - Summer 2026

Wellness at Every Touchpoint

Wellness is seamlessly woven into every touchpoint of the guest journey at The Leela, creating an experience that is both intuitive and holistically enriching.

Arrival Experience

A gracious welcome shaped by sensory details and time-honoured rituals that set the tone for a restorative stay

In-Room Enhancements

Thoughtfully curated wellness amenities, herbal infusions and sleep-enhancing comforts for deep, uninterrupted rest

Mindful Dining

A refined culinary approach with curated menus, functional ingredients and mindful indulgences

Movement, Cultural Immersion & Spa Rituals

A harmonious blend of fitness, yoga and spa therapies, enriched by Indian traditions

Celebrations and Events

Seamlessly woven wellness elements across ceremonies, gatherings and business occasions

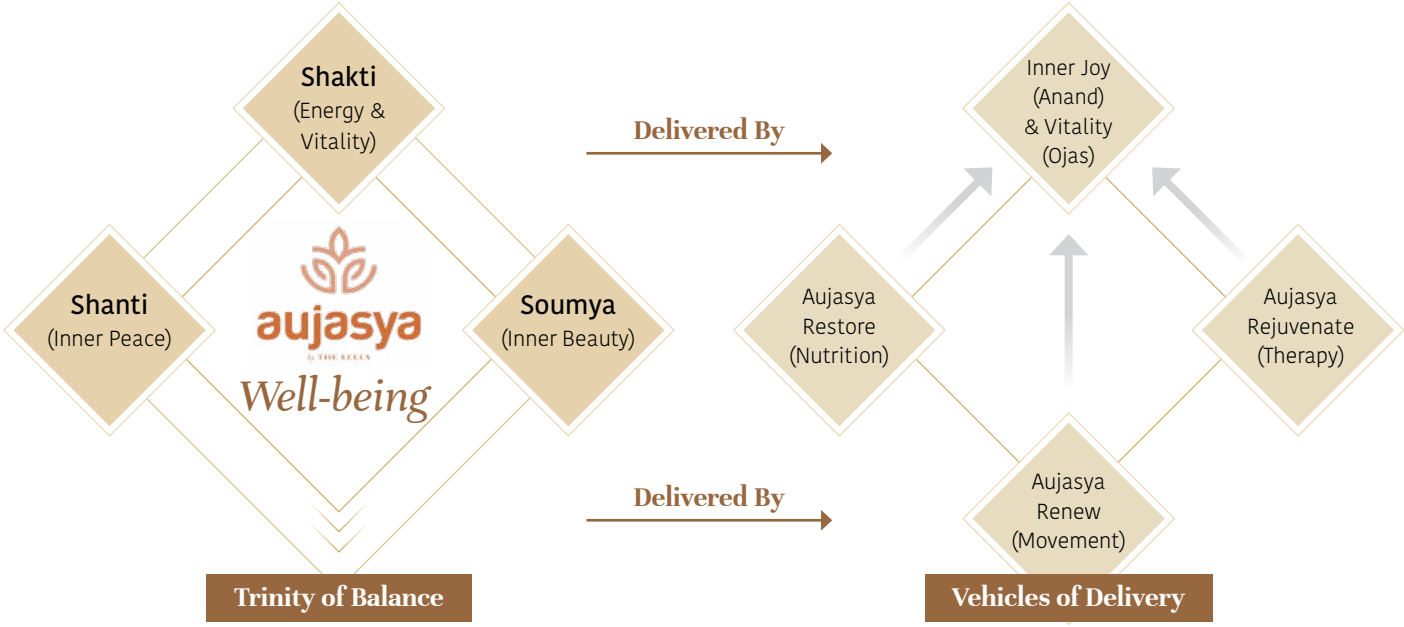


Pillars of Aujasya by The Leela

Guided by a Trinity of Balance: Shakti, the force of vitality; Shanti, the essence of inner calm; and Soumya, the expression of inner beauty, the programme unfolds through well-crafted experiences that restore, renew, and rejuvenate. Each offering is intuitively designed to encourage a deeper and more personal reconnection with the self.

On World Health Day 2026, a new chapter in this wellness journey was introduced with the unveiling of Aujasya by The Leela Sampoorna, along with the Aujasya by The Leela Signature Ritual. These additions reflect a refined evolution of the brand's holistic philosophy, shaped by a legacy of intuitive hospitality and a commitment to considered excellence.

Rooted in the ancient Indian concept of Ojas, the source of vitality, resilience, and inner luminosity, Aujasya by The Leela emerges as an immersive well-being programme. In its reimagined form, it moves beyond the idea of wellness as a practice, becoming a way of living that restores vitality, nurtures balance, and evokes a quiet, enduring sense of joy, while allowing each guest to move through life in rhythm with themselves. Mindfully composed, it fosters restoration and a deeper sense of inner harmony.





Restore

Outcome-led meals – Aujasya Sampoorna

At Aujasya by The Leela, food is a restorative experience rooted in India's culinary heritage. Seasonal, nutrient-rich ingredients and time-honoured techniques come together to support balance and well-being. Each dish is carefully crafted to go beyond nourishment, creating comfort, memory, and a sense of joy.

Key Elements

- Mindfully Pre-Portioned Meals
- Nutritional Guidance
- Seasonal and Functional Ingredients
- Traditional Cooking Techniques
- Indulgent Yet Nourishing Cuisine

Renew

Vitality Renewed with Every Experience

True well-being emerges from a balance of inner nourishment and outer rejuvenation at Aujasya by The Leela. Nature-led spaces and creative experiences deepen relaxation, connection, and self-expression. Each moment is designed to restore energy, uplift the spirit, and foster a renewed sense of self.

Key Elements

- Joy as a Path to Balance
- Culturally Rooted Rituals
- Nature Immersion
- Curated Sleep Rituals

Rejuvenate

Harmony Reawakened with Every Breath

Aujasya by The Leela reflects a more intuitive, rhythm-led expression of wellness, one that aligns with the natural cadence of each individual. By integrating the timeless ideas of Ojas, the essence of vitality and resilience, and Ananda, a state of quiet, enduring joy, it gently guides guests towards a deeper sense of inner alignment. The result is not just a feeling of well-being, but a lasting connection to balance, energy, and ease.

Key Elements

- Traditional Therapies Rooted in Ancient Wisdom
- Integrated Wellness Backed By Modern Science
- Personalised Wellness Journeys
- Restorative and Holistic Healing Practices
- Creative Therapies for Emotional Well-Being



Our Activations and Experiences

Signature Wellness Getaways

Tailored, themed programmes curated for personal transformation

Wellness Days at The Leela

Immersive day experiences centred on balance, vitality and mindful restoration

Corporate Group Stays

Customised wellness journeys designed to inspire teams and elevate leadership

CXO Retreats

High-impact, mindfully designed programmes for senior leadership and decision-makers

Aujasya by The Leela Wellness Weekends

Immersive weekend escapes offering deeper restoration in curated destinations

Wellness Brunches

Mindful dining experiences that bring together nourishment, flavour and well-being

MICE Integration

Seamless infusion of conscious well-being into meetings, conferences and business events

Aujasya by The Leela Sampoorna

Wellness dining crafted for balance and nourishment

Aujasya Signature Ritual

A 90-minute immersive spa journey expressing Shanti, Shakti and Soumya



Aujasya by The Leela Sampoorna

At the intersection of nourishment and intention, Aujasya by The Leela Sampoorna offers a seamless approach to wellness dining, shaped for the evolving rhythms of modern travel. Designed to move effortlessly with the guest's day, it removes the burden of constant choice while delivering nourishment that is both purposeful and pleasurable.

Guests can explore a selection of thoughtfully curated meal pathways:

- Anti-Inflammatory
- Detox
- High-Protein

Ghar Ka Khaana, a comforting homestyle experience presented in a traditional tiffin

Each menu draws from traditional wisdom and contemporary nutritional science, while remaining fluid and responsive to individual preferences and lifestyles.

Whether enjoyed within the hotel, in the privacy of one's room, or as part of a dynamic day beyond, Aujasya by The Leela Sampoorna ensures that well-being remains uninterrupted, intuitive and elegantly sustained.

Aujasya by The Leela Signature Ritual

Inspired by ancient Indian healing traditions, this deeply immersive 90-minute spa journey reflects the philosophy of Aujasya by The Leela, evoking inner calm, restoration and a quiet sense of joy. It expresses the essence of the programme through a seamless interplay of Shanti, Shakti and Soumya.

Shanti	Shakti	Soumya
Rest, Peace & Stillness	Strength & Vitality	Beauty & Radiance

Conceived as a journey rather than a treatment, the experience unfolds through layered sensory moments that restore balance and deepen awareness. It begins with a rose-infused foot ceremony, followed by the warmth of herbal potli and synchronised bodywork using warm, herb-infused oils to ease stress, improve circulation, and realign mind and body.

Moments of stillness and sound are seamlessly woven throughout, creating a gentle rhythm that soothes and revitalises. The journey concludes with an Aujasya by The Leela Tea Ritual and ceremonial close, leaving guests feeling centred and renewed.

This vision comes to life in dedicated Aujasya by The Leela Spa spaces, with the first unveiled at The Leela Palace Jaipur and further expansions planned across the portfolio.

Looking ahead, Aujasya by The Leela Retreats will extend this philosophy into immersive, curated experiences that bring together like-minded communities, from creators and thought leaders to wellness seekers. Each retreat is designed to foster deeper engagement with practices centred on movement, mindfulness, nourishment and culture.



GIVING LUXURY ITS OPERATING SOUL

Luxury is remembered in moments. It is sustained through systems. Project LIBRA (Leela Internal Brand Recognition and Assurance) formalises what has always defined The Leela, true Indian luxury delivered with consistency. It strengthens service intuition with clear, repeatable standards, so that the guest experience holds across properties, teams, and time.

LIBRA is built around 45 critical standards, distilled and further enhanced from over 800 brand standards already followed across the portfolio. These 45 were selected for their direct impact on guest experience and brand perception. They cover both visible touchpoints and the 'heart of the house', because excellence behind the scenes is as decisive as what guests see.

This programme does not seek to change The Leela experience. It codifies it. It translates The Leela's differentiation into structured expectations across behaviour, rituals, design details, and guest engagement, while still allowing each Palace to express its local character.

Core Service Pillars

01
Hyper personalisation that anticipates needs before they are expressed

02
Signature Leela rituals that anchor arrival and departure in memory

03
A refined arrival and farewell experience that frames every stay with intention

04
A distinctive amenity programme that reinforces identity within the guest's private space

05
Palace services that elevate everyday hospitality into ceremonial care

06
Brand standardisation that protects consistency without diminishing individuality

LIBRA is both cultural and operational. It establishes measurable benchmarks while reinforcing emotional resonance. With a target NPS of 85 and above, the focus is not only on satisfaction but on advocacy.

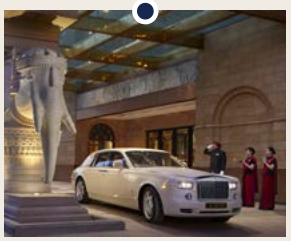
The outcome is consistency with depth. A guest who feels recognised in Udaipur as intuitively as in New Delhi or Bengaluru. Excellence is no longer dependent on chance. It is embedded.

Through LIBRA, The Leela strengthens its internal assurance so that every gesture, every ritual and every interaction reflects the same standard.



AWARDS & ACCOLADES

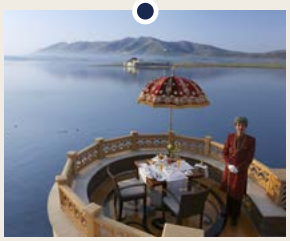
● Property ● F&B ● Brand/Sustainability ● Property/Sustainability



Travel + Leisure USA World's Best Awards 2026

#2 Best City Hotel in India

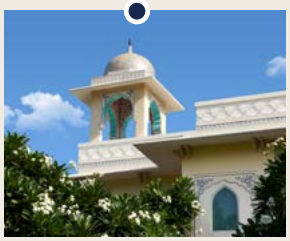
The Leela Palace New Delhi



Travel + Leisure USA World's Best Awards 2026

#2 Resort in India Recognised among the Top 100 Hotels in the World

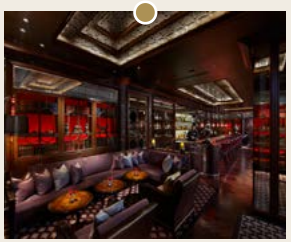
The Leela Palace Udaipur



Travel + Leisure USA World's Best Awards

Ranked #5 among the Best Resorts in India

The Leela Palace Jaipur



30 Best Bars in India

Ranked #14 - 30Best in India - The Library Bar

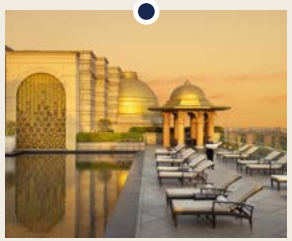
The Leela Palace New Delhi



Travel + Leisure Global Vision Awards

Sustainability Hotels without compromising on luxury

The Leela Palaces, Hotels and Resorts



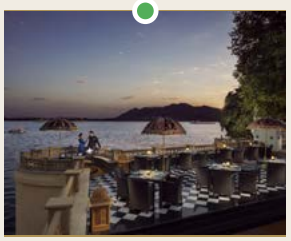
Travel + Leisure 500 2025

Recognised among the top 500

The Leela Palace New Delhi

The Leela Palace Udaipur

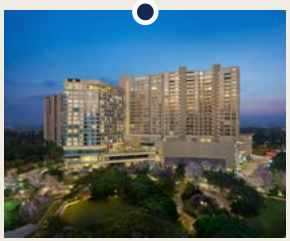
The Leela Palace Bengaluru



GlobalSpa Awards 2025

Favourite Honeymoon Resort & Spa of the Year

The Leela Palace Udaipur



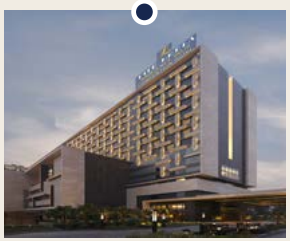
2025 TripAdvisor Travelers' Choice Award

Travelers' Choice Awards Best of the Best Winner 2025

The Leela Bhartiya City Bengaluru

The Leela Palace Jaipur

The Leela Palace Udaipur



2025 TripAdvisor Travelers' Choice Award

Travelers' Choice Awards Winner 2025

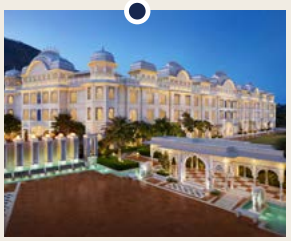
The Leela Palace Chennai

The Leela Ambience Convention Hotel Delhi

The Leela Ambience Gurugram Hotel & Residences

The Leela Ashtamudi, A Raviz Hotel

Property F&B Brand/Sustainability Property/Sustainability



La Liste 1000
2025

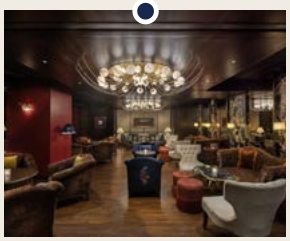
Top 1000 Hotels 2025

The Leela Palace Jaipur

The Leela Palace Udaipur

The Leela Palace New Delhi

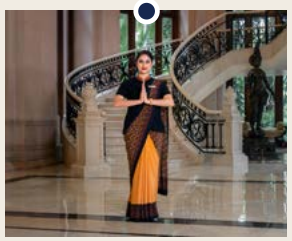
The Leela Palace Bengaluru



Asia's 50 Best
Bars 2025

#31 among Asia's 50 Best

ZLB23, The Leela Palace Bengaluru



Travel + Leisure Delicious
Dining Awards 2025

Best Service

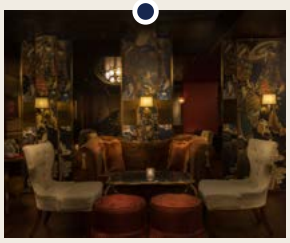
The Leela Palaces, Hotels and Resorts



Travel + Leisure Delicious
Dining Awards 2025

Best Health Friendly Menu

Aujasya by The Leela



Travel + Leisure Delicious
Dining Awards 2025

Best Bars in Hotels

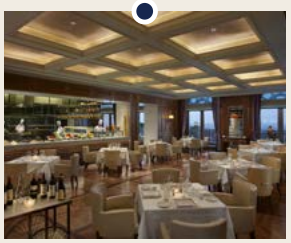
ZLB23, The Leela Palace Bengaluru



Condé Nast Traveller x District
Top Restaurant Awards 2025

#39

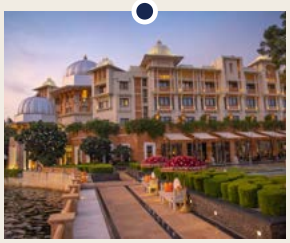
Megu, The Leela Palace New Delhi



Condé Nast Traveller x District
Top Restaurant Awards 2025

#44

Le Cirque, The Leela Palace New Delhi

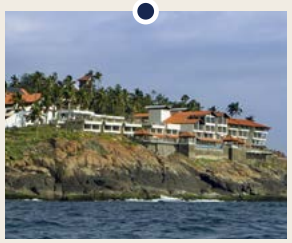


Condé Nast Traveler US
Readers' Choice Awards 2025

Recognised in Condé Nast Traveler US Readers' Choice Awards 2025

The Leela Palace Udaipur

The Leela Palace New Delhi

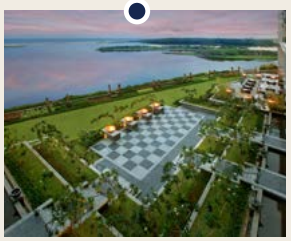


Condé Nast Traveller UK
Readers' Choice Awards 2025

#1 in India

The Leela Kovalam, A Raviz Hotel

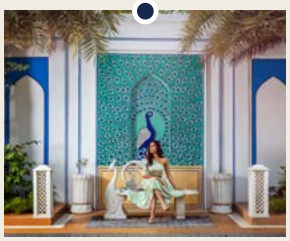
Property F&B Brand/Sustainability Property/Sustainability



Condé Nast Traveller UK Readers' Choice Awards 2025

#5 in India

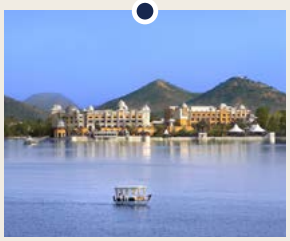
The Leela Palace Chennai



Condé Nast Traveller UK Readers' Choice Awards 2025

#9 in India

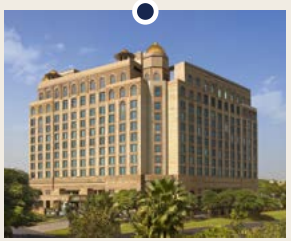
The Leela Palace Jaipur



Condé Nast Traveller UK Readers' Choice Awards 2025

#18 in India

The Leela Palace Udaipur

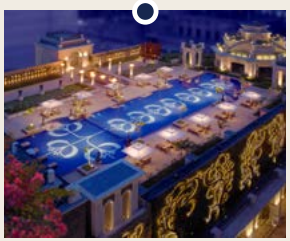


2025 Michelin Keys Award

Awarded 2 Michelin Keys

The Leela Palace New Delhi

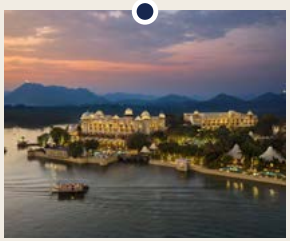
The Leela Palace Jaipur



2025 Michelin Keys Award

Awarded 1 Michelin Keys

The Leela Palace Chennai



Robb Report Hong Kong Best of the Best 2026 Travel, Experience & Hospitality Edition

Best in India - Urban Escape

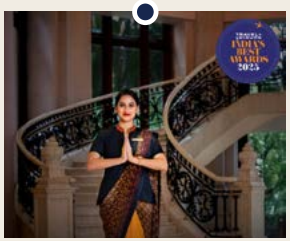
The Leela Palace Udaipur



ULTRAs 2025

Best Sustainable Hotel

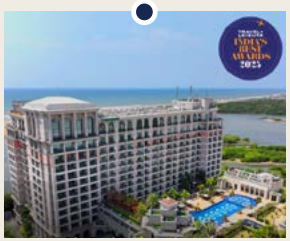
The Leela Palace Udaipur



T+L IBA 2025

Best Hotel Group

The Leela Palaces, Hotels and Resorts



T+L IBA 2025

Best Luxury Hotel (Domestic)

The Leela Palace Chennai

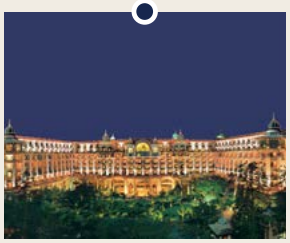
● Property ● F&B ● Brand/Sustainability ● Property/Sustainability



T+L IBA
2025

Best Celebration Hotel

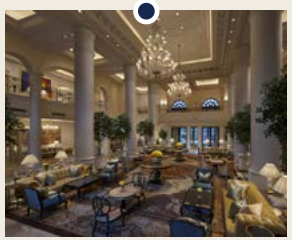
The Leela Gandhinagar



30 Best Bars in
India 2026

#7

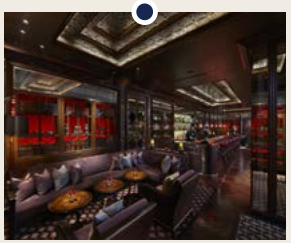
ZLB23, The Leela Palace
Bengaluru



The World's 50 Best
Discovery

Recognised among the 50 Best

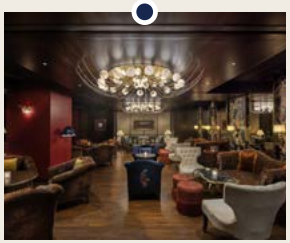
The Leela Palace New
Delhi



30 Best Bars in
India 2026

#16

The Library Bar, The Leela
Palace New Delhi



30 Best Bars in India - Top 12
Restaurants (2026)

#1

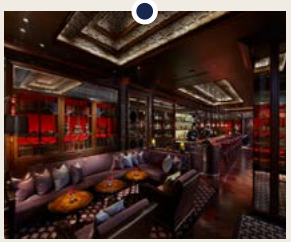
ZLB23, The Leela Palace
Bengaluru



GlobalSpa Awards
2025

Best Wellness Cuisine - Aujasya by The Leela

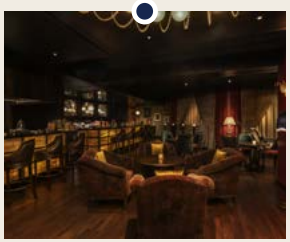
The Leela Palaces, Hotels
and Resorts



30 Best Bars in India - Top 12
Restaurants (2026)

#2

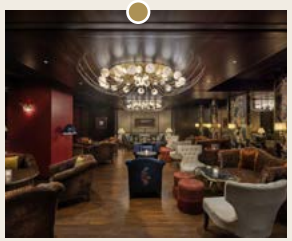
The Library Bar, The Leela
Palace New Delhi



30 Best Bars in India - Top 12
Restaurants (2026)

#10

The Library Bar, The Leela
Palace Bengaluru



30 Best Bars
in India

Ranked #6 30Best in India - ZLB23

The Leela Palace
Bengaluru

Growth Pipeline

56
Our Invite-Only Luxury Lifestyle Club Offering

58
Defining International Luxury in Dubai

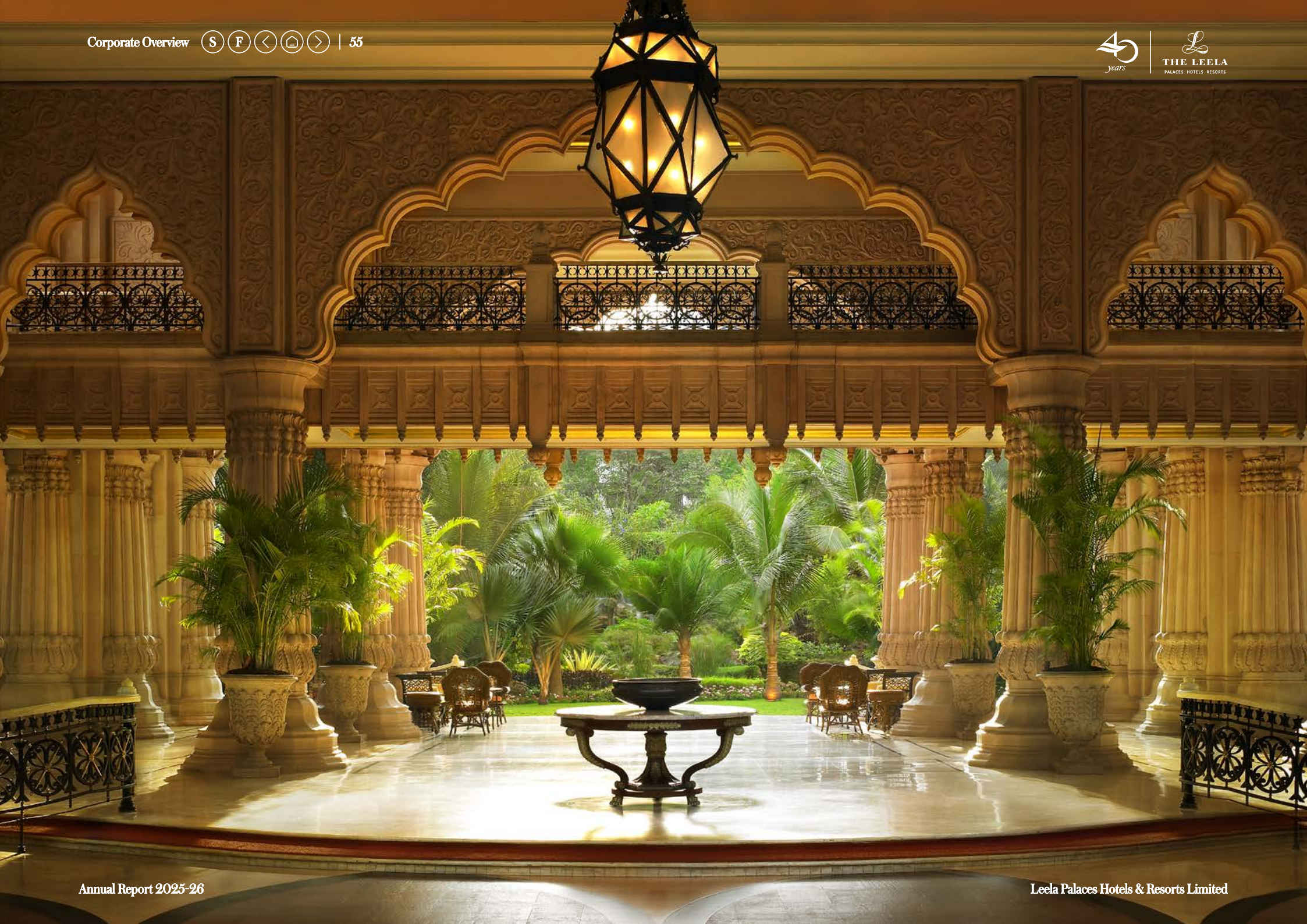
62
Luxury at Country's Most Elite Central Business District

66
A New Era of Luxury in Jaisalmer

68
A New Sanctuary of Luxury in Coorg

70
On Track for 1,000+ Keys

72
Multi-pronged growth strategy firing on all cylinders



OUR INVITE- ONLY LUXURY LIFESTYLE CLUB OFFERING

Luxury is becoming quieter and more intentional. Today's most discerning individuals seek meaning over magnitude, privacy over prominence, and belonging over display. In India, as affluence matures, there is a growing desire for environments that feel personal, rooted, and restorative within the pace of modern cities.

Private members' clubs now reflect this evolution. They are no longer social stages, but personal sanctuaries shaped by culture, conversation, and calm. Designed to endure, these spaces privilege depth, discretion, and continuity.



From this new rhythm emerges Arq By The Leela, a private, invitation-only members' sanctuary envisioned as a world within The Leela. It represents a natural extension of our journey, strengthening direct relationships with ultra-high net worth individuals while expanding The Leela ecosystem beyond destinations into lifestyles.

Debuting in Bengaluru, Arq By The Leela will reflect its local context while remaining united by a philosophy of restraint, refinement and continuity. Members move seamlessly between locations, carrying a sense of familiarity that is both rare and reassuring.



Digital Infrastructure Powering the Arq By The Leela Ecosystem

This vision is enabled by technology designed to be seamless and intuitive. Arq By The Leela App serves as an integrated, industry-first global ecosystem that connects members, concierge and operations through a single digital gateway. Privileges, reservations, curated events and personalised experiences are accessed effortlessly, creating continuity across every touchpoint.

Complementing this is a dedicated employee platform with broad functionality across the portfolio. Teams are equipped to note milestone visits and celebration dates, track scheduled stays, and draw insights from member preferences and spend patterns. This enables a level of hyper-personalisation that ensures every Arq By The Leela member is anticipated, recognised and consciously served at every property.

Arq By The Leela offers something increasingly precious. It expresses the distilled essence of The Leela in its finest, purest and rarest form.

Arq By The Leela Locations Launched



Bengaluru



New Delhi

Upcoming Arq By The Leela Locations



Chennai



Mumbai



DEFINING INTERNATIONAL LUXURY IN DUBAI

As our first international foray, The Leela acquired a 25% stake in a fully operational beachfront luxury resort on Dubai's iconic Palm Jumeirah. Brookfield-managed funds will hold the remaining 75%, forming a partnership that balances global capital strength with The Leela's philosophy of custodial luxury.

A Considered Global Expression

Dubai represents one of India's most significant outbound markets, making a flagship presence both strategically relevant and commercially compelling. It strengthens The Leela's global presence while remaining closely connected to a core domestic clientele that actively traverses this corridor.

As our first international flagship, the resort secures entry into a trophy beachfront address defined by structural barriers to entry and enduring demand. It opens a new avenue of growth, establishes long-term fee visibility, and is de-risked through Brookfield's regional expertise and capital participation.



Our entry into Dubai is not an expansion of footprint alone, but an expansion of perspective.

As the resort transitions to The Leela by end of 2027, it will stand as a global expression of true Indian luxury.

The Address

Palm Jumeirah, Dubai

- One of the world's most established luxury destinations
- A high-barrier, supply-constrained beachfront market
- Dubai welcomed around 19.6 million international visitors in CY 2025
- Among the highest concentrations of ultra-high-net-worth residences globally

The Asset

Scale with Substance

546 Keys

361 Hotel Rooms

182 Residences

3 Private Villas

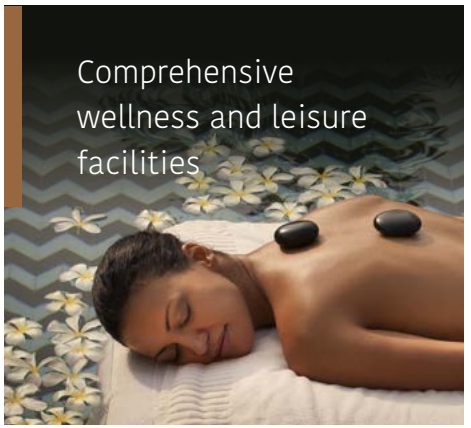
23 Acres
Prime Freehold Beachfront Land

35% Suite Inventory

63 Sq. m.
Average Room Size

12 F&B Outlets

23,500 Sq. ft.
Banqueting Space



Structured for Enduring Value

Our total equity commitment, including renovation capital, is estimated at US$ 70 million, supported by a structured equity recycling approach.

The strategy is anchored in the monetisation of 182 branded residences, comprehensively upgraded and repositioned as Leela Luxury Residences. Proceeds from these sales, along with capital gains, are expected to be distributed on an arm's length basis, enabling recovery of our initial equity investment within an anticipated 2 to 3-year timeframe. This outlook is underpinned by the continued strength of Dubai's luxury residential market

Following this recovery, we will retain a 25% ownership stake in the remaining 361-key hotel, complemented by a recurring stream of high-margin management fees. The investment effectively transitions into an asset-light model, enduring participation with minimal net capital deployment.

US$ 503 million
Total Purchase Price (100%)

12.8x
CY 2025 EBITDA

75%
Brookfield-Managed Funds

US$ 49 million
(≈ INR 420 crores) The Leela's 25% Initial Equity Investment

Anchored in Institutional Strength

Executed by Brookfield through its established UAE development platform, the capital programme benefits from proven regional expertise demonstrated across landmark assets including ICD Brookfield Place and Solaya Residences. This further de-AUDITs delivery through disciplined capital deployment and oversight, ensuring that The Leela Dubai is supported by institutional rigour, operational precision, and a resilient development foundation.





LUXURY AT COUNTRY'S MOST ELITE CENTRAL BUSINESS DISTRICT

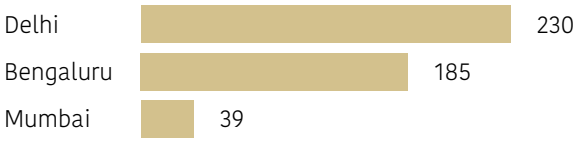
BKC stands as Mumbai's modern axis of influence. A key central business district where finance, enterprise and global capital converge, anchored by premium office space occupied by leading global and domestic corporates alongside a vibrant, rapidly growing ecosystem of high-end residential, convention, retail and F&B spaces; yet within this scale, luxury hospitality remains strikingly scarce.



Mumbai's BKC Micro-Market is structurally underserved with no new hotel supply added since 2011.

MUMBAI BKC: LOWER KEY COUNT PER MSF OFFICE SPACE VIS-À-VIS BUSINESS DISTRICTS OF OTHER METRO CITIES

(Keys per MSF, 2025E)



Within this context, The Leela, alongside Brookfield (50:50 JV), secured an 80-year lease on a 2.1-acre land parcel at the gateway to BKC. The site presents a rare opportunity to introduce the Palace brand into one of India's most underpenetrated luxury corridors.

250
Keys

Positioned at the most premium gateway to BKC, the hotel will represent a refined urban expression of the Palace ethos, offering stillness and discretion within a district defined by velocity.

A Palace at the Gateway

Mumbai is India's financial capital. Yet its luxury key density remains disproportionately low relative to its commercial scale. The Leela Palace Mumbai BKC responds to this imbalance with composure. It establishes the Palace brand at the centre of commerce, not as spectacle, but as sanctuary.

A Disciplined Structure

The development has been structured with deliberate financial discipline at its core. The Leela's share of the project entails an estimated capex of approximately INR 8,000 million, funded through a balanced mix of roughly 50% equity and 50% non-recourse project debt. This calibrated approach preserves balance sheet flexibility while ensuring meaningful ownership in a market defined by long-term scarcity.

Investment metrics

~ INR 8,000 Mn
Capex

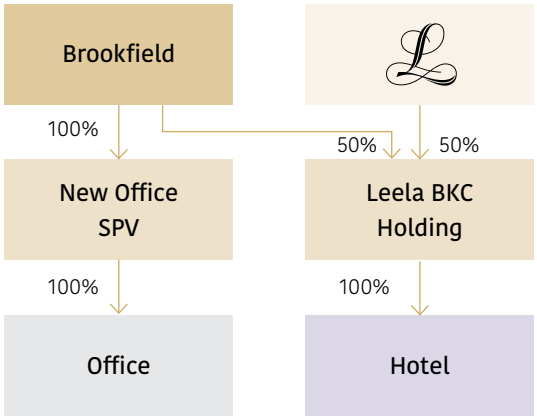
~50%
Equity

~50%
Non-recourse project debt

Equally important is the refinement of the holding structure. Subject to requisite authorisations and regulatory approvals, the office component will be demerged into a separate Special Purpose Vehicle (SPV) wholly owned by Brookfield. The Leela will retain a 50% stake in the hotel business through Leela BKC Holdings, ensuring that capital is concentrated in the asset class where brand equity, operating expertise and yield visibility intersect most directly. This separation achieves two objectives:

- Allows the office asset to benefit from Brookfield's institutional leasing and execution capabilities, while the Palace hotel remains firmly aligned with The Leela's luxury operating philosophy
- Optimises capital allocation by limiting exposure to non-core development intensity

Revised Structure



The land itself was secured at a basis approximately 20% lower than comparable recent transactions in G Block BKC. In a micro-market defined by scarcity and high entry barriers, disciplined acquisition at inception meaningfully enhances return potential over the asset's life cycle.



Partnership Strength

Brookfield's participation extends beyond capital. It brings institutional execution capability across sectors and a demonstrated track record in marquee developments. The office component benefits from Brookfield's leasing depth, while the hotel remains under The Leela's custodianship of luxury.

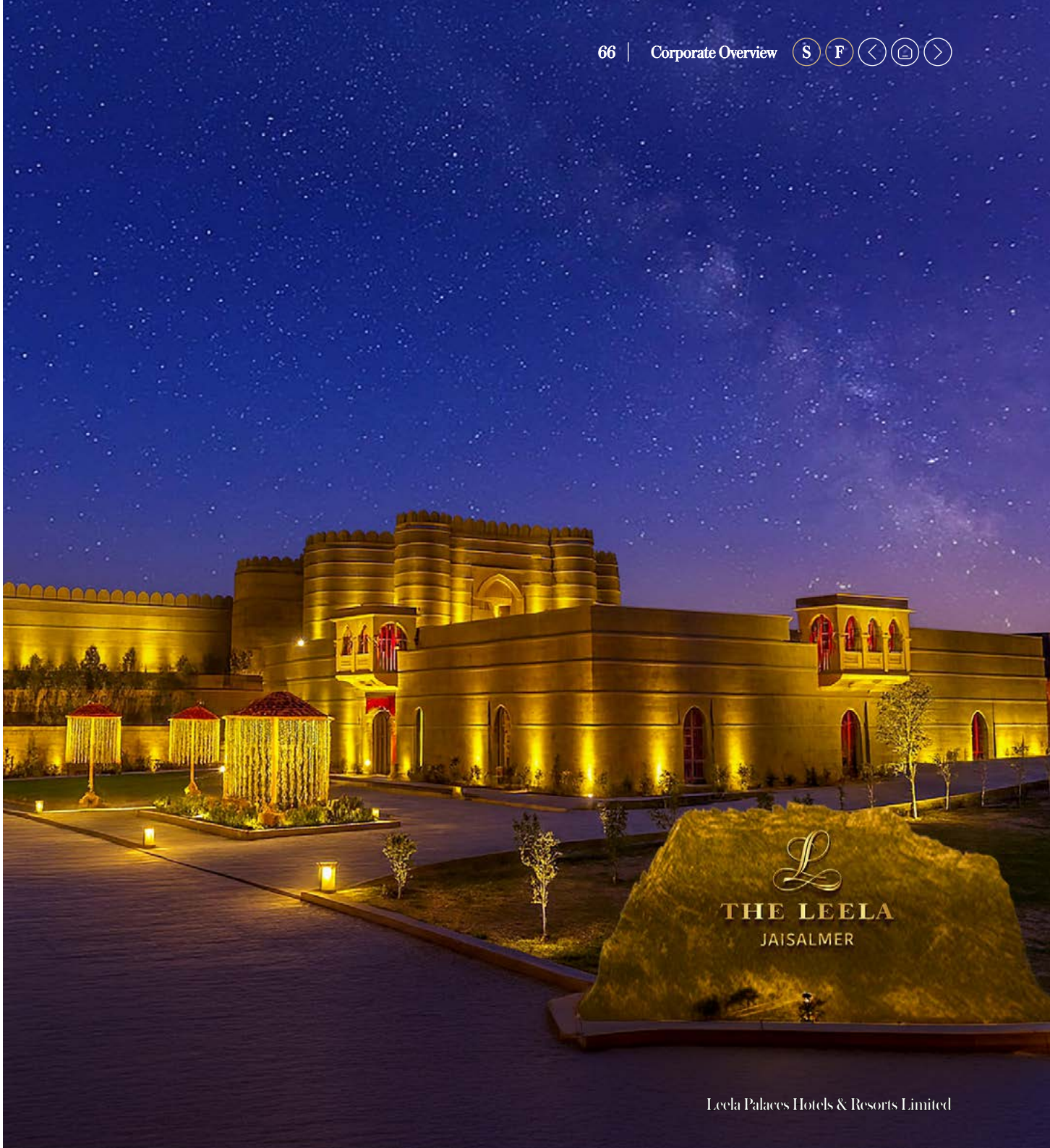



THE LEELA

A NEW ERA OF LUXURY IN JAISALMER

There are landscapes that define a civilisation. Rajasthan is one such land. With lakes that mirror palaces and cities carved from rose stone, it now finds its final expression in the desert.

With The Leela Jaisalmer, we enter the Golden City, extending our presence into the vast stillness of the Thar. Set across 30 acres near the ancient Jaisalmer Fort, this 80-key luxury Desert Resort and Spa will stand as a sanctuary of refinement amid the sands.



This is not expansion for its own sake. It is completion.

Together with The Leela Palace Udaipur, The Leela Ranthambore and The Leela Palace Jaipur, Jaisalmer completes a quadrilogy across Rajasthan's most resonant destinations. The circuit now unfolds as a seamless narrative of Indian grandeur, curated through a singular lens of luxury.

80
Keys

30 Acres
Area Covered

Completing the Rajasthan Circuit

Strategically, the Rajasthan circuit is central to our long-term vision, leveraging strong tourism tailwinds to build a high-margin luxury ecosystem across Jaipur, Udaipur, Jaisalmer and Ranthambore. This connected footprint strengthens The Leela Palace Trails programme, catering to international travellers seeking immersive multi-destination journeys across clustered properties.

Guests typically spend eight to ten nights within this circuit, transforming individual stays into a seamless luxury experience. The resulting network impact drives higher RevPAR, longer stays and a strong brand halo effect.

An Immersive Desert Retreat

Conceived as an immersive desert retreat, the resort will feature elegantly appointed rooms and tented villas, an expansive spa, destination dining, a serene man-made lake and a pillarless ballroom framed by sweeping courtyards. It is designed to host both quiet retreat and magnificent celebration, responding to Jaisalmer's growing stature as a global stage for weddings and milestone gatherings.

Structured as a management partnership with The Godwin Group, this reflects our disciplined approach to growth. As the third luxury hotel added since our IPO, following Mumbai BKC and Dubai, it reinforces a strategy guided by selectivity rather than scale.

The desert is a place of clarity. Of horizon and silence. Of timelessness.



In Jaisalmer, The Leela will not merely build a resort. We will shape an experience that rises from the sands with quiet authority, completing our presence across Rajasthan and deepening our custodianship of India's most evocative landscapes.

A NEW SANCTUARY OF LUXURY IN COORG

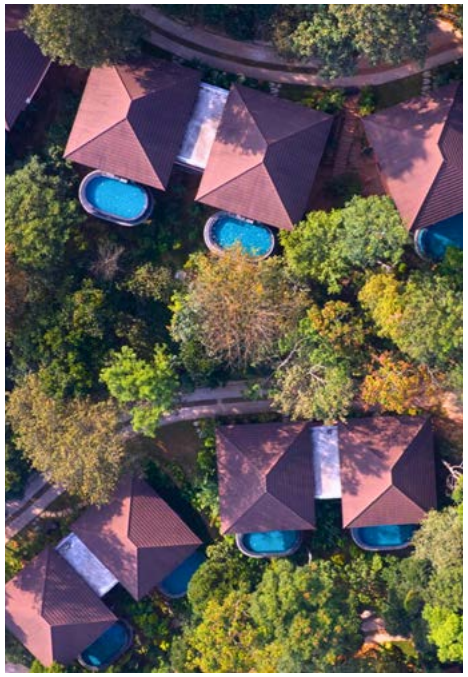
Set across 76 acres of living coffee plantation and forest, The Leela Coorg Forest Sanctuary (71 all-villa keys) is where nature-led immersion, holistic wellness, and The Leela's signature warmth converge into an experience unmatched in India.

With the unveiling of India's most distinguished slow-luxury sanctuary, we enter a realm where wilderness and refinement exist in quiet harmony.



Completing a New Chapter of Indian Luxury

Strategically located within the Western Ghats, Coorg represents one of India's most compelling leisure destinations, renowned for its biodiversity, cultural richness, and enduring appeal among global travellers. This sanctuary marks The Leela's entry into a more experiential, wellness-driven dimension of hospitality, balancing its presence across India's most evocative landscapes, from palaces and cities to forests and highlands.



Rooted in Nature, Elevated by Design

The IGBC Platinum-certified resort has been designed in harmony with its natural setting, with architecture that brings together modern form and local artistry in a language that feels both refined and rooted.

Villas are designed to dissolve the boundary between indoors and out, opening onto mist-laden views, forest canopies, and tranquil water bodies. Guests are invited to slow down, to inhabit space differently.

At its heart lies a serene 7-acre lake, reflecting both sky and forest, anchoring the sanctuary in a sense of calm continuity. A private helipad ensures seamless access, while the scale of the estate allows for a rare balance of privacy, space, and immersion in nature.

The property is supported by significant land reserves that enable thoughtful, low impact expansion over time. A first phase will introduce 19 additional keys, bringing the total inventory to 90 villas, while preserving the integrity and openness of the landscape.

An Immersive Forest Experience – Where Stillness Finds You

At The Leela Coorg Forest Sanctuary, every moment is shaped by the land:

Stay and Live
From expansive family villas to intimate forest hideaways, each space is designed for connection with nature, with loved ones, and with self.

Wellness and Restoration
The 27,000 sq. ft. Viyoma wellness sanctuary draws on Ayurvedic wisdom and modern science, offering transformative journeys through yoga, therapies, and holistic rituals.

Epicurean Delights
Dining experiences range from the architectural elegance of Bamboo Buzz to the over-water serenity of Twisted Basil, and the warm intimacy of The Cellar, each celebrating craft, locality, and flavour.

Experiences
Nature walks, coffee tastings, kayaking, stargazing, and quiet lakeside moments create a rhythm of discovery and pause.

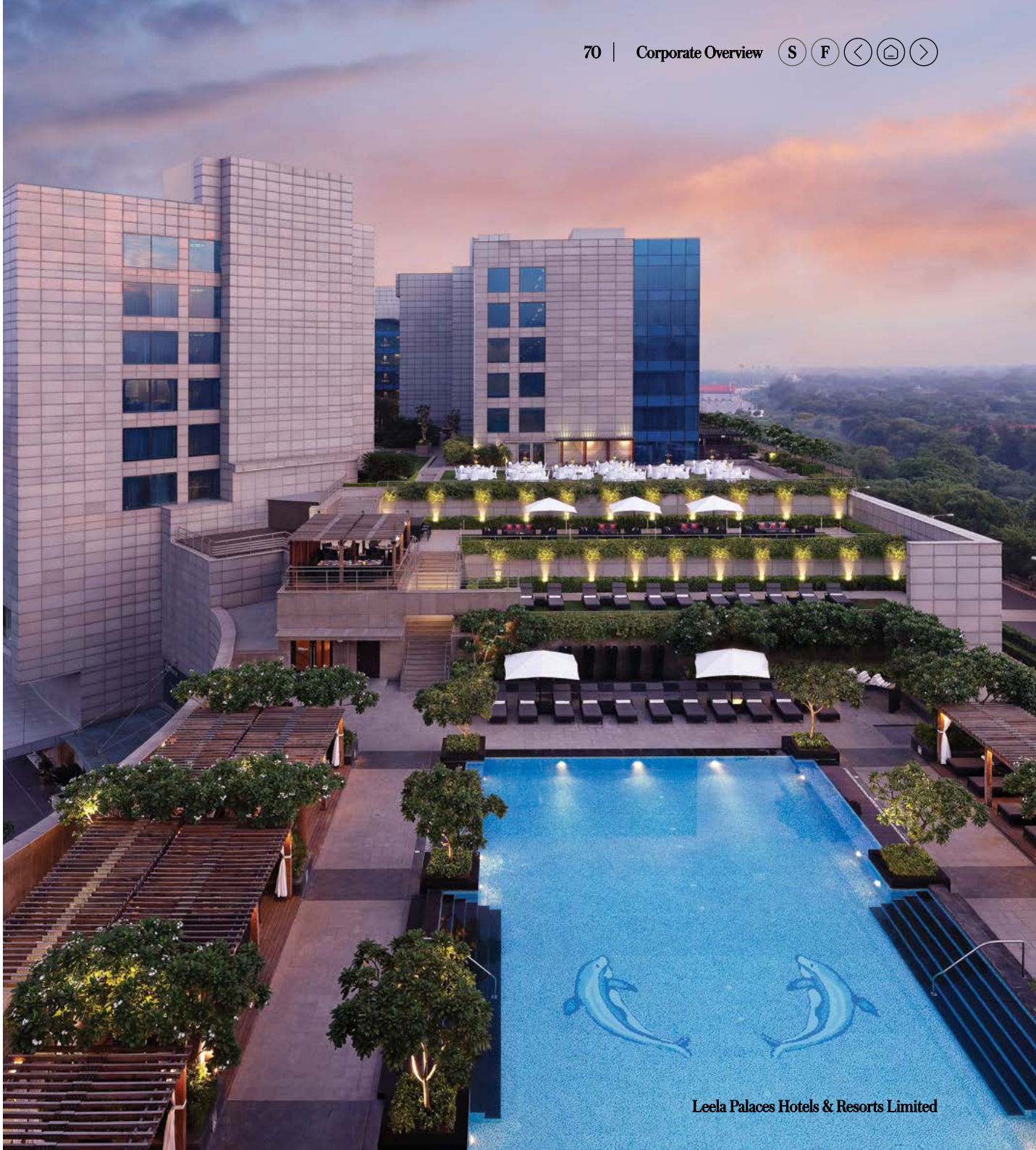
Spirit of the Sanctuary

The forest is a place of quiet knowing. Of breath and balance. Of stories that unfold gently, yet stay with you.

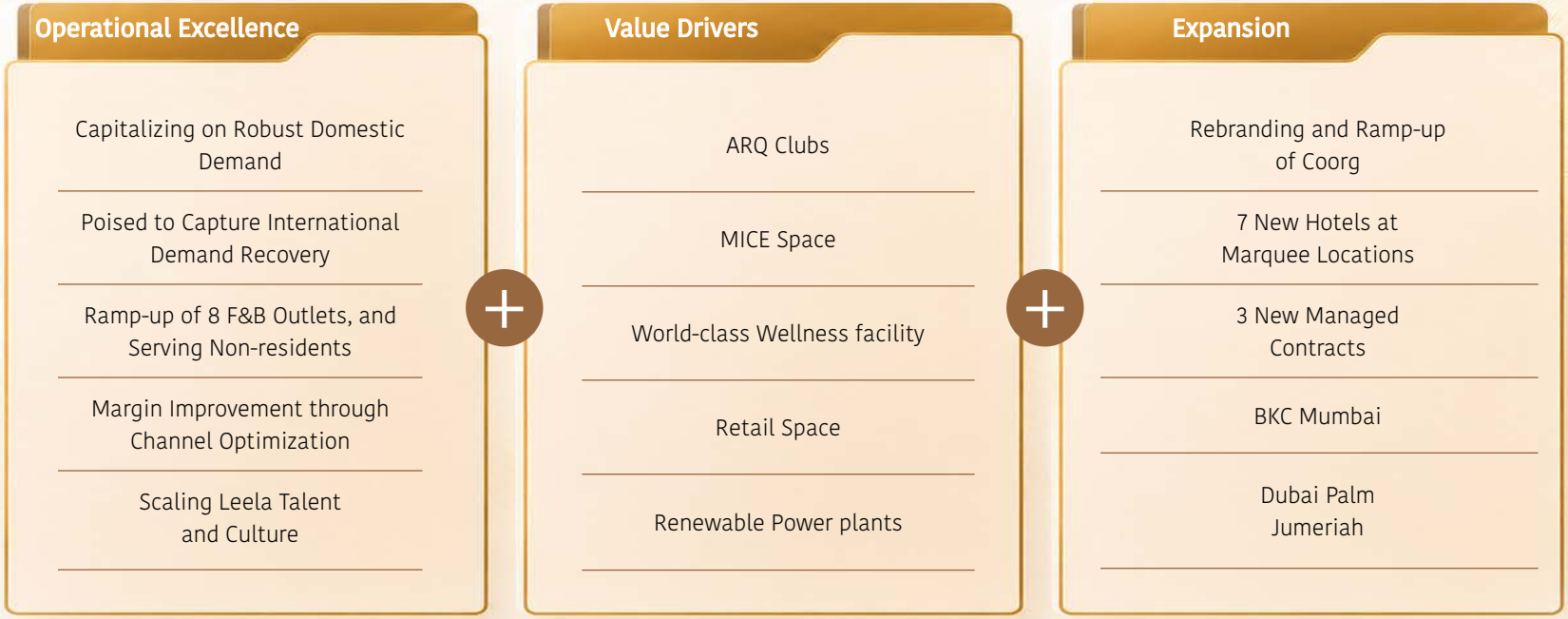
In Coorg, The Leela does not simply build a retreat. It creates a sanctuary where luxury listens, nature leads, and every stay becomes a return to something essential.

ON TRACK FOR 1,000+ KEYS

Our journey extends into a new chapter, marked by a distinguished portfolio of upcoming openings and landmark developments across India's most sought-after destinations. Each address is conceived not merely as a place to stay, but as a world unto itself. Spaces where design, culture, and craftsmanship come together in quiet harmony. With each new addition, we extend an invitation to live beautifully and travel meaningfully. To discover settings where privacy is prized, service is deeply personal, and sophistication is felt rather than displayed. This is an evolving vision of gracious living, curated for those who seek substance, not spectacle.



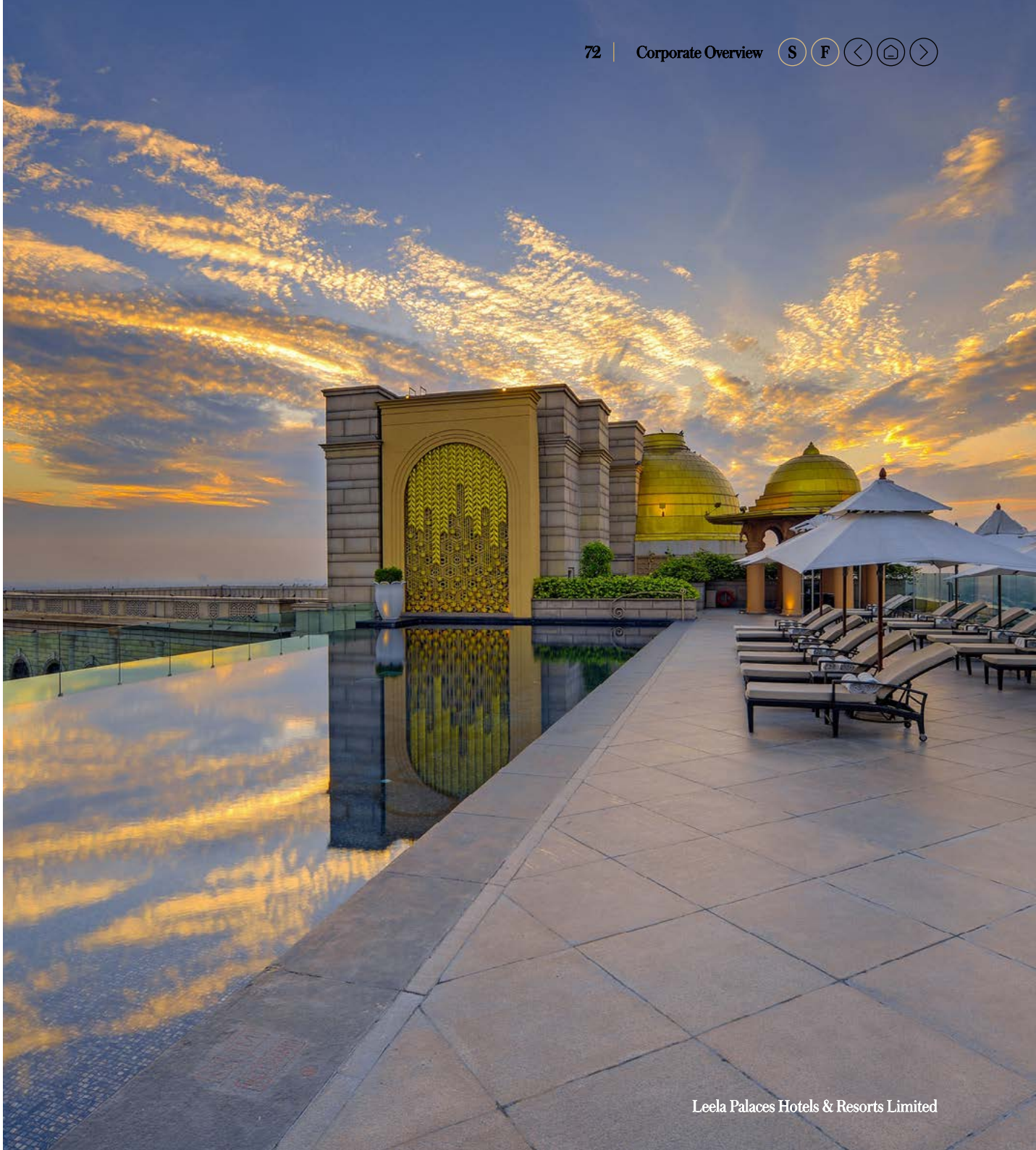
The Leela | Value-Creation Levers

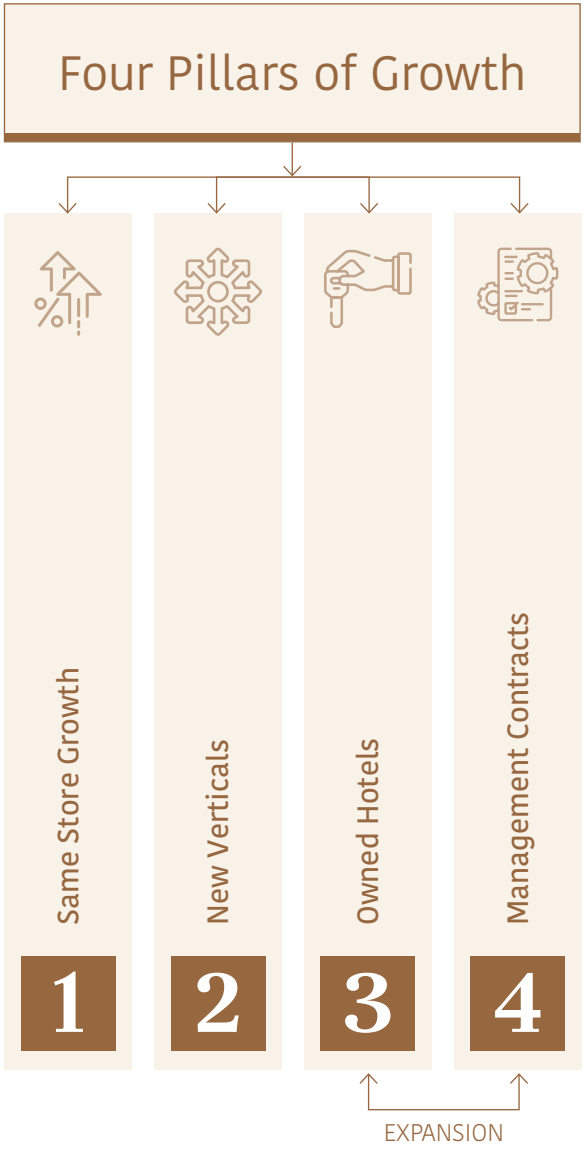


Hotel	Keys	Type	Timelines
Jaisalmer	80	Managed	CY 2026
Mumbai Waterstone	63	Managed	CY 2026
Srinagar	170	Owned	CY 2027
Bandhavgarh	30	Owned	CY 2027
Sikkim	140	Managed	CY 2028
Ayodhya	100	Owned	CY 2028
Agra	99	Owned	CY 2028
Ranthambore	76	Owned	CY 2028
Tadaoba	30	Owned	CY 2030
Mumbai BKC	250	Owned	CY 2030
Total	**1,038**		

MULTI-PRONGED GROWTH STRATEGY FIRING ON ALL CYLINDERS

In luxury hospitality, ambition is meaningful only when supported by clarity of execution. With 5,300 announced luxury keys (~2x vs 2020) and further growth in the pipeline, our growth strategy represents a continuation of an operating framework that has steadily strengthened performance quality across the portfolio. The growth pathway reflects evolution rather than transformation, extending established strengths in pricing, demand depth and margin discipline through measured expansion.







Driving Same Store Growth

The foundation of earnings growth is anchored in the existing portfolio, where asset maturation continues to unlock operating leverage, allowing incremental revenues to translate efficiently into enhanced profitability. Sustained growth in average daily rates and occupancy is supported by favourable demand dynamics within the luxury segment. Strategic investments in room upgrades, guest amenities and curated experiences further expand monetisation opportunities, strengthening market leadership while reinforcing long-term revenue potential across the portfolio.

Venturing into New Verticals

Beyond organic growth, earnings quality is set to strengthen through the continued evolution of the brand ecosystem. Initiatives such as Arq lifestyle clubs and luxury branded residences extend engagement beyond the traditional hotel stay, transforming guest relationships into enduring lifestyle affiliations.

These verticals introduce incremental, asset-light revenue streams, increasing the share of high-margin and recurring income over time. The expansion of management-led and fee-based offerings further enhances earnings resilience while preserving capital efficiency.

Expansion through Owned Hotels and Management Contracts

Development activity represents a significant driver of incremental earnings, supported by a balanced expansion strategy spanning owned assets, selective acquisitions and capital-light management partnerships. This approach enables disciplined geographic expansion while strengthening long-term earnings visibility and capital efficiency.

Key Contributors

Pipeline Expansion

New properties across Agra, Ayodhya, Bandhavgarh, Ranthambore and Srinagar.

Strategic Market Entry

Developments in Mumbai BKC and Dubai supported by strong long-term demand fundamentals.

Asset-Light Growth

Select acquisitions and managed properties under evaluation anticipated to contribute to EBITDA while preserving balance sheet discipline.

Execution Focus

Timely delivery and accelerated stabilisation supported by strong pre-opening capabilities and brand-led operating standards.

Scalable Earnings Model

Integrated ownership and partnership strategy combines asset-led EBITDA with growing fee-based income streams.

Platform Advantage

Alignment with the Brookfield ecosystem enhances access to high-quality growth opportunities consistent with long-term brand stewardship.



Additional Catalysts

Industry Tailwinds Supporting Long-Term Momentum

The outlook for luxury hospitality in India remains favourable, supported by rising affluence, improving connectivity and the country's emergence as both a business and leisure destination. Growing domestic consumption of luxury experiences, alongside the recovery in international travel, continues to strengthen demand for premium hospitality. Within this evolving landscape, The Leela's positioning as an authentic expression of Indian luxury ensures sustained competitive relevance.

Financial Discipline as a Growth Enabler

Underlying expansion continues to be guided by financial prudence, with growing operating cash flows increasingly supporting development funding, complemented by selective leverage within conservative parameters. Balance sheet strength remains central to sustaining resilience across cycles while preserving strategic flexibility. As the current investment cycle matures and earnings scale, rising surplus cash flows are expected to support the evaluation of shareholder return mechanisms over time, balancing reinvestment priorities with sustainable value distribution.



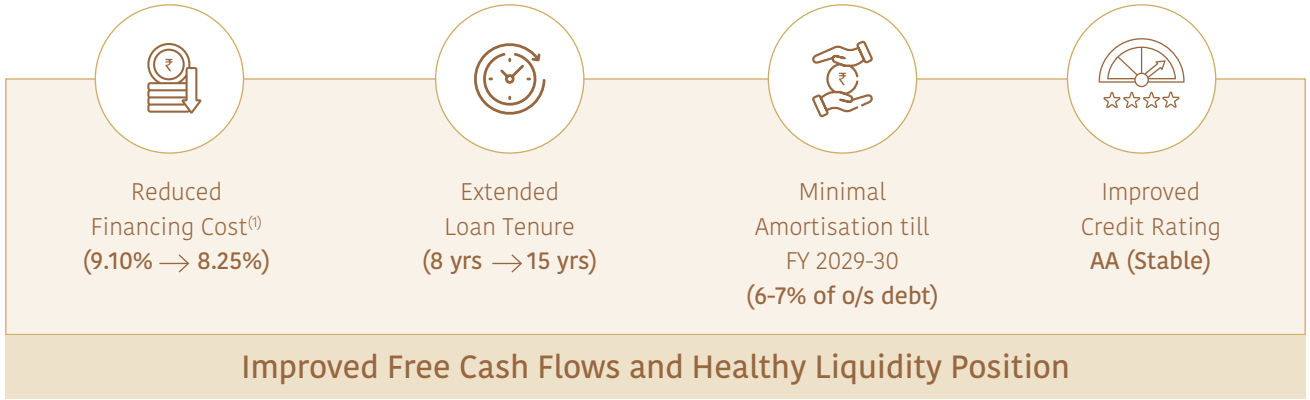
Growth Anchored in Enduring Principles

The progression towards INR 20,000 Mn of EBITDA is ultimately defined by accumulation rather than acceleration. Each expansion decision is intended to strengthen brand equity, deepen guest relationships and enhance long-term financial outcomes, positioning future earnings growth as a natural extension of The Leela's enduring commitment to luxury hospitality with an Indian soul.

Strategic Refinancing Driving Stronger Financial Flexibility

Our funding profile has been aligned to support long-duration hospitality assets and sustainable growth.

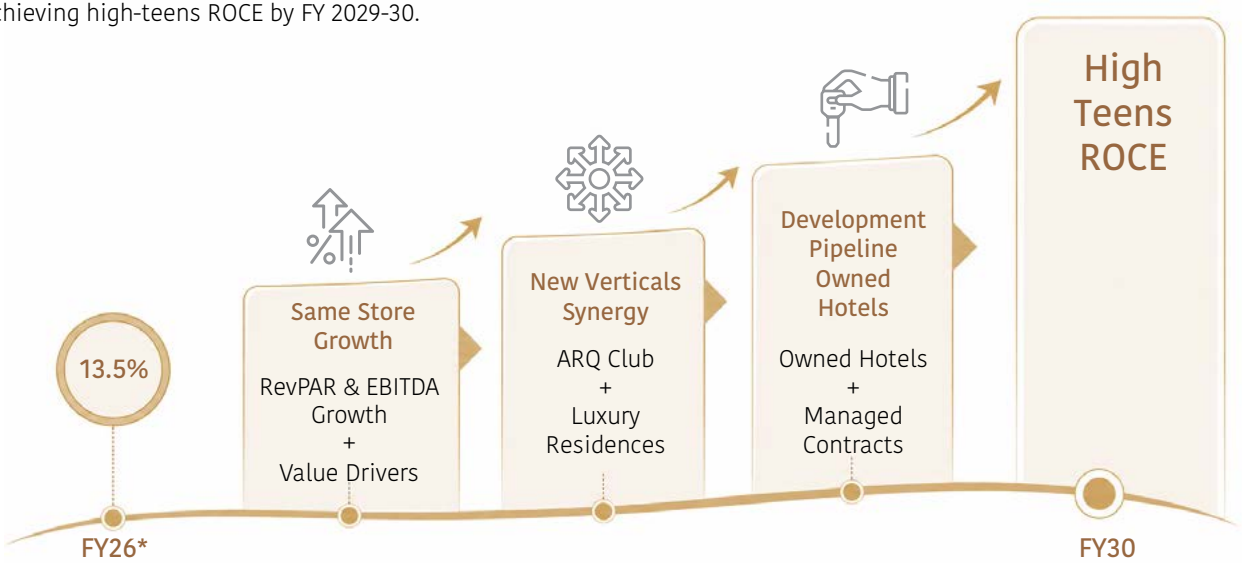
We have managed to reduce financing costs from 9.10% to 8.25%, extended loan tenures from eight years to fifteen years, and limited amortisation requirements to ~6-7% of debt until FY 2029-30. Our improved AA (Stable) credit rating further strengthens liquidity and financial flexibility. This structure enhances free cash flow visibility and enables us to pursue expansion without compromising financial resilience.



(1) Financing cost here refers to the term loan facility availed by the Company

The Outcome: Strengthening Capital Productivity

Our ROCE trajectory is supported by multiple drivers working together. Starting from 13.5% as on March 31, 2026, we expect returns to strengthen through continued same-store growth, stabilised earnings from the development pipeline, and incremental contribution from fee-led and capital-light verticals. Together, these drivers underpin our ambition of achieving high-teens ROCE by FY 2029-30.



*ROCE figure adjusted for 'Fair Value Gain (IndAS implementation)' and 'Cash Infused (Pre-IPO) by Promoters for future expansion'



Value Creation Approach

80
The Art of Creating Enduring Value



THE ART OF CREATING ENDURING VALUE

Luxury, when built to endure, demands discipline. At The Leela, value creation is embedded in every decision, from capital allocation to service philosophy. Over four decades, we have built an integrated model combining brand strength, pricing power and governance to deliver sustained long-term value.



Capitals	Inputs	Value Creation Process	Outputs	SDGs Impacted
Financial Capital	• Shareholders' Funds: INR 64,526.15 million • Gross Debt: INR 15,568 million • Net Debt/EBITDA: 1.6x	The Leela converts capital into enduring value through: • Curating iconic assets in high-barrier luxury markets • Institutionalising true Indian luxury • Driving revenue density via an integrated ecosystem of rooms, dining, wellness, and experiences • Deploying capital selectively to enhance ROCE and margin durability • Leveraging technology for personalisation and operational efficiency • Embedding sustainability and governance into daily operations	• Total Revenue: INR 15,977.79 million • EBITDA: INR 8,133.42 million • EBITDA Margin: 50.90% • ROCE: 13.5%	
Manufactured Capital	• Number of Hotels: 15 (Operational) • Total Keys: 4,162 (Operational)		• Occupancy: 68.8% • ARR: INR 25,375 • RevPAR: INR 17,460 • TRevPAR: INR 33,389 • Keys Added: 966 Keys	
Intellectual Capital	• Registered Brand IPs: 60		• Net Promoter Score: 86	
Human Capital	• Total Employees: 3,120 • Training Hours per Employee: 61 Hours		• Women Representation: 23% • Revenue per Employee: INR 5.45 million • Attrition Reduction: 24%	
Social and Relationship Capital	• Percentage of suppliers complying with ABAC policy: 100% • CSR Prescribed Spent: INR 10.75 million		• Procurement from Local Vendors: 59.11% • Community Beneficiaries: 30,000+ • Procurement Cost Towards Suppliers Within India (Country of Operation): 84.96%	
Natural Capital	• Renewable Energy Consumption: 67% • Water Consumption: 5,32,036 KL • Total Electricity Usage: 1,58,446 GJ		• GHG Emissions Avoided: 20,964 tCO_2e • GHG Emissions Reduction: 22% • Recycled Water: 40% • Net Zero by 2050	



The Leela Commitment to Mindful Luxury

84
Where Luxury Meets Sustainability

86
Environmental Stewardship

93
Responsible Sourcing

96
Inclusive Culture

112
Heritage and Communities



WHERE LUXURY MEETS SUSTAINABILITY

At The Leela, luxury is crafted with purpose, where every experience reflects a deeper responsibility towards people, planet, and purpose.

Rooted in Mindful Luxury, our sustainability framework we create experiences that are as enduring as they are exceptional.

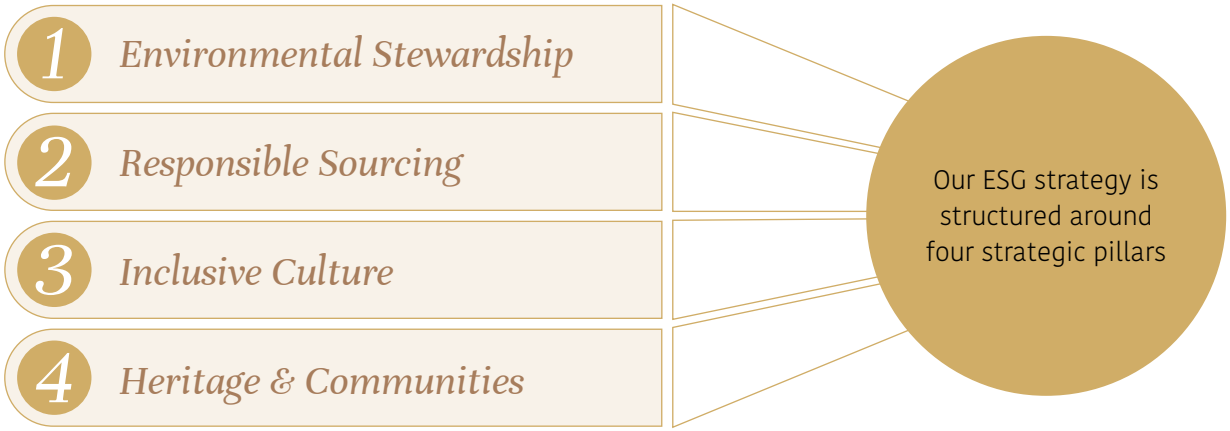


Our ESG Philosophy to Practice

At The Leela, luxury is defined not only by the experiences we create, but by the responsibility with which we create them. Our approach to Environmental, Social and Governance (ESG) is rooted in the belief that true luxury must be thoughtful, enduring, and respectful of the world around us. As custodians of some of India's most iconic hospitality destinations, we recognise our role in preserving natural resources, nurturing people, and contributing meaningfully to the communities that shape the cultural richness of our brand.

Our sustainability efforts are embedded across the lifecycle of our operations, design and development to guest experience, ensuring that growth is balanced with stewardship and excellence with accountability.

Strong governance underpins this approach. Oversight of our ESG agenda is led by the ESG Committee, ensuring that environmental, social, and governance priorities are embedded into strategic decision-making while reinforcing accountability and transparency across the organisation.



Together, these pillars reflect our commitment to preserving the natural environment, empowering our people, celebrating India's cultural heritage, and building resilient, responsible value chains.

We place great importance on engaging with our stakeholders, whose insights and expectations guide the identification of our material ESG priorities. These priorities help ensure that our actions remain focused, responsible, and aligned with the long-term interests of our guests, employees, partners, communities, regulators and investors.

Environment

- Climate Change And Emissions
- Water Management
- Circular Economy
- Biodiversity Management
- Sustainable Infrastructure

Social

- Human Capital Development
- Workplace Inclusion
- Health, Safety And Wellness
- Community Welfare
- Human Rights

Governance

- Corporate Governance And Ethics
- Risk Management
- Responsible Supply Chain
- Digitalisation & Information Security
- Guest Relations
- Growth And Scale

1

ENVIRONMENTAL STEWARDSHIP

We take care of our guests.
We take care of the world they stay in.

Climate Change & Energy Stewardship

Advancing the transition towards low-carbon operations is a key priority for The Leela as we strengthen the resilience and future readiness of our hospitality portfolio. Guided by our decarbonisation roadmap, we have set our long-term ambition of achieving Net Zero emissions by 2050. Our climate strategy is anchored in five operational levers: renewable energy adoption, electrification of energy-intensive processes, energy efficiency improvements, responsible refrigerant management, and a progressive transition of our fleet to EVs.

In FY 2025-26, across our 5 owned palaces, we achieved a 22% reduction in Scope 1 and Scope 2 emissions against the FY 2023-24 baseline, bringing total emissions from 25,029 tCO_2e to 19,576 tCO_2e. This marks our most significant single-year decarbonisation step to date.

Science-aligned Net Zero Target

Net Zero

Long-term ambition by 2050

SCOPE 1 – DIRECT

(10%)

vs FY24 baseline · -16% y-o-y

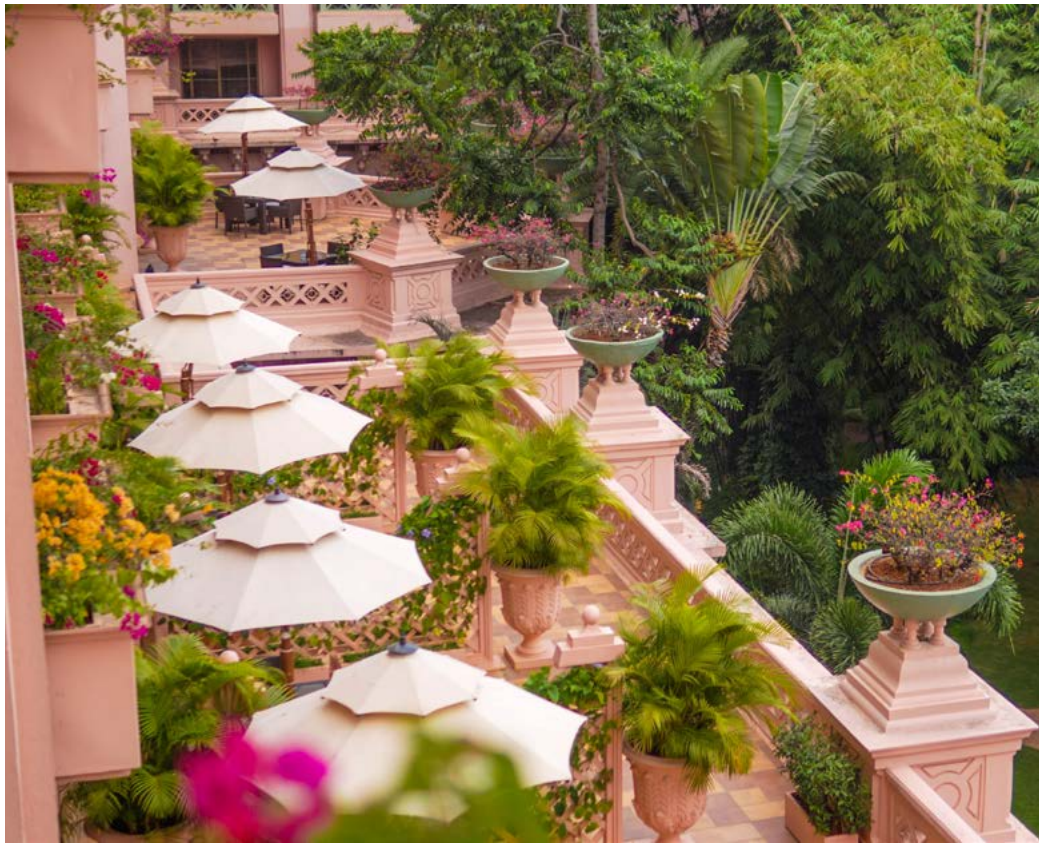
SCOPE 2 – INDIRECT

(30%)

vs FY24 baseline · -27% y-o-y

Emissions Profile in tCO_2e: Owned Palaces





(GHG Protocol Corporate Standard | Market-based Scope 2 | All figures tCO_2e | Palace portfolio | Baseline FY 2023–24)

Energy Efficiency & Low-Carbon Operations

Through electrification of energy-intensive processes, engineering system optimisation, equipment efficiency upgrades, and a progressive transition of our mobility fleet to EVs, Scope 1 emissions declined by 10% against the FY 2023-24 baseline and 16% year-on-year.

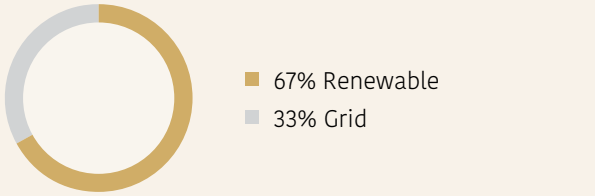
Enhanced refrigerant management and cooling infrastructure upgrades reduced fugitive emissions by 18% against the baseline and 28% year-on-year, highlighting the impact of infrastructure upgrades in high-emission operational areas and enhanced monitoring practices.

Renewable Energy Transition

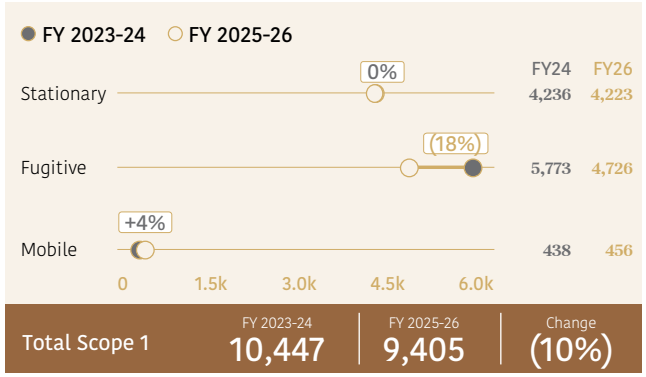
Increasing the share of renewable electricity remains the most significant lever in reducing our Scope 2 emissions. In FY 2025-26, our renewable electricity share grew from 55% to 67% across our 5 owned palaces, supported by off-site wind power procurement and 2.25 MWp of new on-site solar installations, bringing cumulative installed capacity to 20.25 MWp. The Leela has committed to sourcing 75% of its electricity from renewable sources by 2030, through long-term off-site wind PPAs and continued on-site solar expansion.

Target: 75% by 2030

Grid vs Renewable Mix · FY 2025-26



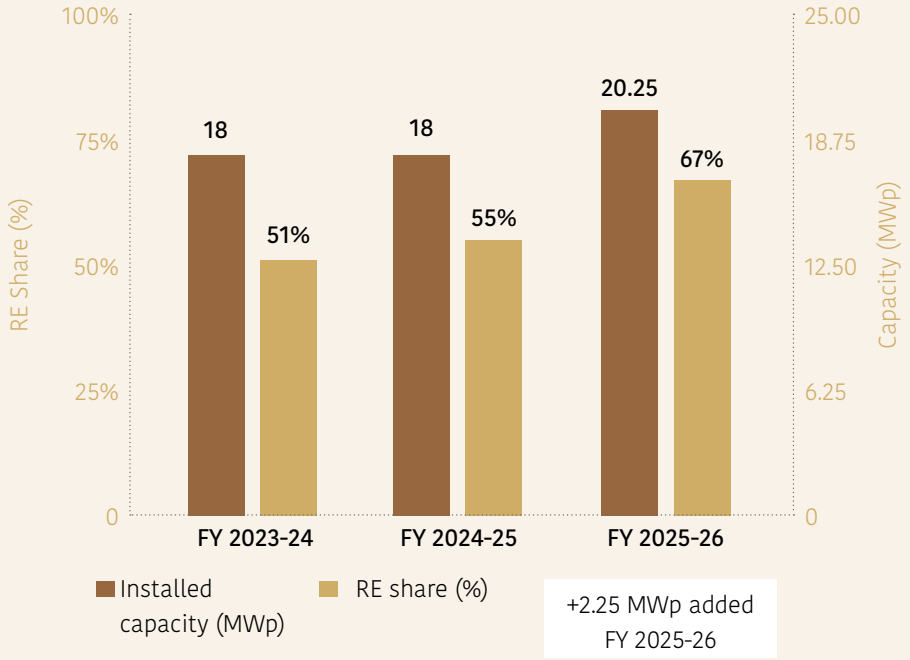
Scope 1 Components (tCO_2e)



Total Scope 1	FY 2023-24	FY 2025-26	Change
	10,447	9,405	(10%)

(All figures in tCO_2e | Total Scope 1 = Stationary + Fugitive + Mobile)





Emissions & Energy Intensity

The combined impact of renewable energy expansion and operational efficiency has driven a continued decline in GHG emissions intensity across our palace portfolio, even as guest demand grew year-on-year. This confirms structural decoupling of growth from environmental impact: each additional guest night now carries a meaningfully smaller carbon footprint.

GHG Intensity: tCO_2e Per Room Night



23% intensity reduction FY26 vs FY24

By integrating clean energy, efficient technologies, and operational optimisation, we are strengthening our operations while maintaining the high standards of comfort and service that define The Leela.

Emissions Avoided: FY 2025-26

20,964
tCO_2e avoided through renewable energy

≈ 4,500 cars off the road for a full year



Sustainable Infrastructure

Sustainability is embedded in the way The Leela designs, develops, and operates its properties, ensuring that environmental responsibility is integrated into the very foundation of our hospitality experiences. Our hotels are developed in alignment with globally recognised green building frameworks. Sustainable design principles guide the selection of materials, construction practices, and interior finishes, celebrating repurposed elements with history, purpose, and character.

By integrating green building certification, circular material use, and responsible design practices, we create spaces that combine timeless luxury with environmental stewardship.

Water Stewardship

Our approach focuses on improving water efficiency, strengthening recycling and reuse systems, and deploying technology to optimise water use across all properties.

All Palace properties operate advanced Sewage Treatment Plants (STPs) enabling treated wastewater reuse for landscaping, cooling towers, and non-potable applications, significantly reducing freshwater dependence.

We are adopting Digital Pani, a digital monitoring tool for real-time tracking of water consumption and wastewater treatment performance across our operations. Beyond operational performance, our water stewardship efforts extend to catchment-level engagement and process innovation across our hotels.

Total water consumption in FY 2025-26 was 532,036 KL, with a water intensity of 1.75 KL per room night sold. As a luxury hospitality portfolio, our water footprint is influenced by guest-centric amenities such as landscaped gardens, swimming pools, wellness facilities, and water features. Through continuous investment in conservation, recycling, and monitoring initiatives, we strive to optimise water use while maintaining the highest standards of guest experience.

Green Building

IGBC

Platinum

All owned operating properties are IGBC-certified under the Existing Buildings and Green Resorts standard

Alliance for Water Stewardship

AWS

Member

We are committed to responsible water management that extends to catchment-level engagement and long-term water resilience

Green Building

IFC EDGE

Advanced

All Palace properties are EDGE Advanced certified (Excellence in Design for Greater Efficiencies)

Recycled Water: FY 2025–26

40%

of total water consumed





Circular Economy & Waste Management

At The Leela, our approach to waste management is guided by the principles of circular economy, where resources are used efficiently and waste is transformed into value. Across our operations, we embed the 4R principles - Reduce, Reuse, Repurpose, and Recycle - to minimise environmental impact while strengthening operational efficiency.

Our hotels manage diverse waste streams including organic waste, recyclables, hazardous waste, e-waste, and construction waste through structured segregation systems and tailored handling protocols. Organic waste generated from kitchens and landscaping is processed through Organic Waste Converters (OWCs) installed across our palace properties, transforming food and garden waste into nutrient-rich compost that supports in-house landscaping. To ensure responsible disposal and material recovery, we partner with authorised recyclers for plastics, metal, glass, paper, and electronic waste.

Net-Zero Waste to Landfill

IGBC

Platinum

All Palace properties are certified

Reducing Single-Use Plastics across the Guest Journey

As a signatory to the Global Tourism Plastics Initiative (GTPI), The Leela is actively reducing single-use plastics across operations and guest experiences. 100% of our Palaces operate in-house water bottling plants, enabling a shift to Aujasya by The Leela - our signature reusable glass bottle programme that cuts plastic at source across the guest journey.

Guest amenities have transitioned to wooden, paper, and compostable alternatives - including combs, dental kits, shaving kits, ear buds, and shower caps - avoiding ~3.5 tonnes of single-use plastic in FY 2025-26 across in-room offerings. Housekeeping has moved to reusable cotton laundry bags, with plastic reduction initiatives extending into spa and kitchen operations too.

~60%

Reduction in Single-Use plastic bottles vs FY23 (Baseline), through Aujasya by The Leela

Global Tourism Plastic Initiative

GTPI

Signatory Member

We are committed to actively eliminating 100% single-use plastics across operations and guest experiences by 2030

Upcycling Floral Waste into Purposeful Products

In collaboration with Phool, The Leela transforms floral offerings into charcoal-free incense through their patented Flowercycling technology - converting temple flower waste that would otherwise pollute waterways into natural, toxin-free fragrance products.

Since May 2023, 9.25 MT of floral waste has been thoughtfully repurposed, enabling sustainable livelihoods for over 300 women from marginalised communities - an expression of our commitment to mindful luxury and purposeful impact.

9.25 MT

Floral waste upcycled since May 2023

300+ women

Livelihood supported



2

RESPONSIBLE SOURCING

Curating luxury with conscience - where every partnership reflects quality, integrity, and positive impact.

Procurement Governance

During FY 2025–26, we formalised procurement governance through a Supplier ESG Code of Conduct - establishing clear expectations across environmental, social, and governance parameters. The Code is embedded in vendor onboarding, making sustainability a condition of engagement.

100%

Suppliers confirm ABAC Compliance

As part of the on-boarding process, prospective vendors are evaluated across product quality, environmental compliance, responsible labour relations, health & safety, and carbon reduction initiatives.

Suppliers are also expected to disclose sustainability practices including water and energy management, circular resource practices such as reduce, reuse and recycle, and initiatives to reduce carbon footprint

All suppliers are expected to confirm Anti-Bribery and Anti-Corruption (ABAC) compliance reinforcing our zero tolerance to unethical practices.

Supply Chain Geography

Our sourcing is deeply India-rooted - by design. Prioritising local and national suppliers reduces emissions from long-distance logistics while strengthening regional economies

59%

Procurement from local, within-state suppliers

85%

Procurement from suppliers within India (country of operation)

46%

Spend directed to MSMEs & small producers

▲ MSME share rose from 25% in FY 2024–25

Ethical Culinary Sourcing

99%

of salmon procured was MSC certified · FY 2025-26

▲ up from 91.5% in FY 2024–25

Marine Stewardship Council (MSC) certification ensures responsible fishing practices and long-term marine ecosystem health.

Certified & Sustainable Materials

100% of paper & wood products purchased were Forest Stewardship Council (FSC) certified in FY 2025-26. FSC-certified wooden key cards introduced, offsetting ~253 kg of plastic across guest touchpoints. Reclaimed wood and recycled materials have been used in Zia's Legendary Bar (ZLB23), Bengaluru.

Across our kitchens, 10% of lamb is sourced from (New Zealand Farm Alliance Programme) NZFAP-certified suppliers - ensuring farm-to-fork traceability and animal welfare standards. We are also actively transitioning to cage-free eggs across all properties

Case Study

01 Empowering Women Artisans through Sustainable Procurement

In partnership with Jodhpur Mahila Griha Udyog (JMGU), a women-led cooperative in Rajasthan, we are fostering inclusive livelihoods while integrating sustainable alternatives into our operations.

1.90 lakh

handcrafted cotton bags sourced in FY 2025-26

Across our hotel operations, we have replaced single-use plastic with these handcrafted cotton bags alternatives in categories such as newspaper, laundry, pressing, dry-cleaning, and shoe bags.



02 Steeped in Responsibility: A Carbon-Neutral Partnership

Our partnership with Jalinga Tea Estate - one of the world's first carbon-neutral and organic-certified tea gardens - reflects The Leela's commitment to traceable and responsible sourcing.

45%

of tea procured is carbon-neutral & organically certified

Jalinga's regenerative farming and low-impact production align closely with our sustainability philosophy. With over 70% of its workforce comprising women, the estate promotes economic inclusion while producing high-quality single-origin teas served across our properties.



3

INCLUSIVE CULTURE

At The Leela, our distinction in luxury hospitality is not defined by architecture or awards alone. It is defined by the character, conviction, and care of our people. Rooted in the timeless Indian ethos of Atithi Devo Bhava, we believe that the experience we create for our guests is a direct reflection of the experience we create for our associates.

Our culture is anchored in dignity, trust, fairness, and mindful leadership. We strive to create an environment where individuals feel psychologically safe, professionally empowered, and personally valued where growth is guided by merit, voice is met with respect, and excellence is achieved with integrity.

We see our associates not as employees, but as custodians of a legacy that blends Indian warmth with global sophistication. When our people flourish with confidence and purpose, they bring to life the grace, intuition, and excellence that defines The Leela.

Achievements

23%
Women representation in workforce across owned and managed properties as of FY 2025-26

61
Hours of annual training per employee

11
Number of Person with Disabilities (PWD) in workforce



Our People: Artisans of Exceptional Hospitality

At the heart of our people philosophy lies a simple yet profound belief exceptional hospitality begins with exceptional people. Our talent acquisition approach focuses on identifying individuals who not only demonstrate professional excellence but embody our values and service ethos.

Certified
as a Great Place to Work (GPTW)

From Aarambh - a three-day orientation programme facilitated by learning leaders, which introduces associates to The Leela's values, service ethos, and behavioural expectations, to transparent career pathways, and holistic learning and well-being support, each stage is intentionally designed to reinforce dignity, clarity, and care. Our talent management framework further strengthens this foundation by offering transparent performance evaluations that recognise contribution and encourage growth. By investing in our people at every stage of their journey, we build engaged, high-performing teams who consistently elevate the guest experience and uphold the timeless sophistication of our hospitality.

Workforce by category:
Reposition ratio

23% Women Workforce are in Managerial Roles





Building a Future-Ready Workforce

Our commitment to talent sustainability is anchored in structured recruitment programmes and strong partnerships with leading hospitality institutions, enabling us to onboard young professionals with both technical expertise and a passion for service. This robust pipeline continues to bring fresh perspectives into the organisation while complementing the experience and institutional knowledge of long-tenured colleagues, ensuring sustained service excellence and a consistently elevated guest experience.

21
Campuses visited

236
(The Leela Palace Services 166+
Shefs at The Leela 70)

Retaining High-Potential Talent through Engagement

We have sharpened our efforts to retain high potential talent and reduce avoidable attrition through enhanced engagement. Regular feedback loops, stay interviews, and exit insights - informed targeted interventions that strengthen team cohesion, workplace inclusion, and leadership effectiveness. Our focus remains on building an environment where associates feel valued for their contributions, and supported in their growth journeys.

Cultivating Careers: Developing Talent across Every Stage

We nurture growth through a robust talent development ecosystem that includes structured learning pathways, leadership programmes, coaching and cross-functional exposure. Through upskilling, role mobility, and personalised career plans, our goal is to help every associate realise their full potential.

79%
Retention Rate
across Palaces




EMBRACE CHALLENGES, INSPIRE CHANGE
#IAMLEELA
#LLDP
MOTIVATE
THE SKY IS THE LIMIT
SEIZE OPPORTUNITIES, DRIVE SUCCESS
ELEVATE
INSPIRE INNOVATION, DRIVE TRANSFORMATION
#LLDP
CLASS OF 2026

Case Study: Leadership and Talent Development Initiatives

01 Leela Leadership Development Programme (LLDP)

Launched in May 2022, our Leadership Development Programme is designed to identify and accelerate high-potential talent into future General Manager and senior leadership roles. Developed in collaboration with the Indian School of Hospitality (ISH) and Les Roches, Switzerland, this 15-month programme combines high-quality academic instruction with structured training, cross-functional exposure, global best practices, mentoring by senior leaders, and real business projects.

The training module includes:

- Two cross-functional on-the-job trainings
- Three 10-day bootcamps at ISH focused on leadership, innovation and service excellence
- Online modules led by global faculty
- Capstone projects addressing real business challenges
- Ongoing mentoring by senior leaders

Value delivered:

- Supports stronger succession planning
- Reduces external hiring dependency
- Reinforces internal leadership pipelines across properties

Achieved a

56%

Growth in Trained Managerial Talent, Adding 41 Graduates in FY 2025-26

82%

Alumni Retention Rate

120

Senior Leaders Participated in Manager Capability Workshops in FY 2025-26

02 LEAD (Leela Executive Accelerated Development)

The LEAD Programme serves as the cornerstone of high-potential development for mid-to-senior managers. Designed to accelerate leadership impact, LEAD focuses on strengthening business acumen, strategic thinking, and enterprise perspective. What distinguishes LEAD as a trust-building initiative is the active involvement of senior leadership as facilitators, panel members, and mentors, reinforcing that leadership development is a shared organisational responsibility rather than an HR-owned initiative.

03 Supervisory Development Programme (SDP)

This structured six-month development programme builds a pipeline of confident, service-ready supervisory talent to elevate the guest experience. Associates become eligible for the Supervisory Development Programme (SDP) after one year of service. By addressing critical knowledge, skill, and mindset gaps, the programme equips associates to lead teams effectively, ensuring smoother operations, faster service, and more personalised guest interactions. On average, associates transition to supervisory roles within 1.5 years, with the SDP accelerating their growth. Through the development of future leaders, we enrich every aspect of the guest experience, delivering the consistency, quality, and memorable moments that distinguish exceptional luxury hospitality.

04 Annual Butler Training Programme

The Butler Training programme is designed to elevate personalised service to the highest standards of luxury hospitality. It focuses on attention to detail, discretion, anticipation of guest needs, and refined etiquette. Associates are trained to deliver seamless, unobtrusive service while building meaningful guest connections. The programme also emphasises cultural sensitivity, communication finesse, and situational awareness. By mastering these skills, butlers create bespoke experiences that enhance comfort, trust, and lasting guest loyalty.

167

Associates participated in the Annual Butler Training Programme in FY 2025-26

05 STAR Training for Sales

Our sales training programme strengthens strategic selling, relationship-building, and customer-centric behaviour. Following participation, associates demonstrated measurable improvement in repeat business contribution, reflecting stronger client relationships and more personalised engagement. This initiative builds high-performing sales teams equipped to drive revenue growth while delivering a sophisticated, guest-focused approach to relationship management.



Case Study: Learning and Capability Building Initiatives

01 Structured Learning Programmes

We offer formalised learning journeys at every organisational level, blending functional capability building, leadership development, and service-excellence training to create a holistic growth experience. These structured learning modules ensure associates gain the skills, confidence, and behavioural finesse needed to deliver the elevated guest interactions that define our brand. Eg – Service Excellence Trainings, Sommelier Trainings etc.



02 Cross-Functional Exposure

In the hospitality industry - where seamless service depends on interdepartmental synergy - cross-functional exposure is essential as this initiative enables associates to understand allied departments, fostering empathy, collaboration, and a holistic approach to operations. By appreciating interconnected workflows, teams deliver more intuitive, efficient, and guest-centric experiences.

We further strengthen this by enabling team members to learn from best practices across our hotels. Rotations across city hotels and resorts broaden capability, enhance adaptability, and build service confidence across varied guest profiles.

Together, these experiences enhance organisational agility and ensure teams remain aligned, well-rounded, and empowered to deliver seamless luxury hospitality.

03 International Exposure for Operations

For our chefs, international immersions provide learning opportunities to experience global culinary philosophies, kitchen disciplines, and service rituals firsthand. These visits expose associates to world-class techniques, menu innovations, and elevated plating and presentation standards, broadening perspectives and inspiring creativity.

Beyond strengthening individual craftsmanship, these exposures accelerate the infusion of global best practices across our F&B operations, raising the quality of dining experiences across our properties.



Applied and Experiential Learning Ecosystem

Pocket Learning Tools: We reinforce learning and organisational values through property-specific pocket tools that make development simple, memorable, and actionable. These include:

- Dharma Cards
- Monthly Knowledge Capsules
- Bite-Size Learning Videos
- Grooming Cards

Together, these tools strengthen behavioural consistency, elevate service delivery, and improve learning retention across teams.

Wall of Learning

Visual learning aids reinforce key concepts, enabling consistent application in daily service and elevating guest experience and operational excellence.

Daily Coaching Circles (DCCs)

Peer-led learning sessions held during pre-shift briefings enable real time knowledge sharing and best practice exchange, strengthening team alignment, service consistency and guest satisfaction.

Leader-Initiated Learning Sessions

Knowledge sharing forums led by senior leaders translate real world experience into practical insights, strengthening capability, confidence and consistent guest centric service delivery.

174

Sessions conducted by Senior Leadership



Celebrating Achievements and Crafting Growth



Recognising Excellence, Consistently

We take pride in celebrating the outstanding contributions of our people through recognition platforms like The Leela Excellence Awards, Moments of Glory, at the hotel level and The Leela Commitment to Excellence Awards at the corporate level, via the platform of RISE (Reflect. Innovate. Strategise. Evolve). Beyond annual increments and performance bonuses, our structured appraisal system ensures that every achievement is acknowledged with fairness and transparency.

By honouring excellence at every level, we cultivate a motivated, high-performing workforce that continues to elevate the guest experience with distinction.

+3 pts

Improvement in diversity and equity scores in Cycle 2 for FY 2025-26

RISE 2025

130	39
Nominations	Winners

Performance Governance, Delivered with Clarity

We also uphold a strong governance discipline that is evident in our commitment to performance reviews. Career conversations are anchored in clarity, wherein the leaders are expected to communicate decisions openly, explain readiness gaps constructively, and outline next steps with intent via a structured Leela Performance Management Track (LPMT) under the gamut of LeelaDelivers. Our holistic approach to consistent feedback and targeted development planning not only empowers our team members but also aligns their objectives with our overarching business goals, ensuring that every effort contributes to our collective success.

100%

Participation of eligible employees in performance reviews during the last evaluation cycle

Case Study: Growing Talent through Opportunity and Dialogue

01 Leela Pathways

Leela Pathways reflects our commitment to accessible, transparent and inclusive career growth, giving every associate clear visibility into opportunities within the organisation. By enabling structured internal mobility across roles, departments and properties, it nurtures talent from within while strengthening cultural alignment and service excellence. Supported by a fair, competency-based selection process, the programme empowers associates to grow with the brand, enhancing operational strength and elevating the guest experience.

258

Associates have successfully transitioned into new roles across properties since its launch

02 Structured Career Conversations

Employees are supported with clearly defined career pathways tailored to their skills, experience, and performance, ensuring transparency and confidence in their growth journey. Through personalised touchpoints such as Progress Chats and Job Chats, associates receive targeted feedback, developmental insights, and structured guidance, strengthening long-term career planning.

By creating an environment where feedback is continuous, growth is intentional, and pathways are visible, we empower associates to build meaningful careers, strengthening organisational capability and enhancing the guest experience.

7 pts

Reduction in Voluntary Attrition Rate

Workplace Inclusion: Honouring Every Individual, Elevating Every Experience

At The Leela, we believe that true luxury is rooted in dignity, respect, and belonging. Our commitment to inclusion ensures that every individual feels valued and empowered to thrive. Guided by our Dharmas and service ethos, we embed inclusion into our culture through sensitisation programmes, fostering allyship and strengthening the guest experience.

We have developed HR policies that form the foundation of an equitable workplace. Employee voice is strengthened through engagement forums and open-door interactions, ensuring individuals feel heard.

Annual compensation reviews ensure zero pay equity gaps across comparable positions. Our multigenerational workforce benefits from flexible learning formats and mentoring initiatives, resulting in an uplift in team collaboration scores across mixed-age teams.


LEAD
LEELA EXECUTIVE ACCELERATED DEVELOPMENT

Case Study

01

'Shefs at The Leela' is our commitment to empowering aspiring women chefs through intensive hands-on training, mentorship, and curated culinary exposure. Launched as a structured programme in 2024, it creates a clear pathway for women from hospitality backgrounds to build meaningful culinary careers, offering specialisations in Indian, Continental, Oriental, and Confectionery cuisines under the guidance of expert chefs. We honour the richness of diversity across every dimension of our hospitality, including culinary spaces.

59%

Participation out of the eligible women for the programme in FY 2025-26

02

'The Working Mother Dinner' initiative provides dinner for families of working mothers on a fortnightly basis to help them spend more time with their families after work. It is a thoughtful gesture that families, especially children, look forward to. This initiative is a practical support mechanism designed to ease pressures for working mothers and is positioned not just as a benefit, but as a retention and equity enabler.



Wellness at The Leela: A Commitment to Well-Being

We support comprehensive well-being measures and wellness programmes that nurture physical, mental, and emotional wellness of our workforce through curated initiatives such as on-site health check-ups, fitness and mindfulness sessions, access to mental health professionals, and nutrition-focused programmes.

Case Study



01 Championing holistic well-being

The Leela is committed to holistic well-being through a diverse range of health and wellness initiatives. From Zumba and meditation sessions to expert-led health talks, we cultivate a culture of balance and vitality. Physical well-being is also supported through regular health and dental check-ups, fitness initiatives, sports activities, and safe accommodation and transport. To ensure proactive care and continuous wellness for all, facilities like gym, employee recreation room, cafeteria, lockers, and snack shops are provided to create a comfortable working environment.

02 Partnership with Amaha

Amaha is a mental well-being platform offering confidential access to qualified therapists, self-care resources, and guided support. Positioned as an enabler of mental resilience rather than just crisis support, Amaha normalises conversations around emotional well-being, with anonymous, easy access. This approach strengthens psychological safety and builds trust, allowing individuals to address personal challenges confidently.

03 Comprehensive Medical Coverage

At The Leela, we offer benefits that reflect our commitment to the well-being, security, and long-term prosperity of our associates. Our comprehensive coverage includes medical insurance, personal accident protection, and term life insurance, ensuring that employees and their families are safeguarded during life's most critical moments.

100%

Eligible employees were covered under Group Mediclaim Policy in FY 2025-26

Associates also benefit from Employee State Insurance Corporation (ESIC) healthcare access, supported by statutory programmes such as the Provident Fund (PF) and gratuity, strengthening financial security. To support associates through important life stages, we provide parental leave for both male and female employees.

We take pride in the fact that all employee wages exceed state-mandated minimum thresholds, reflecting our dedication to fair compensation. Together, these benefits reflect our philosophy of caring for the people who embody our brand, ensuring every associate feels valued, protected, and supported as they continue to deliver exceptional hospitality.

Embedding Voice into Leadership Accountability

At The Leela, listening is a continuous leadership discipline. Trust grows when associates feel safe to speak openly and see their feedback acted upon with transparency. Through structured forums and everyday leadership touchpoints, feedback is handled with openness, honesty, and respect even when immediate action is not feasible.

This commitment to listening delivers tangible value. It strengthens psychological safety, and improves engagement and service excellence by shaping decisions. Importantly, listening is embedded into manager accountability, with feedback trends informing leadership behaviour and development. By institutionalising listening as a core leadership practice, we create a culture where people feel heard, empowered, and inspired to enhance the guest experience.

01 LeelaListens – Continuous Listening with Accountability

LeelaListens is our WhatsApp based continuous listening platform that enables associates to share feedback in a confidential and trusted environment. What sets it apart is the discipline of action, with insights reviewed at both hotel and corporate levels and translated into clearly owned initiatives, including roster optimisation, enhanced dining, well-being support and manager capability building. Just as important is closing the loop, with transparent communication through townhalls and leadership forums, ensuring every voice is acknowledged with respect.

71% Response Rate

in Cycle 2 (March–August 2025), with scores of Culture: 87, Capability: 83, and Commitment: 86



02 Leadership Accessibility Through High-Touch Forums

Trust is further strengthened through informal leadership access forums (Head of HR / General Manager) through High-Touch Forums like –

Coffee with the GM
Informal, small-group conversations that enable associates to interact directly with the General Manager in an open, agenda-free setting, encouraging honest dialogue and approachability.

Chai Pe Charcha
Relaxed, culturally rooted conversations that create psychological safety and allow associates to share perspectives, concerns, and ideas in a comfortable environment.

GM Roundtables
Structured cross-functional forums that facilitate candid discussions on workplace experiences, priorities, and opportunities for improvement.

Fresh Eyes
Early feedback forums for new joiners to share first-hand observations, helping the organisation refine onboarding and integration experiences.

Anonymous QR-Based Feedback
Confidential digital channels that enable associates to raise concerns or suggestions safely, reinforcing trust through anonymity and follow-through.

Building a Culture of Safety: Training Initiatives

The Leela prioritises continuous safety capability building by providing job-specific safety training to employees, who are then encouraged to share their knowledge through structured monthly training programmes. These sessions, which include Emergency Preparedness and Mock Drills, are tailored to meet the role-specific needs of our hospitality operations. We foster a culture of open communication and shared responsibility for safety, empowering employees to proactively report any safety concerns or potential hazards. Our system incorporates Incident, Near-Miss, and Unsafe Act Reporting, Change Management (MOC), and Employee Consultation and Safety Committees as integral components of our safety framework.

56,705

Health & Safety Training Hours Delivered in FY 2025-26

Zero

Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) in FY 2025-26

Zero

Fatalities in FY 2025-26





4

HERITAGE AND COMMUNITIES

Preserving Heritage. Empowering Communities. Enriching Futures.

Community Impact Through CSR

Our Approach

Anchored in our CSR Policy and aligned with the Companies Act, 2013, The Leela aims to positively impact over 1,00,000 lives by 2030. Our initiatives align with the UN SDGs spanning quality education, gender equality, decent work, climate action, and biodiversity conservation. Our CSR approach is guided by three strategic pillars - Rise, Restore, and Reach - which shape our programmes across communities, culture, and the environment.



Cumulative Impact from FY 2022 to FY 2026

43,301
Total Direct Beneficiaries

20,315
Women Beneficiaries

2030 Target

1,00,000
Lives to be positively impacted

43.3%
achieved to date

At The Leela, our hotels are deeply rooted in the cultural fabric of their destinations. We recognise that our responsibility extends beyond hospitality to preserving heritage and strengthening the local communities. Through our initiatives, we support sustaining traditional knowledge systems, enabling local livelihoods, and ensuring that cultural legacies thrive for generations.

Our Three CSR Strategic Pillars

Rise
Empowering Communities

- Education
- Livelihoods
- Skill Development

Restore
Protecting the Planet

- Environmental Stewardship
- Ecological Restoration
- Biodiversity

Reach
Preserving Cultural Heritage

- Performing Arts
- Craft Revival
- Community Well-Being

Case Study: Rise

Bal Mitra Gram: Child-Friendly Villages, Rural Rajasthan

Since 2021, The Leela has partnered with the Satyarthi Movement for Global Compassion, founded by Nobel Peace Laureate Kailash Satyarthi, to implement the **Bal Mitra Gram (Child-Friendly Village)** model in rural Rajasthan. The programme focuses on eliminating child labour and child marriage while improving access to education and child protection.

Expanded from 11 to 15 villages, the initiative empowers children through Bal Panchayats, youth groups, and women's collectives. In FY 2025-26, it directly impacted **7,000+ children and engaged 28,000+ community members**, with all 14 villages declared Child-Friendly Villages through Gram Sabha resolutions.



Impact since 2021

10,000+
Children Impacted

40,000+
Community Members Benefited

25
Child-Friendly Villages Declared

Case Study: Restore

Sea Turtle Conservation: Mathuranthagam Coast, Tamil Nadu

In partnership with TREE Foundation and the Sea Turtle Protection Force (STPF), The Leela supports conservation of endangered Olive Ridley sea turtles across five coastal villages covering nearly 10 km of shoreline. Community members undertake beach patrolling, nest monitoring, and rescue operations, supported through honorariums that recognise their role as frontline stewards of coastal biodiversity.

51
Turtle nests protected

26
Turtles rescued and released

2,797
Turtle hatchlings released in sea

1,746
Fishermen trained in responsible fishing





Case Study: Reach - Strengthening Communities and Cultural Heritage

01 Heritage Preservation: Ceremonial Rituals

Co-created daily with 50+ regional artists across our palaces, signature evening ceremonies offer guests an immersive expression of India's cultural traditions - from Kathak in New Delhi and Yakshagana in Bengaluru to Carnatic music in Chennai. Beyond enriching the guest experience, these ceremonies provide sustained platforms and livelihoods for local musicians, dancers, and storytellers.

~50

Regional Artists perform daily



02 Women & Arts: Yakshagana Preservation

In partnership with Karnataka Mahila Yakshagana, The Leela supports the Women Training Programme to preserve this culturally significant theatre tradition - historically dominated by men - by creating structured training and performance opportunities for women artisans. 25 women trained across Yakshagana and Bharatanatyam. These trainee artists have started earning their livelihood through cultural performances.

25

Women Trained



03 Craft & Circular Economy: Threads of Traditions

A craft-led livelihood initiative with the Karigar Foundation - reviving traditional embroidery and tailoring skills by training artisans to transform discarded textile waste into contemporary, market-ready products through skill development and design intervention. 50 artisans trained, including 25 women who receive monthly stipends. 10 sewing machines have been provided to the Foundation for continued efforts in upskilling migrant artisans.

50

Migrant Artisans upskilled



04 Festive & Cultural: Mirrors of Hope

A signature festive initiative celebrating Indian craftsmanship through handcrafted Lippan Art Christmas Trees, created in collaboration with women artisans supported by the Karigar Foundation. Crafted from sustainable materials for circular reuse, the trees were installed across our Palaces in New Delhi, Jaipur, Bengaluru, and Udaipur. The initiative earned international recognition, featured in Robb Report.

4

Palace Installations



GOVERNANCE IN PRACTICE

At The Leela, governance is an invisible force that shapes intent, refines judgment, and elevates every experience. It is expressed through meticulous oversight, astute leadership, and an enduring dedication to ethical custodianship, all delivered with the poise and precision that define true luxury.

As a distinguished part of Brookfield Asset Management, a globally revered investment institution, our governance philosophy is strengthened by exemplary global standards, disciplined accountability, and a visionary approach to long-term value creation. This association enriches our practices with depth, credibility, and refined institutional strength.

Such a thoughtfully structured framework cultivates resilience, deepens confidence, and upholds The Leela's enduring prestige, evident in every guest interaction, stakeholder relationship, and defining strategic moment.

Board of Directors



Mr. Deepak Parekh
Chairman and Independent Director



Mr. Anuraag Bhatnagar
Whole-Time Director and Chief Executive Officer



Mr. Ankur Gupta
Non-Executive Director



Ms. Ananya Tripathi
Non-Executive Director



Mr. Ashank Kothari
Non-Executive Director



Mr. Shai Zelering
Non-Executive Director



Mr. Mukesh Butani
Independent Director



Ms. Apurva Purohit
Independent Director

Key Managerial Personnel



Mr. Anuraag Bhatnagar
Whole-time Director and
Chief Executive Officer



Mr. Ravi Shankar
Head - Asset Management
and Chief Financial Officer



Ms. Jyoti Maheshwari
Company Secretary and
Compliance Officer

Senior Management



Ms. Isha Goyal*
Senior Vice President and
Head, Human Resources



Mr. Vikram Rajaram Choubal
Senior Vice President, Technical
Services



Mr. Sougata Kundu
Senior Vice President,
Legal and Compliance

*Pursuant to resignation of Ms. Isha Goyal, she ceased to be a Senior Management Personnel of the Company with effect from July 9, 2026.

ELEVATING EXPERIENCE THROUGH ADVANCED TECHNOLOGY

At The Leela, technology has evolved into a core driver of operational excellence, data-led decision-making, and enhanced guest experiences. Our digital initiatives are deliberately orchestrated to weave seamless sophistication into the guest journey.



In FY 2025-26, we made targeted technology investments that reinforce our digital foundation and enable scalable growth, while ensuring strong governance and security controls. Through the disciplined implementation of these best-in-class systems, all existing properties and new openings within The Leela portfolio have been seamlessly aligned with secure, scalable and future-ready practices.

These initiatives have enhanced operational resilience, strengthened service precision and further deepened guest satisfaction, ensuring that every touchpoint reflects the signature finesse of The Leela experience.



Key Aspects of The Leela's Digital Ecosystem

Scalable and Secure Infrastructure

Infrastructure Modernisation

Serverless infrastructure for key platforms, which has improved performance and resilience.

Access Governance

Rollout of Single Sign-On (SSO) across key enterprise applications, simplifying user access while enhancing control.

Cybersecurity Resilience

Strengthening our cybersecurity posture through implementation of Zero Trust Architecture and advanced threat detection platform. The efficacy of our controls are regularly assessed and tested to ensure continuing vigilance. In FY 2025-26, there were zero material cybersecurity incidents.

Focus on Data Privacy

The Leela remains committed to safeguarding data privacy of our guests, employees and partners through the 'privacy-by-design' approach followed in all technology initiatives. This is further strengthened through regular assessments and governance processes.

Enhanced Efficiency through Digitisation

- Paperless front-office processes through digital registration cards. This builds upon previous initiatives like iPad-enabled check-in/out to enhance guest convenience and sustainability.
- Enhanced Sales Productivity through extended integration between key platforms like CRM, PMS and Lead Management systems that have reduced manual data entry and improved data accuracy.

Data-Driven Operations and Decision Making

Our transition towards becoming a unified, analytics-backed organisation has reached new milestones.

- Enhancements to our data and analytics capabilities have strengthened reporting frameworks and enabled more informed decision-making across functions.
- Rollout of Oracle Enterprise Performance Management (EPM) resulting in stronger financial planning, budgeting discipline, and reporting accuracy across the organisation.

Elevating the Guest Experience through Digital Innovation

- Launch of 'Arq By The Leela' mobile app for the Leela's invite-only programme.
- Migrating all our properties to a new High-Speed Internet Access (HSIA) service to significantly improve in-room connectivity and security.
- Customer data platform for behavioural insights and real-time analytics for targeted campaigns and improved revenue.
- Continuously improving the web booking experience, resulting in increased traffic and bookings on The Leela's website.

Next-Generation Capabilities and AI

Innovation remains integral to our legacy. We have initiated several pilots across business functions to deliver efficiency and enhance responsiveness across select guest interaction points. These initiatives are done with appropriate guardrails to ensure responsible use of AI and confidentiality of sensitive information.

The Road Ahead: Strategic Priorities for FY 2026-27

Our technology roadmap continues to align with priorities of profitability, customer engagement, and rapid growth. Our agenda for the coming year focuses on:

Cloud Modernisation

Migrating Opera PMS and Opera Simphony POS to the cloud to underpin future property expansion with a cloud-first architecture for scalability and business resilience.

Enhanced Guest In-Room Experience

Deploying next-generation in-room entertainment platforms like IPTV and casting solutions.

Transforming the Online Booking Experience

Improving conversion through complete revamp of the online booking journey on The Leela's website.

Data Privacy

Leveraging our GDPR compliance to ensure early compliance with the provisions of the DPDP Act.

Enterprise Automation

Targeted application rationalisation and automation to support cost optimisation and operational discipline.



MANAGEMENT DISCUSSION AND ANALYSIS



Global Economy

The global economy is moving through a phase of steady expansion, but this stability masks a deeper structural transition. According to the April 2026 World Economic Outlook Update by the International Monetary Fund, global growth is projected at 3.1% in CY 2026 and 3.2% in CY 2027, broadly in line with the 3.4% growth rate of CY 2025. These consistent projections suggest resilience, yet they sit alongside a shifting global landscape that is redefining how growth is generated and sustained.

At the core of this transition have been persistent geopolitical tensions. The prolonged conflict in West Asia, coupled with the ongoing Russia-Ukraine war, continued to disrupt energy markets and critical trade routes. These pressures extended beyond supply chains, influencing travel patterns and dampening global tourism sentiment. However, their impact is not uniformly destabilising. Businesses and economies are adapting through supply chain diversification and technological substitution, which are partially offsetting these shocks and preventing sharper slowdowns.

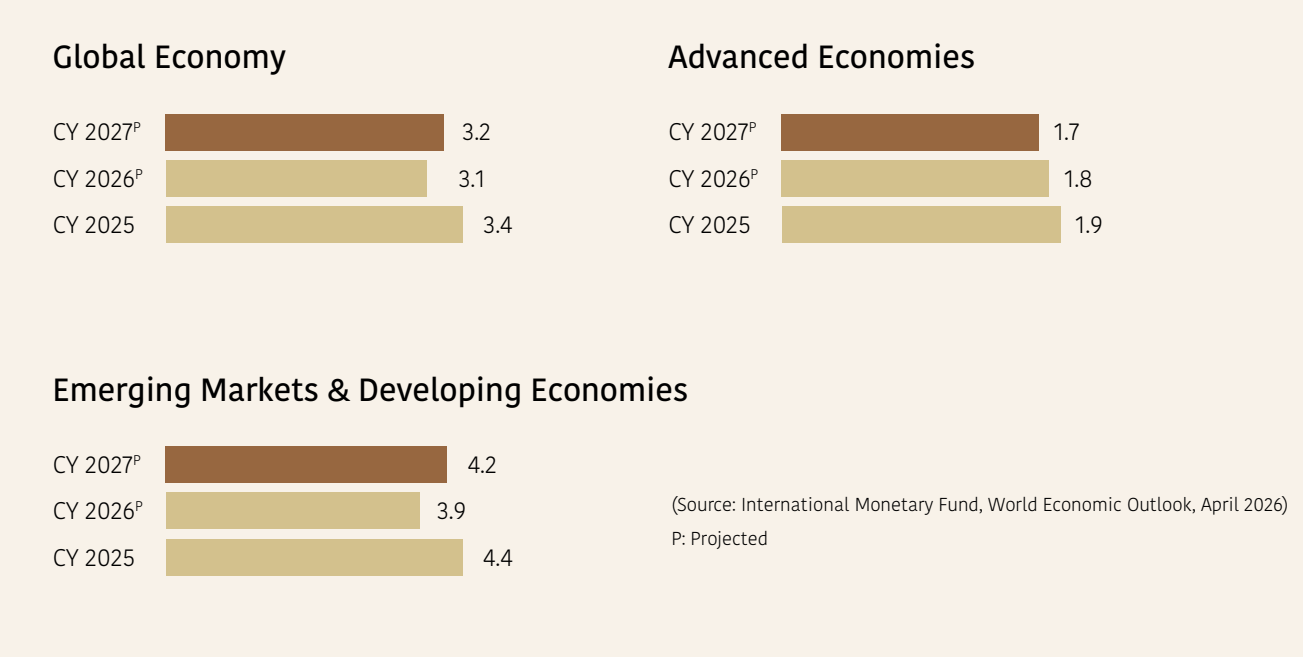
Trade dynamics have also undergone a structural recalibration, independent of ongoing supply chain adjustments. The Supreme Court ruling reaffirmed the constitutional limits of presidential tariff authority, but the broader trade landscape remains highly fluid. Alternative tariff mechanisms are already being pursued, new legal challenges continue to emerge, and the wider fragmentation of global trade remains firmly in motion.

At the same time, a new driver has reinforced this resilience globally. Investment in artificial intelligence has accelerated across North America and Asia, boosting productivity and enabling firms to adapt more efficiently to geopolitical and structural disruptions. In this sense, technological momentum has not just supported growth, it has actively reshaped its foundations, helping sustain expansion even as the global economy undergoes a period of realignment.

Within this evolving framework, India's relative insulation becomes more coherent. Its diversified energy sourcing, strategic trade alignments, and limited dependence on disrupted routes have allowed it to maintain macroeconomic stability. As a result, India continues to remain one of the fastest growing emerging economies.

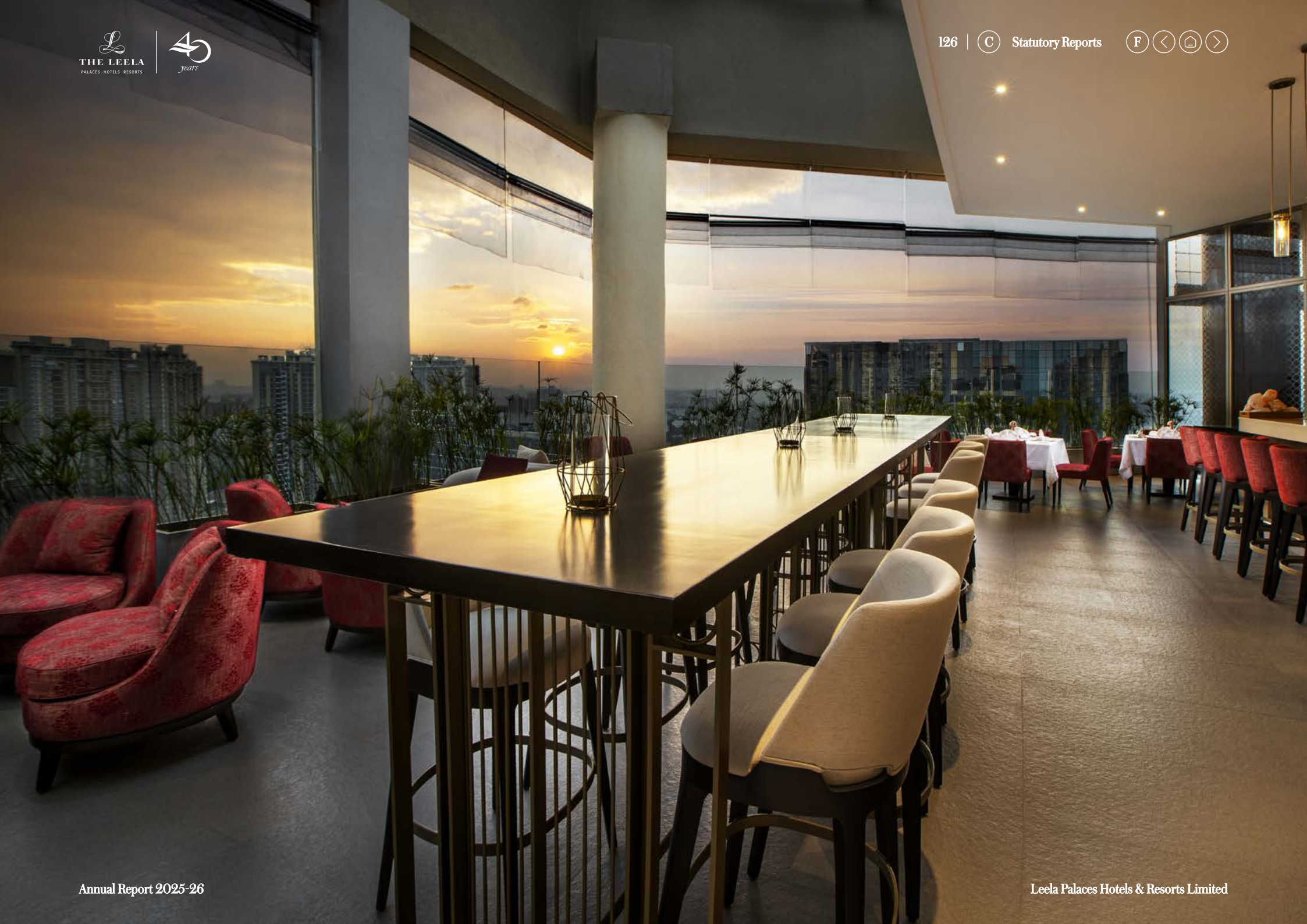
GDP Growth Projections

(in %)



(Source: International Monetary Fund, World Economic Outlook, April 2026)

P: Projected



Indian Economy

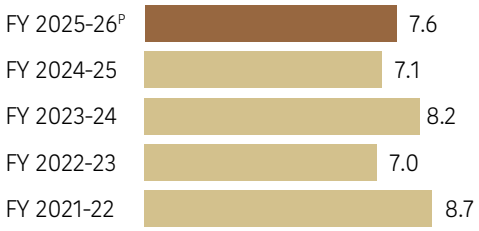
The Indian economy entered FY 2025–26 with strong underlying momentum, sustaining high growth despite a challenging global backdrop. According to the Second Advance Estimates released by the National Statistics Office, real GDP expanded by 7.6%, supported by resilient domestic demand, continued public capital expenditure, and a gradual revival in private investment. Growth remained broad-based, reflecting the structural depth and adaptability of the economy.

In a global environment marked by trade frictions, geopolitical tensions, and energy-driven inflationary pressures, India has remained relatively insulated and continues to stand out as the fastest-growing major emerging economy. This resilience is underpinned by strong domestic fundamentals, diversified energy sourcing, and limited exposure to the most disrupted conflict corridors, allowing it to navigate external shocks more effectively than many peers.

Macroeconomic conditions remained stable, with inflation contained, aided in part by the adoption of the new CPI series with a FY 2024-25 base, enabling more accurate tracking of price dynamics and improved monetary policy calibration. External sector indicators and financial system buffers strengthened over the year, while coordinated fiscal and monetary policies reinforced stability and sustained investor confidence, positioning the economy to carry forward its growth momentum into the subsequent fiscal period.

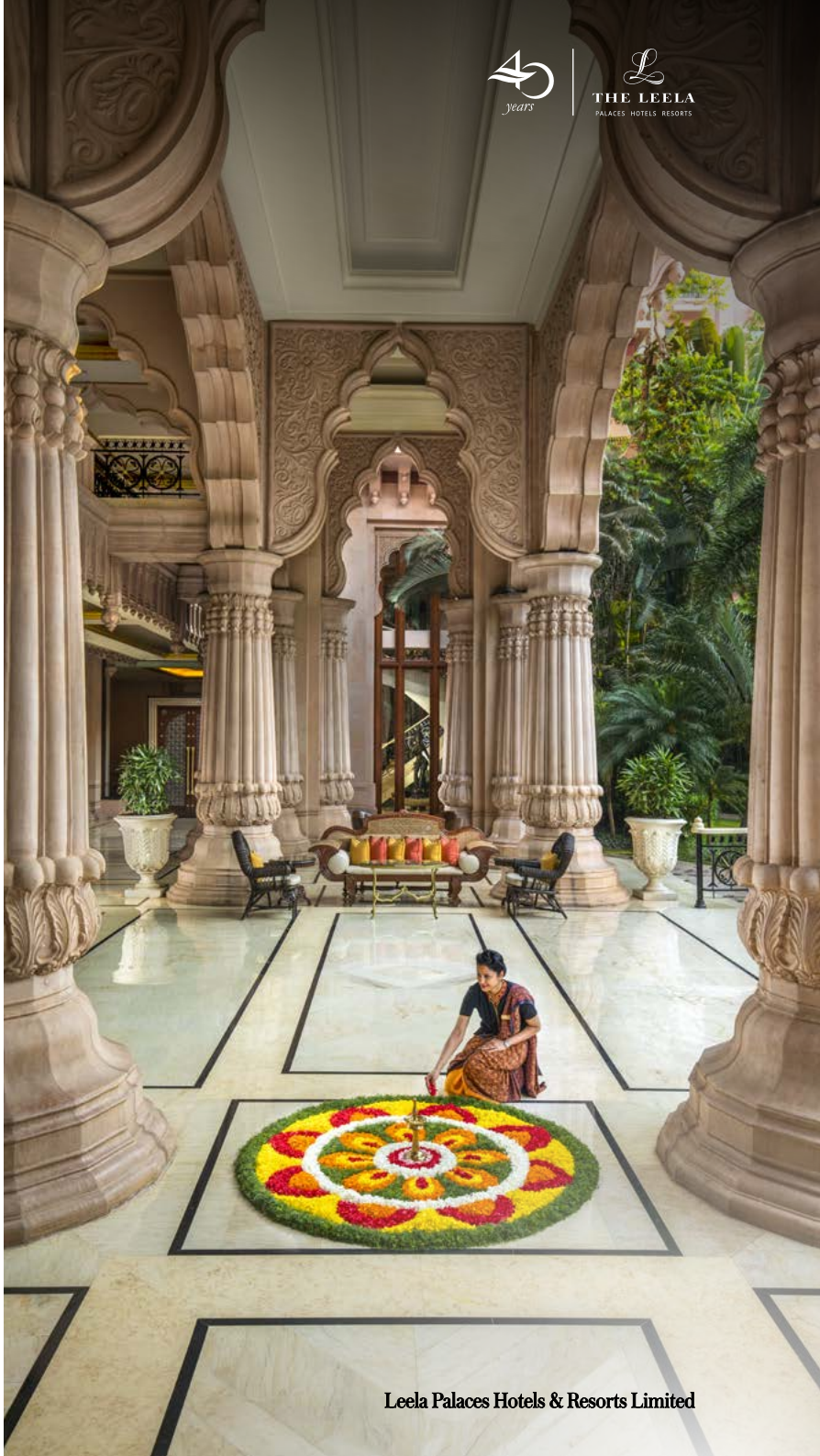
GDP Growth Projections

(in %)



(Source: PIB)

P: Projected

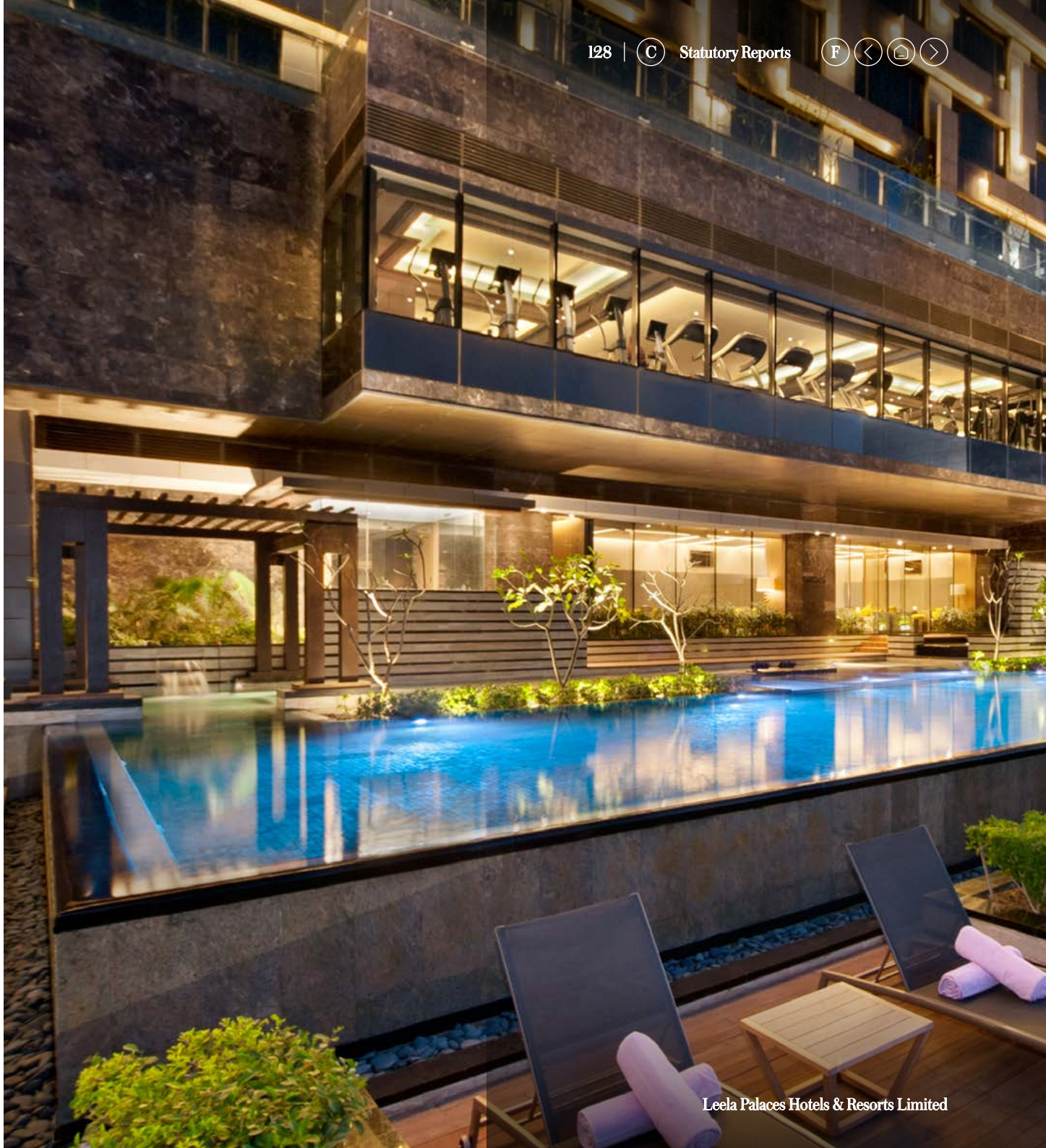


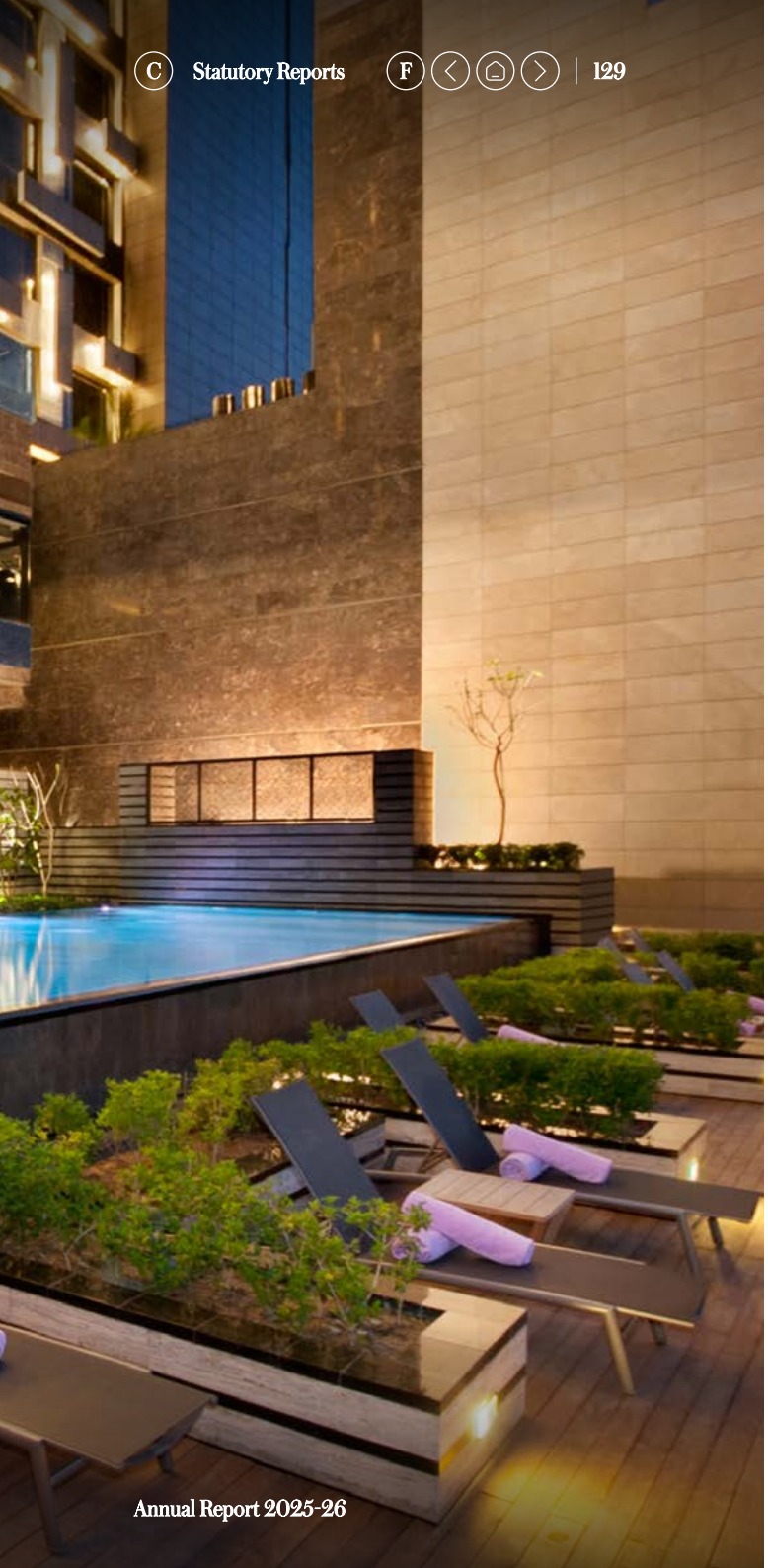
The Government of India has reinforced infrastructure as a central pillar of economic expansion, creating a structurally supportive environment for real estate development. This is reflected in the sustained rise in public capital expenditure, with infrastructure outlay increasing to INR 12.2 lakh crore in the Union Budget FY 2026-27 from INR 11.2 lakh crore in the previous year. The continuity of this investment cycle signals a clear long-term policy commitment and is expected to crowd in private capital, supported by improving business sentiment, more accommodative credit conditions, and targeted incentives such as viability gap funding.

This infrastructure push is being complemented by a sharper focus on regional rebalancing. Targeted allocations and policy incentives are aimed at uplifting underdeveloped states and strengthening connectivity to attract private investment.

Additionally, India's services sector continues to serve as the principal engine of economic expansion, with growth estimated at 9.1% in FY 2025-26 compared to 7.2% in FY 2024-25. The improvement reflects sustained strength across financial services, trade, transport, communication, and digitally delivered segments. Strong household consumption and steady external demand have together reinforced activity levels across both domestic and export-oriented service industries. This broad-based momentum has strengthened the sector's contribution to income generation and employment creation. Its deep linkages with manufacturing, urban consumption, and global markets have amplified multiplier effects across the wider economy.

(Source: PIB)





Outlook

India's real GDP growth for FY 2026-27 is projected in the range of 6.8% to 7.2%, signalling sustained expansion despite a volatile global backdrop. The outlook reflects the economy's underlying medium-term capacity, supported by domestic demand strength and ongoing policy continuity. At the same time, industry leaders continue to underscore the importance of accelerating structural reforms to enhance productivity and competitiveness.

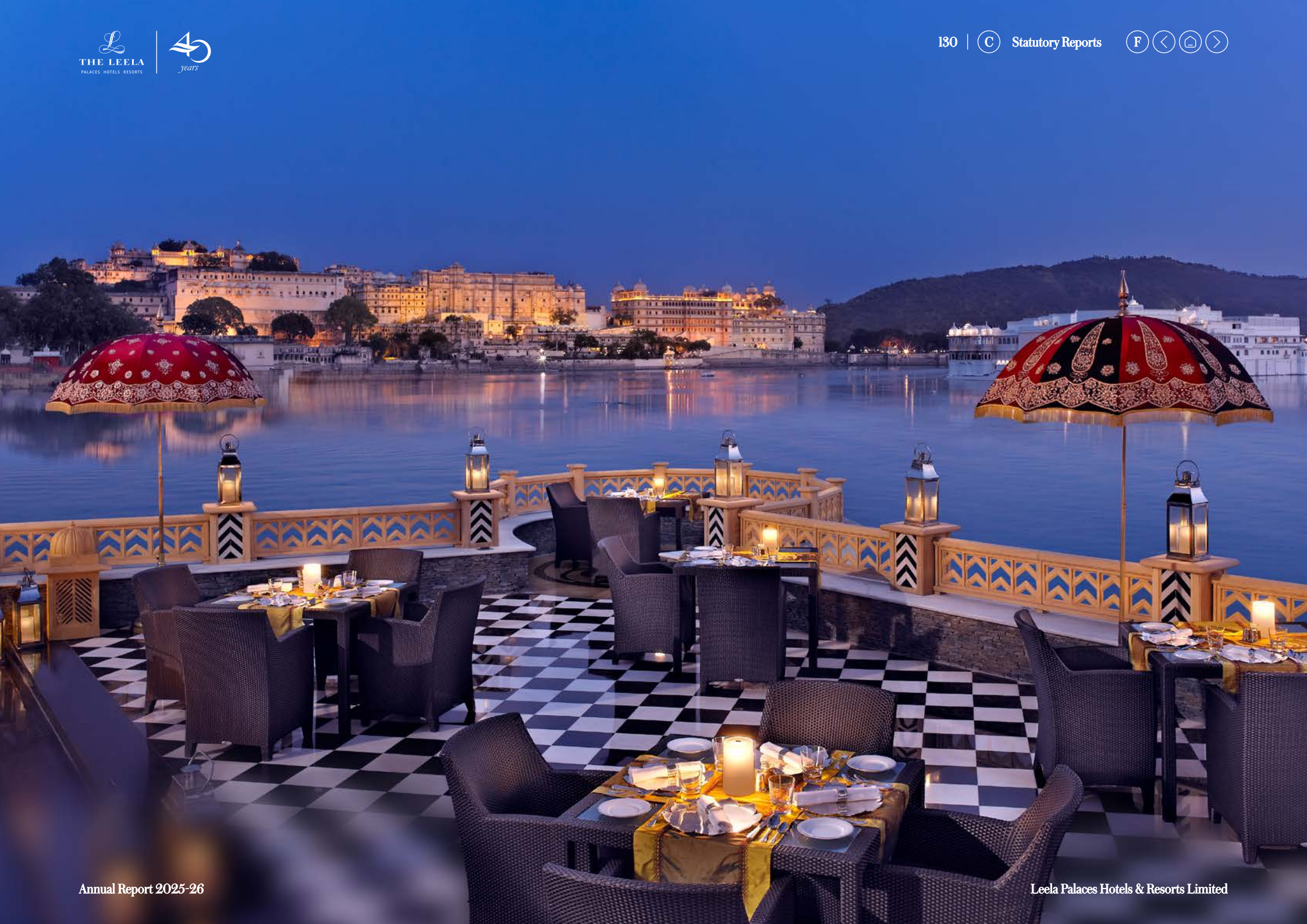
Complementing this, the Europe–India trade agreement enhances market access for key exports such as pharmaceuticals, IT services, and textiles, while attracting FDI in renewables and manufacturing, further strengthening external balances and supply chain resilience. Combined with improving financial conditions and stronger corporate and banking balance sheets, these developments could help catalyse a gradual revival in private investment. In CY 2026, growth is likely to be driven by resilient domestic demand, steady reform momentum, and calibrated trade adjustments, reinforcing macroeconomic stability and long-term competitiveness.

Indian Hospitality Industry

The Indian hospitality industry is entering CY 2026 from a position of structural strength. The focus has shifted from recovery-led momentum to sustained, demand-driven expansion supported by pricing power and limited supply additions. At the core of this performance is the breadth and resilience of domestic demand. Unlike several global markets that remain highly exposed to fluctuations in inbound travel, India's hospitality growth continues to be anchored largely by domestic travellers. Leisure holidays, destination weddings, pilgrimage travel, visiting friends and relatives, and a gradual recovery in corporate mobility are collectively sustaining steady occupancy across regions and hotel categories. Rising disposable incomes, improved air and road connectivity, and evolving travel aspirations are further reinforcing domestic tourism as the primary engine of demand.

Corporate travel, which lagged leisure during the early recovery phase, is also expected to strengthen further as services, manufacturing, and technology clusters expand beyond the top metropolitan centres. Infrastructure development continues to play a decisive role in reshaping India's hospitality landscape. As connectivity improves, Tier-II and Tier-III cities as well as leisure destinations are emerging as important growth centres for hospitality development.

At the same time, the sector is witnessing a structural shift towards branded expansion and partnership-led growth. Recent years have seen record levels of brand signings, reflecting strong developer interest and increasing institutionalisation of the industry.



Consequently, brand affiliation is increasingly being viewed as a strategic operating decision. Established brands provide global distribution platforms, loyalty programmes, marketing reach, and operational expertise, translating into stronger visibility, improved pricing power, and more consistent occupancies.

Beyond traditional hotel formats, mixed use developments are also gaining traction as developers seek diversified revenue streams and faster project stabilisation. Integrated developments combining hotels with retail, branded residences, co-working spaces, and entertainment components are emerging as attractive investment models that strengthen destination appeal while improving asset utilisation.

Alternative accommodation formats are also expanding rapidly. Serviced apartments, extended stay hotels, experiential villas, boutique retreats, and curated homestays are gaining popularity, particularly in leisure destinations. As these formats scale, they are increasingly converging towards institutional hospitality standards with greater emphasis on professional management, service consistency, and operational systems.

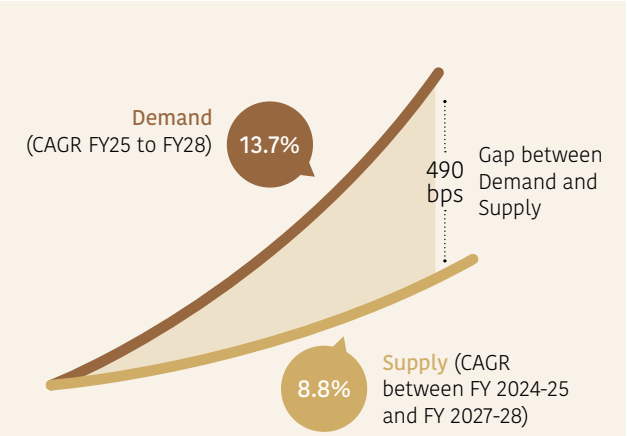
While capital interest in hospitality remains active, investor focus is becoming more selective, prioritising asset quality, cash flow visibility, differentiated positioning, and experienced operators. As a result, supply additions are expected to remain measured.

Within this evolving landscape, favourable demand-supply dynamics have emerged as a key structural tailwind for the Indian luxury hospitality sector. Industry estimates indicate that demand is likely to exhibit a CAGR of approximately 13.7% between FY 2024-25 and FY 2027-28, outpacing supply growth of around 8.8%, resulting in a gap of nearly 490 basis points. This imbalance is expected to sustain high occupancy levels and reinforce pricing power across key markets, particularly as supply additions remain calibrated.

Outlook

India's branded hotel market has demonstrated a strong recovery from the disruption of FY2021. Occupancy has stabilised in the range of 62% to 65% and is forecast to reach 67% by FY2030.

RevPAR of India's luxury hotel segment has grown 1.7x from INR 6,701 in FY2019 to INR 11,638 in 2026. This is further projected to grow to INR 16,236 by FY2030, driven by a combination of strong occupancy recovery and exceptional average rate growth. Occupancy has been particularly encouraging, climbing from 66% in FY2023 to 68% in 2026, which is further projected to grow to 72% by FY2030, reflecting a structurally undersupplied luxury market where demand from high-spending domestic and international travellers is consistently outpacing available inventory, even as the pipeline accelerates.



(Source: HVS Anarock Research)

(Source: HVS Anarock Research)

Indian Luxury Hospitality Industry

The Indian luxury hospitality sector is witnessing strong structural growth driven by a combination of rising affluence among India's expanding high-net-worth individual (HNI) population, a surge in both domestic and international travel, and increasing demand for curated premium experiences.

A new generation of affluent travellers is seeking immersive luxury that extends beyond traditional accommodation. Instead of simply staying in high-end rooms, guests are increasingly drawn to experiences such as holistic wellness programmes, cultural immersions, farm-to-table gastronomy, and personalised adventure activities. This shift is reshaping how luxury hospitality brands design and position their offerings.

These favourable trends have strengthened the sector's pricing power and occupancy resilience. Limited additions to luxury supply have helped maintain favourable market dynamics. This positions established operators to sustain RevPAR growth, even as a select number of new properties enter the market.

Growth Drivers

Wealth Creation

India has emerged as one of the world's fastest-growing wealth-creating economies, with the expansion of high-net-worth households consistently outpacing most comparable emerging markets. According to the Hurun Report and Mercedes-Benz India Wealth Report 2025, the number of millionaire households in India grew by 90% between 2021 and 2025, driven by strong equity market performance, rising entrepreneurial wealth, and a rapidly formalising economy.

As wealth creation accelerates, demand is shifting beyond traditional accommodation towards curated, experience-led hospitality offerings that combine exclusivity, wellness, design, sustainability, and personalised service. Affluent millennials, entrepreneurs, global business travellers, and next-generation family offices are driving higher demand for premium hotels, branded residences, luxury resorts, and lifestyle hospitality formats across both business and leisure destinations.

This structural rise in India's wealthy population is creating a powerful long-term demand tailwind for the luxury hospitality sector, positioning premium operators and differentiated lifestyle brands to benefit from sustained growth in discretionary travel and high-value experiences.



(Source: Bain)

Demographic Shifts and Evolving Travel Preferences

Millennial and Gen Z travellers are playing an increasingly influential role in shaping demand within the luxury hospitality sector. This cohort prioritises authenticity, sustainability and experiential depth over conventional displays of opulence. As a result, boutique formats, culturally immersive stays and environmentally conscious luxury offerings are gaining strong traction.

Younger affluent travellers seek properties that reflect local heritage, design sensibilities and community narratives. They value curated experiences, personalised service and meaningful engagement with destinations. In parallel, rising interest in destination weddings, corporate gatherings, spiritual journeys and wellness tourism has further strengthened occupancy levels across premium properties. Luxury hotels are increasingly becoming multi-dimensional venues that cater not only to leisure stays but also to celebratory, business and purpose-driven travel.

Infrastructure and Policy Support Expanding Luxury Markets

Improved physical infrastructure has emerged as a significant catalyst for hospitality growth, particularly across Tier-II and emerging cities. The development of new airports, modernisation of railway stations and expansion of national highway networks have substantially enhanced accessibility and reduced travel time. The UDAN scheme has further strengthened regional air connectivity, integrating previously underserved destinations into mainstream travel circuits.

74
Airports in CY 2014

350-400
Airports by 2047

(Source: India's Aviation Vision 2047)

Tier-II cities are increasingly becoming hubs for corporate activity, destination weddings, cultural tourism and regional events, supporting stronger occupancy levels and diversified revenue streams. Policy support at both central and state levels has further accelerated this momentum. Initiatives such as tax incentives, tourism development programmes including Swadesh Darshan 2.0, and streamlined approval processes have improved the investment climate.

Demand Resilience and Inelasticity

Luxury hospitality demand in India continues to exhibit strong resilience, with limited sensitivity to macroeconomic fluctuations and inflationary pressures. Even as CPI inflation averaged 4.8% in FY 2024-25 and the global backdrop remained uncertain, demand for premium experiences has held firm, reflecting its relatively inelastic nature. Domestic leisure travel has emerged as a key stabilising force, expanding nearly 30% to around 85 million trips in CY 2025 and accounting for approximately 55% of luxury room nights. This depth of domestic demand has effectively offset intermittent softness in inbound travel, anchoring overall sector stability.

At the same time, consumer behaviour is visibly premiumising. In FY 2025-26, ~58% of travellers opted for superior room categories and above, indicating a sustained shift towards higher-value offerings across both leisure and business segments. The willingness to pay for enhanced comfort, exclusivity, and curated experiences has remained intact despite elevated living costs,





reinforcing both demand resilience and pricing power. This is reflected in operating performance, with branded hotel occupancy reaching 68% nationwide and Tier-I markets outperforming at 75.2%.

At the top end, affluent consumers continue to drive incremental growth. HNI spending on luxury hospitality increased by approximately 15% year-on-year in CY 2025, supported by a structural shift in consumption patterns, where luxury travel is increasingly viewed as an integral part of lifestyle and wellness rather than discretionary spend. In line with this trend, the luxury hotel market, valued at USD 3.64 billion in CY 2025, is projected to reach USD 4.05 billion in CY 2026. This growth is further underpinned by the rapid expansion of the ultra-high-net-worth population, expected to grow by over 50% through CY 2028, reinforcing long-term demand visibility for the segment.

(Source: Mordor Intelligence)

Experience-led Stays

A defining shift in luxury hospitality is the transition from passive sightseeing to experience-led travel. Both premium and aspirational travellers are increasingly seeking meaningful engagement with the destinations they visit. Guests today expect to connect closely with local culture, cuisine, craftsmanship and community narratives. They seek curated moments that allow them to participate rather than observe.

For the Indian luxury hospitality industry, this trend represents a distinct competitive advantage. India's cultural diversity is unparalleled, with every region offering unique art forms, culinary traditions, rituals, architecture



and heritage. This richness enables luxury hotels to curate differentiated programming, from regional culinary journeys and heritage walks to craft workshops and bespoke cultural immersions.

Wellness First

The rise of 'wellness first' luxury is emerging as one of the most powerful growth drivers for the Indian luxury hospitality industry. What was once considered an ancillary offering, often limited to a spa facility, has now evolved into a central pillar of hotel design, guest programming and brand differentiation. Today's luxury traveller seeks more than indulgence, with wellness increasingly shaping the overall hospitality experience. This shift is giving rise to holistic wellness ecosystems that combine precision wellness retreats with biometric assessments and personalised health programmes, nature-immersive environments featuring yoga pavilions, forest bathing trails, and sound healing spaces, as well as comprehensive longevity-focused offerings integrating functional medicine, diagnostics, and mind-body therapies. Community-oriented experiences such as women's wellness retreats and corporate vitality programmes are also gaining traction, reflecting the growing demand for purpose-driven and restorative travel experiences.

Event Celebrations and Corporate Upside

India's MICE sector is rapidly expanding beyond traditional metro hubs such as Delhi, Mumbai, and Bengaluru, with cities like Hyderabad, Jaipur, Kochi, and Indore emerging as credible convention and event destinations.

This shift is already visible in the scale of marquee events being hosted across newer markets. Miss World 2025, held across multiple cities including Hyderabad, showcased

India's growing ability to host international events beyond established metros, while IIFA in Jaipur highlighted the rising appeal of leisure-led convention destinations.

Simultaneously, the expansion of large-scale venues such as Bharat Mandapam, Yashobhoomi, and the Jio World Convention Centre is significantly strengthening India's MICE infrastructure and global hosting capacity.

As conferences become more experience-driven and increasingly integrated with leisure travel, destination appeal is becoming as important as the event itself, creating strong demand tailwinds for premium hospitality operators across both business and experiential markets.

(Source: India Hospitality Industry Overview, 2025, HVS Anarock)

Arrivals of Foreign Tourists

Foreign Tourist Arrivals (FTAs) account for less than 0.5% of India's total tourist volumes, yet their long-term growth trajectory has remained structurally strong. Between 2011 and 2019, FTAs witnessed a CAGR of 7.11%, reaching approximately 10.93 million visitors in 2019. This expansion was supported by sustained improvements in tourism infrastructure, rising airport capacity, stronger international air connectivity, and targeted government initiatives such as the e-visa programme and the Incredible India campaign, which collectively enhanced India's positioning as an accessible and diverse global destination.

The post-pandemic recovery, however, has not been entirely linear. In 2025, FTAs are estimated to have declined by approximately 9% to 9.02 million, primarily due to geopolitical strain with Bangladesh, historically one of India's largest inbound travel source markets. Excluding Bangladesh, underlying inbound demand grew by nearly 5% over 2024, indicating that the decline reflects an externally driven disruption rather than any weakening in India's tourism fundamentals.

Importantly, growth continues to be led by higher-spending international travellers, reinforcing the improving quality of inbound demand. Leisure travel remained the dominant segment in 2025, accounting for nearly 39% of total FTAs, highlighting India's increasing appeal as an experiential and cultural destination.

Looking ahead, geopolitical tensions in the Middle East, particularly across key source markets such as the United Arab Emirates and Saudi Arabia, are likely to moderate inbound travel flows in 2026. As a result, FTAs are expected to remain broadly stable at around 9 million, representing another temporary external disruption rather than a structural slowdown.

Beyond these near-term challenges, the medium-term outlook remains positive. Based on historical growth trends between 2011 and 2019, FTAs are projected to recover to approximately 13.1 million by 2030, supported by improving infrastructure, expanding tourism circuits, stronger connectivity, and India's rising global profile.

At the same time, there remains significant opportunity to accelerate growth further through a revitalised and more globally focused Incredible India campaign. Greater emphasis on high-value source markets such as the United States, United Kingdom, Australia, and Canada, which together accounted for 43.8% of FTAs in 2025, could meaningfully strengthen India's inbound tourism trajectory over the coming decade.

(Source: India Hospitality Industry Overview, 2025, HVS Anarock)





Company Overview

Leela Palaces Hotels & Resorts Ltd ('The Leela') is a leading name in India's luxury hospitality sector. The Company is deeply inspired by the timeless Indian philosophy of 'Atithi Devo Bhava' or 'Guest is God' and is committed to delivering exceptional, personalised experiences that celebrate India's rich heritage, art, and culture.

Headquartered in Mumbai and backed by Brookfield Asset Management, the organisation has evolved into one of India's most distinguished luxury hospitality brands. Its portfolio comprises fifteen award-winning hotels and resorts across key metropolitan centres and premier leisure destinations, including its flagship owned palaces in New Delhi, Bengaluru, Chennai, Udaipur and Jaipur along with recently acquired owned resorts in Coorg and Dubai. The portfolio also includes managed hotels in Bengaluru, Gurugram, East Delhi, Mumbai, Gandhinagar, Kovalam, Ashtamudi, and Hyderabad.

The Company's portfolio is strategically structured to balance asset ownership with capital-efficient expansion models, enabling both value creation and brand amplification.

Owned and Operated Portfolio:

The Leela directly owns and manages seven marquee properties situated in high-barrier, premium markets. This includes our recent acquisition of a beach-facing property at the Palm Jumeirah, Dubai, which is not currently managed by The Leela.

Managed Hotels:

Through long-term hotel management agreements, The Leela oversees seven third-party-owned hotels.

Franchise Model:

One hotel operates under a franchise arrangement, wherein The Leela licenses its brand and extends centralised services and brand standards. This asset-light approach supports incremental growth with limited operational intensity, while preserving brand integrity.





As of March 31, 2026, The Leela stands among India's largest pure-play luxury hospitality companies by number of keys, with a portfolio of 4,162 keys across 15 operational hotels. The portfolio spans The Leela Palaces, The Leela Hotels, and The Leela Resorts, each representing a benchmark in exclusivity, elevated accommodation, and impeccable service standards.

Value Proposition

The Leela Pure Play Luxury Hospitality

Luxury Market Focus

- Demand-Supply CAGR Gap (4.9% in FY25-28E)
- Strong Growth Pipeline (1,000+ Luxury Keys)

Brand Strength

- 40 Years of Timeless Indian Luxury
- NPS Leadership (86 in FY26)

Best in Industry Operational Excellence

- Strong RevPAR Growth (2.3x vs luxury)
- Superior Margins, Asset Productivity and Cost Discipline

Brookfield: The Sponsor and Promoter

- Backing of Long-Term Capital, Institutional Ownership and Sound Governance
- Capital and Network provide Unique Growth Channels (BKC, Mumbai & Palm Jumeirah, Dubai)

Growth Strategies

- Improve same-store growth and profit margins through proactive asset management
- Maintain a sustainable capital structure while pursuing organic and inorganic growth opportunities with prudent capital allocation
- Brand monetisation by tapping adjacencies like Branded Residences, a member-only club (Arq by The Leela)
- Expand the Company's footprint through new hotel management agreements

Operational Overview

Overall Portfolio

Metric	FY 2025-26	FY 2024-25	FY 2023-24
Number of cities	13	11	10
Number of hotels	15	13	12
Number of keys	4,162	3,553	3,382
Occupancy[1] (%)	65	65	63
ARR[2] (INR)	18,188	16,409	15,213
RevPAR[3] (INR)	11,894	10,696	9,592

Owned Portfolio

Metric	FY 2025-26	FY 2024-25	FY 2023-24
Number of cities	7	5	5
Number of hotels	7	5	5
Number of keys	1,834	1,224	1,216
Occupancy[1] (%)	69	68	67
ARR[2] (INR)	25,375	22,545	20,966
RevPAR[3] (INR)	17,460	15,306	14,030

Managed Portfolio[4]

Metric	FY 2025-26	FY 2024-25	FY 2023-24
Number of cities	8	8	7
Number of hotels	8	8	7
Number of keys	2,328	2,329	2,166

Financial Metrics

Metric	FY 2025-26	FY 2024-25	FY 2023-24
Total revenue from operations (INR million)	15,272.90	13,005.73	11,714.53
Total income (INR million)	15,977.79	14,065.56	12,265.00
Management and other operating fees (INR million)	951.23	698.20	594.97
Growth in total income (%)	13.60	14.68	35.78
EBITDA (INR million)[5]	8,133.42	7,003.57	6,000.26
EBITDA growth (%)	16.13	16.72	41.64
EBITDA margin (%)[6]	50.90	49.79	48.92

Notes:

[1]Occupancy represents the total number of room nights sold expressed as a percentage of the total number of room nights available in a given year. Overall portfolio and Owned portfolio excludes The Leela Coorg Forest Sanctuary. Overall portfolio excludes The Leela Mumbai.

[2]ARR represents room revenue divided by total number of room nights sold in a given year. Overall portfolio and Owned portfolio excludes The Leela Coorg Forest Sanctuary. Overall portfolio excludes The Leela Mumbai.

[3]RevPAR represents the revenue generated per available room calculated by multiplying the ARR charged and the average occupancy achieved in a given year. Overall portfolio and Owned portfolio excludes The Leela Coorg Forest Sanctuary. Overall portfolio excludes The Leela Mumbai.

[4]Includes The Leela Mumbai, in relation to which the Company has a franchise arrangement with a third-party hotel owner and operator.

[5]EBITDA is calculated as Profit/(Loss) for the year plus Total tax expense/(credit) plus Finance costs plus Depreciation and amortisation expense plus Exceptional items plus Share of net (loss) of joint ventures and associate accounted for using equity method.

[6]EBITDA Margin (%) is calculated as EBITDA divided by total income.

Financial Overview

Standalone Financial Statements

Set forth below is the standalone financial information of the Company for the year ended March 31, 2026:

(INR million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from operations	4,374.64	3,751.11
Other income	2,105.17	990.59
Total income	**6,479.81**	**4,741.70**
Expenses		
Cost of food and beverages consumed	293.02	310.61
Employee benefits expense	638.68	593.92
Finance costs	576.62	1,888.32
Depreciation and amortisation expenses	307.57	276.15
Other expenses	1,250.28	1,094.75
Total expenses	**3,066.17**	**4,163.75**
Profit before exceptional items and tax	**3,413.64**	**577.95**
Exceptional items	16.40	-
Profit before tax	**3,397.24**	**577.95**
Total tax expense	**639.33**	**235.60**
Profit/(Loss) for the year	**2,757.91**	**342.35**

Presented below is an analysis of the significant items of the standalone financial statements.



Income

Total Income increased to INR 6,479.81 million in FY 2025-26 from INR 4,741.70 million in FY 2024-25.

Revenue from operations increased by 16.62% to INR 4,374.64 million in FY 2025-26 from INR 3,751.11 million in the previous year. This was mainly on account of:

- Improved RevPAR by 12.21% for the current year vis-à-vis previous year supported largely by ARR
- Increase in food and beverages revenue by 7.95% owing to increase in both APC and covers

Other income rose significantly to INR 2,105.17 million in FY 2025-26 from INR 990.59 million in FY 2024-25, primarily due to (i) increase in interest income on inter-corporate deposits during FY 2025-26 (ii) interest income on non-convertible debentures invested during FY 2025-26.

Expenses

Total expenses decreased by 26.36% to INR 3,066.17 million in FY 2025-26 from INR 4,163.75 million in FY 2024-25, mainly due to reduction in finance cost owing to debt repayment.

Cost of food and beverages declined by 5.66% to INR 293.02 million, driven by vendor renegotiations. Employee benefits expense increased to INR 638.68 million due to increased hiring for new F&B outlets and Arq by The Leela club and annual increments. Finance costs decreased to INR 576.62 million owing to debt repayment from IPO proceeds earlier this financial year. Depreciation and amortisation expense increased to INR 307.57 million due to capitalisation of Arq by the Leela club and other additional capex. Other expenses rose to INR 1,250.28 million, mainly on account of higher sales and credit card commissions, management fees linked to increase in revenues and consumption of operating supplies.

Tax Expenses

Total tax expense increased significantly to INR 639.33 million in FY 2025-26, primarily due to higher deferred tax expense.

Cash Flows

(INR million)

Metric	FY 2025-26	FY 2024-25
Net cash flow generated from operating activities	2,714.11	1,328.21
Net cash flow (used in) investing activities	(13,989.55)	(59,561.48)
Net cash flow generated from financing activities	10,923.01	58,531.43
Net (decrease) / increase in cash and cash equivalents	(352.43)	298.16

Net Cash Generated from Operating Activities

Net cash generated from operating activities was INR 2,714.11 million in FY 2025-26, driven by 587.81% increase in profit before tax to INR 3,397.24 million for FY 2025-26, which was primarily adjusted for depreciation and amortisation expense of INR 307.57 million and finance costs of INR 576.62 million and interest income of INR 1,614.77 million and unrealised foreign exchange differences of INR 304.61 million. The Company also paid income tax of INR 82.36 million in FY 2025-26.

Net Cash Used in Investing Activities

Net cash used in investing activities was INR 13,989.55 million in FY 2025-26, mainly due to inter-corporate deposits of INR 12,675.50 million placed with subsidiaries, investments in subsidiaries and joint venture of INR 8,426.03 million and payments for purchase of CCPS issued by subsidiaries of INR 4,700.00 million. It also includes proceeds from maturity of bank deposits amounting to INR 46,495.87 million, partly offset by fresh deposits placed of INR 37,564.72 million and interest income earned thereon amounting to INR 464.05 million.

Net Cash Generated from Financing Activities

Net cash generated from financing activities was INR 10,923.01 million in FY 2025-26, mainly driven by proceeds from equity shares on account of IPO of INR 25,000.00 million and repayment of borrowings of INR 13,182.26 million out of the IPO proceeds.

Consolidated Financial Statements

Set forth below is the consolidated financial information of the Company for the year ended March 31, 2026:

(INR million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from operations	15,272.90	13,005.73
Other income	704.89	1,059.83
Total income	**15,977.79**	**14,065.56**
Expenses		
Cost of food and beverages consumed	1,054.37	947.46
Employee benefits expense	3,056.14	2,732.42
Finance costs	2,034.08	4,581.67
Depreciation and amortisation expenses	1,126.19	1,399.29
Other expenses	3,733.86	3,382.11
Total expenses	**11,004.64**	**13,042.95**
Profit before exceptional items, share of net profit/ (loss) of investments accounted for using equity method and tax	**4,973.15**	**1,022.61**
Exceptional items	64.00	-
Profit before share of net profit/(loss) of investments accounted for using equity method and tax	**4,909.15**	**1,022.61**
Share of net loss of joint venture accounted for using equity method	(26.88)	(1.89)
Profit before tax	**4,882.27**	**1,020.72**
Total tax expense	**851.94**	**544.14**
Profit/(Loss) for the year	**4,030.33**	**476.58**

Presented below is an analysis of the significant items of the consolidated financial statements.

Revenue from Operations

(INR million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Sale of products:		
Food and beverages revenue	5,499.39	4,781.73
(b) Sale of services:		
Room income	7,725.24	6,800.17
Manpower services	209.97	187.05
Management and other operating fees	951.23	698.20
Other allied services*	887.07	538.58
Total Revenue from operations	**15,272.90**	**13,005.73**

* Includes laundry income, health club income, airport transfers, membership etc

- Room income increased to INR 7,725.24 million from INR 6,800.17 million, driven by strong performance across properties with ARR growing by 13% and occupancy increasing by 0.8 pp
- Revenue from food and beverages rose to INR 5,499.39 million from INR 4,781.73 million, supported by higher average revenue per cover, promotions, events and stronger demand from digital marketing initiatives along with launch and upgrade of 7 F&B outlets across the Palaces
- Income from other allied services grew to INR 887.07 million from INR 538.58 million, mainly due to growth in income from minor operating departments and reporting of revenue from retail rental and other ancillary services under 'Revenue from Operations' effective Q1FY26
- Management and other operating fees increased to INR 951.23 million from INR 698.20 million, reflecting the overall growth in revenue from operations for the managed properties and performance ramp-up of The Leela Hyderabad in FY26
- Manpower services income rose to INR 209.97 million from INR 187.05 million

Other Income

(INR million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income	618.01	577.31
Government grant	90.35	129.13
Income from rental and related services	-	228.41
Gain/(Loss) on cancellation of leases	-	4.93
Liabilities no longer required written back	-	40.52
Miscellaneous income	-	83.61
Other gains/(losses)	(3.47)	(4.08)
Total Other income	**704.89**	**1,059.83**

Other income decreased by 33.49% to INR 704.89 million in FY 2025-26 from INR 1,059.83 million in FY 2024-25, primarily due to reporting of revenue from retail rental and other ancillary services under 'Revenue from Operations' effective Q1FY26. This was also driven by reduction in income from government grants to INR 90.35 million in FY 2025-26 from INR 129.13 million in FY 2024-25 and NIL write back of liabilities no longer required in FY 2025-26 compared to INR 40.52 million in FY 2024-25. This decrease was offset by an increase in interest income to INR 618.01 million in FY 2025-26 compared to INR 577.31 million in FY 2024-25.

Expenses Cost of Food and Beverages Consumed

(INR million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cost of food and beverages consumed during the year	1,054.37	947.46
Percentage to food and beverage Income	19.17%	19.81%

Cost of food and beverages consumed increased by 11.28% to INR 1,054.37 million in FY 2025-26 from INR 947.46 million in FY 2024-25, primarily due to higher consumption, partially offset by improved procurement efficiencies. As a percentage of revenue from sale of food and beverages, this cost decreased marginally to 19.17% in FY 2025-26 compared to 19.81% in FY 2024-25.

Finance Costs

(INR million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Total Finance costs	**2,034.08**	**4,581.67**

Finance costs decreased in FY 2025-26 mainly due to debt repayment from IPO proceeds.

Employee Benefit Expenses

(INR million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Total Employee Benefit Expenses	**3,056.14**	**2,732.42**

The increase in employee benefits expense was primarily due to annual increments given to employees, an increase in the total number of employees and increase in gratuity and compensated absences expense due to impact of New Labour Codes. The Company's employee benefits expense as a percentage of total income decreased to 19.13% for FY 2025-26 from 19.43% for FY 2024-25. The Company had 3,120 permanent employees as of March 31, 2026 as compared to 2,657 permanent employees as of March 31, 2025.

Depreciation and Amortisation Expense

(INR million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Total depreciation and amortisation expenses	**1,126.19**	**1,399.29**

Depreciation and amortisation expense decreased by 19.52% to INR 1,126.19 million in FY 2025-26 from INR 1,399.29 million in FY 2024-25, primarily because the Leela Brand was fully amortised in 2024-25.

Other Expenses

(INR million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Total Other expenses	3,733.86	3,382.11

Other expenses increased by 10.40% to INR 3,733.86 million in FY 2025-26 from INR 3,382.11 million in FY 2024-25, primarily due to:

- Business Promotion expenses increased to INR 761.47 million in FY 2025-26 from INR 645.41 million in FY 2024-25 due to increased expenditure towards international advertising and loyalty programme
- Sales and credit card commission to INR 548.58 million in FY 2025-26 as compared to INR 438.71 million in FY 2024-25 driven by an increase in revenues from online travel agencies and retail segment compared to FY 2024-25
- Repairs and maintenance increased to INR 472.31 million in FY 2025-26 as compared to INR 431.64 million in FY 2024-25, primarily on account of expenses incurred on repairs towards civil work and towards spare parts pertaining to old machinery
- Power and fuel costs increased to INR 455.43 million in FY 2025-26 as compared to INR 445.20 million in FY 2024-25 in line with the increase in the Company's operating levels

Tax Expenses

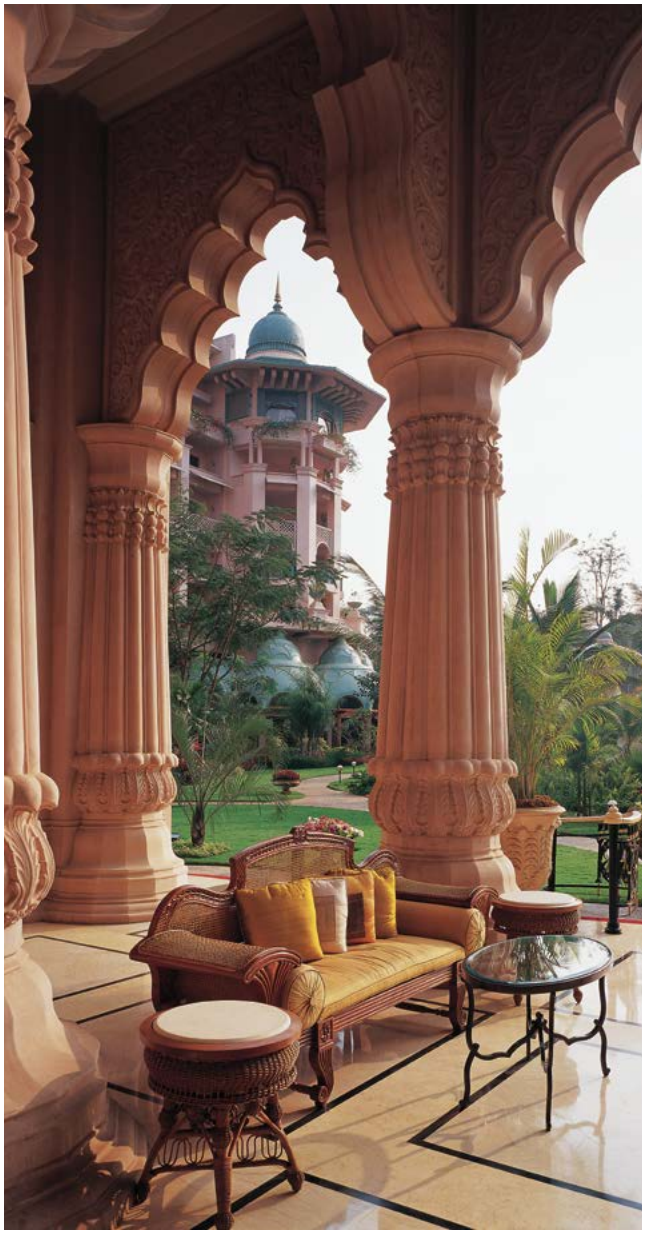
Total tax expense increased significantly to INR 851.94 million in FY 2025-26 from INR 544.14 million for FY 2024-25, due to increase in current tax expenses by INR 177.58 million and deferred tax expenses by INR 130.22 million.

Cash Flows

(INR million)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net cash flows generated from operating activities	7,767.06	5,528.79
Net cash flows (used in) investing activities	(6,373.67)	(57,297.32)
Net cash flows (used in)/generated from financing activities	(1,700.89)	52,358.85
Net (decrease) / increase in cash and cash equivalents	(307.50)	590.32





Net Cash Generated from Operating Activities

Net cash generated from operating activities was INR 7,767.06 million in FY 2025-26, driven by increase in profit before tax for the year to INR 4,882.27 million and adjusted mainly for depreciation of INR 1,126.19 million, finance costs of INR 2,034.08 million, working capital movements of INR 737.26 million and income tax payments of INR 443.93 million.

Net Cash (Used in) Investing Activities

Net cash used in investing activities was INR 6,373.67 million in FY 2025-26, driven by payments for purchase of property, plant and equipment of INR 3,940.07 million, acquisition of a joint venture and an associate (net) of INR 5,984.80 million, payments for asset acquisition of INR 5,618.63 and cash used towards creating bank deposits amounting to INR 50,033.29 million. These outflows were partially offset by maturity of bank deposits of INR 59,948.31 million and interest income of INR 633.82 million thereon.

Net Cash (Used in) Financing Activities

Net cash used in financing activities was INR 1,700.89 million in FY 2025-26, mainly driven by Repayments of borrowings of INR 27,190.69 million, partially offset by proceeds from IPO of INR 25,000.00 million.

Key Financial Ratios

(As per standalone financials)

Ratio Analysis	Numerator	Denominator	As at March 31, 2026	As at March 31, 2025
Current Ratio	Current Assets	Current Liabilities	1.99	4.54
Debt Equity Ratio	Non-Current Borrowings + Current Borrowings	Total Equity	0.02	0.22
Debt Service Coverage Ratio	Profit before Tax + Interest (Net) + Depreciation and Amortisation Expenses	Interest (Net) + Lease Payments + Principal Repayment of Long-term Debt	0.31	1.02
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventory	3.59	3.63
Trade Receivables Turnover Ratio	Revenue from Operations	Average Trade Receivables	28.84	33.30
Trade Payables Turnover Ratio	Net Purchases	Average Trade Payables	1.19	1.21
Net Profit Ratio	Net Profit after Tax	Net Sales	0.63	0.09
Return on Equity Ratio	Net Profit after Tax	Average Total Equity	0.04	0.01

Human Resources

Human capital is a strategic priority and a defining pillar of the luxury experiences delivered by The Leela. The Company is committed to cultivating a high-performance, inclusive and values-led culture that empowers individuals at every level of the organisation. With a strong emphasis on talent development, The Leela invests in continuous learning, leadership capability and skill enhancement through structured initiatives such as The Leela Leadership Development Programme, designed to prepare hospitality professionals for the future.

The Company's people-first philosophy is further reflected in its recognition as a Great Place to Work® (GPTW), reinforcing its commitment to building a workplace rooted in trust, respect and professional growth. This recognition highlights the Leela's focus on creating an environment where employees feel valued, engaged and motivated to deliver exceptional service.

Diversity, equity and inclusion remain integral to the Company's human resources strategy, fostering a respectful and collaborative workplace where individuals can thrive. This commitment is reflected in initiatives such as Shefs by The Leela, which promotes gender diversity in culinary leadership. The Leela also prioritises employee well-being through comprehensive wellness programmes, structured engagement platforms and clearly defined career progression pathways.

The Company continues to place strong emphasis on employee retention, recognising that long-term talent stability is essential to maintaining service excellence and brand consistency. Through targeted development opportunities, recognition programmes and a supportive work culture, The Leela strives to build strong employee loyalty and sustain a motivated workforce.

As of March 31, 2026, The Leela had 3,120 permanent employees on its payroll.





Corporate Social Responsibility (CSR)

At the Leela, Corporate Social Responsibility is a fundamental commitment, closely aligned with the Company's values and governed by the provisions of the Companies Act, 2013. A formal CSR policy has been adopted to reinforce this commitment and to advance inclusive, sustainable development within the communities we serve.



Internal Control Systems and their Adequacy

The Leela has instituted a well-integrated and resilient internal financial control framework, aligned with the operational scale and strategic objectives of the Company. These controls are designed to ensure the integrity of financial and operational reporting while supporting compliance with applicable laws, regulations and internal policies.

The internal control system encompasses key areas such as accurate financial documentation, asset protection, regulatory adherence and policy compliance. It includes structured approval processes with clearly defined authority levels (DOA) for both capital and operational expenditures, fostering strong financial discipline across the organisation.

To further strengthen risk governance, the Company has implemented a robust Enterprise Risk Management (ERM) framework. Under this framework, key risks are systematically identified, prioritised and integrated, with the top risks actively monitored. Defined procedures and control measures are in place to mitigate these risks, ensuring a proactive and structured approach to risk management. The Company has also established a comprehensive compliance framework to enhance the effectiveness of internal controls. This framework enables continuous identification, assessment and mitigation of risks across functions, reinforcing adherence to regulatory and internal requirements.

A strong ethical foundation is embedded through a well-defined Anti-Bribery and Corruption (ABC) Policy and Code of Conduct, which are widely communicated across all levels of the organisation. Regular training programs are conducted to ensure that employees and stakeholders are well equipped to understand, identify and manage risks, while upholding the highest standards of integrity and compliance.

Internal controls are periodically reviewed through a comprehensive internal audit process conducted in coordination with the in-house audit and risk team, along with external Big Four firms. These audits cover all operational units, including the corporate office, ensuring thorough evaluation of compliance, process efficiency and control effectiveness. The insights derived support continuous improvement and organisational resilience.

In line with its focus on future readiness, the Company recognises digital transformation as a key driver of growth and has established a robust mechanism to monitor risks related to information technology systems. The organisation is well positioned in its Digital Personal Data Protection (DPDP) journey, with strong governance frameworks, security controls and employee awareness initiatives in place. This includes the appointment of a Data Protection Officer (DPO), implementation of access controls, continuous security monitoring and regular training programmes.

Oversight of internal controls is maintained through an active and engaged Audit Committee, which works closely with the management team. The Committee regularly reviews the effectiveness of the internal control systems and incorporates feedback from both internal and external auditors, ensuring a dynamic and responsive approach to risk management.

The status of business risk exposures, their management and corresponding action plans, including remediation progress, are regularly presented to the Board of Directors. This structured reporting framework enhances transparency, strengthens governance and ensures informed decision-making at the highest level. The Company remains committed to continuously enhancing its internal control systems through periodic assessments and ongoing refinements, ensuring they remain effective, relevant and robust in a dynamic business environment.

Cautionary Statement

This document contains forward-looking statements relating to the Company's future performance and financial outlook. These statements are based on certain assumptions and are subject to risks and uncertainties that may cause actual results to differ materially from those projected. Readers are cautioned not to place undue reliance on these statements, which should be considered in conjunction with the risk factors and disclaimers outlined in the Annual Report.

Notice of Annual General Meeting

NOTICE TO THE MEMBERS

NOTICE IS HEREBY GIVEN THAT THE SEVENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF LEELA PALACES HOTELS & RESORTS LIMITED (FORMERLY KNOWN AS SCHLOSS BANGALORE LIMITED) WILL BE HELD ON FRIDAY, SEPTEMBER 4, 2026 AT 11:00 A.M. (IST) THROUGH VIDEO CONFERENCING (VC)/OTHER AUDIO VISUAL MEANS (OAVM) TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2026, together with the Reports of the Board of Directors and the Auditors thereon.

   To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT the audited standalone financial statements of the Company for the Financial Year ended March 31, 2026, and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby received, considered and adopted."

2. To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2026, together with the Report of the Auditors thereon.

   To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT the audited consolidated financial statements of the Company for the Financial Year ended March 31, 2026, and the reports of the Auditors thereon, as circulated to the Members, be and are hereby received, considered and adopted."

3. To appoint a director in place of Ms. Ananya Tripathi (DIN: 08102039), who retires by rotation and being eligible, offers herself for re-appointment.

   To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT in accordance with the provisions of Section 152 and any other applicable provisions, if any, of the Companies Act, 2013, Ms. Ananya Tripathi (DIN: 08102039), who retires by rotation and being eligible for re-appointment, be and is hereby reappointed as a Director of the Company, liable to retire by rotation."

NOTES:

1. Pursuant to the General Circular Nos. 14/2020 dated April 08, 2020 and the latest being 03/2025 dated September 22, 2025, read with other relevant circulars issued by the Ministry of Corporate Affairs ("MCA") and the Securities and Exchange Board of India ("SEBI") Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, read with Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024 and other circulars issued in this regard ("SEBI Circulars") (collectively referred to as "Circulars"), the Company is convening the Annual General Meeting ('the Meeting' or 'AGM') through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') without the physical presence of the Members.

2. For the purpose of the Companies Act, 2013 ("Act"), the proceedings of the meeting shall be deemed to be conducted at the Registered Office of the Company situated at The Leela Palace, Diplomatic Enclave, Africa Avenue, Netaji Nagar, New Delhi, India, 110023.

   PURSUANT TO THE PROVISIONS OF THE ACT AND SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ("SEBI LISTING REGULATIONS"), A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY(IES) NEED NOT BE A MEMBER OF THE COMPANY. Since this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with.

Notice (Contd.)

Accordingly, the facility for appointment of proxy(ies) by the Members will not be available for this AGM and hence the Proxy Form, Attendance Slip and Route Map for the AGM are not annexed to this Notice.

3. Institutional shareholders/corporate shareholders (i.e., other than individuals, HUFs, NRIs, etc.) are required to send a scanned copy (PDF/JPG format) of their respective Board or governing body Resolution, Authorisation, etc., authorising their representative to attend the AGM through VC/OAVM on their behalf and to vote through remote e-Voting. The said Resolution/Authorisation shall be sent to the Scrutiniser by e-mail to scrutinisers@mmjc.in with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e., other than individuals, HUFs, NRIs, etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter, etc. by clicking on "Upload Board Resolution/Authority Letter", etc. displayed under the "e-Voting" tab in their login.
4. In the case of joint holders attending the AGM, only such joint holder, who is higher in the order of names, will be entitled to vote.
5. The relevant details pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standards-2 on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM are also annexed.
6. The Members can join the AGM through VC/OAVM 30 minutes before and within 15 minutes after the scheduled time of the commencement of the AGM by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 Members on a first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
7. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
8. In terms of the MCA Circulars and the relevant SEBI Circulars, the Company is sending this AGM Notice along with the Annual Report for FY 2025-26 in electronic form only to those Members whose email IDs are registered with the Company, Registrar and Transfer Agent and Depositories as on the **Benpos Date, August 7, 2026**. The Company shall send the physical copy of the Annual Report for FY 2025-26 only to those Members who specifically request the same at cs@theleela.com mentioning their Folio No/DP ID and Client ID. The Notice convening the AGM and the Annual Report for FY 2025-26 have been uploaded on the website of the Company at https://www.theleela.com/general-meeting-information/AGM/FY2025-2026 and may also be accessed from the relevant section on the website of BSE Limited (BSE) at www.bseindia.com and the National Stock Exchange of India Limited (NSE) at www.nseindia.com and on the website of National Securities Depository Limited (NSDL) at www.evoting.nsdl.com.
9. Members are also requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, PAN, registration of nomination, power of attorney registration, Bank Mandate details, etc. to their DPs in case the shares are held in electronic form and to the RTA at einward.ris@kfintech.com in case the shares are held in physical form, quoting their folio number. Changes intimated to the DP will then be automatically reflected in the Company's records. Further, Members may note that SEBI has mandated the submission of PAN by every member in the Securities Market.
10. Further, SEBI has vide its circular dated January 25, 2022 mandated listed companies to issue securities in demat form only while processing service requests viz. issue of duplicate securities certificate, claim from unclaimed suspense account,

Notice (Contd.)

renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition. Accordingly, Members are requested to make service requests in prescribed Form ISR.4, as available on the Company's website at https://www.theleela.com/shareholder-forms and on the website of RTA at www.kfintech.com. It may be noted that any service request can be processed only after the folio is KYC compliant.

11. In accordance with Regulation 40 of the SEBI Listing Regulations, as amended, all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialised form. In view of the same and to get inherent benefits of dematerialisation, Members holding shares of the Company in physical form, are requested to kindly get their shares converted into dematerialised form. Members can contact the Company's RTA at www.kfintech.com for assistance in this regard.

12. SEBI vide Circular dated July 31, 2023, read with Master Circular dated December 28, 2023, has established a common Online Dispute Resolution Portal ('ODR Portal') for resolution of disputes arising in the Indian Securities Market. Pursuant to above mentioned circulars, post exhausting the option to resolve their grievances with the RTA/Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal (https://smartodr.in/login).

13. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR- 3 or Form SH-14, as the case maybe. The said forms can be downloaded from the Company's website at https://www.theleela.com/shareholder-forms and from the website of the RTA at www.kfintech.com. Members are requested to submit the said form to their DP in case the shares are held by them in electronic form and to the RTA at www.kfintech.com in case the shares are held in physical form, quoting their Folio number/DP ID and Client ID.

14. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned DP and holdings should be verified from time to time.

15. Members desiring inspection of the Register of Directors and Key Managerial Personnel and their Shareholding maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the Members during the AGM. Members may send their requests to cs@theleela.com from their registered email addresses mentioning their name, Folio numbers/ DP ID and Client ID.

16. PROCESS AND MANNER OPTING FOR E-VOTING:

i) In compliance with the provisions of Section 108 and other applicable provisions of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, and Regulation 44 of the SEBI Listing Regulations and in terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to the e-Voting facility provided by listed entities, the Company is providing the facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. The Company has engaged the services of NSDL for facilitating e-Voting to enable the Members to cast their votes electronically as well as for e-Voting during the AGM. Resolution(s) passed by Members through e-Voting is/are deemed to have been passed as if it/they have been passed at the AGM.

Notice (Contd.)

ii) Members are provided with the facility for voting through an electronic voting system during the VC/OAVM proceedings at the AGM and Members participating at the AGM, who have not already cast their vote by remote e-Voting, are eligible to exercise their right to vote at the AGM.

iii) Members who have already cast their vote by remote e-Voting prior to the AGM, will also be eligible to participate at the AGM but shall not be entitled to cast their vote again on such resolution(s) for which the Member has already cast the vote through remote e-Voting.

iv) Members of the Company holding shares as on the cut-off date i.e. Friday, August 28, 2026 may cast their vote by remote e-Voting. The remote e-Voting period commences on Monday, August 31, 2026 at 09.00 a.m. (IST) and ends on Thursday, September 3, 2026 at 05.00 p.m. (IST). The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. The voting right of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, August 28, 2026.

The Company has appointed Mr. Vaibhav Dandawate (Membership No.: A51538, CP No.: 27947), failing him Ms. Deepti Kulkarni (Membership No.: A34733, CP No.: 22502), Partners, Makarand M. Joshi & Co., Practicing Company Secretaries, as the Scrutiniser to scrutinise the remote E-voting and E-voting process at the AGM in a fair and transparent manner. After the conclusion of voting at the AGM, the Scrutiniser shall unblock the votes cast through remote E-voting and E-voting during the AGM and shall submit a consolidated Scrutiniser's Report of the total votes cast in favour or against each resolution to the Chairman or a person authorised by him, who shall countersign the Report and declare the results. The voting results will be announced within two working days from the conclusion of AGM. Upon receipt of the requisite number of votes, the resolutions shall be deemed to have been passed on the date of the AGM. The results declared along with the Scrutiniser's Report will be available on the website of the Company at https://www.theleela.com/general-meeting-information/AGM/FY2025-2026 and on the website of the Stock Exchanges i.e., BSE at www.bseindia.com and NSE at www.nseindia.com.

Notice (Contd.)

THE INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETING ARE AS UNDER:

The remote e-voting period begins on Monday, August 31, 2026 at 09.00 a.m. (IST) and ends on Thursday, September 3, 2026 at 05.00 p.m. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members whose names appear in the Register of Members/Beneficial Owners as on the record date (cut-off date) i.e., Friday, August 28, 2026, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, August 28, 2026.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting 2. Existing **IDeAS** user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "**Beneficial Owner**" icon under "**Login**" which is available under '**IDeAS**' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "**Access to e-Voting**" under e-Voting services and you will be able to see e-Voting page. Click on Company name or **e-Voting service provider i.e., NSDL** and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Notice (Contd.)

Type of shareholders	Login Method
	3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "**Register Online for IDeAS Portal**" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or **e-Voting service provider i.e. NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi/Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user you're existing my easi username & password. 2. After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by Company. On clicking the e-voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.

Notice (Contd.)

Type of shareholders	Login Method
	3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see the e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800- 21-09911

Notice (Contd.)

B) Login Method for e-Voting and joining virtual meetings for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e., Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a. pdf file. Open the. pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

Notice (Contd.)

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
   a) Click on "**Forgot User Details/Password**?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) **Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name, and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join the General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meetings on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of Company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutiniser by e-mail to scrutinisers@mmjc.in with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution/Power of Attorney/Authority Letter etc. by clicking on "Upload Board Resolution/Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Mr. Sukesh Shetty, Assistant Manager at evoting@nsdl.com

Notice (Contd.)

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to einward.ris@kfintech.com/cs@theleela.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to einward.ris@kfintech.com/cs@theleela.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at **step 1** (A) i.e., **Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in demat mode**.
3. Alternatively, shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM" placed under "**Join meeting**" menu against Company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

Notice (Contd.)

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@theleela.com. The same will be replied by the Company suitably.
6. If any shareholder wishes to register himself/herself as the speaker in the AGM, he or she is requested to send an email to the Company at cs@theleela.com or to NSDL at https://www.evoting.nsdl.com/on or before Friday, August 28, 2026.

Notice (Contd.)

DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT IN FORTHCOMING ANNUAL GENERAL MEETING

In pursuance of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Name of the Director	Ms. Ananya Tripathi
Date of Birth	August 27, 1984
Category	Non- Executive Director
Nationality	Indian
Age	41 Years
DIN	08102039
Qualification	Bachelor's - Computer Engineering and Post-Graduate diploma in management
Date of first Appointment on the Board	May 29, 2024
Experience & Expertise in specific functional area	Ms. Ananya Tripathi holds a bachelor's degree of computer engineering from Army Institute of Technology, Pune and a post-graduate diploma in management from the Indian Institute of Management, Kozhikode. She was previously associated with Myntra Jabong India Private Limited as the chief strategy officer and head of category business, McKinsey & Company as associate principal.
No. of shares held in the Company	Nil
Board Membership of other listed Companies	Arvind Fashions Limited
Last drawn remuneration from the Company (up to March 31, 2026)	NIL
Number of Board Meetings attended by the Director during the March 31, 2026	08 (Eight)
Chairmanships/Memberships of the Committees of the Company	Member - Stakeholders' Relationship Committee Member - Nomination and Remuneration Committee Member - Risk Management Committee Member - Corporate Social Responsibility Committee
Membership/Chairmanship of Committees across other Public Companies (listed as well as unlisted)	Audit Committee - Member - Arvind Fashions Limited Risk Management Committee - Member - Arvind Fashions Limited Corporate Social Responsibility Committee - Member - Arvind Lifestyle Brands Limited

Notice (Contd.)

List of Directorship in other Companies	Arvind Fashions Limited Arvind Lifestyle Brands Limited Brookprop Management Services Private Limited (w.e.f. June 25, 2026)
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	NIL
List of Companies from which resigned in the past three years	Nil
Terms and Conditions of appointment or re-appointment	Appointed as Non-Executive Director w.e.f. May 29, 2024, liable to retire by rotation

By Order of the Board of Directors

For Leela Palaces Hotels & Resorts Limited
(Formerly Known as Schloss Bangalore Limited)

Jyoti Maheshwari
Company Secretary and Compliance Officer
ACS No - 24469

REGISTERED OFFICE: The Leela Palace, Diplomatic Enclave, Africa Avenue, Netaji Nagar, South Delhi, New Delhi, Delhi, India, 110023

CORPORATE OFFICE: Tower-4, Third Floor, Equinox Business Park, Kurla West, Mumbai . 400070, Maharashtra
CIN: L55209DL2019PLC347492

Place: Mumbai
Date: July 31, 2026

Corporate Information

BOARD OF DIRECTORS

Name of the Director	DIN	Designation
Mr. Deepak S. Parekh	00009078	Chairman and Independent Director
Mr. Mukesh Butani	01452839	Independent Director
Ms. Apurva Purohit	00190097	Independent Director
Mr. Ankur Gupta	08687570	Non-Executive Director
Mr. Ashank Kothari	08565174	Non-Executive Director
Ms. Ananya Tripathi	08102039	Non-Executive Director
Mr. Shai Zelering	10765188	Non-Executive Director
Mr. Anuraag Bhatnagar	07967035	Whole time Director and Chief Executive Officer

Composition of the Audit Committee:

S. No.	Name	Designation	Position in the Committee
1.	Mr. Mukesh Butani	Independent Director	Chairperson
2.	Mr. Deepak S. Parekh	Chairman and Independent Director	Member
3.	Ms. Apurva Purohit	Independent Director	Member
4.	Mr. Ankur Gupta	Non-Executive Director	Member

Composition of the Stakeholders' Relationship Committee:

S. No.	Name	Designation	Position in the Committee
1.	Mr. Deepak S. Parekh	Chairman and Independent Director	Chairperson
2.	Mr. Ankur Gupta	Non-Executive Director	Member
3.	Ms. Ananya Tripathi	Non-Executive Director	Member

Composition of the Nomination and Remuneration Committee:

S. No.	Name	Designation	Position in the Committee
1.	Mr. Mukesh Butani	Independent Director	Chairperson
2.	Ms. Apurva Purohit	Independent Director	Member
3.	Mr. Deepak S. Parekh	Chairman and Independent Director	Member
4.	Ms. Ananya Tripathi	Non-Executive Director	Member

Composition of the Corporate Social Responsibility Committee

S. No.	Name	Designation	Position in the Committee
1.	Ms. Apurva Purohit	Independent Director	Chairperson
2.	Ms. Ananya Tripathi	Non-Executive Director	Member
3.	Mr. Anuraag Bhatnagar	Whole-time Director and Chief Executive Officer	Member

Composition of the Risk Management Committee:

S. No.	Name	Designation	Position in the Committee
1.	Mr. Mukesh Butani	Independent Director	Chairperson
2.	Mr. Ashank Kothari	Non-Executive Director	Member
3.	Ms. Ananya Tripathi	Non-Executive Director	Member
4.	Mr. Ravi Shankar	Head - Asset Management and Chief Financial Officer	Member

Composition of the Capital Investment Committee:

S. No.	Name	Designation	Position in the Committee
1.	Mr. Deepak S. Parekh	Independent Director	Chairperson
2.	Mr. Ankur Gupta	Non-Executive Director	Member
3.	Mr. Anuraag Bhatnagar	Whole-time Director and Chief Executive Officer	Member

Corporate Information (Contd.)

KEY MANAGERIAL PERSONNEL (KMP)

Mr. Anuraag Bhatnagar (Whole Time Director and Chief Executive Officer)
Mr. Ravi Shankar (Head – Asset Management and Chief Financial Officer)
Ms. Jyoti Maheshwari (Company Secretary and Compliance Officer)

SENIOR MANAGEMENT PERSONNEL

Mr. Vikram Rajaram Choubal
Ms. Isha Goyal (upto July 09, 2026)
Mr. Sougata Kundu

REGISTERED OFFICE

The Leela Palace, Diplomatic Enclave,
Africa Avenue, Netaji Nagar,
New Delhi – 110 023, India
Tel No. +91 (11) 3933 1234
Email: cs@theleela.com
Website: www.theleela.com
CIN: L55209DL2019PLC347492

CORPORATE OFFICE

Tower-4, Third Floor, Equinox Business Park,
Kurla West, Mumbai – 400070, Maharashtra
Tel No. +91 22 6901 5454

REGISTRAR AND SHARE TRANSFER AGENT

KFin Technologies Limited
Selenium, Tower-B, Plot No. 31 & 32, Financial District,
Nanakramguda, Serilingampally Rangareddi,
Hyderabad – 500 032, India
Email: einward.ris@kfintech.com
Website: www.kfintech.com

BANKERS

State Bank of India
IFB Andheri East (4732)
102 Natraj, 194, Sir M V Road
W E Highway, Metro Junction
Andheri East, Mumbai – 400 069
Maharashtra, India
Tel: +91 22 2683 3001
Contact person: Sachin Kansal
E-mail: dgm.ifbandheri@sbi.co.in

STATUTORY AUDITORS

B S R & Co. LLP, Chartered Accountants
14th Floor, Central B wing and North C wing
Nesco IT Park 4, Nesco Center, Western Express
Express Highway, Goregaon (East)
Mumbai - 400063, India
Telephone: +91 (22) 6257 1000

SECRETARIAL AUDITORS

Makarand M. Joshi & Co, Practicing Company Secretaries
Ecstasy 802-805, 8th Floor, Citi of Joy, JSD,
Mulund West, Mumbai – 400080,
Telephone: +91 (22) 3100 8600

INTERNAL AUDITORS

PricewaterhouseCoopers Services LLP
252, Veer Savarkar Marg, Shivaji Park Dadar (West),
Mumbai - 400028, India
Telephone: +91 (22) 6119 8000

Board's Report

To

The Members,

Leela Palaces Hotels & Resorts Limited

(Formerly known as "Schloss Bangalore Limited")("the Company")

Registered Office Address:- The Leela Palace, Diplomatic Enclave, Africa Avenue, Netaji Nagar, New Delhi – 110023

Your Directors are pleased to present the Seventh Annual Report on the performance and operations of the Company along with the Audited Financial Statements for the year ended March 31, 2026.

1. FINANCIAL SUMMARY AND HIGHLIGHTS:

The Company's financial performance for the financial year ended March 31, 2026 as compared to the previous financial year is summarized below:

(INR in millions)

Particulars	Standalone		Consolidated	
	2025-26	2024-25	2025-26	2024-25
Revenue from Operations	4,374.64	3,751.11	15,272.90	13,005.73
Other Income	2,105.17	990.59	704.89	1,059.83
Total Income	6,479.81	4,741.70	15,977.79	14,065.56
Total Expenses	3,066.17	4,163.75	11,004.64	13,042.95
Exceptional Items	16.40	-	64.00	-
Profit/(Loss) before share of net loss of investments accounted for using equity method and tax	3,397.24	577.95	4,909.15	1,022.61
Share of net loss of joint venture accounted for using equity method	-	-	(26.88)	(1.89)
Total Tax Expense	639.33	235.60	851.94	544.14
Profit/(Loss) after Tax	2,757.91	342.35	4,030.33	476.58
Other Comprehensive Income/(Loss)	3.69	2.25	330.36	16.10
Total Comprehensive Income/(Loss)	2,761.60	344.60	4,360.69	492.68

2. SUMMARY OF OPERATION DURING THE YEAR ENDED MARCH 31, 2026:

During the year under review, the Company delivered robust financial performance. Standalone total income increased by 36.66% to ₹6,479.81 million, while consolidated total income grew by 13.60% to ₹15,977.79 million. The Company reported a standalone net profit after tax of ₹2,757.91 million, which is approximately 8 times the net profit after tax reported in the previous year. Consolidated net profit after tax stood at ₹4,030.33 million, which is approximately 8.5 times the net profit after tax reported in the previous year.

Our consolidated EBITDA for FY26 improved significantly to ₹8,133.42 million, up from ₹7,003.57 million in FY25, with EBITDA margins expanding to 50.90% from 49.79%, reinforcing our industry-leading profitability. Performance was further highlighted by a RGI of 150 versus the Indian luxury hospitality industry for FY26.

We delivered Strong Operating Leverage in FY26, Led by Same-Store RevPAR Growth of 14% YoY. Further, growth was broad-based across segments with both room and F&B segments growing above 14%.

This strong performance underscores the Company's premium positioning in the Indian luxury segment and the strength of its guest experience, further validated by a best-in-industry Net Promoter Score (NPS) of 86 for FY26.

Further, we are well capitalised for scale with a Debt / EBITDA ratio of 1.6x as at March 2026, recording a significant decline from a ratio of 3.7x as at March 2025.

3. DIVIDEND:

In accordance with the provisions of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and any amendments thereto, your Company has formulated a Dividend Distribution Policy, which is available on the Company's website at https://www.theleela.com/prod/content/assets/2025-11/Dividend-Distribution-Policy.pdf

Further, no dividend has been recommended by the Board for the year under review.

Board's Report (Contd.)

4. TRANSFER TO RESERVES:

The Company has not transferred any amount to the reserves for the Financial Year ended March 31, 2026.

5. BORROWINGS:

During the year under review, the Company utilised the IPO proceeds towards partial repayment of its outstanding debt, thereby strengthening the balance-sheet and substantially reducing the leveraged position. This helped the Company in significantly improving the credit rating to Crisil AA/Stable. As on March 31, 2026, the total borrowing of the Company on a standalone basis stood at INR 1,385 million and at INR 15,568 million on a consolidated basis respectively (As on March 31, 2025, standalone borrowing was INR 13,773 million and consolidated borrowing was INR 39,087 million).

6. CHANGE IN THE NATURE OF BUSINESS:

During the year under review, there was no change in nature of business of the Company.

7. CREDIT RATING:

During the year under review, the credit rating assigned by CRISIL Ratings Limited is Crisil AA/Stable for long-term bank facilities of the Company. The said ratings signify a high degree of safety regarding the timely servicing of financial obligations.

8. SHARE CAPITAL AND DEBENTURES:

SHARE CAPITAL:

AUTHORIZED SHARE CAPITAL

The Authorized Share Capital of the Company as on March 31, 2026 stood at INR 1,33,17,50,00,000 (Rupees Thirteen Thousand Three Hundred Seventeen Crores and Fifty Lakhs) divided into 6,56,75,00,000 (Six Hundred Fifty-Six Crores and Seventy Fifty Lakhs) equity shares of INR 10/- (Rupees Ten only) each and 67,50,00,000 (Sixty Seven crores Fifty Lakhs) Preference shares of INR 100/- (Rupees One Hundred only) each.

During the year under review, there has been no change in the Company's authorized share capital.

ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

The issued, subscribed and paid-up share capital of the Company as on March 31, 2026 stood at INR 3,33,95,78,780/- (Rupees Three Hundred Thirty Three Crore Ninety Five Lakh Seventy Eight Thousand Seven Hundred and Eighty only) divided into 33,39,57,878 (Thirty Three Crore Thirty Nine Lakh Fifty Seven Thousand Eight Hundred Seventy Eight) equity shares of 10/- (Rupees Ten only) each.

During the year under review, pursuant to the successful completion of the Company's Initial Public Offering (IPO), comprising a fresh issue of 57,471,264 (Five Crore Seventy Four Lakh Seventy One Thousand Two Hundred and Sixty Four) equity shares of INR 10/- each aggregating upto INR 25,000.00 million and an Offer for sale of 22,988,505 (Two Crore Twenty Nine Lakh Eighty Eight Thousand Five Hundred and Five) equity shares of INR 10/- each aggregating upto INR 10,000.00 million by Project Ballet Bangalore Holdings (DIFC) Pvt Ltd (Promoter selling shareholder). The Company's equity shares were listed on BSE Limited and the National Stock Exchange of India Limited on June 2, 2025.

Pursuant to the aforesaid IPO of the Company the issued, subscribed and paid up share capital of the Company stands increased to INR 3,33,95,78,780/- (Rupees Three Hundred Thirty Three crores Ninety Five Lakh Seventy Eight Thousand Seven Hundred and Eighty only) divided into 33,39,57,878 (Thirty Three Crore Thirty Nine Lakh Fifty Seven Thousand Eight Hundred Seventy Eight equity shares of 10/- (Rupees Ten only) each.

DEBENTURES:

As on March 31, 2026, there are no Debentures outstanding in the books of the Company.

During the year under review, the Company has not issued any instruments with differential voting rights nor has granted any sweat equity shares.

9. UTILISATION OF PROCEEDS OF INITIAL PUBLIC OFFER ("IPO")

Pursuant to Regulation 32 of the SEBI Listing Regulations, the Company confirms that during FY 2025-26, there was no deviation or variation in the utilization of proceeds of the IPO from the objects stated in the Prospectus dated May 28, 2025.

Board's Report (Contd.)

The Monitoring Agency Reports for such utilization are received by the Company from its Monitoring Agency on quarterly basis affirming no deviation in utilization of the issue proceeds from the objects stated in offer documents and are submitted to the Stock Exchanges in compliance with the aforesaid regulation.

Details on actual utilization of the Net IPO proceeds are given in note no. 45 of the standalone financial statements and note no. 48 of the consolidated financial statements which form part of this Annual Report.

10. DEPOSITS:

Your Company has not accepted nor renewed any amount falling within the purview of provisions of Section 73 of the Companies Act, 2013 ("Act") read with the Companies (Acceptance of Deposit) Rules, 2014 during the year under review.

11. LOANS FROM DIRECTORS/DIRECTORS' RELATIVES:

During the year under review, the Company has not borrowed any amount from Directors or its relatives.

12. HOLDING COMPANY:

During the year under review, your Company ceased to be a Subsidiary of Project Ballet Bangalore Holdings (DIFC) Pvt Ltd ('Project Ballet'), as defined under Section 2(87) of the Act, pursuant to the Initial Public Offering (IPO) of the Company.

13. SUBSIDAIRY, JOINT VENTURE OR ASSOICIATE COMPANY:

As on March 31, 2026, the Company had following subsidiaries and step-down subsidiaries (as defined under Section 2(87) of the Companies Act, 2013):

Sr. No.	Name of Entity	Relationship with the Company	Date of Acquisition
1	Schloss Chanakya Private Limited	Wholly-owned Subsidiary	July 30, 2024
2	Schloss Chennai Private Limited	Wholly-owned Subsidiary	July 25, 2024
3	Schloss HMA Private Limited	Wholly-owned Subsidiary	July 26, 2024
4	Schloss Gandhinagar Private Limited	Wholly-owned Subsidiary	July 25, 2024
5	Leela Agra Resort Limited (formerly known as Leela Palaces and Resorts Limited)	Wholly-owned Subsidiary	July 26, 2024
6	Schloss Tadoba Private Limited	Wholly-owned Subsidiary	July 30, 2024
7	Transition Cleantech Services Five Private Limited	Wholly-owned Subsidiary	August 02, 2024
8	Aries Holdings (DIFC) Limited	Wholly-owned Subsidiary	October 14, 2025
9	Leela Luxe Hotels & Resorts Private Limited	Wholly-owned Subsidiary	November 28, 2025
10	Leela Nirvana Resorts Private Limited	Wholly-owned Subsidiary	December 19, 2025
11	Leela Opulence Hotels Private Limited	Wholly-owned Subsidiary	December 22, 2025
12	Leela Imperial Suites Private Limited	Wholly-owned Subsidiary	January 05, 2026
13	Leela Essence Hospitality Private Limited	Wholly-owned Subsidiary	December 22, 2025
14	Schloss Udaipur Private Limited	Step-down wholly owned Subsidiary	July 19, 2024
15	Tulsi Palace Resort Private Limited	Step-down wholly owned Subsidiary	July 20, 2024

Board's Report (Contd.)

Sr. No.	Name of Entity	Relationship with the Company	Date of Acquisition
16	Anasvish Tiger Camp Private Limited	Subsidiary	November 27, 2024
17	Inside India Resorts Private Limited	Subsidiary	December 09, 2024
18	Buildminds Real Estate Private Limited	Subsidiary	February 25, 2025
19	Leela BKC Holdings Private Limited (formerly known as Transition Cleantech Services Four Private Limited)*	Joint Venture	August 02, 2024
20	Lago Vue Srinagar Private Limited	Joint Venture	September 06, 2024

**Leela BKC Holdings Private Limited (formerly known as Transition Cleantech Services Four Private Limited) ceased to be a subsidiary of the Company with effect from April 18, 2025 and has become a joint venture of the Company.*

All the Subsidiaries and Joint Ventures engaged in the similar line of business as of Company that is hotel and resort management, and rendering technical, managerial and advisory services in relation to construction and/or operations of hotels and resorts.

Pursuant to the provisions of Section 129(3) of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of financial statements of the subsidiaries/joint ventures of the Company in Form No. AOC-1 is attached as **Annexure A** to this report.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, along with relevant documents and audited financial statements of subsidiaries, are available on the website of the Company at https://www.theleela.com/investors

14. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No material changes and commitments which could affect the Company's financial position, have occurred between the end of the financial year of the Company and date of this report.

15. SCHEME OF AMALGMATION/ARRANGEMENT:

During the year under review, the Company has not proposed or considered or approved any Scheme of Merger/Amalgamation/Takeover/Demerger or Arrangement with its Members and/or Creditors.

16. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016, DURING THE FINANCIAL YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR:

During the year under review, there was no application made and proceeding initiated/pending by any Financial and/or Operational Creditors against the Company under the Insolvency and Bankruptcy Code, 2016.

Accordingly, as on the date of this Report, there is no application or proceeding pending against the Company under the Insolvency and Bankruptcy Code, 2016.

17. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:

As on March 31, 2026, the Board comprises of 8 (Eight) Directors out of which 1 (One) Director is Executive, 3 (Three) Directors are Non-Executive Independent, including one Woman Independent Director and 4 (Four) Directors are Non-Executive Non-Independent.

Board's Report (Contd.)

The details of the Board of directors of the Company as on March 31, 2026, are mentioned hereunder:

Name of Director	DIN	Designation
Mr. Deepak S. Parekh	00009078	Chairman and Independent Director
Mr. Mukesh Butani	01452839	Independent Director
Ms. Apurva Purohit	00190097	Independent Director
Mr. Ankur Gupta	08687570	Non-Executive Director
Mr. Ashank Kothari	08565174	Non-Executive Director
Ms. Ananya Tripathi	08102039	Non-Executive Director
Mr. Shai Zelering	10765188	Non-Executive Director
Mr. Anuraag Bhatnagar	07967035	Whole time Director and Chief Executive Officer

All the Directors possess requisite qualifications and experience that would enable them to contribute effectively to your Company in their respective capacities. None of the Director of the Company is disqualified under Section 164 of the Act.

Mr. Anuraag Bhatnagar, Whole Time Director and Chief Executive Officer, Mr. Ravi Shankar, Head - Asset Management and Chief Financial Officer and Ms. Jyoti Maheshwari, Company Secretary and Compliance Officer are the Key Managerial Personnel of the Company in accordance with the provisions of Section 203 of the Act.

In accordance with the provisions of the Act, none of the Independent Directors is liable to retire by rotation.

Further, as per the provisions of Section 152(6) of the Act and Articles of Association of the Company, Ms. Ananya Tripathi (DIN: 08102039), being longest in office is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offers herself for re-appointment. The necessary resolution for her re-appointment forms part of the Notice convening the AGM.

During the year under review, there were no changes in the composition of Board of Directors and Key Managerial Personnel of the company.

18. BOARD AND ITS COMMITTEES:

During the year under review, 08 (Eight) Board Meetings were held on: May 06, 2025; May 12, 2025; May 20, 2025; May 28, 2025; July 22, 2025, August 22, 2025, October 14, 2025 and January 16, 2026.

As required under the Act, SEBI Listing Regulations and other SEBI Regulations, the Company has constituted the following, including the statutory committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders Relationship Committee
4. Risk Management Committee
5. Corporate Social Responsibility Committee
6. IPO Committee (dissolved w.e.f. July 22, 2025)
7. Committee of Independent Directors
8. Capital Investment Committee (w.e.f. October 14, 2025)

The details regarding the composition of the Board, Audit Committee along with other Committees and their Meetings are provided in the Corporate Governance Report, which forms part of the Annual Report.

In accordance with the provisions of the Act, a separate Meeting of the Independent Directors of the Company was held on August 19, 2025.

19. NOMINATION AND REMUNERATION POLICY:

Pursuant to Section 178(3) of the Act and Regulation 19 of the SEBI Listing Regulations, the Company has adopted a policy on appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel. The salient features of the policy are given in the Corporate Governance Report.

The policy can be accessed on the Company's website at https://www.theleela.com/prod/content/assets/2025-11/Nomination-and-Renumeration-Policy.pdf

Board's Report (Contd.)

20. SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION:

The Board of Directors on recommendation of Nomination and Remuneration Committee has adopted a Nomination and Remuneration Policy, which, inter alia, deals with the criteria for identification of members of the Board of Directors and selection/appointment of the Key Managerial Personnel/Senior Management Personnel of the Company and their remuneration. The Nomination and Remuneration Committee recommends appointment of Directors based on their qualifications, expertise, positive attributes and independence in accordance with prescribed provisions of the Act and the Rules made thereunder and SEBI Listing Regulations. The Nomination and Remuneration Policy is available on the website of the Company at https://www.theleela.com/prod/content/assets/2025-11/Nomination-and-Renumeration-Policy.pdf

21. CHANGE OF NAME OF COMPANY:

During the year under review, the Board of Directors at its meeting held on August 22, 2025 and the members at the Annual General Meeting of the Company held on September 19, 2025 approved the change in name of the Company from 'Schloss Bangalore Limited' to 'Leela Palaces Hotels & Resorts Limited' and the consequent amendments to the Memorandum of Association and the Articles of Association of the Company.

The change in name of the Company did not result in any change of the legal status, constitution, turnover, operations or activities of the Company, nor did it affect any rights or obligations of the Company or the members and stakeholders.

The Company has complied with Regulation 45 of the Listing Regulations, to the extent they are applicable, and has also obtained a certificate from a Practicing Chartered Accountant in respect of the same.

22. STATUTORY AUDITORS:

At the Sixth Annual General Meeting of the Company held on September 19, 2025, the members have approved the re-appointment of M/s B S R & Co. LLP, Chartered Accountants as the Statutory Auditors of the Company pursuant to Section 139 of the Act for a second term of 5 (five) years to hold office from the conclusion of sixth Annual General Meeting till the conclusion of eleventh Annual General Meeting of the Company to be held in the FY 2030-31.

The Statutory Auditors report for the financial year ended March 31, 2026 does not contain any qualification, reservation, adverse remarks or disclaimer.

The Statutory Auditors of the Company have not reported any instances of fraud as specified under Section 143(12) of the Act during the year under review.

23. SECRETARIAL AUDITOR:

At the Sixth Annual General Meeting of the Company held on September 19, 2025, the members have approved the appointment of M/s. Makarand M. Joshi & Co, Practicing Company Secretaries as the Secretarial Auditor of the Company for a term of 5 (five) years to hold office from the conclusion of sixth Annual General Meeting till the conclusion of eleventh Annual General Meeting of the Company to be held in the FY 2030-31.

The Secretarial Audit Report in Form MR-3 issued by them is Annexed herewith as **Annexure B**. There are no qualification, reservation, adverse remark or disclaimer in the report.

Further, pursuant to Regulation 24A (1) of the SEBI Listing Regulations, the secretarial audit report of the following material unlisted Indian subsidiary for FY 2025-26, are also annexed to this Report as **Annexure B1**:

1 Schloss Chanakya Private Limited

2 Schloss Chennai Private Limited

3 Tulsi Palace Resort Private Limited

24. INTERNAL AUDITOR:

Based on the recommendation of the Audit Committee, the Board of Directors of the Company has appointed PricewaterhouseCoopers Services LLP as the Internal Auditor of the Company to conduct the internal audit for the financial year 2025-26 and the scope functioning, periodicity and methodology for conducting internal audit was approved by the Board of Directors.

Board's Report (Contd.)

25. SECRETARIAL STANDARDS:

The Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2), as issued by the Institute of Company Secretaries of India (ICSI).

26. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

Pursuant to Section 124 and 125 and other applicable provisions of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred by the Company to the Investor Education and Protection Fund ("IEPF").

The IEPF Rules mandate companies to transfer all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more in the name of IEPF. The Members whose dividend/shares are transferred to the IEPF Authority can claim their shares/dividend from the IEPF Authority following the procedure prescribed in the IEPF Rules.

During the year under review, the Company was neither liable to transfer any amount to the Investor Education and Protection Fund (IEPF), nor was any amount lying in the Unpaid Dividend Account of the Company for the Financial Year 2025-26.

27. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENT:

Th Company has its internal financial control systems commensurate with the size and complexity of its operations, to ensure proper recording of financials and monitoring of operational effectiveness and compliance of various regulatory and statutory requirements. The management regularly monitors the safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records including timely preparation of reliable financial information.

28. VIGIL MECHANISM:

The Company has, in accordance with provisions of Section 177 of the Act and Regulation 22 of the SEBI Listing Regulations, formulated a Vigil Mechanism/Whistle Blower Policy for all its Directors, Employees and other stakeholders to report concerns about any unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of Directors, employees and other stakeholders who avail of the mechanism and have also provided them direct access to the Chairperson of the Audit Committee.

The said policy is available on the Company's website at https://www.theleela.com/prod/content/assets/2025-11/Whistle-Blower-or-Vigil-Mechanism-Policy.pdf

29. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENT UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The Company is engaged in 'infrastructural activities' covered under Schedule VI of the Act and is therefore exempt from the provisions of Section 186 of the Act with regards to Loans, Investments, Guarantees and Securities. Details of investments made by the Company are given in Note No. 6 of the Standalone Financial Statements.

30 DOWNSTREAM INVESTMENT:

With reference to provisions of FEMA read with NDI Rules and Master Direction on Foreign Investment in India issued by Reserve Bank of India ("RBI"), the Company has complied with the provisions for downstream investment. Accordingly, the Company has obtained certificate from statutory auditors in this regard pursuant to applicable guidelines issued by RBI.

31. PARTICULAR OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013:

In line with the requirements of the Act and the SEBI Listing Regulations, as amended, the Company has formulated Policy on Related Party Transactions for identifying,

reviewing, approving and monitoring of Related Party transactions and the same can be accessed on the Company's website https://www.theleela.com/prod/content/assets/2026-01/Policy-on-Related-Parties-Transactions.pdf

During the year under review, all Related Party Transactions that were entered into were in the Ordinary Course of Business and at Arms' Length Basis. The information on transactions with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, as amended, in Form AOC-2 is not applicable to the Company for FY 2025-26 and hence the same is not provided.

None of the Directors have any pecuniary relationships or transactions except to the extent of sitting fees paid to the Directors.

32. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the provisions under Section 134(3)(c) and Section 134(5) of the Companies Act, 2013, the Directors of your Company, to the best of their knowledge and ability, confirm that:

i. in the preparation of the Annual financial statements for the Financial Year ended March 31, 2026, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

ii. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year (i.e., as on March 31, 2026) and of the profit of the Company for the Financial Year ended March 31, 2026;

iii. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. they have prepared the Annual Accounts on a going concern basis;

v. they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

33. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO:

The information relating to conservation of energy and foreign exchange earnings and outgo as stipulated under section 134(3)(m) of the Act read with Rule 8 of The Companies (Accounts) Rules, 2014, is annexed herewith as **Annexure C** and forms part of this Report. The information relating to technology adoption is not given since the same is not applicable to the Company during the year.

34. DISCLOSURE RELATING TO DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE-TIME SETTLEMENT AND VALUATION DONE WHILE TAKING LOAN FROM BANK OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

During the year under review, no such one-time settlement was done in respect of any loan taken by the Company from Banks/Financial Institutions, if any.

35. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There was no significant material order passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

36. ANNUAL RETURN:

In accordance with Section 92(3) of the Act read with the Rules made thereunder, the Annual Return of the Company in Form MGT-7 is available on the website of the Company at https://www.theleela.com/general-meeting-information/AGM/FY2025-2026

Board's Report (Contd.)

37. MAINTENANCE OF COST RECORDS:

Pursuant to the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Company is not required to maintain Cost Records under said Rules.

38. COST AUDITORS:

The provisions of Section 148 of the Act and the Companies (Cost Records and Audit) Rules, 2014 are not applicable to the Company. Hence, the maintenance of the cost records as specified by the Central Government under Section 148(1) of the Act is not required and accordingly such accounts and records are not made and maintained. The Company has not appointed any Cost Auditor during the year under review.

39. CORPORATE SOCIAL RESPONSIBILITY (CSR):

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year under review are set out in **Annexure D** of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2014, as amended from time to time. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which forms part of this Annual report.

The CSR policy is available on the website of the Company at https://www.theleela.com/prod/content/assets/2026-01/CSR-Policy.pdf

40. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

In accordance with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and the Rules made thereunder, the Company has in place a policy which mandates no tolerance against any conduct amounting to sexual harassment of women at workplace. Training/awareness program are conducted throughout the year to create sensitivity towards ensuring respectable workplace. The Company has constituted an Internal Complaints Committee to redress and resolve any complaints arising under the POSH Act.

A summary of complaints received and resolved during the period under review is mentioned below:

a) number of complaints of sexual harassment received in the year: Nil

b) number of complaints disposed off during the year: Nil

c) number of cases pending for more than ninety days: Nil

41. DECLARATION BY INDEPENDENT DIRECTORS:

All the Independent Directors of the Company have individually given a declaration pursuant to Section 149(7) of the Act and Regulation 25(8) of the SEBI Listing Regulations affirming compliance to the criteria of independence as laid down under Section 149(6) of the Act and Rules made thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations.

Based on the declarations received from the Independent Directors, the Board is of the opinion that all the Independent Directors are independent of the management and have fulfilled the conditions as specified under the governing provisions of the Act, Rules made thereunder and SEBI Listing Regulations.

42. FAMILIARISATION PROGRAMME FOR DIRECTORS:

The details regarding the familiarisation programme are provided in the Corporate Governance Report, which forms part of this Annual Report.

43. BOARD EVALUATION:

The Board has adopted a formal evaluation mechanism for evaluating its own performance and as well as that of its Committees and individual directors, as required under the Act and SEBI Listing Regulations. Further, the performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman, the Board as a whole and the Non-Independent Directors was carried out by the Independent Directors at their separate Meeting.

Board's Report (Contd.)

The questionnaire was circulated to all the Board members of the Company in a transparent and confidential manner. The criteria encompassed several key parameters, including knowledge and competency, relevant experience, fulfilment of functions, ability to work as part of a team, initiative, availability and attendance, level of commitment, quality of contribution, integrity, and independence for the aforesaid evaluation.

44. REMUNERATION/COMMISSION DRAWN FROM HOLDING/SUBSIDIARY COMPANY:

None of our Directors have received or were entitled to receive any remuneration, sitting fees or commission from any of our Holding or Subsidiary Company during the year under review.

45. RISK MANAGEMENT & INTERNAL FINANCIAL CONTROLS:

The Company has well established, comprehensive and adequate internal controls commensurate with the size of the operations, which are designed to assist in identification and management of business risks and ensure high standards of corporate governance. The internal financial controls have been documented, digitized and embedded in the business processes. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

Assurance on the effectiveness of internal financial controls is obtained through monthly management reviews, self-assessment and continuous monitoring by functional experts as well as testing of the internal financial control systems by the internal auditors during the course of their audits. The internal auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Independence of the audit and compliance is ensured by direct reporting of internal auditor to the Audit Committee of the Board.

To further strengthen the compliance processes the Company has an internal compliance tool for assisting statutory compliances. This process is automated and generate alerts for proper and timely compliance. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively and are operating as intended.

As per the requirements of SEBI (LODR) Regulations, 2015, a Risk Management Committee has been constituted with responsibility of preparation of risk management plan. The details of the constitution, authority and terms of reference of the Risk Management Committee is captured in the corporate governance report. The Company's risk management framework supports an efficient and risk-conscious business strategy, delivering minimum disruption to business and creating value for our stakeholders. The Company has in place a Risk Management Policy which is available on the website of the Company at https://www.theleela.com/prod/content/assets/2025-11/Risk-Management-Policy.pdf

46. PARTICULARS OF EMPLOYEES:

The particulars of remuneration to directors and employees and other related information required to be disclosed under Section 197 (12) of the Act and sub rule 1 of rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are given in **Annexure E** to this Report.

As per Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the details relating to the remuneration of specified employees have been prepared in accordance with the applicable provisions. In line with Section 136 of the Act, this statement is available for inspection by any Member at the Corporate Office of the Company. Members interested in accessing this information may write to the Company Secretary at cs@theleela.com

47. EMPLOYEES STOCK OPTION SCHEME

The Leela Employee Stock Option Scheme 2024 ("ESOP 2024") was approved by the shareholders on September 17, 2024 and subsequently ratified by the shareholders

Board's Report (Contd.)

through Postal Ballot approval dated April 16, 2026, as a long-term incentive plan for eligible employees of the Company, its subsidiaries, associate companies and holding company. The Scheme aims to attract, retain and motivate key talent by aligning employee interests with long-term shareholder value creation. The Scheme is administered by the Nomination and Remuneration Committee ("NRC") of the Board.

Under the Scheme, the Company is authorized to grant up to 66,79,158 stock options, representing 2% of the total equity shares of the Company as on the date of Board approval i.e. January 16, 2026, with each option convertible into one equity share of the Company. The vesting period of options ranges from a minimum of one year to a maximum of five years from the date of grant, subject to continued employment and other conditions specified by the NRC and ESOP Scheme.

The Scheme also provides for treatment of vested and unvested options in cases such as resignation, retirement, death, permanent incapacity and termination, in accordance with the terms of the Scheme. In case of any corporate action, the NRC is empowered to make suitable adjustments to protect the value of the options granted. The Company shall comply with the applicable provisions of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and other applicable laws in relation to the Scheme. Further details of the Scheme are available on the website of the Company at https://www.theleela.com/prod/content/assets/2026-05/Redacted-ESOP-Scheme.pdf.

48. MATERNITY BENEFIT ACT, 1961:

The Company has complied with the provisions relating to the Maternity Benefit Act 1961.

49. CORPORATE GOVERNANCE:

Your Company is committed to maintaining the highest standards of corporate governance. We believe sound corporate governance is critical to enhance and retain investor trust. Our disclosures seek to attain the best practices in corporate governance. The Board considers itself a trustee of its shareholders and acknowledges its responsibilities towards them for the creation and safeguarding of their wealth. In order to conduct business with these principles the Company has created a corporate structure based on business needs and maintains a high degree of transparency through regular disclosures with a focus on adequate control systems.

As per provisions of Regulation 15 of SEBI (LODR) Regulations, 2015, the Corporate Governance Report for the financial year ended March 31, 2026 is forming part of this Annual Report.

50. MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis Report as required under Regulation 34 and Schedule V of SEBI Listing Regulations is forming a part of this Annual Report.

51. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT:

Pursuant to Regulation 34(2)(f) of the SEBI Listing Regulations, the applicability of Business Responsibility and Sustainability Reporting (BRSR) requirements for newly listed entities is subject to SEBI-prescribed timelines and market capitalisation criteria. The Company, having been listed during FY 2025–26, has voluntarily prepared this BRSR covering both Essential and Leadership Indicators, in line with its commitment to transparent and responsible business practices. The report has been prepared with reference to the National Guidelines on Responsible Business Conduct (NGRBC) Principles, Global Reporting Initiative (GRI) Standards 2021, and the United Nations Sustainable Development Goals (UN SDGs). The BRSR disclosures for FY 2025–26 have been independently assured by TÜV SÜD South Asia Private Limited at a limited assurance level, covering both BRSR Core and non-Core attributes.

Board's Report (Contd.)

52. ACKNOWLEDGEMENT:

The Board wishes to place on record its profound appreciation for the continued support and co-operation received from the banks, financial institutions, investors, government, customers, vendors, shareholders and other stakeholders during the year under review. The Board also wishes to place on record its grateful appreciation to all the employees of the Company for their unwavering dedication, commitment and contributions to the Company's performance. Your Board look forward for their continued support in future.

For and on behalf of the Board of Directors of
Leela Palaces Hotels & Resorts Limited
(formerly known as Schloss Bangalore Limited)

_____

Name: Mr. Anuraag Bhatnagar
Designation: Whole time Director and Chief Executive Officer
DIN: 07967035

_____

Name: Mr. Ashank Kothari
Designation: Director
DIN: 08565174

Place: Mumbai
Date: July 31, 2026

Annexure A

(Amount in millions)

	Name of the Subsidiary	CIN	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
			Date of Acquisition	Provisions pursuant to which the Company has become a subsidiary (Section 2(87)(i)/Section 2(87)(ii))	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	Share Capital	Reserve and Surplus	Total Assets	Total Liability	Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of equity Shareholding
1	Schloss Chanakya Private Limited	U55100DL2019PTC347362	30-Jul-24	Section 2(87)(i) and Section 2(87)(ii)	No	N.A	1,110.23	19,891.27	35,564.38	14,562.88	11,123.42	3,613.06	351.70	-	351.70	NA	100%
2	Schloss Chennai Private Limited	U55101DL2019PTC346475	25-Jul-24	Section 2(87)(i) and Section 2(87)(ii)	No	N.A	312.39	4,609.25	11,758.08	6,836.43	-	2,744.71	373.50	90.59	282.91	NA	100%
3	Schloss HMA Private Limited	U55209TN2019PTC136428	26-Jul-24	Section 2(87)(i) and Section 2(87)(ii)	No	N.A	367.93	2,385.23	4,764.12	2,010.96	-	2,249.72	959.51	65.20	894.31	NA	100%
4	Schloss Gandhinagar Private Limited	U55209DL2019PTC347303	25-Jul-24	Section 2(87)(i) and Section 2(87)(ii)	No	N.A	0.10	(19.49)	25.21	44.60	-	209.97	(8.15)	-	(8.15)	NA	100%
5	Leela Agra Resort Limited (formerly known as Leela Palaces and Resorts Limited)	U70101DL2005PLC134480	26-Jul-24	Section 2(87)(i) and Section 2(87)(ii)	No	N.A	27.28	466.56	1,319.63	825.78	143.20	-	(36.92)	-	(36.92)	NA	100%
6	Schloss Tadoba Private Limited	U55101MH2022PTC384014	30-Jul-24	Section 2(87)(i) and Section 2(87)(ii)	No	N.A	0.01	(2.31)	0.01	2.30	-	-	(1.00)	-	(1.00)	NA	100%

Annexure A (Contd.)

(Amount in millions)

	Name of the Subsidiary	CIN	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
			Date of Acquisition	Provisions pursuant to which the Company has become a subsidiary (Section 2(87)(i)/Section 2(87)(ii))	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	Share Capital	Reserve and Surplus	Total Assets	Total Liability	Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of equity Shareholding
7	Transition Cleantech Services Five Private Limited	U55101MH2023PTC396976	02-Aug-24	Section 2(87)(i) and Section 2(87)(ii)	No	N.A	0.10	(1.45)	0.11	1.46	-	-	(1.02)	-	(1.02)	NA	100%
8	Arries Holdings Private Limited	N.A.	14-Oct-2025	Section 2(87)(i) and Section 2(87)(ii)	Yes	USD	0.35	4,045.12	4,501.64	456.17	4,384.00	-	(30.37)	-	(30.37)	NA	100%
9	Leela Luxe Hotels & Resorts Private Limited	U55101DL2025PTC458562	28-Nov-2025	Section 2(87)(i) and Section 2(87)(ii)	No	N.A	231.70	2,004.54	6,122.21	3,885.97	-	10.03	(31.64)	44.62	(76.26)	NA	100%
10	Leela Nirvana Resorts Private Limited	U55101DL2025PTC460039	19-Dec-2025	Section 2(87)(i) and Section 2(87)(ii)	No	N.A	0.50	(0.07)	0.47	0.04	-	-	(0.07)	-	(0.07)	NA	100%
11	Leela Opulence Hotels Private Limited	U55101DL2025PTC460173	22-Dec-2025	Section 2(87)(i) and Section 2(87)(ii)	No	N.A	0.50	(0.07)	0.47	0.04	-	-	(0.07)	-	(0.07)	NA	100%
12	Leela Imperial Suites Private Limited	U55101DL2026PTC460966	05-Jan-2025	Section 2(87)(i) and Section 2(87)(ii)	No	N.A	0.50	(0.07)	0.47	0.04	-	-	(0.07)	-	(0.07)	NA	100%
13	Leela Essence Hospitality Private Limited	U55101DL2025PTC460182	22-Dec-2025	Section 2(87)(i) and Section 2(87)(ii)	No	N.A	0.50	(0.07)	0.47	0.04	-	-	(0.07)	-	(0.07)	NA	100%

Annexure A (Contd.)

(Amount in millions)

	Name of the Subsidiary	CIN	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
			Date of Acquisition	Provisions pursuant to which the Company has become a subsidiary (Section 2(87)(i)/Section 2(87)(ii))	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries.	Share Capital	Reserve and Surplus	Total Assets	Total Liability	Investments	Turnover	Profit Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of equity Shareholding
14	Schloss Udaipur Private Limited	U55101DL2019PTC347495	19-Jul-24	Section 2(87)(i) and Section 2(87)(ii)	No	N.A	79.57	1,734.77	6,069.67	4,255.33	-	1,329.98	172.46	52.17	120.29	NA	100%
15	Tulsi Palace Resort Private Limited	U55101MH2012PTC412645	20-Jul-24	Section 2(87)(i) and Section 2(87)(ii)	No	N.A	125.75	(63.55)	7,296.48	7,234.28	-	2,039.27	123.01	46.25	76.76	NA	100%
16	Anasvish Tiger Camp Private Limited	U55101RJ2024PTC096432	27-Nov-24	Section 2(87)(i) and Section 2(87)(ii)	No	N.A	295.41	(5.30)	353.30	63.20	-	-	(1.54)	-	(1.54)	NA	74%
17	Inside India Resorts Private Limited	U55101RJ2007PTC026991	09-Dec-24	Section 2(87)(i) and Section 2(87)(ii)	No	N.A	10.25	536.89	718.49	171.34	-	-	(0.95)	-	(0.95)	NA	51%
18	Buildminds Real Estate Private Limited	U55101MH2024PTC423912	11-Feb-25	Section 2(87)(i) and Section 2(87)(ii)	No	N.A	0.04	158.00	180.92	22.88	-	-	(0.61)	-	(0.61)	NA	76%

Annexure A (Contd.)

1.	Name of Associates/Joint Ventures	Leela BKC Holdings Private Limited	Lago Vue Srinagar Private Limited
2.	Latest audited Balance Sheet Date	31-Mar-26	31-Mar-26
3.	Date on which the Associate or Joint Venture was associated or acquired	18-Apr-25	06-Sep-24
4.	Shares of Associate/Joint Ventures held by the company on the year end (in numbers)		
	Number	67,63,647	1,43,20,000
	Amount of Investment in Associates/ Joint Venture	6,76,36,470	14,32,00,000
	Extent of Holding %	49.99%	50%
5.	Description of how there is significant influence	Joint Control	Joint control
6.	Reason why the associate/joint venture is not consolidated	N.A.	N.A.
7.	Networth attributable to Shareholding as per latest audited Balance Sheet	1355.47	278.60
8.	Profit / Loss for the year	5.61	(4.02)
	i. Considered in Consolidation	5.61	(4.02)
	ii. Not Considered in Consolidation	-	-

For and on behalf of the Board of Directors of
Leela Palaces Hotels & Resorts Limited
(formerly known as Schloss Bangalore Limited)

_____

Name: Mr. Anuraag Bhatnagar
Designation: Whole time Director and
Chief Executive Officer
DIN: 07967035

_____

Name: Mr. Ashank Kothari
Designation: Director
DIN: 08565174

Place: Mumbai
Date: July 31, 2026

Annexure B

FORM NO. MR.3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2026

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Leela Palaces Hotels & Resorts Limited

(Formerly Known as Schloss Bangalore Limited)

The Leela Palace, Diplomatic Enclave, Africa Avenue,

Netaji Nagar, South Delhi, New Delhi, Delhi-110023, India.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Leela Palaces Hotels & Resorts Limited** (hereinafter referred as 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Auditor's Responsibility:

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering from April 01, 2025 to March 31, 2026 (hereinafter referred as the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent and in the manner reporting made hereinafter:

We have examined books, papers, minutes books, forms and returns filed and other records maintained by the Company for financial year ended on March 31,2026 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment and Foreign Direct Investment (External Commercial Borrowing not applicable during the Audit Period):

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

Annexure B (Contd.)

c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

d. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**

f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 erstwhile Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**

h. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018. **(Not Applicable to the Company during the Audit Period)** and

i. The Securities and Exchange Board of India (Depositories and Participants) Regulation 2018.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments made thereunder. ('Listing Regulations')

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards etc. made there under.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act and Listing Regulations.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except for the meetings which were held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that during the audit period:

1. The Company has filed Red Herring Prospectus with Securities and Exchange Board of India and listed its equity shares on both the Stock Exchange viz. BSE Limited and National Stock Exchange of India Limited w.e.f. June 02, 2025.

2. Investment in the Schloss Chanakya Private Limited ("Schloss Chanakya"), a wholly-owned-subsidiary of the Company through 4,70,00,000 compulsory convertible preference shares ("CCPS") of INR 100/- each via preferential cum private placement basis.

3. Change in name of the Company from "Schloss Bangalore Limited" to "Leela Palaces Hotels & Resorts Limited", and consequential alteration to the Memorandum of Association and Articles of Association of the Company approved by the shareholders in the Annual General Meeting held on September 19, 2025.

Annexure B (Contd.)

4. The Company acquired 100% equity shares of Aries Holdings (DIFC) Limited ("Aries"), a company incorporated outside India, pursuant to share transfer from Schloss Chennai Private Limited approved by the Board in the meeting held on August 22, 2025. Consequently, Aries became a direct wholly owned subsidiary of the Company.
5. Aries acquired 25% of equity shares in Argon Holdings (DIFC) Limited ("Argon"). By virtue of this acquisition, the Company indirectly holds 25% of the shares and voting rights in Argon.
6. Incorporation of new wholly-owned Subsidiary Company Leela Luxe Hotels & Resorts Private Limited on November 28, 2025, by subscribing 100% share capital of the company. The Paid-up Share Capital on incorporated date is INR 1000/- (Rupees One Thousand Only).
7. Incorporation of new wholly-owned Subsidiary Company Leela Nirvana Resorts Private Limited on December 19, 2025, by subscribing 100% share capital of the company. The Paid-up Share Capital on incorporated date is INR 1000/- (Rupees One Thousand Only).
8. Incorporation of new wholly-owned Subsidiary Company Leela Essence Hospitality Private Limited on December 22, 2025, by subscribing 100% share capital of the company. The Paid-up Share Capital on incorporated date is INR 1000/- (Rupees One Thousand Only).
9. Incorporation of new wholly-owned Subsidiary Company Leela Opulence Hotels Private Limited on December 22, 2025, by subscribing 100% share capital of the company. The Paid-up Share Capital on incorporated date is INR 1000/- (Rupees One Thousand Only).
10. Incorporation of new wholly-owned Subsidiary Company Leela Imperial Suites Private Limited on January 05, 2026, by subscribing 100% share capital of the company. The Paid-up Share Capital on incorporated date is INR 1000/- (Rupees One Thousand Only).
11. Investment amounting to INR 67,48,65,000/- (Rupees Sixty-Seven Crores Forty-Eight Lakh Sixty-Five Thousand Only) by subscribing to Rights issue of Leela BKC Holdings Private Limited.
12. Investment in Leela Luxe Hotels & Resorts Private Limited, a wholly owned subsidiary of the Company by subscribing on a right basis 49,900 (Forty-Nine Thousand Nine Hundred) equity shares at a price of INR 10/- (Indian Rupees Ten only) per equity share.
13. Investment in Leela Nirvana Resorts Private Limited, a wholly owned subsidiary of the Company by subscribing on a right basis 49,900 (Forty-Nine Thousand Nine Hundred) equity shares at a price of INR 10/- (Indian Rupees Ten only) per equity share.
14. Investment in Leela Essence Hospitality Private Limited, a wholly owned subsidiary of the Company by subscribing on a right basis 49,900 (Forty-Nine Thousand Nine Hundred) equity shares at a price of INR 10/- (Indian Rupees Ten only) per equity share.
15. Investment in Leela Opulence Hotels Private Limited, a wholly owned subsidiary of the Company by subscribing on a right basis 49,900 (Forty-Nine Thousand Nine Hundred) equity shares at a price of INR 10/- (Indian Rupees Ten only) per equity share.
16. Investment in Leela Imperial Suites Private Limited, a wholly owned subsidiary of the Company by subscribing on a right basis 49,900 (Forty-Nine Thousand Nine Hundred) equity shares at a price of INR 10/- (Indian Rupees Ten only) per equity share.

Annexure B (Contd.)

17. Investment in Leela Luxe Hotels & Resorts Private Limited, a wholly owned subsidiary of the Company by subscribing on a right basis 2,31,20,000 (Two Crore Thirty-One Lakhs Twenty Thousand) equity shares at a price of INR 100/- (Indian Rupees One Hundred only) per equity share, including a premium of INR 90/- (Indian Rupees Ninety only) per equity share.
18. Acquisition of a Luxury resort, located in Coorg (Kodagu), Karnataka (the "Resort"), together with the acquisition of certain other land parcel(s), and other identified assets and liabilities by Leela Luxe Hotels & Resorts Private Limited, a wholly owned subsidiary of the Company through execution of Business Transfer Agreement of an aggregate consideration of up to INR 5,60,00,00,000/- (Indian Rupees Five Hundred Sixty Crores only).

For Makarand M. Joshi & Co.
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Vaibhav Dandawate
Partner
ACS: A51538
CP No.: 27947
UDIN: A051538H000988496

Date: July 31, 2026
Place: Mumbai

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure B (Contd.)

'Annexure A'

To,
The Members,
Leela Palaces Hotels & Resorts Limited
(Formerly Known as Schloss Bangalore Limited)
The Leela Palace, Diplomatic Enclave, Africa Avenue,
Netaji Nagar, South Delhi, New Delhi, Delhi-110023, India.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Makarand M. Joshi & Co.
Company Secretaries
ICSI UIN: P2009MH007000
Peer Review Cert. No.: 6832/2025

Vaibhav Dandawate
Partner
ACS: A51538
CP No.: 27947
UDIN: A051538H000988496

Date: July 31, 2026
Place: Mumbai

Annexure B - 1

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

Schloss Chanakya Private Limited

The Leela Palace, Diplomatic Enclave,

Africa Avenue, Netaji Nagar,

New Delhi-110023

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Schloss Chanakya Private Limited**, having CIN: U55100DL2019PTC347362 (hereinafter called the '**Company**'). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2026 according to the provisions of:

(i) The Companies Act, 2013 (the '**Act**') and the rules made there under;

(ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; and

(iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Downstream Investment.

We have also examined compliance with applicable clauses of Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Standards etc. mentioned above.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has generally complied with the following laws specifically applicable to the Company:

(i) Food Safety and Standards Act, 2006 and applicable rules/regulations made thereunder; and

(ii) Legal Metrology Act, 2009.

We further report that:

The Board of Directors of the Company (the '**Board**') is duly constituted with proper balance of executive directors and non-executive directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance other than those held

Annexure B - 1 (Contd.)

at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at the Board meetings were carried through with requisite majority.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines etc.

We further report that during the audit period:

i. The Company issued and allotted compulsorily convertible preference shares on preferential offer cum private placement basis to Leela Palaces Hotels & Resorts Limited, holding company;

ii. The Company along with group companies has availed credit facilities from State Bank of India and charge were created on assets of the Company to secure such credit facilities;

iii. The Company made investment in equity shares and non-convertible debentures of Leela BKC Holdings Private Limited, a joint venture company of the Leela Palaces Hotels & Resorts Limited, holding company;

iv. The Company has given inter-corporate deposit to its wholly-owned subsidiaries, Tulsi Palace Resort Private Limited and Schloss Udaipur Private Limited and has accepted inter-corporate deposit from its wholly-owned subsidiary, Schloss Udaipur Private Limited and its holding company, Leela Palaces Hotels & Resorts Limited.

We further report that during the audit period, there was no instance of:

(i) Public issue of shares/debentures/sweat equity, etc.

(ii) Redemption/buy-back of securities.

(iii) Merger/Amalgamation/Reconstruction.

(iv) Foreign Technical Collaborations.

We further report that during the audit period, no specific events/actions (except as specified above) took place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards etc.

For A. Sachin & Associates
Company Secretaries

Sachin Agarwal
FCS 7715
C.P. No. 7787
Peer Review Certificate No. 1494/2021 Place: Noida
UDIN: F007715H001041209 Date: August 6, 2026

This Report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

Annexure B - 1 (Contd.)

Annexure A

To,
The Members
Schloss Chanakya Private Limited
The Leela Palace, Diplomatic Enclave,
Africa Avenue, Netaji Nagar,
New Delhi-110023

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For A. Sachin & Associates
Company Secretaries

Sachin Agarwal
FCS 7715
C.P. No. 7787
Peer Review Certificate No. 1494/2021
UDIN: F007715H001041209

Place: Noida
Date: August 6, 2026

Annexure B - 1

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Schloss Chennai Private Limited
The Leela Palace, Diplomatic Enclave,
Africa Avenue, Netaji Nagar,
New Delhi-110023

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Schloss Chennai Private Limited**, having CIN: U55101DL2019PTC346475 (hereinafter called the '**Company**'). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2026 according to the provisions of:

(i) The Companies Act, 2013 (the '**Act**') and the rules made there under;

(ii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; and

(iii) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment.

We have also examined compliance with applicable clauses of Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Standards etc. mentioned above.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has generally complied with the following laws specifically applicable to the Company:

(i) Food Safety and Standards Act, 2006 and applicable rules/regulations made thereunder; and

(ii) Legal Metrology Act, 2009.

We further report that:

The Board of Directors of the Company (the '**Board**') is duly constituted with proper balance of executive directors and non-executive directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Annexure B - 1 (Contd.)

Adequate notices were given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at the Board meetings were carried through with requisite majority.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines etc.

We further report that during the audit period:

i. The Company along with group companies has availed credit facilities from State Bank of India and charge were created on assets of the Company to secure such credit facilities;

ii. The Company has taken inter-corporate deposit from its holding company, Leela Palaces Hotels & Resorts Limited;

iii. The Company has disinvested its entire 100% equity shareholding in Aries Holdings (DIFC) Limited through transfer of equity shares. Consequently, the Company ceases to be the holding Company of the same.

We further report that during the audit period, there was no instance of:

(i) Public/Preferential issue/Private Placement of shares/debentures/sweat equity, etc.

(ii) Redemption/buy-back of securities.

(iii) Merger/Amalgamation/Reconstruction.

(iv) Foreign Technical Collaborations.

We further report that during the audit period, no specific events/actions (except as specified above) took place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards etc.

For A. Sachin & Associates
Company Secretaries

Sachin Agarwal
FCS 7715
C.P. No. 7787
Peer Review Certificate No. 1494/2021
UDIN: F007715H001041242

Place: Noida
Date: August 6, 2026

This Report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

Annexure B - 1 (Contd.)

Annexure A

To,
The Members
Schloss Chennai Private Limited
The Leela Palace, Diplomatic Enclave,
Africa Avenue, Netaji Nagar,
New Delhi-110023

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For A. Sachin & Associates
Company Secretaries

Sachin Agarwal
FCS 7715
C.P. No. 7787
Peer Review Certificate No. 1494/2021
UDIN: F007715H001041242

Place: Noida
Date: August 6, 2026

Annexure B - 1

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31 MARCH 2026

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members
Tulsi Palace Resort Private Limited
Tower 4, Third Floor, Equinox Business Park,
Kurla West, Kurla, Mumbai – 400070, Maharashtra

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Tulsi Palace Resort Private Limited**, having CIN: U55101MH2012PTC412645 (hereinafter called the '**Company**'). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by the Company for the financial year ended on March 31, 2026 according to the provisions of:

(i) The Companies Act, 2013 (the 'Act') and the rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder (to the extent applicable);

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder (to the extent applicable); and

(iv) The Foreign Exchange Management Act, 1999 and rules and regulations made there under to the extent of investment in non-convertible bonds of the Company by Foreign Portfolio Investor.

We have also examined compliance with applicable clauses of Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Standards etc. mentioned above.

We further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has generally complied with the following laws specifically applicable to the Company:

(i) Food Safety and Standards Act, 2006 and applicable rules/regulations made thereunder; and

(ii) Legal Metrology Act, 2009.

Annexure B - 1 (Contd.)

We further report that:

The Board of Directors of the Company (the '**Board**') is duly constituted with proper balance of executive directors and non-executive directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notices were given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance other than those held at shorter notice, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at the Board meetings were carried through with requisite majority.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines etc.

We further report that during the audit period:

i. The Company along with group companies has availed credit facilities from State Bank of India and charge were created on assets of the Company to secure such credit facilities;

ii. The Company has accepted inter-corporate deposit from its holding company, Schloss Chanakya Private Limited;

iii. 42,500 (Forty Two Thousand and Five Hundred), non-convertible bonds, listed on BSE Limited, were redeemed on June 4, 2025. The non-convertible bonds were later delisted from BSE Limited.

iv. 5,000 (Five Thousand), unlisted non-convertible bonds, were redeemed on June 4, 2025.

We further report that during the audit period, there was no instance of:

(i) Public/Preferential issue/Private Placement of shares/debentures/sweat equity, etc.

(ii) Redemption/buy-back of securities.

(iii) Merger/Amalgamation/Reconstruction.

(iv) Foreign Technical Collaborations.

We further report that during the audit period, no specific events/actions (except as specified above) took place having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards etc.

For A. Sachin & Associates
Company Secretaries

Sachin Agarwal
FCS 7715
C.P. No. 7787
Peer Review Certificate No. 1494/2021
UDIN: F007715H001041286

Place: Noida
Date: August 6, 2026

This Report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

Annexure B - 1 (Contd.)

Annexure A

To,
The Members
Tulsi Palace Resort Private Limited
Tower 4, Third Floor, Equinox Business Park,
Kurla West, Kurla, Mumbai – 400070, Maharashtra

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For A. Sachin & Associates
Company Secretaries

Sachin Agarwal
FCS 7715
C.P. No. 7787
Peer Review Certificate No. 1494/2021
UDIN: F007715H001041286

Place: Noida
Date: August 6, 2026

Annexure C

DISCLOSURE PURSUANT TO SECTION 134(3)(M) OF THE COMPANIES ACT, 2013 READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014

(A) Conservation of energy:

As part of our science-aligned decarbonisation roadmap, the Company continued to implement targeted measures to reduce energy consumption, enhance operational efficiency, and transition to cleaner energy sources. These initiatives are aligned with our broader goals of achieving Net Zero emissions by 2050 and 75% renewable energy usage by 2030.

Steps taken or impact on conservation of energy	• Replaced old Fan Coil Units (FCUs) with new, modern units—particularly those equipped motors—can lead to significant electricity savings, typically ranging from 02% to 03% on HVAC system energy consumption. • Upgraded an existing condenser pumps 3 no's annual electricity savings of 5600kWh and enhanced system efficiency.
Steps taken by the company to utilize alternate sources of energy	• Utilized 87,32,556 kWh of renewable energy through dedicated windmills of total 5MWp capacity. • 88% of the property's total energy consumption was met through renewable sources. • This resulted in avoided Scope 2 emissions of approximately 6,200.11 tCO_2e during the reporting period.
Capital investment in energy conservation equipment's	• INR 15 lakhs invested in condenser pumps to condensate water recovery from guest rooms

(B) Technology Absorption:

(i)	the efforts made towards technology absorption;	N.A.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution;	
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	
(iv)	the expenditure incurred on Research and Development.	

(C) Foreign exchange earnings and Outgo:

	April 01, 2025, to March 31, 2026 [Current F.Y.]	April 01, 2024, to March 31, 2025 [Previous F.Y.]
	Amount in Mn	Amount in Mn
Actual Foreign Exchange earnings	(0.57)	7.37
Actual Foreign Exchange outgo	225.40	180.86

Annexure D

Annual Report on CSR Activities

[Pursuant to Section 135 of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014]

1. BRIEF OUTLINE ON CSR POLICY OF THE COMPANY:

The Corporate Social Responsibility (CSR) Policy of Leela Palaces Hotels & Resorts Limited has been formulated in accordance with Section 135 of the Companies Act, 2013 and the Companies (CSR Policy) Rules, 2014, including any amendments thereto. The policy reflects the Company's commitment to responsible business practices and sustainable development by integrating social, environmental and community welfare initiatives into its overall business strategy. Guided by the vision of creating long-term social value, the Company undertakes CSR initiatives in areas such as education, healthcare, environmental sustainability, livelihood generation and preservation of cultural heritage, in alignment with the United Nations Sustainable Development Goals (UN SDGs) and national development priorities.

The policy establishes a structured governance and implementation framework for CSR activities. The CSR Committee of the Board is responsible for formulating and recommending CSR initiatives, preparing the annual action plan, monitoring implementation and reviewing the effectiveness of CSR programs. The Board of Directors provides overall oversight and ensures that the CSR funds are utilised in accordance with the approved policy and applicable laws. The Company undertakes CSR projects either directly, through eligible implementing agencies or in collaboration with other organisations, while ensuring transparency, accountability and proper monitoring. The policy also provides for annual reporting, impact assessment where applicable, and disclosure of CSR activities in the Company's annual report and on its website, ensuring compliance with regulatory requirements and promoting responsible corporate citizenship.

2. COMPOSITION OF CSR COMMITTEE:

S. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Ms. Apurva Purohit	Chairperson, Independent Director	2	2
2	Ms. Ananya Tripathi	Member, Non-Executive Director	2	2
3	Mr. Anuraag Bhatnagar	Member, Whole-time Director and CEO	2	2

3. WEB-LINK WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:

The composition of CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on website of the Company and the web-link of the same are as under:

a) Composition of CSR Committee

https://www.theleela.com/prod/content/assets/2026-03/Details-of%20-Committees.pdf

b) CSR Policy

https://www.theleela.com/prod/content/assets/2026-01/CSR-Policy.pdf

c) CSR Projects

https://www.theleela.com/corporate-social-responsibility-plan

Annexure D (Contd.)

4. EXECUTIVE SUMMARY ALONG WITH WEB-LINK OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE: Not Applicable

5. a) Average net profit of the Company as per sub-section (5) of Section 135: 67.00 million

(b) Two percent of average net profit of the Company as per sub-section (5) of Section 135: 1.34 million

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

(d) Amount required to be set-off for the financial year, if any: Nil

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]: 1.34 million

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): 1.34 million

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: Not Applicable

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: 1.34 million

(e) CSR amount spent or unspent for the Financial Year:

(Amount in million)

Total Amount spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of Section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of Section 135		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
1.34			Nil		

(f) Excess amount for set-off, if any: Nil

Sr. No.	Particulars	Amount (in Mn)
(i)	Two percent of average net profit of the Company as per sub-section (5) of Section 135	1.34
(ii)	Total amount spent for the Financial Year	1.34
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set-off in succeeding Financial Years [(iii)-(iv)]	Nil

Annexure D (Contd.)

7. DETAILS OF UNSPENT CORPORATE SOCIAL RESPONSIBILITY AMOUNT FOR THE PRECEDING THREE FINANCIAL YEARS:

1	2	3	4	5	6		7	8
Sr. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of Section 135 (in Mn)	Balance Amount in Unspent CSR Account under sub-section (6) of Section 135 (in Mn)	Amount spent in the Financial Year (in Mn)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of Section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Mn)	Deficiency, if any
					Amount (in Mn)	Date of Transfer		
Nil								

8. WHETHER ANY CAPITAL ASSETS HAVE BEEN CREATED OR ACQUIRED THROUGH CORPORATE SOCIAL RESPONSIBILITY AMOUNT SPENT IN THE FINANCIAL YEAR: No

If Yes, enter the number of Capital assets created/acquired: Not Applicable

Furnish the details relating to such asset(s) so created/acquired through Corporate Social Responsibility amount spent in the Financial Year: Not Applicable

9. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SUB-SECTION (5) OF SECTION 135: Not Applicable

For and on behalf of the Board of Directors of
Leela Palaces Hotels & Resorts Limited
(formerly known as Schloss Bangalore Limited)

Name: Mr. Anuraag Bhatnagar
Designation: Whole time Director and Chief Executive Officer
DIN: 07967035

Name: Mr. Ashank Kothari
Designation: Director
DIN: 08565174

Place: Mumbai
Date: July 31, 2026

Name: Ms. Apurva Purohit
Designation: Chairperson - CSR Committee
DIN: 00190097

Place: Mumbai
Date: July 31, 2026

Annexure E

Statement of Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. Ratio of the remuneration of each director to the median remuneration of employees of the Company for the financial year 2025-26, the percentage increase in remuneration of Chief Executive Officer, Chief Financial Officer and other Director(s) and Company Secretary during the financial year 2025-26:

Sr. No.	Name of Director/KMP	Designation	Ratio of remuneration of each Director to median remuneration of Employees	Percentage increase in Remuneration
1.	Mr. Anuraag Bhatnagar	Whole time Director and Chief Executive Officer	113:1	5%
2.	Mr. Deepak S. Parekh	Chairman and Independent Director	#	#
3.	Mr. Mukesh Butani	Independent Director	#	#
4.	Ms. Apurva Purohit	Independent Director	#	#
5.	Mr. Ankur Gupta	Non-Executive Director	#	#
6.	Mr. Ashank Kothari	Non-Executive Director	#	#
7.	Ms. Ananya Tripathi	Non-Executive Director	#	#
8.	Mr. Shai Zelering	Non-Executive Director	#	#
9.	Mr. Ravi Shankar	Head – Asset Management and Chief Financial Officer	58:1	10%
10.	Ms. Jyoti Maheshwari	Company Secretary and Compliance Officer	15:1	12%

Independent Directors of the Company are paid only the sitting fees. The Non-Executive-Non-Independent Directors are neither paid sitting fee nor any remuneration.

ii. The percentage increase in the median remuneration of employees in the FY 2025-26: 20%

iii. The number of permanent employees on the rolls of the Company as on March 31, 2026: 667

iv. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year, its comparison with the percentile increase in the managerial remuneration, justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: 10%

v. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

Corporate Governance Report

The detailed report on Corporate Governance as per the format prescribed by Securities and Exchange Board of India under Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") is set out below:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

As we usher in another year of growth and innovation, we reaffirm our unwavering commitment to governance as the foundation of our corporate culture and the guiding principle behind every decision and action. At the heart of our philosophy lies the conviction that governance transcends mere regulatory compliance—it is an enduring value that defines our conduct, shapes our responsibilities, and governs our interactions with all stakeholders.

We recognise that robust governance practises are indispensable to sustaining stakeholder trust, fostering long-term value creation, and securing the interests of our shareholders. With this in mind, we embrace a progressive and forward-thinking approach, continually refining our policies, procedures, and organisational structures to remain responsive to an evolving business landscape and the dynamic expectations of our stakeholders.

2. BOARD OF DIRECTORS ("BOARD")

Composition of Board

The Company's governance framework is anchored by its Board, which plays a pivotal role in providing strategic direction and oversight. The Board comprises a well-balanced and diverse group of Executive and Non-Executive Directors with a majority comprising Non-Executive and Independent Directors. This composition ensures compliance with the provisions of the Companies Act, 2013 ("the Act") and the SEBI Listing Regulations. All Directors are competent and experienced personalities in their respective fields. The Chairman of the Board is Mr. Deepak S. Parekh, Independent Director of the Company.

As on March 31, 2026, the Board comprised of 8 (Eight) Directors out of which 1 (One) Director is Executive, 3 (Three) Directors are Non-Executive Independent, including one Woman Independent Director and 4 (Four) Directors are Non-Executive Non-Independent.

In accordance with Regulation 26(1) of the SEBI Listing Regulations, none of the Directors holds membership in more than ten (10) committees or serves as Chairperson of more than five (5) committees across all public limited companies in which they hold directorships. For this purpose, only Audit Committee and Stakeholders Relationship Committee are considered. Further, none of the Directors hold Directorships in more than 20 Companies including 10 Public Companies pursuant to the provisions of Section 165 of the Act. All Directors have duly disclosed their directorships and committee memberships/chairpersonships as required under applicable laws.

Each Independent Director has submitted a declaration confirming compliance with the criteria of independence prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. They have also affirmed that they are not aware of any circumstances that could compromise their ability to exercise independent judgment. Furthermore, all Independent Directors have confirmed compliance with the requirements of Rule 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, pertaining to inclusion of their names in the data bank maintained by the Indian Institute of Corporate Affairs (IICA).

Board and Committee Meetings held during the year:

The meetings of Board and Committees are held at regular intervals to deliberate and decide on business strategies and policies, review the financial performance of the Company and its subsidiaries, and consider other statutory matters requiring Board approval.

Corporate Governance Report (Contd.)

During the Financial Year under review, the following meetings of the Board and its Committees were held.

Type of Meeting	Number of Meetings	Dates
Board Meeting	08	May 06, 2025; May 12, 2025; May 20, 2025; May 28, 2025; July 22, 2025; August 22, 2025; October 14, 2025; and January 16, 2026
Audit Committee Meeting	08	May 06, 2025; May 12, 2025; May 20, 2025; May 20, 2025; July 22, 2025; August 22, 2025; October 14, 2025; and January 16, 2026
Nomination and Remuneration Committee Meeting	04	May 06, 2025; August 22, 2025; October 14, 2025; and January 16, 2026
Stakeholders Relationship Committee Meeting	03	July 22, 2025; October 14, 2025; and January 16, 2026
Risk Management Committee Meeting	02	October 14, 2025; and February 19, 2026
Corporate Social Responsibility Committee Meeting	02	November 11, 2025; and February 16, 2026
IPO Committee Meeting	04	May 20, 2025; May 23, 2025; May 28, 2025; and May 29, 2025
Independent Directors Committee Meeting	01	May 20, 2025
Capital Investment Committee	01	March 16, 2026

The maximum time gap between any two consecutive meetings was in accordance with the stipulated timelines under the Act, the SEBI (LODR) Regulations, 2015 and the Secretarial Standard (SS-1) issued by the Institute of Company Secretaries of India. The minutes of the meetings of all committees of the Board are placed before the board for noting.

In case of special and urgent business needs, the Board and/or Committee approval was taken by passing resolutions through circulation, as permitted by law, which were confirmed in the subsequent Board and/or Committee Meeting.

Corporate Governance Report (Contd.)

The following table gives the composition and category of the Directors on the Board, their attendance at the Board Meetings during the year and at the last Annual General Meeting ('AGM'), number of other Board of directors or committees in which director is a member or chairperson and name of the other listed companies where he/she is a director and the category of directorship as at March 31, 2026:

Name of the Director	Category	Attendance Particulars			Number of other Board of directors or committees in which director is a member or chairperson			Name of other listed companies and category of directorship
		Board Meeting held	Board Meeting Attended	Last AGM	Directorship in other companies	Committee membership in other companies	Committee chairpersonship in other companies	
Mr. Deepak S. Parekh	Chairman, Non-Executive, Independent	8	8	Yes	4	1	Nil	Siemens Limited (Non-Executive, Non-Independent, Chairperson) HDFC Asset Management Company Limited (Non-Executive, Non-Independent, Chairperson)
Mr. Mukesh Butani	Non-Executive, Independent	8	7	Yes	5	7	3	Dabur India Limited (Non-Executive, Independent) Hitachi Energy India Limited (Non-Executive, Independent) Latent View Analytics Limited (Non-Executive, Independent) United Spirits Limited (Non-Executive, Independent) Bata India Limited (Non-Executive, Independent)

Corporate Governance Report (Contd.)

Name of the Director	Category	Attendance Particulars			Number of other Board of directors or committees in which director is a member or chairperson			Name of other listed companies and category of directorship
		Board Meeting held	Board Meeting Attended	Last AGM	Directorship in other companies	Committee membership in other companies	Committee chairpersonship in other companies	
Ms. Apurva Purohit	Non-Executive, Independent	8	8	Yes	5	2	Nil	LTM Limited (formerly known as LTI Mindtree Limited) (Non-Executive, Independent) L&T Technology Services Limited (Non-Executive, Independent) Marico Limited (Non-Executive, Independent) Navin Fluorine International Limited (Non-Executive, Independent)
Mr. Ankur Gupta	Non-Executive, Non-Independent	8	7	Yes	Nil	Nil	Nil	Nil
Mr. Ashank Kothari	Non-Executive, Non-Independent	8	8	Yes	Nil	Nil	Nil	Nil
Ms. Ananya Tripathi	Non-Executive, Non-Independent	8	8	Yes	2	1	0	Arvind Fashions Limited (Non-Executive, Independent)
Mr. Shai Zelering	Non-Executive, Non-Independent	8	1	LOA	Nil	Nil	Nil	Nil
Mr. Anuraag Bhatnagar (Whole-time Director & CEO)	Executive	8	8	Yes	Nil	Nil	Nil	Nil

Notes:

1. Directorship in other companies exclude directorship in private limited companies, foreign companies and Section 8 companies.
2. Committee membership/chairpersonship in other companies only includes Audit Committee and Stakeholders Relationship Committee in Indian public limited companies other than Schloss Bangalore Limited. Membership includes chairpersonship.
3. None of the Independent Directors of the Company served as an Independent Director in more than seven listed companies.
4. Brief profile of the Directors is available on the Company's website at https://www.theleela.com/investors
5. The Non-Executive Directors of the Company do not hold any share or convertible instruments in the Company.
6. There is no inter-se relationship amongst any of the Directors of the Company.

Corporate Governance Report (Contd.)

Familiarisation programme for Directors

As a part of its familiarisation programme, the Company provides its Board Members with necessary documents/brochures, reports and internal policies to enable them to familiarise with Company's procedures and practises. One on one sessions with Senior Management are also arranged to provide brief about the Company's business operations and outlook. Additionally, Periodic presentations are made at the Board Meetings for update on the industry in which the Company operates and Business model of the Company.

The Policy on Familiarisation Programmes for Independent Directors is available on the website of the Company at https://www.theleela.com/prod/content/assets/2025-11/Policy-on-familiarization-of-Independent-directors.pdf

Skills/Expertise/Competencies of the Board

The Board evaluates its composition to ensure that it has the appropriate mix of skills, experience, independence and knowledge to ensure its continued effectiveness. The Company has set out below the chart/matrix specifying the skills/expertise/competence of the Board of the Company along with names of directors who possesses such skills/expertise/competence.

Skill Set	Hospitality Industry Knowledge/ Expertise	Operational and Business Development	Finance, Accounting & Taxation	Environment/ Sustainability/Corporate Responsibility	Risk Management & Mitigation	Statutory/ Regulatory Compliance	Leadership Attributes
Mr. Deepak S. Parekh	✓		✓	✓	✓	✓	✓
Mr. Mukesh Butani	✓		✓	✓	✓	✓	✓
Ms. Apurva Purohit	✓		✓	✓	✓	✓	✓
Mr. Ankur Gupta	✓	✓	✓	✓	✓	✓	✓
Mr. Ashank Kothari	✓	✓	✓	✓	✓	✓	✓
Ms. Ananya Tripathi	✓	✓	✓	✓	✓	✓	✓
Mr. Shai Zelering	✓		✓		✓		✓
Mr. Anuraag Bhatnagar	✓	✓	✓	✓	✓	✓	✓

Independence Confirmation

During the year under review, all Independent Directors of the Company met the criteria of independence as specified in Section 149(6) of the Companies Act, 2013 (the "Act") and Rules framed thereunder as well as Regulation 16(1) of the SEBI Listing Regulations. Each Independent Director furnished a declaration of independence in pursuance of Section 149(7) of the Act and Regulation 25(8) of the SEBI Listing Regulations. The said declaration of independence was reviewed and taken on record by the Board and in the opinion of the Board, all the Independent Directors of the Company continue to meet the criteria of independence and all conditions specified in the SEBI Listing Regulations and remain independent of the management.

Corporate Governance Report (Contd.)

A formal letter of appointment as provided in the Act and SEBI Listing Regulations has been issued to Independent Directors of the Company. The terms and conditions of appointment of Independent Directors are disclosed on the website of the Company at https://www.theleela.com/prod/content/assets/2026-03/Letter-of-Appointment-Independent-Director.pdf

In accordance with Regulation 36(3) of the SEBI (LODR) Regulations, 2015 the brief resume and other information/details of Director(s) to be appointed/re-appointed at the ensuing seventh Annual General Meeting (AGM) of the Company is given in the AGM Notice.

Succession Planning for the Board and Senior Management

The Company acknowledges the critical importance of a well-structured succession planning process to ensure continuity and the seamless functioning of its operations. In line with this, a comprehensive Succession Planning Policy has been established for the Board and Senior Management to proactively address future leadership needs.

3. COMPOSITION OF COMMITTEES OF THE BOARD OF DIRECTORS AND ATTENDANCE AT THE MEETINGS

The Committees of the Board are constituted as required under the Act, SEBI (LODR) Regulations, 2015 and for such other purposes as the Board may deem fit, from time to time. The details in respect of the Board's Committees are as follows:

I. Audit Committee

The Audit Committee comprising of Mr. Mukesh Butani, Chairperson and Independent director, Mr. Deepak S. Parekh, Independent director, Ms. Apurva Purohit, Independent Director and Mr. Ankur Gupta, Non-Executive Director was constituted on September 16, 2024 in compliance with provisions of Section 177 of the Act and Regulation 18 of the SEBI Listing Regulations. Ms. Jyoti Maheshwari, Company Secretary acts as the Secretary to the Audit Committee.

During the year, there is no change in the composition of Audit Committee.

The attendance at the meetings of the Audit Committee held during the year under review is as follows:

Name of Member	Category	Date of Meeting							
		May 06, 2025	May 12, 2025	May 20, 2025	May 20, 2025	July 22, 2025	August 22, 2025	October 14, 2025	January 16, 2026
Mr. Mukesh Butani	Chairperson and Independent Director	Yes	Yes	No	Yes	Yes	Yes	Yes	Yes
Mr. Deepak S. Parekh	Member and Independent Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Ms. Apurva Purohit	Member and Independent Director	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ankur Gupta	Member and Non-Executive Director	Yes	Yes	Yes	No	Yes	No	Yes	Yes

Corporate Governance Report (Contd.)

Role and Terms of Reference of Audit Committee

The Board has framed the terms of reference for Audit Committee for the purpose of effective compliance with the provisions of Section 177 of the Act and Regulation 18 of the SEBI (LODR) Regulations, 2015. The Audit Committee inter-alia performs the following functions:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, re-appointment, replacement, remuneration and other terms of appointment of statutory auditors of the Company and the fixation of the audit fee;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditors report thereon before submission to the board for approval, with particular reference to:
    a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (c) of sub-section 3 of Section 134 of the Act;
    b. Changes, if any, in accounting policies and practises and reasons for the same;
    c. Major accounting entries involving estimates based on the exercise of judgment by management;
    d. Significant adjustments made in the financial statements arising out of audit findings;
    e. Compliance with listing and other legal requirements relating to financial statements;
    f. Disclosure of any related party transactions; and
    g. Modified opinion(s) in the draft audit report
5. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue or preferential issue or qualified institutions placement and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval of any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed, by the independent directors who are members of the Audit Committee;
    i. Recommend criteria for omnibus approval or any changes to the criteria for approval of the Board;
    ii. Make omnibus approval for related party transactions proposed to be entered into by the Company for every financial year as per the criteria approved;
    iii. Review of transactions pursuant to omnibus approval;
    iv. Make recommendation to the Board, where Audit Committee does not approve transactions other than the transactions falling under Section 188 of the Companies Act, 2013.

    Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013;
9. Scrutiny of inter-corporate loans and investments;

Corporate Governance Report (Contd.)

10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Monitoring the end use of funds raised through public offers and related matters;
20. overseeing the vigil mechanism established by the Company, with the chairperson of the Audit Committee directly hearing grievances of victimisation of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;
21. approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
22. reviewing the utilisation of loans and/or advances from/investment by the Company in its subsidiary(/ies) exceeding INR 1,000,000,000 or 10% of the asset size of the subsidiary(/ies), whichever is lower including existing loans/ advances/investments;
23. review the financial statements, in particular, the investments made by any unlisted subsidiary;
24. Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its shareholders;
25. approving the key performance indicators ("**KPIs**") for disclosure in the offer documents, and approval of KPIs once every year, or as may be required under applicable law
26. carrying out any other functions required to be carried out by the Audit Committee as may be decided by the Board and/or as provided under the Companies Act 2013, the SEBI (LODR) Regulations, 2015 or any other applicable law, as and when amended from time to time.

II. Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprising of Mr. Mukesh Butani, Chairperson and Independent director, Ms. Apurva Purohit, Independent Director, Mr. Deepak S. Parekh, Independent director and Ms. Ananya Tripathi, Non-Executive Director was constituted on September 16, 2024 in compliance with provisions of Section 178 of the Act and Regulation 19 of the SEBI Listing Regulations.

During the year, there is no change in the composition of Nomination and Remuneration Committee.

Corporate Governance Report (Contd.)

The attendance at the meetings of the Nomination and Remuneration Committee held during the year under review is as follows:

Name of Member	Category	Date of Meeting			
		May 06, 2025	August 22, 2025	October 14, 2025	January 16, 2026
Mr. Mukesh Butani	Chairperson and Independent Director	Yes	Yes	Yes	Yes
Mr. Deepak S. Parekh	Member and Independent Director	Yes	Yes	Yes	Yes
Ms. Apurva Purohit	Member and Independent Director	Yes	Yes	Yes	Yes
Ms. Ananya Tripathi	Member and Non-Executive Director	Yes	Yes	Yes	Yes

Terms of Reference of Nomination and Remuneration Committee

The Nomination and Remuneration Committee has the following terms of reference:

1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to our Board a policy relating to the remuneration of the directors, key managerial personnel and other employees ("**Remuneration Policy**");

2) For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:
   a) use the services of external agencies, if required;
   b) consider candidates from a wide range of backgrounds, having due regard to diversity; and
   c) consider the time commitments of the candidates.

3) Formulation of criteria for evaluation of performance of independent directors and the Board;

4) Devising a policy on Board diversity;

5) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal and carrying out evaluation of every director's performance (including independent director);

6) Analysing, monitoring and reviewing various human resource and compensation matters;

7) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

8) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

9) Recommend to the board, all remuneration, in whatever form, payable to senior management;

10) Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time;

11) The Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that:
   a) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully;
   b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

Corporate Governance Report (Contd.)

c) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

12) Perform such functions as are required to be performed under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended, including the following:

a) administering any existing and proposed employee stock option schemes formulated by the Company from time to time (the "Plan");

b) determining the eligibility of employees to participate under the Plan;

c) granting options to eligible employees and determining the date of grant;

d) determining the number of options to be granted to an employee;

e) determining the exercise price under the Plan; and

f) construing and interpreting the Plan and any agreements defining the rights and obligations of the Company and eligible employees under the Plan, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the Plan.

13) Frame suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

a) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

b) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practises Relating to Securities Market) Regulations, 2003, by the trust, the Company and its employees, as applicable.

14) Carrying out any other activities as may be delegated by the Board of Directors of the Company, functions required to be carried out by the Nomination and Remuneration Committee as provided under the Companies Act 2013, the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

Performance Evaluation

The performance Evaluation of Directors including that of Independent Directors as required under the Act and the SEBI Listing Regulations for the financial year 2025-26 was undertaken during the financial year 2026-27.

Remuneration of Directors

(a) Remuneration to Non-Executive Directors including Independent Directors

The Independent Directors are entitled to receive sitting fees of INR 100,000/- and INR 80,000/- per meeting for attending the Board and Committee meetings respectively. The sitting fee is paid immediately after the respective Board and Committee meeting to those Directors who have attended the meetings.

The criteria for making payment to the Non-Executive Directors is as per the Nomination and Remuneration Policy of the Company and same is available at the website of the Company at https://www.theleela.com/prod/content/assets/2025-11/Nomination-and-Renumeration-Policy.pdf

During the financial year 2025-26, the Independent Directors did not have any pecuniary relationship or transactions with the Company apart from receiving sitting fees for attending the Meetings of Board and Committee of the Company.

(b) Remuneration to Executive Directors

The remuneration of Mr. Anuraag Bhatnagar, Wholetime Director and CEO is as per recommendation of the NRC and subsequent approval by the Board. He is also eligible for variable pay against the performance criteria as set by the Company. Further, his contract is governed by service period applicable as per the internal policies of the Company.

The NRC Committee recommends the compensation package to the Executive Directors of the Company which includes salary, perquisite, allowances, contributions to provident and other retirement benefits. The remuneration policy is directed towards rewarding performance based on review of achievements.

Corporate Governance Report (Contd.)

Remuneration paid to Directors for the year ended March 31, 2026

(INR In Mn)

Name of the Director	Salary	Perquisites	Performance Linked	Sitting Fees	Commission	Total
Independent Directors						
Mr. Deepak S. Parekh	NIL	NIL	NIL	2.16	NIL	2.16
Mr. Mukesh Butani	NIL	NIL	NIL	1.90	NIL	1.90
Ms. Apurva Purohit	NIL	NIL	NIL	2.08	NIL	2.08
Non Executive Directors – NIL						
Executive Directors						
Mr. Anuraag Bhatnagar	64.51	0.86	NIL	NIL	NIL	65.37

The Leela Employee Stock Option Scheme 2024 ("ESOP 2024") was approved by the Shareholders on September 17, 2024 and subsequently ratified by the shareholders through Postal Ballot approval dated April 16, 2026, as a long-term incentive plan for eligible employees of the Company, its subsidiaries, associate companies and holding company.

Further details on the Scheme are provided in the Board' Report.

Details of Senior Management

The details of Senior Management Personnel of the Company identified in accordance with the provisions of Regulation 16(1)(d) of the SEBI (LODR) Regulations, 2015 are given below:

Name of Senior Management Personnel	Designation	Date of Appointment	Remarks
Mr. Anuraag Bhatnagar	Whole-time Director and CEO	September 13, 2024	Appointment
Mr. Ravi Shankar	Head- Asset Management and CFO	September 13, 2024	Appointment
Ms. Jyoti Maheshwari	Company Secretary and Compliance Officer	September 13, 2024	Appointment
Mr. Vikram Rajaram Choubal[1]	Senior Vice President – Technical Services	September 16, 2024	Designated as a Senior Management Personnel
Ms. Isha Goyal[1,2]	Senior Vice President and Head – Human Resources	September 16, 2024	Designated as a Senior Management Personnel
Mr. Sougata Kundu[1]	Senior Vice President - Legal and Compliance	September 16, 2024	Designated as a Senior Management Personnel

[1]Being employees of Schloss HMA Private Limited, wholly-owned subsidiary of the Company, they have been identified and designated as a Senior Management Personnel.

[2]Pursuant to resignation of Ms. Isha Goyal, she ceased to be a Senior Management Personnel of the Company with effect from July 9, 2026.

Corporate Governance Report (Contd.)

III. Stakeholders Relationship Committee

The Stakeholders Relationship Committee comprising of Mr. Deepak S. Parekh, Chairperson and Independent Director, Mr. Ankur Gupta, Non-Executive Director and Ms. Ananya Tripathi, Non-Executive Director was constituted on September 16, 2024 in compliance with provisions of Section 178 of the Act and Regulation 20 of the SEBI Listing Regulations.

During the year, there is no change in the composition of Stakeholders Relationship Committee.

The attendance at the meetings of the Stakeholder Relationship Committee held during the year under review is as follows:

Name of Member	Category	Date of Meeting		
		July 22, 2025	October 14, 2025	January 16, 2026
Mr. Deepak S. Parekh	Chairperson and Independent Director	Yes	Yes	Yes
Mr. Ankur Gupta	Member and Non-Executive Director	Yes	Yes	Yes
Ms. Ananya Tripathi	Member and Non-Executive Director	Yes	Yes	Yes

Terms of Reference of Stakeholders Relationship Committee

The Stakeholders Relationship Committee has the following terms of reference:

1) considering and looking into various aspects of interest of shareholders, debenture holders and other security holders including review of statutory compliance relating to all security holders;
2) resolving the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, approving issue of new/duplicate certificates, general meetings etc.;
3) giving effect to allotment of equity shares, approval of transfer or transmission of equity shares, debentures or any other securities and oversee and review the matters related thereto;
4) issue of duplicate certificates and new certificates on split/consolidation/ renewal, etc.;
5) review of measures taken for effective exercise of voting rights by shareholders;
6) review of adherence to the service standards adopted by the Company in respect of various services being rendered by the registrar and share transfer agent and overseeing their performance;
7) review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends, transfer of unclaimed amounts to the Investor Education and Protection Fund and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company;
8) recommend measures for overall improvement of the quality of investor services; and
9) carrying out any other functions required to be carried out by the Stakeholders' Relationship Committee as contained in the Companies Act 2013 or the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

IV. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprising of Ms. Apurva Purohit, Chairperson and Independent Director, Ms. Ananya Tripathi, Non-Executive Director and Mr. Anuraag Bhatnagar, Whole-time Director and CEO was constituted on September 16, 2024 in compliance with provisions of Section 135 of the Act.

During the year, there is no change in the composition of Corporate Social Responsibility Committee.

Corporate Governance Report (Contd.)

The attendance at the meetings of the Corporate Social Responsibility Committee held during the year under review is as follows:

Name of Member	Category	Date of Meeting	
		November 11, 2025	February 16, 2026
Ms. Apurva Purohit	Chairperson and Independent Director	Yes	Yes
Ms. Ananya Tripathi	Member and Non-Executive Director	Yes	Yes
Mr. Anuraag Bhatnagar	Member and Whole-time Director and CEO	Yes	Yes

Terms of Reference of Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee has the following terms of reference:

1) formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act 2013, and the rules made thereunder, each as amended, monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;

2) review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a);

3) monitor the Corporate Social Responsibility Policy of the Company from time to time;

4) identifying corporate social responsibility policy partners and corporate social responsibility policy programmes;

5) the Corporate Social Responsibility Committee shall formulate and recommend to the Board, an annual action plan in pursuance of its corporate social responsibility policy, which shall include the following:

   a) the list of corporate social responsibility projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Companies Act 2013;

   b) the manner of execution of such projects or programmes as specified in the rules notified under the Companies Act 2013;

   c) the modalities of utilisation of funds and implementation schedules for the projects or programmers;

   d) monitoring and reporting mechanism for the projects or programmers; and

   e) details of need and impact assessment, if any, for the projects undertaken by the Company.

   Provided that the Board may alter such plan at any time during the financial year, as per the recommendation of its Corporate Social Responsibility Committee, based on the reasonable justification to that effect; and

6) any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time and/or as may be required under applicable law, as and when amended from time to time.

V. Risk Management Committee

The Risk Management Committee comprising of Mr. Mukesh Butani, Chairperson and Independent Director, Mr. Ashank Kothari, Non-Executive Director, Ms. Ananya Tripathi, Non-Executive Director and Mr. Ravi Shankar, Head-Asset Management and CFO was constituted on September 16, 2024 in compliance with Regulation 21, read with Part D of Schedule II of the SEBI Listing Regulations.

Corporate Governance Report (Contd.)

During the year, there is no change in the composition of Risk Management Committee.

The attendance at the meetings of the Risk Management Committee held during the year under review is as follows:

Name of Member	Category	Date of Meeting	
		October 14, 2025	February 19, 2026
Mr. Mukesh Butani	Chairperson and Independent Director	Yes	Yes
Mr. Ashank Kothari	Member and Non-Executive Director	Yes	Yes
Ms. Ananya Tripathi	Member and Non-Executive Director	Yes	Yes
Mr. Ravi Shankar	Member and Head-Asset Management and CFO	Yes	Yes

Terms of Reference of Risk Management Committee

The Risk Management Committee has the following terms of reference:

(1) To formulate a detailed risk management policy which shall include:

a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

b. Measures for risk mitigation including systems and processes for internal control of identified risks.

c. Business continuity plan.

(2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;

(3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

(4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

(5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;

(6) The appointment, removal and terms of remuneration of the Chief Risk Officer shall be subject to review by the Risk Management Committee.

(7) The Risk Management Committee shall have powers to seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

(8) The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

VI. IPO Committee

The IPO Committee comprising of Mr. Ankur Gupta, Chairperson and Non-Executive Director, Mr. Ashank Kothari, Non-Executive Director, Ms. Ananya Tripathi, Non-Executive Director was constituted on September 16, 2024.

During the year, there is no change in the composition of IPO Committee.

Corporate Governance Report (Contd.)

The attendance at the meetings of the IPO Committee held during the year under review is as follows:

Name of Member	Category	Date of Meeting			
		May 20, 2025	May 23, 2025	May 28, 2025	May 29, 2025
Mr. Ankur Gupta	Chairperson and Non-Executive Director	Yes	Yes	Yes	Yes
Mr. Ashank Kothari	Member and Non-Executive Director	Yes	Yes	Yes	Yes
Ms. Ananya Tripathi	Member and Non-Executive Director	No	No	Yes	No

The IPO Committee was authorised to approve, implement, negotiate, carry out and decide upon, all activities in connection with the IPO ('Offer"), including, but not limited to:

a. To decide, negotiate and finalise, in consultation with the book running lead managers appointed in relation to the Offer (the "**BRLMs**"), all matters regarding the Pre-IPO Placement, if any, including entering into discussions and execution of all relevant documents with investors;

b. To decide in consultation with the BRLMs the actual size of the Offer and taking on record the number of equity shares, bearing face value of INR 10 each (the "**Equity Shares**"), and/or reservation on a competitive basis, and/or any rounding off in the event of any oversubscription and/or any discount to be offered to retail individual bidders or eligible employees participating in the Offer and all the terms and conditions of the Offer, including without limitation timing, pricing, opening and closing dates of the Offer, price band, allocation/allotment to eligible persons pursuant to the Offer, including any anchor investors, and to accept any amendments, modifications, variations or alterations thereto;

c. To make applications to, seek clarifications, obtain approvals and seek exemptions, if necessary, from the Securities and Exchange Board of India ("**SEBI**"), Reserve Bank of India, stock exchanges where the Equity Shares are proposed to be listed ("**Stock Exchanges**") or to any other statutory or governmental authorities in connection with the Offer as may be required and accept on behalf of the Board such conditions and modifications as may be prescribed or imposed by any of them while granting such approvals, permissions, exemptions and sanctions as may be required;

d. To finalise, settle, adopt, arrange, approve and file, in consultation with the BRLMs, the draft red herring prospectus ("**DRHP**") with SEBI, the red herring prospectus ("**RHP**") and prospectus ("**Prospectus**") with the Registrar of Companies, Delhi and Haryana at New Delhi, and thereafter with SEBI and the Stock Exchanges and the preliminary and final international wrap (including amending, varying, supplementing or modifying the same, or providing any notices, addenda, or corrigenda thereto, together with any summaries thereof as may be considered desirable or expedient), the bid cum application forms, abridged prospectus, confirmation of allocation notes and any other document in relation to the Offer as finalised by the Company and take all such actions in consultation with the BRLMs as may be necessary for the submission and filing of the documents mentioned above, including incorporating such alterations/corrections/modifications as may be required by the SEBI, the RBI, the RoC, the Stock Exchanges or any other relevant governmental and statutory authorities or under applicable laws;

e. To appoint, instruct and enter into or terminate arrangements with the BRLMs, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, refund bankers to the Offer, registrars, legal advisors, advertising agency, monitoring agency and any other agencies or persons or intermediaries to the Offer and to negotiate, finalise and amend the terms of their appointment including but not limited to execution of the engagement/fee letter with the BRLMs;

f. To negotiate, finalise, sign, execute and deliver or arrange the delivery of the offer agreement, share escrow agreement, syndicate agreement, cash escrow and sponsor bank agreement, underwriting agreement, agreements with the registrar to the Offer, monitoring agency and the advertising agency(ies) and

Corporate Governance Report (Contd.)

all other agreements, documents, deeds, memorandum of understanding and other instruments whatsoever with the registrar to the Offer, monitoring agency, legal advisors, auditors, Stock Exchanges, BRLMs, the Selling Shareholders and other agencies/intermediaries in connection with Offer with the power to authorise one or more officers of the Company to execute and deliver all or any of the aforesaid documents;

g. To accept and appropriate the proceeds of the Fresh Issue in accordance with applicable laws;

h. To take all actions as may be necessary and authorised in connection with the Offer for Sale, including taking on record the consents of the Selling Shareholder(s) for offering their Equity Shares in the Offer for Sale and transfer of Equity Shares in Offer for Sale, including the quantum in terms of the number of Equity Shares/amount offered by the Selling Shareholder(s) in the Offer for Sale, allow revision of the Offer for Sale portion in case Selling Shareholder decides to revise it, in accordance with the Applicable Laws;

i. To authorise the maintenance of a register of holders of the Equity Shares;

j. To negotiate, finalise and settle and to execute where applicable and deliver or arrange the delivery of the DRHP, updated DRHP, RHP, the Prospectus, agreements, letters, applications, the preliminary international wrap and final international wraps and all other documents, deeds, agreements and instruments and any amendments, variations, notices, supplements and corrigenda thereto, as may be required or desirable in relation to the Offer;

k. To seek, if required, the consent and/or waiver of the lenders to the Company and its subsidiaries or industry data providers and/or any/all concerned government and regulatory authorities in India or outside India, and/or any other approvals, consents or waivers from parties with whom the Company has entered into various commercial and other agreements, and any other consents that may be required in relation to the Offer;

l. To open with the bankers to the Offer such accounts as may be required by the regulations issued by SEBI and open and operate bank accounts in terms of the escrow and sponsor bank agreement with a scheduled bank to receive applications along with application monies, handling refunds and for the purposes set out in Section 40(3) of the Companies Act, 2013, as amended, in respect of the Offer, and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;

m. To authorise and approve, the incurring of expenditure and payment of fees, commission, brokerage, remuneration and reimbursement of expenses in connection with the Offer;

n. To determine and finalise, in consultation with the BRLMs, the bid opening and bid closing dates (including bid opening and bid closing dates for anchor investors), the floor price/price band for the Offer (including anchor investor offer price), approve the basis of allotment and confirm allocation/allotment of the Equity Shares to various categories of persons as disclosed in the DRHP, the RHP and the Prospectus, in consultation with the BRLMs and do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including any alteration, addition or making any variation in relation to the Offer;

o. all actions as may be necessary in connection with the Offer, including extending the bid period, in accordance with the Applicable Laws;

p. To issue allotment letters/confirmation of allotment notes, either in physical or electronic mode representing the underlying Equity Shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practises and regulations, including listing on one or more stock exchange(s), with power to authorise one or more officers of the Company to sign all or any such documents;

q. To authorise and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer and taking such actions or giving such directions as may be necessary or desirable and to obtain such approvals, permissions, consents, sanctions, as it may deem fit;

Corporate Governance Report (Contd.)

r. To do all such acts, deeds, matters and things and execute all such other documents, etc., deem necessary or desirable for such purpose, including without limitation, finalise the basis of allocation and to allot the shares to the successful allottees as permissible in law, in accordance with the relevant rules, in consultation with the BRLMs;

s. To do all such acts, deeds and things as may be required to dematerialise the Equity Shares and to sign agreements and/or such other documents as may be required with the National Securities Depository Limited, the Central Depository Services (India) limited and such other agencies, authorities or bodies as may be required in this connection;

t. To withdraw the DRHP or RHP or to decide not to proceed with the Offer at any stage, in consultation with the BRLMs and in accordance with the SEBI ICDR Regulations and applicable laws;

u. To submit undertaking/certificates or provide clarifications to the SEBI, RoC and the Stock Exchanges;

v. To make applications for listing of the Equity Shares in one or more stock exchange(s) and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s) in connection with obtaining such listing including without limitation, entering into listing agreements and affixing the common seal of the Company where necessary;

w. If deemed appropriate, to invite the existing shareholders of the Company to participate in the Offer by offering for sale the Equity Shares held by them at the same price as in the Offer;

x. To settle all questions, difficulties or doubts that may arise in regard to such issues or allotment and matters incidental thereto as it may deem fit and to delegate such of its powers as may be deemed necessary to the officials of the Company; and

y. To authorise and empower any director(s) or officer(s) of the Company (each, an "Authorised Officer"), for and on behalf of the Company, including by grant of power of attorney, to execute and deliver, on a several basis, any agreements and arrangements as well as amendments or supplements thereto that the Authorised Officer(s) consider necessary, appropriate or advisable, in connection with the Offer, including, without limitation, engagement letter(s), memoranda of understanding, the listing agreement(s) with the stock exchange(s), the agreement with the registrar to the Offer and memorandum of understanding, the depositories' agreements, the offer agreement, the underwriting agreement, the advertising agency agreement, the syndicate agreement, the stabilisation agreement, the share escrow agreement, escrow and sponsor bank agreement, confirmation of allocation notes, allotment advice, placement agents, registrar to the Offer, bankers to the Company, managers, underwriters, escrow agents, and/or any engagement letter(s) or agreements with accountants, auditors, legal advisors, depositories, advertising agency(ies), syndicate members, brokers, escrow collection bankers, practicing Company secretary, grading agency and all such persons or agencies as may be involved in or concerned with the Offer, if any, and to make payments to or remunerate by way of fees, commission, brokerage or the like or reimburse expenses incurred in connection with the Offer by the BRLMs and to do or cause to be done any and all such acts or things that the Authorised Officer(s) may deem necessary, appropriate or desirable in order to carry out the purpose and intent of the foregoing resolutions for the Offer; and any such agreements or documents so executed and delivered and acts and things done by any such Authorised Officer(s) shall be conclusive evidence of the authority of the Authorised Officer and the Company in so doing."

Further, post IPO the IPO Committee has been dissolved w.e.f. July 22, 2025.

VII. Committee of Independent Directors

The Committee of Independent Directors comprising of Mr. Deepak S. Parekh, Chairperson and Independent Director, Mr. Mukesh Butani, Independent Director and Ms. Apurva Purohit, Independent Director was constituted on January 09, 2025 in compliance of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2022 (the "Amendments").

During the year, there is no change in the composition of Committee of Independent Directors.

Corporate Governance Report (Contd.)

The attendance at the meeting of the Committee of Independent Directors held during the year under review is as follows:

Name of Member	Category	Date of Meeting
		May 20, 2025
Mr. Deepak S. Parekh	Chairperson and Independent Director	Yes
Mr. Mukesh Butani	Member and Independent Director	Yes
Ms. Apurva Purohit	Member and Independent Director	Yes

Terms of Reference of Committee of Independent Directors

The Committee of Independent Directors has the following terms of reference:

(a) To issue a recommendation for inclusion in the price band advertisement to be issued by the Company in relation to its proposed initial public offering of equity shares, stating that the price band is justified based on quantitative factors/key performance indicators disclosed in "Basis for Offer Price" chapter of the Red Herring Prospectus of the Company to be filed with the Registrar of Companies, Delhi and Haryana at New Delhi (the "**RHP**") vis-à-vis the weighted average cost of acquisition of primary issuance/secondary transaction(s) disclosed in the "Basis for Offer Price" chapter of the RHP and

(b) To perform such other duties and functions as may be specifically required to be performed by a committee of independent directors of the Company under applicable law, including the Companies Act, 2013 and the regulations, circulars, directives and notifications of the Securities and Exchange Board of India.

VIII. Capital Investment Committee

The Capital Investment Committee comprising of Mr. Deepak S. Parekh, Chairperson and Independent Director, Mr. Ankur Gupta, Non-executive Director and Mr. Anuraag Bhatnagar, Whole-time Director & CEO was constituted on October 14, 2025 in compliance of the Companies Act, 2013.

During the year, there is no change in the composition of Capital Investment Committee.

The attendance at the meeting of the Capital Investment Committee held during the year under review is as follows:

Name of Member	Category	Date of Meeting
		March 16, 2026
Mr. Deepak S. Parekh	Chairperson and Independent Director	No
Mr. Ankur Gupta	Member and Non-Executive Director	Yes
Mr. Anuraag Bhatnagar	Member and Whole-time Director and Chief Executive Officer	Yes

Terms of Reference of Capital Investment Committee

The Capital Investment Committee has the following terms of reference:

1. To review, deliberate upon, and approve, in full and absolute authority, all proposals related to the borrowing of monies by the Company under Section 179(3)(d) of the Companies Act, 2013 including but not limited to borrowings through loans, debentures, bonds, commercial papers, credit facilities, working capital lines, external commercial borrowings, syndicated loans, term loans, structured finance instruments, or any other form of debt or financial instruments, or funding mechanism, whether secured or unsecured, subordinated, convertible, redeemable, domestic or international, convertible or otherwise, and upon such terms, conditions, covenants, or security structures as the Committee may determine at its sole and absolute discretion, all aspects of such borrowings, including, without limitation, the amount, tenor, interest or other financial charges, repayment schedules, covenants, collateral or security requirements, guarantees, endorsements, assignments, pledges, hypothecations, structuring, documentation, negotiation, modification, waiver, or amendment of any terms or conditions, and all other matters incidental, consequential, or ancillary thereto.

2. To review, deliberate upon, and approve, with full absolute, all proposals arrangements, transactions, or instruments pertaining to the investment of the funds of the Company under Section 179(3)(e) of the Companies Act, 2013, including, without limitation, investments in or with any Company, body

Corporate Governance Report (Contd.)

corporate entity or body, association of persons, partnership firms, LLP, HUF, trust, individual, or any other person or organisation, whether or not related to or affiliated with the Company, including but not limited to any subsidiary, associate, joint venture, group Company, affiliate, or third party (whether or not the Company holds any existing interest therein), and whether in India or abroad. The Committee shall also be fully empowered to consider, approve, and implement any investment or acquisition, whether by way of acquisition (including subscription, purchase, exchange, contribution, capitalisation, swap, transfer, assignment, settlement, restructuring, or otherwise) or in any form or structure, or manner whatsoever, in or through any instruments, securities, or products, including but not limited to equity, debt, preference shares, debentures, bonds, convertible or exchangeable instruments, hybrid or mezzanine instruments, mutual funds, exchange-traded funds, structured or derivative products, participatory interests, partnerships, unit of trusts, alternative investment funds (AIFs), joint ventures, limited liability partnerships, or any other form, mode, structure, or vehicle, for any purpose whatsoever, whether strategic, commercial, financial, operational, developmental, or otherwise.

In addition, the Committee shall have absolute authority to approve and effect the purchase, acquisition, lease, transfer, exchange, contribution, or otherwise obtaining of ownership, possession, or control of any assets or properties, whether movable or immovable, tangible or intangible, corporeal or incorporeal, including, without limitation, land, buildings, structures, plant and machinery, equipment, vehicles, furniture, fixtures, technology, licenses, brands, goodwill, intellectual property rights, and any other business operating, or income-generating assets or undertakings, either individually or as part of a business, division, or enterprise, directly or indirectly, through any form of structure, mode, arrangement, or contractual mechanism whatsoever.

The Committee shall have absolute, and plenary powers to determine, at its sole and absolute discretion, all aspects of such investments, including but not limited to the quantum, pricing, tenure, structure, returns, risk profile, conditions, covenants, rights, obligations, exit or divestment mechanisms, documentation, and reporting requirements, and to negotiate, approve, execute, modify, ratify, or terminate any agreements, contracts, instruments, deeds, or writings, or arrangements, and to take all acts, deeds, and steps necessary, expedient, or desirable to give full effect to such investments.

The Committee shall further have the power and authority to propose, approve, and finalise the formation or incorporation of new entities, subsidiaries, joint ventures, or special purpose vehicles, in India or abroad, including the approval of names, capital structures, ownership arrangements, constitutional documents, governance frameworks, and any other actions or filings as may be necessary, desirable, or expedient to effect such incorporation or establishment, and to undertake all related or incidental actions in that regard;

3. To review, deliberate upon, and approve, with full and absolute, authority, the granting of loans, the extension of guarantees, or provision of securities by the Company in connection with loans or other financial arrangements under Section 179(3)(f) of the Companies Act, 2013, including, without limitation, loans, advances, inter-corporate loans, term loans, working capital facilities, credit lines, or any other form of financial assistance, and guarantees, counter-guarantees, indemnities, or any other form of security or assurance, whether in cash, kind, or through any instrument, document, arrangement, or structure.

   The Committee shall have the power to consider, approve, and determine such loans, guarantees, and securities in relation to any Company, body corporate, entity or body, association of persons, partnership firms, LLP, HUF, trust, individual, or any other person or organisation, whether or not related to or affiliated with the Company, including but not limited to any subsidiary, associate, joint venture, group Company, affiliate, or third party (whether or not the Company holds any existing interest therein), whether domestic or international, and for any purpose whatsoever, whether strategic, operational, financial, commercial, treasury management, or liquidity optimisation objectives, or otherwise.

Corporate Governance Report (Contd.)

Without limitation to the foregoing, the Committee shall have full authority to pledge, hypothecate, mortgage, charge, assign, or otherwise create any security interest over all or any part of the Company's assets, whether movable or immovable, tangible or intangible, present or future, including, without limitation, any or all shares, securities, or other investments held by the Company in any Company, body corporate, entity or body, association of persons, partnership firms, LLP, HUF, trust, individual, or any other person or organisation, whether or not related to or affiliated with the Company, including but not limited to any subsidiary, associate, joint venture, group Company, affiliate, or third party (whether or not the Company holds any existing interest therein), whether domestic or international, and for any purpose whatsoever, whether strategic, operational, financial, commercial, or otherwise, and/or to furnish corporate guarantees, undertakings, letters of comfort, declarations, indemnities, non-disposal undertakings (NDUs), assurances, or any other forms of credit support, in favour of, and/or to secure the obligations of, any lender, agent, security trustee, or lender representative, for securing the financial assistance or loans sanctioned or proposed to be sanctioned to such afore-mentioned persons, on such terms, conditions, covenants, and arrangement, as the Committee may, in its absolute discretion, deem fit.

The Committee shall have discretion to determine all aspects of such loans, guarantees, and securities, including, without limitation, the amount, tenure, interest, charges, covenants, collateral or security arrangements, structuring, documentation, amendments, waivers, modifications, termination, enforcement, and exit mechanisms.

4. Subject to the approval of the shareholders of the Company under Section 180(1)(a) of the Companies Act, 2013, to the extent applicable, the Committee shall have full, absolute, authority to sell, transfer, convey, assign, mortgage, lease, pledge, hypothecate, charge, encumber, dispose of, or otherwise divest any assets, properties, investments, securities, businesses, undertakings, or interests of the Company and/or its subsidiaries, associates, joint ventures, group companies, affiliates, whether in whole or in part, and whether individually or collectively, by way of sale, slump sale, demerger, spin-off, exchange, settlement, restructuring, or any other mode or form of divestment or disposal, on such terms, conditions, and covenants as the Committee may, in its sole and absolute discretion, deem fit and appropriate, including determination of consideration, structure, mode of payment, representations, warranties, indemnities, and related arrangements.

   The Committee shall have discretion to determine, decide, and finalise all aspects, terms, and conditions of such investments, acquisitions, divestments, or transactions, including, without limitation, the quantum, pricing, tenure, structure, returns, risk profile, representations, warranties, covenants, indemnities, rights, obligations, security arrangements, exit or divestment mechanisms, documentation, and reporting requirements,

5. To review, deliberate upon, and approve with full and absolute, authority, the Monthly Capex Budget, Quarterly Capex Budget, Annual Capex Budget of the Company. The Committee shall have powers to evaluate, modify, reallocate, approve, or otherwise deal with any and all components of such capex budgets, including, without limitation, the justification, expected returns, cost-benefit analysis, risk profile, strategic fit, resource allocation, timing, implementation plan, and alignment with the Company's overall development objectives, operational priorities, and financial capacity, and to direct or authorise, or undertake any and all actions, acts, deeds, and steps necessary desirable, or expedient to implement, execute, or effectuate the budgets in any form or manner the Committee deems fit.

   The Committee shall have discretion and authority to make determinations regarding the allocation, reallocation, prioritisation, or deferral of capital resources, including for projects or expenditures, and to authorise or direct the management to take all actions necessary to give full effect to the approved budgets.

6. To review, deliberate upon, and approve, with full and absolute, authority, individual capital expenditure projects that exceed the financial thresholds prescribed under the capex plans and budgets approved by the Board or this Committee, including, without limitation, projects involving new builds, expansions, major renovations, modernisation, infrastructure development, large-scale technology investments, or any other strategic, operational, or

Corporate Governance Report (Contd.)

financial initiatives. The Committee shall have plenary authority to approve, defer, modify, restructure, reject, or otherwise deal with any such projects and to authorise, direct, or undertake any actions necessary to implement or effectuate such projects in any form or manner, including allocation or reallocation of funds, timelines, resource deployment, vendor engagement, procurement decisions, and operational execution.

7. To review, deliberate upon, and approve, with full and absolute, authority, discretion, capital expenditure or strategic projects that exceed the financial thresholds prescribed under the plans and budgets approved by the Board or this Committee, including projects that may require exceptional approvals, multi-year commitments, or financial or operational resources, whether substantial or otherwise. The Committee shall have discretion to modify, restructure, defer, or reallocate such projects, approve or reject them in whole or in part, and direct all steps necessary to ensure full implementation, compliance, and alignment with the Company's strategic and operational objectives.

8. To consider and approve, with absolute authority, any initiatives including, but not limited to, development of new builds, renovations, modernisation, and large-scale investments, infrastructure development, and any other projects critical to the Company's operations, strategy, or growth, in any form or manner, or structure, whether domestic or international. The Committee shall have plenary powers to authorise, modify, implement, or terminate any such initiatives, including taking all acts, deeds, or steps necessary to give full effect to the decisions made.

9. To evaluate and approve, with full discretion business plan encompassing, but not limited to, operations and growth strategies, outlining the business concept, strategic approach, market analysis, financial projections, and operational framework, any expansion opportunities, including but not limited to entry into new domestic or international markets, brand partnerships, joint ventures, strategic alliances, acquisitions, divestitures, or any other commercial or operational opportunities, and approve, execute, or ratify agreements, including but not limited to hotel management agreements, technical service agreements, franchise or brand licensing arrangements, strategic contracts, or any commitments involving key money, deposits, advances, or other financial or operational obligations, of any nature whatsoever and in any form or manner.

10. To review and approve, with full, absolute, authority, all expenditures related to business development activities, including but not limited to feasibility studies, market-entry assessments, and concept development initiatives, pilot projects, or other preparatory or strategic exercises, whether or not forming part of any previously approved project costs. The Committee shall have plenary powers to approve, modify, reallocate, defer, or reject such expenditures, and to authorise, direct, or take any actions necessary to implement, execute, or effectuate such business development initiatives in any form or manner.

11. To periodically review the performance and progress of approved projects against the sanctioned budgets, committed timelines, and projected financial and strategic returns.

12. To consider, deliberate upon, evaluate, approve and take all necessary, appropriate, or expedient actions with respect to any matters items, proposals, or transactions, whether or not specifically enumerated herein, and whether or not incidental to, arising from, connected with, or otherwise related to the responsibilities, powers, authorities, and functions enumerated herein, including, without limitation, any issues, proposals, projects, transactions, agreements, initiatives, or obligations involving the Company, its subsidiaries, joint ventures, associates, affiliates, group companies or any other entities (whether or not the Company holds any equity interest therein), entity or body, association of persons, firms, HUF, or any third party, including individuals, whether domestic or international, with full and absolute discretion.

    The Committee shall have full, absolute, authority to determine, approve, modify, restructure, ratify, implement, or terminate any such matter in any form, manner it deems fit, and to exercise any powers or authorities. This shall include, without limitation, the power to negotiate, execute, deliver, amend, perfect, register, enforce, waive, or otherwise deal with any agreements, instruments, contracts, deeds, writings, or documents, and to take all acts, deeds, steps, or measures necessary, expedient, or desirable to give full effect to any decision or action of the Committee. The Committee shall have the authority to further

Corporate Governance Report (Contd.)

delegate such of its powers, functions, and duties as it may deem necessary or expedient, to any officer(s), executive(s), or other authorised person(s) of the Company, for the purpose of operational execution and implementation of its decisions, subject to such terms, conditions, and financial thresholds as may be specified by the Committee from time to time

All actions, approvals, and decisions of the Committee in this regard shall be final, conclusive, and binding on the Company, its management, officers, subsidiaries, associates, affiliates, and other stakeholders, and shall be deemed fully valid and enforceable in all respects, subject to applicable laws and regulations. While considering investment or capital expenditure proposals, the Committee shall also evaluate the ESG, environmental, and sustainability aspects, wherever applicable.

4. SEPARATE MEETING OF INDEPENDENT DIRECTORS

During the year under review, a separate meeting of the Independent Directors was held to discuss the matter as required/agreed amongst them in accordance with the provisions of the Act and SEBI Listing Regulations.

5. GENERAL BODY MEETINGS:

A. Annual General Meeting

Details of the last three Annual General Meetings of the Company and Special Resolutions passed in that Meeting are as below:

Financial Year	Date and Time	Venue	Special Resolutions
2024-25	September 19, 2025 11:00 AM (IST)	Video Conferencing ('VC')/Other Audio Visual Means ('OAVM')	Approval for name change of the Company and consequent alteration in the Memorandum of Association and Articles of Association of the Company
2023-24	September 12, 2024 11:00 AM (IST)	Third Floor, Tower-4, Equinox Business Park, Kurla West, Mumbai – 400070	No special resolution was passed in the meeting.
2022-23	September 29, 2023 05:00 PM (IST)	Ground Floor, Tower-2, Equinox Business Park, Kurla West, Mumbai – 400070	Approval of Modification in the Terms of Compulsory Convertible Debentures

B. EXTRA-ORDINARY GENERAL MEETING

No extra-ordinary general meeting of the Members held during FY 2025-26.

C. POSTAL BALLOT

Details of Special resolutions passed through Postal Ballot during FY 2025-26:

There were no Special Resolutions passed through Postal Ballot during FY 2025-26.

However following special resolutions were passed through Postal Ballot on April 16, 2026 and the results of which were announced on April 16, 2026

1. To approve the amendment and ratification to The Leela Employee Stock Option Scheme 2024 ("ESOP Scheme") of the Company and grant of stock options;
2. To approve the amendment and ratification of The Leela Employee Stock Option Scheme 2024 ("ESOP Scheme") of the Company and grant of stock options to employees of subsidiary/holding/associate companies of the Company.

Corporate Governance Report (Contd.)

6. MEANS OF COMMUNICATION:

(a)	Quarterly Results	:	Quarterly results are approved by the Board of Directors and filed with Stock Exchanges as per requirements of the SEBI Listing Regulations.
(b)	Newspapers wherein results are normally published	:	English Newspaper - The Economic Time Vernacular Newspaper – Navbharat Times
(c)	Any website, where results are displayed	:	www.theleela.com
(d)	Whether the website also displays		
	(i) official news releases	:	Yes
	(ii) presentations made to institutional investors or to the analysts	:	Yes

7. GENERAL SHAREHOLDER INFORMATION

AGM: Date, Time and Venue	September 4, 2026 at 11:00 A.M. IST through Video Conferencing (VC)/Other Audio Visual Means (OAVM)
Financial Year	April 01, 2025, to March 31, 2026
Dividend payment date	Not declared for 2025-26
Listing on Stock Exchanges (Listed w.e.f. June 02, 2025)	**BSE Limited** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001 **Stock Code:** 544408 **National Stock Exchange of India Limited** Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai - 400 051 **Symbol:** THELEELA **ISIN:** INE0AQ201015 The Company has paid listing fees for the financial year 2025-26 to the Stock Exchanges.
Registrar & Transfer Agents	**KFin Technologies Limited** **Correspondence Address:** Selenium Tower - B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad, Telangana – 500 032 **Email:** einward.ris@kfintech.com **Toll Free Number:** 1800 3094 001
Share transfer system	The Company was listed on June 2, 2025. Trading in equity shares of the Company is permitted only in dematerialised mode. In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialised form. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialised to be able to freely transfer them and participate in various corporate actions.

Corporate Governance Report (Contd.)

Address for Correspondence	**Ms. Jyoti Maheshwari** Company Secretary and Compliance Officer Tower-4, third Floor, Equinox Business Park, Kurla West, Mumbai - 400700 **Tel.:** +91 22 69015454 **E-mail:** cs@theleela.com

Distribution Schedule as on March 31, 2026:

Sl. No.	No. Of Equity Shares	No.of Holders	% of shareholders	No. of Shares	% of shareholding
1	1 - 5000	49,410	95.53	33,56,687	1.01
2	5,001 - 10,000	969	1.87	7,07,798	0.21
3	10,001 - 20,000	601	1.16	8,32,575	0.25
4	20,001 - 30,000	313	0.61	7,29,605	0.22
5	30,001 - 40,000	100	0.19	3,47,100	0.10
6	40,001 – 50,000	52	0.10	2,40,363	0.07
7	50,001 - 1,00,000	90	0.17	6,32,851	0.19
8	1,00,001 & Above	188	0.36	32,71,10,899	97.95
	TOTAL:	**51,723**	**100.00**	**33,39,57,878**	**100.00**

Dematerialisation of shares and liquidity as on March 31, 2026

Particulars	Number of Shareholders	%
NSDL	21,803	98.32
CDSL	29,919	1.68
Sub-Total	51,722	100.00
Physical	1	0.00
Total	**51,723**	**100.00**

Categories of equity shareholding as on March 31, 2026

Category	Number of Shareholders	Number of Shares held	% to total paid up Capital
Promoters			
Promoters Bodies Corporate	8	25,34,98,109	75.91
Public Shareholding			
Resident Individuals	49,166	66,50,705	1.99
Mutual Funds	74	2,22,13,008	6.65
Foreign Portfolio - Corp	70	2,87,83,750	8.62
Bodies Corporates	285	91,52,078	2.74
Alternative Investment Fund	10	64,23,767	1.92
H U F	1,188	2,62,921	0.08
Non-Resident Indians	472	2,33,095	0.07
Non-Resident Indian Non Repatriable	433	2,40,146	0.07
Employees	-	-	-
QIB	12	64,74,118	1.94
Foreign Portfolio Investors	-	-	-
Directors	-	-	-
NBFC	-	-	-
I E P F	-	-	-
Clearing Members	-	-	-
Trusts	5	26181	0.01
Total	**51,723**	**33,39,57,878**	**100.00**

Outstanding GDRs/ADRs/warrants/ other convertible instruments:

The Company has no outstanding GDRs/ADRs/Warrants or any convertible instruments, as on March 31, 2026.

Corporate Governance Report (Contd.)

Plant Locations

Details of the Hotels Owned by the Company and its wholly-owned subsidiaries are outlined below:

Name of the Hotel	Location
The Leela Palace Bengaluru	23 Old Airport Road, Old Airport Road - Kodihalli, Bangaluru, Bengaluru Urban, Karnataka - 560008
The Leela Palace Chennai	94, 175, Satyadev Avenue Extn, MRC Nagar, Chennai, Tamil Nadu - 600028
The Leela Palace New Delhi	Africa Avenue, Netaji Nagar, Delhi, South Delhi, Delhi - 110023
The Leela Palace Jaipur	Khasara No-364/2244/45/46/47/48,366,367/2249/50/51, Kukas, Delhi-Jaipur Highway NH 11, Jaipur, Rajasthan - 302028
The Leela Palace Udaipur	88, Naga Nagri, Outside Chandpole, Udaipur, Rajasthan - 313001
The Leela Luxe Forest Sanctuary	Modur Village, Kadagadal Post, Coorg, Madikeri, Kodagu, Karnataka - 571201

Unclaimed Dividends/Outstanding Unclaimed Shares:

Pursuant to Section 124 and 125 and other applicable provisions of the Act, read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividends which remain unpaid or unclaimed for a period of seven years from the date of transfer to the Unpaid Dividend Account shall be transferred by the Company to the Investor Education and Protection Fund ("IEPF").

The IEPF Rules mandate companies to transfer all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more in the name of IEPF. The Members whose dividend/shares are transferred to the IEPF Authority can claim their shares/dividend from the IEPF Authority following the procedure prescribed in the IEPF Rules.

During the year under review, the Company was neither liable to transfer any amount to the IEPF, nor was any amount lying in the Unpaid Dividend Account of the Company.

Credit Rating:

During the year under review, the credit rating assigned by CRISIL Ratings Limited is Crisil AA/Stable for long-term bank facilities of the Company. The said ratings signify a high degree of safety regarding the timely servicing of financial obligations.

8. DISCLOSURES:

i. Related Party Transactions:

The Company has not entered into any transaction of a material nature with the Promoters, Directors or Management, their subsidiaries or relatives that may have potential conflict with the interest of the Company at large. Transactions with related parties are disclosed in Note 42 to the standalone financial statements in the Annual Report.

The Company has Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions which is in the line with the SEBI Listing Regulations and the same is available at the website of the Company at https://www.theleela.com/prod/content/assets/2026-01/Policy-on-Related-Parties-Transactions.pdf

ii. Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during last three Financial Years:

The Company has complied with the requirements of the Stock Exchanges, Securities and Exchange Board of India ("SEBI") and other statutory authorities on matters relating to capital markets during the last 3 years.

iii. Vigil Mechanism/Whistle Blower Policy:

Pursuant to provisions of Section 177(9) of the Act and SEBI Listing Regulations, the Company has established the Vigil Mechanism, as part of the Whistle Blower Policy, for the Directors and Employees to report concerns about unethical behaviour, actual or suspected fraud or violation of Company's Code of Conduct.

Corporate Governance Report (Contd.)

It also provides adequate safeguards against the victimisation of employees who avail this mechanism and allows direct access to the Chairperson of the Audit Committee in exceptional cases. The Board confirms that no personnel have been denied access to the Audit Committee

During the year under review, the Company has a Whistle Blower policy and the same can be accessed at https://www.theleela.com/prod/content/assets/2025-11/Whistle-Blower-or-Vigil-Mechanism-Policy.pdf

iv. Compliance with mandatory requirements and adoption of non-mandatory requirements:

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations, as applicable and Discretionary requirements under Schedule II Part E of the SEBI Listing Regulations, as applicable since the Company got listed on June 02, 2025.

v. Commodity price risk or foreign exchange risk and hedging activities:

During the year ended March 31, 2026, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters forward contracts for hedging foreign exchange exposures against imports. The Company has no commodity price risk and commodity hedging activities.

vi. Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the SEBI Listing Regulations:

During the year under review, the Company has not raised any funds either through preferential allotment or qualified institutions placement therefore disclosure of this information is not applicable to the Company

vii. Recommendations of the Committees

During the year under review, the Board accepted all recommendations made by its Committee(s) that were mandatorily required to be implemented.

viii. Fees paid to Statutory Auditors

Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part: INR 31.00 million

Particulars	INR in Mn
For Audit of the Company	9.29
For Audit of Subsidiaries	21.71

ix. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The disclosure pertaining to Sexual Harassment of Women at workplace is disclosed in the Board's Report. During the year under review, no complaint pertaining to sexual harassment was received and hence no complaint outstanding at end of the year.

x. Disclosure by listed entity and its subsidiaries of Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount:

The details of the loan and advances granted by the Company during the year are disclosed in Note 15 to the standalone financial statements in the Annual Report.

xi. Details of material subsidiaries of the listed entity including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries:

Sr. NO.	Name of Material Unlisted subsidiary Company	Date Of Incorporation/ Acquisition	Place of Incorporation	Name of Statutory Auditor	Date of appointment of Statutory Auditor
1	Schloss Chanakya Private Limited	July 30, 2024	Delhi	BSR & CO. LLP	December 12, 2019

Corporate Governance Report (Contd.)

Sr. NO.	Name of Material Unlisted subsidiary Company	Date Of Incorporation/ Acquisition	Place of Incorporation	Name of Statutory Auditor	Date of appointment of Statutory Auditor
2	Schloss Chennai Private Limited	July 25, 2024	Delhi	BSR & CO. LLP	December 12, 2019
3	Tulsi Palace and Resort Private Limited	July 20, 2024	Rajasthan	BSR & CO. LLP	February 22, 2022

Ms. Apurva Purohit, Independent Director of the Company also acts as a Director of Schloss Chanakya Private Limited.

The Company has Policy on Determining Material Subsidiaries which is in the line with the SEBI Listing Regulations and the same is available on the website of the Company at https://www.theleela.com/prod/content/assets/2025-11/Policy%20for%20Determining%20Material%20Subsidiaries.pdf

xii. Disclosures with respect to demat suspense account/unclaimed suspense account

As on March 31, 2026, there are no outstanding shares lying in the unclaimed suspense account of the Company.

xiii. Disclosure of certain type of agreements binding on the Company:

There are no agreements in place that affect the management or control of the Company, nor are there any such agreements that impose restrictions or create liabilities on the Company.

xiv. No disqualification Certificate from Company Secretary in Practice

A certificate from M/s. Makarand M. Joshi & Co., Company Secretaries, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI, Ministry of Corporate Affairs or any such Statutory Authority, is attached to this Report. The same is appended to this report as an 'Annexure A'.

xv. Compliance Certificate from Practicing Company Secretary regarding compliance of conditions of Corporate Governance

A certificate from M/s. Makarand M. Joshi & Co., Company Secretaries, confirming compliance with conditions of Corporate Governance, is attached to this Report. The same is appended to this report as 'Annexure B'. The Company has complied with all mandatory requirements of Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

xvi. CEO and CFO Certification

The Chief Executive Officer and the Chief Financial Officer of the Company have given annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations.

Code of Conduct

The Chief Executive Officer and the Chief Financial Officer of the Company have given a declaration that the members of Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management for the year ended March 31, 2026. The same is appended to this report as an 'Annexure C'.

For and on Behalf of the Board of Directors of
Leela Palaces Hotels & Resorts Limited
(formerly known as Schloss Bangalore Limited)

Anuraag Bhatnagar
Whole Time Director & CEO
DIN: 07967035

Place: Mumbai
Date: July 31, 2026

Annexure A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34 (3) and Schedule V Para C clause (10) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members,

Leela Palaces Hotels & Resorts Limited

(Formerly Known as Schloss Bangalore Limited)

The Leela Palace, Diplomatic Enclave, Africa Avenue,

Netaji Nagar, South Delhi, New Delhi-110023, India.

We have examined the relevant disclosures provided by the Directors (as enlisted in Table A) to **Leela Palaces Hotels & Resorts Limited**, having CIN- L55209DL2019PLC347492 and having registered office at : The Leela Palace, Diplomatic Enclave, Africa Avenue, Netaji Nagar New Delhi, South Delhi – 110023 (hereinafter referred to as 'the Company') for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para C clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and based on the following:

i. Documents available on the website of the Ministry of Corporate Affairs (MCA);

ii. Verification of Directors Identification Number (DIN) status on the website of the MCA;

iii. Disclosures provided by the Directors (as enlisted in Table A) to the Company,

we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, Reserve Bank of India or any such other statutory authority as on March 31, 2026.

Table A

Sr. No.	Name of the Directors	DIN	Date of appointment
1.	Mr. Deepak Parekh	00009078	September 13, 2024
2.	Mr. Mukesh Butani	01452839	September 13, 2024
3.	Ms. Apurva Purohit	00190097	September 13, 2024
4.	Mr. Ankur Gupta	08687570	September 13, 2024
5.	Mr. Ashank Kothari	08565174	September 13, 2024
6.	Ms. Ananya Tripathi	08102039	May 29, 2024
7.	Mr. Shai Zelering	10765188	September 13, 2024
8.	Mr. Anuraag Bhatnagar	07967035	November 26, 2020

For Makarand M. Joshi & Co.

Company Secretaries

ICSI UIN: P2009MH007000

Peer Review Cert. No.: 6832/2025

Vaibhav Dandawate

Partner

ACS: A51538

CP No.: 27947

UDIN: A051538H000994777

Date: July 31, 2026

Place: Mumbai

Annexure B

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

To,

The Members,

Leela Palaces Hotels & Resorts Limited

(Formerly Known as Schloss Bangalore Limited)

The Leela Palace, Diplomatic Enclave, Africa Avenue,

Netaji Nagar, South Delhi, New Delhi-110023, India.

We have examined the compliance of conditions of Corporate Governance by **Leela Palaces Hotels & Resorts Limited** ("the Company") for the year ended on March 31, 2026, as stipulated in Regulations 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**").

In our opinion and to the best of our information and according to the explanations given to us, and representations made by the management, we certify that the Company, to the extent applicable, has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of Listing Regulations, as applicable, being Company got listed on June 02, 2025.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Makarand M. Joshi & Co.

Company Secretaries

ICSI UIN: P2009MH007000

Peer Review Cert. No.: 6832/2025

Vaibhav Dandawate

Partner

ACS: A51538

CP No.: 27947

UDIN: A051538H000988628

Date: July 31, 2026

Place: Mumbai

Annexure C

Declaration regarding Compliance by the Board Members and Senior Management Personnel with the Code of Conduct:

This is to confirm that the Company has adopted a Code of Conduct for all Board Members and Senior Managerial Personnel of the Company. This Code has been posted on the website of the Company.

I confirm that the Company has, in respect of the financial year ended March 31, 2026, received from the Senior Managerial Personnel of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

For Leela Palaces Hotels & Resorts Limited

(formerly known as Schloss Bangalore Limited)

Anuraag Bhatnagar

Whole Time Director & CEO

DIN: 07967035

Address: Tower-4, Third Floor, Equinox Business Park, Kurla West, Mumbai - 400070

Date: July 31, 2026

Business Responsibility and Sustainability Report

SECTION A: GENERAL DISCLOSURE

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L55209DL2019PLC347492
2.	Name of the Listed Entity	Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited")
3.	Year of incorporation	2019
4.	Registered office address	The Leela Palace, Diplomatic Enclave, Africa Avenue, Netaji Nagar, South Delhi, New Delhi, Delhi, 110 023, India
5.	Corporate address	Tower 4, Third Floor, Equinox Business Park, Kurla West, Mumbai 400 070, Maharashtra, India
6.	E-mail	cs@theleela.com
7.	Telephone	+91 22 6901 5454
8.	Website	www.theleela.com
9.	Financial year for which reporting is being done	1st April 2025 – 31st March 2026
10.	Name of the Stock Exchange(s) where shares are listed	• BSE Limited • National Stock Exchange of India Limited
11.	Paid-up Capital	₹ 333,95,78,780/-
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Name: Jyoti Maheshwari - Company Secretary and Compliance Officer Telephone: +91 22 6901 5454 Email: cs@theleela.com

13. **Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together)?**

The financial, environmental, social and governance disclosures in this report are presented on a consolidated basis for Leela Palaces Hotels & Resorts Limited. The Business Responsibility and Sustainability Report (BRSR) is in conformity with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015.

The BRSR reporting boundary covers:

- The listed parent company (Leela Palaces Hotels & Resorts Limited)
- Subsidiaries subject to complete operational relevance including key operating subsidiaries such as
  - Schloss Chanakya Private Limited,
  - Schloss Chennai Private Limited,
  - Tulsi Palace Resort Private Limited,
  - Schloss Udaipur Private Limited,
  - Schloss HMA Private Limited and
  - Schloss Gandhinagar Private Limited (only employees)

Note - Leela Luxe Hotels & Resorts Private Limited acquired The Leela Coorg Forest Sanctuary on 16 March 2026 and thus have not been included in the reporting boundary for this year

14.	Name of assurance provider	TÜV SÜD South Asia Pvt Ltd.
15.	Type of assurance obtained	Limited assurance of BRSR Core and Selective Non-Core indicators

Business Responsibility and Sustainability Report (Contd.)

II. Products and Services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Accommodation, Food & Service	Palaces, Hotels and Resorts, Food and Beverage Services provided by the hotels, restaurants, caterers, etc.	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Accommodation services	551	50.58%
2	Food and beverage services	561	36.01%
3	Other services	551 & 561	13.41%

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of Hotels	Number of Offices	Total
National	5	2	**6**
International	0	0	**0**

Note 1 - The Leela Palace New Delhi and the Company's Registered Office are located at the same address

Note 2 - In addition to its operating properties, the Company currently has four hotels under development across four locations in India

19. Market Served by the Entity

a. Number of locations

Locations	Number
National (No. of States)	As per the consolidated BRSR reporting boundary, the Company has presence across 7 States and 1 Union Territory in India. • Operating hotels: 6 hotels across 3 States (Tamil Nadu, Karnataka and Rajasthan) and 1 Union Territory (New Delhi) • Other subsidiary companies: located in Uttar Pradesh, Gujarat, Rajasthan and Madhya Pradesh • Corporate Office: Maharashtra • Registered Office: New Delhi
International (No. of Countries)	Nil

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Not applicable

c. A brief on types of customers

i. **Business Travelers:** The Leela Palaces Hotels & Resorts are preferred by corporate travellers owing to their strategic locations, premium business amenities, seamless connectivity, and efficient service standards that support sustainability and comfort. They can book us through their special contracted rates or the retail rate available online.

ii. **Leisure Travelers:** The Leela Palaces Hotels & Resorts also cater to both domestic and international leisure travellers visiting as individuals, couples or a family and seeking comfortable, safe, and luxurious accommodation, enriched by authentic experiences and destination-led hospitality.

Business Responsibility and Sustainability Report (Contd.)

iii. **Event and Conference Attendees:** With well-equipped banquet halls, conference facilities, and professional event management services, The Leela Palace Hotels and Resorts are a preferred choice for corporate events, meetings, exhibitions, and conferences.

iv. **Wedding & Social Events Guests:** The Leela properties are sought-after wedding destinations, offering iconic venues, curated experiences, and end-to-end wedding planning and coordination services for guests and families. Milestone celebrations are also booked at The Leela for guests travelling as groups to celebrate milestone days (Birthdays/Anniversaries etc).

v. **Food and Beverage Patrons:** Leela's restaurants and bars attract hotel guests as well as local residents, offering diverse culinary experiences, signature dining concepts, and high-quality service standards.

vi. **Crew Guests:** Certain Leela Hotels contract with Airlines for their Crew movements. These contracts have rooms committed for stay through the year for the comfort of their Airline Pilots and Crew members.

vii. **Long stay guests:** Our long-stay guests are those staying on long term (10+ nights or more). Their need to travel could include Business projects, relocation needs and/or preferred home for Expatriates.

IV. Employees

20. Details as at the end of Financial Year (FY 2025-26):

a. Employees and workers (including differently abled:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Employees						
1.	Permanent (D)	1,007	792	79	215	21
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total Employees (D+E)**	**1,007**	**792**	**79**	**215**	**21**
Workers						
4.	Permanent (F)	1,757	1,305	74	452	26
5.	Other than Permanent (G)	33	23	70	10	30
6.	**Total workers (F+G)**	**1,790**	**1,328**	**74**	**462**	**26**

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Differently Abled Employees						
1.	Permanent (D)	2	1	50	1	50
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total differently abled employees (D+E)**	**2**	**1**	**50**	**1**	**50**

Business Responsibility and Sustainability Report (Contd.)

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
Differently Abled Workers						
4.	Permanent (F)	7	5	71	2	29
5.	Other than permanent (G)	2	2	100	0	0
6.	**Total differently abled workers (F+G)**	**9**	**7**	**78**	**2**	**22**

Note 1 - The above information pertains to workforce who are part of parent entity and all subsidiaries listed under Section-A Q13

Note 2 - The Leela Coorg Forest Sanctuary has 273 male and 46 females in permanent employee category as on 31st March 2026

21. Participation/Inclusion/Representation of women

	Total (A)	No. and Percentage of Females	
		No. (B)	% (B/A)
Board of Directors	8	2	25%
Key Management Personnel	3	1	33%

Note - The above information pertains to the Board of Directors (BoDs) and Key Managerial Personnel (KMPs) of our parent listed entity Leela Palaces Hotels & Resorts Limited only

22. Turnover rate for permanent employees and workers (%)

	FY 2025-26			FY 2024-25			FY 2023-24		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	21	30	23	37	52	40			
Permanent Workers	42	51	45	-	-	-			

Note 1 - The above information pertains to workforce who are part of parent entity and all subsidiaries listed under Section-A Q13

Note 2 - For FY 2024-25 the data reported is as per the categorization of the workforce, which was employed during the period including permanent employees, permanent workers and other than permanent employees and other than permanent workers only. In FY 2025-26, the categorization of workforce has been redefined to permanent employees, permanent workers, and other than permanent workers

Note 3 - FY 2023–24 data has not been reported, as the company's tracking methodology during the period was not aligned with BRSR reporting requirements

Business Responsibility and Sustainability Report (Contd.)

V. Holding, Subsidiary and Associate Companies

23. (a) Names of holding/subsidiary/associate companies/joint ventures

S. No.	Name of the holding/subsidiary/associate companies/joint ventures (A)	Indicate whether holding/Subsidiary/ Associate/Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Schloss Chanakya Private Limited	Subsidiary	100%	Yes
2.	Schloss Chennai Private Limited	Subsidiary	100%	Yes
3.	Tulsi Palace Resort Private Limited (via Schloss Chanakya Private Limited - Subsidiary Company)	Subsidiary	100%	Yes
4.	Schloss Udaipur Private Limited (via Schloss Chanakya Private Limited - Subsidiary Company)	Subsidiary	100%	Yes
5.	Schloss HMA Private Limited	Subsidiary	100%	Yes
6.	Schloss Gandhinagar Private Limited	Subsidiary	100%	Yes
7.	Leela Agra Resort Limited (formerly known as “Leela Palaces and Resorts Limited”)	Subsidiary	100%	No
8.	Transition Cleantech Services Five Private Limited	Subsidiary	100%	No
9.	Anasvish Tiger Camp Private Limited	Subsidiary	74%	No
10.	Inside India Resorts Private Limited	Subsidiary	51%	No
11.	Buildminds Real Estate Private Limited	Subsidiary	76%	No
12.	Schloss Tadoba Private Limited	Subsidiary	100%	No
13.	Leela Luxe Hotels & Resorts Private Limited	Subsidiary	100%	No
14.	Leela Nirvana Resorts Private Limited	Subsidiary	100%	No
15.	Leela Imperial Suites Private Limited	Subsidiary	100%	No
16.	Leela Essence Hospitality Private Limited	Subsidiary	100%	No
17.	Leela Opulence Hotels Private Limited	Subsidiary	100%	No
18.	Leela BKC Holdings Limited	Joint Venture	50%	No
19.	Lago Vue Srinagar Private Limited (via Leela Palaces and Resorts Limited - Subsidiary Company)	Joint Venture	50%	No
20.	Aries Holdings (DIFC) Limited	Foreign Subsidiary	100%	No

Note - The reporting boundary is defined based on operational control and applicability of the BRSR framework. Accordingly, joint ventures (due to absence of operational control), investment entities (non-operational in nature), and foreign subsidiaries, though wholly owned (limited to Indian entities for BRSR applicability), have been excluded from this disclosure.

Business Responsibility and Sustainability Report (Contd.)

VI. CSR Details

24. (i) **Whether CSR is applicable as per section 135 of Companies Act, 2013:** Yes, Corporate Social Responsibility is applicable for the Company as per section 135 of Companies Act, 2013

(ii) **Turnover (in Million INR):** 4,374.64

(iii) **Net worth (in Million INR):** 90,270.55

Note - Standalone figures are considered for CSR applicability

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Investors (other than shareholders)	Yes	0	0	NA	0	0	NA
Shareholders	Yes	5	0	NA	0	0	NA
Employees and workers	Yes Whistle Blower Policy & Vigil Mechanism Policy	0	0	NA	0	0	NA
Customers	Yes Guest Feedback	0	0	NA	0	0	NA
Value chain partners	Yes	0	0	NA	0	0	NA
Communities	Yes	0	0	NA	0	0	NA

Business Responsibility and Sustainability Report (Contd.)

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Climate Change and Emissions	Risk	Climate change presents operational risks for The Leela's hotel operations and guest experience. Rising temperatures and extreme weather events can increase cooling demand and energy consumption across properties, leading to higher operating costs. Climate-related disruptions may also affect destination travel patterns, supply chains, and infrastructure resilience, particularly for palace hotels located in culturally and ecologically significant destinations.	The Leela mitigates climate risks through a structured decarbonisation strategy aligned with its Net Zero 2050 roadmap, with transition to 75% renewable electricity by 2030. The Company is expanding renewable energy adoption, with 20.25 MWp of solar and wind capacity installed, reducing dependence on fossil fuels. Operational initiatives include energy-efficient HVAC systems, cooling tower optimisation, laundry electrification and smart energy monitoring. Targeted actions to reduce fugitive emissions through refrigerant management and cold-room upgrades, along with the transition to EV vehicles and electric boats at The Leela Palace Udaipur, further support emissions reduction. Sustainable design is embedded across the portfolio, with Palace properties achieving IFC EDGE Advanced and IGBC Platinum green building certifications.	Negative
		Opportunity	The transition towards low-carbon operations presents opportunities for The Leela to improve energy efficiency, reduce long-term operating costs, and strengthen resilience to climate risks. Investments in renewable energy, green building infrastructure, and energy-efficient technologies improve asset resilience, lower exposure to future carbon and energy cost volatility, and strengthen regulatory preparedness. It also enhance brand value among environmentally conscious travellers and investors, supporting the Company's positioning as a leader in responsible luxury hospitality.		Positive

Business Responsibility and Sustainability Report (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Water Management	Risk	Sustainable and reliable access to water is fundamental to The Leela's operations, supporting guest rooms, food and beverage services, laundry operations, cooling systems, swimming pools, and landscape management across its properties. All operating Palace properties are located in regions identified as water-stressed, increasing exposure to supply constraints, regulatory pressures, and rising water procurement costs. Dependence on groundwater, municipal supply, and tanker water may therefore pose risks to operational continuity, cost efficiency, and responsible resource management.	The Leela manages water-related risks through a water stewardship approach focused on efficiency, recycling, and responsible sourcing. All Palace properties operate Sewage Treatment Plants (STPs) that enable treated wastewater to be reused for landscaping, cooling towers, and other non-potable applications, reducing dependence on freshwater sources. Water conservation measures include rainwater harvesting, efficient fixtures, and process optimisation across operations such as laundry and cooling systems. As a member of the Alliance for Water Stewardship (AWS), the Company advances responsible water management practices and strengthens catchment-level water resilience. The Leela has also deployed Digital Paani, a real-time monitoring platform that tracks water consumption and wastewater treatment performance, enabling improved water efficiency and proactive resource management across its properties.	Negative
3	Circular Economy	Opportunity	Advancing circular economy practices enables The Leela to effectively manage diverse waste streams generated across its hotel operations, including food waste, packaging materials, guest amenities, horticulture waste, and discarded linen and furnishings. Improved waste segregation, recycling, and resource recovery help reduce landfill dependency, mitigate environmental impacts on air, water, and soil, and lower waste management costs. These initiatives also support regulatory preparedness while maintaining the aesthetic environment of hotel premises, thereby strengthening brand value and the premium hospitality standards associated with The Leela.	The Leela advances circular economy practices through the 4R principles—Reduce, Reuse, Repurpose, and Recycle—, supported by structured waste segregation, authorised recycling partnerships, and Organic Waste Converters that transform kitchen and horticulture waste into compost for landscaping. All Palace properties are IGBC Net Zero Waste to Landfill certified, reinforcing responsible waste management and landfill diversion. As a signatory to the Global Tourism Plastics Initiative (GTPI), the Company is progressively reducing single-use plastics across guest experiences and operations. Key initiatives include Aujasya by The Leela, which replaces plastic water bottles with in-house purified water served in reusable glass bottles; Tishya amenities packaged in post-consumer recycled (PCR) bottles; wooden key cards replacing plastic alternatives; and biodegradable in-room and bathroom amenities. Floral waste is also upcycled through Phool's Flowercycling™ technology, transforming discarded flowers into value-added products while supporting community livelihoods. Together, these initiatives improve operational efficiency, reduce material and waste management costs, and strengthen long-term business resilience and brand value.	Positive

Business Responsibility and Sustainability Report (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Sustainable Infrastructure	Opportunity	Applying green building principles across both operating hotels and assets under development enables The Leela to improve energy and water efficiency, reduce long-term operating costs, and enhance resilience to climate-related risks. Sustainable building certifications also strengthen the credibility of the Company's environmental performance and increasingly influence booking preferences among environmentally conscious travellers, while appealing to investors seeking responsible and future-ready hospitality assets.	The Leela integrates sustainability considerations into the design, development, and operations of its hotels through resource-efficient infrastructure and green building standards. Palace properties have achieved IFC EDGE Advanced certification and IGBC Platinum green building certification, reflecting strong performance in energy, water, and material efficiency. Sustainable design practices across operating and upcoming properties include energy-efficient building systems, renewable energy integration, water-efficient technologies, and responsible material selection, supporting long-term operational efficiency and environmental performance.	Positive
5	Workplace Inclusion	Opportunity	An inclusive workplace enables The Leela to attract and retain diverse talent, foster innovation, and strengthen employee engagement in a people-centric hospitality industry. Diverse teams bring varied perspectives that enhance service quality and guest experiences, while inclusive policies and equitable growth opportunities support long-term organisational performance and responsible workplace practices	The Leela promotes an inclusive workplace culture guided by its Equal Opportunity Policy, ensuring fairness, dignity, and respect for all associates. The Company actively advances gender diversity, with increasing representation of women across roles and leadership positions. Initiatives such as "Shefs at The Leela" provide structured training and mentorship to support women pursuing culinary careers in a traditionally underrepresented domain. The Company also creates employment opportunities for persons with disabilities, supports working parents through initiatives such as the Working Mother Dinner programme, and encourages open dialogue through engagement platforms like LeelaListens and leadership forums. Together, these initiatives strengthen belonging, employee wellbeing, and service excellence across The Leela's hotels.	Positive

Business Responsibility and Sustainability Report (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
6	Human Capital Development	Opportunity	Investing in human capital development enables The Leela to cultivate a skilled and motivated workforce capable of delivering refined luxury hospitality experiences. Guided by the Leela Dharmas and the philosophy of "Atithi Devo Bhava" (the guest is divine), the Company places strong emphasis on nurturing service excellence, empathy, and cultural sensitivity among its associates. Continuous learning and leadership development programmes strengthen employee engagement, build strong internal leadership pipelines, and reinforce The Leela's leadership in delivering timeless luxury hospitality experiences.		Positive
		Risk	The hospitality sector is highly dependent on skilled and service-oriented talent. Inability to attract, develop, and retain qualified associates may affect service quality, operational efficiency, and guest satisfaction. Talent shortages in specialised roles such as chefs, butlers, and hospitality professionals may also increase recruitment costs and create operational disruptions across hotel properties.	The Leela mitigates human capital risks through a structured talent development and engagement framework designed to build service capability and strengthen internal leadership pipelines. Key initiatives include the Leela Leadership Development Programme (LLDP), Leela Executive Accelerated Development (LEAD) Programme, and Supervisory Development Programme (SDP), which develop managerial and frontline talent through structured training, mentoring, and cross-functional exposure. Associates are further supported through comprehensive onboarding programmes such as Aarambh, continuous service excellence training, and specialised capability-building initiatives across departments. Engagement platforms, transparent performance management, and internal mobility programmes such as Leela Pathways help strengthen retention, succession planning, and long-term workforce stability, ensuring a skilled and motivated workforce capable of consistently delivering refined luxury hospitality experiences.	Negative

Business Responsibility and Sustainability Report (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
7	Health, Safety and Wellness	Risk	Health, safety, and wellbeing risks may arise across The Leela's hotel operations, which involve continuous interaction between associates, guests, and operational environments such as kitchens, housekeeping, engineering, and recreational facilities. Workplace incidents, food safety lapses, or inadequate safety practices could affect employee wellbeing, guest safety, and service continuity. Failure to maintain high standards of workplace safety, hygiene, and wellness may also impact employee engagement and guest trust, potentially affecting the quality of luxury experiences delivered across The Leela's hotels.	The Leela safeguards the health, safety, and wellbeing of associates and guests through a comprehensive framework guided by a Zero Harm philosophy. Occupational health and safety management across properties aligns with ISO 45001 standards, supported by risk assessments, safety audits, and preventive measures such as Hazard Identification and Risk Assessment (HIRA), safety training, and emergency preparedness drills. Employee wellbeing is further supported through on-site health check-ups, fitness and mindfulness sessions, the "Wellness Wednesday" programme, and access to mental health support through the Amaha wellbeing platform, helping foster a safe, healthy, and resilient workforce across The Leela's hotels.	Negative
8	Community Welfare	Opportunity	Active engagement with local communities enables The Leela to create shared value by supporting livelihoods, preserving cultural heritage, and strengthening the social ecosystems that surround its destinations. Initiatives that promote livelihoods, heritage preservation, and environmental stewardship help build resilient communities while fostering long-term relationships with local stakeholders and partners.	The Leela undertakes community initiatives focused on education, livelihood creation, cultural preservation, and environmental stewardship in the regions where it operates. Key programmes include Bal Mitra Gram, which promotes child-friendly and inclusive village development; hospitality skill development initiatives for rural youth; Sea Turtle Conservation programmes supporting coastal biodiversity; and artisan livelihood initiatives such as Threads of Tradition, which promote traditional crafts and women artisan livelihoods. The Leela also collaborates with women-led rural enterprises, including initiatives such as Phool for floral waste upcycling, sourcing tea from Jalinga carbon neutral tea estate, and the procurement of jute laundry bags from Jodhpur Mahila Gram Udyog, where > 70% of the workforce comprises rural women. These collaborations promote circular economy practices, support sustainable agriculture, and create meaningful livelihood opportunities for women in rural communities.	Positive

Business Responsibility and Sustainability Report (Contd.)

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
9	Human Rights	Risk	Human rights risks may arise across The Leela's hotel operations and extended value chain, particularly in relation to labour practices, contractor and supplier conduct, and interactions with local communities. Given the hospitality sector's reliance on a diverse workforce and multiple service partners, any instances of unfair labour practices, discrimination, or non-compliance with labour standards could affect employee wellbeing, service quality, and operational continuity.	The Leela manages human rights risks through its Human Rights Policy and Equal Opportunity Policy, which uphold fair labour standards and responsible workplace practices across operations. Human rights expectations are extended across the value chain through the Supplier ESG Code of Conduct, supported by supplier engagement and awareness initiatives. Diversity and inclusion programmes, grievance redressal mechanisms, and governance oversight further strengthen accountability and support responsible business conduct across The Leela's operations.	Negative
10	Responsible Supply Chain	Risk	Luxury hospitality operations depend on a diverse supplier network for food and beverage, utilities such as LPG, guest amenities, and other operational supplies. External factors such as geopolitical conflicts, trade disruptions, or energy supply constraints can affect availability and pricing of key resources. In addition, The Leela prioritises sourcing from local producers, artisan communities, women-led enterprises, and MSMEs to support inclusive growth and authentic guest experiences. While this strengthens community engagement, such suppliers may face capacity or scalability constraints, which could affect supply continuity. Limited visibility of ESG risks across suppliers may also contribute to indirect environmental and climate-related impacts within the value chain.	The Leela is strengthening supply chain resilience through diversification of suppliers, identification of critical suppliers, and improved procurement planning for key operational inputs. The Company is also introducing structured supplier engagement and awareness programmes to align partners with quality, sustainability, and ethical sourcing expectations. In parallel, The Leela continues to build long-term partnerships with local producers, artisans, and MSMEs, while encouraging improved operational practices to enhance supply reliability, responsible sourcing, and climate-conscious procurement.	Negative

Business Responsibility and Sustainability Report (Contd.)

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9
Policy and Management Process										
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
	c. Web Link of the Policies, if available	The Leela codes and polices								
2.	**Whether the entity has translated the policy into procedures. (Yes/No)**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3.	**Do the enlisted policies extend to your value chain partners? (Yes/No)**	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4.	**Name of the national and international codes/ certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.**	The Leela Palaces, Hotels and Resorts follows recognised national and international standards to strengthen quality, environmental performance, and occupational health and safety across its operations. The Company is certified under ISO 9001 (Quality Management), ISO 14001 (Environmental Management), and ISO 45001 (Occupational Health and Safety). The sustainability commitments are further supported by certifications such as IFC EDGE Advanced and IGBC Net Zero Waste to Landfill – Platinum. The Company is also a member of the Alliance for Water Stewardship (AWS), a signatory to UNEP's Global Tourism Plastics Initiative (GTPI) and Beyond Green and complies with Food Safety and Standards Authority of India (FSSAI) requirements across its hotels.								

Business Responsibility and Sustainability Report (Contd.)

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	The Leela's ESG strategy is anchored in the philosophy of Mindful Luxury and structured around four pillars—Environmental Stewardship, Inclusive Culture, Heritage & Communities, and Responsible Sourcing. Together, these pillars guide our efforts to preserve natural resources, empower our people, celebrate cultural heritage, and build responsible value chains. Aligned with our long-term sustainability commitments, the Company has established the following 2030 Targets: **Environmental Stewardship** • Net Zero emissions by 2050 • Transition to 75% renewable electricity by 2030 • Recycle 50% of wastewater across operations • Achieve Zero Waste to Landfill across properties **Inclusive Culture** • Ensure Zero Harm workplaces for associates and guests • Train 100% of employees on ESG Topics in phased manner **Heritage & Communities** • Positively impact 100,000 community members through community initiatives **Responsible Sourcing & Governance** • 25% women representation on the Board • 100% Board-level committee chairs to be Independent Directors • Suppliers to adhere to the Anti-Bribery & Corruption (ABC) policy and Supplier Code of Conduct • 100% employees to comply with and be trained Anti-Bribery & Corruption (ABC) policy and Leela's Code of Conduct • More than 50% of raw materials to be sourced locally								

Business Responsibility and Sustainability Report (Contd.)

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6. Performance of the entity against specific commitments, goals and targets along-with reasons in case the same are not met.	• Reduced 22% of GHG emissions (Scope 1+ Scope 2) from base year FY 2023-24 • 67% renewable electricity sourced • 40% wastewater recycled • 100% palaces certified IGBC (Platinum) Net Zero Waste to Landfill • Ensured zero fatalities and zero harm at workplace • 30,000+ community members impacted through CSR • 25% women representation on the Board • 100% Board-level committee chairs are Independent Directors • 100% employees comply with and are trained under Anti-Bribery & Corruption (ABC) policy and Leela's Code of Conduct • 59% of raw materials are sourced locally by value								

Governance, Leadership and Oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.

At The Leela, our philosophy of Mindful Luxury reflects our belief that responsible hospitality must create enduring value for our guests, employees, communities, and the environment. Sustainability is therefore embedded within our strategy, guiding decisions across our Environmental, Social, and Governance (ESG) priorities as we continue to build a resilient and responsible hospitality enterprise.

During the year, we made steady progress on our sustainability journey. Renewable energy now accounts for 67% of our electricity consumption, and we have achieved a 22% reduction in Scope 1 and Scope 2 emissions from our FY 2023-24 baseline as we advance towards our Net Zero 2050 roadmap. Our decarbonisation efforts focus on renewable energy adoption, energy efficiency, electric mobility, and improved refrigerant management.

Our commitment to responsible growth is equally reflected in our focus on people and communities. Women today represent 24% of our workforce, with 25% representation on our Board, reinforcing our commitment to inclusive leadership. Through our community initiatives, we have reached over 43,301 community members, supporting livelihoods, education, and environmental stewardship. Our responsible sourcing initiatives also create meaningful social impact—for instance, the procurement of 1.90 lakhs handcrafted cotton bags from Jodhpur Mahila Gram Udyog, a women-led rural enterprise. In addition, through our partnership with Phool.co, we have upcycled 9 metric tonnes of floral waste, till date, supporting circular economy practices while generating livelihoods for women artisans.

Business Responsibility and Sustainability Report (Contd.)

Strong governance underpins our progress. Through clear policies, oversight mechanisms, and accountability frameworks, we ensure that ESG considerations remain integral to our strategic and operational decisions.

As we continue to grow, we remain guided by the belief that true luxury must also be responsible, creating lasting value for our stakeholders and the destinations we serve.

Mr. Anuraag Bhatnagar

Whole-time Director & Chief Executive Officer

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy(ies).

Mr. Anuraag Bhatnagar – Whole time Director and Chief Executive Officer

9. Does the entity have a specified Committee of the Board/Director responsible for decision making on sustainability related issues? (Yes/No). If yes, provide details

Our Executive Leadership Team (CEO and CFO) provides strategic oversight on sustainability related matters. The leadership team has empowered a dedicated, cross-functional ESG Core Committee, chaired by the AVP ESG, to translate this vision into action.

10. Details of Review of NGRBCs by the Company

Subject for Review	Indicate whether review was undertaken by Director/Committee of the Board/Any other Committee	Frequency (Annually/Half yearly/ Quarterly/Any other – please specify)
Performance against above policies and follow up action	Yes, on a regular basis	
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes, on a regular basis	

11. Has the entity carried out independent assessment/evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

Yes

Limited assurance of BRSR Core and selective Non-core indicators carried out by TÜV SÜD South Asia Pvt Ltd.

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Not Applicable

Business Responsibility and Sustainability Report (Contd.)

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 Businesses Should Conduct and Govern Themselves with Integrity, and in a Manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programs
Board of Directors	12	Strategy and business overview, Innovation, risk management, ESG and CSR initiatives, Compliance and Governance frameworks, Code of conduct, Insider trading regulations, POSH, Data protection and privacy	100%
Key Managerial Personnel	6	Code of Conduct, Insider Trading, POSH, Anti-Bribery and Corruption, Data Protection and Privacy	100%
Employees other than BoD and KMPs	17,337	Code of conduct, Anti-bribery and anti-corruption, Cybersecurity and Data privacy, POSH, Human rights, Occupational health and safety, Waste management, Water testing parameters, Positive work environment	88%
Workers	40,975		87%

Note 1 - The above information pertains to the Board of Directors (BoDs) and Key Managerial Personnel (KMPs) of our parent entity Leela Palaces Hotels & Resorts Limited only

Note 2 - Training details of employees and workers pertain to the parent entity and all subsidiaries listed under Sec A, Q13, excluding Schloss HMA Pvt. Ltd.

2. Details of fines/penalties/punishment/award/compounding fees/settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/Punishment Fine	Principle 1	Office of the Assistant Commissioner Central Goods and Services Tax Audit Circle, Udaipur	6,01,538	Pursuant to observations arising from the GST audit for the period FY 2018-19 to FY 2023-24, Schloss Udaipur Private Limited reversed / paid certain input tax credit along with applicable interest and penalty.	No

Business Responsibility and Sustainability Report (Contd.)

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/Punishment Fine	Principle 1	Directorate General of GST Intelligence, Gurugram	3,05,967	Pursuant to summons issued by the GST authorities, Schloss Chanakya Private Limited suo motu discharged GST liability, in relation to booking made through e-commerce operators located outside India, for the period FY 2019-20 to FY 2023-24.	No
Penalty/Punishment Fine	Principle 1	Superintendent of GST & Central Excise, Chennai.	40,000	Pursuant to a show cause notice issued for FY 2021-22, Schloss Chennai Private Limited discharged differential GST liability, along with applicable interest and penalty, in order to achieve closure of the matter.	No
Settlement	0	0	0	0	0
Compounding fee	0	0	0	0	0

Non – Monetary

Type	NGRBC Principle	Name of the regulatory/enforcement agencies/judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment	0	0	0	0	No
Punishment	0	0	0	0	No

3. Of the instances disclosed in Question 2 above, details of the Appeal/Revision preferred in cases where monetary or non-monetary action has been appealed.

Not Applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes, Leela Palaces Hotels & Resorts Limited has an Anti-Bribery and Anti-Corruption Policy aligned with applicable laws. The policy strictly prohibits bribery, corruption, and facilitation payments and applies to all employees. It reflects the Company's zero-tolerance approach and establishes controls to prevent and address such practices across its operations and business relationships.

Weblink - Anti-Bribery and Anti-Corruption Policy

Business Responsibility and Sustainability Report (Contd.)

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Category	FY 2025-26	FY 2024-25
Directors	0	0
KMPs	0	0
Employees	0	0
Workers	0	0

Note 1 - The above information pertains to the Board of Directors (BoDs) and Key Managerial Personnel (KMPs) of our parent entity Leela Palaces Hotels & Resorts Limited only

Note 2 - The above information pertains to workforce who are part of parent entity and all subsidiaries listed under Section A Q13

6. Details of complaints with regard to conflict of interest:

	FY 2025-26		FY 2024-25	
	Number	Remark	Number	Remark
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	Nil	0	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	Nil	0	Nil

Note - The above information pertains to the Board of Directors (BoDs) and Key Managerial Personnel (KMPs) of our parent entity Leela Palaces Hotels & Resorts Limited only

7. Provide details of any corrective action taken or underway on issues related to fines/penalties/action taken by regulators/law enforcement agencies/judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

8. Number of days of accounts payables ((Accounts payable *365)/Cost of goods/ services procured) in the following format:

Category	FY 2025-26	FY 2024-25
Number of days of accounts payables	51.58	50.83

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

Parameter	Metrics		FY 2025-26	FY 2024-25
Concentration of Purchases	a.	Purchases from trading houses as % of total purchases	NA	NA
	b.	Number of trading houses where purchases are made from	NA	NA
	c.	Purchases from top 10 trading houses as % of total purchases from trading houses	NA	NA
Concentration of Sales	a.	Sales to dealers/distributors as % of total sales	NA	NA
	b.	Number of dealers/distributors to whom sales are made	NA	NA
	c.	Sales to top 10 dealers/distributors as % of total sales to dealers/ distributors	NA	NA

Business Responsibility and Sustainability Report (Contd.)

Parameter	Metrics		FY 2025-26	FY 2024-25
Share of RPTs	a.	Purchases (Purchases with related parties/Total Purchases)	NA	NA
	b.	Sales (Sales to related parties/Total Sales)	0.04%	0.28%
	c.	Loans & advances (Loans & advances given to related parties/ Total loans & advances)	100%	NA
	d.	Investments (Investments in related parties/Total Investments made)	100%	100%

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the NGRBC Principles during the financial year:**

Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
Awareness programs conducted covering 70 Vendors across various cities	ESG BRSR Supplier Code	-

Note - As part of our commitment to responsible business practices, we plan to strengthen supplier engagement by systematically tracking the coverage of Value Chain Partners (VCPs) in awareness programmes to be conducted going forward, with an aim to enhance transparency, reinforce ethical standards, and drive alignment with our sustainability and governance objectives

2. **Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No). If yes, provide details of the same.**

Yes, Leela Palaces Hotels & Resorts Limited has a structured and well-defined process for disclosing interests and managing conflicts of interest involving members of the Board, in compliance with the Companies Act 2013, and SEBI Listing Regulations. This is achieved through the following measures:

- **Policy on Related Parties Transactions:** The Company has adopted a comprehensive Related Party Transactions Policy, which outlines clear procedures for identifying, reviewing, approving, and reporting transactions with related parties, including Directors, Key Managerial Personnel, and their relatives. The policy ensures transparency and accountability in decision-making by mandating strict adherence to ethical governance principles.
- **Code of Conduct of Board of Directors and Senior Managerial Personnel:** The Company's Code of Conduct includes specific provisions on conflicts of interest, reinforcing its commitment to ethical behaviour and ensuring that personal interests do not impair professional judgment or influence business decisions.

Business Responsibility and Sustainability Report (Contd.)

PRINCIPLE 2 Businesses Should Provide Goods and Services in a Manner That is Sustainable and Safe

Essential Indicators

1. Percentage of R&D and Capital Expenditure (CAPEX) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Type	FY 2025-26	FY 2024-25	Details of improvement in social and environmental aspects
Research & Development (R&D)	Nil	Nil	Not Applicable
Capital Expenditure (CAPEX)	5%	11%	Solar offsite plant, laundry electrification, HVAC, EV vehicles

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No) –

Yes

At The Leela, responsible sourcing is integral to our philosophy of luxury—one that celebrates cultural authenticity while strengthening ethical and sustainable practices across our value chain. The Company has established procedures for sustainable sourcing within its procurement and vendor management framework. Suppliers are evaluated through a structured assessment process that considers product quality, cost and delivery timelines, along with environmental practices, responsible resource management, labour standards, and health and safety compliance. Local sourcing remains central to The Leela's procurement philosophy. In FY 2025–26, 85% of our procurement spend was directed to Indian suppliers, while 46% reached MSMEs and small producers — embedding economic value within the communities and regions in which we operate.

b. If yes, what percentage of inputs were sourced sustainably?

Unit of reporting (i.e. by Quantity or by Value – please specify)	Total No. of Inputs sourced (in million INR)	No. of Inputs that were sourced sustainably (in million INR)	Percentage of inputs that were sourced sustainably
Value	127.56	28.43	22%

Business Responsibility and Sustainability Report (Contd.)

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

At Leela, we follow established waste management procedures based on the four-R principle—Reduce, Reuse, Repurpose and Recycle— to minimise waste generation and promote circular resource use. Waste is segregated at source across properties and managed through in-house treatment systems and authorised recycling partners in accordance with applicable environmental regulations.

Product	Process to safely reclaim the product
(a) Plastics (including packaging)	• As a signatory to the Global Tourism Plastics Initiative (GTPI), The Leela is committed to reducing problematic plastics and advancing circular plastic management. • Plastic waste is segregated at source and channelled to authorised recyclers. The Leela has progressively reduced single-use plastics by introducing FSC-certified wooden key cards, PCR-packaged Tishya bathroom amenities, biodegradable alternatives across kitchen and spa operations, and reusable jute shoe and laundry bags in place of plastic. • Through Aujasya by The Leela, the in-house water bottling initiative, approximately 33 metric tonnes of plastic bottles were avoided during FY 2025-26. • Additionally, about 3.5 metric tonnes of plastic used in in-room amenities, including ear buds, dental kits, shaving kits, combs and shower caps, have been replaced with biodegradable alternatives across palace properties.
(b) E-Waste	• E-waste such as IT equipment, batteries and electronic components is segregated, stored in designated areas and periodically handed over to authorised e-waste recyclers in compliance with applicable E-Waste Management Rules.
(c) Hazardous Waste	• Hazardous waste such as used oil, chemicals and cleaning agents is safely handled, stored in designated containment areas and disposed of through authorised hazardous waste handlers in accordance with applicable regulations.
(d) Other Wastes	• Organic waste from kitchens and landscaping is processed through Organic Waste Converters (OWCs) installed across palace properties, converting waste into compost. Recyclable materials such as paper, glass and metals are segregated and handed over to authorised recyclers. All palace properties are IGBC Net Zero Waste to Landfill certified, supporting high diversion of waste from landfill.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not Applicable

Business Responsibility and Sustainability Report (Contd.)

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

   As a hospitality service provider, The Leela does not manufacture products and therefore Life Cycle Assessments (LCA) are not currently applicable. However, sustainability considerations are increasingly integrated across the design, construction and operation of its hotel properties.

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective/Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link
Not Applicable					

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products/services, as identified in the Life Cycle Perspective/Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

   The disclosure is not applicable to the business

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

   The disclosure is not applicable to the business

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed:**

   The disclosure is not applicable to the business

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

   The disclosure is not applicable to the business

Business Responsibility and Sustainability Report (Contd.)

PRINCIPLE 3 Businesses Should Respect and Promote the Well-Being of All Employees, Including Those in Their Value Chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of Employees Covered By									
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Employees											
Male	792	792	100	792	100	792	100	792	100	792	100
Female	215	215	100	215	100	215	100	215	100	215	100
Total	**1,007**	**1,007**	**100**	**1,007**	**100**	**1,007**	**100**	**1,007**	**100**	**1,007**	**100**
Other Than Permanent Employees											
Male	0	0	0	0	0	0	0	0	0	0	0
Female	0	0	0	0	0	0	0	0	0	0	0
Total	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

Note - The above information pertains to workforce who are part of parent entity and all subsidiaries listed under Section A Q13

b. Details of measures for the well-being of workers:

Category	% Of Workers Covered By									
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Workers											
Male	1,305	1,305	100	1,305	100	1,305	100	1,305	100	1,305	100
Female	452	452	100	452	100	452	100	452	100	452	100
Total	**1,757**	**1,757**	**100**	**1,757**	**100**	**1,757**	**100**	**1,757**	**100**	**1,757**	**100**
Other Than Permanent Workers											
Male	23	23	100	23	100	23	100	23	100	23	100
Female	10	10	100	10	100	10	100	10	100	10	100
Total	**33**	**33**	**100**	**33**	**100**	**33**	**100**	**33**	**100**	**33**	**100**

Note - The above information pertains to workforce who are part of parent entity and all subsidiaries listed under Section A Q13

Business Responsibility and Sustainability Report (Contd.)

c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –**

	FY 2025-26	FY 2024-25
Cost incurred on well-being measures as a % of total revenue of the Company	3%	3%

2. **Details of retirement benefits, for Current FY and Previous Financial Year.**

Benefits	FY 2025-26			FY 2024-25		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/ N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/ N.A.)
PF	100	100	Y	100	-	Y
Gratuity	100	100	Y	100	-	Y
ESI	0	25	Y	29	-	Y

Note 1 - Pertains to the workforce of the parent entity and subsidiaries within the consolidated BRSR reporting boundary (Section A, Q13)

Note 2 - FY 2024-25 excludes subsidiaries with partial operational relevance: Leela Palaces and Resorts Limited, Buildminds Real Estate Private Limited, Inside India Resorts Private Limited and Anasvish Tiger Camp Private Limited

Note 3 - Workforce categorisation was revised in FY 2025-26; FY 2024-25 data reflects the classification applicable during that period

3. **Are the premises/offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.**

Yes. The Leela is committed to providing accessible workplaces in line with the requirements of the Rights of Persons with Disabilities Act, 2016. Across its properties, accessibility features such as step-free access, ramps with handrails, wider doorways, designated accessible rooms and restrooms, and clear wayfinding signage are provided wherever feasible. The Company also conducts periodic sensitisation and training programmes for employees to promote an inclusive and supportive work environment. In addition, The Leela collaborates with organisations such as Sai Swayam Society and Noida Deaf Society to support the recruitment and integration of persons with disabilities within its workforce.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes. At The Leela, we are committed to fostering a workplace that reflects our values of fairness, dignity and respect. The Company has established an Equal Opportunity Policy in line with the requirements of the Rights of Persons with Disabilities Act, 2016, promoting fair and non-discriminatory employment practices. The policy reinforces our commitment to equal opportunity in recruitment, training, career development and workplace participation for all employees, including persons with disabilities, while supporting an inclusive and enabling work environment across our operations. Weblink - Equal Opportunity Policy

Business Responsibility and Sustainability Report (Contd.)

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	92.85%	40.35%	100%	82.14%
Female	50%	100%	-	100%
Total	**90%**	**42.37%**	**100%**	**82.75%**

Note - The above information pertains to workforce who are part of parent entity and all subsidiaries listed under Section A Q13

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Category	Yes/No	Details of the mechanism in brief
Permanent Workers Other than Permanent Workers Permanent Employees Other than Permanent Employees	Yes	At The Leela, our ethical code serves as the foundation of a respectful and equitable workplace, guiding our commitment to integrity and fairness. We offer various channels for grievance redressal, including anonymous reporting options and an open-door policy that encourages employees and workers to engage directly with leadership. To reinforce this commitment, we regularly train our managers on ethical leadership, ensuring they adhere to both our internal code. Additionally, our Ethics Line provides a secure and anonymous platform for employees and workers to voice their concerns, while suggestion boxes are strategically placed throughout the workplace to promote open feedback and dialogue. Together, these initiatives foster a culture of transparency and accountability, empowering our employees and workers to contribute to a positive work environment.

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

The Company does not have a formal employee/worker union; however, we actively support and respect employees'/worker's rights to freedom of association and open dialogue, in accordance with applicable laws and ethical practices.

Category	FY 2025-26			FY 2024-25		
	Total employees/ workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/ workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Not applicable						

Business Responsibility and Sustainability Report (Contd.)

8. Details of training given to employees and workers:

Category	FY 2025-26					FY 2024-25				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	792	390	49	573	72	-	-	-	-	-
Female	215	110	51	124	58	-	-	-	-	-
Total	**1,007**	**500**	**50**	**697**	**69**	-	-	-	-	-
Workers										
Male	1,305	1,115	85	1,161	89	-	-	-	-	-
Female	452	400	89	406	90	-	-	-	-	-
Total	**1,757**	**1,515**	**86**	**1,567**	**89**	-	-	-	-	-

Note 1 - Pertains to the workforce of the parent entity and subsidiaries within the consolidated BRSR reporting boundary (Section A, Q13)

Note 2 - FY 2024–25 data has not been reported, as the company's tracking methodology during the period was not aligned with BRSR reporting requirements

9. Details of performance and career development reviews of employees and worker:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	792	614	78	1,968	1,455	73.33
Female	215	163	76	641	421	65.67
Total	**1,007**	**777**	**77**	**2,609**	**1,876**	**71.47**
Workers						
Male	1,305	786	60	-	-	-
Female	452	257	57	-	-	-
Total	**1,757**	**1,043**	**59**	**-**	**-**	**-**

Note 1 - The above information pertains to workforce who are part of parent entity and all subsidiaries listed under Section A Q13

Note 2 - Our performance cycle runs from January to December, thus employees and workers who joined before or on 30th September are only considered for the appraisal process

Note 3 - For FY 2024-25, the data reported is as per the categorisation of the workforce which was present at that time. The categorisation of workforce across permanent employees, other than permanent employees, permanent workers and other than permanent workers have undergone revision in FY 2025-26

Business Responsibility and Sustainability Report (Contd.)

10. Health and safety management system

Questions		Response
a.	Whether an occupational health and safety management system has been implemented by the entity? (Yes/No). If yes, the coverage such system?	Yes. The Leela has implemented an Occupational Health and Safety Management System (OHSMS) across its operations. The system covers all locations and the workforce, including employees, contractual workers and third-party personnel operating within the premises. It includes processes for hazard identification, risk assessment, legal compliance, emergency preparedness, incident reporting, training and continuous improvement to maintain a safe and healthy workplace.
b.	What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	**Occupational Health and Safety Risk Identification and Assessment** The Leela identifies work-related hazards and assesses risks through a structured safety management framework aligned with ISO 45001:2018 across its palace properties. The system integrates formal processes for hazard identification, risk evaluation and implementation of preventive controls to ensure a safe working environment for employees, contractual workers and third-party personnel. **Routine Hazard Identification and Risk Assessment** Routine risk assessments include Hazard Identification and Risk Assessment (HIRA), Job Safety Analysis (JSA), Permit-to-Work (PTW) systems, workplace inspections and periodic safety audits conducted across operational areas such as engineering, housekeeping, kitchens and back-of-house facilities. These assessments are undertaken by property-level teams in coordination with the corporate safety function to identify potential hazards and implement appropriate control measures. **Non-Routine Risk Assessment** Non-routine risk assessments are undertaken during operational changes, introduction of new activities, equipment installation, maintenance work, incidents or near-miss events. These include incident and near-miss reporting, Management of Change (MOC) processes, safety committee reviews and employee consultations, enabling timely corrective and preventive actions. **Training, Awareness and Continuous Improvement** Regular safety training programmes, awareness sessions and emergency preparedness drills are conducted to strengthen hazard awareness and reinforce safe work practices across operations. Findings from inspections, incident reviews and safety audits are used to continuously improve occupational health and safety performance across The Leela's properties.
c.	Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. (Yes/No)	Yes. The Leela has established processes that enable workers to report work-related hazards through defined reporting channels. Workers are empowered to stop work and withdraw from situations that pose an imminent risk to their health or safety without fear of retaliation. These processes are reinforced through safety training, toolbox talks and ongoing awareness programmes that promote a strong safety-first culture across operations.
d.	Do the employees/worker of the entity have access to non-occupational medical and healthcare services? (Yes/No)	Yes. Employees and workers across The Leela's properties have access to medical and healthcare services for non-work-related needs, either through on-site medical facilities or partnerships with nearby healthcare providers. In addition, employees are covered under company-provided health insurance schemes and receive training in basic medical emergency response to ensure timely assistance during health-related incidents.

Business Responsibility and Sustainability Report (Contd.)

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2025-26	FY 2024-25
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	30	29
Number of fatalities	Employees	0	0
	Workers	0	0
High consequences for work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

Note 1 - For FY 2025-26- The above information pertains to workforce who are part of parent entity and subsidiaries having complete operational relevance as listed under Section A Q13 excluding Schloss HMA Pvt. Ltd.

Note 2 - For FY 2024-25- The above information pertains to workforce who are part of parent entity and subsidiaries having complete operational relevance as listed under Section A Q13 excluding Schloss HMA Pvt. Ltd.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

At The Leela, workplace safety and wellbeing are supported through an integrated Occupational Health and Safety Management System (OHSMS) aligned with applicable regulations and industry best practices. Safety considerations are incorporated during the design and renovation of properties, supported by regular risk assessments across operations, construction and other high-risk activities. The system includes proactive hazard identification, incident reporting, workplace inspections and periodic safety audits to enable timely corrective actions. Physical security is strengthened through surveillance systems, access controls and established emergency response protocols supported by regular drills. In addition, mandatory safety training, employee awareness programmes and wellness initiatives help foster a strong safety culture and promote a safe and healthy workplace across The Leela's properties.

13. Number of Complaints on the following made by employees and workers:

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

Note - The above information pertains to workforce who are part of parent entity and all subsidiaries listed under Section A Q13

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	

Note - The above information pertains to parent entity and subsidiaries having complete operational relevance as listed under Section A Q13

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/concerns arising from assessments of health & safety practices and working conditions.

Not Applicable

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Employees (Y/N): Yes; Employees are covered under life insurance and accident insurance policy

Workers (Y/N): Yes; Workers are covered under life insurance and accident insurance policy

Business Responsibility and Sustainability Report (Contd.)

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The Company has established processes to promote compliance with statutory obligations by its value chain partners. These include incorporating appropriate compliance clauses in vendor agreements and undertaking checks at the time of vendor onboarding and payments. Further, the Company withholds applicable statutory dues (such as GST, where relevant) and releases payments upon verification of supporting evidence on the portal. In addition, periodic verification of statutory filings, including PF and ESIC challans, is carried out for applicable vendors to ensure compliance.

The Company follows a structured approach for monitoring such compliances. Non-compliances, if any, are flagged and actively followed up, and payments may be withheld until satisfactory resolution. The Company may also exercise appropriate contractual remedies, including recovery, in accordance with agreed terms, where necessary. This ensures that statutory obligations are duly discharged by value chain partners in a timely manner.

3. Provide the number of employees/workers having suffered high consequence work related injury/ill-health/fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2025-26	FY 2024-25	FY 2025-26	FY 2024-25
Employees	0	0	0	0
Workers	0	0	0	0

Note 1 - For FY 2025-26- The above information pertains to workforce who are part of parent entity and subsidiaries having complete operational relevance as listed under Section A Q13 excluding Schloss HMA Pvt. Ltd.

Note 2 - For FY 2024-25- The above information pertains to workforce who are part of parent entity and subsidiaries having complete operational relevance as listed under Section A Q13 excluding Schloss HMA Pvt. Ltd.

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/No)

Yes

In certain cases, retired or separated employees with specialised expertise or strategic experience may be re-engaged across all levels as consultants or advisors, enabling continuity of knowledge while supporting dignified and purposeful career transitions.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	We intend to progressively strengthen our assessment framework to include a more structured and periodic evaluation of working conditions across the value chain, in line with evolving best practices and our commitment to responsible and ethical business conduct.

Business Responsibility and Sustainability Report (Contd.)

6. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable

PRINCIPLE 4 Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

The Leela identifies its key stakeholder groups through a structured stakeholder mapping process that considers the nature of engagement, degree of influence on business operations, and the potential impact of the Company's activities on each group. Stakeholders are identified based on their relationship with the organisation across its value chain, including employees, guests, investors, suppliers, local communities, regulators and industry partners. Inputs from internal leadership teams, operational interactions and sustainability assessments are used to periodically review and prioritise stakeholder groups to ensure effective engagement and responsible business practices.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/Quarterly/ others please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Guests/Customers	No	Guest feedback platforms, digital channels, guest surveys, social media, marketing communications	Continuous	Guest experience, service quality, feedback on hospitality services, wellness and sustainability initiatives
Employees and Associates	No	Induction programmes, emails, townhalls, notice boards, training programmes, HR interactions and internal communication platforms	Continuous	Career development, training, workplace wellbeing, diversity and inclusion, health and safety, and work practices
Investors and Shareholders	No	Annual report, investor presentations, stock exchange filings, press releases, investor meetings/ calls, website updates and Annual General Meetings	Quarterly, annually and event-based	Financial performance, business strategy, governance practices, ESG performance and investor queries
Government/ Regulatory Authorities	No	Official correspondence, regulatory filings and scheduled meetings	Need basis	Regulatory compliance, statutory reporting and policy matters
Local Communities	Yes	CSR initiatives, Local artisans' engagement programmes at hotels, Employee volunteering	Periodic/Need basis	Community development, livelihood generation, environmental conservation, heritage preservation and social impact initiatives

Business Responsibility and Sustainability Report (Contd.)

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/Quarterly/ others please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Suppliers/Value Chain Partners	No	Emails, vendor meetings, supplier interactions, contractual engagements	Ongoing/Need basis	Procurement practices, quality standards, supply continuity, sustainability expectations and compliance with vendor requirements
Banking and Financial Partners	No	Meetings, emails and financial disclosures	Ongoing/Need basis	Facilitate the funding requirements for business and financial transactions

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   At The Leela, stakeholder consultations are undertaken through multiple engagement channels including employee interactions, guest feedback mechanisms, investor communications, supplier engagements and community initiatives. Feedback and key issues arising from these engagements are reviewed by the relevant management teams. Shareholder queries and feedback received during the Annual General Meeting (AGM), including Q&A interactions, also form an important part of this consultation process. Insights from these engagements, including outcomes of the materiality assessment, are periodically presented to the Board and its Committees for their review and guidance, enabling strategic oversight on economic, environmental and social matters

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes. At The Leela, stakeholder consultations inform the identification and management of key environmental and social topics. Feedback from employees, guests, investors, suppliers and local communities is reviewed by management and incorporated into policies and operational practices. Guest insights gathered through Net Promoter Score (NPS) surveys and Leading Quality Assurance (LQA) assessments help strengthen service quality, guest wellbeing and responsible hospitality practices. Inputs from the materiality assessment further guide priorities such as responsible sourcing, resource efficiency, waste management, community engagement and employee wellbeing, and are periodically reviewed by senior management and the Board.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/marginalised stakeholder groups.**

   The Leela engages with vulnerable and marginalised stakeholder groups primarily through its CSR initiatives and responsible sourcing practices. Through programmes focused on community development and livelihood generation, The Leela partners with local communities, artisans and women-led groups to create sustainable income opportunities. For instance, collaborations with organisations such as Jodhpur Mahila Griha Udyog support women artisans through procurement of handcrafted products used across hotel operations. Additionally, CSR initiatives such as Threads of Tradition provide training to migrant artisans to upskill traditional crafts and recycle textile waste into contemporary commercial products, while programmes such as Bal Mitra Gram focus on child protection and community development in vulnerable rural communities.

Business Responsibility and Sustainability Report (Contd.)

PRINCIPLE 5 Businesses Should Respect and Promote Human Rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy (ies) of the entity, in the following format:

Category	FY 2025-26			FY 2024-25		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. employees/ workers covered (D)	% (D/C)
Employees						
Permanent	1,007	1,007	100	2,609	2,609	100
Other than Permanent	-	-	-	47	47	100
Total Employees	**1,007**	**1,007**	**100**	**2,656**	**2,656**	**1,005**
Workers						
Permanent	1,757	1,757	100	-	-	-
Other than Permanent	33	33	100	743	743	100
Total Workers	**1,790**	**1,790**	**100**	**743**	**743**	**100**

Note 1 - Pertains to the workforce of the parent entity and subsidiaries within the consolidated BRSR reporting boundary (Section A, Q13)

Note 2 - For FY 2024-25 the data reported is as per the categorisation of the workforce which was present at that time. The categorisation of workforce across permanent employees, other than permanent employees, permanent workers and other than permanent workers have undergone revision in FY 2025-26

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	1,007	-	-	1,007	100	2,609	-	-	2609	100
Male	772	-	-	772	100	1,968	-	-	1,968	100
Female	215	-	--	215	100	641	-	-	641	100
Other than Permanent	0	-	-	0	100	47	-	-	47	100
Male	0	-	-	0	100	36	-	-	36	100
Female	0	-	-	0	100	11	-	-	11	100

Business Responsibility and Sustainability Report (Contd.)

Category	FY 2025-26					FY 2024-25				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Workers										
Permanent	1,757	-	-	1,757	100	-	-	-	-	-
Male	1,305	-	-	1,305	100	-	-	-	-	-
Female	452	-	-	452	100	-	-	-	-	-
Other than Permanent	33	-	-	33	100	743	-	-	743	100
Male	20	-	-	20	100	670	-	-	670	100
Female	10	-	-	10	100	73	-	-	73	100

Note 1 - The above information pertains to workforce who are part of parent entity and all subsidiaries listed under Section A Q13

Note 2 - For FY 2024-25 the data reported is as per the categorisation of the workforce which was present at that time. The categorisation of workforce across permanent employees, other than permanent employees, permanent workers and other than permanent workers have undergone revision in FY 2025-26

3. Details of remuneration/salary/wages

a. Median remuneration/wages:

	Male		Female	
	Number	Median remuneration/salary/wages of respective category (in INR)	Number	Median remuneration/salary/wages of respective category (in INR)
Board of Directors (BoD)	2	20,30,000	1	20,80,000
Key Managerial Personnel	2	4,48,02,888	1	55,00,008
Employees other than BoD and KMP	790	8,32,770	214	9,13,008
Workers	1,305	3,23,100	452	2,81,280

Note 1 - BoDs and KMPs data relates to the parent entity (Standalone)

Note 2 - Employees and workers data relates to the consolidated BRSR reporting boundary (Parent entity and subsidiaries listed under Section A, Q13)

b. Gross wages paid to females as % to total wages paid by the entity, in the following format:

	FY 2025-26	FY 2024-25
Gross wages paid to females as % of total wages	21	20

4. Do you have a focal point (Individual/Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes. At The Leela, respect for human rights is guided by The Leela Dharmas, which promote integrity, fairness and respect across interactions with associates, guests, communities and partners. Human rights–related concerns are addressed through the Human Resources function and the Internal Complaints Committee (ICC) under the POSH framework, supported by formal grievance redressal processes and a Whistleblower/Vigil Mechanism for confidential reporting. Expectations on ethical conduct and responsible business practices are also extended to value chain partners, reinforcing respect for human rights across operations.

Business Responsibility and Sustainability Report (Contd.)

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Leela has established internal mechanisms to address and redress grievances related to human rights concerns in a fair, confidential and timely manner. The Company's Human Rights Policy provides guidance on upholding fundamental human rights principles in engagements with employees, supply chain partners, guests, investors, business partners and government authorities. Employees and other stakeholders may report concerns through multiple channels including department heads, the Human Resources function and senior management. For sensitive matters or where anonymity is preferred, grievances may also be reported through The Leela's Ethics Point platform (theleela.ethicspoint.com) or via a toll-free hotline (000-800-0502-099) operated by an independent third party and available 24/7.

6. Number of Complaints on the following made by employees and workers:

	FY 2025-26			FY 2024-25		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	Nil	0	0	Nil
Discrimination at workplace	0	0	Nil	0	0	Nil
Child Labour	0	0	Nil	0	0	Nil
Forced Labour/ Involuntary Labour	0	0	Nil	0	0	Nil
Wages	0	0	Nil	0	0	Nil
Other human rights related issues	0	0	Nil	0	0	Nil

Note - Employees and workers data relates to the consolidated BRSR reporting boundary (Parent entity and subsidiaries listed under Section A, Q13)

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

Category	FY 2025-26	FY 2024-25
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	0	0
Complaints on POSH as a % of female employees/ workers	0	0
Complaints on POSH upheld	0	0

Note 1 - Employees and workers data relates to the Parent entity

Note 2 - For FY 2024-25, the reported information does not include workforce of subsidiaries subject to partial operational relevance (The Leela Palaces and Resorts Limited, Buildminds Real Estate Private Limited, Inside India Resorts Private Limited, Anasvish Tiger Camp Private Limited)

Note 3 - For FY 2024-25, the data reported is as per the categorization of the workforce which was present at that time. The categorization of workforce across permanent employees, other than permanent employees, permanent workers and other than permanent workers have undergone revision in FY 2025-26

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

The Leela upholds a zero-tolerance approach towards discrimination, harassment, victimisation or retaliation against individuals who report concerns. The Company ensures that all complaints are handled with strict confidentiality and sensitivity, providing a safe environment for employees and stakeholders to raise issues without fear of adverse consequences. Established grievance redressal mechanisms, including confidential reporting channels and an anonymous whistleblower hotline, enable concerns to be reported securely. In addition, regular training and awareness programmes reinforce respectful workplace behaviour and promote accountability across the organisation.

Business Responsibility and Sustainability Report (Contd.)

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes. Human rights considerations form part of The Leela's responsible sourcing framework. During FY 2025-26, the Company developed a Supplier ESG Code of Conduct, which outlines expectations for suppliers on compliance with applicable labour laws, human rights standards, environmental protection, food safety and ethical business practices. The Code will be progressively rolled out across the supply chain in FY 2026-27. Suppliers are also expected to adhere to the Company's Anti-Bribery and Anti-Corruption (ABAC) principles, reinforcing ethical and responsible business conduct. In addition, concerns related to unethical or unlawful practices across the value chain may be reported through the Company's Whistleblower/ Ethics Point mechanism, enabling confidential reporting and appropriate redressal.

10. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child Labour	Nil.
Forced/Involuntary Labour	The Leela is committed to upholding human rights across its operations. The Company conducts mandatory human rights training and maintains multiple grievance channels, including the EthicsPoint platform, an independent third-party toll-free hotline, and direct reporting to HR, senior management, or designated authorities. All concerns are addressed in accordance with The Leela's Human Rights Policy. The Company is also working towards strengthening its due diligence processes, including introducing formal periodic human rights assessments in the future.
Sexual Harassment	
Discrimination At Workplace	
Wages	

11. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 10 above.

The Leela has established mechanisms to address and remediate concerns arising from human rights–related risks identified through internal assessments. Employees and stakeholders may report grievances through the Company's EthicsPoint platform or toll-free hotline, enabling concerns to be raised confidentially. Upon receipt of a complaint, the Vigilance Officer initiates an investigation in coordination with the Vigilance Committee while maintaining strict confidentiality. Investigations are typically completed within 90 days of receipt of the complaint. Where instances of improper or unethical conduct are identified, appropriate disciplinary or corrective actions are recommended by the Chairperson of the Audit Committee and implemented in accordance with the Company's policies, reinforcing accountability and ethical business practices. In addition, periodic awareness sessions and training programmes are conducted to strengthen understanding of human rights principles and prevent recurrence of such risks.

Leadership Indicators

1. Details of a business process being modified/introduced as a result of addressing human rights grievances/complaints.

Not applicable, as no human rights grievances or complaints were reported during the reporting period that required modification or introduction of business processes.

2. Details of the scope and coverage of any Human rights conducted due diligence.

The Leela recognises the protection and promotion of human rights as integral to responsible and sustainable business practices. The Company has adopted an internal Human Rights Policy aligned with recognised human rights principles and applicable to employees and relevant stakeholders across its operations. While a formal human rights due diligence assessment has not yet been undertaken, the Company is strengthening its governance frameworks to progressively integrate human rights considerations into its business operations. Robust grievance redressal mechanisms, including the EthicsPoint platform and an independent third-party toll-free hotline, enable employees and stakeholders to report concerns confidentially.

Business Responsibility and Sustainability Report (Contd.)

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes

The Company is committed to creating inclusive and accessible environments across its properties in line with the provisions of the Rights of Persons with Disabilities Act, 2016. Accessibility features include ramps and handrails, step-free access wherever feasible, wider doorways, designated accessible rooms and restrooms, wheelchair assistance, and clear wayfinding signage. Accessibility considerations are integrated into new developments and upgrades to existing infrastructure, and employees are periodically trained to support guests and visitors with diverse needs.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Nil
Discrimination at workplace	Formal assessments of value chain partners against the above human rights parameters have not yet been undertaken. However, The Leela encourages its suppliers to adhere to the Supplier ESG Code of Conduct, which outlines expectations on ethical conduct, labour practices, and human rights across the value chain, aligned with internationally recognised frameworks including ILO conventions and SA8000 standards.
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Others- please specify	

5. Provide details of any corrective actions taken or underway to address significant risks/concerns arising from the assessments at Question 4 above.

Not applicable as no such assessments have taken place in the reporting period.

PRINCIPLE 6 Businesses Should Respect and Make Efforts to Protect and Restore the Environment.

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameters	FY 2025-26	FY 2024-25
From renewable source (GJ)		
Total electricity consumption (A)	1,06,871.77	85,204.73
Total fuel consumption (B)	0	0
Energy consumption through other sources (C)	0	0
Total energy consumed from renewable sources (A+B+C) (GJ)	**1,06,871.77**	**85,204.73**
From non - renewable source (GJ)		
Total electricity consumption (D)	51,574.59	69,011.00
Total fuel consumption (E)	74,493.92	77,170.54
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F) (GJ)	1,26,068.51	1,46,181.54
Total energy consumed (A+B+C+D+E+F) (GJ)	**2,32,940.28**	**2,31,386.27**
Energy intensity per rupee of turnover (Total energy consumed/Revenue from operations) (GJ/INR Million)	15.25	17.79
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (Total energy consumption/Revenue from operations adjusted for PPP) (GJ/USD million)	310.20	367.56
Energy intensity in terms of physical output (GJ/room nights sold)	0.77	0.76

Note 1 - The above information pertains to parent entity and subsidiaries having complete operational relevance as listed under Section A Q13

Note 2 - For intensity calculation, the adjusted PPP conversion factor of ₹ 20.34/USD (as per latest IMF rates) has been applied (for FY 2024-25, ₹ 20.66/USD)

Source: https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND

Business Responsibility and Sustainability Report (Contd.)

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the independent assurance has been carried out by TÜV SÜD South Asia Pvt Ltd.

2. Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N). If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

The Company's assets have been identified as a designated consumer (DC) under PAT cycle 7 onwards of the Perform, Achieve and Trade (PAT) Scheme of the Government of India

Name of Hotel	Does the entity have any sites/facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India?	If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.
PAT Cycle IV		
The Leela Palace Bengaluru	Yes	Target SEC: 16.74 TOE/1000 m^2 Achieved SEC: 13.99 TOE/1000 m^2
The Leela Palace New Delhi	Yes	Target SEC: 20.76 TOE/1000 m^2 Achieved SEC: 15.36 TOE/1000 m^2
PAT Cycle V		
The Leela Palace Udaipur	Yes	Target SEC: 35.51 TOE/1000 m^2 Achieved SEC: 31.18 TOE/1000 m^2
PAT Cycle VI		
The Leela Palace Chennai	Yes	Target SEC: 23.48 TOE/1000 m^2 Achieved SEC: 20.01 TOE/1000 m^2

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in KL)		
(i) Surface water – Rainwater harvested	0	0
(ii) Groundwater	1,41,421.60	1,35,260.00
(iii) Third party water	4,41,833.49	3,39,859.00
(iv) Seawater/desalinated water	0	0
(v) Others (purchased bottled water)	5,190.24	0
Total volume of water withdrawal (in KL) (i + ii + iii + iv + v)	5,88,445.33	4,75,119.00
Total volume of water consumption (in KL)	5,32,036.49	4,28,476.73
Water intensity per rupee of turnover (Total Water consumed / Revenue from operations) (KL/INR million)	34.84	32.94
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption/ Revenue from operations adjusted for PPP) (KL/USD million)	708.55	680.63
Water intensity in terms of physical output – (KL/room night sold)	1.75	1.42

Note 1 - The above information pertains to parent entity and subsidiaries having complete operational relevance as listed under Section A Q13

Note 2 - For FY 2024-25 – The above information pertains to parent entity and subsidiaries having complete operational relevance as listed under Section A Q13 excluding Schloss HMA Pvt Ltd

Note 3 - For intensity calculation, the adjusted PPP conversion factor of ₹ 20.34/USD (as per latest IMF rates) has been applied (for FY 2024-25, ₹ 20.66/USD)

Source: https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the independent assurance has been carried out by TÜV SÜD South Asia Pvt Ltd.

Business Responsibility and Sustainability Report (Contd.)

4. Provide the following details related to water discharged:

Parameter		FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in KL)			
i.	To Surface Water	0	0
	- No Treatment	-	-
	- With treatment – please specify level of Treatment	-	-
ii.	To Groundwater	0	0
	- No Treatment	-	-
	- With treatment – please specify level of Treatment	-	-
iii.	To Seawater	0	0
	- No Treatment	-	-
	- With treatment – please specify level of Treatment	-	-
iv.	Sent to third parties	56,409	0
	- No Treatment	-	-
	- With treatment – please specify level of Treatment	Primary	-
v.	Other	0	0
	- No Treatment	-	-
	- With treatment – please specify level of Treatment	-	-

Note 1 - The above information pertains to parent entity and subsidiaries having complete operational relevance as listed under Section A Q13

Note 2 - Water discharge for FY 2025-26 pertaining to Schloss HMA Pvt Ltd. is estimated at 80% of total water withdrawal, following the CPCB database report (August 2013) and is reported as water sent to third parties (as the water is discharged to common drain of the building management for further treatment)

Note 3 - For FY 2024-25 – The monitoring mechanism was initiated in current reporting year, therefore no data for FY 2024-25

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the independent assurance has been carried out by TÜV SÜD South Asia Pvt Ltd.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The Leela has implemented wastewater treatment systems across its Palace properties through Sewage Treatment Plants (STPs), enabling the treatment and reuse of wastewater generated from hotel operations. Recycled water is utilised for non-potable applications such as landscaping and cooling towers, supporting the Company's long-term commitment to responsible water management and progress towards Zero Liquid Discharge (ZLD). As part of this progression, AWS baseline assessments have been initiated at Delhi and Chennai properties to further enhance sustainable water management across operations.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Specify UoM	FY 2025-26	FY 2024-25
NOx	MT	1.67	-
SOx	MT	1.02	-
Particulate Matter (PM)	MT	2.73	-

Note - For FY 2025-26 – The monitoring of this parameter has been initiated from current reporting year. The above information pertains to parent entity and subsidiaries having complete operational relevance as listed under Section A Q13 excluding Schloss HMA Pvt Ltd

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the independent assurance/assessment have been carried out by TÜV SÜD South Asia Pvt Ltd.

Business Responsibility and Sustainability Report (Contd.)

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2025-26	FY 2024-25
Total Scope 1 emissions	tCO_2e	9,418.00	11,241.28
Total Scope 2 emissions	tCO_2e	10,171.06	13,931.50
Total Scope 1 and Scope 2 emissions	tCO_2e	19,589.06	25,172.78
Total Scope 1 and Scope 2 emissions intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions/ Revenue from operations)	tCO_2e/ INR million	1.28	1.94
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions/Revenue from operations adjusted for PPP)	tCO_2e/ USD million	26.09	39.99
Total Scope 1 and Scope 2 emission intensity in terms of physical output	tCO_2e/ room nights sold	0.06	0.08

Note 1 - The above information pertains to parent entity and subsidiaries having complete operational relevance as listed under Section A Q13

Note 2 - GHG emissions are calculated as per the GHG Protocol Corporate Standard and Scope 2 Guidance (2015). Scope 2 is reported using the market-based method, wherein the offsite renewable energy sourced has been adjusted against the total electricity consumption, and the emissions of balance grid electricity consumption has been calculated using the Central Electricity Authority grid factor (Version 21.0, Nov, 2025). Scope 1 fuel factors follow the UK Defra 2026 emission factor database; GWP values align with IPCC AR6. All emissions are reported in tCO_2e

Note 3 - For intensity calculation, the adjusted PPP conversion factor of ₹ 20.34/USD (as per latest IMF rates) has been applied (for FY25, ₹ 20.66/USD)

Source: https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND

Note 4 - Biogenic emission amounting to 820.53 tCO_2e in FY 2025-26, and 2,038.51 tCO_2e in the FY 2024-25, are excluded from total Scope 1 emissions mentioned above as per GHG Protocol Guidance

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the independent assurance has been carried out by TÜV SÜD South Asia Pvt Ltd.

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

Advancing the transition toward low-carbon operations remains a key priority for The Leela as we strengthen the resilience and future readiness of our hospitality portfolio. Guided by our decarbonisation roadmap, we have set a long-term ambition of achieving Net Zero emissions by 2050. Our climate strategy focuses on reducing operational emissions through the following initiatives:

- **Renewable energy adoption:** We continue to expand our onsite and off-site renewable energy through solar and wind installations and green power procurement, supported by sustained capital investments and partnerships with credible suppliers. In FY 2025–26, 67% of total electricity consumption across all palaces was sourced from renewable energy.
- **Electrification of energy-intensive processes:** We are progressing the phased electrification of laundry and kitchen operations across our properties. By the end of this reporting period, laundry electrification had been successfully completed at our Chennai, Udaipur and Bangalore palaces, while kitchen electrification was completed at our Jaipur property.
- **Improvements in energy efficiency:** Key upgrades include the installation of Variable Frequency Drives (VFDs) and Electronically Commutated (EC) fans for Air Handling Units (AHUs), deployment of high-efficiency chillers, and replacement of cooling towers to reduce energy intensity.
- **Responsible refrigerant management:** We undertook cold-storage refrigerant replacement and enhanced our refrigeration systems by transitioning to low-GWP refrigerants to further reduce climate impact.

Business Responsibility and Sustainability Report (Contd.)

- **Expansion of electric vehicles:** We increased the number of electric vehicles in our fleet to support cleaner transportation and advance our broader sustainability goals.

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2025-26	FY 2024-25
Total Waste generated (in metric tonnes)		
Plastic waste **(A)**	280.39	219.76
E-waste **(B)**	11.47	14.74
Bio-medical waste **(C)**	0	0
Construction and demolition waste **(D)**	391.16	391.24
Battery waste **(E)**	0.72	0.86
Radioactive waste **(F)**	0	0
Other Hazardous waste (DG used oil, ETP sludge) **(G)**	1.63	6.98
Other Non-hazardous waste generated (dry waste and wet waste) **(H)**	1,966.56	2,629.77
Total (A+B + C + D + E + F + G + H)	**2,651.93**	**3,263.35**
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations) (MT/INR million)	0.17	0.25
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP) (MT/USD million)	3.53	5.18
Waste intensity in terms of physical output (MT/room night sold)	0.009	0.011
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	1,588.53	2,872.14
(ii) Re-used	641.13	0
(iii) Other recovery operations	0	0
Total	**2,229.65**	**2,872.14**
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0	0
(ii) Landfilling	391.96	391.24
(iii) Other disposal operations	0	0
Total	**391.96**	**391.24**

Note 1 - For FY 2025-26 - The above information pertains to parent entity and subsidiaries having complete operational relevance as listed under Section A Q13

Note 2 - For FY 2025-26 – Waste disposed/recycled/reuse tracked at Schloss HMA Ltd for Q4 only

Note 3 - For FY 2024-25 - The above information pertains to parent entity and subsidiaries having complete operational relevance as listed under Section A Q13 excluding Schloss HMA Pvt Ltd

For intensity calculation, the adjusted PPP conversion factor of ₹ 20.34/USD (as per latest IMF rates) has been applied (for FY25, ₹ 20.66/USD)

Source: https://www.imf.org/external/datamapper/PPPEX@WEO/OEMDC/IND

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, the independent assurance/assessment have been carried out by TÜV SÜD.

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

At The Leela, waste management is deeply anchored in the principles of circular economy—where resources are used thoughtfully, waste is minimised at source, and materials are continually reintegrated into productive use. Guided by the '4R framework—Reduce, Reuse, Repurpose, and Recycle', our approach integrates environmental responsibility with operational excellence across all palace properties.

Business Responsibility and Sustainability Report (Contd.)

Our hotels manage diverse waste streams, including organic waste, recyclables, hazardous waste, e-waste, and construction waste, through robust segregation systems and clearly defined handling protocols. Organic waste generated from kitchens and landscaped areas is processed through Organic Waste Converters (OWCs) installed across palace properties, transforming food scraps and garden waste into nutrient-rich compost that supports in-house landscaping. To ensure responsible material recovery, The Leela partners exclusively with authorised recyclers for plastics, metals, glass, paper, and electronic waste. As a result of these structured initiatives, all palace properties have achieved IGBC Net Zero Waste to Landfill certification, underscoring our commitment to circular operations and responsible resource stewardship.

Hazardous waste is managed in compliance with the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016. Used oil, grease-trap residue and chemical waste are routed to authorised recyclers and Treatment, Storage and Disposal Facilities (TSDFs) through manifest-based tracking systems, while e-waste is channelled exclusively through Central Pollution Control Board (CPCB)-registered recyclers. Housekeeping and stewarding operations are progressively transitioning to green-certified cleaning chemicals, reducing reliance on hazardous formulations. Refrigerant management follows a phased transition towards low-GWP alternatives, aligned with India's commitments under the Montreal Protocol and Kigali Amendment.

As a signatory to the Global Tourism Plastics Initiative (GTPI), The Leela is actively advancing the elimination of single-use plastics across guest experiences and hotel operations.

Reduce: Under Aujasya by The Leela, in-house water bottling plants have eliminated single-use plastic bottles. To date, 10.23 metric tonnes of plastic in in-room amenities — earbuds, dental and shaving kits, combs, shower caps — has been replaced with biodegradable alternatives.

Reuse: In partnership with Phool, till date over 9 metric tonnes of floral waste is processed through patented Flowercycling™ technology into charcoal-free incense, diverting organic waste while supporting social entrepreneurship.

Repurpose: The Leela Palace Bengaluru has upcycled over 37,500 pieces of retired linen into functional and aesthetic applications, complemented by furnishings made from repurposed materials.

Recycle: The Zero-Waste Menu turns vegetable peels, fruit rinds, grain husks, bones, and herb stems into garnishes, cocktail infusions, artisanal breads, broths, and house-made oils and vinegars.

Through this comprehensive, integrated waste management approach, The Leela continues to minimise environmental impact, enhance resource efficiency, and advance circular economy practices, reinforcing its leadership in sustainable luxury hospitality.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/clearances are required, please specify details in the following format:

Not applicable, as the Company does not have operations around ecologically sensitive areas.

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Not applicable, as no Environmental Impact Assessment was undertaken during the reporting period.

13. Is the entity compliant with the applicable environmental law/regulations/ guidelines in India, such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes. The Company is compliant with the applicable environmental law/regulations/ guidelines in India.

Business Responsibility and Sustainability Report (Contd.)

Leadership Indicators

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):**

   For each facility/plant located in areas of water stress, provide the following information:

   a. **Name of the area:** New Delhi, Jaipur, Udaipur, Bangalore, Chennai

   b. **Nature of Operations:** Hospitality

   c. **Water withdrawal, consumption and discharge in the following format:**

Parameter	FY 2025-26	FY 2024-25
Water withdrawal by source (in KL)		
(i) Surface water – Rainwater harvested	0	0
(ii) Groundwater	1,41,421.60	1,35,260.00
(iii) Third party water	4,41,833.49	3,39,859.00
(iv) Seawater/desalinated water	0	0
(v) Others (purchased bottled water)	5,190.24	0
Total volume of water withdrawal (in KL) (i + ii + iii + iv + v)	**5,88,445.33**	**4,75,119.00**
Total volume of water consumption (in KL)	5,32,036.49	4,28,467.73
Water intensity per rupee of turnover (Total Water consumed / Revenue from operations) (KL/INR million)	34.84	32.94
Water intensity in terms of physical output (KL/room nights sold)	1.75	1.42

Water discharge by destination and level of treatment (in kilolitres)

Parameter	FY 2025-26	FY 2024-25
Water discharge by destination and level of treatment (in kilolitres)		
i. To Surface Water	0	0
- No Treatment	-	-
- With treatment – please specify level of Treatment	-	-
ii. To Groundwater	0	0
- No Treatment	-	-
- With treatment – please specify level of Treatment	-	-
iii. To Seawater	0	0
- No Treatment	-	-
- With treatment – please specify level of Treatment	-	-
iv. Sent to third parties	56,409	0
- No Treatment	-	-
- With treatment – please specify level of Treatment	Primary	-
v. Other	0	0
- No Treatment	-	-
- With treatment – please specify level of Treatment	-	-

Business Responsibility and Sustainability Report (Contd.)

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

The Leela is currently in the process of assessing its Scope 3 greenhouse gas emissions in alignment with the relevant and applicable categories defined under the GHG Protocol.

Note: Indicate if any independent assessment/evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

Not applicable, as the Company does not have operations around ecologically sensitive areas.

4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions/effluent discharge/waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of initiative
1.	Renewable Energy Transition	The Leela continues to advance its renewable energy transition through a combination of on-site solar installations and procurement of green electricity, including power sourced from off-site renewable energy assets. During the reporting period, our installed renewable energy capacity increased from 18.25 MWp to 20.25 MWp, further strengthening the shift toward clean energy across our operations.	During the reporting period, 67% of total electricity consumption across palace properties was sourced from renewable energy, contributing to reduced Scope 2 emissions and supporting our decarbonisation roadmap.
2.	Refrigerant Management and Cold Room Efficiency Upgrades	Upgraded refrigeration systems through replacement of freezer panels, optimisation of centralised refrigeration units and preventive maintenance of critical kitchen equipment to minimise refrigerant leakages.	Optimised refrigerant usage and reduced leakages across refrigeration systems, leading to a decline in fugitive emissions.
3.	High Efficiency Chiller Installation	Installation of a new energy-efficient chiller plant replacing older systems to improve cooling system performance and reduce electricity consumption.	Improved cooling efficiency and reduced electricity consumption in central plant operations.
4.	Laundry Electrification Programme	Replaced diesel-based heating systems in laundry operations with electric systems to improve efficiency and reduce fossil fuel use.	Reduced diesel consumption in laundry operations, contributing to lower stationary emissions and improved energy efficiency.
5.	Energy Efficient Pump Upgrade	Replacement of existing HNS pumps at the Water Treatment Plant with IE5 high-efficiency pumps to improve operational efficiency and reduce electricity consumption.	Reduced energy consumption in water treatment operations, improving overall energy efficiency and lowering operational emissions.
6.	Low-Emission Fleet Transition	Introduced EV and CNG vehicles for guests and staff transportation and internal logistics to reduce diesel dependence.	Lower fuel consumption and reduced mobile emissions across operations.

Business Responsibility and Sustainability Report (Contd.)

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along with summary)	Outcome of initiative
7.	Cooling Tower Water Efficiency	Deployment of a non-chemical scale and bio-removal (SBR) system to improve cooling tower efficiency and reduce chemical usage.	Eliminates the need for chemical dosing, improves water recycling efficiency, prevents corrosion and scaling, and extends equipment lifespan.
8.	Digital Water Management	Implementation of Digital Paani, an AI- and IoT-enabled platform to monitor Sewage Treatment Plant (STP) operations in real time at Jaipur and Udaipur properties.	Achieved 35% improvement in STP energy efficiency in Jaipur and 15% reduction in water intensity per INR 10 million turnover in Udaipur (2024 vs 2023).
9.	Plastic Reduction through In-House Bottling	Establishment of Aujasya by The Leela in-house water bottling plants to replace single-use plastic bottles with reusable glass bottles.	Avoided approximately 33 metric tonnes of plastic during the reporting period.
10.	Zero-Waste Culinary Initiative	Introduced a Zero-Waste Menu, creatively repurposing surplus ingredients into signature dishes and beverages.	Reduced food waste while promoting sustainable consumption practices among guests.

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words.

The Company's Risk Management Committee oversees the Risk Management Policy that defines a structured approach to identifying and managing both internal and external risks. It includes strong internal controls and a Business Continuity Plan (BCP) to ensure people and assets remain protected and operations resume quickly after any disruption. The BCP involves identifying risks such as natural disasters and cyber-attacks, assessing their impact on operations, and implementing safeguards to mitigate them. The framework is reviewed periodically to strengthen organizational resilience. Further details on the same can be accessed on our Risk Management Policy.

6. Disclose any significant adverse impact to the environment arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

No, there are no significant adverse impacts to the environment, arising from the Company's value chain. The Company is strengthening responsible souring practices through introduction of the Supplier ESG Code of Conduct which will require value chain partners to comply with all applicable environmental, occupational health and safety, and labour regulations across jurisdictions in which they operate. The Company also engages with suppliers periodically to encourage alignment with its environmental and sustainability expectations.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

During FY 2025-26, environmental impact assessments of value chain partners were not undertaken. The Company is currently strengthening its responsible sourcing practices and plans to introduce such assessments as part of the implementation of its Supplier ESG Code of Conduct and supplier engagement initiative.

8. How many Green Credits have been generated or procured?

1. By the listed entity

During the reporting year no green credits was generated or procured by The Leela.

2. By the top ten value chain partners (in terms of value of purchase and sales, respectively)

During the reporting year no green credits was generated or procured by top ten value chain partners (in terms of value of purchase and sales respectively).

Business Responsibility and Sustainability Report (Contd.)

PRINCIPLE 7 Businesses, When Engaging in Influencing Public and Regulatory Policy, Should Do So in a Manner That is Responsible and Transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/associations.

The Company has 11 affiliations with trade and industry chambers/associations.

b. List the top 10 trade and industry chambers/associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National)
1	Global Hotel Alliance	International
2	Preferred Travel Group	International
3	Indian Association of Tour Operators (IATO)	National
4	Indo German Chambers of Commerce (IGCC)	National
5	Indo French Chambers of Commercial (IFCC)	National
6	Global Business Travel Association (GBTA)	National
7	World Travel & Tourism Council (WTTC)	International
8.	Confederation of Indian Industry (CII)	National
9.	CII – Indian Green Building Council (IGBC)	National
10.	Alliance for Water Stewardship (AWS)	International
11.	Global Tourism Plastics Initiative (UNEP & UNWTO)	International

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities

There were no cases of anti-competitive conduct on the Company in FY 2025-26.

Name of Authority	Brief of the Case	Corrective Action Taken
Not applicable		

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No	Frequency of Review by Board (Annually/ Half yearly/ Quarterly/Others – please specify)	Web link, if available
Not applicable					

PRINCIPLE 8 Businesses Should Promote Inclusive Growth and Equitable Development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No)	Relevant Web link
Not applicable for the reporting period					

Business Responsibility and Sustainability Report (Contd.)

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not applicable for the reporting period						

3. Describe the mechanisms to receive and redress grievances of the community.

The Leela has established accessible and transparent mechanisms to receive, address, and redress grievances from community stakeholders across its locations of operation. Community members may raise concerns through multiple channels, including direct engagement with property-level management, written communication, and feedback received during community consultations and outreach programmes. Our community partners can also write to us at: https://www.theleela.com/investors

4. Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:

Parameter	FY 2025-26	FY 2024-25
Directly sourced from MSMEs/small producers	46%	25%
Sourced directly from within India	85%	91%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent/ on contract basis) in the following locations, as % of total wage cost

Parameter	FY 2025-26	FY 2024-25
Rural	Nil	Nil
Semi-urban	Nil	Nil
Urban	Nil	Nil
Metropolitan	100%	100%

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above).

Not applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
The Company has not undertaken any CSR projects in designated aspirational districts as identified by the Government of India			

3. a. Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised/vulnerable groups? (Yes/No)

No; Refer to the answer provided in part c below.

b. From which marginalised/vulnerable groups do you procure?

The Company procures from women-led enterprises, artisan cooperatives, social enterprises, and artists with disabilities.

c. What percentage of total procurement (by value) does it constitute?

The Company engages with suppliers and partners from marginalized and vulnerable communities across its operations, including women-led enterprises, artisan cooperatives, and social enterprises, supporting inclusive livelihoods and traditional craftsmanship. For instance, The Leela partners with Jalinga Tea Estate to procure carbon neutral wellness tea, a women-led organic tea estate where over 70% of the workforce comprises women. The Company also collaborates with Jodhpur Mahila Griha Udyog (JMGU), from whom approximately 1.89 lakh embroidered jute bags were procured in FY 2025–26, amounting to about ₹ 74.92 lakhs, supporting women artisans. The Company also sources gifting articles from Mouth and Foot Painting Artists, supporting artists with disabilities, and upcycled wellness products from Phool, a social

Business Responsibility and Sustainability Report (Contd.)

enterprise creating livelihoods through floral waste recycling. In addition, The Leela engages local artists and artisans across its properties, helping sustain traditional crafts and cultural heritage.

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge.

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/ No)	Basis of calculating benefit share
Not applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Brief of the Case
Not applicable		

6. Details of beneficiaries of CSR Projects

S. No.	CSR Project	No. of persons benefited from CSR projects	% of beneficiaries from vulnerable and marginalised groups
1	Preserving the Yakshagana Art Form through Women's Training and Skill Development	25	100%
2	Bal Mitra Gram Porgramme (Child-Friendly Villages Initiative)	28,282	100%
3	Sea Turtle Conservation	1,746	100%
4	Threads of Tradition – Upskilling Artisan Communities through Circular Craft	50	50%
5	School upgradation	15	100%
	Total beneficiaries	**30,118**	

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Leela has established structured mechanisms to receive and respond to guest feedback and consumer grievances across its properties, ensuring timely resolution and continuous enhancement of the guest experience. Key mechanisms include:

- **Multi-channel feedback collection:** Guests may share feedback through in-stay interactions with hotel management, post-stay surveys through the Revinate guest feedback platform, email communication, and social media channels.
- **Guest satisfaction tracking:** Guest experience is regularly monitored through structured surveys and Net Promoter Score (NPS) assessments, with an NPS score of 86 in FY 2026, reflecting strong guest advocacy.
- **Digital service management:** The Company has implemented Hotlync, a digital platform that streamlines guest service management, including complaint resolution, housekeeping requests, asset maintenance, and spa operations, enabling faster response and tracking of service requests.
- **Independent quality audits:** Service standards are evaluated through Leading Quality Assurance (LQA) audits (82.9%) and periodic mystery audits to ensure alignment with global luxury hospitality benchmarks.
- **Escalation and resolution framework:** Guest concerns are reviewed by property teams and escalated to senior management where necessary to ensure timely resolution.
- **Continuous improvement:** Insights from guest feedback and audits are analysed to strengthen service standards and enhance the overall guest experience.

Business Responsibility and Sustainability Report (Contd.)

2. Turnover of products and/services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

Type	FY 2025-26			FY 2024-25		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	NA	0	0	NA
Cyber-security	0	0	NA	0	0	NA
Delivery of essential services	0	0	NA	0	0	NA
Restrictive Trade practices	0	0	NA	0	0	NA
Unfair Trade Practices	0	0	NA	0	0	NA
Others	0	0	NA	0	0	NA

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Not Applicable	
Forced recalls		

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No). If available, provide a web-link of the policy.

Yes. The Leela has established a robust cybersecurity and data privacy framework to identify, assess, and mitigate risks related to information security and data protection. The framework is supported by a suite of internal policies and controls covering data protection and privacy, information asset management, end-user computing, mobile device security, network and firewall security, access management, and cyber incident and breach notification. The framework is periodically reviewed and updated to address evolving cyber threats and regulatory requirements.

The Leela's suite of cybersecurity policies is available for all employees internally.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/ action taken by regulatory authorities on safety of products/services.

The Leela has implemented several corrective measures to address risks related to cybersecurity and customer data privacy. The company conducts regular vulnerability assessments, penetration testing, and configuration reviews to strengthen the security of its technology environment. The Leela has established a formal Cybersecurity Crisis Management Plan and mandatory compliance reporting through the "Leela Comply" forms completed by all IT managers. The Leela also performs routine vulnerability assessments, penetration testing, and configuration reviews to proactively identify and mitigate potential threats. We also provide regular training sessions to ensure that all relevant stakeholders remain updated on cybersecurity protocols and are equipped to safeguard the organization from emerging risks.

Business Responsibility and Sustainability Report (Contd.)

7. Provide the following information relating to data breaches:

a. **Number of instances of data breaches along-with impact:** 0

b. **Percentage of data breaches involving personally identifiable information of customers:** 0

c. **Impact, if any, of the data breaches:** No incident of data breaches during the reporting period

Leadership Indicators

1. Channels/platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information on The Leela's services and guest experiences is made available through multiple channels to ensure transparency and ease of access for guests and stakeholders. Key platforms include:

- **Official website and booking platform:** https://www.theleela.com/
- **Loyalty programme – GHA DISCOVERY:** https://www.theleela.com/gha-signin
- **Leela Magazine:** Guests can explore curated stories on culture, wellness, travel, and experiences through The Leela Magazine, available at: https://www.theleela.com/the-leela-magazine
- **Social media platforms:**
  1. Instagram: https://www.instagram.com/theleela/
  2. Facebook: https://www.facebook.com/theleela
  3. LinkedIn: https://www.linkedin.com/company/theleela/
  4. X (Twitter): https://x.com/theleelahotels
  5. YouTube: https://www.youtube.com/user/LeelaHotelsOfficial
- **Online travel agencies (OTAs):** Information and bookings are also accessible through authorised travel partners.
- **Marketing and communication channels:** Brand brochures, email communications, press releases, and integrated marketing campaigns are used to communicate service offerings, guest policies, accessibility features, sustainability initiatives, and brand experiences.
- **Direct guest assistance:** For further inquiries, guests may contact the Company through the details provided on the official website or visit any of The Leela hotels for in-person assistance.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Anchored in the philosophy of Atithi Devo Bhava and the Company's Mindful Luxury ethos, The Leela informs guests about safe and responsible use of its services through thoughtfully integrated communication and guest experiences across the stay journey. Key measures include:

- **In-room sustainability features:** Guest rooms incorporate amenities such as Aujasya glass water bottles, biodegradable dental kits, and reusable jute bags, reflecting efforts to reduce single-use plastics. Energy-efficient temperature and lighting controls further support mindful resource use while maintaining guest comfort.
- **Aujasya wellness programme:** Through the Aujasya wellness menu and curated wellness experiences, guests are introduced to holistic wellbeing practices and mindful lifestyle choices.
- **Curated guest engagement:** Experiences such as butler interactions, art walks, and heritage walks offer guests deeper insights into the property's cultural narratives while ensuring a safe and enriching stay.

Business Responsibility and Sustainability Report (Contd.)

- **Transparency on sustainability practices:** Information on the Company's sustainability initiatives—including IGBC and IFC EDGE certifications, Net Zero Waste to Landfill, CSR initiatives, and responsible procurement partnerships—is shared through digital display screens across hotels and the sustainability section of the Company's official website.

Through these measures, The Leela encourages guests to make informed and responsible choices while experiencing luxury hospitality.

3. **Mechanisms in place to inform consumers of any risk of disruption/ discontinuation of essential services.**

The Leela has various channels of communication it uses for customer interactions in cases of service disruption or discontinuation. Modes of communication include emailers, the website, brochures, and physical channels such as customer helpdesks at hotels.

4. **Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief. Did your entity carry out any survey regarding consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)**

Not applicable. The Company operates in the luxury hospitality sector and does not manufacture physical products; information on services is communicated in accordance with applicable regulatory requirements. The Leela regularly undertakes consumer satisfaction assessments across its properties, including Net Promoter Score (NPS) surveys, with an NPS score of over 85, along with post-stay surveys and real-time feedback mechanisms to continuously enhance service quality and guest experience.

Assurance statement

Assurance statement on third-party verification of sustainability information

Unique identification no.: **3153235175**

To

The Directors and Management of Leela Palaces Hotels & Resorts Limited

TÜV SÜD South Asia Pvt Ltd. (hereinafter TÜV SÜD) has been engaged by **Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited"),Tower 4, Third Floor, Equinox Business Park Kurla West, Mumbai 400070 India** to perform an independent assurance of the Company's disclosures in Business Responsibility and Sustainability Report (hereafter referred as 'BRSR') of **Leela Palaces Hotels & Resorts Limited**, (hereinafter "Company") for the period from 01 April 2025 to 31 March 2026.

The verification was carried out according to the steps and methods described below.

Scope of the verification

The third-party verification was conducted to obtain independent assurance about whether the Sustainability information is prepared in reference to BRSR standard/ framework (hereinafter referred as "Reporting Criteria").

Reporting standard/framework

The disclosures have been prepared by **Leela Palaces Hotels & Resorts Limited**, in reference to:

BRSR Core – Framework for assurance and ESG disclosures for value chain as per SEBI (Securities and Exchange Board of India) Circular No. SEBI/HO/CFD/CFD-SEC-2/P/ CIR/2023/122 dated July 12, 2023.

BRSR reporting guidelines (Annexure II) as per SEBI Circular No. SEBI/HO/CFD/CMD-2/P/ CIR/2021/562 dated May 10, 2021, and incorporated Master Circular No. SEBI/HO/CFD/ PoD2/CIR/P/2023/120 dated July 11, 2023

The following sustainability indicators' reporting are included in the scope of the assurance engagement during the reporting period of FY 2025-2026 as listed below

Limited level of assurance of 'BRSR 9 Core Attributes'

and

Limited level of assurance for the rest non-financial quantitative disclosures in BRSR (Ref: Annexure II of SEBI circular) for -

Section A: **General Disclosures**

Section B: **Management And Process Disclosures**

Section C: **Principle Wise Performance Disclosure**

Principle 1: Essential Indicator 1, 2, 3, 4, 5, 6, 7

Principle 2: Essential Indicator 2

Principle 3: Essential Indicator 1-a, b, c, 2, 3, 4, 5, 7, 8, 9, 10-a, b, c, d, 12, 13, 14, 15

Principle 3: Leadership Indicator 1, 3, 4

Principle 5: Essential Indicator 1, 2, 3-a, 6

Principle 5: Leadership Indicator 3

Principle 6: Essential Indicator 2, 8, 10, 11, 13

Principle 6: Leadership Indicator 1,3, 4, 5

Principle 7: Essential Indicator 1, 2

Principle 8: Leadership Indicator 6

Principle 9: Essential Indicator 3, 5

Principle 9: Leadership Indicator 1, 4

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the BRSR reporting, and accordingly, we do not express a conclusion on this information.

Assurance statement (Contd.)

It was not part of our engagement to review product- or service-related information, references to external information sources, expert opinions and future-related statements in the Report.

Responsibility of the Company

The Management of the Company are responsible for the preparation of the BRSR report in accordance with the Reporting Criteria. This responsibility includes in particular the selection and use of appropriate methods for measurement, calculation, collection and compilation of information and the making of appropriate assumptions or, where appropriate, the making of appropriate estimates. Furthermore, the Management is responsible for necessary internal controls to enable the preparation of a BRSR report that is free of material - intentional or unintentional - erroneous information.

Verification methodology and procedures performed

The verification engagement has been planned and performed in accordance with the verification methodology developed by the TÜV SÜD Group which is based on ISAE 3000 assurance engagement standard and ISO 17029.

Level of Assurance

Limited Level of assurance for the 9 core attributes of BRSR (Ref: Annexure I of SEBI circular)

Limited Level of assurance for the rest non-financial quantitative disclosures of BRSR report (Ref: Annexure II of SEBI circular).

The verification was based on a systematic and evidence-based assurance process limited as stated above. The selection of assurance procedures is subject to the auditor's own judgment.

- Inquiries of personnel who are responsible for the stakeholder engagement und materiality analysis to understand the reporting boundaries
- Evaluation of the design and implementation of the systems and processes for compiling, analysing, and aggregating sustainability information as well as for internal controls
- Inquiries of company's representatives responsible for collecting, preparing and consolidating sustainability information and performing internal controls
- Analytical procedures and inspection of sustainability information as reported at group level by all locations
- Assessment of local data collection and management procedures and control mechanisms through a sample survey at selected multiple sites as mentioned below:

Sl. No.	Company Name	Site Address
1	Leela Palaces Hotels & Resorts Limited	**Corporate office** Tower 4, Third Floor, Equinox Business Park, Kurla West, Mumbai 400 070, Maharashtra, India.
2		**The Leela Palace Chennai** Adyar Seaface,175 Satya Dev Avenue ext, MRC Nagar Chennai – 600 028 Tamil Nadu, India
3		**The Leela Palace, Bengaluru** 23, HAL Old Airport Rd, HAL 2nd Stage, Kodihalli, Bengaluru, Karnataka 560008
4		**The Leela Palace New Delhi** Diplomatic Enclave, Chanakyapuri New Delhi- 110023 India
5		**The Leela Palace Jaipur** NH11, Kukas, Jaipur, 302028, Rajasthan, India
6		**The Leela Palace Udaipur** PO Box No. 125, Udaipur 313 001, Rajasthan India

Assurance statement (Contd.)

Conclusion

Limited level of Assurance- BRSR 9 Core Attributes

On the basis of the assessment procedures carried out & evidence we have collected during 30 January 2026 to 23 April 2026, the identified BRSR indicators of 9 Core Attributes (Listed in Annexure I of this statement) of BRSR for FY 2025-2026 are prepared in all material respect in accordance with the reporting requirements outlined in BRSR Core.

Limited Level of Assurance- BRSR Reporting Format

On the basis of the assessment procedures carried out from 30 January 2026 to 23 April 2026, TÜV SÜD has not become aware of any facts that lead to the conclusion that the selected Non-Core indicators have not been prepared, in all material aspects, in accordance with the Reporting Criteria.

Limitations

The assurance process was subject to the following limitations:

- The subject matter information covered by the engagement are described in the "scope of the engagement". Assurance of further information included in the BRSR reporting was not performed. Accordingly, TÜV SÜD do not express a conclusion on this information.
- The assurance scope excluded forward-looking statements, product- or service-related information, external information sources and expert opinions.

Use of this Statement

The Company must reproduce the TÜV SÜD statement and possible attachments like Assurance report in full and without omissions, changes, or additions.

This statement is by the scope of the engagement solely intended to inform the Company as to the results of the mandated assessment. TÜV SÜD has not considered the interest of any other party in the selected sustainability information, this assurance report or the conclusions TÜV SÜD has reached. Therefore, nothing in the engagement or this statement provides third parties with any rights or claims whatsoever.

Independence and competence of the verifier

TÜV SÜD South Asia Pvt Ltd. is an independent certification and testing organization and member of the international TÜV SÜD Group, with accreditations also in the areas of social responsibility and environmental protection. The assurance team was assembled based on the knowledge, experience and qualification of the auditors. TÜV SÜD South Asia Pvt Ltd. hereby declares that there is no conflict of interest with the Company.

Kolkata, July 29, 2026

Prosenjit Mitra
General Manager- Verification, Validation and Audit
Management System Assurance

Brototi Das
Verification Team Leader, TÜV SÜD
Management System Assurance

Annexure I

S. No.	Attribute	Parameter	Cross reference to BRSR (P-Principles/ E- Essential Indicator)
1.	Green-house gas (GHG) footprint Greenhouse gas emissions may be measured in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard*	Total Scope 1 emissions (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	P6-E7
		Total Scope 2 emissions (Break-up of the GHG (CO_2e) into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	
		GHG Emission Intensity (Scope 1 +2)	
2.	Water footprint	Total water consumption	P6-E3
		Water consumption intensity	P6-E4
		Water Discharge by destination and levels of Treatment	
3.	Energy footprint	Total energy consumed	P6-E1
		% of energy consumed from renewable sources	
		Energy intensity	
4.	Embracing circularity - details related to waste management by the entity	Plastic waste (A)	P6-E9
		E-waste (B)	
		Bio-medical waste (C)	
		Construction and demolition waste (D)	
		Battery waste (E)	
		Other Hazardous waste. Please specify, if any. (G)	
		Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e., by materials relevant to the sector)	
		Total waste generated ((A+B + C + D + E + F + G + H)	
		Waste intensity	
		Each category of waste generated, total waste recovered through recycling, re-using or other recovery operations	
		For each category of waste generated, total waste disposed by nature of disposal method	

Annexure I (Contd.)

S. No.	Attribute	Parameter	Cross reference to BRSR (P-Principles/ E- Essential Indicator)
5.	Enhancing Employee Wellbeing and Safety	Spending on measures towards well being of employees and workers – cost incurred as a % of total revenue of the company	P3-E1
		Details of safety related incidents for employees and workers (including contract-workforce e.g. workers in the company's construction sites)	P3-E11
6.	Enabling Gender Diversity in Business	Gross wages paid to females as % of wages paid	P5-E3
		Complaints on POSH	P5-E7
7.	Enabling Inclusive Development	Input material sourced from following sources as % of total purchases – Directly sourced from MSMEs/ small producers and from within India	P8-E4
		Job creation in smaller towns – Wages paid to persons employed in smaller towns (permanent or nonpermanent /on contract) as % of total wage cost	P8-E5
8.	Fairness in Engaging with Customers and Suppliers	Instances involving loss / breach of data of customers as a percentage of total data breaches or cyber security events	P9-E7
		Number of days of accounts payable	P1-E8
9.	Open-ness of business	Concentration of purchases & sales done with trading houses, dealers, and related parties Loans and advances & investments with related parties	P1-E9

Independent Auditor's Report

To the Members of Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited")

Report on the Audit of the Standalone Financial Statements

OPINION

We have audited the standalone financial statements of Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited") (the "Company") which comprise the standalone balance sheet as at 31 March 2026, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment assessment of investment in subsidiaries and a joint venture

See Note 7 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
The Company has investments in subsidiaries and a joint venture aggregating to Rs 60,857.81 million as at 31 March 2026 which represents 63.82% of the Company's total assets as at that date. Management assesses at each reporting date whether indicators of impairment exist, based on either internal or external sources of information. Where such indicators are identified, the recoverable amount of the investment is determined, and an impairment loss is recognised in the Statement of Profit and Loss if the recoverable amount is lower than the carrying value.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • Understanding the process followed by the Company in respect of the annual impairment analysis for investments in subsidiaries and the joint venture and assessed the appropriateness of accounting policy. • Evaluating the design and implementation of key internal financial controls over the impairment assessment process and testing the operating effectiveness of such controls, including controls relating to the determination of key assumpotions used in such assessment.

Independent Auditor's Report (Contd.)

The key audit matter	How the matter was addressed in our audit
The recoverable amounts are determined using the value in use methodology, based on discounted cash flow models, which involve significant management judgement. We identified the assessment of impairment indicators and the determination of recoverable amounts, and the resultant provisions, if any, in respect of investments in subsidiaries and the joint venture as a key audit matter considering: • The significance of the carrying value of these investments in the Standalone Balance Sheet; • The financial performance and net worth of the subsidiaries and joint venture; and • The degree of judgement involved in determining the recoverable amounts, particularly in relation to: i. valuation assumptions such as discount rates and terminal growth rates; and	• Assessing indicators of impairment by comparing the carrying values of investments with the respective net asset values and evaluating the financial performance of the subsidiaries and joint venture. • Involving our valuation specialist, to assist us in evaluating the valuation methodology applied by the Company and to assess the reasonableness of key assumptions used in the impairment models, including discount rates and terminal growth rates. • Evaluating the key assumptions used in the valuation models, including projected earnings before interest, taxes, depreciation and amortisation (EBITDA), revenue growth rates and cost assumptions, based on our understanding of the businesses, historical performance and external market conditions. • Assessing the historical accuracy of management's forecasts by comparing prior period forecasts with actual results.
ii. business assumptions including revenue growth rates, associated costs, and projected future cash flows.	• Testing the data used in valuation model for completeness and accuracy. • Performing sensitivity analysis to evlaute the impact of change in key assumptions, individually or collectively, on the recoverable amounts. • Assessing the adequacy of the related disclosures in the standalone financial statements.

Impairment assessment of Goodwill

See Note 5 to standalone financial statements

The key audit matter	How the matter was addressed in our audit
As at 31 March 2026, the carrying value of goodwill is Rs 757.20 million pertaining to past acquisition representing 0.84% of the net assets as at that date. The Company performs impairment assessment of Goodwill in accordance with Ind AS 36 "Impairment of Assets", atleast annually to assess whether there is any indication that the cash generating unit (CGU) to which goodwill has been allocated may be impaired by comparing its carrying value with its estimated recoverable value.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • Understanding the process followed by the Company in respect of the annual impairment analysis and assessed the appropriateness of accounting policy.

Independent Auditor's Report (Contd.)

The key audit matter	How the matter was addressed in our audit
The recoverable value is determined using the value-in-use methodology, based on discounted cash flow models, which involve significant management judgment. The assessment of impairment of goodwill is a complex process as the management is required to make significant estimates and assumptions which includes forecast of future revenue, operating margins and discount rates to assess the recoverable value of the CGU. In view of the significance of the carrying amount of goodwill and the significant judgements and estimates involved, impairment assessment of goodwill has been identified as a key audit matter.	• Evaluating the design and implementation of key internal financial controls over the Company's process of impairment assessment and testing the operating effectiveness of such controls. including controls over determination of key assumptions used in such assessment. • Evaluating the valuation methodology and key market related assumptions such as discount rate and terminal growth rate with assistance of our valuation specialist. • Evaluating the reasonableness of the key assumptions used in the cash flow forecasts which includes projected earnings before interest, taxes, depreciation and amortisation (EBITDA), revenue growth rates and cost assumptions. • Assessing the historical accuracy of management's forecasts by comparing prior period forecasts with actual results. • Testing the data used in valuation model for completeness and accuracy. • Performing a sensitivity analysis to evaluate the impact of change in key assumptions, individually or collectively, on the recoverable amounts. • Assessed the adequacy of the related disclosures made in the standalone financial statements in accordance with the applicable accounting standards.

OTHER INFORMATION

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Directors report, but does not include the financial statements and auditor's reports thereon. The Directors report is expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Directors report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Independent Auditor's Report (Contd.)

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Independent Auditor's Report (Contd.)

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2A. As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 4 April 2026 and 20 April 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its standalone financial statements - Refer Note 37 to the standalone financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the Note 46(v) to the standalone financial statements, no funds have been advanced or loaned or invested (either from

Independent Auditor's Report (Contd.)

borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 46(vi) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

f. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Tarun Kinger
Partner
Membership No.: 105003
ICAI UDIN: 26105003HPSXZW6591

Place: Mumbai
Date: 28 April 2026

Annexure A

to the Independent Auditor's Report on the Standalone Financial Statements of Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited") for the year ended 31 March 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, plant and equipment by which all Property, plant and equipment are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. During the year, the Company has verified all the Property, plant and equipment. No material discrepancies were noted on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (Rs in million)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the Company. Also indicate if in dispute
1 hectare of land at Kudrekonda State Forest, Davangere District, Karnataka	-	M/s Sarjan Realities Limited	No	7 January 2021	Title deeds are in the process of being transferred in the name of the Company

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments and granted unsecured loans to companies and advances in the nature of loans to employees during the year in respect of which the requisite information is as below. The Company has not provided any guarantee or security to companies, firms, limited liability partnership or any other parties during the year. The Company has not made any investments, granted any loans or advances in the nature of loans, secured or unsecured to firms, limited liability partnership or any other parties during the year.

Annexure A (Contd.)

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided unsecured loans to subsidiaries and advances in the nature of loans to employee as below:

Particulars	Loans (Rs in million)	Advances in nature of loans (Rs in millions)
Aggregate amount during the year		
Subsidiaries*	12,675.50	-
Employees	-	3.37
Balance outstanding as at balance sheet date in respect of above cases		
Subsidiaries*	11,879.59	-
Employees	-	2.11

*As per Companies Act, 2013

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made and the terms and conditions of the grant of loans and advances in the nature of loans during the year are not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of loans granted to subsidiaries, the terms and conditions relating to the repayment of principal and payment of interest have been stipulated, except for certain loans granted to subsidiaries which are repayable on demand. Further, in respect of advances in the nature of loans granted to employees, as per the policy of the Company, which are interest free, the repayment schedules have been stipulated. The repayment of principal amounts and receipt of interest, wherever applicable, have been regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given and advances in the nature of loans.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans given to its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):.

	Related Parties (Rs in million)
Aggregate of loans	
- Repayable on demand	577.81
Percentage of loans to the total loans	4.72%

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has complied with the provisions of Section 185 of the Companies Act, 2013 ("the Act") in respect of loans granted by the Company. The Company has not given any guarantees or security to parties covered under Section 185 of the Act. Further, in terms of Section 186(11) of the Act, the Company is exempt from the provisions of Section 186 except Section 186(1) since the Company is engaged in the business of providing infrastructure facilities. Accordingly, the relevant provisions of Section 186 are not applicable to the loans granted by the Company. The Company has complied with the provisions of Section 186(1) of the Act with respect to the investments made.

Annexure A (Contd.)

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the goods sold and services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or other material statutory dues have been regularly deposited by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of Cess.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs in million)	Amount paid under protest (Rs in million)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Finance Act, 1994	Tax, interest and penalty	100.76	-	April 2007 to December 2012	Customs, Excise and Service Tax Appellate Tribunal, Bangalore	
Finance Act, 1994	Tax, interest and penalty	6.50	-	October 2014 to March 2016	Commissioner of Central Excise (Appeals)	
Finance Act, 1994	Tax, interest and penalty	51.76	-	FY 2005-06 to FY 2009-10	Customs, Excise and Service Tax Appellate Tribunal, Bangalore	
Goods and Service Tax	Tax, interest and penalty	0.08	0.32	FY 2019-20	First Appellate Authority	
Goods and Service Tax	Tax, interest and penalty	4.51	0.71	FY 2020-21	First Appellate Authority	
Goods and Service Tax	Tax, interest and penalty	2.93	0.79	FY 2021-22	First Appellate Authority	
Goods and Service Tax	Tax, interest and penalty	1.36	0.57	FY 2022-23	First Appellate Authority	

Annexure A (Contd.)

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, the Company has not obtained any term loans during the year and the term loans obtained in the previous periods were fully utilised in the respective periods. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and joint venture as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries and joint venture companies (as defined under the Act).

(x) (a) In our opinion and according to the information and explanations given to us, the Company has utilised the money raised by way of initial public offer for the purposes for which they were raised.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

Annexure A (Contd.)

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in Directors report is expected to be made available to us after the date of this auditor's report.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Tarun Kinger
Partner
Membership No.: 105003
ICAI UDIN: 26105003HPSXZW6591

Place: Mumbai
Date: 28 April 2026

Annexure B

to the Independent Auditor's Report on the standalone financial statements of Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited") for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

OPINION

We have audited the internal financial controls with reference to financial statements of Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited") ("the Company") as of 31 March 2026 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Annexure B (Contd.)

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Tarun Kinger
Partner
Membership No.: 105003
ICAI UDIN: 26105003HPSXZW6591

Place: Mumbai
Date: 28 April 2026

Standalone Balance Sheet

as at March 31, 2026

(All amounts are in Rupees in millions except otherwise stated.)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3	14,923.89	12,160.99
Right-of-use assets	4	2,542.09	2,405.25
Capital work-in-progress	3	717.54	563.25
Investment properties	6	-	1,683.73
Investment properties under construction	6	-	296.11
Goodwill	5	757.20	757.20
Other intangible assets	5	379.73	384.20
Financial assets			
- Investments	7	60,857.81	47,239.96
- Loans	15	11,791.15	-
- Other financial assets	8	409.11	10,559.85
Non-current tax assets (net)	9	110.54	97.84
Other non-current assets	10	137.37	176.89
Total non-current assets		**92,626.43**	**76,325.27**
Current assets			
Inventories	11	87.83	75.28
Financial assets			
- Loans	15	597.03	2,075.72
- Trade receivables	12	168.91	134.42
- Cash and cash equivalents	13	43.67	396.10
- Bank balances other than cash and cash equivalents	14	1,654.15	373.27
- Other financial assets	8	10.69	148.01
Other current assets	10	168.09	610.53
Total current assets		**2,730.37**	**3,813.33**
TOTAL ASSETS		**95,356.80**	**80,138.60**

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	3,339.58	2,764.87
Other equity			
- Reserves and surplus	17 (b)	86,930.97	60,662.88
Total equity		**90,270.55**	**63,427.75**
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	18	136.96	12,574.70
- Lease liabilities	4	2,371.92	2,100.88
- Other financial liabilities	20	85.99	67.10
Other non-current liabilities	21	26.76	10.97
Deferred tax liabilities (net)	22	558.46	236.36
Provisions	23	32.01	34.52
Total non-current liabilities		**3,212.10**	**15,024.53**
Current liabilities			
Financial liabilities			
- Borrowings	18	1,248.09	1,198.60
- Trade payables	19		
(a) Total outstanding dues of micro and small enterprises		55.11	9.59
(b) Total outstanding dues other than (a) above		221.05	226.43
- Other financial liabilities	20	135.31	100.98
Other current liabilities	21	188.36	144.10
Provisions	23	26.23	6.62
Total current liabilities		**1,874.15**	**1,686.32**
Total liabilities		**5,086.25**	**16,710.85**
TOTAL EQUITY AND LIABILITIES		**95,356.80**	**80,138.60**
Material accounting policies	2		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership Number: 105003

Place: Mumbai
Date: April 28, 2026

For and on behalf of the board of directors of
Leela Palaces Hotels & Resorts Limited (formerly known as 'Schloss Bangalore Limited')
(formerly known as 'Schloss Bangalore Private Limited')
CIN: L55209DL2019PLC347492

Anuraag Bhatnagar
Whole Time Director
DIN: 07967035

Place: Mumbai
Date: April 28, 2026

Ashank Kothari
Director
DIN: 08565174

Place: Mumbai
Date: April 28, 2026

Ravi Shankar
Chief Financial Officer

Place: Mumbai
Date: April 28, 2026

Jyoti Maheshwari
Company Secretary
Membership no. ACS24469

Place: Mumbai
Date: April 28, 2026

Standalone Statement of Profit and Loss

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from operations	24	4,374.64	3,751.11
Other income	25	2,105.17	990.59
Total income		**6,479.81**	**4,741.70**
Expenses			
Cost of food and beverages	26	293.02	310.61
Employee benefits expense	27	638.68	593.92
Finance costs	28	576.62	1,888.32
Depreciation and amortisation expenses	29	307.57	276.15
Other expenses	30	1,250.28	1,094.75
Total expenses		**3,066.17**	**4,163.75**
Profit before exceptional items and tax		**3,413.64**	**577.95**
Exceptional items	42	**16.40**	**-**
Profit after exceptional items and before tax		**3,397.24**	**577.95**
Income tax expense			
- Current tax	31	76.72	-
- Deferred tax	31	562.61	235.60
Total tax expense		**639.33**	**235.60**

	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit for the year		**2,757.91**	**342.35**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		4.93	3.01
Income tax relating to these items		(1.24)	(0.76)
Other comprehensive income for the year, net of tax		**3.69**	**2.25**
Total comprehensive income for the year		**2,761.60**	**344.60**
Earnings per share attributable to owners:	39		
Basic earnings per share (in Rs.) (face value of Rs. 10 each)		8.51	1.41
Diluted earnings per share (in Rs.) (face value of Rs. 10 each)		8.51	1.41
Material accounting policies	2		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

For and on behalf of the board of directors of
Leela Palaces Hotels & Resorts Limited (formerly known as 'Schloss Bangalore Limited')
(formerly known as 'Schloss Bangalore Private Limited')
CIN: L55209DL2019PLC347492

Tarun Kinger
Partner
Membership Number: 105003

Place: Mumbai
Date: April 28, 2026

Anuraag Bhatnagar
Whole Time Director
DIN: 07967035

Place: Mumbai
Date: April 28, 2026

Ashank Kothari
Director
DIN: 08565174

Place: Mumbai
Date: April 28, 2026

Ravi Shankar
Chief Financial Officer

Place: Mumbai
Date: April 28, 2026

Jyoti Maheshwari
Company Secretary
Membership no. ACS24469

Place: Mumbai
Date: April 28, 2026

Standalone Statement of Cash Flows

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Cash flows from operating activities		
Profit before tax for the year	**3,397.24**	**577.95**
Adjustments for:		
Depreciation and amortisation	307.57	276.15
Finance costs	576.62	1,888.32
Net (gain)/loss on disposal of property, plant and equipment	1.71	(0.79)
Net impairment losses/(reversal) on financial assets	2.23	(1.14)
Net unrealised foreign exchange differences	(304.61)	0.59
Interest income	(1,614.77)	(646.57)
Exceptional item	16.40	-
Unwinding of discount on security deposits	(0.29)	-
Changes in fair value of financial assets at fair value through profit or loss	(187.21)	(97.85)
Operating cash flows before working capital changes	**2,194.89**	**1,996.66**
Working capital movements:		
(Increase)/decrease in inventories	(12.55)	20.64
(Increase) in trade receivables	(36.72)	(42.43)
(Increase)/decrease in other financial assets	134.63	(147.34)
(Increase)/decrease in other current assets	442.44	(540.71)
(Increase) in other non-current assets	(57.15)	(2.40)
Increase/(decrease) in trade payables	40.14	(34.25)
Increase in other current liabilities	42.41	40.39
Increase in other non-current liabilities	8.98	1.40
Increase in other financial liabilities	17.37	52.27
Increase in provisions	22.03	7.14
Cash generated from operations	**2,796.47**	**1,351.37**
Income taxes (paid), net	(82.36)	(23.16)
Net cash flows generated from operating activities (A)	**2,714.11**	**1,328.21**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
B. Cash flows from investing activities		
Payments for purchase of property, plant and equipment including investment properties	(1,026.22)	(695.09)
Payments for purchase of intangibles	(4.49)	-
Proceeds from sale of property, plant and equipment	-	0.79
Payment of acquisition/Investments of subsidiaries	(6,551.35)	(36,018.87)
Bank Deposit placed	(37,564.72)	(36,731.78)
Bank Deposit matured	46,495.87	26,855.47
Interest received	464.05	299.33
Intercorporate deposits given to related parties	(12,675.50)	(2,965.01)
Repayment of intercorporate deposits by related parties	2,444.12	947.71
Interest received on intercorporate deposits to related parties	1,003.35	165.13
Investments in joint venture	(1,874.67)	-
Payments towards investment properties under construction	-	(296.11)
Payment for purchase of CCPS issued by subsidiaries	(4,700.00)	(11,123.05)
Net cash flows used in investing activities (B)	**(13,989.55)**	**(59,561.48)**

Standalone Statement of Cash Flows (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
C. Cash flows from financing activities		
Proceeds from borrowings from others	748.09	763.65
Proceeds from borrowings from related parties	-	459.40
Repayments of borrowings from Bank	(13,182.26)	(784.37)
Repayments of borrowings to Related Parties	-	(2,100.37)
Proceeds from compulsorily convertible preference shares	-	62,210.30
Share issue expenses paid	(1,160.54)	-
Proceeds from equity shares	25,000.00	-
Finance cost paid on CCD conversion	-	(505.19)
Finance costs paid to related parties	-	(162.72)
Finance costs paid to Bank	(346.83)	(1,232.96)
Payment towards lease liabilities	(135.45)	(116.31)
Net cash flows generated/(used) from financing activities (C)	**10,923.01**	**58,531.43**

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(352.43)**	**298.16**
Cash and cash equivalents as at beginning of the year	396.10	97.94
Cash and cash equivalents at the end of the year (refer note 13)	**43.67**	**396.10**
Reconciliation of cash and cash equivalents as per the statement of cash flows:		
Cash and cash equivalents comprise of the following:		
Cash on hand	0.74	1.24
Balance with banks		
- in current account	42.93	173.77
- in fixed deposit account with original maturity of less than 3 months	-	221.09
Total cash and cash equivalents as at year end	**43.67**	**396.10**

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership Number: 105003

Place: Mumbai
Date: April 28, 2026

For and on behalf of the board of directors of
Leela Palaces Hotels & Resorts Limited (formerly known as 'Schloss Bangalore Limited')
(formerly known as 'Schloss Bangalore Private Limited')
CIN: L55209DL2019PLC347492

Anuraag Bhatnagar
Whole Time Director
DIN: 07967035

Place: Mumbai
Date: April 28, 2026

Ashank Kothari
Director
DIN: 08565174

Place: Mumbai
Date: April 28, 2026

Ravi Shankar
Chief Financial Officer

Place: Mumbai
Date: April 28, 2026

Jyoti Maheshwari
Company Secretary
Membership no. ACS24469

Place: Mumbai
Date: April 28, 2026

Standalone Statement of Changes in Equity

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Amount
Balance as at April 01, 2024	**201.70**
Changes in equity share capital	2,563.17
Balance as at March 31, 2025	**2,764.87**
Changes in equity share capital	574.71
Balance as at March 31, 2026	**3,339.58**

B. OTHER EQUITY

Particulars	Equity component of compound financial instruments	Reserves and surplus				Total
		Securities premium	Retained earnings	Retained earnings - fair value as deemed cost	Other Equity	
Balance as at April 01, 2024	**603.09**	**1,691.94**	**(4,015.64)**	**1,270.04**	**-**	**(1,053.66)**
Profit for the year			342.35			342.35
Other comprehensive income for the year, net of tax			2.25			2.25
Total	**603.09**	**1,691.94**	**(3,671.04)**	**1,270.04**	**-**	**(709.06)**
(Loss) on account of settlement of compound financial instruments	-	-	-	-	(113.53)	(113.53)
Changes during the year	(603.09)	61,149.88				61,149.88
Residual value at inception of CCPS (refer note 17)	55,761.16	-	-	-	335.59	56,096.75
Loss on account of remeasurement of CCPS (refer note 18)	(55,761.16)	-	-	-	-	(55,761.16)
Balance as at March 31, 2025	**-**	**62,841.82**	**(3,671.04)**	**1,270.04**	**222.06**	**60,662.88**
Balance as at April 01, 2025	**-**	**62,841.82**	**(3,671.04)**	**1,270.04**	**222.06**	**60,662.88**
Profit for the year			2,757.91			2,757.91
Other comprehensive income for the year, net of tax			3.69			3.69
Total	**-**	**62,841.82**	**(909.44)**	**1,270.04**	**222.06**	**63,424.48**
Issue of equity shares on listing (Refer note 45)	-	24,425.29	-	-	-	24,425.29
Less: Share Issue expenses		(918.80)				
Balance as at March 31, 2026	**-**	**86,348.31**	**(909.44)**	**1,270.04**	**222.06**	**86,930.97**

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership Number: 105003

Place: Mumbai
Date: April 28, 2026

For and on behalf of the board of directors of
Leela Palaces Hotels & Resorts Limited (formerly known as 'Schloss Bangalore Limited')
(formerly known as 'Schloss Bangalore Private Limited')
CIN: L55209DL2019PLC347492

Anuraag Bhatnagar
Whole Time Director
DIN: 07967035

Place: Mumbai
Date: April 28, 2026

Ashank Kothari
Director
DIN: 08565174

Place: Mumbai
Date: April 28, 2026

Ravi Shankar
Chief Financial Officer

Place: Mumbai
Date: April 28, 2026

Jyoti Maheshwari
Company Secretary
Membership no. ACS24469

Place: Mumbai
Date: April 28, 2026

Notes to Standalone Financial Statements

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

1 COMPANY INFORMATION

Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as Schloss Bangalore Private Limited") ("the Company") an Indian subsidiary of Project Ballet Bangalore Holdings (DIFC) Private Limited was incorporated on March 20, 2019 under the provisions of Companies Act, 2013 and started its operations effective October 17, 2019 by acquiring Bangalore hotel undertaking of HLV Limited. The Company is in the hospitality industry and operates hotel under the brand name of "THE LEELA".

2 BASIS OF PREPARATION, CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS, MATERIAL ACCOUNTING POLICIES AND RECENT ACCOUNTING PRONOUNCEMENTS

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

Rounding of amounts:

All Amounts disclosed in the financial statements and notes have been rounded off to the nearest million as per the requirement of Schedule III, unless otherwise specified.

2.1 Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and other provisions of the Companies Act, 2013 ("the Act") as amended from time to time. The financial statements are prepared in Indian rupees in millions.

(i) Historical Cost Convention

The Financial Statements have been prepared on a historical cost basis, except for the following-

(a) certain financial assets and liabilities (including derivative instruments) and contingent consideration is measured at fair value

(b) defined benefit plans - plan assets measured at fair value

The financial statements are approved for issue by the Company's board of directors on April 28, 2026.

2.2 Critical Accounting estimates and judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions, that affect the reported balances of assets and liabilities, accompanying disclosures and accompanying disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements pertain to:

- Useful Lives of Property, Plant and Equipment: The Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the useful life of property, plant and equipment as at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods. Refer Note 3 for further details.
- Impairment Testing: Property, plant and equipment and other intangible assets that are subject to depreciation/amortisation are tested for impairment periodically including when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions. Refer Note 3 for further details. Goodwill is tested for impairment annually.

– Income Taxes: Deferred tax assets are recognised to the extent that it is regarded as probable that deductible temporary differences can be realised. The Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charge in the Statement of Profit and Loss. Refer Note 32 for further details.

  Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case laws and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit and Loss. Refer Note 32 for further details.

- Defined Benefit Plans: The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date.

  The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any plan assets are deducted.

  Refer Note 33 for further details.

- Leases: The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics. Refer Note 4 for further details.

- Fair value Measurement of Financial Instruments: The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. This involves significant judgements in the selection of a method in making assumptions that are mainly based on market conditions existing at the Balance Sheet date and in identifying the most appropriate estimate of fair value when a wide range of fair value measurements are possible. Refer Note 34 for further details.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

- Contingent Liability: The management evaluates possible obligation that arises from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The estimates of outcome and financial effect are determined by the judgement of the management of the entity, supplemented by experience of similar transactions and, in some cases, reports from independent experts. Refer Note 37 for further details.
- Impairment of financial assets: For trade receivables, the Company applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognized from initial recognition of the receivables. The expected credit loss allowance is an estimate based on the ageing of the receivables that are due and rates used in a provision matrix.

2.3 Current/Non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a. it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is expected to be realised within 12 months after the reporting date; or

d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

(a) it is expected to be settled in the entity's normal operating cycle;

(b) it is held primarily for the purpose of being traded;

(c) it is due to be settled within twelve months after the balance sheet date; or

(d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

2.4 Material Accounting Policies

a) Foreign currency translation

(i) Functional and presentation currency

The functional currency of the Company is Indian Rupee.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

(iii) Subsequent measurement

Foreign currency transactions subsequently are accounted using the exchange rates as at that date and difference, if any, between the exchange rates as at the subsequent date and the date of the balance sheet is recognised as income or expense in the Statement of Profit and Loss.

b) Cash flow statement

Cash flows are reported using indirect method, whereby profit/(loss) before tax for the year is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

b1) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

c) Earnings per share

Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year adjusting the bonus element for all the reported period arising on account of issue of equity shares on rights and including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit/(loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share adjusted for the effects of all dilutive potential equity shares. Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into.

d) Revenue recognition and other income

Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of control of the goods or service to the customer. Revenue from sales of goods or rendering of services is net of Indirect taxes, returns and discounts.

Income from operations-

Rooms, Food and Beverage & Banquets: Revenue is recognised at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and banquet services which is recognised once the rooms are occupied, food and beverages are sold and banquet services have been provided as per the contract with the customer.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Other Allied services: In relation to laundry income, communication income, health club income, airport transfers income and other allied services, the revenue has been recognised by reference to the time of service rendered.

Membership Fees: Membership fee income majorly consists of membership fees received from the loyalty programme and Chamber membership fees. In respect of performance obligations satisfied over a period of time, revenue is recognised at the allocated transaction price on a time-proportion basis.

Some contracts include multiple performance obligations, such as sale of food and beverages and room revenue. These are considered as separate performance obligations as, the customer can benefit from the good or service on its own and the good or services are distinct within the context of the contract. Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices.

A contract asset viz. Unbilled revenue is recognized in respect of those performance obligations where the control of the goods has been transferred to the buyer or services are provided to the customer, and only the act of invoicing is pending.

A contract liability is recognised where the customer has paid in advance, but the services are yet to be rendered by the Company or the payment exceeds the services rendered.

A deferred revenue is recognised for revenue where performance obligations under the sales contract are to be satisfied.

The company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the company does not adjust any of the transaction prices for the time value of money.

Space and Shop Rentals

Rentals basically consists of rental revenue earned from letting of spaces for retails and office at the properties. Revenue is recognised over the tenure of the lease/service agreement on a straight line basis over the term of the lease, except where the rentals are structured to increase in line with expected general inflation, and except where there is uncertainty of ultimate collection.

Interest income

Interest income is recognised on a time proportion basis taking into account amount outstanding using effective interest rate applicable.

e) Property, plant and equipment

Property, plant and equipment are stated at cost which includes capitalised borrowing costs, less accumulated depreciation (other than freehold land) and accumulated impairment losses, if any.

All property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, including duties and non-refundable taxes, expenses directly related to bringing the asset to the location and condition necessary for making them operational for their intended use. Initial estimate of costs of dismantling and removing the item and restoring the site on which it is located is also included if there is an obligation to restore it.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Depreciation is charged to the Statement of Profit and Loss so as to expense the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method, as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets had been re-assessed as under based on technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support, etc.

The useful lives have been determined as per the useful life prescribed in Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset.

Based on the above, the estimated useful lives of the property, plant and equipment are as follows:

Category of assets	Useful life as per Schedule II (in years)	Useful life as per Technical Assessment (in years)
Buildings	60 years	60 years
Plant and machinery	15 years	10 years to 15 years
Plant and machinery - Windmill	25 years	25 years
Furniture and fixtures	8 years	8 years
Office equipments	5 years	Not Applicable
Computers	3 years	Not Applicable
Data processing units	6 years	Not Applicable
Vehicles	6 years	Not Applicable

Freehold land is not depreciated. The assets' useful lives and residual values are reviewed at the Balance Sheet date and the effect of any changes in estimates are accounted for on a prospective basis. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Capital work-in-progress represents projects under which the property, plant and equipment are not yet ready for their intended use and are carried at cost determined as aforesaid.

f) Intangible assets

Intangible assets are initially measured at acquisition cost including any directly attributable costs of preparing the asset for its intended use and are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets with finite lives are amortised over their estimated useful economic life and assessed for impairment, whenever there is an indication that the intangible asset may be impaired. Intangible assets with indefinite useful lives are tested for impairment at least annually and whenever there is an indication that the asset may be impaired. The estimated useful life used for amortising for intangible assets is as under:

Class of asset	Estimated useful life
Computer software	6 years
Right to use (car park space)	60 years

An intangible asset is derecognised on disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss, when the asset is derecognised.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Goodwill is measured at cost less any accumulated impairment losses. Goodwill attributable to the acquisition of Bangalore hotel undertaking of HLV Limited is, from the acquisition date, allocated to cash-generating units that are expected to benefit from the combination.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

g) Investment properties

Investment properties, principally office buildings, are held for long-term rental yields and are not occupied by the Company. They are carried at cost. Investment properties are depreciated using the straight-line method to allocate the cost of assets over their estimated useful lives. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any. Investment properties generally have useful lives of 60 years for building and land is not depreciated. The useful lives have been taken as per schedule II. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised only when future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised. Refer Note 3 & 5 for further details.

h) Impairment of assets

Assets that are subject to amortisation/depreciation and goodwill are reviewed for impairment periodically including whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

i) Taxation

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity, respectively.

Current tax

Current tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred income tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of the transaction and does not give rise to equal taxable and deductible temporary differences. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred tax assets is reviewed at each reporting date.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

j) Employee benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include salary, wages and bonus, short term compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short-term employee benefits (including compensated absences) expected to be paid in exchange for the services rendered by employees is recognized as an expense during the period of rendering of service by the employee.

The obligations are presented as current liabilities in the balance sheet if the Company does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

Long term employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are recognized as an expense when employees have rendered service entitling them to the contributions.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Defined benefit plans

(Post-employment benefit)

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any plan assets are deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on government securities as at the balance sheet date. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan ("the asset ceiling").

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

Other long-term employee benefits

Compensated absences

The employees can carry forward a portion of the unutilised accrued compensated absences beyond twelve months and utilise it in future service periods or received cash compensation on termination of employment but also during service period as per category of employees and policy of the Company. The Company records obligation for compensated absences in the period in which the employee renders services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the Projected Unit credit method. The discount rates used for determining the present value of the liability is based on the market yields on Government securities as at the balance sheet date. Actuarial gains and losses are recognized immediately in the statement of profit & loss.

k) Inventories

Stock of food and beverages and stores and operating supplies are carried at the lower of cost (computed on a weighted average basis) or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Cost includes the fair value of consideration paid including duties and taxes (other than those refundable), inward freight and other expenditure directly attributable to the purchase. Trade discounts and rebates are deducted in determining the cost of purchase.

l) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a binding present obligation. This may be either legal because it derives from a contract, legislation or other operation of law, or constructive because the Company created valid expectations on the part of third parties by accepting certain responsibilities. To record such an obligation it must be probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

for the amount of the obligation. The amount recognised as a provision and the indicated time range of the outflow of economic benefits are the best estimate (most probable outcome) of the expenditure required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Non-Current provisions are discounted for giving the effect of time value of money.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

Provisions, contingent assets and contingent liabilities are reviewed at each balance sheet date.

m) Financial instruments

(i) Classification

The company classifies its financial assets in the following measurement categories

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

(ii) Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the company commits to purchase or sale the financial asset.

(iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value (trade receivables is measured at transaction price) plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

- Debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the statement of profit and loss.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

- **Fair value through profit or loss:** Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

- Equity instruments

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/(losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Compound financial instruments

Compound financial instruments issued by the Company comprise convertible debentures denominated in INR that can be converted to equity shares at the option of the holder during the tenure of the instrument, when the number of shares to be issued is fixed and does not vary with changes in fair value. The liability component of compound financial instruments is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts. Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequently. Interest related to the financial liability is recognised in profit or loss (unless it qualified for inclusion in the cost of an asset). On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.

Trade and other receivables

A trade receivable without a significant financing component is initially measured at the transaction price in accordance with Ind AS 115 revenue from contract with customers.

Other receivables are recognised initially at fair value plus or minus transaction costs and subsequently measured at amortised cost using the effective interest method, less loss allowance.

Classification & measurement of financial liabilities

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. If payment is expected in one year or less, they are classified as current liabilities. If not, they are presented as non-current liabilities.

Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of profit or loss over the period of the borrowings using the effective interest rate method.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Borrowings are classified as non-current liabilities if the Company has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date. If not, they are presented under current borrowings.

Covenants that the company is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the company is required to comply with after the reporting period do not affect the classification.

Derecognition of financial asset & financial liabilities

A financial asset (or, a part of a financial asset) is primarily derecognized when:

(i) The contractual right to receive cash flows from the financial assets expire, or

(ii) The Company transfers the financial assets or its right to receive cash flow from the financial assets and substantially all the risks and rewards of ownership of the asset to another party.

A financial liability (or, a part of financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

Gain or loss on derecognition

Gain or loss on derecognition of a financial asset or liability measured at amortised cost is recognized in the statement of profit and loss at the time of derecognition. Derecognition gain/loss on financial assets other than equity instruments measured at FVOCI is recycled to profit or loss. Gain or loss on derecognition of equity instruments measured at FVOCI is never recycled to profit or loss.

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit losses associated with its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognized from initial recognition of the receivables. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in a provision matrix. For other financial assets (not being equity instruments or debt instruments measured subsequently at FVTPL) the expected credit losses are measured at the 12 month expected credit losses or an amount equal to the lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition.

Offsetting of financial asset and liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet where Company currently has a legally enforceable right to offset the recognized amounts, and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

n) Leases

i. As a lessee

On inception of a contract, the Company assesses whether it contains a lease. A contract contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The right to use the asset and the obligation under the lease to make payments are recognised in the Company's statement of financial position as a right-of-use asset and a lease liability.

Right of use assets

The right-of- use asset recognised at lease commencement includes the amount of lease liability recognised, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Right-of-use assets are depreciated over the shorter of the asset's estimated useful life and the lease term. Right-of-use assets

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

are also adjusted for any re-measurement of lease liabilities and are subject to impairment testing. Residual value is reassessed annually.

Lease Liabilities

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including 'in-substance fixed' payments) and variable lease payments that depend on an index or a rate, less any lease incentives receivable, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option and payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease. 'In-substance fixed' payments are payments that may, in form, contain variability but that, in substance, are unavoidable. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease term includes periods subject to extension options which the Company is reasonably certain to exercise and excludes the effect of early termination options where the Company is reasonably certain that it will not exercise the option. Minimum lease payments include exercise price a purchase option if the Company is reasonably certain it will purchase the underlying asset after the lease term.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the 'in-substance fixed' lease payments or as a result of a rent review or change in the relevant index or rate.

Variable lease

Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period over which the event or condition that triggers the payment occurs.

Short-Term Leases and Leases of Low-Value Assets

The Company has opted not to apply the lease accounting model to leases of low-value assets or leases which have a lease term of 12 months or less and don't contain purchase option. Costs associated with such leases are recognised as an expense on a straight-line basis over the lease term.

Disclosure of lease liabilities and assets in balance sheet

The Company presents right-of-use assets that do not meet the definition of 'investment property' and 'property, plant and equipment' separately in the balance sheet and lease liabilities separately in the balance sheet within 'Financial Liabilities'.

ii. As a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

iii. Classification of lease

To classify each lease the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not, it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

o) Borrowing costs

General and specific borrowing costs directly attributable to the acquisition or construction of qualifying assets that necessarily takes substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Interest income earned on temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Borrowing costs that are not directly attributable to a qualifying asset are recognised in the Statement of Profit and Loss using the effective interest rate method.

2.6 Recent pronouncements

The Ministry of Corporate Affairs vide notification dated 7 May 2025 and 13 August 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2025

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1

As a result of the adoption of the amendments to Ind AS 1, the company changed its accounting policy for the classification of borrowings:

Borrowings are classified as current liabilities unless, at the end of the reporting period, the company has a right to defer settlement of the liability for at least 12 months after the reporting period.

Covenants that the company is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the company is required to comply with after the reporting period do not affect the classification.

This new policy did not result in a change in the classification of Company's borrowings. The Company did not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

Supplier Finance Arrangements – Amendments to Ind AS 7 and Ind AS 107

As a result of the adoption of the amendments to Ind AS 7 and Ind AS 107, the Company does not expect material impact of these amendments in its financial statements.

International Tax Reform – Pillar Two Model Rules – Amendments to Ind AS 12

The Company is not within the scope of the OECD Pillar Two Model Rules, as Pillar Two legislation has not yet been enacted in any of the jurisdictions in which the company operates.

Lack of Exchangeability – Amendments to Ind AS 21

The amended Ind AS 21 have added requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use where it is not. These amendments did not have any material impact on the amounts recognised in current periods and are not expected to significantly affect the future periods.

2.7 Recent Indian Accounting Standards (Ind AS) issued not yet effective

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1

This amendment also includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, as outlined below.

Under the existing Ind AS 1, where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

However, the amended requirements stipulate that entities will no longer be permitted to consider lender waivers that are granted after the reporting date but before the financial statements are approved for the purpose of classification of loans. This amendment is required to be applied retrospectively in accordance with Ind AS 8.

The Company does not expect this amendment to have an impact on its operations or financial statements.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

3 PROPERTY, PLANT AND EQUIPMENT (INCLUDING CAPITAL WORK-IN PROGRESS)

Particulars	Building	Freehold land	Plant and machinery (including windmill)*	Furniture and fixtures	Office equipment	Computers and data processing units	Vehicles	Total	Capital work-in-progress
Gross carrying amount									
as at April 01, 2024	**4,099.06**	**7,375.98**	**705.83**	**114.02**	**0.71**	**33.66**	**53.73**	**12,382.99**	**234.58**
Additions	210.63	-	96.08	60.68	-	3.90	-	371.29	699.95
Disposals/transfers	-	-	0.99	-	-	-	-	0.99	371.29
Gross carrying amount as at March 31, 2025	**4,309.69**	**7,375.98**	**800.92**	**174.70**	**0.71**	**37.56**	**53.73**	**12,753.29**	**563.24**
Accumulated depreciation									
As at April 01, 2024	**175.80**	**-**	**146.86**	**15.43**	**0.65**	**20.10**	**30.79**	**389.63**	**-**
Charge for the year	98.90	-	62.30	18.89	0.03	10.67	12.88	203.66	-
Disposals	-	-	0.99	-	-	-	-	0.99	-
Accumulated depreciation as at March 31, 2025	**274.70**	**-**	**208.17**	**34.32**	**0.68**	**30.77**	**43.67**	**592.30**	**-**
Net carrying amount as at March 31, 2025	**4,034.99**	**7,375.98**	**592.75**	**140.38**	**0.03**	**6.79**	**10.06**	**12,160.99**	**563.24**
Gross carrying amount									**-**
As at April 01, 2025	**4,309.69**	**7,375.98**	**800.92**	**174.70**	**0.71**	**37.56**	**53.73**	**12,753.29**	**563.25**
Additions#/transfers**	1,049.26	1,491.27	270.34	188.20	-	15.51	-	3,014.58	1,469.12
Disposals			6.06	0.05	0.03	0.49	-	6.63	1,314.83
Gross carrying amount as at March 31, 2026	**5,358.95**	**8,867.25**	**1,065.20**	**362.85**	**0.68**	**52.58**	**53.73**	**15,761.24**	**717.54**

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Particulars	Building	Freehold land	Plant and machinery (including windmill)*	Furniture and fixtures	Office equipment	Computers and data processing units	Vehicles	Total	Capital work-in-progress
Accumulated depreciation									
As at April 01, 2025	**274.70**	**-**	**208.17**	**34.32**	**0.68**	**30.77**	**43.67**	**592.30**	**-**
Charge for the year	116.97	-	70.53	30.78	0.03	6.41	9.62	234.34	-
Disposals/transfers**	(15.62)	-	4.37	0.04	0.03	0.47	-	(10.71)	-
Accumulated depreciation as at March 31, 2026	**407.29**	**-**	**274.33**	**65.06**	**0.68**	**36.71**	**53.29**	**837.35**	**-**
Net carrying amount as at March 31, 2026	**4,951.66**	**8,867.25**	**790.87**	**297.79**	**-**	**15.87**	**0.44**	**14,923.89**	**717.54**

** The windmills acquired by the Company under the Business Transfer Agreement (BTA) entered with HLV Limited are situated on a forest land which was leased to Sarjan Realities Limited by the Ministry of Environment, Forest and Climate Change (MoEF&CC). The registration for sub-lease of the said land from Sarjan Realities Limited to HLV Limited and thereafter to the Company is pending to be executed.*

Includes interest capitalised amounting to Rs.48.28 millions for March 31, 2026 (Rs. 20.18 millions for March 31, 2025).

*** During the year ended March 31, 2026, there has been a change in the operational use of investment property to generate core business income, in accordance with the principles laid out in Ind AS 16. Refer Note 6.*

I) Property, plant and equipment

Freehold land and building were provided as collateral security against the term loans availed by the Company, it has been released during the year on repayment of borrowings(Refer Note 18)

Contractual Obligations: Refer Note 38 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

The title deeds of immovable properties included in property, plant and equipment are held in the name of the Company.

II) Capital work in progress

Capital work-in-progress mainly comprises renovations of hotel and investment property in India.

There are no projects under capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Ageing of Capital Work in progress

As at March 31, 2026

	Amount in Capital work in progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	453.41	247.50	14.27	2.36	717.54
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2025

	Amount in Capital work in progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	451.38	106.37	5.50	-	563.25
Projects temporarily suspended	-	-	-	-	-

4 LEASES

This note provides information for leases where the Company is a lessee. The Company leases hotel premises and plant & machinery. Rental contracts are typically made for fixed periods of 11 months to 36 years, but may have extension and termination options as described in (iii). The weighted average discount rate for lease liabilities is 10.5% p.a.

(i) The balance sheet shows the following amounts relating to leases:

Particulars	As at March 31, 2026	As at March 31, 2025
Right-of-use assets		
- Building	2,535.75	2,398.14
- Plant and machinery	6.34	7.11
	2,542.09	**2,405.25**

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liabilities		
Lease liabilities - Current	-	-
Lease liabilities - Non Current	2,371.92	2,100.88
	2,371.92	**2,100.88**

Additions to right-of-use assets for the year ended March 31, 2026 was Rs. 201.11 millions on account of new leases or additional security deposit paid for the existing leases (March 31, 2025 - Rs. 215.39 millions).

(ii) Amounts recognized in statement of profit and loss

Particulars	As at March 31, 2026	As at March 31, 2025
Depreciation charge of right-of-use assets (Refer Note 29)		
- Building	63.51	57.88
- Plant and machinery	0.76	0.76
Interest expense (included in finance costs)	231.39	201.78

Total cash outflow for leases for the year ended March 31, 2026 is Rs.135.45 millions (March 31, 2025 Rs.116.31 millions)

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

(iii) Extension and termination options

Extension and termination options are included in a number of residential accommodation leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only if agreed by both the Group and the lessor. The termination option of the hotel premises leased by the Group held are exercisable only by the lessee.

(iv) Critical judgements in determining the lease term:

The Group assesses at lease commencement whether it is reasonably certain to exercise the extension and termination options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control and affects whether The Group is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term.

5 OTHER INTANGIBLE ASSETS AND GOODWILL

Particulars	Computer software	Right to access the parking space	Total	Goodwill
Gross carrying amount				
as at April 01, 2024	**7.51**	**402.80**	**410.31**	**757.20**
Additions	0.24	-	0.24	-
Disposals	-	-	-	-
Gross carrying amount as at March 31, 2025	**7.75**	**402.80**	**410.55**	**757.20**
Accumulated amortisation				
As at April 01, 2024	**3.68**	**14.02**	**17.70**	**-**
Charge for the year	1.65	7.00	8.65	-
Disposals	-	-	-	-
Accumulated depreciation as at March 31, 2025	**5.33**	**21.02**	**26.35**	**-**
Net carrying amount as at March 31, 2025	**2.42**	**381.78**	**384.20**	**757.20**
Gross carrying amount				
As at April 01, 2025	**7.75**	**402.80**	**410.55**	**757.20**
Additions	4.49	-	4.49	-
Disposals/adjustments	-	-	-	-
Gross carrying amount as at March 31, 2026	**12.24**	**402.80**	**415.04**	**757.20**

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Particulars	Computer software	Right to access the parking space	Total	Goodwill
Accumulated amortisation				
As at April 01, 2025	**5.33**	**21.02**	**26.35**	**-**
Charge for the year	1.96	7.00	8.96	-
Disposals/adjustments	-	-	-	-
Accumulated depreciation as at March 31, 2026	**7.29**	**28.02**	**35.31**	**-**
Net carrying amount as at March 31, 2026	**4.95**	**374.78**	**379.73**	**757.20**

(i) Intangible assets

(i) Other intangible assets pledged as Security: Refer to Note 18 for information on other intangible assets pledged as security by the Company.

Goodwill is initially recognised based on the accounting policy for business combinations and is tested for impairment annually.

Impairment testing

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any.

The Company tests goodwill for impairment at least annually, or more frequently if events or changes in circumstances indicate that it might be impaired. For the purpose of impairment testing, goodwill, which arose on acquisition of the assets/entities, is allocated to a cash generating unit "CGU" representing the lowest level with the company at which goodwill is monitored for internal management reporting purposes.The carrying value of the cash generating unit is the carrying value of the net assets of the entity.

The recoverable value in use of the CGU is determined on the basis of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

The carrying amount of goodwill is Rs. 757.20 millions (March 31, 2025 - Rs. 757.20 millions). The estimated value-in-use of this CGU is based on the future cash flows using a 5% annual growth rate for periods subsequent to the forecast period of 5 years and a discount rate (pre-tax) of 12.50% p.a. An analysis of the sensitivity of the computation to a change in key parameters (EBITDA, discount rates and terminal value), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

6 INVESTMENT PROPERTIES

(i)

	As at March 31, 2026	As at March 31, 2025
Gross carrying amount (measured at cost)		
Opening gross carrying amount	1,699.35	1,699.35
Additions	-	-
Disposals	-	-
Transfer to property, plant and equipment*	(1,699.35)	
Closing gross carrying amount	**-**	**1,699.35**
Accumulated depreciation		
Opening accumulated depreciation	15.62	10.42
Charge for the year	-	5.20
Transfer to property, plant and equipment*	(15.62)	-
Closing accumulated depreciation	**-**	**15.62**
Net carrying amount	**-**	**1,683.73**

**During the year ended March 31, 2026, there has been a change in the operational use of investment property to generate core business income, in accordance with the principles laid out in Ind AS 16*

(ii) Investment properties under construction

	As at March 31, 2026	As at March 31, 2025
Opening Balance	**296.11**	**-**
Additions during the year#	-	296.11
Transferred to CWIP	(296.11)	-
Total	**-**	**296.11**

Includes interest capitalised amounting to Nil for March 31, 2026 (March 31, 2025 Rs.9.63 millions)

(iii) Amounts recognised in profit or loss for investment properties

Particulars	As at March 31, 2026	As at March 31, 2025
Rental income from operating leases	-	227.31
Direct operating expenses from property that generated rental income	-	(44.45)
Direct operating expenses from property that did not generate rental income	-	(2.96)
Profit from investment properties before depreciation	**-**	**179.90**
Depreciation	-	5.20
Profit from investment properties	**-**	**174.70**

(iv) Contractual obligations

See note 38 for disclosure of contractual obligations to purchase, construct or develop investment property or for its repairs, maintenance or enhancements.

(v) Leasing arrangements

The investment properties are leased to tenants under operating leases with rentals payable monthly. Lease income from operating leases where the group is a lessor is recognised in income on a straight-line basis over the lease term. Lease payments have no variable lease payments that depend on an index or rate. Where considered necessary to reduce credit risk, the Group may obtain bank guarantees for the term of the lease. Although the Group is exposed to changes in the residual value at the end of the current leases, Group typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Minimum lease payments receivable on leases of investment properties are as follows-

Particulars	As at March 31, 2026	As at March 31, 2025
Within 1 year	-	202.83
Between 1 and 2 years	-	219.48
Between 2 and 3 years	-	125.23
Between 3 and 4 years	-	42.68
Between 4 and 5 years	-	39.23
Later than 5 years	-	118.13

(vi) Fair value

Particulars	As at March 31, 2026	As at March 31, 2025
Investment properties	-	3,505.11

(vii) Estimation of fair value

The Company obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the group considers information from a variety of sources including:

1. Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
2. Discounted cash flow projections based on reliable estimates of future cash flows
3. capitalised income projections based upon property's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

The fair values of investment properties have been determined by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data. All resulting fair value estimates for investment properties are included in level 3.

(viii) Ageing of investment properties under construction

As on March 31,2025

	Amount in Capital work in progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	296.11	-	-	-	**296.11**
Projects temporarily suspended	-	-	-	-	**-**

As on March 31, 2026 there are no Investment properties under Construction

(ix) Presenting cash flows

The Company classifies cash outflows to acquire or construct investment properties as investing cash flows and rental inflows as operating cash flows.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

7 INVESTMENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Investment in equity instruments (unquoted) (measured at FVTPL)		
18,600 equity shares of Rs. 10 each fully paid up in Green Infra Wind Power Generation Limited	0.19	0.19
111,023,070 CCPS of Rs. 10 each in Schloss Chanakya Private Limited	1,924.83	1,250.90
47,780,000 redeemable preference share of USD 1 each in Aries Holding (DIFC) Limited	4,507.55	-
46,968,333 CCPS of Rs.1 each in Buildminds Real estate Private Limited	21.64	4.14
Investment in subsidiaries (unquoted) (measured at cost)		
36,792,597 equity shares of Rs. 10 each fully in Schloss HMA Private Limited	12,153.33	12,153.33
31,239,130 equity shares of Rs. 10 each fully in Schloss Chennai Private Limited	10,110.86	10,110.86
111,023,076 equity shares of Rs. 10 each fully in Schloss Chanakya Private Limited	11,450.92	11,450.92
10,000 equity shares of Rs. 10 each fully in Schloss Gandhinagar Private Limited	18.52	18.52
2,728,130 equity shares of Rs. 10 each fully in Leela Agra Resorts Limited (formerly known as Leela Palaces and Resorts Limited)	1,742.81	1,742.81
1,000 equity shares of Rs. 10 each fully in Schloss Tadoba Private Limited	0.01	0.01
522,942 equity shares of Rs. 10 each fully in Inside India resorts Private Limited	310.52	302.87
21,860,044 equity shares of Rs. 10 each fully in Anasvish Tiger Camp Private Limited	218.60	209.35
31,667 equity shares of Rs. 10 each fully in Buildminds Real estate Private Limited	0.03	0.03
10,000 equity shares of Rs. 10 each fully in Leela BKC Holdings Limited (Formerly Known As Transition Cleantech Services Four Private Limited)	-	0.10
10,000 equity shares of Rs. 10 each fully in Transition Cleantech Services Five Private Limited	0.10	0.10
23,170,000 equity shares of Rs. 10 each fully in Leela Luxe Hotels & Resorts Private Limited	2,312.50	-
50,000 equity shares of Rs. 10 each fully in Leela Nirvana Resorts Private Limited	0.50	-
50,000 equity shares of Rs. 10 each fully in Leela Essence Hospitality Private Limited	0.50	-
50,000 equity shares of Rs. 10 each fully in Leela Opulence Hotels Private Limited	0.50	-
50,000 equity shares of Rs. 10 each fully in Leela Imperial Suite Private Limited	0.50	-
4199 Equity shares of USD 1 each fully paid in Aries Holding (DIFC) Limited	0.01	-
Investment in CCPS of Schloss Chanakya Private Limited (measured at amortised cost)	14,182.73	9,969.96
Investment in CCPS of Buildminds Real estate Private Limited (measured at amortised cost)	25.87	25.87

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025
Investment in Joint Venture (unquoted) (measured at cost)		
6,763,647 equity shares of Rs. 10 each fully in Leela BKC Holdings Limited (Formerly Known As Transition Cleantech Services Four Private Limited)	675.02	-
11,997,600 Non-Convertible debentures of Rs. 100 each in Leela BKC holdings Private Limited	1,199.77	-
	60,857.81	**47,239.96**
Aggregate amount of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	60,857.81	47,239.96
Aggregate amount of impairment in the value of investments	-	-

The fair value of investments approximates their carrying values.

8 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Fixed deposit with remaining maturity of more than 12 months (refer note (a))	277.86	10,524.11
Margin money deposits with remaining maturity of more than 12 months (refer note (b))	0.47	0.38
Security deposits	38.34	35.36
Interest accrued but not due	92.44	
Total	**409.11**	**10,559.85**

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Out of the above, deposits restricted for withdrawal against loan facility		
- Against bank guarantee	-	202.41
(b) Margin money includes:		
Against bank guarantee	0.47	0.38
Current		
Other receivables (refer Note 42)	10.69	148.01
Total	**10.69**	**148.01**

9 NON CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2026	As at March 31, 2025
Advance tax and tax deducted at source (net of provision of tax)	110.54	97.84
Total	**110.54**	**97.84**

Movement of Non-current tax assets	As at March 31, 2026	As at March 31, 2025
Opening balance	97.84	74.68
Less: Current tax payable for the year refer note 32)	(76.72)	-
Add: Taxes paid and Tax deducted at source	89.42	23.16
Closing balance	**110.54**	**97.84**

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

10 OTHER ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Capital advances	46.54	117.20
Prepaid expenses	1.16	3.71
Lease equalisation reserve	87.29	55.98
Deposits with governmental authorities	2.38	-
Total	**137.37**	**176.89**
Current		
Balances with government authorities		
- With GST authorities	70.76	99.91
Advance to employees	5.81	4.20
Advance to suppliers	41.20	26.05
Prepaid expenses*	50.32	480.37
Total	**168.09**	**610.53**

** Includes eligible expenses incurred in connection with proposed initial public offer of equity shares of the Company amounting to Rs. 441.47 millions for the previous year ended March 31, 2025. Refer Note 45 for further details.*

11 INVENTORIES

Particulars	As at March 31, 2026	As at March 31, 2025
Food and beverages	77.43	66.72
Stores and operating supplies	10.40	8.56
Total	**87.83**	**75.28**

1) The amount of Inventories is pledged as security against the Company's borrowings. Refer note 18

2) Inventory written down during the year Rs. Nil (March 31, 2025 - Rs. Nil)

3) Goods in transit: Rs. Nil (March 31, 2025: Rs. Nil)

12 TRADE RECEIVABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables from contract with customers – billed	110.23	107.22
Trade receivables from contract with customers – unbilled	18.43	30.15
Trade receivables from contract with customers – related parties (refer Note 42)	45.51	0.08
Less: Loss allowance	(5.26)	(3.03)
Total	**168.91**	**134.42**
Breakup of security details		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	174.17	137.45
Trade receivables which have significant increase in credit risk	-	-
Trade receivables – credit impaired	-	-
Total	**174.17**	**137.45**
Less: Loss allowance	(5.26)	(3.03)
Total	**168.91**	**134.42**

(i) Trade receivables are non-interest bearing and are generally on payment terms of 0 to 30 days.

(ii) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member except as disclosed in note 42.

(iii) For related party balances refer Note 42.

(iv) The trade receivable is unbilled because the Company has not yet issued an invoice, however, the balance has been included under trade receivable (as opposed to contract assets) because it is an unconditional right to consideration.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Trade Receivables Ageing

Ageing of trade receivables as at March 31, 2026

	Unbilled	Outstanding for following periods from the due date					Total
		Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More Than 3 years	
Undisputed trade receivables								
considered good	18.43	-	133.50	-	22.24	-	-	174.17
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								-
considered good	-	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
Total	**18.43**	**-**	**133.50**	**-**	**22.24**	**-**	**-**	**174.17**
Less: Loss allowance	-	-	-	-	(5.26)	-	-	(5.26)
Net	**18.43**	**-**	**133.50**	**-**	**16.98**	**-**	**-**	**168.91**

Ageing of trade receivables as at March 31, 2025

	Unbilled	Outstanding for following periods from the due date					Total
		Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More Than 3 years	
Undisputed trade receivables								
considered good	30.15	-	107.30	-	-	-	-	137.45
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables								-
considered good	-	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
Total	**30.15**	**-**	**107.30**	**-**	**-**	**-**	**-**	**137.45**
Less: Loss allowance	-	-	(3.03)	-	-	-	-	(3.03)
Net	**30.15**	**-**	**104.27**	**-**	**-**	**-**	**-**	**134.42**

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

13 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
- in current accounts	42.93	173.77
- in fixed deposits with original maturity of less than 3 months	-	221.09
Cash on hand	0.74	1.24
Total	**43.67**	**396.10**

Note: Cash and bank balances are denominated and held in Indian Rupees and the balance with banks mentioned above is of unrestricted nature.

14 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Fixed deposits with banks with original maturity more than three months but less than twelve months *	1,654.15	373.27
Total	**1,654.15**	**373.27**

**Fixed deposits of Rs. 1322.76 millions (March 31, 2025 - Rs. 373.09 millions) is restricted for withdrawal, against bank guarantee, term loans, overdraft facility availed and IPO expenses.*

15 LOANS

Particulars	As at March 31, 2026	As at March 31, 2025
Non Current		
Unsecured considered good, unless otherwise stated:		
Inter Corporate Deposit (ICD) (refer note 42)	11,791.15	-
Total	**11,791.15**	**-**
Current		
Unsecured considered good, unless otherwise stated:		
Inter Corporate Deposit (ICD) (refer note 42)	597.03	2,075.72
Total	**597.03**	**2,075.72**

Inter corporate deposit has been given to subsidiaries. The ICD carries interest rate of 10.75%(Interest rate was 12.50% upto Jan 16, 2026) p.a is payable in ten years.

Break-up of security details

Particulars	As at March 31, 2026	As at March 31, 2025
Loans considered good- secured	-	-
Loans considered good- unsecured	12,388.18	2,075.72
Total loans	**12388.18**	**2,075.72**

Details of loans and advances in nature of loans granted to related parties (as defined under Companies Act, 2013)

Particulars	As at March 31, 2026	As at March 31, 2025
a) Repayable after 10 years		
Related parties	11,791.15	-
b) Repayable on Demand		
Related parties	597.03	2,075.72
Total	**12,388.18**	**2,075.72**
% of the total loans outstanding	100%	100%

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

16 EQUITY SHARE CAPITAL

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised		
6,567,500,000 (as at March 31, 2025: 6,567,500,000) equity shares of Rs.10 each	65,675.00	65,675.00
675,000,000 (as at March 31, 2025: 675,000,000) preference shares of Rs. 100 each	67,500.00	67,500.00
Issued, subscribed and paid up		
333,957,878 (March 31 2025: 276,486,614) equity shares of Rs. 10 each, fully paid-up	3,339.58	2,764.87
Total	**3,339.58**	**2,764.87**

(i) Movements in share capital

(a) Authorised share capital

Particulars	No. of shares	Amounts
Equity		
As at April 01, 2024	**67,500,000**	**675.00**
Increase/(decrease) during the year	6,500,000,000	65,000.00
As at March 31, 2025	**6,567,500,000**	**65,675.00**
As at April 01, 2025	**6,567,500,000**	**65,675.00**
Increase/(decrease) during the year	-	-
As at March 31, 2026	**6,567,500,000**	**65,675.00**

(b) Issued, subscribed and paid up

Particulars	No. of shares	Amount
Equity		
As at April 01, 2024	**20,169,566**	**201.70**
Bonus shares	140,788,256	1,407.88
On Conversion of CCD	15,027,498	150.27
On Conversion of CCPS	100,501,294	1,005.01
As at March 31, 2025	**276,486,614**	**2,764.87**
As at April 01, 2025	**276,486,614**	**2,764.87**
Shares issued during the year (refer Note 45)	57,471,264	574.71
As at March 31, 2026	**333,957,878**	**3,339.58**

Terms, rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not show of hands) are in proportion to its share of the paid-up equity capital of the Company.

On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

(ii) Shares of the company held by holding company/company having substantial Interest

Particulars	As at March 31, 2026	As at March 31, 2025
Project Ballet Bangalore Holdings (DIFC) Private Limited, (holding company upto May 30, 2025)*	152,996,805	175,985,315
BSREP III India Ballet Holdings (DIFC) Limited, intermediate holding company	5	5

**Project Ballet Bangalore Holdings (DIFC) Pvt Limited holds substantial interest in the Company w.e.f. May 31, 2025.*

From the equity shares held by Project Ballet Bangalore Holdings (DIFC) Private Limited, 1 equity share each were transferred to Project Balet Chennai Holdings (DIFC) Private Limited, Project Ballet HMA Holdings (DIFC) Private Limited, Project Ballet Gandhinagar Holdings (DIFC) Private Limited, BSREP III Tadoba Holdings (DIFC) Private Limited and Project Ballet Udaipur Holdings (DIFC) Private Limited on various dates to be as nominee share holders to Project Ballet Bangalore Holdings (DIFC) Private Limited during the year ended March 31, 2025.

(iii) Details of shareholders holding more than 5% shares in the company

As at March 31, 2026

Particulars	Number of shares	Percentage of total number of shares
Equity Shares		
Project Ballet Bangalore Holdings (DIFC) Pvt. Limited	152,996,805	45.81%
Project Ballet HMA Holdings (DIFC) Pvt. Ltd.	19,633,814	5.88%
BSREP III Tadoba Holdings (DIFC) Pvt. Ltd.	43,718,481	13.09%

As at March 31, 2025

Particulars	Number of shares	Percentage of total number of shares
Equity Shares		
Project Ballet Bangalore Holdings (DIFC) Pvt. Limited	175,985,315	63.65%
Project Ballet Chennai Holdings (DIFC) Pvt. Ltd.	16,334,179	5.91%
Project Ballet HMA Holdings (DIFC) Pvt. Ltd.	19,633,813	7.10%
BSREP III Tadoba Holdings (DIFC) Pvt. Ltd.	43,718,480	15.81%

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

(iv) Details of shareholding of promoters and promoter group:

As at March 31, 2026

Name of the promoter and promoter group	Number of shares	Percentage of total number of shares	Percentage of change during the year
Project Ballet Bangalore Holdings (DIFC) Private Limited	152,996,805	45.81%	-17.84%
BSREP III India Ballet Holdings (DIFC) Limited	5	0.00%	0.00%
Project Ballet Chennai Holdings (DIFC) Private Limited	16,334,180	4.89%	-1.02%
Project Ballet HMA Holdings (DIFC) Private Limited	19,633,814	5.88%	-1.22%
Project Ballet Gandhinagar Holdings (DIFC) Private Limited	2,845,443	0.85%	-0.18%
BSREP III Tadoba Holdings (DIFC) Private Limited	43,718,481	13.09%	-2.72%
Project Ballet Udaipur Holdings (DIFC) Private Limited	6,687,985	2.00%	-0.42%
BSREP III Joy (Two) Holdings DIFC Limited	11,281,396	3.38%	-0.70%
	253,498,109	**75.91%**	**-24.09%**

As at March 31, 2025

Name of the promoter and promoter group	Number of shares	Percentage of total number of shares	Percentage of change during the period
Project Ballet Bangalore Holdings (DIFC) Private Limited	175,985,315	63.65%	-36.34%
BSREP III India Ballet Holdings (DIFC) Limited	5	0.00%	-0.01%
Project Ballet Chennai Holdings (DIFC) Private Limited	16,334,179	5.91%	5.91%
Project Ballet HMA Holdings (DIFC) Private Limited	19,633,813	7.10%	7.10%
Project Ballet Gandhinagar Holdings (DIFC) Private Limited	2,845,442	1.03%	1.03%
BSREP III Tadoba Holdings (DIFC) Private Limited	43,718,480	15.81%	15.81%
Project Ballet Udaipur Holdings (DIFC) Private Limited	6,687,984	2.42%	2.42%
BSREP III Joy (Two) Holdings DIFC Limited	11,281,396	4.08%	4.08%
	276,486,614	**100.00%**	**-**

(v) Aggregate number of shares issued for consideration other than cash

On July 11, 2024 the Company had approved issuance of bonus shares in the ratio of 4:1 i.e. 4 bonus shares for each equity share.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

17 (a) Equity component of compound financial instruments

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	-	603.09
Less: Extinguishment of compound financial instruments	-	(603.09)
Residual value at inception of CCPS (refer note 17(b)	-	55,761.16
Loss on account of remeasurement of CCPS	-	(55,761.16)
Closing balance	**-**	**-**

17 (b) Reserves and surplus

Particulars	As at March 31, 2026	As at March 31, 2025
Securities Premium	86,348.31	62,841.82
Retained earnings	(909.44)	(3,671.04)
Retained earnings - fair value as deemed cost	1,270.04	1,270.04
Other equity	222.06	222.06
Total	**86,930.97**	**60,662.88**

17 (b) (i) Securities Premium

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	62,841.82	1,691.94
Issue of equity shares on listing (Refer note 45)	24,425.29	-
Share of Issue expenses	(918.80)	-
Utilisation on account of bonus issue	-	(1,407.88)
Addition on account of conversion of CCPS	-	61,205.29
Addition on account of conversion of CCDs	-	1,352.47
Closing balance	**86,348.31**	**62,841.82**

17 (b) (ii) Retained earnings

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	(3,671.04)	(4,015.64)
Profit for the year	2,757.91	342.35
Other comprehensive income for the year, net of tax	3.69	2.25
Closing balance	**(909.44)**	**(3,671.04)**

17 (b) (iii) Retained earnings - fair value as deemed cost

	As at March 31, 2026	As at March 31, 2025
Opening balance	1,270.04	1,270.04
Add: Additions	-	-
Closing balance	**1,270.04**	**1,270.04**

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

17 (b) (iv) Other equity

	As at March 31, 2026	As at March 31, 2025
Opening balance	222.06	-
Less: Loss on early conversion of CCD	-	(113.53)
Add: Gain on conversion of CCPS*	-	335.59
Closing balance	**222.06**	**222.06**

**During the previous year, the Company has issued 128,843,758, 373,963,280 and 119,295,990 CCPS to its fellow subsidiaries of par value Rs. 100 amounting to Rs. 12,884.37 millions, Rs. 37,396.33 millions and Rs. 11,929.60 millions respectively. These CCPS were non-redeemable, fully convertible participating preference shares. CCPS carried a preferential dividend of 12% per annum, payable at the discretion of the Company's board of directors.*

The CCPS were to be settled using the entity's own equity instruments, and the Company was obligated to deliver a variable number of these instruments to the CCPS holders and dividend was discretionary. This arrangement met the definition of a compound financial instrument having an equity component and a liability component. Further, the conversion feature was not a derivative because its value does not vary in response to changes in the issuer's share price. Instead, the issuer is using its shares as a 'currency' to settle the obligation since, if conversion is elected, the investor would have always received the number of shares equal to par value of CCPS.

Liability component of Rs. 6,765.65 millions was recorded as present value of cash outflows and the residual amount of Rs. 55,761.16 millions after deducting the liability component from the gross value of the instrument of Rs. 62,210.30 millions was recorded as equity component. The fair value of the instrument was determined by discounting the par value by considering conversion would happen only at maturity by applying a 12% discount rate.

These CCPS were converted into 100,501,294 Equity Shares bearing face value of Rs. 10 each and a premium of Rs. 609 per Equity Share. The resultant gain on conversion of such CCPS is accounted under other equity.

Nature and purpose of reserves:

(i) Equity component of compound financial instrument

This represents the equity portion of compulsory convertible debentures issued to Project Ballet Bangalore Holdings (DIFC) Private Limited, holding company. (Refer Note 17(a)

(ii) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

(iii) Retained earnings

Retained earnings represents surplus/accumulated earnings of the Company and are available for distribution to shareholders.

(iv) Retained earnings - fair value as deemed cost

Retained earnings - fair value as deemed cost represents the change in fair value of property, plant and equipment on the date of transition as per deemed cost exemption adopted by the Company.

(v) Other equity

This represents the loss on early conversion of compulsory convertible debentures and conversion of compulsory convertible preference shares.

18 BORROWINGS

Particulars	As at March 31, 2026	As at March 31, 2025
Term Loans:		
- From banks		
Rupee term loan [refer note I(A), I(C)]	-	12,044.01
Less: Current maturities of long-term borrowings (included in current borrowings)	-	(344.18)
Total	**-**	**11,699.83**

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025
Other Loans		
Working capital term loan [refer note (B)]	636.96	1,376.96
Less: Current maturities of long-term borrowings (included in current borrowings)	(500.00)	(502.09)
Total	**136.96**	**874.87**
Total	**136.96**	**12,574.70**
Current		
Secured		
Working capital loan [refer note D]	-	352.33
Overdraft [refer note E]	748.09	-
Current maturities of long-term borrowings	500.00	846.27
Total	**1,248.09**	**1,198.60**

Notes:

A.1 Term loan from Bank

As at March 31, 2025, The lender has granted a term loan facility under the Common Facility Agreement dated September 30, 2019 to the Company and co-borrowers i.e. Schloss Chennai Private Limited, Schloss Chanakya Private Limited, Schloss Udaipur Private Limited, Schloss HMA Private Limited (w.e.f. March 29, 2025) and Leela Agra Resorts Limited (formerly known as Leela Palaces and Resorts Limited) (w.e.f. March 29, 2025) for a total amounting to Rs. 27,500.00 millions for the purpose of acquisition (Rs. 25,500 millions) and refurbishment of the hotel property acquired (Rs. 2,000 millions) fully fungible amongst each of the co-borrowers and the Company's hotel property in Bangalore. The door to door tenure of the loan is 15 years including moratorium of one year. The loan is repayable in 56 quarterly structured installments beginning December 31, 2020. The loan carries interest rate linked to lender's one year marginal cost of funds based lending rate ("MCLR"), subject to annual reset, plus spread of 0.10%. The loan was repaid from proceeds of Inital Public Offier ('IPO') during the year and is not outstanding as at March 31, 2026.

With the gradual drawdown of capex in the past three years the individual limits set for Schloss Chennai Private Limited and Schloss Udaipur Private Limited got exhausted and an application to the lender was made for revision in the individual limits. However, due to the system limitation at the end of the lender, the same cannot be revised and accordingly a cross utilisation of capex limit was done during the previous year. The Company has cross charged the interest expense on such utilisation to respective entities.

(a) Primary security:

The total term loan under the said agreement is secured against assets of the Company and other co-borrowers under the Common Facility Agreement, interalia, including:

i. Exclusive charge on the total assets (including mortgage of property and/ or mortgage of leasehold rights in case of leasehold property, if any) (present & future).

ii. Exclusive charge on brand 'Leela' pertaining to Hotels, other intangibles, Goodwill, Intellectual Property (IP), uncalled capital (present and future);

iii. Exclusive charge on all bank accounts including but not limited to Escrow account (present & future).

iv. First charge on the total current assets (present and future).

v. Hypothecation of cash flows

(b) Other security:

i) Pledge of 30% shares of the Company held by the Project Ballet Bangalore Holdings (DIFC) Private Limited, in favour of security trustee for the benefit of lenders for the entire term loan exposure.

ii) A guarantee of BSREP III India Ballet Holdings (DIFC) Limited., situated at Dubai upto an amount of Rs. 3,000 millions, enforceable at Dubai towards meeting the shortfall in debt service obligations. The aforesaid corporate guarantee has been released during the year.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

iii) A guarantee of Schloss HMA Private Limited and Leela Agra Resorts Limited (formerly known as Leela Palaces and Resorts Limited), fellow subsidiaries, enforceable towards meeting the shortfall in debt service obligations upto March 28, 2025.

iv) Mortgage on the land situated at Agra owned by Leela Agra Resorts Limited (formerly know as Leela Palaces and Resorts Limited).

(c) Current maturities of long-term borrowings are classified as short-term borrowings.

(d) **Moratorium on interest:**

The Company has availed the moratorium facility for interest on term loan for the period March, 2020 to August 2020 which has been further capitalised into term loan w.e.f. 01 October 2020 amounting Rs. 428.62 millions

(e) The quarterly returns or statements of current assets i.e. stock statement, FFRs etc. filed by the Company with banks or financial institutions are in agreement with the books of accounts.

(f) **Loan covenants:** Under the terms of the borrowing facilities, all the co-borrowers are required to maintain the following covenants:

FACR 1.52, DSCR 1.34, ICR 1.89, Debt/EBITDA 5.64. The Company has met all the loan covenants during the year.

Corporate Term Loan:

The lender has granted a corporate term loan facility under the Agreement dated February 02, 2024 to the Company and co-borrowers i.e. Schloss Chennai Private Limited, Schloss Udaipur Private Limited, Schloss Chanakya Private Limited, Schloss HMA Private Limited (w.e.f. March 29, 2025) and Leela Palaces and Resorts Limited (w.e.f. March 29, 2025) for a total amounting to Rs. 1,500.00 millions for the purpose of ongoing capital expenditure ("capex") of the Company and other co-borrowers. Major portion i.e. 2/3rd portion of the sanctioned loan to be utilized in Schloss Bangalore Limited and remaining 1/3rd will be utilized by Schloss Chanakya Private Limited, Schloss Udaipur Private Limited and Schloss Chennai Private Limited. The rate of interest is 0.10% plus 1 year MCLR i.e. 9.00% p.a., present effective rate is 9.10% p.a. with monthly rests. The loan was repaid from proceeds of Inital Public Offier ('IPO') during the year and is not outstanding as at March 31, 2026.

(a) **Security details:** Refer point A.1.a and point A.1.b above.

The loan was repaid during the year ended March 31, 2026.

B The lender has granted a Working capital term Loan (WCTL) Facility under Guaranteed Emergency Credit Line 3.0 (GECL 3.0) facility of Rs. 2,000 millions on December 24, 2021 to the Company to augement net working capital, requirements to meet operational liabilities. The door to door tenure of the loan is 6 years including moratorium of principal of two years. The loan is repayable in 48 quarterly structured installments beginning January 2024. The loan carries interest rate linked to lender's six months marginal cost of funds based lending rate ("MCLR"), plus 0.2%, subject to annual reset.

(a) **Secondary charge on the below:**

As a part of the overall security package, following securities are offered:

i. All present and future current assets of Schloss Udaipur Private Limited (Udaipur Hotel), Schloss Chennai Private Limited (Chennai Hotel), Tulsi Palace Resort Private Limited (Jaipur) and Schloss Chanakya Private Limited (Chanakya/Delhi Hotel).

ii. All present and future immovable assets of Schloss Udaipur Private Limited (Udaipur Hotel), Schloss Chennai Private Limited (Chennai Hotel) and Tulsi Palace Resort Private Limited (Jaipur). Negative lien on moveable and immovable assets of Schloss Chanakya Private Limited (Chanakya/Delhi Hotel).

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

iii. All movable assets of Schloss Udaipur Private Limited (Udaipur Hotel), Schloss Chennai Private Limited (Chennai Hotel) and Tulsi Palace Resort Private Limited (Jaipur) including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc. and all current assets, both present and future relating to the Company (Udaipur Hotel), Schloss Chennai Private Limited (Chennai Hotel) and Tulsi Palace Resort Private Limited (Jaipur).

iv. Exclusive charge over, all bank accounts including DSRA, TRA/escrow/ designated account of Schloss Udaipur Private Limited (Udaipur Hotel), Schloss Chennai Private Limited (Chennai Hotel), Tulsi Palace Resort Private Limited (Jaipur Hotel) and Schloss Chanakya Private Limited (Chanakya/Delhi Hotel).

For the previous year ended March 31, 2025, second charge on securities mentioned in A.1.(a) above.

(b) Other security:

i) Pledge of 30% shares of the Company held by the Project Ballet Bangalore Holdings (DIFC) Private Limited, Holding company, in favour of security trustee for the benefit of lenders for the entire term loan exposure as at March 31, 2025.

ii) Extension of mortgage on the land situated at Agra owned by Leela Agra Resort Limited (formerly known as "Leela Palaces and Resorts Limited") as at March 31, 2025.

(c) Current maturities of long-term borrowings are classified as short term borrowings.

C Term loan II

The lender had sanctioned a term loan facility under Lease Rental Discounting (LRD) facility under the Master Facility Agreement to the Company, amounting to Rs. 1,100.00 millions for the purpose of acquisition of the Galleria office in Bangalore. The door to door tenure of the loan is 15 years from the date of first disbursement. The loan's repayable tenure is 180 monthly structured installments beginning December 2021. The loan carries interest rate linked to lender's one year marginal cost of funds based lending rate ("MCLR"), subject to monthly and annual reset, plus spread of 0.75%. The loan was repaid from proceeds of Inital Public Offier ('IPO') during the year and is not outstanding as at March 31, 2026. The rate of interest as on March 31, 2025 was 9.75% p.a. with monthly rests.

(a) Primary Security:

Exclusive first charge on hypothecation of existing and future rent receivables including lease rentals, parking rental, maintenance receivables and any other receivables from existing tenants of the commercial building named "Galleria" from 1st floor to 7th floor, located at Sy. no. 94, 95, 96, HAL Stage - II, Old airport road, Kodihalli village, Varthur Hobli, now part of municipal no. 23/4, PID no. 74-49-23/4, situated at Kodihalli main road, 6th cross, Bangalore admeasuring 15,203.98 sq. ft.

(b) Collateral Security:

(a) Exclusive first charge on the commercial building named "Galleria" from 1st floor to 7th floor, located at Sy. no. 94, 95, 96, HAL Stage - II, Old airport road, Kodihalli village, Varthur Hobli, now part of municipal no. 23/4, PID no. 74-49-23/4, situated at Kodihalli main road, 6th cross, Bangalore admeasuring 15203.98 sq. ft. along with underlying land admeasuring 24,404 sq. mtrs.

(b) Assignment (by way of security interest) the right to use 305 car parking space.

(c) Exclusive charge as Lien on 3 months DSRA

(d) Exclusive charge on Escrow account

(c) Current maturities of long-term borrowings are classified as short term borrowings.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

D Working capital loan

The lender has granted a working capital facility as per Agreement dated August 11, 2020 to the Company and co-borrowers i.e. Schloss Chennai Private Limited, Schloss Chanakya Private Limited, Schloss Udaipur Private Limited, Schloss HMA Private Limited (w.e.f. March 29, 2025) and Leela Palaces and Resorts Limited (w.e.f. March 29, 2025) for a total amounting to Rs. 1,000 millions to meet the working capital requirement and it is repayable on demand. The loan carries interest rate linked to lender's six monthly marginal cost of funds based lending rate (""MCLR"") plus 0.20%, subject to monthly rest. The loan was repaid during the year and is not outstanding as at March 31, 2026. The rate of interest as on March 31, 2025 was 9.10% p.a.

E Overdraft

The lender has granted the Company an overdraft facility as per agreement dated January 30, 2026 against pledged securities as mentioned below:

(a) Interest rate: The rate of interest as at March 31, 2026 is 7.75% p.a.

(b) Pleadged securities: Fixed Deposits amounting to Rs. 1,034.00 millions has been pledged against overdraft facilities availed during the year March 31, 2026

(c) The Company has used the borrowings for the purpose of which it was obtained.

Net debt reconciliation - disclosure of changes in liabilities arising from financing activities (read with Statement of Cash Flows)

This section sets out an analysis of net debt and movements in net debt for each of the periods presented:

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents	(43.67)	(396.10)
Borrowings	1,385.05	13,773.30
Lease liabilities	2,371.92	2,100.88
Closing balance	**3,713.30**	**15,478.08**

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Particulars	Cash and cash equivalents	Borrowings	Lease liabilities	Total
Net debt as at April 01, 2024	**97.94**	**16,746.07**	**1,824.15**	**18,472.28**
Interest expense	-	1,710.67	201.78	1,912.45
Addition on account of new lease	-	-	191.26	191.26
Cash flows	298.16	60,043.41	-	59,745.25
Interest paid	-	(1,395.68)	(116.31)	(1,511.99)
Impact of early conversion of CCD	-	(1,456.46)	-	(1,456.46)
Impact of conversion of CCPS	-	(61,874.71)	-	(61,874.71)
Net debt as at March 31, 2025	**396.10**	**13,773.30**	**2,100.88**	**15,478.08**
Interest expense	-	383.10	231.39	614.49
Addition on account of new lease	-	-	175.10	175.10
Cash flows	(352.43)	(12,434.17)	-	(12,081.74)
Interest paid	-	(337.18)	(135.45)	(472.63)
Net debt as at March 31, 2026	**43.67**	**1,385.05**	**2,371.92**	**3,713.30**

19 TRADE PAYABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Trade payables - micro and small enterprises (refer note below)	55.11	9.59
Trade payables - others	221.05	141.43
Trade payables - to related parties (refer note 42)	-	85.00
Total	**276.16**	**236.02**

Outstanding Dues to Micro and Small Enterprises

Particulars	As at March 31, 2026	As at March 31, 2025
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	54.47	9.59
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	0.64	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises as defined under MSMED Act.

Trade Payables Ageing

As at March 31, 2026

Particulars	Unbilled	Not Due	Outstanding for following periods from due dates				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade Payables							
(i) Micro enterprises and small enterprises	-	-	55.11	-	-	-	55.11
(ii) Others	178.08	-	42.49	0.48	-	-	221.05
Disputed Trade Payables							
(i) Micro enterprises and small enterprises	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	**178.08**	**-**	**97.60**	**0.48**	**-**	**-**	**276.16**

As at March 31, 2025

Particulars	Unbilled	Not Due	Outstanding for following periods from due dates				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed Trade Payables							
(i) Micro enterprises and small enterprises	-	-	9.59	-	-	-	9.59
(ii) Others	96.80	-	129.14	0.49	-	-	226.43
Disputed Trade Payables							
(i) Micro enterprises and small enterprises	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	**96.80**	**-**	**138.73**	**0.49**	**-**	**-**	**236.02**

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

20 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Security deposits	85.99	67.10
Total	**85.99**	**67.10**
Current		
Capital creditors	62.09	34.24
Employee dues payable	73.22	44.28
Others	-	22.46
Total	**135.31**	**100.98**

21 OTHER LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Deferred income on fair valuation of security deposits	26.76	10.97
Total	**26.76**	**10.97**
Current		
Contract Liability		
Advance from customers	71.43	103.17
Deferred revenue - membership fee	14.20	14.62
Deferred income on fair valuation of security deposits	8.85	6.52
Statutory dues payable		
Provident fund payable	4.55	4.12
Employee state insurance payable	0.20	0.25
Professional tax payable	0.10	0.09
GST Payable	72.61	-
Tax deducted at source and equalisation levy payable	16.42	15.33
Total	**188.36**	**144.10**

22 DEFERRED TAX LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liabilities (net)	558.46	236.36
Total	**558.46**	**236.36**

23 PROVISIONS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-Current		
Provision for employee benefits:		
- Compensated absences	14.47	7.42
- Gratuity	17.54	27.10
Total	**32.01**	**34.52**
Current		
Provision for employee benefits:		
- Compensated absences	2.20	1.30
- Gratuity	24.03	5.32
Total	**26.23**	**6.62**

Refer Note 33 for details.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

24 REVENUE FROM OPERATIONS

	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Sale of products:		
Food and beverages revenue	1,718.70	1,592.14
(b) Sale of services:		
Room income	2,184.10	1,947.72
Other allied services*	471.84	211.25
Total Revenue from operations	**4,374.64**	**3,751.11**

** Includes laundry income, health club income, airport transfers, membership etc*

Disclosure pursuant to Ind AS 115: Revenue from contract with customers

Reconciliation of revenue recognised with contract price

	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue as per contract price	4,374.64	3,751.11
Adjustments	-	-
Revenue from operations	**4,374.64**	**3,751.11**

Contract Balances

The contract liabilities primarily relates to the advance consideration received from customers for which revenue is recognized when the performance obligation is over/ services delivered.

Advance collection is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from the customer towards rooms/restaurant/banquets. Revenue is recognized once the performance obligation is met i.e. on room stay/sale of food and beverage/provision of banquet services/other allied services.

The Company has no customer which accounts for 10% or more of total revenue or total trade receivables as at March 31, 2026 and March 31, 2025.

It also includes membership fee received for food and beverage based memberships programme and disclosed as Income received in advance.

The Company has recorded revenue of Rs. 117.79 millions (For the year ended March 31, 2025: Rs. 60.25 millions) against opening balance of contract liabilities.

Contract liabilities

	For the year ended March 31, 2026	For the year ended March 31, 2025
Advance from customers	71.43	103.17
Deferred revenue - membership fee	14.20	14.62
Total contract liabilities	**85.63**	**117.79**

All contracts are for periods of one year or less. As permitted under Ind AS 115, the transaction price allocated to these unsatisfied contracts is not disclosed.

The change in contract liabilities is on account of revenue recognised and advances received from customers during the period.

(i) Significant changes in contract liabilities

	For the year ended March 31, 2026	For the year ended March 31, 2025
Contract liabilities		
Opening balance	117.79	60.25
Movement during the year	85.63	117.79
Revenue recognised that was included in the contract liability balance at the beginning of the year	(117.79)	(60.25)
Closing balance	**85.63**	**117.79**

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Timing of recognition

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	At a point in time	Over time	At a point in time	Over time
Room revenue	-	2,184.10	-	1,947.72
Revenue from foods and beverages	1,718.70	-	1,592.14	-
Other allied services (laundry income, health club income, guest transfer)	182.74	268.16	190.49	-
Other allied services (membership fees)	-	20.94	-	20.76
Total	**1,901.44**	**2,473.20**	**1,782.63**	**1,968.48**

25 OTHER INCOME

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income on:		
- Deposits with banks	430.82	423.84
- Security deposits	0.29	0.27
- Intercorporate deposit	1,084.45	223.62
- Non-Convertible Debentures	92.44	
- Others	-	0.89
Interest income on income tax refund	7.06	1.99
Income from rentals*	-	227.31
Miscellaneous income	-	14.62
Total Other income	**1,615.06**	**892.54**

**During the year ended March 31, 2026, there has been a change in the operational use of investment property to generate core business income, in accordance with the principles laid out in Ind AS 16.*

Other gains/(losses)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net foreign exchange differences	304.61	(0.59)
Net gain/(loss) on disposal of property, plant and equipment	(1.71)	0.79
Net fair value gains on financial asset mandatorily measured at fair value through profit or loss	187.21	97.85
Total Other gains/(losses)	**490.11**	**98.05**
Total	**2,105.17**	**990.59**

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

26 COST OF FOOD AND BEVERAGES CONSUMED

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Food and beverages		
Opening inventories	66.72	71.62
Add: Purchases (Net)	303.73	305.71
Less: Inventories at the end of the year	(77.43)	(66.72)
Cost of food and beverages consumed during the year	**293.02**	**310.61**

27 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	505.28	543.33
Contribution to provident and other funds (Refer note 33)	27.92	24.96
Staff welfare expenses	87.83	19.72
Gratuity (Refer note 33 and 44)	7.59	4.75
Compensated absences (Refer note 33 and 44)	10.06	1.16
Total Employee benefits expense	**638.68**	**593.92**

28 FINANCE COSTS

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on:		
- Rupee term loan	367.68	1,206.06
- Working capital loan	5.56	27.64
- Liability component of compound financial instruments	-	44.77
- Inter corporate deposit	-	93.58
- Compulsory convertible preference shares	-	335.59
- Lease liabilities and others	231.39	201.78
- Bank overdraft	9.86	-
- Security deposit	8.00	5.77
- Others	0.64	-
Other borrowing costs	1.77	2.94
	624.90	**1,918.13**
Less: Amount capitalised to property, plant and equipment (see note below)	(48.28)	(20.18)
Less: Amount capitalised in Investment property (see note below)	-	(9.63)
Total Finance costs	**576.62**	**1,888.32**

Note: The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the entity's general borrowings during the year in this case is 9.1% (March 31, 2025: 9.1% p.a.).

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

29 DEPRECIATION AND AMORTISATION EXPENSES

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on property, plant and equipment	234.34	203.66
Depreciation on right-of-use assets	64.27	58.64
Depreciation on investment property	-	5.20
Amortisation on intangible assets	8.96	8.65
Total	**307.57**	**276.15**

30 OTHER EXPENSES

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Consumption of stores and operating supplies	69.30	55.57
Power and fuel	82.37	77.56
Repairs and maintenance		
- buildings	39.85	26.79
- plant and machinery	32.60	30.44
- others	49.84	41.92
Insurance	10.52	10.72
Communication	3.39	3.25
Travelling and conveyance	17.42	18.53
Guest transport	17.38	18.53
Printing and stationary	6.28	5.22
Sales and credit card commission	113.56	90.12
Business promotion	183.63	182.61
Management fees (refer note 42)	336.26	293.08
Legal and professional fees	62.79	57.44
Payment to auditors (Refer note below)	9.29	2.20
Rates and taxes	64.94	58.66
Bank charges	1.11	2.53
Corporate social responsibility expenses (Refer Note 31)	1.34	-
Reservation fee	30.55	-
Net Impairment losses on financial assets	2.23	(1.14)
Non executive director fees	6.14	2.90
Miscellaneous expenses	109.49	117.82
Total Other expenses	**1,250.28**	**1,094.75**

30 (a) Details of payments to auditors

	For the year ended March 31, 2026	For the year ended March 31, 2025
Payment to auditors		
As auditor:		
- Audit fee	9.29	2.10
- Out of pocket expenses	-	0.10
- Other service fee	-	-
Total	**9.29**	**2.20**

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

31 CORPORATE SOCIAL RESPONSIBILITY

a. Gross amount required to be spent by the company during the year towards its Corporate Social Responsibility (CSR) is Rs. 1.34 millions (March 31, 2025: Rs. Nil)

	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
	Expenditure towards Corporate Social Responsibility:		
b)	Amount spent and paid during the year	1.34	-
	Particulars of amount spent and paid during the year:		
	(i) Construction/acquisition of any asset	-	-
	(ii) On purpose other than (i) above:	-	-
	- Women Empowerment and Promotion of traditional art and culture	1.34	-
	Total	**1.34**	**-**

c. Related party transactions in relation to Corporate Social Responsibility: Rs. Nil (March 31, 2025: Rs Nil)

d. Unspent CSR expenditure incurred during the year: Rs. Nil (March 31, 2025: Rs Nil)

Under Section 135 of the Companies Act, 2013, the Company is required to spend, in every financial year, atleast 2% of the average net profits of the Company made during the three immediately preceding financial years on Corporate Social Responsibility (CSR), pursuant to its policy in this regard.

	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a)	Gross amount required to be spent by the Company during the year	1.34	-
b)	Amount approved by the Board to be spent during the year	1.34	-
c)	Amount spent and paid during the year	1.34	-

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Particulars of amount spent and paid during the year:		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	-	-
- Women Empowerment and Promotion of traditional art and culture	1.34	-
Total	**1.34**	**-**

Details of non on-going projects	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening Balance	**-**	**-**
- With the Company	-	-
- In separate CSR Unspent Account	-	-
Amount required to be spent during the year	**1.34**	**-**
Amount spent during the year	**1.34**	**-**
- From company's bank account	1.34	-
- From separate CSR Unspent Account	-	-
Closing Balance	**-**	**-**
- With the company	-	-
- In separate CSR Unspent Account	-	-

** The company was not required to spend any amount towards CSR during the year ended March 31, 2025 as it does not fall under the threshold as per Section 135 of Companies Act,2013.*

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

32 TAXATION

32 (a) Taxation for the year

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity (if any) and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Group's tax positions (if any).

(a) Income tax expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax		
Current tax on profit for the year	76.72	-
Tax impact of earlier years	-	-
Total current tax expenses	**76.72**	**-**
Decrease/(Increase) in deferred tax assets	391.28	151.18
(Decrease)/Increase in deferred tax liabilities	172.57	85.18
Total deferred tax expenses/(credit)	**563.85**	**236.36**
Income tax expense	**640.57**	**236.36**
Income tax expense/(credit) attributable to:		
Profit/(loss) from operations	639.33	235.60
OCI	1.24	0.76
Total	**640.57**	**236.36**

(b) Reconciliation of tax expense and accounting profit multiplies by India tax rate

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit/(loss) from operations before income tax expense	3,397.24	577.95
Tax rate	25.17%	25.17%
Tax at India tax rate	**855.02**	**145.46**
Tax effect of amounts which are not deductible/taxable in calculating taxable income:		
IPO expense allowable in Income tax	(50.34)	11.27
Interest on moratorium allowable on payment basis	(107.87)	-
Disallowance of interest on CCPS	-	84.46
Fair value gain/(loss) on Investments	(47.12)	-
Others	(9.13)	(4.83)
Total	**640.57**	**236.36**

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

32 (b) Taxation as at the year end

(a) Deferred tax asset/(liability) (net)

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2026	As at March 31, 2025
A) Deferred tax assets		
Unabsorbed depreciation/business loss (Refer note below)	30.71	502.02
Provision for employee benefits	25.76	21.46
Loss allowance	1.32	0.76
Lease liability	596.96	528.75
Deferred revenue	5.80	5.32
Security deposits given	50.20	43.73
Share Issue expenses	241.75	-
Security deposit received	6.73	-
	959.24	**1,102.04**
B) Deferred tax liability		
Property, plant and equipment and intangible assets (including goodwill)	(769.62)	(707.25)
Right of use of asset	(639.79)	(605.35)
Borrowings	-	(9.28)
Security deposits received	-	(2.43)
Lease equalisation reserve	(21.97)	(14.09)
Investments	(76.81)	-
Others	(9.52)	-
	(1,517.71)	**(1,338.40)**
Net deferred tax asset/(liability)	**(558.47)**	**(236.36)**

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Movement in deferred tax liabilities/assets

Movement in Deferred Tax for the period ended March 31, 2026

	As at April 01, 2025	Accounted through statement of profit & loss charge/(credit)	Accounted through OCI charge/(credit)	Accounted through Other Equity charge/(credit)	Addition on account of business combination*	Balance as at March 31, 2026
Deferred tax assets						
Unabsorbed depreciation/business loss	502.02	471.31	-	-	-	30.71
Deferred revenue	5.32	(0.48)	-	-	-	5.80
Security Deposit paid	43.73	(6.47)	-	-	-	50.20
Loss Allowance on trade receivable	0.76	(0.56)	-	-	-	1.32
Provision for employee benefits	21.46	(5.54)	1.24	-	-	25.76
Lease liability	528.75	(68.21)	-	-	-	596.96
Share issue expense	-	-	-	(241.75)	-	241.75
	1,102.04	**390.04**	**1.24**	**(241.75)**	**-**	**952.51**
Deferred tax liability						
Property, plant and equipment and intangible assets (including goodwill)	(707.24)	62.38	-	-	-	(769.62)
Security deposit received	(2.44)	(9.17)	-	-	-	6.73
Right of use of asset	(605.35)	34.44	-	-	-	(639.79)
Lease equalisation reserve	(14.09)	7.88	-	-	-	(21.97)
Borrowings	(9.28)	(9.28)	-	-	-	-
Investments	-	76.81	-	-	-	(76.81)
Others	-	9.52	-	-	-	(9.52)
	(1,338.40)	**172.57**	**-**	**-**	**-**	**(1,510.97)**
Total Deferred tax asset/(Liability)	**(236.36)**	**562.61**	**1.24**	**(241.75)**	**-**	**(558.47)**

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Movement in Deferred Tax for the period ended March 31, 2025

	As at April 01, 2024	Accounted through statement of profit & loss charge/(credit)	Accounted through OCI charge/(credit)	Accounted through Other Equity charge/(credit)	Addition on account of business combination*	Balance as at March 31, 2025
Deferred tax assets						
Unabsorbed depreciation/business loss	738.32	236.30	-	-	-	502.02
Deferred revenue	2.95	(2.37)	-	-	-	5.32
Borrowings	-	-	-	-	-	-
Security deposit paid	37.72	(6.01)	-	-	-	43.73
Loss Allowance on trade receivable	1.05	0.29	-	-	-	0.76
Provision for employee benefits	14.07	(8.15)	0.76	-	-	21.46
Lease liability	459.10	(69.65)	-	-	-	528.75
	1,253.21	**150.42**	**0.76**	**-**	**-**	**1,102.04**
Deferred tax liability						
Property, plant and equipment and intangible assets (including goodwill)	(663.78)	43.47	-	-	-	(707.25)
Security deposit	(0.77)	1.66	-	-	-	(2.43)
Right of use of asset	(565.90)	39.45	-	-	-	(605.35)
Lease equalisation reserve	(12.51)	1.58	-	-	-	(14.09)
Borrowings	(10.26)	(0.98)	-	-	-	(9.28)
	(1,253.21)	**85.18**	**-**	**-**	**-**	**(1,338.40)**
Total Deferred tax asset/(Liability)	**-**	**235.60**	**0.76**	**-**	**-**	**(236.36)**

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

33 EMPLOYEE BENEFIT OBLIGATION

a) Compensated absences

Compensated absences covers the Company's liability for earned leaves. Accumulated compensated absences, which are expected to be availed or encashed are treated as employee benefits. The employees are entitled to accumulate leave subject to certain limits for future encashment/availment. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the period end.

The Company's liability is actuarially determined (using the Projected Unit Credit method) by an Independent actuary at the end of the year.

The expense of compensated absences (non-funded) for the year ended March 31, 2026 amounting to Rs. 10.06 millions (March 31, 2025: Rs. 1.16 millions) has been recognized in statement of profit and loss, based on actuarial valuation carried out using projected unit credit method.

b) Post employment obligations

Provident fund and Employees State Insurance Commission - Defined contribution plan

The Company has defined contribution plans for provident fund for qualifying employees. Under the plan, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable under these plans are at rates specified in the rules of the schemes.

The contributions are charged to statement of profit and loss as they accrue. The amount of expense towards contribution to provident fund and employees state insurance for the year ended March 31, 2026 aggregated to Rs. 27.92 millions (March 31, 2026: Rs. 24.96 millions)

Gratuity - Defined benefit plan

The Company operates post-employment funded defined benefit plan that provides gratuity. The scheme provides for lumpsum payment to eligible employees on retirement, death while in employment or on termination of employment, of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months subject to a limit of Rs. 20 lakhs. The amounts in excess of the limit are to be borne by the Company as per policy. Eligibility occurs upon completion of five years of service. The present value of the defined benefit obligation and current service cost are measured using the projected unit credit method with actuarial valuations being carried out at each balance sheet date.

Amounts recognised in statement of profit and loss:

	For the year ended March 31, 2026	For the year ended March 31, 2025
Defined contribution plans		
- Employer's contribution to provident and other funds	27.92	24.96
Total	**27.92**	**24.96**
Defined benefit plans		
- Gratuity (including exceptional item)	23.99	4.75
Total	**23.99**	**4.75**

Amounts recognised in other comprehensive income:

	For the year ended March 31, 2026	For the year ended March 31, 2025
Remeasurements for:		
- Gratuity	4.94	3.01
Total	**4.94**	**3.01**

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Gratuity plan

	For the year ended March 31, 2026	For the year ended March 31, 2025
Present value of defined benefit obligation	**56.47**	**38.45**
Fair value of plan assets	14.90	6.03
Net define benefit obligation	**(41.57)**	**(32.42)**
Present value of funded defined benefit obligations	-	-
Impact of minimum funding requirement/asset	-	-
Net defined benefit liability recognised in the Balance Sheet	**(41.57)**	**(32.42)**
Net defined benefit liability is bifurcated as follows:		
Current	24.03	5.32
Non-current	17.54	27.10

	Present value of obligations	Fair value of plan assets	Net amount
As at April 01, 2024	**37.48**	**8.04**	**29.45**
Current service cost	4.93	-	4.93
Past service cost including curtailment gains/losses	(2.31)	-	(2.31)
Interest expense/(income)	2.72	-	2.72
Total amount recognised in profit or loss	**5.34**	**-**	**5.34**
Remeasurements:			
- Return on plan assets, excluding amounts included in interest expense/(income)	-	(0.57)	0.57
- (Gain)/loss from change in demographic assumptions	0.16	-	0.16
- (Gain)/loss from change in financial assumptions	0.46	-	0.46
- Experience (gains)/losses	(3.63)	-	(3.63)
Total amount recognised in other comprehensive income	**(3.01)**	**(0.57)**	**(3.58)**
Transfer/Acquisition adjustment	1.22	-	1.22
Benefit payments	(2.58)	(2.58)	-
For the year ended March 31, 2025	**38.45**	**6.03**	**32.42**

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

	Present value of obligations	Fair value of plan assets	Net amount
As at April 01, 2025	**38.45**	**6.03**	**32.42**
Acquired as part of business combination	-	-	-
Current service cost	5.04	-	5.04
Past service cost including curtailment gains/losses	16.40	-	16.40
Interest expense/(income)	3.12	0.57	2.55
Total amount recognised in profit or loss	**24.56**	**0.57**	**23.99**
Remeasurements:			-
- Return on plan assets, excluding amounts included in interest expense/(income)	-	0.23	(0.23)
- (Gain)/loss from change in demographic assumptions	-	-	-
- (Gain)/loss from change in financial assumptions	(0.75)	-	(0.75)
- Experience (gains)/losses	(3.96)	-	(3.96)
Total amount recognised in other comprehensive income	**(4.71)**	**0.23**	**(4.94)**
Transfer/Acquisition adjustment	-	-	-
Employer contributions	-	9.90	(9.90)
Benefit payments	(1.83)	(1.83)	-
For the year ended March 31, 2026	**56.47**	**14.90**	**41.57**

Significant actuarial assumptions were as follows:

	For the year ended March 31, 2026	For the year ended March 31, 2025
Discount rate (p.a.)	6.77%	7.04%
Salary growth rate (p.a.)	8%	8.00%
Retirement age	62	62
Mortality rates inclusive of provision for disability	IALM(2012-14)	IALM(2012-14)
Attrition at Ages		
- Up to 30 Years	30.00%	30.00%
- From 31 to 44 years	25.00%	25.00%
- Above 44 years	2.00%	2.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Sensitivity analysis

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the change in defined benefit obligation and impact in percentage terms compared with the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points:

		For the year ended March 31, 2026	For the year ended March 31, 2025
a)	Impact of the change in discount rate		
	Present Value of Obligation at the end of the period	56.47	38.45
	Impact due to increase of 0.50%	(1.93)	(1.10)
	Impact due to decrease of 0.50%	2.06	1.16
b)	Impact of the change in salary increase		
	Present Value of Obligation at the end of the period	56.47	38.45
	Impact due to increase of 0.50%	1.56	0.93
	Impact due to decrease of 0.50%	(1.53)	(0.90)

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these not calculated. Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

The major categories of plans assets

The plans assets of the defined benefit plan are covered by the Company into funds managed by insurer.

Maturity analysis

The weighted average duration to the payment of these cash flows is 9 years (March 31, 2025: 3.84 years).

The expected maturity analysis of undiscounted post-employment defined benefit obligations is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
For the year ended March 31, 2026					
- Gratuity	7.20	4.38	12.88	22.92	47.39
Total	**7.20**	**4.38**	**12.88**	**22.92**	**47.39**

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
For the year ended March 31, 2025					
- Gratuity	6.31	2.70	9.98	19.46	38.45
Total	**6.31**	**2.70**	**9.98**	**19.46**	**38.45**

Risk exposure:

Gratuity is a defined benefit plan and the Company is exposed to the following risks:

Interest rate risk: A fall in the discount rate which is linked to the Government Security Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future expected salaries of employees. As such, an increase in the salary expected by more than assumed level will increase the plan's liability.

Withdrawal risk: The risk that the usual timeframe for withdrawal requests is not met, or the withdrawals from the fund due to severe adverse market conditions are suspended.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

34 FAIR VALUE MEASUREMENT

(i) Financial instruments by category

As at March 31, 2026

	Carrying amount			
	FVTPL	FVOCI	Amortised cost	Total carrying value
Financial assets				
Investments (Level 3)	6,454.21	-	-	6,454.21
Loans	-	-	12,388.18	12,388.18
Trade receivables	-	-	168.91	168.91
Cash and cash equivalents	-	-	43.67	43.67
Bank balances other than cash and cash equivalents	-	-	1,654.15	1,654.15
Other financial assets	-	-	419.80	419.80
Total financial assets	**6,454.21**	**-**	**14,674.71**	**21,128.92**
Financial liabilities				
Borrowings	-	-	1,385.05	1,385.05
Trade payables	-	-	276.16	276.16
Lease liabilities	-	-	2,371.92	2,371.92
Other financial liabilities	-	-	221.30	221.30
Total financial liabilities	**-**	**-**	**4,254.43**	**4,254.43**

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

As at March 31, 2025

	Carrying amount			
	FVTPL	FVOCI	Amortised cost	Total carrying value
Financial assets				
At FVTPL				
Investments (Level 3)	1,255.23	-	-	1,255.23
At amortised cost				
Loans	-	-	2,075.72	2,075.72
Trade receivables	-	-	134.42	134.42
Cash and cash equivalents	-	-	396.10	396.10
Bank balances other than cash and cash equivalents	-	-	373.27	373.27
Other financial assets	-	-	10,707.86	10,707.86
Total financial assets	**1,255.23**	**-**	**13,687.37**	**14,942.60**
Financial liabilities				
Borrowings	-	-	13,773.30	13,773.30
Trade payables	-	-	236.02	236.02
Lease liabilities	-	-	2,100.88	2,100.88
Other financial liabilities	-	-	168.08	168.08
Total financial liabilities	**-**	**-**	**16,278.28**	**16,278.28**

The above excludes investments in subsidiaries, joint ventures and associates amounting to Rs. 48,316.03 millions (March 31, 2025 Rs.45,988.82 millions)

Ind AS 113, 'Fair Value Measurement' requires classification of the valuation method of financial instruments measured at fair value in the Statement of Balance sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements).

The carrying amounts of trade receivables, cash and cash equivalents, fixed deposits with banks, trade payables are considered to be the same as their fair values, due to their short-term nature.

Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis.

The carrying amount of non current borrowings, security deposit liability, lease liability are fair valued using the current borrowing rate for similar instruments on similar terms. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

Further, the Company has valued compound financial instrument (both financial liability and equity component) at fair value on initial recognition. Financial liability subsequently measured at amortised cost by adding unwinded interest. The inter-corporate deposit is having fair value equivalent to carrying amount as it is repayable on demand and classified as current financial liability.

The current lending rate and the rate used in determination of fair value at inception for non-current borrowings, security deposits, compound financial instruments are not significantly different. Accordingly, the fair value and carrying value for non-current borrowings, security deposits and compound financial instrument are same.

The fair-value-hierarchy under Ind AS 113 are described below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There has been no transfer between different fair values hierarchy level for the year ended March 31, 2026 and March 31, 2025.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

35 FINANCIAL RISK MANAGEMENT

The Company's business activities expose it to market risk, liquidity risk and credit risk. The management develops and monitors the Company's risk management policies. The key risks and mitigating actions are also placed before the Board of directors of the Company. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and to control and monitor risks and adherence to limits.

Finance team and experts of respective business divisions provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to:

- protect the Company's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Company's financial investments, while maximising returns.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

A. Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk arises from trade receivables, cash and cash equivalents, bank balance, fixed deposits with banks, security deposits and other financial assets.

The Company is exposed to credit risk on its financial assets, which comprise cash and cash equivalents, bank deposits, trade receivables, security deposits and other receivables. The exposure to credit risks arises from the potential failure of counterparties to meet their obligations. The maximum exposure to credit risk at the reporting date is the carrying amount of the financial instruments.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company operates only in one geographical location i.e. in India. Considering the industry in which the Company is operating, there is no major long outstanding receivables.

With respect to other financial assets namely secuity deposits and other receivables, the maximum exposure to credit risk is the carrying amount of these classes of financial assets presented in the Balance Sheet. These are actively monitored and confirmed by the Company. Currently, the credit risk arising from such security deposits and other receivables is evaluated to be immaterial for the Company.

Credit Risk on cash and cash equivalents, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions, who have been assigned high credit rating by international and domestic rating agencies.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forwardlooking information. The carrying amounts of trade receivables as disclosed in note number 12 represent the maximum credit risk exposure.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

The movement in loss allowance in respect of trade receivables is as follows:

	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	3.03	4.17
Impairment losses (recognised)/reversed on receivables	2.23	(1.14)
Amounts written off during the year	-	-
Balance at the end of the year	**5.26**	**3.03**

Financial assets at FVTPL: The Company is also exposed to credit risks in relation to financial assets (investmenst) that are measured at FVTPL. The maximum exposure at the end of the reporting period is the carrying amount of these assets.

B. Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. In addition, processes and policies related to such risks are overseen by senior management.

The Company believes that the working capital is sufficient to meet its current requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2026	As at March 31, 2025
Fixed interest rate	-	-
Floating interest rate	234.21	770.27
Total	**234.21**	**770.27**

(ii) Maturities of financial liabilities

The table below summarises the maturity profile of the company's financial liabilities based on their contractual payments. The amount disclosed in the table are the contractual undiscounted cash flows. Balance due within 12 months equal their carrying balances as the impact of discouting is not significant.

Contractual maturities of financial liabilities

As at March 31, 2026	Carrying amount	Less than 1 Year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
Borrowings	1,385.05	1,240.07	179.73	-	-	1,419.80
Lease liabilities	2,371.92	142.22	149.33	494.31	16,156.08	16,941.95
Trade payables	276.16	276.16	-	-	-	276.16
Other financial liabilities	221.30	135.31	60.92	21.69	41.37	259.29
Total financial liabilities	**4,254.43**	**1793.76**	**389.98**	**516.00**	**16,197.45**	**18,897.19**

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

As at March 31, 2025	Carrying amount	Less than 1 Year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
Borrowings	13,773.30	2,345.85	2,051.78	7,759.77	7,589.01	19,746.41
Lease liabilities	2,100.88	125.09	131.34	434.76	15,072.48	15,763.67
Trade payables	236.02	236.02	-	-	-	236.02
Other financial liabilities	168.08	100.98	-	77.18	10.56	188.72
Total financial liabilities	**16,278.28**	**2,807.94**	**2,183.12**	**8,271.71**	**22,672.05**	**35,934.82**

C. Market risk

(a) Foreign currency risk

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. The Company makes payments internationally and is exposed to foreign exchange risk arising from foreign currency purchases, primarily with respect to USD and GBP. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency (Rs.) at the periodend. The Company's exposure to foreign currency risk, expressed in Rs., is given in the table below. The amounts represent only the financial assets and liabilities that are denominated in currencies other than the functional currency of the Company.

i. The foreign currency outstanding balances that have not been hedged by any derivative instrument or otherwise are as follows:

	As at March 31, 2026		
	Foreign Currency Denomination	Foreign Currency Amount (absolute)	Amount (INR in millions)
Liabilities			
Trade payables	USD	212,948.62	20.16
Trade payables	SGD	-	-
Trade payables	GBP	-	-
Total exposure			**20.16**
Less: exposure hedged			(20.16)
Unhedged exposure			**-**

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

	As at March 31, 2025		
	Foreign Currency Denomination	Foreign Currency Amount (absolute)	Amount (INR in millions)
Liabilities			
Trade payables	EUR	-	-
Trade payables	USD	-	-
Total exposure			-
Less: exposure hedged			-
Unhedged exposure			-

The Company has purchased forward contracts to hedge its foreign currency risk. The Company has not formally designated these forward contracts against foreign currency payables.

The following table presents the outstanding position and fair value of various foreign currency derivative financial instruments:

	Currency pair	As at March 31, 2026		
		Average exchange rate	Notional value (Rs. in million)	Fair value
Non-designated				
Buy	USD/Rs.	95.85	27.79	-
Buy	EUR/Rs.	-	-	-
Buy	GBP/Rs.	-	-	-
Buy	SGD/Rs.	-	-	-
Total				-

	Currency pair	As at March 31, 2025		
		Average exchange rate	Notional value (Rs. in million)	Fair value
Non-designated				
Buy	USD/Rs.	86.13	20.38	-
Buy	EUR/Rs.	-	-	-
Buy	GBP/Rs.	-	-	-
Total				-

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

ii. Foreign exchange sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments. The table below shows the sensitivity of profit or loss to a 1% change in foreign exchange rates.

	Impact on Profit or Loss	
	As at March 31, 2026	As at March 31, 2025
EUR sensitivity		
Rs./EUR - Increase by 1%*	-	-
Rs./EUR - Decrease by 1%*	-	-
USD sensitivity		
Rs./USD - Increase by 1%*	(0.20)	-
Rs./USD - Decrease by 1%*	0.20	-

**Amount below rounding off norms.*

b) Interest rate risk

Interest rate risk is the risk that changes in market interest rates will lead to changes in fair value of financial instruments or changes in interest income, expense and cash flows of the Company. The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are included in the table below. As at the end of the reporting period, the Company had the following variable rate borrowings outstanding:

	As at March 31, 2026		
	Interest rate range	Balance	% of total loans
Overdraft	fixed deposit interest rate + 0.35%	748.09	54%
Working capital term loan	Six month MCLR + spread of 0.2%	636.96	46%

	As at March 31, 2025		
	Interest rate range	Balance	% of total loans
Term loans	MCLR + spread of 0.1% to 0.75%	13,773.30	100%

An analysis by maturities is provided in note 34(b)(ii) above. The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings.

Cash flow sensitivity analysis for variable rate instruments

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

	As at March 31, 2026 Impact on profit after tax	As at March 31, 2025 Impact on profit after tax
Interest sensitivity		
Interest rates – increase by 100 basis points	(13.85)	(137.73)
Interest rates – decrease by 100 basis points	13.85	137.73

36 CAPITAL MANAGEMENT

The Company considers its total equity as shown in the balance sheet including share capital and retained earnings as the components of its balance sheet of managed capital. The Company's objectives when managing capital are:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The management monitors the return on capital as well as the level of dividends to shareholders.

The gearing ratios were as follows:

	As at March 31, 2026	As at March 31, 2025
Borrowings	1,385.05	13,773.30
Lease liabilities	2,371.92	2,100.88
Less: Cash and Cash Equivalents	(43.67)	(396.10)
Less: Other Balance with bank (short term deposits)	(1,654.15)	(373.27)
Net Debt	2,059.15	15,104.81
Total equity	90,270.55	63,427.75
Net debt to equity ratio	**0.02**	**0.24**

Loan covenants: Under the terms of the major borrowing facilities, the company is required to comply with the following financial covenants as disclosed under note 18. The Company has complied with the applicable financial covenants.

37 CONTINGENT LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Claims against the Company not acknowledged as debt, in respect of -		
Disputed statutory liabilities (Note - 2)	167.90	211.84
Total	**167.90**	**211.84**

(2) The breakup of disputed statutory liabilities is as under:

Particulars	As at March 31, 2026	As at March 31, 2025
Disputed statutory liabilities		
(i) Service tax	107.25	104.06
(ii) Income Tax	*	*
(iii) Property Tax	-	-
(iii) VAT	51.76	49.69
(iv) GST	8.88	58.09
Total	**167.90**	**211.84**

(i) Service tax

Service Tax demands relating to CENVAT credit, classification of services, abatement under rent-a-cab, and taxability of complimentary services were raised against the Company for FY 2007-12 and 2014-16. While all matters, except those relating to taxability of complimentary services, were decided in favour of the Company, all the matters are currently pending before the Hon'ble CESTAT.

(ii) VAT

VAT demand relating to levy on service tax for multiple years was confirmed by the assessing authority and subsequently upheld by the appellate authority. The Karnataka Appellate Tribunal had earlier set aside the order; however, the Hon'ble High Court remanded the matter for fresh adjudication. The Company's Special Leave Petition before the Hon'ble Supreme Court was dismissed with directions to approach the High Court. The matter is currently pending for fresh scrutiny, and no further communication has been received from the authorities to date.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

VAT authorities have issued an order demanding reversal of excess input tax credit ('ITC') on account of ITC mismatch. The Company is in the process of filing a rectification application.

(iv) GST

The Company has challenged the assessment order and the show cause notice before the Hon'ble High Court, given that the issues involved are identical in nature. The Hon'ble High Court has granted an interim stay on the operation of the order and show cause notice, which continues as on date. The matter is currently pending adjudication.

GST authorities have raised a demand in multiple matters pursuant to audit proceedings for various financial years. The Company has filed appeals before the appropriate appellate authorities and/or writ petitions before the Hon'ble High Courts. In select matters, interim stay has been granted, while other matters are pending before appellate authorities. Out of total demand Rs.2.3 millions has been paid under protest.

38 COMMITMENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Estimated amount of contracts remaining to be executed on capital expenditure related to property, plant and equipment and not provided for.	376.34	679.85

39 LEASE - AS A LESSOR

The company has given on operating leases portion of its building for shops and offices on lease. Income of Rs. 268.16 millions has been recognised in Statement of Profit and Loss.

The future minimum lease payments receivable for under the said non-cancellable operating lease are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Receivable within one year	259.50	-
Receivable between one and five years	536.38	-
Receivable more than five years	444.61	-

40 SEGMENT INFORMATION

The primary reporting of the Company has been performed on the basis of business segment. Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker ('CODM') i.e. Board of Directors of the Company, being the CODM has evaluated of The Company's performance at an overall level as one segment which is 'Revenue based in India Location' that includes: (i) Revenue from room services, (ii) Revenue from food and beverages and (iii) Other allied services in a single business segment based on the nature of the services, the risks and returns, the organization structure and the internal financial reporting systems. Accordingly, the figures appearing in these financial statements relate to the Company's single business segment.

No single customer contributes 10% or more of the Company's total revenue for the period ended March 31, 2026 and March 31, 2025.

All non-current assets are held by the Company in India, the domicile country. Hence, statement for geographical information is not applicable.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

41 EARNINGS PER SHARE

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Basic earnings per share		
Loss for the year (A)	2,757.91	342.35
Weighted average number of equity shares for the purpose of basic earnings per share (B)	324,195,636	242,144,537
Basic Earnings per equity share C=(A/B) in Rs.	**8.51**	**1.41**
Diluted earnings per share		
Profit attributable to the equity holders (A)		
Used in calculating basic earning per share	2,757.91	342.35
Add: Finance cost saved on compulsorily convertible debentures	-	-
Profit/(loss) attributable to the equity holders used in calculating diluted earnings per share:	2,757.91	342.35
Weighted average number of shares used as the denominator (B)		
Opening balance (a)	276,486,614	20,169,566
Equivalent shares on conversion of CCPS (b)***	-	66,159,217
Shares issued during the year (Refer note 15) (b)$	57,471,264	12,522,915
Effect of shares issued during the year (c)	47,709,022	-
Equivalent shares of CCDs (d)	-	2,504,583
Number of equity shares under bonus issue (4 bonus shares for each equity share)** (e)	-	140,788,256
Weighted average number of equity shares used as the denominator in calculating basic earnings per share (a+c+d+e)	324,195,636	242,144,537
Adjustments for calculation of diluted earnings per share	**-**	**-**
Weighted average number of equity shares used and potential equity shares used as the denominator in calculating diluted earnings per share*	324,195,636	242,144,537
Diluted Earnings per equity share C=(A/B) in Rs.**	**8.51**	**1.41**

$ share issued during the year through IPO

**Weighted average number of compulsorily convertible debentures (CCDs) included in the denominator in calculating basic earnings as per para 23 of Ind-AS 33.*

***As the impact of the CCDs was anti-dilutive, resulting in a decrease in loss per share from continuing ordinary activities, the effect thereof has been ignored whilst calculating diluted earnings per share.*

**** The earnings per share reflects the impact of bonus shares issuance in the ratio of 4:1 i.e. 4 bonus shares for each equity share subsequent to balance sheet date.*

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

42 RELATED PARTY TRANSACTIONS

A Name of related parties

i List of related parties where control exists and relationships

(i) Company having significant influence

Project Ballet Bangalore Holdings (DIFC) Private Limited (w.e.f. May 31, 2025), (holding company till May 30, 2025)

(ii) Fellow subsidiaries

Schloss HMA Private Limited (upto May 30 2024)
Schloss Chennai Private Limited (upto May 30 2024)
Schloss Udaipur Private Limited (upto May 30 2024)
Schloss Chanakya Private Limited (upto May 30 2024)
Schloss Gandhinagar Private Limited (upto May 30 2024)
Leela Agra resorts Limited (formerly known as Leela Palaces and Resorts Limited) (upto May 30 2024)
Tulsi Palace Resort Private Limited (upto May 30 2024)
Schloss Tadoba Private Limited (upto May 30 2024)
Moonburg Power Private Limited (upto May 30 2024)
Elevar Digitel Infrastructure Private Limited
Summit Digitel Infrastructure Limited
Brookprop Property Management Services Private Limited
Arliga India Office Parks Private Limited
Arliga Ecoworld Infrastructure Private Limited
Cowrks India Private Limited
BAM DLR Data Centre Services Pvt. Ltd.
Brookfield Advisors India Private Limited

(iii) Subsidiaries

Schloss HMA Private Limited (with effect from May 31 2024)
Schloss Chennai Private Limited (with effect from May 31 2024)
Schloss Udaipur Private Limited (with effect from May 31 2024)
Schloss Chanakya Private Limited (with effect from May 31 2024)
Schloss Gandhinagar Private Limited (with effect from May 31 2024)
Leela Agra resort Limited (formerly known as Leela Palaces and Resorts Limited) (with effect from May 31 2024)
Tulsi Palace Resort Private Limited (with effect from May 31 2024)
Schloss Tadoba Private Limited (with effect from May 31 2024)
Transition Cleantech Services Five Private Limited
Inside India resorts Private Limited
Anasvish Tiger Camp Private Limited
Buildminds Real Estate Private Limited
Leela Luxe Hotels & Resorts Private Limited
Leela Nirvana Resorts Private Limited
Leela Essence Hospitality Private Limited
Leela Opulence Hotels Private Limited
Leela Imperial Suite Private Limited
Aries Holdings (DIFC) Limited

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

(iv) Joint Ventures

Lago Vue Srinagar Private Limited

Leela BKC holdings Private Limited (subsidiary upto April 17, 2025)

(v) Associates

Argon Holding (DIFC) Limited

(vi) Other related party

Boron Holdings (DIFC) Limited

(vii) Key Managerial Personnel

Mr. Anuraag Bhatnagar, Whole-time-Director & CEO

Mr. Ravi Shankar, Chief Financial Officer

Mr. Madhav Sehgal, Director (upto September 13, 2024)

Ms. Ananya Tripathi, Director (w.e.f. May 29, 2024)

Mr. Ankur Gupta, Director (w.e.f. September 13, 2024)

Mr. Ashank Kothari, Director (w.e.f. September 13, 2024)

Mr. Shai Zelering, Director (w.e.f. September 13, 2024)

Mr. Deepak Parekh, Director (w.e.f. September 13, 2024)

Mr. Mukesh Butani, Director (w.e.f. September 13, 2024)

Ms. Apurva Purohit, Director (w.e.f. September 13, 2024)

B Transactions with related parties

The following transactions occurred with related parties

	For the year ended March 31, 2026	For the year ended March 31, 2025
Management fees expense		
Schloss HMA Private Limited	336.26	293.09
Reimbursement of expenses paid to/ (received from)		
Schloss Chennai Private Limited	5.50	(2.90)
Schloss Chanakya Private Limited	(69.95)	19.56
Schloss HMA Private Limited	(73.57)	79.85
Schloss Udaipur Private Limited	(0.27)	2.87
Schloss Tadoba Private Limited	0.08	-
Leela Agra resort Limited (formerly known as Leela Palaces and Resorts Limited)	0.12	-
Tulsi Palace Resort Private Limited	(0.18)	0.90
Leela BKC Holdings Private Limited	2.21	-
Transition Cleantech Services Five Private Limited	0.08	-
Lago Vue Srinagar Private Limited	-	(4.63)
Project Ballet Bangalore Holdings (DIFC) Limited	(15.45)	(106.35)
Anasvish Tiger Camp Private Limited	-	0.08
Inside India Resorts Private Limited	0.96	-
Buildminds Real Estate Private Limited	2.33	-
Leela Luxe Hotels & Resorts Private Limited	7.79	-

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

	For the year ended March 31, 2026	For the year ended March 31, 2025
Other Income		
Summit Digitel Infrastructure Limited	0.63	0.63
Elevar Digitel Infrastructure Private Limited	0.33	0.09
Revenue from Operations		
Arliga Ecoworld Infrastructure Private Limited	2.68	1.09
BAM DLR Data Centre Services Pvt. Ltd.	-	0.01
Brookfield Advisors India Private Limited	1.67	-
Arliga India Office Parks Private Limited	0.26	0.15
Cowrks India Private Limited	-	0.01
Payment made towards consultancy services		
Brookprop Property Management Services Private Limited	4.74	12.83
Interest (income)/expense on capex limit utilisation		
Schloss Udaipur Private Limited	(0.09)	(0.17)
Schloss Chanakya Private Limited	-	29.77
Inter corporate deposit taken		
Tulsi Palace Resort Private Limited	-	150.00
Schloss Chennai Private Limited	-	254.40
Schloss Chanakya Private Limited	-	55.00
Inter corporate deposit given		
Schloss HMA Private Limited	1,030.00	1,605.83
Schloss Chanakya Private Limited	5,820.00	1,245.72
Leela Agra Resort Limited (formerly known as "Leela Palaces and Resorts Limited")	433.20	103.15
Inside India Resort Private Limited	-	7.99
Anasvish Tiger Camp Private Limited	7.30	2.29
Schloss Chennai Private Limited	1,455.00	-
Schloss Udaipur Private Limited	480.00	-
Leela Luxe Hotels & Resorts Private Limited	3,450.00	-
Inter corporate deposit settlement		
Schloss HMA Private Limited		
Schloss Udaipur Private Limited	-	680.94
Schloss Chennai Private Limited	-	609.43
Schloss Chanakya Private Limited	-	660.00
Tulsi Palace Resort Private Limited	-	150.00
Inter corporate deposit given repaid		
Schloss HMA Private Limited	470.00	947.71
Schloss Chennai Private Limited	594.46	-
Schloss Chanakya Private Limited	2,100.75	-
Schloss Udaipur Private Limited	176.76	-
Interest on inter corporate deposit		
Schloss Udaipur Private Limited	-	40.83
Schloss Chennai Private Limited	-	33.07
Schloss Chanakya Private Limited	-	17.99
Tulsi Palace Resort Private Limited	-	1.70
Interest Income on inter corporate deposit		
Schloss HMA Private Limited	106.08	111.54
Schloss Chanakya Private Limited	724.60	105.90
Leela Agra Resort Limited (formerly known as "Leela Palaces and Resorts Limited")	41.73	5.66
Inside India Resorts Private Limited	0.97	0.31

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

	For the year ended March 31, 2026	For the year ended March 31, 2025
Anasvish Tiger Camp Private Limited	0.50	0.10
Schloss Udaipur Private Limited	51.63	
Schloss Chennai Private Limited	142.69	
Leela Luxe Hotels & Resorts Private Limited	16.26	
Purchase of Investment		
BSREP III India Ballet Holdings (DIFC) Limited	-	1,742.81
BSREP III India Ballet I Pte. Ltd.	-	11,450.92
BSREP III Tadoba Holdings (DIFC) Private Limited	-	0.01
BSREP III Joy Two Holdings (DIFC) Limited	-	6,983.18
Project Ballet Chennai Holdings (DIFC) Private Limited	-	10,110.86
Project Ballet Gandhinagar Holdings (DIFC) Private Limited	-	18.52
Project Ballet HMA Holdings (DIFC) Private Limited	-	12,153.33
Project Ballet Udaipur Holdings (DIFC) Private Limited	-	4139.86
Interest on unsecured compulsorily convertible debentures		
Project Ballet Bangalore Holdings (DIFC) Private Limited, holding company	-	44.77

	For the year ended March 31, 2026	For the year ended March 31, 2025
Gain on account of modification in the terms/extinguishment/conversion of compound financial instruments		
Project Ballet Bangalore Holdings (DIFC) Pvt Limited	-	(113.53)
BSREP III Joy Two Holdings (DIFC) Limited	-	40.46
Project Ballet Gandhinagar Holdings (DIFC) Pvt Limited	-	10.21
Project Ballet Udaipur Holdings (DIFC) Pvt Limited	-	23.99
BSREP III Tadoba Holdings (DIFC) Pvt Limited	-	132.70
Project Ballet Chennai Holdings (DIFC) Pvt Limited	-	58.24
Project Ballet HMA Holdings (DIFC) Pvt Limited	-	70.00
Extinguishment of financial liability recorded under equity		
Project Ballet Bangalore Holdings (DIFC) Pvt Limited	-	603.09
Extinguishment of financial liability recorded under borrowings		
Project Ballet Bangalore Holdings (DIFC) Pvt Limited	-	899.66

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

	For the year ended March 31, 2026	For the year ended March 31, 2025
Issue of Compulsorily Convertible Preference Shares ('CCPS')		
BSREP III Joy Two Holdings (DIFC) Limited	-	6,983.18
Project Ballet Gandhinagar Holdings (DIFC) Pvt Limited	-	1,761.33
Project Ballet Udaipur Holdings (DIFC) Pvt Limited	-	4,139.86
BSREP III Tadoba Holdings (DIFC) Pvt Limited	-	27,061.74
Project Ballet Chennai Holdings (DIFC) Pvt Limited	-	10,110.86
Project Ballet HMA Holdings (DIFC) Pvt Limited	-	12,153.33
Issue of Equity Shares on conversion of CCPS (including securities premium)		
BSREP III Joy Two Holdings (DIFC) Limited	-	6,983.18
Project Ballet Gandhinagar Holdings (DIFC) Pvt Limited	-	1,761.33
Project Ballet Udaipur Holdings (DIFC) Pvt Limited	-	4,139.86
BSREP III Tadoba Holdings (DIFC) Pvt Limited	-	27,061.74
Project Ballet Chennai Holdings (DIFC) Pvt Limited	-	10,110.86
Project Ballet HMA Holdings (DIFC) Pvt Limited	-	12,153.33
Issue of Bonus Equity Shares		
Project Ballet Bangalore Holdings (DIFC) Pvt Limited	-	1,407.88

	For the year ended March 31, 2026	For the year ended March 31, 2025
Investment in compulsorily convertible preference shares		
Schloss Chanakya Private Limited	4,700.00	11,123.05
Buildminds Real Estate Private Limited	17.00	29.97
Investment in Redeemable preference shares		
Aries Holdings (DIFC) Limited	4,202.37	
Fair Value gain on compulsorily convertible preference shares		
Schloss Chanakya Private Limited	186.88	97.81
Buildminds Real Estate Private Limited	0.45	0.04
Interest expense on unsecured compulsorily convertible preference shares		
BSREP III Joy Two Holdings (DIFC) Limited	-	40.46
Project Ballet Gandhinagar Holdings (DIFC) Private Limited	-	10.21
Project Ballet Udaipur Holdings (DIFC) Private Limited	-	23.99
BSREP III Tadoba Holdings (DIFC) Private Limited	-	132.70
Project Ballet Chennai Holdings (DIFC) Private Limited	-	58.24
Project Ballet HMA Holdings (DIFC) Private Limited	-	70.00

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

	For the year ended March 31, 2026	For the year ended March 31, 2025
Non-executive director fees		
Mr. Deepak Parekh	2.16	0.90
Mr. Mukesh Butani	1.90	1.00
Ms. Apurva Purohit	2.08	1.00
Managerial remuneration*		
Short Term Employee Benefits		
Mr. Anuraag Bhatnagar	65.37	18.50
Mr. Ravi Shankar	33.77	6.73
Mr. Madhav Sehegal	-	6.35

** Managerial remuneration excludes provision for gratuity and compensated absences, since these are provided on the basis of an actuarial valuation for the Company as a whole.*

C Outstanding balance

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

	As at March 31, 2026	As at March 31, 2025
Trade payables (including accrued expenses)		
Schloss HMA Private Limited	26.06	48.10
Schloss Udaipur Private Limited	-	3.42
Schloss Chennai Private Limited	-	3.26
Schloss Chanakya Private Limited	-	28.04
Tulsi Palace and Resorts Private Limited	-	2.18
Other payables		
Schloss Chanakya Private Limited	-	22.46
Other receivable		
Buildminds Real Estate Private Limited	2.33	15.12
Inside India resorts Private limited	1.04	0.88
Lago Vue Srinagar Private Limited	4.71	4.63
Project Ballet Bangalore DIFC Limited	-	106.35
Leela Agra Resorts Limited (formerly known as Leela Palaces and Resorts Limited)	0.08	-
Schloss Tadoba Private Limited	0.08	-
Anasvish Tiger Camp Private Limited	0.08	-
Leela BKC Holdings Private Limited	2.29	-
Transition Cleantech Services Five Private Limited	0.08	-
Trade receivable		
Schloss HMA Private Limited	37.56	-
Brookfield Advisors India Private Limited	0.02	-
Summit Digitel Infrastructure Limited	0.06	0.03
Leela Luxe Hotels & Resorts Private Limited	7.79	-
Cowrks India Private Limited	-	0.01
Elevar Digitel Infrastructure Private Limited	0.07	0.04
Capital creditors		
Brookprop Property Management Services Private Limited	1.75	1.35
Inter corporate deposit given		
Schloss HMA Private Limited	1,313.79	658.31
Schloss Chanakya Private Limited	5,669.93	1,298.54
Leela Agra Resort Limited (formerly known as "Leela Palaces and Resorts Limited")	581.91	108.25

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

	As at March 31, 2026	As at March 31, 2025
Inside India Resort Private Limited	9.08	8.27
Anasvish Tiger Camp Private Limited	10.16	2.38
Schloss Udaipur Private Limited	349.71	-
Schloss Chennai Private Limited	988.96	-
Leela Luxe Hotels & Resorts Private Limited	3,464.63	-
Investment in compulsorily convertible preference shares		
Schloss Chanakya Private Limited	16,107.73	11,220.86
Buildminds Real Estate Private Limited	47.46	30.01
Investment in Redeemable preference shares		
Aries Holdings (DIFC) Limited	4,507.55	-

Corporate guarantee

During the FY 2024-25, Company's intermediate holding company i.e. BSREP III India Ballet Holdings (DIFC) Limited, fellow subsidiaries i.e. Schloss HMA Private Limited (upto March 28, 2025) and Leela Agra resorts Limited (formerly known as Leela Palaces and Resorts Limited) (upto March 28, 2025) have given corporate guarantee and fellow subsidiaries also created charge over their total assets for the term loan facility availed by the company.

During the year 2025-26, the company's guarantee has been released due to repayment of Borrowings.

E Names of Related parties where control exists

Project Ballet Bangalore Holdings (DIFC) Private Limited (Holding Company), BSREP III India Ballet Holdings (DIFC) Limited (Intermediate Holding Company) and Brookfield Corporation (Formerly known as Brookfield Asset Management Inc.) (Ultimate controlling party).

F Terms and conditions

All outstanding balances are unsecured and repayable in cash. All transactions were made on normal commercial terms and conditions and at market rates.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

43 RATIO ANALYSIS AND ITS ELEMENTS

Ratio Analysis	Numerator	Denominator	March 31, 2026	March 31, 2025	% Change	Remarks
Current Ratio	Current Assets	Current Liabilities	1.99	4.54	(56%)	Decrease is due to increase in Current liabilities on account of Bank overdraft
Debt Equity Ratio	Non - Current Borrowings + Current Borrowings	Total Equity	0.02	0.22	(93%)	Change in Debt equity ratio is due to repayment of borrowings in CY from Proceeds of IPO
Debt Service Coverage Ratio	Profit before Tax + Interest (Net) + Depreciation and amortisation expenses	Interest (Net) + Lease Payments + Principal Repayment of long-term Debt	0.31	1.02	(70%)	Change is due to repayment of borrowings in CY from Proceeds of IPO
Return on Equity Ratio	Net Profit after taxes	Average Total Equity	0.04	0.01	259%	Improvement in RoE is due to better operational performance and savings in Finance cost during the year
Inventory Turnover Ratio	Cost of Goods sold	Average Inventory	3.59	3.63	(1%)	reduction is due to cost savings as compared to PY
Trade Receivables Turnover Ratio	Revenue from operations	Average Trade Receivables	28.84	33.30	(13%)	Reduction is due to increase in revenue from operation in CY
Trade Payables Turnover Ratio	Net Purchases	Average Trade Payables	1.19	1.21	(2%)	
Net Capital Turnover Ratio	Net Sales	Average Working Capital i.e. Average Current Assets - Average Current Liabilities	2.93	4.78	(39%)	
Net Profit Ratio	Net Profit after tax	Net Sales	0.63	0.09	600%	Improvement is due to better performance in CY as compared to PY
Return on Capital employed	EBIT	Capital Employed	0.04	0.03	18%	Improvement is due to better performance in CY as compared to PY
Return on Investment	Interest (Finance Income)	Investment	0.06	0.08	(26%)	

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

44 EXCEPTIONAL ITEMS

On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has assessed and disclosed the incremental impact of these changes on the best information available and consistent with the guidance provided by the Institute of Chartered Accountants of India.

Considering the regulatory-driven and non-recurring nature of this impact, the Company has presented such incremental impact under Exceptional Items amounting to Rs. 16.40 millions in the financial statements for the year ended March 31, 2026. The Company continues to monitor the finalisation of Central/State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

45

During the year ended March 31, 2026, the Company has completed its Initial Public Offer ("IPO") of 80,459,769 equity shares of face value of Rs. 10/- each comprising of (i)fresh issue of 57,471,264 equity shares at an issue price of Rs. 435 per equity share; (ii) an offer for sale of 22,988,505 equity shares at an issue price of Rs. 435 per equity share. The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on June 02, 2025.

Details of utilisation of proceeds from fresh issue are as follows as on March 31, 2026:

Particulars	Cost (as per offer document)
Gross Proceeds from the issue	25,000.00
Less: Issue related expenses (proportionate to Company's share)	(1,355.98)
Net proceeds	**23,644.02**
Amount utilised for repayment of borrowings	(23,000.00)
Amount utilised for general corporate purposes	(644.02)
Balance proceeds	**-**

** Issue related expenses (net of tax) amounting to Rs. 918.80 millions have been adjusted against securities premium as per Section 52 of the Companies Act, 2013.*

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

46 OTHER STATUTORY INFORMATION

(i) The Company neither have any Benami property, nor any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any transactions with companies struck off u/s 243 of the Companies Act, 2013 or u/s 560 of Companies Act, 2013.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar Of Companies (ROC) beyond the statutory period.

(iv) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Company has not advanced or loaned or invested funds in any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries except as stated below:

Nature of funds	Intermediate receiving entity	Ultimate receiving entity	Amount (Rupees in millions)
Investment in compulsorily convertible preference shares ("CCPS")	Schloss Chanakya Private Limited	Tulsi Palace Resort Private Limited	4,700.00
Investment in Redeemable Preference Shares (RPS)	Aries Holdings (DIFC) Limited	Argon Holdings (DIFC) Limited	4,202.37
Inter corporate deposits	Schloss Chanakya Private Limited	Schloss Udaipur Private Limited	164.95
Inter corporate deposits	Leela Agra Resort Limited (formerly known as Leela Palaces and Resorts Limited)	Lago Vue Srinagar Private Limited	170.00

(vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.)

(viii) The Company has investment property as disclosed in fair value and accordingly its fair valuation is at year end is disclosed in note 6.

(ix) No revaluation of Property, Plant & Equipment (Including ROU) & Intangible assets has been carried out during the year.

Notes to Standalone Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

(x) The Company has not granted loans or advances in the nature of loans to promoters, directors, KMPs and the related parties, either severally or jointly with any other person, that are:

(a) repayable on demand; or

(b) without specifying any terms or period of repayment.

(xi) The Company has not defaulted on loan from any bank or financial Institution or other lender.

(xii) Compliance with approved Scheme(s) on the basis of security of current assets - Not Applicable.

(xiii) The Company is not declared wilful defaulter by any bank or financial institution as defined under companies act, 2013 or consortium thereof or other lender in accordance with the guidelines on the wilful defaulters issued by the RBI.

(xiv) The Company has complied with number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (restriction on number of layers) Rules, 2017.

(xv) The Company has used the borrowings from bank for specific purpose for which it was taken at the balance sheet date.

(xvi) Compliance with approved scheme of arrangements.

47 SUBSEQUENT EVENTS

The Company has further subscribed to non-convertible debentures amounting to Rs. 1,200.00 millions in Leela BKC Holdings Private Limited, a joint venture of the company on April 07, 2026.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership Number: 105003

Place: Mumbai
Date: April 28, 2026

For and on behalf of the board of directors of
Leela Palaces Hotels & Resorts Limited (formerly known as 'Schloss Bangalore Limited')
(formerly known as 'Schloss Bangalore Private Limited')
CIN: L55209DL2019PLC347492

Anuraag Bhatnagar
Whole Time Director
DIN: 07967035

Place: Mumbai
Date: April 28, 2026

Ashank Kothari
Director
DIN: 08565174

Place: Mumbai
Date: April 28, 2026

Ravi Shankar
Chief Financial Officer

Place: Mumbai
Date: April 28, 2026

Jyoti Maheshwari
Company Secretary
Membership no. ACS24469

Place: Mumbai
Date: April 28, 2026

Independent Auditor's Report

To the Members of Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited")

Report on the Audit of the Consolidated Financial Statements

OPINION

We have audited the consolidated financial statements of Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited") (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associate and its joint ventures, which comprise the consolidated balance sheet as at 31 March 2026, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, associate and a joint venture as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and joint ventures as at 31 March 2026, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associate and joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment assessment of investment in an associate and joint ventures

See Note 43 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Company has investments in an associate and joint ventures aggregating to Rs 6,459.67 million as at 31 March 2026 which represents 7.24 % of the Company's total assets as at that date.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • Understanding the process followed by the Company in respect of the annual impairment analysis for investments in an associate and joint ventures and assessed the appropriateness of accounting policy.

Independent Auditor's Report (Contd.)

The key audit matter	How the matter was addressed in our audit
Management assesses at each reporting date whether indicators of impairment exist, based on either internal or external sources of information. Where such indicators are identified, the recoverable amount of the investment is determined, and an impairment loss is recognised in the Statement of Profit and Loss if the recoverable amount is lower than the carrying value. The recoverable amounts are determined using the value-in-use methodology, based on discounted cash flow models, which involve significant management judgement. We identified the assessment of impairment indicators and the determination of recoverable amounts, and the resultant provisions, if any, in respect of investments in an associate and joint ventures as a key audit matter considering: • The significance of the carrying value of these investments in the Consolidated Balance Sheet; • The financial performance and net worth of the associate and joint ventures; and	• Evaluating the design and implementation of key internal financial controls over the impairment assessment process and testing the operating effectiveness of such controls, including controls relating to the determination of key assumptions used in such assessment. • Assessing indicators of impairment by comparing the carrying values of investments with the respective net asset values and evaluating the financial performance of an associate and joint ventures. • Involving our valuation specialist, to assist us in evaluating the valuation methodology applied by the Company and to assess the reasonableness of key assumptions used in the impairment models, including discount rates and terminal growth rates. • Evaluating the key assumptions used in the valuation models, including projected earnings before interest, taxes, depreciation and amortisation (EBITDA), revenue growth rates and cost assumptions, based on our understanding of the businesses, historical performance and external market conditions.
• The degree of judgement involved in determining the recoverable amounts, particularly in relation to: i. valuation assumptions such as discount rates and terminal growth rates; and ii. business assumptions including revenue growth rates, associated costs and projected future cash flows.	• Assessing the historical accuracy of management's forecasts by comparing prior period forecasts with actual results. • Testing the data used in valuation model for completeness and accuracy. • Performing a sensitivity analysis to evaluate the impact of change in key assumptions, individually or collectively, on the recoverable amounts. • Assessing the adequacy of the related disclosures in the consolidated financial statements.

Impairment assessment of goodwill

See Note 5 to consolidated financial statements

The key audit matter	How the matter was addressed in our audit
As at 31 March 2026, the carrying value of goodwill is Rs 4,670.56 million pertaining to past acquisition and amalgamation representing 7.24% of the net assets as at that date.	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: • Understanding the process followed by the Company in respect of the annual impairment analysis and assessed the appropriateness of accounting policy.

Independent Auditor's Report (Contd.)

The key audit matter	How the matter was addressed in our audit
The Company performs impairment assessment of Goodwill in accordance with Ind AS 36 "Impairment of Assets", atleast annually to assess whether there is any indication that the cash generating unit (CGU) to which goodwill has been allocated may be impaired by comparing its carrying value with its estimated recoverable value. The recoverable value is determined using the value-in-use methodology, based on discounted cash flow models, which involve significant management judgment. The assessment of impairment of goodwill is a complex process as the management is required to make significant estimates and assumptions which includes forecast of future revenue, operating margins and discount rates to assess the recoverable value of the CGU. In view of the significance of the carrying amount of goodwill and the significant judgements and estimates involved, impairment assessment of goodwill has been identified as a key audit matter.	• Evaluating the design and implementation of key internal financial controls over the Company's process of impairment assessment and testing the operating effectiveness of such controls including controls over determination of key assumptions used in such assessment. • Evaluating the valuation methodology and key market related assumptions such as discount rate and terminal growth rate with assistance of our valuation specialist. • Evaluating the reasonableness of the key assumptions used in the cash flow forecasts which includes projected earnings before interest, taxes, depreciation and amortisation (EBITDA), revenue growth rates and cost assumptions. • Assessing the reliability of cash flow forecasts by comparing the actual performance with the budgets. • Testing the data used in valuation model for completeness and accuracy. • Performing a sensitivity analysis to evaluate the impact of change in key assumptions, individually or collectively, on the recoverable amounts. • Assessed the adequacy of the related disclosures made in the consolidated financial statements in accordance with the applicable accounting standards.

OTHER INFORMATION

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's directors' report, but does not include the financial statements and auditor's reports thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associate and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and the respective Management and Board of Directors of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are

Independent Auditor's Report (Contd.)

reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and the respective Management and Board of Directors of its associate and joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and the respective Board of Directors of its associate and joint ventures are responsible for overseeing the financial reporting process of each company.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint ventures to cease to continue as a going concern.

Independent Auditor's Report (Contd.)

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements of such entities or business activities within the Group and its associate and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

OTHER MATTERS

a. We did not audit the consolidated financial statements of one subsidiary, whose consolidated financial statements reflect total assets (before consolidation adjustments) of Rs. 4,560.87 millions as at 31 March 2026, total revenues (before consolidation adjustments) of Rs. Nil and net cash inflows (before consolidation adjustments) of Rs. 117.62 millions for the year ended on that date, as considered in the consolidated financial statements. We did not audit the financial statements of five subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 6,124.09 millions as at 31 March 2026, total revenues (before consolidation adjustments) of Rs. Nil and net cash inflows (before consolidation adjustments) amounting to Rs. 254.71 millions for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit and other comprehensive income of Rs. 2.81 millions for the year ended 31 March 2026, in respect of one joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and a joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and a joint venture is based solely on the reports of the other auditors.

b. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

Independent Auditor's Report (Contd.)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, associate and joint ventures as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of the other auditors except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors of the Holding Company as on 4 April 2026 and 20 April 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and joint venture companies incorporated in India, none of the directors of the Group companies and its joint venture companies incorporated in India is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

   f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies and joint venture companies and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, associate and joint ventures, as noted in the "Other Matters" paragraph:

   a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2026 on the consolidated financial position of the Group, its associate and joint ventures. Refer Note 37 to the consolidated financial statements.

   b. The Group, its associate and joint ventures did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2026.

   c. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies and joint venture companies incorporated in India during the year ended 31 March 2026.

Independent Auditor's Report (Contd.)

d (i). The respective management of the Holding Company and its subsidiary companies and joint venture companies incorporated in India whose financial statementshave been audited under the Act have represented to us and the other auditors of such subsidiary companies and a joint venture company respectively that, to the best of their knowledge and belief, other than as disclosed in the Note 47(v) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies and joint venture companies to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies and joint venture companies ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii). The respective management of the Holding Company and its subsidiary companies and joint venture companies incorporated in India whose financial statementshave been audited under the Act have represented to us and the other auditors of such subsidiary companies and a joint venture company respectively that, to the best of their knowledge and belief, other than as disclosed in the Note 47(vi) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies and joint venture companies from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies and joint venture companies shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii). Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Holding Company and its subsidiary companies and joint venture companies incorporated in India have neither declared nor paid any dividend during the year.

f. Based on our examination which included test checks, and that performed by the respective auditors of subsidiary companies and joint venture companies incorporated in India whose financial statements have been audited under the Act, except for the instances mentioned below, the Holding Company, its subsidiary companies and joint venture companies have used accounting softwares for maintaining its books of account, which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the respective softwares:

(i) In case of four subsidiary companies, the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for the accounting softwares used for purchases and inventory management upto 25 June 2025.

Further, where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with. Additionally, where audit trail (edit log) facility was enabled and operated in the previous year, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Independent Auditor's Report (Contd.)

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies and a joint venture company incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies and joint venture companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies and joint venture companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Tarun Kinger
Partner
Membership No.: 105003
ICAI UDIN:26105003FLRADA1159

Place: Mumbai
Date: 28 April 2026

Annexure A

to the Independent Auditor's Report on the Consolidated Financial Statements of Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited") for the year ended 31 March 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualification or adverse remarks given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding Company/ Subsidiary/ JV/ Associate	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited")	L55209DL2019PLC347492	Holding Company	3(i)(c)
2	Leela Agra Resorts Limited (formerly known as "Leela Palaces and Resorts Limited")	U55101DL2005PLC134480	Subsidiary	3(i)(c)

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Tarun Kinger
Partner
Membership No.: 105003
ICAI UDIN:26105003FLRADA1159

Place: Mumbai
Date: 28 April 2026

Annexure B

to the Independent Auditor's Report on the consolidated financial statements of Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited") for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

OPINION

In conjunction with our audit of the consolidated financial statements of Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited") (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies and joint venture companies, as of that date.

In our opinion and based on the consideration of reports of the other auditors on internal financial controls with reference to financial statements of subsidiary companies and a joint venture company, as were audited by the other auditors, the Holding Company and such companies incorporated in India which are its subsidiary companies and joint venture companies, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies and a joint venture company in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Annexure B (Contd.)

to the Independent Auditor's Report on the consolidated financial statements of Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited") for the year ended 31 March 2026

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OTHER MATTERS

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to five subsidiary companies and one joint venture company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of this matter.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Tarun Kinger
Partner
Membership No.: 105003
ICAI UDIN:26105003FLRADA1159

Place: Mumbai
Date: 28 April 2026

Consolidated Balance Sheet

as at March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3	63,109.89	53,352.49
Right-of-use assets	4	2,678.75	2,604.88
Capital work-in-progress	3	2,289.45	1,309.36
Investment properties	6	-	1,683.70
Investment properties under construction	6	-	296.11
Goodwill	5	4,670.56	4,670.56
Other intangible assets	5	1,616.07	445.39
Investments accounted for using the equity method	43	6,459.67	141.31
Financial assets			
- Loans	15	180.13	-
- Investments	7	0.19	0.19
- Other financial assets	8	766.30	11,063.22
Non-current tax assets (net)	9	383.38	294.03
Other non-current assets	10	1,518.30	1,388.19
Total non-current assets		**83,672.69**	**77,249.43**
Current assets			
Inventories	11	322.43	271.71
Financial assets			
- Trade receivables	12	790.65	887.02
- Cash and cash equivalents	13	996.73	1,300.07
- Bank balances other than cash and cash equivalents	14	1,858.97	1,579.84
- Other financial assets	8	493.47	245.17
Current tax assets (net)	9	155.12	61.58
Other current assets	10	946.78	1,066.81
Total current assets		**5,564.15**	**5,412.20**
TOTAL ASSETS		**89,236.84**	**82,661.63**

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	3,339.58	2,764.87
Other equity			
-Reserves and surplus	17 (b)	60,696.26	32,804.29
Equity attributable to owners of the company		**64,035.84**	**35,569.16**
Non-controlling interest	44	490.31	480.72
Total equity		**64,526.15**	**36,049.88**
Liabilities			
Non-current liabilities			
Financial liabilities			
-Borrowings	18	13,153.37	35,857.42
-Lease liabilities	4	2,477.84	2,270.20
-Other financial liabilities	20	90.94	71.81
Other non-current liabilities	21	27.13	11.54
Deferred tax liabilities (net)	22	3,375.39	3,031.80
Provisions	23	129.66	113.67
Total non-current liabilities		**19,254.33**	**41,356.44**
Current liabilities			
Financial liabilities			
- Borrowings	18	2,414.81	3,230.04
- Lease liabilities	4	63.49	57.57
- Trade payables	19		
(a) Total outstanding dues of micro and small enterprises		182.34	47.85
(b) Total outstanding dues other than (a) above		564.39	558.65
- Other financial liabilities	20	713.96	411.63
Other current liabilities	21	1,422.82	930.38
Provisions	23	94.55	19.19
Total current liabilities		**5,456.36**	**5,255.31**
Total liabilities		**24,710.69**	**46,611.75**
TOTAL EQUITY AND LIABILITIES		**89,236.84**	**82,661.63**
Material accounting policies	2		

The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership Number: 105003

Place: Mumbai
Date: April 28, 2026

For and on behalf of the Board of Directors of
Leela Palaces Hotels & Resorts Limited (formerly known as 'Schloss Bangalore Limited')
(formerly known as 'Schloss Bangalore Private Limited')
CIN: L55209DL2019PLC347492

Anuraag Bhatnagar
Whole-time Director
DIN: 07967035

Place: Mumbai
Date: April 28, 2026

Ashank Kothari
Director
DIN: 08565174

Place: Mumbai
Date: April 28, 2026

Ravi Shankar
Chief Financial Officer

Place: Mumbai
Date: April 28, 2026

Jyoti Maheshwari
Company Secretary
Membership No.: ACS24469

Place: Mumbai
Date: April 28, 2026

Consolidated Statement of Profit and Loss

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from operations	24	15,272.90	13,005.73
Other income	25	704.89	1,059.83
Total income		**15,977.79**	**14,065.56**
Expenses			
Cost of food and beverages consumed	26	1,054.37	947.46
Employee benefits expense	27	3,056.14	2,732.42
Finance costs	28	2,034.08	4,581.67
Depreciation and amortisation expenses	29	1,126.19	1,399.29
Other expenses	30	3,733.86	3,382.11
Total expenses		**11,004.64**	**13,042.95**
Profit before exceptional items, share of net profit/(loss) of investments accounted for using equity method and tax		**4,973.15**	**1,022.61**
Exceptional items	49	64.00	-
Profit before share of net profit/(loss) of investments accounted for using equity method and tax		**4,909.15**	**1,022.61**
Share of net (loss) of joint ventures and associate accounted for using equity method	43	(26.88)	(1.89)
Profit before tax		**4,882.27**	**1,020.72**
Income tax expense			
- Current tax	32	271.37	93.79
- Deferred tax	32	580.57	450.35
Total tax expense		**851.94**	**544.14**
Profit for the year		**4,030.33**	**476.58**

	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans		25.17	18.71
Income tax relating to these items		(4.78)	(2.61)
Items that will be reclassified to profit or loss			
Exchange difference on translating the financial statements of foreign operations		309.97	-
Other comprehensive income for the year, net of tax		**330.36**	**16.10**
Total comprehensive income for the year		**4,360.69**	**492.68**
Profit for the year attributable to:			
Owners of the company		4,031.34	478.27
Non-controlling interests		(1.01)	(1.69)
		4,030.33	**476.58**
Other comprehensive income for the year, net of tax			
Owners of the company		330.36	16.10
Non-controlling interests		-	-
		330.36	**16.10**
Total comprehensive income for the year attributable to:			
Owners of the company		4,361.70	494.35
Non-controlling interests		(1.01)	(1.69)
		4,360.69	**492.68**
Earnings per share attributable to owners:	41		
Basic earnings per share (in Rs.)		12.43	1.97
Diluted earnings per share (in Rs.)		12.43	1.97
Material accounting policies	2		

The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership Number: 105003

Place: Mumbai
Date: April 28, 2026

For and on behalf of the Board of Directors of
Leela Palaces Hotels & Resorts Limited (formerly known as 'Schloss Bangalore Limited')
(formerly known as 'Schloss Bangalore Private Limited')
CIN: L55209DL2019PLC347492

Anuraag Bhatnagar
Whole-time Director
DIN: 07967035

Place: Mumbai
Date: April 28, 2026

Ashank Kothari
Director
DIN: 08565174

Place: Mumbai
Date: April 28, 2026

Ravi Shankar
Chief Financial Officer

Place: Mumbai
Date: April 28, 2026

Jyoti Maheshwari
Company Secretary
Membership No.: ACS24469

Place: Mumbai
Date: April 28, 2026

Consolidated Statement of Cash Flows

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash flows from operating activities		
Profit before tax for the year	4,882.27	1,020.72
Adjustments for:		
Depreciation and amortisation	1,126.19	1,399.29
Gain on cancellation of leases	-	(4.93)
Finance costs	2,034.08	4,581.67
Net loss on disposal of property, plant and equipment	4.35	4.42
Net impairment (reversal) on financial assets	(45.15)	(195.25)
Net unrealised foreign exchange differences	(0.88)	(0.34)
Interest income	(607.68)	(558.40)
Share of net (loss) of joint ventures and associate accounted for using equity method	26.88	1.89
Interest income on income tax refund	(10.33)	(14.07)
Liabilities no longer required written back	-	(40.52)
Exceptional items	64.00	-
Operating cash flows before working capital changes	**7,473.73**	**6,194.48**
Working capital movements:		
(Increase)/decrease in inventories	(50.72)	38.33
Decrease in trade receivables	141.52	36.60
(Increase) in other financial assets	(241.01)	(182.05)
Decrease/(increase) in other current assets	122.25	(547.78)
Increase in trade payables	122.14	83.22
Increase/(decrease) in other current liabilities	499.74	(38.81)
Increase in other financial liabilities	26.81	20.38
Increase in provisions	116.53	29.48
Cash generated from operations	**8,210.99**	**5,633.85**
Income taxes (paid), net	(443.93)	(105.06)
Net cash flows generated from operating activities (A)	**7,767.06**	**5,528.79**
Cash flows from investing activities		
Payments for purchase of property, plant and equipment	(3,940.07)	(2,077.01)
Payments for asset acquisition	(5,618.63)	-
Payments for purchase of intangibles	(1,215.78)	(0.05)
Proceeds from sale of property, plant and equipment	6.77	1.53
Bank deposit (placed)	(50,033.29)	(41,593.40)
Bank deposit matured	59,948.31	33,255.55
Interest received	633.82	448.92
Payments towards investment properties under construction	-	(296.11)
Acquisition of a joint venture and an associate (net)	(5,984.80)	(143.20)
Inter-corporate deposit given to a joint venture	(170.00)	-
Payment for acquisition of subsidiaries, net of cash acquired	-	(46,893.55)
Net cash flows used in investing activities (B)	**(6,373.67)**	**(57,297.32)**

Consolidated Statement of Cash Flows (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash flows from financing activities		
Proceeds from fresh issuance of equity shares	25,000.00	-
Share issue expenses (net of tax)	(1,160.55)	-
Proceeds from compulsorily convertible preference shares, net	-	62,210.74
Proceeds from borrowings	3,601.54	1,343.20
Proceeds from issue of equity shares to non-controlling interest by subsidiaries	10.60	73.46
Repayments of borrowings	(27,190.69)	(3,176.04)
Interest paid on CCD conversion	-	(3,726.91)
Principal elements of lease payment	(53.97)	(58.19)
Finance costs paid towards lease liabilities	(158.57)	(140.94)
Finance costs paid other than on lease liabilities	(1,749.25)	(4,166.47)
Net cash flows (used)/generated from financing activities (C)	**(1,700.89)**	**52,358.85**

	For the year ended March 31, 2026	For the year ended March 31, 2025
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(307.50)**	**590.32**
Cash and cash equivalents as at beginning of the year	1,300.07	709.75
Effects of exchange rate changes on cash and cash equivalents	4.16	-
Cash and cash equivalents at the end of the year (refer note 13)	**996.73**	**1,300.07**
Reconciliation of cash and cash equivalents as per the statement of cash flows:		
Cash and cash equivalents comprise of the following:		
Cash on hand	5.20	6.33
Balance with banks		
- in current account	608.46	647.82
- in fixed deposit account with original maturity of less than 3 months	383.07	645.92
Total cash and cash equivalents as at year end	**996.73**	**1,300.07**

The Group has elected to present cash flows from operating acitivities using the indirect method as per Ind AS 7 - Statement of Cash Flows

Supplemental information to the cashflow (refer note 18)

Material accounting policies 2

The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership Number: 105003

Place: Mumbai
Date: April 28, 2026

For and on behalf of the Board of Directors of
Leela Palaces Hotels & Resorts Limited (formerly known as 'Schloss Bangalore Limited')
(formerly known as 'Schloss Bangalore Private Limited')
CIN: L55209DL2019PLC347492

Anuraag Bhatnagar
Whole-time Director
DIN: 07967035

Place: Mumbai
Date: April 28, 2026

Ashank Kothari
Director
DIN: 08565174

Place: Mumbai
Date: April 28, 2026

Ravi Shankar
Chief Financial Officer

Place: Mumbai
Date: April 28, 2026

Jyoti Maheshwari
Company Secretary
Membership No.: ACS24469

Place: Mumbai
Date: April 28, 2026

Consolidated Statement of Changes in Equity

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

A. EQUITY SHARE CAPITAL

Particulars	Amount
Balance as at April 01, 2024	**201.70**
Changes in equity share capital	2,563.17
Balance as at March 31, 2025	**2,764.87**
Changes in equity share capital	574.71
Balance as at March 31, 2026	**3,339.58**

B. OTHER EQUITY

Particulars	Equity component of compound financial instruments	Reserves and surplus						Items of other comprehensive income	Equity attributable to owners of the Company	Non Controlling interest	Total
		Securities premium	Retained earnings - fair value as deemed cost	Other Equity	Common control adjustment deficit account	Capital reserve	Retained earnings	Foreign currency translation reserve			
Balance as at April 01, 2024	**603.09**	**10,027.25**	**12,749.07**	**(2,644.43)**	**(32,256.49)**	**-**	**(16,937.42)**	**-**	**(28,458.93)**	**-**	**(28,458.93)**
Non- controlling interests on acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	482.41	482.41
Profit/(loss) for the year	-	-	-	-	-	-	478.27	-	478.27	(1.69)	476.58
Other comprehensive income for the year, net of tax	-	-	-	-	-	-	16.10	-	16.10	-	16.10
Total	**603.09**	**10,027.25**	**12,749.07**	**(2,644.43)**	**(32,256.49)**	**-**	**(16,443.06)**	**-**	**(27,964.57)**	**480.72**	**(27,483.85)**
Issue of bonus shares	-	(1,407.88)	-	-	-	-	-	-	(1,407.88)	-	(1,407.88)
Residual value at inception of CCPS (refer note 16)	55,761.16	-	-	-	-	-	-	-	55,761.16	-	55,761.16
On conversion of compound financial instruments	(55,761.16)	62,557.76	-	335.59	-	-	-	-	7,132.19	-	7,132.19
Extinguishment of compound financial instruments (refer note 16)	(603.09)	-	-	(113.53)	-	-	-	-	(716.62)	-	(716.62)
Balance as at March 31, 2025	**-**	**71,177.13**	**12,749.07**	**(2,422.37)**	**(32,256.49)**	**-**	**(16,443.06)**	**-**	**32,804.29**	**480.72**	**33,285.01**

Consolidated Statement of Changes in Equity (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Particulars	Equity component of compound financial instruments	Reserves and surplus						Items of other comprehensive income	Equity attributable to owners of the Company	Non Controlling interest	Total
		Securities premium	Retained earnings - fair value as deemed cost	Other Equity	Common control adjustment deficit account	Capital reserve	Retained earnings	Foreign currency translation reserve			
Balance as at April 01, 2025	**-**	**71,177.13**	**12,749.07**	**(2,422.37)**	**(32,256.49)**	**-**	**(16,443.06)**	**-**	**32,804.29**	**480.72**	**33,285.01**
Profit for the year	-	-	-	-	-	-	4,031.34	-	4,031.34	(1.01)	4,030.33
Other comprehensive loss for the year, net of tax	-	-	-	-	-	-	20.39	309.97	330.36	-	330.36
Total	**-**	**-**	**-**	**-**	**-**	**-**	**4,051.73**	**309.97**	**4,361.70**	**(1.01)**	**4,360.69**
Fresh issue of equity shares on listing	-	24,425.29	-	-	-	-	-	-	24,425.29	-	24,425.29
Share issue expense (net of tax)	-	(918.80)	-	-	-	-	-	-	(918.80)	-	(918.80)
Proceeds from investment by minority interest	-	-	-	-	-	-	-	-	-	10.60	10.60
On acquisition of associate	-	-	-	-	-	23.78	-	-	23.78	-	23.78
Balance as at March 31, 2026	**-**	**94,683.62**	**12,749.07**	**(2,422.37)**	**(32,256.49)**	**23.78**	**(12,391.33)**	**309.97**	**60,696.26**	**490.31**	**61,186.57**

The notes referred to above form an integral part of the consolidated financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
Leela Palaces Hotels & Resorts Limited (formerly known as 'Schloss Bangalore Limited')
(formerly known as 'Schloss Bangalore Private Limited')
CIN: L55209DL2019PLC347492

Tarun Kinger
Partner
Membership Number: 105003

Place: Mumbai
Date: April 28, 2026

Anuraag Bhatnagar
Whole-time Director
DIN: 07967035

Place: Mumbai
Date: April 28, 2026

Ashank Kothari
Director
DIN: 08565174

Place: Mumbai
Date: April 28, 2026

Ravi Shankar
Chief Financial Officer

Place: Mumbai
Date: April 28, 2026

Jyoti Maheshwari
Company Secretary
Membership No.: ACS24469

Place: Mumbai
Date: April 28, 2026

Notes to Consolidated Financial Statements

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

1 GROUP INFORMATION

Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited") ("the Holding Company") was incorporated on March 20, 2019 under the provisions of Companies Act, 2013 and started its operations effective October 17, 2019 by acquiring Bangalore hotel undertaking of HLV Limited. The Company along with it subsidiary companies (collectively referred as "Group"), its joint ventures and its associate are in the hospitality industry and operate hotels under the brand name of "THE LEELA". The equity shares of the Holding Company were listed on BSE Limited and National Stock Exchange of India Limited on June 02, 2025.

The Company executed a Share Purchase Agreement ("SPA") on May 31, 2024 with BSREP III India Ballet I Pte. Limited, Project Ballet Udaipur Holdings (DIFC) Pvt Limited, Project Ballet Chennai Holdings (DIFC) Pvt Limited, Project Ballet HMA Holdings (DIFC) Pvt Limited, Project Ballet Gandhinagar Holdings (DIFC) Pvt Limited, BSREP III Tadoba Holdings (DIFC) Limited and BSREP III India Ballet Holdings (DIFC) Limited to acquire the entire issued equity share capital of the entities ("The Acquisition") listed below respectively.

Name of Company	% of Holding after SPA	Place of business/ country of incorporation	Principal activities
- Schloss Chanakya Private Limited (SCPL)	100%	India	Hospitality
- Schloss Udaipur Private Limited	100%	India	Hospitality
- Schloss Chennai Private Limited	100%	India	Hospitality
- Schloss HMA Private Limited	100%	India	Hotel management services
- Schloss Gandhinagar Private Limited	100%	India	Manpower outsourcing
- Leela Agra Resort Limited (formerly known as "Leela Palaces and Resorts Limited" (LPRL))	100%	India	Hospitality
- Schloss Tadoba Private Limited	100%	India	Hospitality consultancy services
- Tulsi Palace Resort Private Limited (TPRPL)	100%	India	Hospitality

During the year ended March 31, 2025, the Company has invested in the issued equity share capital of the entities which are also listed below.

Name of companies acquired	% of holding	Place of business/ country of incorporation	Principal activities
- Aries Holdings (DIFC) Limited (Aries Holdings)	100%	UAE	Investment company
- Leela BKC Holdings Private Limited (formerly known as Transition Cleantech Services Four Private Limited (TCS4)') (refer note 43 III (ii))	50%	India	Hospitality
- Transition Cleantech Services Five Private Limited (TCS5)	100%	India	Hospitality consultancy services
- Inside India Resorts Private Limited	51%	India	Hospitality

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Name of companies acquired	% of holding	Place of business/ country of incorporation	Principal activities
- Anasvish Tiger Camp Private Limited	74%	India	Hospitality
- Buildminds Real estate Private Limited	76%	India	Hospitality
- Lago Vue Srinagar Private Limited	50%	India	Hospitality (Joint Venture)

Further, during the year ended March 31, 2026, the Company/subsidiaries have invested in the issued equity share capital of the entities which are also listed below.

Name of companies acquired/ invested	% of holding	Place of business/ country of incorporation	Principal activities
- Leela Luxe Hotels & Resorts Private Limited	100%	India	Hospitality
- Leela Essence Hospitality Private Limited	100%	India	Hospitality
- Leela Nirvana Resorts Private Limited	100%	India	Hospitality
- Leela Opulence Hotels Private Limited	100%	India	Hospitality
- Leela Imperial Suite Private Limited	100%	India	Hospitality
- Argon Holdings DIFC Limited (UAE)	25%	UAE	Investment company (Associate of Aries Holdings (DIFC) Limited)
- Boron Holdings (DIFC) Limited (UAE)	NA	UAE	Investment company (Wholly owned subsidiary of Argon Holding (DIFC) Limited)
- Sofitel the Palm FZCO (UAE)	NA	UAE	Hospitality (Wholly owned subsidiary of Boron Holding (DIFC) Limited)

The entities have together been referred to as “subsidiaries”. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the Group.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

2 BASIS OF PREPARATION, CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS AND MATERIAL ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to the years presented in these financial statements.

2.1 Basis of preparation

The consolidated Financial Statements of Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited") (hereinafter referred to as the 'Holding Company') and its subsidiaries together referred to as "the Group" and its joint ventures and associates, comprise the consolidated balance sheet as at March 31, 2026, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policies (hereinafter collectively referred to as "Consolidated Financial Statements").

The consolidated financial statements of the Group and its joint venture for the year ended March 31, 2026 have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 and other provisions of the Companies Act, 2013 ("the Act") as amended from time to time and other accounting principles generally accepted in India and presentation requirements of Division II of Schedule III to the Companies Act, 2013, as amended. The comparative information in respect of the preceeding period (i.e. year ended March 31, 2025) is presented in these Consolidated Financial Statements.

These consolidated Financial statements have been prepared by the Group, its joint ventures and its associate as a going concern. The accounting policies are applied consistently over the year.

Until financial year ended March 31, 2024, the Company prepared only standalone financial statements. During the year ended March 31, 2025, the Company acquired controlling stake in subsidiaries, which were under common control (refer note 45 for details) and has prepared consolidated financial statements for the year ended March 31, 2025 with comparative consolidated financial statements for the year ended March 31, 2024 for the first time.

The consolidated Financial Statements of the Group, its joint ventures and associates for the year ended March 31, 2026 were approved for issue in accordance with the resolution of the Board of Directors of the Holding Company on April 28, 2026.

Principle of consolidation

The consolidated financial statements comprise the financial statements of the Company, its subsidiaries, its joint ventures and associate. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Consolidation procedure:

1. Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiary. For this purpose, income and expenses of the subsidiaries are based on the amounts of the assets and liabilities recognised in the Consolidated Financial Statements at the acquisition date.
2. Eliminate the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiaries. Business combinations policy explains how to account for any related goodwill/common control adjustment deficit account.
3. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group.

Investment in joint ventures and associates

The Group's interests in equity-accounted investees comprise interests in a joint ventures and associates.

A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

An associate is an entity over which the Group has significant influence, but not control or joint control. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Investments in joint ventures and associates are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the carrying amount of the investment is adjusted to recognise the Group's share of the profit or loss and other comprehensive income of the investee. Distributions received from the investee reduce the carrying amount of the investment.The Group's share of the results of associates and joint ventures is recognised in profit or loss. The Group's share of other comprehensive income is recognised in other comprehensive income.

Unrealised gains arising from transactions with joint ventures and associates are eliminated against the carrying amount of the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

The equity method is applied from the date on which significant influence or joint control commences until the date on which it ceases.

2.2 Critical Accounting estimates and judgements

The preparation of these consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions, that affect the reported balances of assets and liabilities, the accompanying disclosures and disclosures relating to contingent liabilities as at the date of the consolidated financial statements and the reported amounts of income and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements pertain to:

- **Useful Lives of Property, Plant and Equipment:** The Group has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Group reviews the useful life of property, plant and equipment as at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods. Refer note 2.5 (e) for further details.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

– **Impairment Testing:** Property, plant and equipment and intangibles that are subject to depreciation/ amortisation are tested for impairment periodically including when events occur or changes in circumstances indicate that the recoverable amount of the cash generating unit is less than its carrying value. The recoverable amount of cash generating units is higher of value-in-use and fair value less cost to sell. The calculation involves use of significant estimates and assumptions which includes turnover and earnings multiples, growth rates and net margins used to calculate projected future cash flows, risk-adjusted discount rate, future economic and market conditions. Refer Note 3 and 5 for further details.

Goodwill represents the excess of the purchase price over the fair value of the identifiable net assets of acquired companies. Goodwill is not amortized; instead, it is tested for impairment at least annually. The recoverable amount is determined based on value in use or fair value less cost to sell, whichever is higher, of the cash generating unit to which it belongs. The calculations of recoverable amount requires the use of assumptions as directly observable market prices generally do not exist for the Group's assets. However, fair value may be estimated based on recent transactions on comparable assets, internal models used by the Group for transactions involving the same type of assets or other relevant information. Calculation of value in use is a discounted cash flow calculation based on continued use of the assets in its present condition, excluding potential exploitation of improvement or expansion potential. Refer Note 5 for further details.

– **Income Taxes:** Deferred tax assets are recognised to the extent that it is regarded as probable that deductible temporary differences can be realised. The Group estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charge in the Statement of Profit and Loss. Refer Note 32 for further details.

Provision for tax liabilities require judgements on the interpretation of tax legislation, developments in case laws and the potential outcomes of tax audits and appeals which may be subject to significant uncertainty. Therefore the actual results may vary from expectations resulting in adjustments to provisions, the valuation of deferred tax assets, cash tax settlements and therefore the tax charge in the Statement of Profit and Loss. Refer Note 32 for further details.

- **Defined Benefit Plans:** The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date. Refer Note 33 for further details.

- **Leases:** The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics. Refer Note 4 for further details.

- **Fair value Measurement of Financial Instruments:** The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. This involves significant judgements in the selection of a method in making assumptions that are mainly based on market conditions existing at the Balance Sheet date and in identifying the most appropriate estimate of fair value when a wide range of fair value measurements are possible. Refer Note 34 for further details.
- **Impairment of Financial Assets:** For trade receivables, the Group applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognized from initial recognition of the receivables. The expected credit loss allowance is an estimate based on the ageing of the receivables that are due and rates used in a provision matrix. (Refer Note 12)
- **Contingent Liability:** The management evaluates possible obligation that arises from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The estimates of outcome and financial effect are determined by the judgement of the management of the entity, supplemented by experience of similar transactions and, in some cases, reports from independent experts and the accompanying disclosures and disclosures relating to contingent liabilities. Refer Note 37 for further details.

2.3 Going Concern

The Group, its joint ventures and associate have earned a profit of Rs. 4,030.33 millions and of Rs. 476.58 millions for the year ended March 31, 2026 and March 31, 2025 respectively. The Group has accumulated losses of Rs. 12,391.33 millions and Rs. 16,443.06 millions for the year ended March 31, 2026 and March 31, 2025 respectively. The Group has net worth of Rs. 64,526.15 millions and Rs. 36,049.88 millions at March 31, 2026 and March 31, 2025 respectively.

The Group has assessed its capital and financial resources, profitability and overall liquidity position. In developing the assumptions and estimates relating to the future uncertainties in the economic conditions, the Group as at the date of approval of these financial statements has used internal and external sources of information and based on current estimates, expects to recover the carrying amounts of assets. During the previous year ended March 31, 2025, the Company and one of its subsidiary have issued compulsorily convertible preference shares ("CCPS") and have received the consideration amounting to Rs. 73,333.35 millions. Accordingly, these financial statements have been prepared on a going concern basis.

2.4 Current / Non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

a. it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is expected to be realised within 12 months after the reporting date; or

d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of assets.

All other assets are classified as non-current.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

a. it is expected to be settled in the entity's normal operating cycle;

b. it is held primarily for the purpose of being traded;

c. it is due to be settled within twelve months after the balance sheet date; or

d. the Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include current portion of non-current liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

2.5 Material Accounting Policies

a) Foreign currency translation

(i) Functional and presentation currency

The functional currency of the Group, its joint ventures and its associate is Indian Rupee.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in statement of profit and loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation. All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis within other gains/(losses).

(iii) Subsequent measurement

Foreign currency transactions subsequently are accounted using the exchange rates as at that date and difference, if any, between the exchange rates as at the subsequent date and the date of the balance sheet is recognised as income or expense in the Statement of Profit and Loss.

(iv) Foreign Operations

The results and financial position of foreign operations (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position,

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

- income and expenses for each statement of profit or loss and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions), and
- all resulting exchange differences are recognised in other comprehensive income.

b) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

c) Earnings per share

Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year adjusting the bonus element for all the reported period arising on account of issue of equity shares on rights and including potential equity shares on compulsory convertible instruments. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share adjusted for the effects of all dilutive potential equity shares. Ordinary shares that will be issued upon the conversion of a mandatorily convertible instruments are included in the calculation of basic earnings per share from the date the contract is entered into.

d) Revenue recognition and other income

Revenue is recognised at an amount that reflects the consideration to which the Group expects to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of control of the goods or service to the customer. Revenue from sales of goods or rendering of services is net of Indirect taxes, returns and discounts.

Income from operations-

Rooms, food and beverage and banquets: Revenue is recognised at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and banquet services which is recognised once the rooms are occupied, food and beverages are sold and banquet services have been provided as per the contract with the customer. Some contracts include multiple performance obligations, such as sale of food and beverages and room revenue. These are considered as separate performance obligations as, the customer can benefit from the good or service on its own and the good or services are distinct within the context of the contract. Where the contracts include multiple performance obligations, the transaction price will be allocated to each performance obligation based on the stand-alone selling prices.

Management and other operating fees: Management fees earned from hotels managed by the Group are usually under long-term contracts with the hotel owner. Under the contract, the Group's performance obligation is to provide hotel management services and a license to use the Company's brand name and other intellectual property. As compensation for such services, the Group is generally entitled to receive:

Base fees: which are a percentage of the revenues of properties,

Incentive fees: which are generally based on a measure of hotel profitability and

Marketing fees: which are generally based on room revenue of the properties.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Entire consideration i.e. (Base fees, Incentive fees and Marketing fees) is variable consideration, as the transaction price is based on a percentage of revenue or profit, as defined in each contract. The Company recognize all fees on a monthly basis over the term of the agreement as those amounts become payable, as long as it does not expect a significant reversal due to projected future hotel performance or cash flows in future periods.

Cost Recoverable: Under the management agreements, the Group is entitled to be reimbursed for certain costs the Group incurs on behalf of the managed properties. These costs primarily consist of business promotion, payroll, travelling and related expenses at managed properties where the Group is employer of the employees at the properties and include certain operational and administrative costs as provided for in our contracts with the owners. The Group is entitled to reimbursement in the period it incur the related reimbursable costs, which it recognize within the "Management and other operating fees" under Revenue from operations caption of its Statement of Profit and Loss.

Membership Fees: Membership fee income majorly consists of membership fees received from club and spa services. In respect of performance obligations satisfied over a period of time, revenue is recognised at the allocated transaction price on a time-proportion basis.

Manpower services: Manpower services consists of income related to supply of skilled manpower. The performance obligation for manpower services is satisfied over the period of time.

Other Allied services: In relation to laundry income, communication income, health club income, airport transfers income and other allied services, the revenue has been recognised by reference to the time of service rendered.

Space and shop rentals:

Rentals basically consists of rental revenue earned from letting of spaces for retail and office at the properties. Revenue is recognised over the tenure of the lease/service agreement on a straight line basis over the term of the lease, except where the rentals are structured to increase in line with expected general inflation, and except where there is uncertainty of ultimate collection.

Contract Balances:

A contract asset viz. unbilled revenue is recognized in respect of those performance obligations where the control of the goods or services have been transferred to the buyer or customer, and only the act of invoicing is pending. The Group has unconditional right in respect of such receivables.

A contract liability is the obligation to transfer services to a customer for which the Group has received consideration from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made. Contract liabilities are recognised as revenue when the Group performs under the contract.

Interest income

Interest income is recognised on a time proportion basis taking into account amount outstanding and using effective interest rate method.

Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

e) Property, plant and equipment

Property, plant and equipment are stated at cost which includes capitalised borrowing costs, less accumulated depreciation (other than freehold land) and accumulated impairment losses, if any.

All property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, including duties and non-refundable taxes, expenses directly related to bringing the asset to the location and condition necessary for making them operational for their intended use. Initial estimate of costs of dismantling and removing the item and restoring the site on which it is located is also included if there is an obligation to restore it.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Depreciation is charged to the Statement of Profit and Loss so as to expense the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight line method, as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets had been re-assessed as under based on technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support, etc.

The useful lives have been determined as per the useful life prescribed in Schedule II to the Companies Act, 2013 or as per technical assessment. The residual values are not more than 5% of the original cost of the asset.

Based on the above, the estimated useful lives of the property, plant and equipment are as follows:

Category of assets	Useful life as per Schedule II (in years)	Useful life as per technical assessment (in years)
Buildings	60 years	60 years
Plant and machinery	15 years	3 years to 15 years
Plant and machinery - Windmill	25 years	25 years
Leasehold improvements	NA	Lower of lease term or useful life
Furniture and fixtures	8 years	8 years to 15 years
Office equipment	3 to 5 years	As per Schedule II / 5 years
Computers	3 years	As per Schedule II / 3 years
Data processing units	6 years	As per Schedule II / 6 years
Vehicles	6 years	As per Schedule II / 6 to 8 years

Freehold land is not depreciated. The assets' useful lives and residual values are reviewed at the Balance Sheet date and the effect of any changes in estimates are accounted for on a prospective basis. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in the Statement of Profit and Loss.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

On transition to Ind AS, the Group has elected to fair value its property, plant and equipment recognised as of April 1, 2022 (transition date) in the entities where the Ind AS was implemented for the first time and used that fair value as the deemed cost of the property, plant and equipment.

Capital work-in-progress (CWIP) represents projects under which the property, plant and equipment are not yet ready for their intended use and are carried at cost determined as aforesaid. CWIP represents expenditure incurred on construction, development, renovation or expansion of Hotels/resorts that is not yet ready for its intended use. CWIP is recognised as an asset when it is probable that future economic benefits will flow to the Group and the cost can be reabily measured. CWIP is measured at cost, which comprises of cost of land development, construction cost, plant & machinery, directly attributable costs such as employee benefit expense, architectural, design, project management, interior design, installation, testing commission, borrowing cost capitalised as per Ind AS 23.

Subsequent expenditure relating to property, plant and equipment and capital work in progress is capitalised only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably.

f) Investment properties

Investment properties, principally office buildings, are held for long-term rental yields and are not occupied by the Group. They are carried at cost. Investment properties are depreciated using the straight-line method to allocate the cost of assets over their estimated useful lives. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any. Investment properties generally have useful lives of 60 years for building and land is not depreciated. The useful lives have been taken as per schedule II. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalised only when future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised. Investment properties under construction are carried individually at cost less impairment, if any. Impairment of investment properties is determined in accordance with policy stated for impairment of assets.

g) Intangible Assets and Goodwill

Intangible assets include cost of acquired software and designs, cost incurred for development of the Group's website, certain contract acquisition costs, brand, Goodwill and management contracts. Intangible assets are initially measured at acquisition cost including any directly attributable costs of preparing the asset for its intended use and are carried at cost less accumulated amortisation and accumulated impairment losses. Expenditure on projects which are not yet ready for intended use are carried as intangible assets under development. Intangible assets with finite lives are amortised over their estimated useful life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Intangible assets with indefinite useful lives are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Intangible assets are amortized on a straight-line basis over the period in which economic benefits will be derived from their use. The amortisation period and the amortisation method are reviewed atleast each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortisation period is changed accordingly.

Goodwill on acquisitions of business is included in intangible assets note. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or Groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose.

Based on the above, the estimated useful lives of the intangible assets are as follows:

Category of assets	Useful life (in years)
Computer software	6 years
Right to access the parking space	60 years
Brand	5 years
Management contracts	5 years or terms of the contract
Website	3 years
Customer relationship	5 years

h) Impairment of assets

Assets that are subject to depreciation and amortisation are reviewed for impairment periodically including whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss for non financial assets other than goodwill is recognised immediately in the Statement of Profit and Loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years.

i) Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity, respectively.

Current tax

Current tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Deferred tax

Deferred tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill, temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss and does not give rise to equal taxable and deductible temporary differences at the time of the transaction. Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profit will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans of the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantially enacted by the end of the reporting period. Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

j) Employee benefits

Short term employee benefits

All employee benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are classified as short-term employee benefits. These benefits include salary, wages and bonus, short term compensated absences such as paid annual leave and sickness leave. The undiscounted amount of short-term employee benefits (including compensated absences) expected to be paid in exchange for the services rendered by employees is recognized as an expense during the period of rendering of service by the employee. The obligations are presented as current liabilities in the balance sheet if the Company does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

Long term employee benefits

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Group's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are recognized as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans

The Group's gratuity scheme is a defined benefit plan. The Group's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any plan assets are deducted.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on government securities as at the balance sheet date. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan ("the asset ceiling").

Past service cost represents the change in the present value of defined benefit obligations resulting from plan amendments or curtailments, including those arising on account of changes in applicable labour laws and regulations (such as the implementation of new labour codes).

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the Statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in statement of profit and loss as past service cost.

Other long-term employee benefits

Compensated absences

The employees can carry forward a portion of the unutilised accrued compensated absences beyond twelve months and utilise it in future service periods or received cash compensation on termination of employment but also during service period as per category of employees and policy of the Group. The Group records obligation for compensated absences in the period in which the employee renders services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the Projected Unit credit method. The discount rates used for determining the present value of the liability is based on the market yields on Government securities as at the balance sheet date. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the statement of profit and loss.

k) Inventories

Stock of food and beverages and stores and operating supplies are carried at the lower of cost (computed on a weighted average basis) or net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. Cost includes the fair value of consideration paid including duties and taxes (other than those refundable), inward freight and other expenditure directly attributable to the purchase. Trade discounts and rebates are deducted in determining the cost of purchase.

l) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Group has a binding present obligation. This may be either legal because it derives from a contract, legislation or other operation of law, or constructive because the Group created valid expectations on the part of third parties by accepting certain responsibilities. To record such an obligation it must be probable that an outflow of resources will be required

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

to settle the obligation and a reliable estimate can be made for the amount of the obligation. The amount recognised as a provision and the indicated time range of the outflow of economic benefits are the best estimate (most probable outcome) of the expenditure required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Non-Current provisions are discounted for giving the effect of time value of money.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

Provisions, contingent assets and contingent liabilities are reviewed at each balance sheet date.

m) Financial instruments

(i) Classification

The Group classifies its financial assets in the following measurement categories

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

(ii) Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the Group commits to purchase or sale the financial asset.

(iii) Measurement

At initial recognition, the Group measures a financial asset at its fair value (trade receivables is measured at transaction price) plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in statement of profit and loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in statement of profit and loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the statement of profit and loss.
- Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in statement of profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in other income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in statement of profit and loss.

- Fair value through profit or loss: Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss is recognised in statement of profit and loss and presented net within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in statement of profit and loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

Compound financial instruments

Compound financial instruments issued by the group comprises convertible debentures and compusorily convertible preference shares denominated in Rupees. The liability component of compound financial instruments is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts. Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequently. Interest related to the financial liability is recognised in statement of profit and loss (unless it qualified for inclusion in the cost of an asset). On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognised.

Trade and other receivables

Trade receivables are measured at their transaction price unless it contains a significant financing component in accordance with Ind AS 115 or pricing adjustments embedded in the contract. They are subsequently measured at amortised cost using the effective interest method, less loss allowance.

Other receivables are recognised initially at fair value plus or minus transaction costs and subsequently measured at amortised cost, less loss allowance.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Classification & measurement of financial liabilities

Trade and other payables

Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. If payment is expected in one year or less, they are classified as current liabilities. If not, they are presented as non-current liabilities.

Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of profit and loss over the period of the borrowings using the effective interest rate method.

Borrowings are classified as non-current liabilities if the Group has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date. If not, they are presented under current borrowings.

Covenants that the company is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the company is required to comply with after the reporting period do not affect the classification.

Derecognition of financial asset & financial liabilities

A financial asset (or, a part of a financial asset) is primarily derecognized when:

(i) The contractual right to receive cash flows from the financial assets expire, or

(ii) The Group transfers the financial assets or its right to receive cash flow from the financial assets and substantially all the risks and rewards of ownership of the asset to another party.

A financial liability (or, a part of financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

Gain or loss on derecognition

Gain or loss on derecognition of a financial asset or liability measured at amortised cost is recognized in the statement of comprehensive income at the time of derecognition. Derecognition gain/loss on financial assets other than equity instruments measured at FVOCI is recycled to profit or loss. Gain or loss on derecognition of equity instruments measured at FVOCI is never recycled to profit or loss.

Impairment of financial assets

The Group assesses on a forward-looking basis the expected credit losses associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognized from initial recognition of the receivables. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in a provision matrix. For other financial assets (not being equity instruments or debt instruments measured subsequently at FVTPL) the expected credit losses are measured at the 12 month expected credit losses or an amount equal to the lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Offsetting of financial asset and liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet where Group currently has a legally enforceable right to offset the recognized amounts, and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

n) Leases

i As a lessee

On inception of a contract, the Group assesses whether it contains a lease. A contract contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The right to use the asset and the obligation under the lease to make payments are recognised in the Group's statement of financial position as a right-of-use asset and a lease liability.

Right of use assets

The right-of- use asset recognised at lease commencement includes the amount of lease liability recognised, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Right-of-use assets are depreciated over the shorter of the asset's estimated useful life and the lease term. Right-of-use assets are also adjusted for any re-measurement of lease liabilities and are subject to impairment testing. Residual value is reassessed annually.

Lease Liabilities

The lease liability is initially measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments (including 'in-substance fixed' payments) and variable lease payments that depend on an index or a rate, less any lease incentives receivable, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option and payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease. 'In-substance fixed' payments are payments that may, in form, contain variability but that, in substance, are unavoidable. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease term includes periods subject to extension options which the Group is reasonably certain to exercise and excludes the effect of early termination options where the Group is reasonably certain that it will not exercise the option. Minimum lease payments include exercise price a purchase option if the Group is reasonably certain it will purchase the underlying asset after the lease term.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the 'in-substance fixed' lease payments or as a result of a rent review or change in the relevant index or rate.

Variable lease

Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period over which the event or condition that triggers the payment occurs.

Short-Term Leases and Leases of Low-Value Assets

The Group has opted not to apply the lease accounting model to leases of low-value assets or leases which have a lease term of 12 months or less and don't contain purchase option. Costs associated with such leases are recognised as an expense on a straight-line basis over the lease term.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Disclosure of lease liabilities and right of use assets in balance sheet

The Company presents right-of-use assets that do not meet the definition of 'investment property' and 'property, plant and equipment' separately in the balance sheet and lease liabilities separately in the balance sheet within 'Financial Liabilities'.

The Group presents right-of-use assets that do not meet the definition of 'investment property' and 'property, plant and equipment' separately in the balance sheet and lease liabilities separately in the balance sheet within 'Financial Liabilities'.

ii. As a lessor

Leases for which the Group is a lessor is classified as a finance or operating lease. For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

iii. Classification of lease

To classify each lease the Group, as a lessor, makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not, it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

o) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

p) Business combination

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another.

The excess of the consideration transferred over the fair value of the net identifiable assets acquired is recorded as goodwill. The cost of acquisition also includes the fair value of any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair value on the date of acquisition.

Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

Common control business combination refers to a business combination involving companies in which all the combining companies are ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory. Business combinations involving companies or businesses under common control have been accounted for using the pooling of interest method. The assets, liabilities and reserves of the combining companies are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognise any new assets or liabilities.

The financial information in the consolidated financial statements in respect of prior periods have been restated as if the business combination had occurred from the beginning of the earliest period presented in these consolidated financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information has been restated only from that date.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

The difference, if any, between the purchase consideration paid either in the form of share capital or cash or other assets and the amount of share capital of the entities acquired is transferred to capital reserve in case of credit balance and common control adjustment deficit account in case of debit balance and presented separately from other reserves within equity.

Non-controlling interest in the net assets of the consolidated subsidiaries consists of:

a) The amount of equity attributable to non-controlling shareholders at the date on which the investments in the subsidiary companies were made;

b) The non-controlling share of movements in equity since the date the Parent-Subsidiary relationship comes into existence.

The total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interest having deficit balance.

The Group evaluates whether an acquisition represents a business combination or an asset acquisition in accordance with Ind AS 103.

A set of activities and assets is considered a business when it includes, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs.

Acquisition of assets

The Group assesses each acquisition under Ind AS 103 to determine whether it is a business combination or an asset acquisition. The optional concentration test is typically applied to a single identifiable asset or group of similar assets. Where classified as an asset acquisition, the total consideration (including liabilities assumed) is allocated to identifiable assets and liabilities on a relative fair value basis; transaction costs are capitalised, and no goodwill or bargain purchase gains are recognised. These assets primarily assessed as property, plant and equipment and are componentised and depreciated in accordance with Ind AS 16.

q) Statement of cash flows

Cash flows from operating activities are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments.

r) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted in the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

s) Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The management assesses the financial performance and position of the group and makes strategic decisions. The chief operating decision maker is Board of Directors of the Company. Refer Note 40 for segment information presented.

t) Exceptional items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Company. These are material items of income or expense that have to be shown separately due to their nature or incidence.

u) Recent pronouncements

The Ministry of Corporate Affairs vide notification dated May 07, 2025 and August 13, 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended certain accounting standards (see below), and are effective for annual reporting periods beginning on or after April 01, 2025:

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1

As a result of the adoption of the amendments to Ind AS 1, the Company changed its accounting policy for the classification of borrowings:

Borrowings are classified as current liabilities unless, at the end of the reporting period, the company has a right to defer settlement of the liability for at least 12 months after the reporting period.

Covenants that the company is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the company is required to comply with after the reporting period do not affect the classification.

This new policy did not result in a change in the classification of borrowings. The Company did not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

Supplier Finance Arrangements – Amendments to Ind AS 7 and Ind AS 107

As a result of the adoption of the amendments to Ind AS 7 and Ind AS 107, the Company does not expect material impact of these amendments in its financial statements.

International Tax Reform – Pillar Two Model Rules – Amendments to Ind AS 12

'The Group is not within the scope of the OECD Pillar Two Model Rules, as Pillar Two legislation has not yet been enacted in any of the jurisdictions in which the company operates.

Lack of Exchangeability – Amendments to Ind AS 21

The amended Ind AS 21 have added requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use where it is not. These amendments did not have any material impact on the amounts recognised in current periods and are not expected to significantly affect the future periods.

v) Recent Indian Accounting Standards (Ind AS) issued not yet effective

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1

This amendment also includes specific provisions that will take effect for reporting periods beginning on or after April 01, 2026, as outlined below.

Under the existing Ind AS 1, where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

However, the amended requirements stipulate that entities will no longer be permitted to consider lender waivers that are granted after the reporting date but before the financial statements are approved for the purpose of classification of loans. This amendment is required to be applied retrospectively in accordance with Ind AS 8.

The Group does not expect this amendment to have an impact on its operations or financial statements.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

3 PROPERTY, PLANT AND EQUIPMENT (INCLUDING CAPITAL WORK-IN PROGRESS)

Particulars	Building	Freehold land	Plant and machinery (including windmill)	Furniture and fixtures	Office equipment	Computers and data processing units	Leasehold improve-ments	Vehicles	Total	Capital work-in-progress
Gross carrying amount										
As at April 01, 2024	**20,643.74**	**30,803.11**	**2,762.39**	**351.72**	**3.16**	**140.06**	**32.44**	**227.41**	**54,964.03**	**392.32**
Additions	565.75	11.09	499.24	173.89	1.14	26.94	5.28	31.45	1,314.78	1,320.08
Acquired in business combination (Refer Note 45)	-	508.29	-	-	-	-	-	-	508.29	496.09
Disposals/transfers	-	-	(8.59)	(1.13)	-	(0.01)	-	(0.49)	(10.22)	(899.13)
Closing gross carrying amount as at March 31, 2025	**21,209.49**	**31,322.49**	**3,253.04**	**524.48**	**4.30**	**166.99**	**37.72**	**258.37**	**56,776.88**	**1,309.36**
Accumulated depreciation										
As at April 01, 2024	**1,003.23**	**-**	**1,072.65**	**127.64**	**1.87**	**74.60**	**-**	**111.23**	**2,391.22**	**-**
Charge for the year	594.76	-	295.55	54.40	0.76	33.45	7.15	51.40	1,037.47	-
Disposals	-	-	(3.40)	(0.57)	-	(0.01)	-	(0.33)	(4.31)	-
Closing accumulated depreciation as at March 31, 2025	**1,597.99**	**-**	**1,364.80**	**181.47**	**2.63**	**108.03**	**7.15**	**162.30**	**3,424.38**	**-**
Net carrying amount as at March 31, 2025	**19,611.50**	**31,322.49**	**1,888.24**	**343.01**	**1.67**	**58.96**	**30.57**	**96.07**	**53,352.49**	**1,309.36**
Gross carrying amount										
As at April 01, 2025	**21,209.49**	**31,322.49**	**3,253.04**	**524.48**	**4.30**	**166.99**	**37.72**	**258.37**	**56,776.88**	**1,309.36**
Additions#/ transfers*	1,518.18	1,918.40	951.35	450.49	1.67	61.96	-	47.45	4,949.50	4,230.24
Acquired in asset acquisition (Refer Note 45 (III)(vii))	3,043.46	2,261.08	244.71	220.15	-	6.84	-	21.98	5,798.22	-
Disposals	(11.03)	-	(109.21)	(11.97)	(0.08)	(3.67)	-	(0.95)	(136.91)	(3,250.15)
Closing gross carrying amount as at March 31, 2026	**25,760.10**	**35,501.97**	**4,339.89**	**1,183.15**	**5.89**	**232.12**	**37.72**	**326.85**	**67,387.69**	**2,289.45**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Particulars	Building	Freehold land	Plant and machinery (including windmill)	Furniture and fixtures	Office equipment	Computers and data processing units	Leasehold improve-ments	Vehicles	Total	Capital work-in-progress
Accumulated depreciation										
As at April 01, 2025	**1,597.99**	**-**	**1,364.80**	**181.47**	**2.63**	**108.03**	**7.15**	**162.30**	**3,424.38**	**-**
Charge for the year	457.24	-	321.39	78.44	1.09	33.12	7.83	54.74	953.85	-
Disposals/transfers*	14.33	-	(101.41)	(9.27)	(0.08)	(3.45)	-	(0.55)	(100.43)	-
Closing accumulated depreciation as at March 31, 2026	**2,069.56**	**-**	**1,584.78**	**250.64**	**3.64**	**137.70**	**14.98**	**216.49**	**4,277.80**	**-**
Net carrying amount as at March 31, 2026	**23,690.54**	**35,501.97**	**2,755.11**	**932.51**	**2.25**	**94.42**	**22.74**	**110.36**	**63,109.89**	**2,289.45**

Includes interest capitalised amounting to Rs.48.28 millions for March 31, 2026 (March 31, 2025: Rs. 29.81 millions).

**During the year ended March 31, 2026, there has been a change in the operational use of investment property to generate core business income, in accordance with the principles laid out in Ind AS 16.*

I) Property, plant and equipment

i) Property, plant and equipment are provided as collateral security against the term loans availed by the Group (Refer Note 18).

ii) The windmills acquired by the Company under the Business Transfer Agreement (BTA) entered with HLV Limited are situated on a forest land which was leased to Sarjan Realities Limited by the Ministry of Environment, Forest and Climate Change (MoEF&CC). The registration for sub-lease of the said land from Sarjan Realities Limited to HLV Limited and thereafter to the Company is pending to be executed.

iii) Contractual Obligations: Refer Note 38 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

iv) A matter related to a piece of vacant land in one of the step down subsidiary of the Group is pending before the Rajasthan High Court. An interim order in this regard has been obtained in favour of such subsidiary.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

v) Details of title deeds of immovable properties not held in the current name of Leela Agra Resort Limited (formerly known as "Leela Palaces and Resorts Limited") (formerly known as "ISKON Estates Private Limited"), a company under the Group:

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (Rupees in Millions)	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter /director or employee of promoter /director	Property held since which date	Reason for not being held in the name of The Group
Property, plant and equipment	Freehold land	564.95	M/s ISKON Estates Private Limited	No	2011	The title deeds of the immovable properties owned by the Company are held in its former name, namely "Iskon Estates Private Limited". Subsequently, the name of the Company was changed to "Leela Palaces and Resorts Private Limited". Upon conversion of the Company into a public limited company, the name was changed to "Leela Palaces and Resorts Limited". Further, pursuant to a special resolution passed by the shareholders on March 27, 2026, the name of the Company has been changed to "Leela Agra Resort Limited". A fresh Certificate of Incorporation dated April 17, 2026 has been issued by the RoC CPC, evidencing the said change of name.

II) Capital work in progress

Capital work-in-progress mainly comprises of plant and machinery, renovations of hotel property and under construction properties

There are no projects under capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

See note 38 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Ageing of Capital Work in progress

As at March 31, 2026

	Amount in Capital work in progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	1,393.67	857.08	36.34	2.36	2,289.45
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2025

	Amount in Capital work in progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	1,153.10	150.76	5.50	-	1,309.36
Projects temporarily suspended	-	-	-	-	-

There are no projects under capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

4 LEASES

(i) The balance sheet shows the following amounts relating to leases:

Particulars	As at March 31, 2026	As at March 31, 2025
Right-of-use assets		
- Building	2,672.41	2,597.77
- Plant and machinery	6.34	7.11
	2,678.75	**2,604.88**

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liabilities		
Lease liabilities - Current	63.49	57.57
Lease liabilities - Non Current	2,477.84	2,270.20
	2,541.33	**2,327.77**

Additions to right-of-use assets for the year ended March 31, 2026 were Rs. 175.10 millions on account of new leases or additional security deposit paid for the existing leases (March 31, 2025: Rs. 215.39 millions).

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

(ii) Amounts recognized in statement of profit and loss

Particulars	As at March 31, 2026	As at March 31, 2025
Depreciation charge of right-of-use assets (Refer Note 29)		
- Building	126.48	123.64
- Plant and machinery	0.76	0.77
Interest expense (included in finance costs)	251.00	227.09
Expense relating to short-term leases (included in other expenses)	12.28	9.45

The total cash outflow for leases for for the year ended March 31, 2026 was Rs. 224.82 millions (March 31, 2025 Rs. 208.58 millions).

(iii) Right of use assets

This note provides information for leases where the Group is a lessee. The Group leases hotel premises, plant and machinery and houses for employee accommodation. Rental contracts are typically made for fixed periods of 11 months to 36 years, but may have extension and termination options as described in (iv). The weighted average discount rate for lease liabilities is 10.5 %-12.5% p.a.

(iv) Extension and termination options

Extension and termination options are included in a number of residential accommodation leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only if agreed by both the Group and the lessor. The termination option of the hotel premises leased by the Group held are exercisable only by the lessee.

(v) Critical judgements in determining the lease term:

The Group assesses at lease commencement whether it is reasonably certain to exercise the extension and termination options. The Group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control and affects whether The Group is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

5 OTHER INTANGIBLE ASSETS AND GOODWILL

Particulars	Computer software	Website	Brand	Management contracts	Right to access the parking space	Customer relationships	Total	Goodwill
Gross carrying amount								
As at April 01, 2024	**21.43**	**16.38**	**763.55**	**166.04**	**402.80**	**85.00**	**1,455.20**	**4,670.56**
Additions	1.26	-	-	-	-	-	1.26	-
Disposals	-	-	-	-	-	-	-	-
Closing gross carrying amount as at March 31, 2025	**22.69**	**16.38**	**763.55**	**166.04**	**402.80**	**85.00**	**1,456.46**	**4,670.56**
Accumulated amortisation								
As at April 01, 2024	**8.76**	**13.65**	**600.30**	**127.99**	**14.02**	**14.17**	**778.89**	**-**
Charge for the year	4.14	2.73	163.25	38.05	7.00	17.01	232.18	-
Disposals	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at March 31, 2025	**12.90**	**16.38**	**763.55**	**166.04**	**21.02**	**31.18**	**1,011.07**	**-**
Net carrying amount as at March 31, 2025	**9.79**	**-**	**-**	**-**	**381.78**	**53.82**	**445.39**	**4,670.56**
Gross carrying amount								
As at April 01, 2025	**22.69**	**16.38**	**763.55**	**166.04**	**402.80**	**85.00**	**1,456.46**	**4,670.56**
Additions	15.78	-	-	1,200.00	-	-	1,215.78	-
Disposals/adjustments	-	-	-	-	-	-	-	-
Closing gross carrying amount as at March 31, 2026	**38.47**	**16.38**	**763.55**	**1,366.04**	**402.80**	**85.00**	**2,672.24**	**4,670.56**
Accumulated amortisation								
As at April 01, 2025	**12.90**	**16.38**	**763.55**	**166.04**	**21.02**	**31.18**	**1,011.07**	**-**
Charge for the year	4.68	-	-	16.42	7.00	17.00	45.10	-
Disposals/adjustments	-	-	-	-	-	-	-	-
Closing accumulated depreciation as at March 31, 2026	**17.58**	**16.38**	**763.55**	**182.46**	**28.02**	**48.18**	**1,056.17**	**-**
Net carrying amount as at March 31, 2026	**20.89**	**-**	**-**	**1,183.58**	**374.78**	**36.82**	**1,616.07**	**4,670.56**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

(i) Intangible assets and goodwill

Goodwill is initially recognised based on the accounting policy for business combinations and is tested for impairment annually.

During the year, goodwill previously provided as collateral security against term loans was released. Computer software continues to be pledged as security against such borrowings (refer Note 18).

(ii) Impairment testing

Goodwill represents the cost of acquired business as established at the date of acquisition of the business in excess of the acquirer's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities less accumulated impairment losses, if any.

The Group tests goodwill for impairment at least annually, or more frequently if events or changes in circumstances indicate that it might be impaired. For the purpose of impairment testing, goodwill, which arose on acquisition of the assets, is allocated to a cash generating unit "CGU" representing the lowest level with the group at which goodwill is monitored for internal management reporting purposes. The carrying value of the cash generating unit is the carrying value of the net assets of the entity.

The recoverable value in use of the CGU is determined on the basis of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

The goodwill is attributable to the acquired businesses of HLV Limited. Subsequent increase in the goodwill is attributable to business acquisition under common control transaction of Tulsi Palace Resort Private Limited, as specified below each identified as a cash generating unit. The carrying value of the cash generating unit is the carrying value of the net assets of the respective entity. The Group has adopted 'value in use' method to determine the carrying value of cash generating unit.

Line of Services/Business	Carrying Value as at March 31, 2026	Carrying Value as at March 31, 2025
Bangalore hotel	757.20	757.20
Hotel managed business	477.56	477.56
Udaipur hotel	158.57	158.57
Delhi hotel	527.57	527.57
Jaipur Hotel	2,749.66	2,749.66
Total	**4,670.56**	**4,670.56**

The base assumptions considered for testing the goodwill impairment for both the cash generating units are as follows:

A) The average growth rate of revenue as considered below:

(i) Bengaluru hotel: The estimated value-in-use of this CGU is based on the future cash flows using a 5% (March 31, 2025: 5%) terminal valuegrowth rate for periods subsequent to the forecast period of 5 years and a discount rate (pre-tax) of 12.50% p.a (March 31, 2025: 12.50% p.a).

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

(ii) Hotel managed business: The estimated value-in-use of this CGU is based on the future cash flows using a 5% (March 31, 2025: 5%) terminal valuegrowth rate for periods subsequent to the forecast period of 5 years and a discount rate (pre-tax) of 12.50% p.a (March 31, 2025: 12.50% p.a).

(iii) Udaipur hotel: The estimated value-in-use of this CGU is based on the future cash flows using a 5% (March 31, 2025: 5%) terminal valuegrowth rate for periods subsequent to the forecast period of 5 years and a discount rate (pre-tax) of 12.50% p.a (March 31, 2025: 12.50% p.a).

(iv) Delhi hotel : The estimated value-in-use of this CGU is based on the future cash flows using a 5% (March 31, 2025: 5%) terminal valuegrowth rate for periods subsequent to the forecast period of 5 years and a discount rate (pre-tax) of 12.50% p.a (March 31, 2025: 12.50% p.a).

(v) Jaipur hotel: The average growth rate of revenue for 5 years has been considered as 5% (March 31, 2025: 5%). The Terminal value growth rate has been taken as 5% (March 31, 2025 : 5%) and a discount rate (pre-tax) 12.50% p.a (March 31, 2025 : 12.50%).

B) The outcome of the Group's goodwill impairment test as at March 31, 2026 and March 31, 2025 did not result in any impairment of goodwill. The key assumptions considered by the Group are EBIDTA margin, discount rate and revenue growth rate considered for computing terminal value. An analysis of the sensitivity of the computation to a change in key parameters (EBITDA, discount rates and terminal value), based on reasonable assumptions, did not identify any probable scenario in which the recoverable amount of the CGU would decrease below its carrying amount.

6 INVESTMENT PROPERTIES

	As at March 31, 2026	As at March 31, 2025
Gross carrying amount (measured at cost)		
Opening gross carrying amount	1,699.35	1,699.35
Additions	-	-
Disposals	-	-
Transfer to property, plant and equipment*	(1,699.35)	
Closing gross carrying amount	**-**	**1,699.35**
Accumulated depreciation		
Opening accumulated depreciation	15.62	10.42
Charge for the year	-	5.23
Transfer to property, plant and equipment*	(15.62)	
Closing accumulated depreciation	**-**	**15.65**
Net carrying amount	**-**	**1,683.70**

Investment properties under construction

	As at March 31, 2026	As at March 31, 2025
Opening	296.11	-
Additions during the period	-	296.11
Transferred to capital work-in-progress*	(296.11)	-
Total	**-**	**296.11**

**During the year ended March 31, 2026, there has been a change in the operational use of investment property to generate core business income, in accordance with the principles laid out in Ind AS 16.*

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

(i) Amounts recognised in profit or loss for investment properties

Particulars	As at March 31, 2026	As at March 31, 2025
Rental income from operating leases	-	227.31
Direct operating expenses from property that generated rental income	-	(44.45)
Direct operating expenses from property that did not generate rental income	-	(2.96)
Profit from investment properties before depreciation	**-**	**179.90**
Depreciation	-	5.23
Profit from investment properties	**-**	**174.67**

(ii) Contractual obligations

See note 38 for disclosure of contractual obligations to purchase, construct or develop investment property or for its repairs, maintenance or enhancements.

(iii) Leasing arrangements

The investment properties were leased to tenants under operating leases with rentals payable monthly. Lease income from operating leases where the group was a lessor was recognised in income on a straight-line basis over the lease term. Lease payments have no variable lease payments that depend on an index or rate. Where considered necessary to reduce credit risk, the Group may obtain bank guarantees for the term of the lease. Although the Group is exposed to changes in the residual value at the end of the current leases, Group typically enters into new operating leases and therefore will not immediately realise any reduction in residual value at the end of these leases.

Minimum lease payments receivable on leases of investment properties are as follows-

Particulars	As at March 31, 2026	As at March 31, 2025
Within 1 year	-	202.83
Between 1 and 2 years	-	219.48
Between 2 and 3 years	-	125.23
Between 3 and 4 years	-	42.68
Between 4 and 5 years	-	39.23
Later than 5 years	-	118.13

(iv) Fair value

Particulars	As at March 31, 2026	As at March 31, 2025
Investment properties	-	3,505.11

(v) Estimation of fair value

The group obtains independent valuations for its investment properties at least annually. The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the group considers information from a variety of sources including:

1. Current prices in an active market for properties of different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences
2. Discounted cash flow projections based on reliable estimates of future cash flows
3. Capitalised income projections based upon prioperty's estimated net market income, and a capitalisation rate derived from an analysis of market evidence.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

The fair values of investment properties have been determined by a registered valuer as defined under rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017. The main inputs used are the rental growth rates, expected vacancy rates, terminal yields and discount rates based on comparable transactions and industry data. All resulting fair value estimates for investment properties are included in level 3.

(vi) Presenting cash flows

The Group classifies cash outflows to acquire or construct investment properties as investing cash flows and rental inflows as operating cash flows.

Ageing of investment properties under construction (March 31, 2026)

	Amount in Capital work in progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

Ageing of investment properties under construction (March 31, 2025)

	Amount in Capital work in progress for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	296.11	-	-	-	**296.11**
Projects temporarily suspended	-	-	-	-	-

7 INVESTMENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Investment in equity instruments (unquoted) (measured at FVTPL)		
18,600 equity shares (March 31, 2025 : 18,600) of Rs 10 each fully paid up in Green Infra Wind Power Generation Limited	0.19	0.19
	0.19	**0.19**
Aggregate amount of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	0.19	0.19
Aggregate amount of impairment in the value of investments	-	-

The fair value of investments approximates their carrying values.

8 OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Fixed deposit with remaining maturity of more than 12 months (refer note (a))	544.01	10,833.11
Margin money deposits with remaining maturity of more than 12 months (refer note (b))	85.39	89.06
Security deposits (for related party refer note 42)	136.90	141.05
Total	**766.30**	**11,063.22**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Out of the above, deposits restricted for withdrawal against loan facility		
- Deposits restricted for withdrawal against loan facility	256.38	70.54
- Against bank guarantee	0.50	210.86
(b) Margin money includes:		
- Against credit exposure	1.80	8.51
- Margin given to Ministry of Environment, Forest and Climate Change	83.59	80.55
Current		
Security deposits	120.71	4.49
Government incentive receivables	79.59	45.89
Insurance Receivable	0.50	1.14
Others	292.67	193.65
Total	**493.47**	**245.17**

9 NON-CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2026	As at March 31, 2025
Advance tax and tax deducted at source (net of provision of tax)	383.38	294.03
Non current tax assets (net)	**383.38**	**294.03**

Current tax assets (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Advance tax and tax deducted at source (net of provision of tax)	155.12	61.58
Current tax assets (net)	**155.12**	**61.58**

10 OTHER ASSETS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Capital advances	400.87	242.53
Advance for hotel management contract renewal (Refer Note (a) below)	721.10	770.37
Prepaid expenses	8.33	16.05
Lease equalisation reserve	102.75	72.32
Deposits with governmental authorities (Refer Note (b) below)	285.25	286.92
Total	**1,518.30**	**1,388.19**

Notes

(a) During the year ended March 31, 2023 one of the entity of the Group had entered into an agreement (the 'Agreement') with certain parties having direct and/or indirect shareholding interest in two specific hotel owning companies ("Shareholders"). Under the Agreement the Group has paid an amount of Rs. 850 millions for securing an undertaking that the Shareholders will ensure that the Hotel Management Agreements (HMA) contracts of the two specific hotels subsist till the 20th anniversary beginning from October 2, 2023.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

The Board of Directors of one hotel owning company has agreed to the arrangement and passed the requisite resolution and executed the Agreement as confirming party. The other hotel owning company has not executed the Agreement and certain shareholders of such hotel owning company have executed the Agreement.

The Shareholders will cause the hotel owing companies to perform and comply with the respective HMA contracts and ensure continuance of the contracts by exercising their voting rights (directly and indirectly). The Shareholder shall also ensure that the hotel owning companies does not take any action to terminate any HMA contract. In the event the stated obligations, specified in the Agreement, are not fulfilled by the Shareholders in accordance thereof, the amount paid is repayable, as per the terms of the Agreement. As at March 31, 2024, the HMA contracts have been renewed for a period of 10 years for both hotels owning properties from the date of initial expiry of respective HMA contracts. These amounts paid will be amortised on a straight-line basis over a period of 20 years. During the year ended March 31, 2026: Rs. 37.44 millions (March 31, 2025: Rs. 31.87 millions) has been charged to the Statement of Profit and Loss. Based on management's assessment and independent legal advice obtained on this matter, the payments are considered to be in compliance with the applicable laws and regulations.

(b) Deposits with government authorities to the extent of Rs. 260.34 millions (March 31, 2025: Rs. 260.34 millions) represents advance given to New Delhi Municipal Council (NDMC) for Floor Area Ratio (FAR) and Zonal Average Auction Rate (ZAAR) matter which is ongoing before the court.

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Balances with government authorities		
- With GST authorities	552.66	362.68
Advance to employees	13.11	7.27
Advance to suppliers	121.18	78.36
Prepaid expenses*	216.14	586.63
Advance for hotel management contract renewal	43.69	31.87
Total	**946.78**	**1,066.81**

** Includes eligible expenses incurred in connection with proposed initial public offer of equity shares of the Company amounting to Rs. 441.47 millions for the previous year ended March 31, 2025. Refer note 48 for further details.*

11 INVENTORIES

Particulars	As at March 31, 2026	As at March 31, 2025
Food and beverages	272.72	230.42
Stores and operating supplies	49.71	41.29
Total	**322.43**	**271.71**

Inventory written down during the year Rs. Nil (March 31, 2025: Rs. Nil)

The amount of Inventories is pledged as security against the Group's borrowings (Refer Note 18)

Goods in transit: Rs. Nil (March 31, 2025: Rs. Nil)

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

12 TRADE RECEIVABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables from contract with customers – billed	707.45	973.56
Trade receivables from contract with customers – unbilled^	214.09	84.58
Trade receivables from contract with customers – related parties (refer note 42)	2.00	6.92
Less: Loss allowance	(132.89)	(178.04)
Total	**790.65**	**887.02**
Current	790.65	887.02
Non-current	-	-

^The receivable is 'unbilled' because the Group has not yet issued an invoice; however, the balance has been included under trade receivables (as opposed to contract assets) since the Group has an unconditional right to the consideration.

Breakup of security details		
Trade receivables considered good - secured		-
Trade receivables considered good - unsecured	901.30	1,043.62
Trade receivables which have significant increase in credit risk	-	-
Trade receivables – credit impaired	22.24	21.44
Total	**923.54**	**1,065.06**
Loss allowance	(132.89)	(178.04)
Total	**790.65**	**887.02**

(i) Trade receivables are non-interest bearing and are generally on payment terms of 0 to 30 days.

(ii) No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member except as disclosed in note 42.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Trade Receivables Ageing

Ageing of trade receivables as at March 31, 2026

	Unbilled	Outstanding for following periods from the due date					Total
		Not due	Less than 6 months	6 months to 1 year	1-2 Yyears	2-3 years	More Than 3 years	
Undisputed trade receivables								
considered good	214.09	-	566.20	29.59	60.54	18.50	12.38	901.30
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	6.05	5.76	1.85	8.58	-	22.24
Disputed trade receivables								**-**
considered good	-	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
Total	**214.09**	**-**	**572.25**	**35.35**	**62.39**	**27.08**	**12.38**	**923.54**
Less: Loss allowance	-	-	(12.68)	(35.35)	(45.40)	(27.08)	(12.38)	(132.89)
Net	**214.09**	**-**	**559.57**	**-**	**16.99**	**-**	**-**	**790.65**

Ageing of trade receivables as at March 31, 2025

	Unbilled	Outstanding for following periods from the due date					Total
		Not due	Less than 6 months	6 months to 1 year	1-2 years	2-3 years	More Than 3 years	
Undisputed trade receivables								
considered good	84.58	-	803.70	45.12	50.12	60.11	-	1,043.62
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	9.19	0.98	11.18	-	0.09	21.44
Disputed trade receivables								**-**
considered good	-	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
Total	**84.58**	**-**	**812.89**	**46.10**	**61.30**	**60.11**	**0.09**	**1,065.06**
Less: Loss allowance	-		(12.88)	(43.67)	(61.30)	(60.11)	(0.09)	(178.04)
Net	**84.58**	**-**	**800.01**	**2.43**	**-**	**-**	**-**	**887.02**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

13 CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
in current accounts	608.46	647.82
in fixed deposits with original maturity of less than 3 months	383.07	645.92
Cash on hand	5.20	6.33
Total	**996.73**	**1,300.07**

Note: Cash and bank balances are denominated and held in Indian Rupees and the balance with banks mentioned above is of unrestricted nature except Rs. 100.20 millions (March 31, 2025: Rs. Nil) towards purchase consideration payable for asset acquisition. Refer note 45(III)(vii) for further details.

14 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Fixed deposits with banks with original maturity more than three months but less than twelve months (I)	1,858.64	1,575.99
Earmarked balances with bank (II)	0.33	3.85
Total	**1,858.97**	**1,579.84**

I) Fixed deposits of Rs. 1,375.16 millions (March 31, 2025: Rs. 908.94 millions) is restricted for withdrawal, against bank guarantee, term loans and overdraft facility availed by the Group.

II) Earmarked balances which comprises of Rs. 0.33 millions towards CSR expenditure pertains to one of the entities within the Group as at March 31, 2026 (March 31, 2025: Rs. 3.85 millions).

15 NON-CURRENT LOANS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-Current		
Unsecured considered good, unless otherwise stated:		
Inter Corporate Deposit (ICD) [refer note 42]*	180.13	-
Total	**180.13**	**-**

Details of loans and advances in nature of loans granted to related parties (as defined under Companies Act, 2013)

Particulars	As at March 31, 2026	As at March 31, 2025
a) Repayable after 15 years		
Joint venture	180.13	-
Total	**180.13**	**-**
% of the total loans outstanding	100%	-

**Loans are repayable in 15 years of Rs. 180.13 millions including interest accrued of Rs. 10.13 millions @ 14.46% with moratorium on interest for 36 months. The loan was advanced for general corporate purposes.*

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

16 SHARE CAPITAL

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised		
6,567,500,000 (as at March 31, 2025: 6,567,500,000) equity shares of Rs. 10 each	65,675.00	65,675.00
675,000,000 (as at March 31, 2025: 675,000,000) preference shares of Rs. 100 each	67,500.00	67,500.00
Issued, subscribed and paid up		
333,957,879 (as at March 31, 2025: 276,486,614) equity shares of Rs. 10 each, fully paid-up	3,339.58	2,764.87
Total	**3,339.58**	**2,764.87**

**Vide ordinary resolution dated June 19, 2024, the Company has increased the authorised share capital from Rs. 675.00 millions (divided into 67,500,000 equity shares having face value of Rs.10 each) to Rs. 65,675.00 millions (divided into 6,567,500,000 equity shares having face value of Rs.10 each) and Rs.55,000.00 millions (divided into 550,000,000 Preference shares having face value of Rs.100 each). Further, vide ordinary resolution dated August 12, 2024, the Company has increased the authorised share capital of Preference shares from Rs. 55,000.00 millions (divided into 550,000,000 Preference shares having face value of Rs. 100 each) to Rs. 57,500.00 millions (divided into 575,000,000 Preference shares having face value of Rs. 100 each). Further, vide ordinary resolution dated September 12, 2024, the Company has increased the authorised share capital of Preference shares from Rs. 57,500.00 millions (divided into 575,000,000 Preference shares having face value of Rs. 100 each) to Rs. 67,500.00 millions (divided into 675,000,000 Preference shares having face value of Rs. 100 each).*

(i) Movements in share capital

(a) Authorised share capital

Particulars	No. of shares	Amount
Equity		
As at April 01, 2025	**6,567,500,000**	**65,675.00**
Increase/(decrease) during the period	-	-
As at March 31, 2026	**6,567,500,000**	**65,675.00**
As at April 01, 2024	**67,500,000**	**675.00**
Increase/(decrease) during the period	6,500,000,000	65,000.00
As at March 31, 2025	**6,567,500,000**	**65,675.00**
Preference shares		
As at April 01, 2025	**675,000,000**	**67,500.00**
Increase/(decrease) during the period	-	-
As at March 31, 2026	**675,000,000**	**67,500.00**
Preference shares		
As at April 01, 2024		**-**
Increase/(decrease) during the period	675,000,000	67,500.00
As at March 31, 2025	**675,000,000**	**67,500.00**

(b) Issued, subscribed and paid up

Particulars	No. of shares	Amount
Equity		
As at April 01, 2025	**276,486,614**	**2,764.87**
Shares issued during the year:		
Fresh issue on listing of shares (Refer note 48)	57,471,265	574.71
As at March 31, 2026	**333,957,879**	**3,339.58**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Particulars	No. of shares	Amount
As at April 01, 2024	**20,169,566**	**201.70**
Shares issued during the year:		
Bonus shares	140,788,256	1,407.88
On conversion of CCDs	15,027,498	150.27
On conversion of CCPSs	100,501,294	1,005.01
As at March 31, 2025	**276,486,614**	**2,764.87**

Terms, rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares. Accordingly, all equity shares rank equally with regard to dividends and share in the Company's residual assets. The equity shares are entitled to receive dividend as declared from time to time. The voting rights of an equity shareholder on a poll (not show of hands) are in proportion to its share of the paid-up equity capital of the Company. On winding up of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company.

(ii) Shares of the company held by holding company/company having substantial interest

Particulars	As at March 31, 2026	As at March 31, 2025
Project Ballet Bangalore Holdings (DIFC) Pvt Limited (holding company upto May 30, 2025)*	152,996,805	175,985,315
BSREP III India Ballet Holdings (DIFC) Limited, intermediate holding company	5	5

**Project Ballet Bangalore Holdings (DIFC) Pvt Limited holds substantial interest in the Holding Company w.e.f. May 31, 2025.*

From the equity shares held by Project Ballet Bangalore Holdings (DIFC) Pvt Limited, 1 equity share each were transferred to Project Ballet Chennai Holdings (DIFC) Pvt Limited, Project Ballet HMA Holdings (DIFC) Pvt Limited, Project Ballet Gandhinagar Holdings (DIFC) Pvt Limited, BSREP III Tadoba Holdings (DIFC) Pvt Limited and Project Ballet Udaipur Holdings (DIFC) Pvt Limited on various dates to be as nominee share holders to Project Ballet Bangalore Holdings (DIFC) Pvt Limited during the year ended March 31, 2025.

(iii) Details of shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Percentage of total number of shares	Number of shares	Percentage of total number of shares
Equity Shares				
Project Ballet Bangalore Holdings (DIFC) Pvt Ltd, holding company (upto May 30, 2025)	152,996,805	45.81%	175,985,315	63.65%
BSREP III Tadoba Holdings (DIFC) Pvt Ltd	43,718,481	13.09%	43,718,480	15.81%
Project Ballet HMA Holdings (DIFC) Pvt Ltd	19,633,814	5.88%	19,633,813	7.10%
Project Ballet Chennai Holdings (DIFC) Pvt Ltd	16,334,180	4.89%	16,334,179	5.91%

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

(iv) Details of shareholding of promoters:

As at March 31, 2026

Name of the promoter and promoter group	Number of shares	Percentage of total number of shares	Percentage of change during the period
Project Ballet Bangalore Holdings (DIFC) Pvt Ltd	152,996,805	45.81%	(17.84%)
BSREP III India Ballet Holdings (DIFC) Limited	5	0.00%	0.00%
Project Ballet Chennai Holdings (DIFC) Pvt Ltd	16,334,180	4.89%	(1.02%)
Project Ballet HMA Holdings (DIFC) Pvt Ltd	19,633,814	5.88%	(1.22%)
Project Ballet Gandhinagar Holdings (DIFC) Pvt Ltd	2,845,443	0.85%	(0.18%)
BSREP III Tadoba Holdings (DIFC) Pvt Ltd	43,718,481	13.09%	(2.72%)
Project Ballet Udaipur Holdings (DIFC) Pvt Ltd	6,687,985	2.00%	(0.42%)
BSREP III Joy Two Holdings DIFC Limited	11,281,396	3.38%	(0.70%)
	253,498,109	**75.91%**	**(24.09%)**

As at March 31, 2025

Name of the promoter and promoter group	Number of shares	Percentage of total number of shares	Percentage of change during the period
Project Ballet Bangalore Holdings (DIFC) Pvt Ltd	175,985,315	63.65%	(36.34%)
BSREP III India Ballet Holdings (DIFC) Limited	5	0.00%	(0.01%)
Project Ballet Chennai Holdings (DIFC) Pvt Ltd	16,334,179	5.91%	5.91%
Project Ballet HMA Holdings (DIFC) Pvt Ltd	19,633,813	7.10%	7.10%
Project Ballet Gandhinagar Holdings (DIFC) Pvt Ltd	2,845,442	1.03%	1.03%
BSREP III Tadoba Holdings (DIFC) Pvt Ltd	43,718,480	15.81%	15.81%
Project Ballet Udaipur Holdings (DIFC) Pvt Ltd	6,687,984	2.42%	2.42%
BSREP III Joy Two Holdings DIFC Limited	11,281,396	4.08%	4.08%
	276,486,614	**100%**	**-**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

(v) Aggregate number of shares issued for consideration other than cash

Particulars	As at March 31, 2026	As at March 31, 2025
Bonus shares issued*	-	140,788,256
	-	**140,788,256**

** On July 11, 2024, the shareholders of the Company have approved and allotted 4:1 bonus shares on fully paid equity shares having face value of Rs. 10 per share through capitalisation of securities premium of the Company.*

The impact of above mentioned bonus shares has been considered retrospectively for the purpose of calculation of basic and diluted earnings per share for all years presented.

Until March 31, 2026, the Company has not issued any shares for consideration other than cash and neither bought back any shares from the date of incorporation.

17 OTHER EQUITY

17 (a) Equity component of compound financial instruments

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	**-**	**603.09**
Residual value at inception of CCPS (refer note 17 (b) (iv))	-	55,761.16
Conversion of CCPS into equity	-	(55,761.16)
Extinguishment of financial liability recorded under equity		(603.09)
Total	**-**	**-**

17 (b) Reserves and surplus

Particulars	As at March 31, 2026	As at March 31, 2025
Securities Premium	94,683.62	71,177.13
Retained earnings	(12,391.32)	(16,443.05)
Retained earnings - fair value as deemed cost	12,749.07	12,749.07
Other equity	(2,422.37)	(2,422.37)
Common control adjustment deficit account (refer note 45)	(32,256.49)	(32,256.49)
Capital reserve	23.78	-
Foreign currency translation reserve	309.97	-
Total	**60,696.26**	**32,804.29**

17 (b) (i) Securities Premium

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	71,177.13	10,027.25
Issue of bonus shares	-	(1,407.88)
Addition on account of conversion of CCDs	-	1,352.47
Addition on account of conversion of CCPS's	-	61,205.29
Fresh issue of shares on listing (Refer Note 48)	24,425.29	-
Share issue expenses (net of tax) (Refer Note 48)	(918.80)	-
Closing balance	**94,683.62**	**71,177.13**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

17 (b) (ii) Retained earnings

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	**(16,443.05)**	**(16,937.42)**
Profit for the year	4,031.34	478.27
Other comprehensive loss for the year, net of tax	20.39	16.10
Closing balance	**(12,391.32)**	**(16,443.05)**

17 (b) (iii) Retained earnings - fair value as deemed cost

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	12,749.07	12,749.07
Closing balance	**12,749.07**	**12,749.07**

17 (b) (iv) Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	(2,422.37)	(2,644.43)
Gain on conversion of CCPS*	-	335.59
Extinguishment of compound financial instruments**	-	(113.53)
Closing balance	**(2,422.37)**	**(2,422.37)**

**During the previous year, the Company had issued 128,843,758, 373,963,280 and 119,295,990 CCPS to its fellow subsidiaries of par value Rs. 100 amounting to Rs. 12,884.37 millions, Rs. 37,396.33 millions and Rs. 11,929.60 millions respectively. These CCPS were non-redeemable, fully convertible participating preference shares. CCPS carried a preferential dividend of 12% per annum, payable at the discretion of the Company's board of directors.*

The CCPS were to be settled using the entity's own equity instruments, and the Company was obligated to deliver a variable number of these instruments to the CCPS holders and dividend was discretionary. This arrangement met the definition of a compound financial instrument having an equity component and a liability component. Further, the conversion feature was not a derivative because its value does not vary in response to changes in the issuer's share price. Instead, the issuer is using its shares as a 'currency' to settle the obligation since, if conversion is elected, the investor would have always received the number of shares equal to par value of CCPS.

Liability component of Rs. 6,765.65 millions was recorded as present value of cash outflows and the residual amount of Rs. 55,761.16 millions after deducting the liability component from the gross value of the instrument of Rs. 62,210.30 millions was recorded as equity component. The fair value of the instrument was determined by discounting the par value by considering conversion would happen only at maturity by applying a 12% discount rate.

These CCPS were converted into 100,501,294 Equity Shares bearing face value of Rs. 10 each and a premium of Rs. 609 per Equity Share during the previous year ended March 31, 2025. The resultant gain on conversion of such CCPS was accounted under other equity.

*** Project Ballet Bangalore Holdings (DIFC) Pvt Limited, Project Ballet HMA Holdings (DIFC) Pvt Limited, Project Ballet Udaipur Holdings (DIFC) Pvt Limited, Project Ballet Chennai Holdings (DIFC) Pvt Limited, BSREP III India Ballet I Pte. Ltd. the holder's of the compulsorily convertible debentures ("CCD") requested for the conversion of those CCDs on May 31, 2024. Accordingly, the Group has issued equity shares and recorded security premium upon conversion during the previous year ended March 31, 2025. Interest on CCD's was paid during the year till date of conversion of these CCD's to equity.*

17 (b) (v) Common control adjustment deficit account

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	(32,256.49)	(32,256.49)
Closing balance	**(32,256.49)**	**(32,256.49)**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

17 (b) (vi) Capital reserve

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	-	-
On acquisition of associate	23.78	-
Closing balance	**23.78**	**-**

17 (b) (vii) Foreign currency translation reserve

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	-	-
Exchange difference on translating the financial statements of foreign operations	309.97	-
Closing balance	**309.97**	**-**

Nature and purpose of reserves:

Equity component of compound financial instrument

This represents the equity portion of compulsory convertible debentures and compulsory convertible preference shares issued to Project Ballet Bangalore Holdings (DIFC) Pvt Limited, holding company and fellow subsidiaries of the Company respectively (Refer Note 17(b)(iv)).

Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.

Retained earnings

Retained earnings represents surplus/accumulated earnings of the Group and are available for distribution to shareholders.

Retained earnings - fair value as deemed cost

Retained earnings - fair value as deemed cost represents the change in fair value of property, plant and equipment on the date of transition as per deemed cost exemption adopted by the Group.

Other equity

This reserve represents loss recorded on transactions with shareholders on conversion of compulsory convertible debentures under share purchase agreement to acquire subsidiaries under common control and gain on conversion of CCPS issued during the previous year.

Common control adjustment deficit account

This Reserve represents the difference between value of the share capital transferred to the group in the course of business combinations under common control and the consideration paid for such combinations. (Refer Note 45)

Capital reserve

Capital reserve represents the excess of the Group's share of the net fair value of the identifiable assets and liabilities of an associate over the cost of the investment in that associate. This reserve arises when the Group's interest in the net assets of the associate, at the time of acquisition, exceeds the cost paid for the investment.

Foreign currency translation reserve

Exchange differences arising on translation of foreign operations are recognised in other comprehensive income as described in the accounting policy and accumulated in the separate reserve within equity.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

18 BORROWINGS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Secured		
Non-convertible bonds [refer note I(A.10),(A.11)]	-	4,680.26
Less: Current maturities of long-term borrowings (included in current borrowings)	-	(30.00)
Total	**-**	**4,650.26**
Term Loans:		
- From banks		
Rupee term loan [refer note I (A.1, A.2, A.3, A.4, A.7, A.8, A.9]	12,650.68	29,616.99
Less: Current maturities of long-term borrowings (included in current borrowings)	(294.37)	(814.81)
Total	**12,356.31**	**28,802.18**
Other Loans		
Vehicle Loan [refer note I(A.5)]	12.29	14.12
Working capital term loan [refer note I(A.6)]	2,157.12	4,134.38
Less: Current maturities of long-term borrowings (included in current borrowings)	(1,372.35)	(1,743.52)
Total	**797.06**	**2,404.98**
Total	**13,153.37**	**35,857.42**
Current		
Secured		
Working capital loan [refer note II(A.2)]	-	589.45
Overdraft [refer note II(A.1)]	748.09	52.24
Current maturities of long-term borrowings	1,666.72	2,588.35
Total	**2,414.81**	**3,230.04**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Net debt reconciliation - disclosure of changes in liabilities arising from financing activities (read with cash flow statement)

This section sets out an analysis of net debt and movements in net debt for the period presented.

Particulars	As at March 31, 2026	As at March 31, 2025
Borrowings	(15,568.18)	(39,087.46)
Lease liabilities	(2,541.33)	(2,327.77)
Cash and cash equivalents	996.73	1,300.07
Total	**(17,112.78)**	**(40,115.16)**

Reconciliation

	Borrowing s	Lease liabilities	Cash and cash equivalents	Net
Net debt as at April 01, 2025	**(39,087.46)**	**(2,327.77)**	**1,300.07**	**(40,115.16)**
Interest expense	(1,819.12)	(251.00)	-	(2,070.12)
New leases	-	(175.10)	-	(175.10)
Cash flows	23,589.15	53.97	(303.34)	23,339.78
Interest paid	1,749.25	158.57	-	1,907.82
Net debt as at March 31, 2026	**(15,568.18)**	**(2,541.33)**	**996.73**	**(17,112.78)**
Net debt as at April 01, 2024	**(45,435.42)**	**(2,109.01)**	**709.75**	**(46,834.68)**
Interest expense	(4,164.39)	(227.09)	-	(4,391.48)
New leases	-	(195.73)	-	(195.73)
Cancellation of leases	-	4.93	-	4.93
Cash flows	1,832.84	58.19	590.32	2,481.35
Impact of early conversion of CCD	786.13	-	-	786.13
Proceeds from compulsorily convertible preference shares, net	62,210.74	-	-	62,210.74
Conversion of CCPS's (Equity and Liability component)	(62,546.33)	-	-	(62,546.33)
Gain on account of conversion of CCPS	335.59	-	-	335.59
Interest paid	7,893.38	140.94	-	8,034.32
Net debt as at March 31, 2025	**(39,087.46)**	**(2,327.77)**	**1,300.07**	**(40,115.16)**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

I Non-current borrowings

A.1 New Term Loan I - Refinancing of existing term loans and corporate term loans

The lender, during the year, has refinanced existing term loan and corporate term loan, under a Term Loan Agreement dated December 31, 2025. The aggregate loans refinanced amounts to Rs. 10,260.43 millions. The door to door tenure of the term loan is 15 years, without moratorium. The loan is repayable in structured quarterly repayments beginning from March 31, 2026. The loan carries interest rate linked to lender's 3 months marginal cost of funds based lending rate ("MCLR"), subject to monthly interest rests. The Company has an outstanding loan balance of Rs. 10,189.38 millions (March 31, 2025: NA), undrawn facility of Rs. Nil millions (March 31 , 2025 : NA) and rate of interest as on March 31, 2026 is 8.25% p.a. (March 31, 2025: N.A.).

a) Primary security:

As a part of the overall security package, following securities are offered:

i. All present and future current assets of Schloss Udaipur Private Limited (Udaipur Hotel), Schloss Chennai Private Limited (Chennai Hotel), Tulsi Palace Resort Private Limited (Jaipur) and Schloss Chanakya Private Limited (Chanakya/Delhi Hotel).

ii. All present and future immovable assets of Schloss Udaipur Private Limited (Udaipur Hotel), Schloss Chennai Private Limited (Chennai Hotel) and Tulsi Palace Resort Private Limited (Jaipur). Negative lien on moveable and immovable assets of Schloss Chanakya Private Limited (Chanakya/Delhi Hotel).

iii. All movable assets of Schloss Udaipur Private Limited (Udaipur Hotel), Schloss Chennai Private Limited (Chennai Hotel) and Tulsi Palace Resort Private Limited (Jaipur) including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc. and all current assets, both present and future relating to Schloss Udaipur Private Limited (Udaipur Hotel), Schloss Chennai Private Limited (Chennai Hotel) and Tulsi Palace Resort Private Limited (Jaipur).

iv. Exclusive charge over, all bank accounts including DSRA, TRA / escrow / designated account of Schloss Udaipur Private Limited (Udaipur Hotel), Schloss Chennai Private Limited (Chennai Hotel), Tulsi Palace Resort Private Limited (Jaipur Hotel) and Schloss Chanakya Private Limited (Chanakya/Delhi Hotel).

b) Loan covenants: Under the terms of the borrowing facilities, the following covenants are required to be maintained:

Loan to Value Ratio: Maximum 75%,

Fixed Assets Coverage Ratio: Minimum 1.25,

Debt Service Coverage Ratio: Minimum 1.15.

The Company has met all the loan covenants during the year.

c) Current maturities of long-term borrowings are classified as short-term borrowings.

A.2 New Term Loan II - Capital expenditure and general corporate purposes

a) The lender, during the year, has granted a capex term loan under a Term Loan Agreement dated February 20, 2026 with a sanctioned limit of Rs. 2,750.00 millions which is fungible across Schloss Udaipur Private Limited, Schloss Chennai Private Limited and Tulsi Palace Resort Private Limited and of Rs. 1,250.00 millions to Schloss Chanakya Private Limited. The door to door tenure of such loan is 15 years, with a moratorium on principal repayments of 2 years from the first date of disbursement. Accordingly, the loan is repayable in quarterly repayments beginning from March 31, 2028. The loan carries interest rate linked to lender's 3 months marginal cost of funds based lending rate ("MCLR"), with monthly interest

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

rests. The interest rate benchmark is subject to reset on a quarterly basis. The Company has an outstanding loan balance of Rs. 1,591.53 millions (March 31, 2025: NA), undrawn facility of Rs. 2,408.46 millions (March 31 , 2025 : NA) and rate of interest as on March 31, 2026 is 8.25% p.a.(March 31, 2025: N.A.).

b) Loan covenants: Under the terms of the borrowing facilities, all the Company's are required to maintain the following covenants:

Debt-Equity Ratio: 80:20,

Loan to Value Ratio: Maximum 75%,

Fixed Assets Coverage Ratio: Minimum 1.25,

Debt Service Coverage Ratio: Minimum 1.15.

The Company has met all the loan covenants during the year.

c) The primary charge on assets is the same as mentioned in I.A.1.a) above.

d) Current maturities of long-term borrowings are classified as short-term borrowings.

A.3 New Term Loan III - Additional Credit Line Facility

a) The lender, during the year, has granted a term loan facility under a Term Loan Agreement dated February 20, 2026 to Schloss Chanakya Private Limited for a total amounting to Rs. 7,066.00 millions and to Schloss Chennai Private Limited for a total amounting to Rs. 1,455.00 millions. The purpose of this loan is for replacement of inter-corporate debt availed by both the subsidiaries from Leela Palaces Hotels & Resorts Limited ("formerly known as Schloss Bangalore Limited") (formerly known as Schloss Bangalore Private Limited"). The door to door tenure of the loan is 15 years, without moratorium. The facility will be available for drawdown for a period of 12 months from the date of first disbursement and hence, the subsidiaries will be able to avail the facility till March 2027. The loan is repayable in structured quarterly repayments beginning from March 31, 2026. The loan carries interest rate linked to lender's 3 months marginal cost of funds based lending rate ("MCLR"), with monthly interest rests. The interest rate benchmark is subject to reset on a quarterly basis. The Company has an outstanding loan balance of Rs. 696.68 millions (March 31, 2025: NA), undrawn facility of Rs. 7,789.00 millions (March 31 , 2025 : NA) and rate of interest as on March 31, 2026 is 8.25% p.a. (March 31, 2025: N.A.).

b) Loan covenants: Under the terms of the borrowing facilities, following covenants are required to be maintained:

Loan to Value Ratio: Maximum 75%,

Fixed Assets Coverage Ratio: Minimum 1.25,

Debt Service Coverage Ratio: Minimum 1.15.

The Company has met all the loan covenants during the year.

c) The primary charge on assets is the same as mentioned in I.A.1.a) above.

d) Current maturities of long-term borrowings are classified as short-term borrowings.

A.4 Construction Finance Facility

The lender during the year has granted a new construction finance facility to two subsidiary's of the Group, Inside India Resorts Private Limited and Anasvish Tiger Camp Private Limited for the purpose of part financing the project cost with a sanctioned limit of Rs. 2,000.00 millions and Rs. 850.00 millions respectively. The loan carries interest rate linked to 1 year marginal cost of funds based lending rate ("MCLR"), with monthly interest rests. The interest rate benchmark is subject to reset on a yearly basis. The monthly repayments of the term loan shall begin from the earlier of April 30, 2031 or immediately succeeding month occuring after 24 months of Commerical Operations Date ("CoD"). The Group has an outstanding loan balance of Rs. 175.00 millions (March 31, 2025: NA), undrawn facility of Rs. 2,675.00 millions (March 31, 2025: NA) and rate of interest as on March 31, 2026 is 8.60% p.a.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

a) Security

The term loan is secured as follows:

i. Exclusive charge vide registered mortgage /equitable mortgage on immovable assets including all rights, title, interest, claims, benefits, and demands of the land owned by the respective Borrower at Khotoli, Rajasthan and Bandhavgarh, Madhya Pradesh along with building and structures to be constructed thereon having minimum FSI potential as stipulated in the approved building plan;

ii. Exclusive charge by way of registered mortgage / hypothecation on all movable assets of the Project;

iii. Exclusive charge on the book debts, operating cash flows, receivables and revenues of whatsoever nature and wherever arising, present and future of the Project;

iv. Exclusive charge on the Escrow Account and all monies credited/ deposited therein (in whatever form the same may be), and all investments in respect thereof (in whatever form the same may be) of the Project

v. Exclusive charge by way of registered mortgage / hypothecation on intangibles, goodwill, title, interests in all project documents including all approvals during construction as well as operations, present and future of the Project, subject to applicable law.

b) Loan Covenants:

Under the terms of the borrowing facilities, the Borrower shall comply with the following covenants:

Financial Covenants as specified herein:

(i) DSCR of 1.1x to be tested after 36 months from CoD.

(ii) D:E ratio of 65:35 and 63:37 shall be applicable at all times during the construction period for Inside India Resorts Private Limited and Anasvish Tiger Camp Private Limited respectively.

(iii) Security cover of 1.3x shall be applicable at all times for Inside India Resorts Private Limited and Anasvish Tiger Camp Private Limited.

The Company has met all the covenants during the year.

A.5 Vehicle Loan

The lender has granted car loan to one of the step-down subsidiary of the Company on May 24, 2024 from bank secured by hypothecation of car. This loan is repayable in 84 monthly instalments commencing from June 2024, as on March 31, 2026, carrying amount is Rs. 12.29 millions (March 31, 2025: Rs. 14.12 millions). This loan carries interest rate to lender's one year marginal cost of funds based lending rate ("MCLR") plus 0.85%, subject to annual reset. The rate of interest as on March 31, 2026 is 9.85% p.a. (March 31, 2025: 9.50% p.a.).

A.6 Working capital term loan

The lender has granted a Working capital term Loan (WCTL) Facility under Guaranteed Emergency Credit Line 2.0 (GECL 2.0) to the Company's subsidiary and a step-down subsidiary to augment net working capital, requirements to meet operational liabilities. The door to door tenure of the loan is 5 years including moratorium of principal of one year. The loan is repayable in 48 monthly structured instalments beginning April 30, 2022. The loan has been repaid during the current year.

Further, the lender has granted a Working capital term Loan (WCTL) facility under Guaranteed Emergency Credit Line 3.0 (GECL 3.0) to the Company and its various subsidiaries and a step-down subsidiary to augment net working capital, requirements to meet operational liabilities. The door to door tenure of the loan is 6 years including moratorium of principal of two years. The loan is repayable in 48 monthly structured installments beginning January 2024. These

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

WCTL facilities carries interest rate linked to lender's six months marginal cost of funds based lending rate ("MCLR"), plus 0.20%, subject to half yearly reset for the Holding Company and MCLR, subject to half yearly reset for other subsidiaries and step-down subsidiary of the Group. These WCTL facilities is secured against the existing primary and collateral securities including mortgages created in favour of the bank as mentioned in point I.A.1.a. above. The outstanding amount as at March 31, 2026 is Rs. 2,157.12 millions (March 31, 2025: Rs. 3,760.20 millions).

A.7 Term loan facility under Common Facility Agreement

Borrowing are subsequently measured at cost and therefore interest accrued on borrowing are included in the respective amounts.

Item	As of March 31, 2025
Term Loan Facility (Carrying Value)*	Rs. 27,486.59 millions
Purpose	Acquisition (Rs. 25,500 million) and refurbishment (Rs. 2,000 million) of hotel property in Bangalore fully fungible amongst each of the co-borrowers and the Company's hotel property in Bangalore.
Total Facility Sanctioned	Rs. 27,500.00 millions
Co-borrowers	1. Schloss Chennai Private Limited 2. Schloss Chanakya Private Limited 3. Schloss Udaipur Private Limited 4. Schloss HMA Private Limited (w.e.f. March 29, 2025) 5. Leela Agra Resort Limited (formerly known as 'Leela Palaces and Resorts Limited') (w.e.f. March 29, 2025)
Tenure	15 years including 1-year moratorium
Repayment Schedule	56 quarterly installments starting December 31, 2020
Interest Rate	9.10% p.a.with monthly rests
	The loan carries interest rate linked to lender's one year marginal cost of funds based lending rate ("MCLR"), subject to annual reset, plus spread of 0.10% based on the external credit rating.

**Includes interest capitalised (converted into principal amount of borrowing) amounting to Rs.1,150.06 millions on account of interest moratorium.*

a) Primary security:

i. Exclusive charge on the total assets (including mortgage of property and / or mortgage of leasehold rights in case of leasehold property, if any) (present & future).

ii. Exclusive charge on brand 'Leela' pertaining to Hotels, other intangibles, Goodwill, Intellectual Property (IP), uncalled capital (present and future);

iii. Exclusive charge on all bank accounts including but not limited to Escrow account (present & future).

iv. First charge on the total current assets (present and future).

v. Hypothecation of cash flows

b) Other security:

i) Pledge of 30% shares of (i) Schloss Chanakya Private Limited held by Schloss Bangalore Limited (ii) Schloss Udaipur Private Limited held by Schloss Chanakya Private Limited (iii) Schloss Bangalore Limited held by Project Ballet Bangalore Holdings (DIFC) Pvt. Limited (iv) Schloss Chennai Private Limited held by Schloss Bangalore Limited in favour of security trustee for the benefit of lenders for the entire term loan exposure.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

ii) Mortgage on the land situated at Agra owned by Leela Agra Resort Limited (formerly known as 'Leela Palaces and Resorts Limited').

A guarantee of BSREP III India Ballet Holdings (DIFC) Limited, situated at Dubai upto an amount of Rs. 3,000 millions, enforceable at Dubai towards meeting the shortfall in debt service obligations from March 31 ,2022. The aforesaid corporate guarantee has been released during the year.

c) The quarterly returns or statements of current assets i.e. stock statement, FFRs etc. filed by the respective companies in the group with banks or financial institutions are in agreement with the books of accounts.

d) Loan covenants: Under the terms of the borrowing facilities, all the co-borrowers including the HMA entity are required to maintain the following covenants: fixed asset coverage ratio (FACR) 1.52, debt service coverage ration (DSCR) 1.34, interest coverage ratio (ICR) 1.89, Debt/EBITDA 5.64.

The Company along with co-borrowers have met all the covenants during the year and as at March 31, 2025.

The above term loan facility has been refinanced during the current year and is not outstanding as at March 31, 2026.

A.8 Term loan facility under Lease Rental Discounting ('LRD') facility

Particulars	Details
Facility Sanctioned	Rs. 1,100.00 millions
Purpose	Acquisition of Galleria office in Bangalore
Carrying Amount	March 31, 2025: Rs. 989.81 millions
Tenure of Loan	15 years from date of first disbursement
Repayment Schedule	180 monthly structured installments starting from December 2021
Interest Rate	9.75% p.a. with monthly rests Linked to lender's one year marginal cost of funds based lending rate ("MCLR"), subject to monthly and annual reset, plus spread of 0.75%.
Security details	Exclusive first charge on hypothecation of existing and future rent receivables including lease rentals, parking rental, maintenance receivables and any other receivables from existing tenants of the commercial building named "Galleria" from 1st floor to 7th floor, located at Sy. no. 94, 95, 96, HAL Stage - II, Old airport road, Kodihalli village, Varthur Hobli, now part of municipal no. 23/4, PID no. 74-49-23/4, situated at Kodihalli main road, 6th cross, Bangalore admeasuring 15,203.98 sq. ft. **Collateral security:** (a) Exclusive first charge on the commercial building named "Galleria" from 1st floor to 7th floor, located at Sy. no. 94, 95, 96, HAL Stage - II, Old airport road, Kodihalli village, Varthur Hobli, now part of municipal no. 23/4, PID no. 74-49-23/4, situated at Kodihalli main road, 6th cross, Bangalore admeasuring 15203.98 sq. ft. along with underlying land admeasuring 24,404 sq. mtrs. (b) Assignment (by way of security interest) the right to use 305 car parking space. (c) Exclusive charge as Lien on 3 months DSRA (d) Exclusive charge on Escrow account

The above facility has been repaid durng the current year and is not outstanding as at March 31, 2026.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

A.9 Corporate Term Loan

The lender has granted a corporate term loan facility under the Agreement dated February 02, 2024 to the Company and co-borrowers i.e. Schloss Chennai Private Limited, Schloss Udaipur Private Limited, Schloss Chanakya Private Limited, Schloss HMA Private Limited (w.e.f. March 29, 2025) and Leela Agra Resort Limited (formerly known as 'Leela Palaces and Resorts Limited') (w.e.f. March 29, 2025) for a total amounting to Rs. 1,500.00 millions for the purpose of ongoing capital expenditure ("capex") of the Company and other five co-borrowers. Major portion i.e. 2/3rd portion of the sanctioned loan to be utilized in Schloss Bangalore Limited and remaining 1/3rd will be utilized by other co-borrowers. The rate of interest is 0.10% + 1 year MCLR, present effective rate is 9.10% p.a. with monthly rests as at March 31, 2025 and carrying amount as at March 31, 2025 is Rs. 1,140.59 millions (March 31, 2024: Nil).

(a) Security details: Refer point A.7.a and A.7.b above.

The above term loan facility has been refinanced during the current year and is not outstanding as at March 31, 2026.

A.10 Non-convertible bonds ("NCB")

In May 2023, 42,500 Non-convertible bonds (NCB) of face value of Rs. 100,000/- carrying coupon rate of 10.5% p.a. carrying value as at March 31, 2025: Rs. 4,231.43 millions includes interest accrued but not due - Nil were allotted for an aggregate amount of Rs 4,218.13 millions (net of upfront fees of Rs. 31.87 millions) for cash at par on a private placement basis to DB International (Asia) Ltd.

During the previous year ended March 31, 2025, Tulsi Palace Resort Private Limited ("Tulsi") received National Company Law Tribunal ('NCLT') order dated August 13, 2024, approving the Scheme of Arrangement between Tulsi and Moonburg Power Private Limited ('MPPL') with the appointed date May 27, 2023 ("Appointed Date"). The Group had given effect to the Scheme effective the Appointed Date and pursuant to NCLT Order, listed Non- Convertible Bonds were held by Tulsi.

The NCB's were secured by:

a) a first ranking exclusive charge, by way of mortgage and charge, by Tulsi in favour of the common security trustee (for the benefit of, inter-alia, the secured parties) over the mortgaged assets, in accordance with the terms of the deed of mortgage;

b) a first ranking exclusive charge, by way of hypothecation, by Tulsi in favour of the common security trustee (for the benefit of, inter-alia, the secured parties), over Tulsi's charged assets in accordance with the terms of the deed of hypothecation;

c) a first ranking exclusive pledge over shares and CCD's of Tulsi held by SCPL in favour of the common security trustee pursuant to the terms of the share pledge agreement.

These non-convertible bonds were listed on Bombay Stock Exchange (BSE) w.e.f May 25, 2023 and pursuant to NCLT order, these NCB's were transfered to Tulsi.

These non-convertible bonds were redeemable at the end of 36 months from the date of allotment.

The NCB's were repaid during the current year, de-listed from the BSE and are not outstanding as at March 31, 2026.

A.11 During the year ended March 31, 2024, Group had issued 5,000 non convertible bonds (NCB) of face value of Rs. 100,000/- each aggregating to Rs. 500 millions to DB AG Mumbai.

The NCB carry coupon rate of 3 month T-BILL rate + margin of 2.40% pa.

These NCB are redeemable on a quarterly basis from August, 2023.

The above NCB's are secured by:

a) a first ranking exclusive charge, by way of mortgage and charge, by the Company in favour of the Common Security Trustee (for the benefit of, inter alia, the Secured Parties) over the Mortgaged Assets, in accordance with the terms of the Deed of Mortgage.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

b) a first ranking exclusive charge, by way of hypothecation, by Moonburg Power Private Limited (MPPL) in favour of the Common Security Trustee (for the benefit of, inter alia, the Secured Parties), over the MPPL Charged Assets in accordance with the terms of the Deed of Hypothecation (MPPL).

c) a first ranking exclusive pledge over MPPL shares and MPPL CCDs constituting (on a fully diluted basis) constituting 99.99% (ninety-nine point nine nine per cent) of the paid-up share capital of MPPL held by the Parent in favour of the Common Security Trustee (for the benefit of, inter alia, the Secured Parties), pursuant to the terms of the MPPL Share Pledge Agreement; and

d) a first ranking exclusive pledge over 100% of the Company Shares (on a fully diluted basis) held by the Parent and MPPL in favour of the Common Security Trustee for the benefit of , inter alia the Secured Parties pursuant to the terms of the Company Share Pledge Agreement.

The carrying value is Rs. 448.83 millions as at March 31, 2025. These NCB's were repaid during the year and are not outstanding as at March 31, 2026.

II Current borrowings

A.1 Overdraft

i The lender has granted overdraft facility as per Agreement dated March 22, 2024 to one of the step down subsidiary named Tulsi Palace Resort Private limited against pledged securities. The facility was closed during the year ended March 31, 2026.

(a) Interest rate

The rate of interest as on March 31, 2026 is N.A. (March 31, 2025: 7.25 %).

(b) Pledged securities:

Fixed Deposits amounting to Rs. Nil millions (March 31, 2025: Rs. 65.24 millions) had been pledged against Overdraft facilities availed during the year.

The Group utilised the borrowings for the specific purpose for which it was obtained.

ii The lender has granted the Holding Company an overdraft facility as per agreement dated January 30, 2026 against pledged securities as mentioned below:

(a) Interest rate: The rate of interest as at March 31, 2026 is 7.75% p.a. (March 31, 2025: N.A.)

(b) Pledged securities: Fixed Deposits amounting to Rs. 1,034.00 millions (March 31, 2025: Rs. Nil millions) have been pledged against overdraft facilities availed during the year.

The Group utilised the borrowings for the specific purpose for which it was obtained.

A.2 Working capital loan

The lender has granted a working capital facility as per Agreement dated February 02, 2024 to the Company and co-borrowers i.e. Schloss Chennai Private Limited, Schloss Chanakya Private Limited, Schloss Udaipur Private Limited, Schloss HMA Private Limited (w.e.f. March 29, 2025) and Leela Agra Resort Limited (formerly known as 'Leela Palaces and Resorts Limited') (w.e.f. March 29, 2025), for a total amounting to Rs. 1,000.00 millions to meet the working capital requirement and it is repayable on demand. The loan carries interest rate linked to lender's half yearly marginal cost of funds based lending rate ("MCLR") plus 0.20%, subject to monthly reset. The rate of interest is 9.10% p.a. with monthly rests as at March 31, 2025. The loan was repaid and the facility was closed during the current year.

(a) Primary security:

Exclusive first charge on the entire current assets (Present and Future) of the Borrower including Schloss HMA Private Limited (hotel management entity).

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

(b) Other security:

(i) Extension of exclusive charge on the entire fixed assets (including mortgage of property and/or mortgage of lease hold rights in case of lease hold property, if any) of the borrower.

(ii) Extension of exclusive charge on all cash flows of the borrower and Schloss HMA Private Limited (hotel management entity), related to project (including but not limited to ESCROW account and Debt Service Reserve Accounts) opened/to be opened with lender.

(iii) Extension of mortgage on the land situated at Agra owned by Leela Agra Resort Limited (formerly known as 'Leela Palaces and Resorts Limited').

(iv) Extension of exclusive charge on brand Leela, other intangibles, goodwill, IP relating to the 4 SPVs owned by Schloss HMA Private Limited.

(v) Extension of pledge of 30% shares of (i) Schloss Chanakya Private Limited held by Schloss Bangalore Limited (ii) Schloss Udaipur Private Limited held by Schloss Chanakya Private Limited (iii) Schloss Bangalore Limited held by Project Ballet Bangalore Holdings (DIFC) Pvt. Limited. (iv) Schloss Chennai Private Limited held by Schloss Bangalore Limited in favour of the lender for the entire exposure (TL+WC).

(c) Corporate guarantee:

A guarantee of BSREP III India Ballet Holdings (DIFC) Limited, an Intermediate Holding Company, situated at Dubai upto an amount of Rs. 3,000 millions, enforceable at Dubai towards meeting the shortfall in debt service obligations from March 31, 2022.

(d) The quarterly returns or statements of current assets i.e. stock statement, FFRs etc. filed by the respective companies with banks or financial institutions are in agreement with the books of account of the respective companies.

19 TRADE PAYABLES

Particulars	As at March 31, 2026	As at March 31, 2025
Trade payables - micro and small enterprises (refer note below)	182.34	47.85
Trade payables - others	562.80	550.07
Trade payables - to related parties (refer note 42)	1.59	8.58
Total	**746.73**	**606.50**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Outstanding Dues to Micro and Small Enterprises

Particulars	As at March 31, 2026	As at March 31, 2025
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	180.18	47.85
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	2.16	-
Further interest remaining due and payable for earlier years	-	-

The management has identified enterprises which have provided goods and services to the Company and which qualify under the definition of micro and small enterprises as defined under MSMED Act.

Trade Payables Ageing

As at March 31, 2026

Particulars	Outstanding for following periods from date of transaction						
	Unbilled	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed Trade Payables							
(i) MSME	-	-	182.34	-	-	-	182.34
(ii) Others	373.66	-	173.60	16.57	0.47	0.09	564.39
Disputed Trade Payables							
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	**373.66**	**-**	**355.94**	**16.57**	**0.47**	**0.09**	**746.73**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

As at March 31, 2025

Particulars	Outstanding for following periods from date of transaction						
	Unbilled	Not due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
Undisputed Trade Payables							
(i) MSME	-	-	47.85	-	-	-	47.85
(ii) Others	306.61	-	247.53	4.22	0.29	-	558.65
Disputed Trade Payables							
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	-	-	-	-	-
Total	**306.61**	**-**	**295.39**	**4.22**	**0.29**	**-**	**606.50**

20 OTHER FINANCIAL LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Security deposits	90.94	71.81
Total	**90.94**	**71.81**
Current		
Security deposits	0.06	0.07
Retention money payable	0.05	2.66
Capital creditors	325.39	154.03
Employee dues payable	273.46	225.37
Liability towards environmental clearance	-	29.50
Purchase consideration payable for asset acquisition (refer note 45(III)(vii))	115.00	-
Total	**713.96**	**411.63**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

21 OTHER LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Deferred rental income	0.34	0.52
Deferred income on fair valuation of security deposits	26.79	11.02
Total	**27.13**	**11.54**
Current		
Contract Liability		
Advance from customers	860.26	560.31
Deferred revenue - membership fee	22.85	19.99
Total	**883.11**	**580.30**
Deferred income on fair valuation of security deposits	8.85	6.52
Statutory dues payable		
Value added tax payable	14.67	10.40
Provident fund payable	19.53	17.27
Employee state insurance payable	0.50	0.52
Professional tax payable	0.15	0.17
GST payable	364.19	226.98
Labour welfare fund payable	1.25	-
Tax deducted at source and equalisation levy payable	82.51	69.95
Other liabilities	48.06	18.27
Total	**1,422.82**	**930.38**

22 DEFERRED TAX LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liabilities (net)	3,375.39	3,031.80
Total	**3,375.39**	**3,031.80**

Refer Note 32 for details.

23 PROVISIONS

Particulars	As at March 31, 2026	As at March 31, 2025
Non-Current		
Provision for employee benefits:		
- Compensated absences	71.92	47.76
- Gratuity	57.74	65.91
Total	**129.66**	**113.67**
Current		
Provision for employee benefits:		
- Compensated absences	11.03	5.23
- Gratuity	83.52	13.96
Total	**94.55**	**19.19**

Refer Note 33 for details.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

24 REVENUE FROM OPERATIONS

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Sale of products:		
Food and beverages revenue	5,499.39	4,781.73
(b) Sale of services:		
Room income	7,725.24	6,800.17
Manpower services	209.97	187.05
Management and other operating fees	951.23	698.20
Other allied services*	887.07	538.58
Total Revenue from operations	**15,272.90**	**13,005.73**

** Includes laundry income, health club income, airport transfers, membership etc*

Disclosure pursuant to Ind AS 115: Revenue from contract with customers

Reconciliation of revenue recognised with contract price

	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue as per contract price	15,272.90	13,005.73
Adjustments	-	-
Revenue from operations	**15,272.90**	**13,005.73**

Contract Balances

The contract liabilities primarily relates to the advance consideration received from customers for which revenue is recognized when the performance obligation is over/ services delivered.

Advance collection is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from the customer towards rooms/ restaurant/ banquets. Revenue is recognized once the performance obligation is met i.e. on room stay/ sale of food and beverage/ provision of banquet services/ other allied services.

The Group has no customer which accounts for 10% or more of total revenue or total trade receivables as at March 31, 2026 and March 31, 2025.

The Company has recorded revenue of Rs. 580.30 millions (March 31, 2025: Rs. 497.60 millions) against opening balance of contract liabilities.

Contract liabilities

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Advance from customers	860.26	560.31
Deferred revenue - membership fee	22.85	19.99
Total contract liabilities	**883.11**	**580.30**

All contracts are for periods of one year or less. As permitted under Ind AS 115, the transaction price allocated to these unsatisfied contracts is not disclosed.

The change in contract liabilities is on account of revenue recognised and advances received from customers during the year.

(i) Significant changes in contract liabilities

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Contract liabilities		
Opening balance	580.30	523.66
Addition during the year	883.11	567.01
Revenue recognised that was included in the contract liability balance at the beginning of the year	(580.30)	(510.37)
Closing balance	**883.11**	**580.30**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Timing of recognition

	For the year ended March 31, 2026		For the year ended March 31, 2025	
	At a point in time	Over time	At a point in time	Over time
Room revenue	-	7,725.24	-	6,800.17
Revenue from foods and beverages	5,499.39	-	4,781.73	-
Other allied services	522.85	364.22	515.45	23.13
Management and other operating fees	-	951.23	-	698.20
Manpower services	-	209.97	-	187.05
Total	**6,022.24**	**9,250.66**	**5,297.18**	**7,708.55**

25 OTHER INCOME

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income on financial assets measured at amortised cost:		
- Deposits with banks	535.20	559.29
- Security deposits	3.18	3.06
- Intercorporate deposit	10.13	-
- Income tax refund	10.33	14.07
- Non-convertible debentures	59.17	-
- Others	-	0.89
Government grant#	90.35	129.13
Income from rental and related services*	-	228.41
Gain/ Loss on cancellation of leases	-	4.93
Liabilities no longer required written back	-	40.52
Miscellaneous income	-	83.61
Total Other income	**708.36**	**1,063.91**

Other gains/(losses)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net foreign exchange differences	0.88	0.34
Net loss on disposal of property, plant and equipment	(4.35)	(4.42)
Total other losses	**(3.47)**	**(4.08)**
Total	**704.89**	**1,059.83**

Represents the government grant received in the nature of income under the Rajasthan Investment Promotion Scheme, 2014" (RIPS-2014) for generating employment opportunities through expansion and investment made for revival of sick enterprise in the state of Rajasthan by one of the entities within the Group.

**During the year ended March 31, 2026, there has been a change in the operational use of investment property to generate core business income, in accordance with the principles laid out in Ind AS 16.*

26 COST OF FOOD AND BEVERAGES CONSUMED

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Food and beverages		
Opening inventories	230.42	214.82
Add : Purchases (net)	1,096.67	963.06
Less : Inventories at the end of the year	(272.72)	(230.42)
Cost of food and beverages consumed during the year	**1,054.37**	**947.46**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

27 EMPLOYEE BENEFITS EXPENSE

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	2,561.27	2,374.53
Contribution to provident and other funds (Refer note 33)	111.22	103.32
Staff welfare expenses	313.25	219.19
Gratuity (Refer note 33 and 49)	35.68	28.29
Compensated absences (Refer note 33 and 49)	34.72	7.09
Total employee benefits expense	**3,056.14**	**2,732.42**

28 FINANCE COSTS

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on:		
- Rupee term loan and working capital term loan	1,683.55	3,086.83
- Non convertible bonds	120.17	645.50
- Working capital loan	5.56	27.64
- Liability component of compound financial instruments	-	588.13
- Lease liabilities and others	251.00	227.09
- Bank overdraft	9.86	12.93
- Security deposit	8.29	6.02
- Others	2.16	-
Other borrowing costs	1.77	17.34
	2,082.36	**4,611.48**
Less: Capitalised to property, plant and equipment	(48.28)	(20.18)
Less: Capitalised to investment property	-	(9.63)
Total Finance costs	**2,034.08**	**4,581.67**

Note: The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the entity's general borrowings during the year ended March 31, 2026: 9.10% p.a. (March 31, 2025: 9.10% p.a.).

29 DEPRECIATION AND AMORTISATION EXPENSES

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on property, plant and equipment	953.85	1,037.47
Depreciation on right-of-use assets	127.24	124.41
Depreciation on investment property	-	5.23
Amortisation on intangible assets	45.10	232.18
Total Depreciation and amortisation expenses	**1,126.19**	**1,399.29**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

30 OTHER EXPENSES

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Consumption of stores and operating supplies	310.10	313.77
Power and fuel	455.43	445.20
Rent charges	12.28	9.45
Repairs and maintenance		
- buildings	131.43	138.30
- plant and machinery	115.04	102.42
- others	225.84	190.92
Insurance	39.06	36.00
Communication	24.74	33.04
Travelling and conveyance	114.32	87.19
Guest transport	54.71	59.51
Printing and stationary	30.55	16.44
Sales and credit card commission	548.58	438.71
Business promotion	761.47	645.41
Legal and professional fees	187.53	190.29
Payment to auditors (refer note below)	31.00	15.31
Rates and taxes	247.85	233.39
Bad debts written off	77.73	170.34
Non executive director fees	6.14	2.90
Bank charges	3.59	7.84
Corporate social responsibility expenses (refer note 31)	4.83	4.58
Reservation fee	67.66	27.57
Amortisation of advance given for hotel management contract	37.44	31.87
Net Impairment losses on financial assets	(45.15)	(195.25)
Miscellaneous expenses	291.69	376.91
Total Other expenses	**3,733.86**	**3,382.11**

30 (a) Details of payments to auditors

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Payment to auditors*		
As auditor:		
- Audit fee	31.00	15.31
- Out of pocket expenses	-	-
- Other service fee	-	-
Total	**31.00**	**15.31**

** Note: Eligible expenses incurred in connection with proposed initial public offer of equity shares of the Company amounting to Rs. 94.50 millions for the previous year ended March 31, 2025, recoverable from selling shareholders or adjustable against securities premium portion of the IPO proceeds are recorded within prepaid expenses.*

31 CORPORATE SOCIAL RESPONSIBILITY

a. Gross amount required to be spent by entities within the Group during the year towards its Corporate Social Responsibility (CSR) is Rs. 4.83 millions (March 31, 2025: Rs. 6.04 millions). Following are the details of the amount spent during the year on CSR activities:

	Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
	Expenditure towards Corporate Social Responsibility:		
b)	Amount spent and paid during the year	10.75	1.95
	Particulars of amount spent and paid during the year:		
	(i) Construction/acquisition of any asset	-	-

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
(ii)	On purpose other than (i) above:	-	-
-	Women Empowerment and Promotion of traditional art and culture	2.84	-
-	Education	6.43	-
-	Environmental Sustainability	1.02	-
-	Skill Development	0.46	-
-	Health care and community development	-	1.95
Total		**10.75**	**1.95**

c. Related party transactions in relation to Corporate Social Responsibility during the year ended March 31, 2026: Rs Nil (during the year ended March 31, 2025: Rs. Nil).

d. Unspent CSR expenditure incurred during the year ended March 31, 2026: Rs. 6.43 millions (during the year ended March 31, 2025: Rs. Nil).

Under Section 135 of the Companies Act, 2013, the Company is required to spend, in every financial year, atleast 2% of the average net profits of the Company made during the three immediately preceding financial years on Corporate Social Responsibility (CSR), pursuant to its policy in this regard.

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
a)	Gross amount required to be spent by one of the entities within the Group during the year	4.83	6.04
b)	Amount approved by the Board to be spent during the year	4.83	6.04
c)	Amount spent and paid during the year	10.75	1.95

Particulars		For the year ended March 31, 2026	For the year ended March 31, 2025
Particulars of amount spent and paid during the year:			
(i)	Construction/acquisition of any asset	-	-
(ii)	On purpose other than (i) above	-	-
-	Women Empowerment and Promotion of traditional art and culture	2.84	-
-	Education	6.43	-
-	Environmental Sustainability	1.02	-
-	Skill Development	0.46	-
-	Health care and community development	-	1.95
Total		**10.75**	**1.95**

Details of on-going projects	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening Balance	**6.43**	**2.34**
- With the Group	2.58	2.34
- In separate CSR Unspent Account	3.85	-
Amount required to be spent during the year	**4.83**	**6.04**
Amount spent during the year	**10.75**	**1.95**
- From Group's bank account	6.9	1.95
- From separate CSR Unspent Account	3.85	-
Closing Balance	**0.51**	**6.43**
- With the Group	(0.60)	2.58
- In separate CSR Unspent Account	1.11	3.85

Reason for unspent amount - The CSR obligation for the year ended March 31, 2026 for Schloss Udaipur Private Limited was Rs. 1.57 million, against which Rs. 0.46 millions was spent during the year, leaving an unspent amount of Rs. 1.11 millions. The said unspent amount pertains to ongoing skill development project and has

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

been transferred to a separate "Unspent Corporate Social Responsibility Account" to be spent towards the said ongoing projects within three financial years. Further, the CSR obligation for the year ended March 31, 2026 for Schloss HMA Private Limited was Rs. 0.90 million, against which Rs. 1.50 millions was spent during the year towards an ongoing project focusing on Women Empowerment and promotion of traditional heritage art and culture, resulting in an excess of Rs. 0.60 millions spent. The said excess amount spent is available for set-off against the CSR obligation of the immediately succeeding three financial years.

32 TAXATION

32 a Taxation for the year

This note provides an analysis of the Group's income tax expense, show amounts that are recognised directly in equity (if any) and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Group's tax positions (if any).

(a) Income tax expense/(credit)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax		
Current tax on profit for the year	271.37	93.79
Total current tax expenses	**271.37**	**93.79**
Decrease/ (Increase) in deferred tax assets	389.08	455.27
(Decrease)/ Increase in deferred tax liabilities	196.27	(2.31)
Total deferred tax expenses/(credit)*	**585.35**	**452.96**
**Includes deferred tax liability addition on account of business combination. Refer movement in deferred tax liabilities/assets.*		
Income tax expense	**856.72**	**546.75**
Income tax expense/(credit) attributable to :		
Profit/(loss) from operations	851.94	544.14
Other comprehensive income	4.78	2.61
Total	**856.72**	**546.75**

(b) Reconciliation of tax expense and accounting profit multiplies by India tax rate

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit/(loss) from operations before income tax expense	4,882.27	1,020.71
Tax rate	25.168%	25.168%
Tax at India tax rate	**1,228.77**	**256.89**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Tax effect of amounts which are not deductible / taxable in calculating taxable income :		
Items allowable on payment basis not recognised in the statement of profit and loss	(72.13)	-
Disallowance of interest on compulsory convertible debentures and non-convertible bonds	20.00	162.47
Reversal of previously recognised deferred tax on tax losses	-	216.44
Deferred tax asset not recognised on tax losses	63.80	(14.50)
Disallowance of interest on compulsorily convertible preference shares	-	84.46
Previously unrecognised tax losses now recouped to reduce current tax expense	(183.33)	(159.72)
Interest on moratorium allowable on payment basis	(198.46)	-
Others	(6.71)	(1.90)
Total	**851.94**	**544.14**

32 b Taxation as at the year end

(a) Deferred tax asset/(liability) (net)

The balance comprises temporary differences attributable to:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A) Deferred tax assets		
Unabsorbed depreciation / business loss	416.21	792.10
Provision for employee benefits	64.97	33.95
Borrowings	2.73	146.13
Loss allowance on trade receivables	33.29	5.87
Lease liability	639.60	579.00
Deferred revenue	5.81	5.32
Security deposits paid	53.20	43.73
Share issue expense	241.75	-
Others	**10.69**	**9.48**
	1,468.25	**1,615.58**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
B) Deferred tax liability		
Property, plant and equipment and intangible assets (including goodwill)	4,141.54	3,945.28
Right of use of asset	674.19	655.54
Contract liability - Key money	-	9.04
Borrowings	1.07	16.98
Security deposits received	(6.73)	2.44
Lease equalisation reserve	21.97	14.10
Others	11.60	4.00
	4,843.64	**4,647.38**
Net deferred tax asset/(liability)	**(3,375.39)**	**(3,031.80)**

In the absence of reasonable certainty, deferred tax asset on account of unabsorbed depreciation / business loss has been recognised to the extent it can be realised against reversal of deferred tax liability for certain subsidiaries in the group.

b) Tax Losses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Unused tax losses for which no deferred tax asset has been recognised	242.29	17.64
Potential tax benefit @25.168%	60.99	4.44
Expiry date	April 1, 2026 to March 31, 2034	April 1, 2025 to March 31, 2033
Unabsorbed depreciation for which no deferred tax asset has been recognised	1,101.01	1,234.09
Potential tax benefit @25.168%	277.10	310.60
Expiry date	No expiry	No expiry

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

32 Taxation (Cont.)

Movement in deferred tax liabilities/assets for the year ended March 31, 2026

Particulars	As at April 01, 2025	Accounted through statement of profit & loss charge/(credit)	Accounted through OCI charge/(credit)	Accounted through Other Equity charge/(credit)	Balance as at March 31, 2026
Deferred tax assets					
Unabsorbed depreciation / business loss	792.10	375.89	-	-	416.21
Borrowings	146.13	143.40	-	-	2.73
Deferred revenue	5.32	(0.49)	-	-	5.81
Security deposit paid	43.73	(9.47)	-	-	53.20
Loss allowance on trade receivable	5.87	(27.42)	-	-	33.29
Provision for employee benefits	33.95	(35.80)	4.78	-	64.97
Lease liability	579.00	(60.60)	-	-	639.60
Share issue expense	-	-	-	(241.75)	241.75
Others	9.48	(1.21)	-	-	10.69
	1,615.58	**384.30**	**4.78**	**(241.75)**	**1,468.25**
Deferred tax liability					
Property, plant and equipment and intangible assets (including goodwill)	3,945.28	196.26	-	-	4,141.54
Security deposit received	2.44	(9.17)	-	-	(6.73)
Right of use of asset	655.54	18.65	-	-	674.19
Lease equalisation reserve	14.10	7.87	-	-	21.97
Borrowings	16.98	(15.91)	-	-	1.07
Contract liability - key money	9.04	(9.04)	-	-	-
Others	4.00	7.61	-	-	11.60
	4,647.38	**196.27**	**-**	**-**	**4,843.64**
Total Deferred tax asset/(Liability)	**(3,031.80)**	**580.57**	**4.78**	**(241.75)**	**(3,375.39)**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Movement in Deferred Tax for the period ended March 31, 2025

	As at April 01, 2024	Accounted through statement of profit & loss charge/(credit)	Accounted through OCI charge/(credit)	Accounted through Other Equity charge/(credit)	Balance as at March 31, 2025
Deferred tax assets					
Unabsorbed depreciation / business loss (refer note below)	1,328.07	535.97	-	-	792.10
Borrowings	141.24	(4.89)	-	-	146.13
Deferred revenue	2.95	(2.37)	-	-	5.32
Security deposits given	37.72	(6.02)	-	-	43.73
Loss Allowance on trade receivable	2.24	(3.63)	-	-	5.87
Provision for employee benefits	25.34	(10.72)	2.61	-	33.95
Lease liability	524.66	(54.34)	-	-	579.00
Others	8.14	(1.34)	-	-	9.48
	2,070.36	**452.66**	**2.61**	**-**	**1,615.58**
Deferred tax liability					
Property, plant and equipment and intangible assets (including goodwill)	3,983.76	(39.02)	-	-	3,945.28
Security deposit received	0.79	1.66	-	-	2.44
Right of use of asset	631.40	24.14	-	-	655.54
Lease equalisation reserve	12.51	1.58	-	-	14.10
Borrowings	12.99	3.98	-	-	16.98
Contract liability - key money	6.93	2.11	-	-	9.04
Non convertible bonds	0.55	(0.55)	-	-	-
Others	0.28	3.79	-	-	4.00
	4,649.21	**(2.31)**	**-**	**-**	**4,647.38**
Total Deferred tax asset/(Liability)	**(2,578.85)**	**450.35**	**2.61**	**-**	**(3,031.80)**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

33 EMPLOYEE BENEFIT OBLIGATION

a) Compensated absences

Compensated absences covers the Group's liability for earned leaves. Accumulated compensated absences, which are expected to be availed or encashed are treated as employee benefits. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the period end. The Group's liability is actuarially determined (using the Projected Unit Credit method) by an Independent actuary at the end of the period. Actuarial losses/ gains are recognised in statement of profit or loss in the period in which they arise.

The expense of compensated absences (non-funded) for the year ended March 31, 2026 amounting to Rs. 34.72 millions (March 31, 2025: Rs. 7.09 millions) has been recognized in statement of profit and loss, based on actuarial valuation carried out using projected unit credit method.

b) Post employment obligations

Provident fund and Employees State Insurance Commission - Defined contribution plan

The Group has defined contribution plans for provident fund for qualifying employees. Under the plan, the Group is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable under these plans are at rates specified in the rules of the schemes.

The contributions are charged to statement of profit and loss as they accrue. The amount of expense towards contribution to provident fund and employees state insurance for the year ended March 31, 2026 aggregated to Rs. 111.22 millions (March 31, 2025: Rs. 103.32 millions)

Gratuity - Defined benefit plan

The Group provides for gratuity for its employees. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement / termination is the employees last drawn basic salary per month computed proportionately for 15 days salary payable for each completed year of service or part thereof in excess of six months subject to a limit of Rs. 2 millions. The group does not fully fund the liability.

The present value of the defined benefit obligation and current service cost are measured using the projected unit credit method with actuarial valuations being carried out at each balance sheet date.

Amounts recognised in statement of profit and loss:

	For the year ended March 31, 2026	For the year ended March 31, 2025
Defined benefit plans		
- Gratuity	35.68	28.29
Total	**35.68**	**28.29**

Amounts recognised in other comprehensive income:

	For the year ended March 31, 2026	For the year ended March 31, 2025
Remeasurements for:		
- Gratuity	25.17	18.71
Total	**25.17**	**18.71**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Gratuity plan

	For the year ended March 31, 2026	For the year ended March 31, 2025
Present value of defined benefit obligation	186.05	116.37
Fair value of plan assets	(44.79)	(36.50)
Net defined benefit obligation	**141.26**	**79.87**
Net defined benefit liability is bifurcated as follows:		
Current	83.52	13.96
Non-current	57.74	65.91

	Present value of obligations	Fair value of plan assets	Net amount
As at April 01, 2024	**120.91**	**45.05**	**75.86**
Current service cost	25.61	-	25.61
Past service cost including curtailment gains/losses	(0.76)	0.04	(0.80)
Interest expense/ (income)	5.01	1.52	3.49
Total amount recognised in profit or loss	**29.86**	**1.57**	**28.29**
Remeasurements:			
- Return on plan assets, excluding amounts included in interest expense/ (income)	-	(0.55)	0.55
- (Gain)/ loss from change in demographic assumptions	0.16	-	0.16
- (Gain)/ loss from change in financial assumptions	2.54	0.01	2.53
- Experience (gains)/ losses	(21.86)	0.08	(21.94)
Total amount recognised in other comprehensive income	**(19.16)**	**(0.46)**	**(18.71)**
Employer contributions	-	-	-
Benefit payments	(15.24)	(9.65)	(5.57)
For the year ended March 31, 2025	**116.37**	**36.50**	**79.87**
As at April 01, 2025	**116.37**	**36.50**	**79.87**
Current service cost	26.30	-	26.30
Past service cost including curtailment gains/losses	64.00	-	64.00
Interest expense/ (income)	9.85	3.01	6.84
Total amount recognised in profit or loss	**100.15**	**3.01**	**97.14**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

	Present value of obligations	Fair value of plan assets	Net amount
Remeasurements:			
- Return on plan assets, excluding amounts included in interest expense/ (income)	-	0.20	(0.20)
- (Gain)/ loss from change in demographic assumptions	(6.07)	-	(6.07)
- (Gain)/ loss from change in financial assumptions	(7.09)	-	(7.09)
- Experience (gains)/ losses	(11.81)	-	(11.81)
Total amount recognised in other comprehensive income	**(24.97)**	**0.20**	**(25.17)**
Employer contributions	-	9.91	(9.91)
Benefit payments	(5.50)	(4.83)	(0.67)
For the year ended March 31, 2026	**186.05**	**44.79**	**141.26**

Significant actuarial assumptions were as follows:

	For the year ended March 31, 2026	For the year ended March 31, 2025
Discount rate (p.a.)	6.77%	7.04%
Salary growth rate (p.a.)	8.00%	7-9%
Retirement age	62	62
Mortality rates inclusive of provision for disability	100% of IALM(2012-14)	100% of IALM(2012-14)
Attrition at Ages		
- Up to 30 Years	30.00%	3-30%
- From 31 to 44 years	25.00%	3-25%
- Above 44 years	2.00%	2-18%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Sensitivity analysis

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the change in defined benefit obligation and impact in percentage terms compared with the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points:

		For the year ended March 31, 2026	For the year ended March 31, 2025
a)	Impact of the change in discount rate		
	Present Value of Obligation at the end of the year	186.05	116.37
	Impact due to increase of 0.50%	(6.00)	(3.65)
	Impact due to decrease of 0.50%	6.42	3.88
b)	Impact of the change in salary increase		
	Present Value of Obligation at the end of the year	186.05	116.37
	Impact due to increase of 0.50%	5.10	3.37
	Impact due to decrease of 0.50%	(4.99)	(2.94)

Sensitivities due to mortality and withdrawals are not material and hence impact of change due to these not calculated. Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.

The major categories of plans assets

The plans assets of the defined benefit plan are covered by the Company into funds managed by insurer.

Maturity analysis

The weighted average duration to the payment of these cash flows is 8.71 years (March 31, 2025: 6.06 years).

Expected expense for the next annual reporting period is Rs. 94.59 millions (March 31,2025: Rs. 31.67 millions)

The expected maturity analysis of undiscounted post-employment defined benefit obligations is as follows:

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
For the year ended March 31, 2026					
- Gratuity	20.42	15.79	65.51	99.74	201.46
Total	**20.42**	**15.79**	**65.51**	**99.74**	**201.46**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
For the year ended March 31, 2025					
- Gratuity	14.96	11.79	28.61	61.01	116.37
Total	**14.96**	**11.79**	**28.61**	**61.01**	**116.37**

Risk exposure:

Gratuity is a defined benefit plan and the Company is exposed to the following risks:

Interest rate risk: A fall in the discount rate which is linked to the Government Security Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future expected salaries of employees. As such, an increase in the salary expected by more than assumed level will increase the plan's liability.

Withdrawal risk: The risk that the usual timeframe for withdrawal requests is not met, or the withdrawals from the fund due to severe adverse market conditions are suspended.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

34 FAIR VALUE MEASUREMENT

(i) Financial instruments by category

As at March 31, 2026

	Carrying amount			
	FVTPL	FVOCI	Amortised cost	Total carrying value
Financial assets				
Investments (Level 3)	0.19	-	-	0.19
Loans	-	-	180.13	180.13
Trade receivables	-	-	790.65	790.65
Cash and cash equivalents	-	-	996.73	996.73
Bank balances other than cash and cash equivalents	-	-	1,858.97	1,858.97
Other financial assets	-	-	1,259.77	1,259.77
Total financial assets	**0.19**	**-**	**5,086.25**	**5,086.44**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

	Carrying amount			
	FVTPL	FVOCI	Amortised cost	Total carrying value
Financial liabilities				
Borrowings	-	-	15,568.18	15,568.18
Trade payables	-	-	746.73	746.73
Lease liabilities	-	-	2,541.33	2,541.33
Other financial liabilities	-	-	804.90	804.90
Total financial liabilities	**-**	**-**	**19,661.14**	**19,661.14**

As at March 31, 2025

	Carrying amount			
	FVTPL	FVOCI	Amortised cost	Total carrying value
Financial assets				
Investments (Level 3)	0.19	-	-	0.19
Trade receivables	-	-	887.02	887.02
Cash and cash equivalents	-	-	1,300.07	1,300.07
Bank balances other than cash and cash equivalents	-	-	1,579.84	1,579.84
Other financial assets	-	-	11,308.39	11,308.39
Total financial assets	**0.19**	**-**	**15,075.32**	**15,075.51**
Financial liabilities				
Borrowings	-	-	39,087.46	39,087.46
Trade payables	-	-	606.50	606.50
Lease liabilities	-	-	2,327.77	2,327.77
Other financial liabilities	-	-	483.44	483.44
Total financial liabilities	**-**	**-**	**42,505.17**	**42,505.17**

Ind AS 113, 'Fair Value Measurement' requires classification of the valuation method of financial instruments measured at fair value in the Statement of Balance sheet, using a three level fair-value-hierarchy (which reflects the significance of inputs used in the measurements). The hierarchy gives the highest priority to un-adjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to un-observable inputs (Level 3 measurements).

The carrying amounts of trade receivables, cash and cash equivalents, fixed deposits with banks, trade payables are considered to be the same as their fair values, due to their short-term nature.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis.

The carrying amount of non current borrowings, security deposit liability, lease liability are fair valued using the current borrowing rate for similar instruments on similar terms. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

Further, the Group has valued compound financial instrument (both financial liability and equity component) at fair value on initial recognition. Financial liability subsequently measured at amortised cost by adding unwinded interest.

The current lending rate and the rate used in determination of fair value at inception for non-current borrowings, security deposits, compound financial instruments are not significantly different. Accordingly, the fair value and carrying value for non-current borrowings, security deposits and compound financial instrument are same.

The fair-value-hierarchy under Ind AS 113 are described below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There has been no transfer between different fair values hierarchy level for the year ended March 31, 2026 and March 31, 2025.

35 FINANCIAL RISK MANAGEMENT

The Group's business activities expose it to market risk, liquidity risk and credit risk. The management develops and monitors the Group's risk management policies. The key risks and mitigating actions are also placed before the Board of directors of the Group. The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and to control and monitor risks and adherence to limits.

Finance team and experts of respective business divisions provides assurance that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The activities are designed to:

- protect the Group's financial results and position from financial risks
- maintain market risks within acceptable parameters, while optimising returns; and
- protect the Group's financial investments, while maximising returns.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

A. Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk arises from trade receivables, cash and cash equivalents, bank balance, fixed deposits with banks, security deposits and other financial assets.

The exposure to credit risks arises from the potential failure of counterparties to meet their obligations. The maximum exposure to credit risk at the reporting date is the carrying amount of the financial instruments.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

With respect to other financial assets namely security deposits and other receivables, the maximum exposure to credit risk is the carrying amount of these classes of financial assets presented in the Balance Sheet. These are actively monitored and confirmed by the Group. Currently, the credit risk arising from such security deposits and other receivables is evaluated to be immaterial for the Group.

Credit Risk on cash and cash equivalents, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/ financial institutions, who have been assigned high credit rating by international and domestic rating agencies.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group operates only in one geographical location i.e. in India. Considering the industry in which the Group is operating, there is no major long outstanding receivables.

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The carrying amounts of trade receivables as disclosed in note number 12 represent the maximum credit risk exposure.

The movement in loss allowance in respect of trade receivables is as follows:

	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	178.04	373.27
Impairment losses (recognised)/ reversed on receivables	32.58	(24.89)
Amounts written off during the year	(77.73)	(170.34)
Balance at the end of the year	**132.89**	**178.04**

Financial assets at FVTPL : The Group is also exposed to credit risks in relation to financial assets (investments) that are measured at FVTPL. The maximum exposure at the end of the reporting period is the carrying amount of these assets.

B. Liquidity risk

(i) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

	As at March 31, 2026	As at March 31, 2025
Fixed interest rate	-	-
Floating interest rate	13,106.68	773.02
Total	**13,106.68**	**773.02**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

(ii) Maturities of financial liabilities

The table below summarises the maturity profile of the Group's financial liabilities based on their contractual payments. The amount disclosed in the table are the contractual undiscounted cash flows. Balance due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities

As at March 31, 2026	Carrying amount	Less than 1 year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
Borrowings	15,568.18	3,471.11	2,155.95	4,093.91	14,911.08	24,632.04
Lease liabilities	2,541.33	219.43	236.24	520.73	16,156.08	17,132.48
Trade payables	746.73	746.73	-	-	-	746.73
Other financial liabilities	804.90	689.98	65.75	21.69	41.37	818.78
Total financial liabilities	**19,661.14**	**5,127.24**	**2,457.93**	**4,636.33**	**31,108.52**	**43,330.04**

As at March 31, 2025	Carrying amount	Less than 1 Year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
Borrowings	39,087.46	6,571.86	10,096.82	19,676.83	18,882.96	55,228.47
Lease liabilities	2,327.77	202.52	208.04	548.09	15,072.48	16,031.13
Trade payables	606.50	606.50	-	-	-	606.50
Other financial liabilities	483.44	578.81	-	77.18	10.56	666.55
Total financial liabilities	**42,505.17**	**7,959.69**	**10,304.86**	**20,302.10**	**33,966.00**	**72,532.65**

C. Market risk

(a) Foreign currency risk

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. The Group makes payments internationally and is exposed to foreign exchange risk arising from foreign currency purchases, primarily with respect to USD and GBP. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Group's functional currency (Rs.) at the year end. The Group's exposure to foreign currency risk, expressed in Rs., is given in the table below. The amounts represent only the financial assets and liabilities that are denominated in currencies other than the functional currency of the Group.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

i. **The foreign currency outstanding balances that have not been hedged by any derivative instrument or otherwise are as follows:**

	As at March 31, 2026		
	Foreign Currency Denomination	Foreign Currency Amount (absolute)	Amount (INR in millions)
Liabilities			
Trade payables	USD	599,958.80	56.57
Trade payables	GBP	6,738.00	0.69
Total exposure			**57.26**
Less: exposure hedged			(57.26)
Unhedged exposure			**-**

	As at March 31, 2025		
	Foreign Currency Denomination	Foreign Currency Amount (absolute)	Amount (INR in millions)
Liabilities			
Trade payables	USD	435,829.91	28.02
Trade payables	GBP	8,243.00	10.38
Trade payables	EUR	52,921.57	4.90
Total exposure			**43.30**
Less: exposure hedged			(43.30)
Unhedged exposure			**-**

The Group has purchased forward contracts to hedge its foreign currency risk. The Group has not formally designated these forward contracts against foreign currency payables.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

The following table presents the outstanding position and fair value of various foreign currency derivative financial instruments:

	Currency pair	As at March 31, 2026		
		Average excha nge rate	Notional value (Rs. in million)	Fair value
Non-designated				
Buy	USD/Rs.	95.85	57.50	-
Buy	GBP/Rs.	127.10	0.86	-
Total				**-**

	Currency pair	As at March 31, 2025		
		Average exchange rate	Notional value (Rs. in million)	Fair value
Non-designated				
Buy	USD/Rs.	86.15	59.03	-
Buy	EUR/Rs.	93.57	5.28	-
Buy	GBP/Rs.	111.70	0.96	-
Total				**-**

ii. Foreign exchange sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments. The table below shows the sensitivity of profit or loss to a 1% change in foreign exchange rates.

	Impact on Profit or Loss	
	As at March 31, 2026	As at March 31, 2025
USD sensitivity		
Rs./ USD - Increase by 1%	(0.57)	(0.28)
Rs./ USD - Decrease by 1%	0.57	0.28
EUR sensitivity		
Rs./ EUR - Increase by 1%	-	(0.05)
Rs./ EUR - Decrease by 1%	-	0.05
GBP sensitivity		
Rs./ GBP - Increase by 1%	(0.01)	(0.10)
Rs./ GBP - Decrease by 1%	0.01	0.10

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

b) Interest rate risk

Interest rate risk is the risk that changes in market interest rates will lead to changes in fair value of financial instruments or changes in interest income, expense and cash flows of the Group.

The exposure of the Group's borrowings to interest rate changes at the end of the reporting period are included in the table below. As at the end of the reporting period, the Group had the following variable rate borrowings outstanding:

	As at March 31, 2026		
	Interest rate range	Balance	% of total loans
Rupee term loans	3 months MCLR	12,650.68	81%
Working capital term loan	6 months MCLR plus spread of 0.00-0.20%	2,157.12	14%
Vehicle loan	MCLR+ 0.85%	12.29	0%
Overdraft	Term Deposit Rate + 0.35%	748.09	5%

	As at March 31, 2025		
	Interest rate range	Balance	% of total loans
Term loans	MCLR + spread of 0.10% to 0.75% subject to annual reset	29,616.99	76%
Working capital term loan	MCLR+ 0.20% subject to half yearly reset	4,134.38	11%
Working capital loan	MCLR+ 0.20% subject to half yearly reset	589.45	2%
Non-convertible bonds	TBIL rate + margin of 2.40% pa.	448.83	1%
Vehicle loan	MCLR+ 1% subject to annual reset	14.12	0%

An analysis by maturities is provided in note 35(B)(ii) above. The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings.

Cash flow sensitivity analysis for variable rate instruments

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

	As at March 31, 2026	As at March 31, 2025
	Impact on profit after tax	Impact on profit after tax
Interest sensitivity		
Interest rates – increase by 100 basis points	(155.68)	(348.04)
Interest rates – decrease by 100 basis points	155.68	348.04

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

36 CAPITAL MANAGEMENT

The Group considers its total equity as shown in the balance sheet including share capital and retained earnings as the components of its balance sheet of managed capital. The Group's objectives when managing capital are:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The management monitors the return on capital as well as the level of dividends to shareholders.

The gearing ratios were as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Borrowings	15,568.18	39,087.46
Lease liabilities	2,541.33	2,327.78
Less: Cash and Cash Equivalents	(996.73)	(1,300.07)
Less: Other Balance with bank (short term deposits)	(1,858.97)	(1,579.84)
Net Debt	15,253.81	38,535.32
Total equity	64,526.15	36,049.88
Net debt to equity ratio	**0.24**	**1.07**

Loan covenants: Under the terms of the major borrowing facilities, the Group is required to comply with financial covenants as disclosed under note 17. The Group has complied with the applicable financial covenants.

37 CONTINGENT LIABILITIES

Particulars	As at March 31, 2026	As at March 31, 2025
Claims against the Group not acknowledged as debt, in respect of -		
Floor Area Ratio Charges ("FAR") - New Delhi Municipal Council ("NDMC") (Note 1)	3,134.83	3,031.72
Disputed statutory liabilities (Note - 2)	2,194.07	1,899.35
Rajasthan Micro and Small Enterprises Facilitation Council and Nutan Deco Mark Private Limited	-	2.30
Proceeding under The Minimum Wages Act, 1948	1.08	1.08
Bank Guarantees	206.99	6.99
Total	**5,536.97**	**4,941.44**

Note:

(1) HLV Limited against the demand of Rs. 1,527.49 millions towards FAR charges deposited only Rs. 954.68 millions and the balance amount of Rs. 572.81 millions was disputed. HLV Limited filed a writ petition before the Delhi High Court, inter alia for setting aside/quashing the final recovery notice praying that the Delhi hotel be classified as falling in the South Zone for the purpose of payment of charges for additional FAR and for grant of 25% concession of Zonal Average Auction Rate ("ZAAR"). The matter is pending before the Court.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

(2) The breakup of disputed statutory liabilities is as under:

Particulars	As at March 31, 2026	As at March 31, 2025
Disputed statutory liabilities		
(i) Service Tax	112.71	109.22
(ii) Income Tax	124.39	16.15
(iii) Value Added Tax	63.61	61.30
(iv) Goods and Services Tax	1,893.36	1,712.68
Total	**2,194.07**	**1,899.35**

Note:

Statutory Liabilities :

(i) Service Tax

Service Tax demands relating to CENVAT credit, classification of services, abatement under rent-a-cab, and taxability of complimentary services were raised against the Company. While all matters, except those relating to taxability of complimentary services, were decided in favour of the Company, all the matters are currently pending before the Hon'ble CESTAT.

(ii) Income-tax

Assessment proceedings for certain assessment years have resulted in tax demand against the Company. Appeals have been filed before the Commissioner of Income-tax (Appeals) for the aforesaid years. Further, rectification applications and stay of demand have been filed with the jurisdictional officer. An amount of Rs. 3.58 millions is paid under protest.

(iii) Value Added Tax (VAT)

a) VAT demand relating to levy on service tax for multiple years was confirmed by the assessing authority and subsequently upheld by the appellate authority. The Karnataka Appellate Tribunal had earlier set aside the order; however, the Hon'ble High Court remanded the matter for fresh adjudication. The Company's Special Leave Petition before the Hon'ble Supreme Court was dismissed with directions to approach the High Court. The matter is currently pending for fresh scrutiny, and no further communication has been received from the authorities to date.

b) VAT authorities have issued an order demanding reversal of excess input tax credit ('ITC') on account of ITC mismatch. The Company is in the process of filing a rectification application.

An amount of Rs. 3.14 millions is paid under protest.

(iv) Goods and Services Tax (GST)

a) The Group has challenged the assessment order and the show cause notice before the Hon'ble High Court, given that the issues involved are identical in nature. The Hon'ble High Court has granted an interim stay on the operation of the order and show cause notice, which continues as on date. The matter is currently pending adjudication.

b) GST authorities have raised a demand in multiple matters pursuant to audit proceedings for various financial years. The Company has filed appeals before the appropriate appellate authorities and/or writ petitions before the Hon'ble High Courts. In select matters, interim stay has been granted, while other matters are pending before appellate authorities.

An amount of Rs. 2.43 millions is paid under protest.

38 COMMITMENTS

Particulars	As at March 31, 2026	As at March 31, 2025
Estimated amount of contracts remaining to be executed on capital expenditure related to property, plant and equipment and not provided for.	1,369.49	1,277.65

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

39 LEASE - AS A LESSOR

The Group has given on operating leases portion of its building for shops, retail offices and for installation and commissioning of a telecommunication tower on lease. The Group has given a portion of building for installing and commissioning of a telecommunication tower on lease. Income of Rs. 276.95 millions (March 31, 2025: Rs. 3.77 millions) has been recognised in the Statement of Profit and Loss.

The future minimum lease payments receivable for under the said non-cancellable operating lease are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Receivable within one year	270.76	2.28
Receivable between one and five years	564.60	9.38
Receivable more than five years	444.61	-

40 SEGMENT INFORMATION

The primary reporting of the Group has been performed on the basis of business segment. Based on the "management approach" as defined in Ind AS 108 - Operating Segments, the Chief Operating Decision Maker ('CODM') i.e. Board of Directors of the Company, being the CODM has evaluated of The Group's performance at an overall level as one segment which is 'Revenue based in India Location' that includes: (i) Revenue from room services, (ii) Revenue from food and beverages and (iii) Other allied services in a single business segment based on the nature of the services, the risks and returns, the organization structure and the internal financial reporting systems. Accordingly, the figures appearing in these financial statements relate to The Group's single business segment. The Group has significant operations based in India, hence there are no reportable geographical segments in consolidated financial statements.

No single customer contributes 10% or more of the Group's total revenue for the year ended March 31, 2026 and March 31, 2025.

All non-current assets are held by the Group in India, the domicile country. For entity-wide disclosure of net assets and share in profit or loss and other comprehensive income refer to note 44 - Additional information required by Schedule III in respect of subsidiaries.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

41 EARNINGS PER SHARE

	For the year ended March 31, 2026	For the year ended March 31, 2025
Basic earnings per share		
Profit for the year (A)	4,030.33	476.58
Weighted average number of equity shares for the purpose of basic earnings per share (B)	324,195,637	242,144,537
Basic Earnings per equity share C=(A/B) in Rs.	**12.43**	**1.97**
Diluted earnings per share		
Profit attributable to the equity holders (A)		
Used in calculating basic earning per share	4,030.33	476.58
Profit/(loss) attributable to the equity holders used in calculating diluted earnings per share:	4,030.33	476.58
Weighted average number of shares used as the denominator (B)		
Opening balance (a)	276,486,614	20,169,566
Shares issued during the year (refer note 16(i)(b)) (b)#	57,471,265	115,528,792
Effect of shares issued during the period (c)		**-**
Equivalent shares under listing $	47,709,023	-
Equivalent shares on conversion of CCPS (d)****	-	66,159,217
Equivalent shares of CCDs (e) #	-	15,027,498
Number of equity shares under bonus issue (4 bonus shares for each equity share)*** (f)	-	140,788,256
Weighted average number of equity shares for the purpose of basic earnings per share (a+d+e+f)	**324,195,637**	**242,144,537**
Adjustments for calculation of diluted earnings per share	**-**	**-**
Weighted average number of equity shares used and potential equity shares used as the denominator in calculating diluted earnings per share*	**324,195,637**	**242,144,537**
Diluted Earnings per equity share C=(A/B) in Rs.**	**12.43**	**1.97**

$ Weighted average number of equity shares issued on listing during the year included in the denominator in calculating basic earnings as per para 23 of Ind AS 33

**Weighted average number of compulsorily convertible debentures (CCDs) included in the denominator in calculating basic earnings as per para 23 of Ind AS 33 in the previous year.*

***As the impact of the CCDs was anti-dilutive, resulting in a decrease in loss per share from continuing ordinary activities, the effect thereof has been ignored whilst calculating diluted earnings per share for the previous year.*

**** The earnings per share reflects the impact of bonus shares issuance in the ratio of 4:1 i.e.4 bonus shares for each equity share.*

***** Computed based on the number of Equity Shares allotted post conversion of CCPS.*

Includes 15,027,498 share issued against CCDs during the previous year ended March 31, 2025.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

42 RELATED PARTY TRANSACTIONS

A Name of related parties

List of related parties where control exists and relationships

i Company having substantial interest

Project Ballet Bangalore Holdings (DIFC) Pvt Limited (w.e.f. May 31, 2025)

ii Holding company

Project Ballet Bangalore Holdings (DIFC) Pvt Limited (upto May 30, 2025)

iii Fellow subsidiaries

Project Ballet Udaipur Holdings (DIFC) Pvt Limited
Project Ballet Chennai Holdings (DIFC) Pvt Limited
Project Ballet HMA Holdings (DIFC) Pvt Limited
BSREP III Tadoba Holdings (DIFC) Pvt Ltd
Project Ballet Gandhinagar Holdings (DIFC) Pvt Limited
BSREP III Joy Two Holdings (DIFC) Limited
BSREP III India Ballet I Pte. Ltd.
BSREP III India Ballet Pte. Ltd.
Summit Digitel Infrastructure Limited
Brookprop Property Management Services Private Limited
Brookprop Management Services Private Limited
Arliga India Office Parks Private Limited
Arliga Ecoworld Infrastructure Private Limited
Cowrks India Private Limited
Equinox Business Parks Private Limited (upto September 05, 2025)
Striton Properties Private Limited
BAM DLR Chennai Private Limited
BAM DLR Data Center Services Private Limited
Brookfield Advisors India Private Limited
Rostrum Realty Private Limited
Mountainstar India Office Parks Private Limited
Kairos Properties Private Limited
Candor Kolkata One Hi-Tech Structures Private Limited
Candor India Office Parks Private Limited
Brookfield India Real Estate Trust
Elevar Digitel Infrastructure Limited
Crest Digitel Private Limited

iv Joint ventures and associate

Lago Vue Srinagar Private Limited
Leela BKC Holdings Private Limtied (formerly known as 'Transition Cleantech Services Four Private Limited') (w.e.f. April 18, 2025)
Argon Holdings (DIFC) Limited (Associate of Aries Holdings (DIFC) Limited, a wholly owned subsidiary of the Group)

v Other related parties

Siemens Limited
IVAAK Creators LLP
IVAAK Developers LLP
Boron Holdings (DIFC) Limited
Brookfield Private Capital (DIFC) limited
Ms. Ankita Jalori
Mr. Vinod Purohit
Ms. Ishita Rajpurohit

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

vi Key Managerial Personnel

Mr. Anuraag Bhatnagar, Executive Director
Mr. Ravi Shankar, Chief Financial Officer
Mr. Madhav Sehgal, Director and Area Vice President South (upto September 13, 2024)
Ms. Ananya Tripathi, Director (w.e.f. May 29, 2024)
Mr. Ankur Gupta, Director (w.e.f. September 13, 2024)
Mr. Ashank Kothari, Director (w.e.f. September 13, 2024)
Mr. Shai Zelering, Director (w.e.f. September 13, 2024)
Mr. Deepak Parekh, Director (w.e.f. September 13, 2024)
Mr. Mukesh Butani, Director (w.e.f. September 13, 2024)
Ms. Apurva Purohit, Director (w.e.f. September 13, 2024

B Transactions with related parties

The following transactions occurred with related parties

	For the year ended March 31, 2026	For the year ended March 31, 2025
Management and operating fees		
Striton Properties Private Limited	6.96	6.96
Revenue from operations		
Arliga India Office Parks Private Limited	0.38	0.27
Cowrks India Private Limited	-	7.72
Brookprop Property Management Services Private Limited	0.58	0.66
Arliga Ecoworld Infrastructure Private Limited	2.44	1.09
Brookfield Advisors India Private Limited	1.77	24.78
BAM DLR Data Center Services Private Limited	-	0.01
BAM DLR Chennai Private Limited	-	0.16
Brookfield India Real Estate Trust	-	0.07
Rostrum Realty Private Limited	0.27	0.27
Mountainstar India Office Parks Private Limited	0.01	0.01
Kairos Properties Private Limited	0.04	0.05
Candor Kolkata One Hi Tech Structures Private Limited	0.04	0.02
Candor India Office Parks Private Limited	0.52	0.44
Brookprop Management Services Private Limited	-	0.59
Reimbursement of expenses paid to/ (received from)		
Leela BKC Holdings Private Limited (formerly known as 'Transition Cleantech Four Services Private Limited')	2.21	-
Project Ballet Bangalore Holdings (DIFC) Pvt Limited	(13.97)	(106.35)
Lago Vue Srinagar Private Limited	110.34	7.67
Brookprop Property Management Services Private Limited	5.16	2.43
Rental income		
Summit Digitel Infrastructure Limited	4.03	3.65
Elevar Digitel Infrastructure Limited	1.12	0.38
Crest Digitel Private Limited	0.47	-
Other income		
Equinox Business Parks Private Limited	-	17.44

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

	For the year ended March 31, 2026	For the year ended March 31, 2025
Other expenses		
Siemens Limited	2.68	-
Ms. Ankita Jalori	5.38	-
Employee benefits expense		
Ms. Ishita Rajpurohit	0.55	-
Business support services		
Brookprop Property Management Services Private Limited	4.74	12.83
Payments for capital goods/services		
Siemens Limited	2.52	-
IVAAK Creators LLP	79.51	-
IVAAK Developers LLP	1.78	-
Administrative support services fees		
Brookfield Private Capital (DIFC) Limited	2.51	-
Rent expense		
Equinox Business Parks Private Limited	7.40	6.66
Cowrks India Private Limited	0.31	0.31
Interest expense on lease liability		
Equinox Business Parks Private Limited	10.33	24.58
Principal payment of lease liability		
Equinox Business Parks Private Limited	36.33	47.16
Security deposit refund received		
Equinox Business Parks Private Limited	0.21	3.93
Security deposit paid		
Mr. Vinod Purohit	120.00	-
Interest income on security deposits		
Equinox Business Parks Private Limited	1.36	2.53

	For the year ended March 31, 2026	For the year ended March 31, 2025
Gain on account of modification in the terms/extinguishment/conversion of compound financial instruments		
Project Ballet Bangalore Holdings (DIFC) Pvt Limited	-	(113.53)
BSREP III Joy Two Holdings (DIFC) Limited	-	40.46
Project Ballet Gandhinagar Holdings (DIFC) Pvt Limited	-	10.21
Project Ballet Udaipur Holdings (DIFC) Pvt Limited	-	23.99
BSREP III Tadoba Holdings (DIFC) Pvt Limited	-	132.70
Project Ballet Chennai Holdings (DIFC) Pvt Limited	-	58.24
Project Ballet HMA Holdings (DIFC) Pvt Limited	-	70.00
Extinguishment of financial liability recorded under equity		
Project Ballet Bangalore Holdings (DIFC) Pvt Limited	-	603.09
Extinguishment of financial liability recorded under borrowings		
Project Ballet Bangalore Holdings (DIFC) Pvt Limited	-	899.66
Inter corporate deposits given		
Lago Vue Srinagar Private Limited	170.00	-
Interest income on inter corporate deposits		
Lago Vue Srinagar Private Limited	10.13	-

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

	For the year ended March 31, 2026	For the year ended March 31, 2025
Issue of Compulsorily Convertible Preference Shares ('CCPS')		
BSREP III Joy Two Holdings (DIFC) Limited	-	6,983.18
Project Ballet Gandhinagar Holdings (DIFC) Pvt Limited	-	1,761.33
Project Ballet Udaipur Holdings (DIFC) Pvt Limited	-	4,139.86
BSREP III Tadoba Holdings (DIFC) Pvt Limited	-	27,061.74
Project Ballet Chennai Holdings (DIFC) Pvt Limited	-	10,110.86
Project Ballet HMA Holdings (DIFC) Pvt Limited	-	12,153.33
Issue of Equity Shares on conversion of CCPS (including securities premium)		
BSREP III Joy Two Holdings (DIFC) Limited	-	6,983.18
Project Ballet Gandhinagar Holdings (DIFC) Pvt Limited	-	1,761.33
Project Ballet Udaipur Holdings (DIFC) Pvt Limited	-	4,139.86
BSREP III Tadoba Holdings (DIFC) Pvt Limited	-	27,061.74
Project Ballet Chennai Holdings (DIFC) Pvt Limited	-	10,110.86
Project Ballet HMA Holdings (DIFC) Pvt Limited	-	12,153.33
Investment in joint ventures		
Lago Vue Srinagar Private Limited	-	143.20
Leela BKC Holdings Private Limtied (formerly known as 'Transition Cleantech Services Four Private Limited') (w.e.f. April 18, 2025)	1,875.00	-

	For the year ended March 31, 2026	For the year ended March 31, 2025
Investment in Associate by wholly owned subsidiary		
Argon Holdings (DIFC) Limited	4,456.87	-
Redemption of investment by associate		
Argon Holdings (DIFC) Limited	117.92	-
Issue of bonus equity shares		
Project Ballet Bangalore Holdings (DIFC) Pvt Limited	-	1,407.88
Interest expense on unsecured compulsorily convertible debentures		
Project Ballet Bangalore Holdings (DIFC) Pvt Limited	-	44.77
Project Ballet Udaipur Holdings (DIFC) Pvt Limited	-	5.11
Project Ballet Chennai Holdings (DIFC) Pvt Limited	-	25.10
Project Ballet HMA Holdings (DIFC) Pvt Limited	-	46.13
BSREP III India Ballet I Pte. Ltd.	-	131.44
Interest paid on unsecured compulsorily convertible debentures		
Project Ballet Bangalore Holdings (DIFC) Pvt Limited	-	498.71
Project Ballet Udaipur Holdings (DIFC) Pvt Limited	-	94.58
Project Ballet Chennai Holdings (DIFC) Pvt Limited	-	464.62
Project Ballet HMA Holdings (DIFC) Pvt Limited	-	857.81
BSREP III India Ballet I Pte. Ltd.	-	1,753.26

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on unsecured compulsorily convertible preference shares		
BSREP III Joy Two Holdings (DIFC) Limited	-	40.46
Project Ballet Gandhinagar Holdings (DIFC) Pvt Limited	-	10.21
Project Ballet Udaipur Holdings (DIFC) Pvt Limited	-	23.99
BSREP III Tadoba Holdings (DIFC) Pvt Limited	-	132.70
Project Ballet Chennai Holdings (DIFC) Pvt Limited	-	58.24
Project Ballet HMA Holdings (DIFC) Pvt Limited	-	70.00
Payment of Purchase consideration for business acquisition		
BSREP III India Ballet Holdings (DIFC) Limited	-	1,742.81
BSREP III India Ballet I Pte. Ltd.	-	11,450.92
BSREP III India Ballet Pte. Ltd.	-	*
BSREP III Tadoba Holdings (DIFC) Private Limited	-	0.01
BSREP III Joy Two Holdings (DIFC) Limited	-	6,983.18
Project Ballet Chennai Holdings (DIFC) Private Limited	-	10,110.86
Project Ballet Gandhinagar Holdings (DIFC) Private Limited	-	18.52
Project Ballet HMA Holdings (DIFC) Private Limited	-	12,153.33
Project Ballet Udaipur Holdings (DIFC) Private Limited	-	4,139.86

**amounts are less than rounding off norms.*

	For the year ended March 31, 2026	For the year ended March 31, 2025
Non-executive director fees		
Mr. Deepak Parekh	2.16	0.90
Mr. Mukesh Butani	1.90	1.00
Ms. Apurva Purohit	2.08	1.00
Managerial remuneration*		
Short term employment benefits		
Mr. Anuraag Bhatnagar	65.37	69.29
Mr. Ravi Shankar	33.77	29.23
Mr. Madhav Sehgal	-	6.35

** Also, managerial remuneration excludes provision for gratuity and compensated absences, since these are provided on the basis of an actuarial valuation for the Group as a whole.*

C Outstanding balance

The following balances are outstanding at the end of the reporting period in relation to transactions with related parties:

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables		
Summit Digitel Infrastructure Limited	0.35	0.19
Striton Properties Private Limited (Formely known as Mars Hotels & Resorts Private Limited)	1.37	6.16
Rostrum Realty Private Limited	-	0.06
Cowrks India Private Limited	-	0.12
Elevar Digitel Infrastructure Limited	0.13	0.12
Brookfield Advisors India Private Limited	0.02	0.22
BAM DLR Chennai Private Limited	-	0.05
Crest Digitel Private Limited	0.13	-

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Particulars	As at March 31, 2026	As at March 31, 2025
Trade payables		
Brookprop Property Management Services Private Limited	1.58	0.49
Cowrks India Private Limited	-	0.03
Equinox Business Parks Private Limited	-	8.07
Ms. Ankita Jalori	0.41	-
Capital creditors		
Brookprop Property Management Services Private Limited	1.77	1.35
Capital advances		
IVAAK Creators LLP	56.68	-
Security deposits placed		
Equinox Business Parks Private Limited	-	37.13
Cowrks India Private Limited	0.12	0.11
Security deposits received		
Summit Digitel Infrastructure Limited	0.24	0.24
Security deposits paid		
Mr. Vinod Purohit	120.00	-
Lease liability		
Equinox Business Parks Private Limited	-	222.86
Other receivables		
Leela BKC Holdings Private Limited (formerly known as 'Transition Cleantech Four Services Private Limited')	2.71	-
Equinox Business Parks Private Limited	-	20.58
Lago Vue Srinagar Private Limited	140.09	29.80
Investment in associate		
Argon Holdings (DIFC) Limited	4,443.22	-
Investment in joint ventures		
Lago Vue Srinagar Private Limited	138.65	-
Leela BKC Holdings Private Limited (formerly known as 'Transition Cleantech Four Services Private Limited')	1,877.80	-
Inter corporate deposit given (including interest receivable)		
Lago Vue Srinagar Private Limited	180.13	-

D Corporate Guarantee

During the previous year, the Group had received a corporate guarantee of up to ₹ 3,000 million from BSREP III India Ballet Holdings (DIFC) Limited in respect of the term loan facility availed by the Company and its subsidiaries, namely Schloss Chennai Private Limited, Schloss Udaipur Private Limited, Schloss Chanakya Private Limited, Schloss HMA Private Limited (w.e.f. March 29, 2025) and Leela Agra Resort Limited (formerly known as 'Leela Palaces and Resorts Limited')Leela Palaces and Resorts Limited (w.e.f. March 29, 2025) (joint co-borrowers).

Effective January 31, 2026, the aforesaid corporate guarantee has been released, and accordingly, no such guarantee is outstanding as at the reporting date.

E Names of Related parties where control exists

Project Ballet Bangalore Holdings (DIFC) Private Limited (Company having substantial interest), BSREP III India Ballet Holdings (DIFC) Limited (Intermediate Holding Company) and Brookfield Corporation (Formerly known as Brookfield Asset Management Inc.) (Ultimate controlling party).

F Terms and conditions

All outstanding balances are unsecured and repayable in cash. All transactions were made on normal commercial terms and conditions and at market rates.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

43 INTEREST IN JOINT VENTURES

Pursuant to the Share Subscription Agreement dated April 07, 2025, the Company and one of its subsidiaries subscribed to 5,000 equity shares of Leela BKC Holdings Private Limited (formerly known as "Transition Cleantech Services Four Private Limited") for Rs. 0.05 million, while another shareholder subscribed to 15,000 equity shares for Rs. 0.15 million. Consequently, the Company's shareholding has reduced to 50%, and the entity has ceased to be a wholly owned subsidiary and is now a joint venture of the Group.

During the previous year ended March 31, 2025, the Group has entered into a joint venture to form Lago Vue Srinagar Private Limited as a strategic investment to utilise the Group's knowledge and expertise in developing the hotel in Srinagar, India.

Set out below is joint ventures of the Group as at March 31, 2026 which, in the opinion of the directors, is material to the Group. The entity listed below have share capital consisting solely of equity shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of the entity	Place of business	% of ownership interest	Relationship	Accounting method	Carrying amount*	
					March 31, 2026	March 31, 2025
Lago Vue Srinagar Private Limited	India	50%	Joint Venture	Equity method	138.65	141.31
Leela BKC Holdings Private Limited	India	50%	Joint Venture	Equity method	1,877.80	-
Total Equity Accounting Investments					**2,016.45**	**141.31**

** No quoted fair value available as the joint ventures are unlisted entities.*

(i) Significant judgement: Existence of significant influence

The Group holds 50% of the equity share capital and Board representation in Lago Vue Srinagar Private Limited and Leela BKC Holdings Private Limited (formerly known as "Transition Cleantech Services Four Private Limited") and has accordingly classified these entities as joint ventures, accounted for under the equity method.

(ii) Commitments and contingent liabilities in respect of joint venture

The commitments and contingent liabilities in respect of this joint ventures as at March 31, 2026 are as follows:

Particulars	March 31, 2026	March 31, 2025
Commitments- Joint Venture		
Commitment to provide funding for joint venture's capital commitments, if called	100.00	-
Contingent liabilities - associates		
Share of contingent liabilities incurred jointly with other investors of the associate	-	-
Contingent liabilities relating to liabilities of the associate for which the Group is severally liable	-	-

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Particulars	March 31, 2026	March 31, 2025
Contingent liabilities - joint venture		
Share of joint venture's contingent liabilities in respect of a legal claim lodged against the entity	-	-
Total commitments and contingent liabilities	**100.00**	**-**

(iii) Summarised financial information for joint venture

The tables below provide summarised financial information for the joint venture that is material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant joint venture. They have been amended to reflect adjustments made by the entity when using the equity method.

Summarised balance sheet	March 31, 2026	March 31, 2025
Current assets		
Cash and cash equivalents	17.42	-
Financial assets	592.45	-
Other assets	44.53	1.02
Total current assets	**654.40**	**1.02**
Non current assets		
Capital work-in-progress	115.23	-
Financial assets	311.62	312.20
Investment properties under construction	845.61	-
Right-of-use assets	12,679.76	-
Property plant and equipment	0.85	-
Other assets	345.61	-
Total non-current assets	**14,298.68**	**312.20**

Summarised balance sheet	March 31, 2026	March 31, 2025
Current liabilities		
Financial liabilities	2,181.77	29.80
Other liabilities	4.46	0.80
Total current liabilities	**2,186.23**	**30.60**
Non current liabilities		
Financial liabilities	8,733.96	-
Total non current liabilities	**8,733.96**	**-**
Net assets	**4,032.89**	**282.62**

Reconciliation to carrying amounts

	March 31, 2026	March 31, 2025
Opening net assets	282.62	-
Additions during the year	3,749.95	286.40
Profit/(loss) for the year	0.32	(3.78)
Closing net assets	**4,032.89**	**282.62**
Group's share in %	50%	50%
Group's share in Rs.	2,016.45	141.31
Goodwill	-	-
Carrying amount	**2,016.45**	**141.31**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Summarised statement of profit and loss

	March 31, 2026	March 31, 2025
Revenue	-	-
Interest income	21.15	2.31
Depreciation and amortisation	(0.10)	-
Interest expense	(10.13)	-
Income tax expense	(2.39)	-
Other expense	(8.21)	(6.09)
Profit/(loss) from continuing operations	**0.32**	**(3.78)**
Profit from discontinues operations	-	-
Profit/(loss) for the year	**0.32**	**(3.78)**
Other comprehensive income	-	-
Total other comprehensive income	**0.32**	**(3.78)**
Dividends received	-	-

43 INTEREST IN ASSOCIATE

During the year ended March 31, 2026, the Group acquired 25% stake in Argon Holdings (DIFC) Limited ("Argon"). Argon is the parent company of Boron Holdings (DIFC) Limited ("Boron"), which operates as its wholly owned subsidiary. In November 2025, Boron acquired 100% equity ownership of Sofitel The Palm FZCO ("Sofitel").

Set out below is associate of the Group as at March 31, 2026 which in the opinion of the Directors is material to the Group. The entity listed below have share capital consisting solely of equity shares, along with reedemable preference shares which are held directly by the Group along with other co-investors. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

Name of the entity	Place of business	% of ownership interest	Relationship	Accounting method	Carrying amount*	
					March 31, 2026	March 31, 2025
Argon Holdings (DIFC) Limited	UAE	25%	Associate	Equity method	4,443.22	-
Total Equity Accounting Investments					**4,443.22**	**-**

** The amount is inclusive of investment in redeemable preference shares and equity shares. Further, no quoted fair value available as the associate is an unlisted entity.*

(i) Significant judgement: Existence of significant influence

The Company holds 25% of the shareholding of Argon Holdings (DIFC) Limited and thus the Company has determined it is an associate.

(ii) Commitments and contingent liabilities in respect of associate

Below are the commitments and contingent liabilities in respect of this associate as at March 31, 2026.

	March 31, 2026	March 31, 2025
Commitments- Associate		
Commitment to provide funding for associate's capital commitments, if called	569.73	
Contingent liabilities - associates		
Share of contingent liabilities incurred jointly with other investors of the associate	-	-
Contingent liabilities relating to liabilities of the associate for which the Group is severally liable	-	-

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

	March 31, 2026	March 31, 2025
Contingent liabilities - associates		
Share of associate's contingent liabilities in respect of a legal claim lodged against the entity	-	-
Total commitments and contingent liabilities	**569.73**	**-**

Summarised financial information for joint venture

The tables below provide summarised financial information for the associate that is material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant associate. They have been amended to reflect adjustments made by the entity when using the equity method.

Summarised balance sheet	March 31, 2026	March 31, 2025
Current assets		
Financial assets	2,860.38	-
Other assets	2,883.02	-
Total current assets	**5,743.40**	**-**
Total non-current assets	**48,588.68**	**-**
Current liabilities		
Financial liabilities	34,247.17	-
Other liabilities	224.53	-
Total current liabilities	**34,471.70**	**-**
Non current liabilities		
Financial Liabilities	1,012.26	-
Other Liabilities	884.91	-
Total non current liabilities	**1,897.17**	**-**
Net assets	**17,963.21**	**-**

Reconciliation to carrying amounts

	March 31, 2026	March 31, 2025
Opening net assets	-	-
Addition during the period	18,107.66	-
Profit for the period	128.54	-
Changs in reserve during the period	(463.30)	-
Closing net assets	**17,772.89**	**-**
Group's share in %	25%	-
Group's share in Rs.	4,443.22	-
Goodwill	-	-
Carrying amount	**4,443.22**	**-**

Summarised statement of profit and loss

	March 31, 2026	March 31, 2025
Revenue	3,107.27	-
Other income	26.60	-
Depreciation and amortisation	(438.83)	-
Interest expense	(773.94)	-
Income tax expense	(23.94)	-
Other expense	(1,768.63)	-
Profit/(loss) from continuing operations	**128.54**	**-**
Profit from discontinues operations	-	-
Profit/(loss) for the year	**128.54**	**-**
Other comprehensive income	-	-
Total other comprehensive income	**128.54**	**-**
Dividends received	-	-

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

44 NON-CONTROLLING INTERESTS (NCI)

The following table summarises the information relating to each of the Group's subsidiaries that has material NCI, before any intra-group eliminations.

Particulars	March 31, 2026			March 31, 2025		
	Inside India Resorts Private Limited	Anasvish Tiger Camp Private Limited	Buildminds Real Estate Private Limited	Inside India Resorts Private Limited	Anasvish Tiger Camp Private Limited	Buildminds Real Estate Private Limited
NCI percentage	49%	26%	24%	49%	26%	24%
Non-current assets	731.15	334.23	163.78	606.51	285.59	-
Current assets	44.13	19.08	17.14	0.88	0.18	-
Non-current liabilities	140.00	42.52	6.92	-	-	-
Current liabilities	110.88	20.68	15.96	17.47	3.54	-
Net assets	**524.40**	**290.11**	**158.04**	**589.92**	**282.23**	**-**
Net assets attributable to NCI	**256.95**	**75.43**	**37.93**	**289.06**	**73.38**	**-**
Preference equity held by NCI	**-**	**-**	**120.00**	**-**	**-**	**118.28**
Total NCI	**256.95**	**75.43**	**157.93**	**289.06**	**73.38**	**118.28**
Revenue	-	-	-	-	-	-
Profit/(loss) after tax	(0.95)	(1.54)	(0.62)	(3.08)	(0.69)	(0.03)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	(0.95)	(1.54)	(0.62)	(3.08)	(0.69)	(0.03)
Profit allocated to NCI	(0.46)	(0.40)	(0.15)	(1.50)	(0.18)	(0.01)
OCI allocated to NCI	-	-	-	-	-	-
Cash flows from/(used in) operating activities	1.19	8.81	1.49	104.47	0.43	(1.09)
Cash flows from/(used in) investing activities	(124.79)	(51.65)	(42.52)	7.17	(282.24)	31.20
Cash flows from/(used in) financing activities	155.00	54.81	16.90	(111.18)	281.99	-
Net increase/(decrease) in cash and cash equivalents	31.41	11.97	(24.13)	0.46	0.18	30.11

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

45 BUSINESS COMBINATION

I Business combination under common control

(a) Pursuant to the respective share purchase agreements entered on May 31, 2024, Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited") (the 'acquirer') has obtained control over the following companies (together referred as "acquiree entities") from their respective shareholders for cash consideration mentioned below. Schloss Bangalore Limited has accordingly become the holding company for all the acquiree entities on May 31, 2024.

Name of the Company	Name of the seller	No of equity shares to be acquired***	% of Equity stake acquired	Expected purchase consideration
Schloss Chanakya Private Limited[3]	BSREP III India Ballet I Pte. Limited, BSREP III India Ballet Pte. Limited	111,023,076	100%	11,450.92
Schloss Udaipur Private Limited[2]	Project Ballet Udaipur Holdings (DIFC) Pvt Limited, BSREP III India Ballet Holdings (DIFC) Limited	7,957,142	100%	4,139.86
Schloss Chennai Private Limited[3]	Project Ballet Chennai Holdings (DIFC) Pvt Limited, BSREP III India Ballet Holdings (DIFC) Limited	31,239,130	100%	10,110.86
Schloss HMA Private Limited[4]	Project Ballet HMA Holdings (DIFC) Pvt Limited, BSREP III India Ballet Holdings (DIFC) Limited	36,792,597	100%	12,153.33
Schloss Gandhinagar Private Limited[3]	Project Ballet Gandhinagar Holdings (DIFC) Pvt Limited, BSREP III India Ballet Holdings (DIFC) Limited	10,000	100%	18.52
Leela Agra Resort Limited (formerly known as "Leela Palaces and Resorts Limited")[4]	BSREP III India Ballet Holdings (DIFC) Limited	2,728,130	100%	1,742.81
Schloss Tadoba Private Limited[5]	BSREP III Tadoba Holdings (DIFC) Pvt Limited, BSREP III India Ballet Holdings (DIFC) Limited	1,000	100%	0.01
Moonburg Power Private Limited ("MPPL")[1]**	BSREP III Joy Two Holdings (DIFC) Limited	5,010,000	100%	500.14
Tulsi Palace Resort Private Limited ("TPRPL")[2]	BSREP III Joy Two Holdings (DIFC) Limited	12,575,000	50%	6,483.04
Total purchase consideration*				**46,599.49**

** Under the terms of the respective share purchase agreements, this represents the cash consideration towards the equity share capital and compulsory convertible debentures (wherever applicable) of the acquiree companies.*

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

*** BSREP III Joy Two Holdings (DIFC) Limited had initially acquired the 50% stake in equity capital in TPRPL on April 29, 2021 for which the Company has paid purchase consideration of Rs. 6,482.90 millions to them. Moonburg Power Private Limited which is also under common control, acquired the remaining 50% equity capital in TPRPL on May 27, 2023 for a total consideration of Rs. 4,730.00 millions. With this purchase of 50% equity shares, the TPRPL came under common control as on May 27, 2023. Further, pursuant to the Scheme of Arrangement (the 'Scheme') for merger of MPPL, with TPRPL, the said investment of Rs. 4,730.00 millions has been cancelled against the corresponding proportion of equity share capital of TPRPL.*

**** Includes equivalent number of equity shares on conversion of CCDs in Schloss Chanakya Private Limited, Schloss Udaipur Private Limited, Schloss Chennai Private Limited and Schloss HMA Private Limited.*

(1) It includes 50,00,000 CCDs which are not getting converted into equity shares. Equity shares and CCDs were subsequently transferred to Schloss Chanakya Private Limited on July 20, 2024.

(2) Equity shares of Schloss Udaipur Private Limited were subsequently transferred to Schloss Chanakya Private Limited on July 19, 2024. 7,545,000 equity shares and 5,030,000 equity shares of TPRPL were transferred to Schloss Chanakya Private Limited on July 18, 2024 and July 20, 2024 respectively.

(3) Equity shares were subsequently transferred to Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited") on July 25, 2024.

(4) Equity shares were subsequently transferred to Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited") on July 26, 2024.

(5) Equity shares were subsequently transferred to Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited") on July 30, 2024.

Since, the ultimate controlling entity of above acquiree companies and the Company both before and after the acquisition will be same, these acquisitions amount to a common control business combination in accordance with the provisions laid down in Appendix C of Ind AS 103.

The Company and acquiree entities except TPRPL were under common control before April 1, 2023 which is the earliest period presented in these consolidated financial statements. Hence, the consolidated interim financial statements for the period beginning April 1, 2023 has been restated as if these business combinations had occurred before April 1, 2023.

The financial information in respect of TPRPL has been restated as if business combination of TPRPL occured as on May 27, 2023 (the date when TPRPL and the group came under common control)

The difference between the amounts recorded as cash consideration payable and the amount of the respective share capital and compulsory convertible debentures (wherever applicable) of the acquiree companies has been transferred to common control adjustment deficit account.[refer note 16(b)(v)]

(b) Details of assets and liabilities acquired of the acquiree companies:

Particulars		As at March 31, 2024	As at April 01, 2023
Non-current assets		52,211.46	37,732.15
Current assets		7,564.38	5,245.32
Total assets	**(A)**	**59,775.84**	**42,977.47**
Non-current liabilities		30,944.84	25,326.94
Current liabilities		5,517.33	2,942.30
Total liabilities	**(B)**	**36,462.17**	**28,269.24**
Net assets acquired	**(A-B)**	**23,313.67**	**14,708.23**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

(c) Disclosure of Common control adjustment deficit account:

Particulars		As at March 31, 2025	As at April 01, 2024
Share Capital and compulsory convertible debentures		11,190.08	10,564.43
Fair value adjustments for TPRPL		3,152.92	-
	(A)	**14,343.00**	**10,564.43**
Purchase consideration payable by the group		46,599.49	39,616.41
	(B)	**46,599.49**	**39,616.41**
Common control adjustment deficit account	**(B-A)**	**(32,256.49)**	**(29,051.98)**

II Scheme of merger accounting

The Board of Directors of Tulsi Palace Resorts Private Limited ('Transferee Company'), a subsidiary of the Company, at its meeting held on October 20, 2023 had approved the Scheme of Arrangement (the 'Scheme') for merger of Moonburg Power Private Limited ('Transferor Company'), with the Transferee Company. Both the Transferor Company and Transferee Company are under common control of the Company (refer section I above).

Application seeking approval of the Scheme was subsequently filed with Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench on February 12, 2024. The Scheme has been approved by NCLT, Mumbai Bench by an order dated August 13, 2024, with an Appointed Date of May 27, 2023. The Transferee Company has submitted the INC 28 form with concerned Registrar of Companies ('ROC') in line with the requirements of the Companies Act, 2013 to make the Scheme effective on September 11, 2024. Considering the fact that filing the said order with ROC is routine in nature, the Group has accordingly given effect to the Scheme in these consolidated financial statements for the year ended March 31, 2024 from the Appointed date of May 27, 2023.

Accounting treatment prescribed by the scheme:

a. All the assets, liabilities and reserves (if any) of the Transferor Company shall be transferred to and vested in the Transferee Company pursuant to this Scheme and shall be recorded in the books of accounts the Transferee Company at the carrying value of assets, liabilities and reserves as appearing in the financial statements of the Transferor Company as at the appointed date.

b. The equity shares issued by the Transferee Company to the shareholders of the Transferor Company as prescribed in the Scheme, shall be recorded at face value. As per the Scheme for one fully paid up equity shares having face value of Rs. 10 of the Transferee Company shall be issued and alloted to the shareholders of Transferor Company for every thirty six equity shares having face value of Rs. 10 each held in the Transferor Company.

c. The investment in equity shares of the Transferee Company held by the Transferor Company, shall stand cancelled and shall be adjusted against share capital to the extent of face value of equity shares cancelled.

d. All the inter company balances, appearing in the books of the Transferee Company shall stand cancelled and there shall be no further rights and obligations in that behalf.

e. The difference arising on account of above, being debit, shall be adjusted to retained earnings of the Transferee Company

f. In case there is any difference in the accounting policies adopted by the Transferor Company and the Transferee Company, the accounting policies followed by the Transferee Company will prevail and the difference will be quantified and adjusted in the reserves to ensure that the financial statements of the Transferee Company reflect the financial position on the basis of consistent accounting policy.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

The book value of assets, liabilities and reserves taken over in accordance with the terms of the scheme at the following summarised values:

	Amount
Total assets	4,730.70
Total liabilities	(4,673.70)
Other equity	(56.90)
Total net assets and reserves transferred	0.10
Equity shares issued by the Transferee Company	*
Cancellation of investment in equity shares of the Transferee Company held by the Transferor Company	(4,730.00)
Share capital of the Transferee Company cancelled	125.75
	(4,604.15)

III Asset acquisitions

i) Pursuant to a share purchase agreement dated August 12, 2024, Schloss Chennai Private Limited, a subsidiary of the Company entered into with Brookfield Private Capital (DIFC) Limited (the "Seller") and Aries Holdings (DIFC) Limited ("Aries Holdings"), purchased 100% of the equity share capital of Aries Holdings for a consideration of Rs. * millions with effect from August 21, 2024. Further, the shares of Aries Holdings were transferred from Schloss Chennai Private Limited to the Holding Company during the year ended March 31, 2026.

ii) Pursuant to a share purchase agreement dated August 2, 2024, the Company entered to acquire 100% of the share capital of Leela BKC Holdings Private Limited (formerly known as 'Transition Cleantech Services Four Private Limited') for a consideration of Rs. 0.10 millions with effect from August 2, 2024.

Subsequently, Pursuant to a share subscription agreement dated April 07, 2025, the Company and one of its subsidiary has subscribed 5,000 equity shares of its subsidiary, Leela BKC Holdings Private Limited (formerly known as "Transition Cleantech Services Four Private Limited") for Rs. 0.05 millions and another shareholder subscribed 15,000 equity shares in the said subsidiary for Rs. 0.15 millions consequently reducing the stake of the Company in the said subsidiary to 50%. These shares were allotted to respective subscribers on April 18, 2025.

iii) Pursuant to a share purchase agreement dated August 2, 2024, the Company entered to acquire 100% of the share capital of Transition Cleantech Services Five Private Limited for a consideration of Rs. 0.10 millions with effect from August 2, 2024.

iv) On November 26, 2024, Group acquired controlling stake by acquiring 74% of the equity interest of Anasvish Tiger Camp Private Limited ('ATCPL') ; for a total consideration of Rs. 203.80 millions (the"Purchase consideration").

The Group has identified and recognized the individual identifiable assets acquired and liabilities assumed; and allocated the purchase consideration to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of acquisition.

The allocated value of the identifiable assets and liabilities of ATCPL as at the date of acquisition were:

Particulars	Amount (Rs. in millions)
Total assets (A)	278.88
Total liabilities (B)	3.47
Non-controlling interest (C)	71.61
Total net assets (A)-(B)-(C)	**203.80**

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

v) On November 26, 2024, Group acquired controlling stake by acquiring 51% of the equity interest of Inside India Resorts Private Limited ('IIRPL'); for a total consideration of Rs. 303.17 millions (the"Purchase consideration").

The Group has identified and recognized the individual identifiable assets acquired and liabilities assumed; and allocated the purchase consideration to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of acquisition.

The allocated value of the identifiable assets and liabilities of IIRPL as at the date of acquisition were:

Particulars	Amount (Rs. in million)
Total assets (A)	613.16
Total liabilities (B)	19.42
Non-controlling interest (C)	290.57
Total net assets (A)-(B)-(C)	**303.17**

vi) On February 24, 2025, Group subscribed to 76% of the equity interest of Buildminds Real Estate Private Limited ('BREPL') and 19.98% of preference equity interest; for a total consideration of Rs. 30 millions (the"Purchase consideration").

The Group has identified and recognized the individual identifiable assets acquired and liabilities assumed; and allocated the purchase consideration to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of acquisition.

The allocated value of the identifiable assets and liabilities of BREPL as at the date of acquisition were:

Particulars	Amount (Rs. in million)
Total assets (A)	151.20
Total liabilities (B)	2.94
Non-controlling interest (C)	118.26
Total net assets (A)-(B)-(C)	**30.00**

(vii) The Board of Directors of Leela Luxe Hotels & Resorts Private Limited ("Leela Luxe"), a wholly owned subsidiary of the Group, at its meeting held on March 16, 2026, approved the acquisition of group of identified assets of a luxury resort undertaking in Coorg, Kodagu district, Karnataka (the "Resort"). This Resort is acquired from Pai Vista Hotels Private Limited (the "Sellers"), other specifically identified assets from M/S. Timbertales Hotels & Resorts (the "Sellers"), together with certain additional land parcels that are ancillary to the operations of the resort.

The aforesaid property was acquired by Leela Luxe from its sellers for Rs. 5,591.72 millions excluding stamp duty paid. The said acquisition was funded through an equity infusion by the Holding Company of Rs. 2,312.00 millions and through inter corporate deposits extended by the Holding Company and Schloss HMA Private Limited of Rs. 3,620.00 millions. As consideration for the assets acquired, Leela Luxe has paid Rs. 5,476.72 millions and Rs. 115.00 millions is yet to be paid as at balance sheet date and will be paid upon satisfaction of closing holdback actions agreed with the seller. Leela Luxe has also incurred directly attributable expenses in relation to the asset acquisition hereby resulting in the total transaction price of Rs. 5,798.22 millions. Accordingly, the consideration paid inclusive of transaction cost has been allocated to the acquired assets based on their relative fair values.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

(viii) Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited"), through its wholly owned subsidiary Aries Holdings (DIFC) Limited ("Aries"), along with its associate Argon Holdings (DIFC) Limited ("Argon") and Argon's wholly owned subsidiary Boron Holdings (DIFC) Limited ("Boron"), has acquired Sofitel The Palm FZCO, located on Palm Jumeirah, Dubai. The acquisition was financed by Argon through the issuance of equity shares and redeemable preference shares to its shareholders. Subsequently, Boron received capital from Argon in the form of equity infusion, supplemented by external bank debt, to fund the purchase. The total consideration paid, amounting to USD 512 millions (Rs. 45,309 millions), inclusive of transaction costs, has been allocated to the acquired assets based on their relative fair values in accordance with Ind AS 103.

46 ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III IN RESPECT OF SUBSIDIARIES.

Name of the entity in the group	Net assets		Share in Profit/loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated Profit/Loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated Total Comprehensive Income	Amount
Holding Company								
Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited")								
March 31, 2026	139.90	90,270.56	68.43	2,757.91	1.12	3.69	63.33	2,761.60
March 31, 2025	175.94	63,427.73	71.83	342.33	14.00	2.25	69.94	344.58
Subsidiaries (Group's Share)								
Schloss Udaipur Private Limited								
March 31, 2026	2.81	1,814.34	2.98	120.29	(0.12)	(0.40)	2.75	119.89
March 31, 2025	4.70	1,694.45	25.44	121.22	(2.22)	(0.36)	24.53	120.86
Schloss HMA Private Limited								
March 31, 2026	4.27	2,753.17	22.19	894.31	2.09	6.89	20.67	901.20
March 31, 2025	5.14	1,851.95	74.87	356.81	60.16	9.69	74.39	366.50
Tulsi Palace Resort Private Limited								
March 31, 2026	0.10	62.20	1.90	76.75	0.14	0.46	1.77	77.21
March 31, 2025	(0.04)	(14.98)	(50.86)	(242.40)	4.62	0.74	(49.05)	(241.66)

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Name of the entity in the group	Net assets		Share in Profit/loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated Profit/Loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated Total Comprehensive Income	Amount
Schloss Chennai Private Limited								
March 31, 2026	7.63	4,921.64	7.02	282.91	1.08	3.56	6.57	286.47
March 31, 2025	12.86	4,635.07	(7.25)	(34.56)	31.45	5.06	(5.99)	(29.49)
Schloss Tadoba Private Limited								
March 31, 2026	(0.00)	(2.30)	(0.02)	(1.00)	-	-	(0.02)	(1.00)
March 31, 2025	(0.00)	(1.30)	(0.15)	(0.71)	-	-	(0.14)	(0.71)
Leela Agra Resort Limited (formerly known as 'Leela Palaces and Resorts Limited')								
March 31, 2026	0.77	493.85	(0.92)	(36.92)	-	-	(0.85)	(36.92)
March 31, 2025	(0.00)	(9.61)	(0.00)	(11.51)	-	-	(0.00)	(9.61)
Schloss Chanakya Private Limited								
March 31, 2026	32.55	21,001.49	8.73	351.70	1.04	3.44	8.14	355.14
March 31, 2025	45.59	16,433.66	(44.81)	(213.55)	(11.81)	(1.90)	(43.73)	(215.45)
Schloss Gandhinagar Private Limited								
March 31, 2026	(0.03)	(19.39)	(0.20)	(8.15)	0.83	2.73	(0.12)	(5.42)
March 31, 2025	(0.04)	(13.94)	(1.23)	(5.84)	3.76	0.62	(1.06)	(5.23)
Aries Holdings (DIFC) Limited								
March 31, 2026	6.36	4,104.68	(0.75)	(30.37)	84.04	277.63	5.67	247.26
March 31, 2025	(0.01)	(1.97)	(0.49)	(2.32)	-	-	(0.47)	(2.32)

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Name of the entity in the group	Net assets		Share in Profit/loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated Profit/Loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated Total Comprehensive Income	Amount
Leela BKC Holdings Private Limited (formerly known as "Transition Cleantech Services Four Private Limited") (equity accounted investee)								
March 31, 2026	-	-	(1.39)	(56.01)	-	-	(1.28)	(56.01)
March 31, 2025	(0.00)	(0.28)	(0.08)	(0.38)	-	-	(0.08)	(0.38)
Transition Cleantech Services Five Private Limited								
March 31, 2026	(0.00)	(1.35)	(0.03)	(1.02)	-	-	(0.02)	(1.02)
March 31, 2025	(0.00)	(0.28)	(0.08)	(0.38)	-	-	(0.08)	(0.38)
Inside India Resorts Private Limited								
March 31, 2026	0.85	547.15	(0.02)	(0.95)	-	-	(0.02)	(0.95)
March 31, 2025	1.48	533.10	(0.33)	(1.57)	-	-	(0.32)	(1.57)
Anasvish Tiger Camp Private Limited								
March 31, 2026	0.45	290.10	(0.04)	(1.54)	-	-	(0.04)	(1.54)
March 31, 2025	0.77	279.14	(0.11)	(0.51)	-	-	(0.10)	(0.51)
Buildminds Real Estate Private Limited								
March 31, 2026	0.24	158.04	(0.02)	(0.61)	-	-	(0.01)	(0.61)
March 31, 2025	0.40	143.97	(0.00)	(0.02)	-	-	(0.00)	(0.02)
Lago Vue Srinagar Private Limited (equity accounted investee)								
March 31, 2026	-	-	(0.07)	(2.66)	-	-	(0.06)	(2.66)
March 31, 2025	-	-	(0.40)	(1.89)	-	-	(0.38)	(1.89)

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

Name of the entity in the group	Net assets		Share in Profit/loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Amount	As % of consolidated Profit/Loss	Amount	As % of consolidated Other Comprehensive Income	Amount	As % of consolidated Total Comprehensive Income	Amount
Leela Nirvana Resorts Private Limited								
March 31, 2026	0.00	0.43	(0.00)	(0.08)	-	-	(0.00)	(0.08)
Leela Opulence Hotels Private Limited								
March 31, 2026	0.00	0.43	(0.00)	(0.08)	-	-	(0.00)	(0.08)
Leela Luxe Hotels & Resorts Private Limited								
March 31, 2026	3.47	2,236.24	(1.89)	(76.26)	-	-	(1.75)	(76.26)
Leela Essence Hospitality Private Limited								
March 31, 2026	0.00	0.43	(0.00)	(0.08)	-	-	(0.00)	(0.08)
Leela Imperial Suites Private Limited								
March 31, 2026	0.00	0.43	(0.00)	(0.07)	-	-	(0.00)	(0.07)
Argon Holdings DIFC Limited (equity accounted investee)								
March 31, 2026	-	-	0.80	32.14			0.80	32.14
Non-controlling interest								
March 31, 2026	0.76	490.31	(0.03)	(1.01)	-	-	(0.02)	(1.01)
March 31, 2025	1.33	480.72	-	(1.69)	-	-	(0.04)	(1.69)
Consolidation Adjustments / Eliminations								
March 31, 2026	(100.11)	(64,596.31)	(6.67)	(268.89)	9.79	32.36	(5.42)	(236.53)
March 31, 2025	(151.61)	(53,927.96)	37.31	177.80	-	-	36.09	177.82
Total								
March 31, 2026	100.00	64,526.15	100.00	4,030.33	100.00	330.36	100.00	4,360.69
March 31, 2025	100.00	36,049.88	100.00	476.58	100.00	16.10	100.00	492.68

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

47 OTHER STATUTORY INFORMATION

(i) The Group neither have any Benami property, nor any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Group does not have any transactions with companies struck off u/s 243 of the Companies Act, 2013 or u/s 560 of Companies Act, 2013.

(iii) The Group does not have any charges or satisfaction which is yet to be registered with Registrar Of Companies (ROC) beyond the statutory period.

(iv) The Group has not traded or invested in Crypto currency or Virtual Currency during the financial year.

(v) The Group has not advanced or loaned or invested funds in any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries except as stated below:

Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited"):

Nature of funds	Investing entity	Investee entity	Amount in Rupees in millions
Investment in compulsorily convertible preference shares ("CCPS")	Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited")	Schloss Chanakya Private Limited	4,700.00
Investment in Redeemable Preference Shares (RPS)	Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited")	Aries Holdings (DIFC) Limited	4,202.37

Nature of funds	Issuing entity	Receiving entity	Amount in Rupees in Millions
Inter coporate deposits	Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited")	Schloss Chanakya Private Limited	164.95
Inter coporate deposits	Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited")	Leela Agra Resort Limited (formerly known as Leela Palaces and Resorts Limited)	170.00

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

(vi) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) except as stated below with the understanding (whether recorded in writing or otherwise) that the Group shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries except as stated below:

Schloss Chanakya Private Limited:

Nature of funds	Inter-corporate deposit received from	Inter-corporate deposit advanced to	Amount in Rupees in Millions
Inter coporate deposits	Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited")	Tulsi Palace Resort Private Limited	4,700.00
Inter coporate deposits	Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited")	Schloss Udaipur Private Limited	164.95

Leela Agra Resort Limited (formerly known as “Leela Palaces and Resorts Limited”):

Nature of funds	Inter-corporate deposit received from	Inter-corporate deposit advanced to	Amount in Rupees in Millions
Inter coporate deposits	Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited")	Lago Vue Srinagar Private Limited	170.00

Aries Holdings (DIFC) Limited:

Nature of funds	Investing entity	Investee entity	Amount in Rupees in Millions
Investment in RPS and equity shares	Aries Holdings (DIFC) Limited	Argon Holdings (DIFC) Limited	4,202.37

(vii) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

(viii) There are no immovable properties whose title deeds are not held in the name of the Group other than those disclosed in Note 3(v).

(ix) The Group has investment property as disclosed in fair value and accordingly its fair valuation is at year end is disclosed in note 6.

(x) No revaluation of Property, Plant & Equipment (Including ROU) & Intangible assets has been carried out during the year.

(xi) The Group has not granted loans or advances in the nature of loans to promoters, directors, KMPs and the related parties, either severally or jointly with any other person, that are:

(a) repayable on demand; or

(b) without specifying any terms or period of repayment.

(xii) The Group is not declared willful defaulter by any bank or financial institution as defined under Companies act, 2013 or consortium thereof or other lender in accordance with the guidelines on the willful defaulters issued by the RBI.

(xiii) The Group has complied with number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (restriction on number of layers) Rules, 2017.

48 During the year ended March 31, 2026, the Company has completed its Initial Public Offer ("IPO") of 80,459,769 equity shares of face value of Rs. 10/- each comprising of (i) fresh issue of 57,471,264 equity shares at an issue price of Rs. 435 per equity share; (ii) an offer for sale of 22,988,505 equity shares at an issue price of Rs. 435 per equity share. The equity shares of the Company were listed on BSE Limited and National Stock Exchange of India Limited on June 02, 2025.

Details of utilisation of proceeds from fresh issue are as follows as on March 31, 2026:

Particulars	**Cost (as per offer document)**
Gross Proceeds from the issue	25,000.00
Less: Issue related expenses (proportionate to Company's share)*	(1,355.98)
Net proceeds	**23,644.02**
Amount utilised for repayment of borrowings	23,000.00
Amount utilised for general corporate purposes	644.02
Balance proceeds	**-**

** Issue related expenses (net of tax) amounting to Rs. 918.80 millions have been adjusted against securities premium as per Section 52 of the Companies Act, 2013.*

Notes to Consolidated Financial Statements (Contd.)

for the year ended March 31, 2026

(All amounts are in Rupees in millions except otherwise stated)

49 EXCEPTIONAL ITEMS

On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Group has restructured the compensation of its employees, and assessed the impact of the changes, consistent with the Labour codes, FAQs and and disclosed the incremental impact of these changes on the best information available and consistent with the guidance provided by the Institute of Chartered Accountants of India.

Considering the regulatory-driven and non-recurring nature of this impact, the Group has presented such incremental impact under Exceptional Items amounting to Rs. 64.00 millions in the consolidated financial statements for the year ended March 31, 2026. The Group continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

50 SUBSEQUENT EVENTS

The Holding Company has further subscribed to non-convertible debentures amounting to Rs. 1,200.00 millions in Leela BKC Holdings Private Limited, a joint venture of the Group on April 07, 2026.

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
Leela Palaces Hotels & Resorts Limited (formerly known as 'Schloss Bangalore Limited')
(formerly known as 'Schloss Bangalore Private Limited')
CIN: L55209DL2019PLC347492

Tarun Kinger	**Anuraag Bhatnagar**	**Ashank Kothari**	**Ravi Shankar**	**Jyoti Maheshwari**
Partner	Whole-time Director	Director	Chief Financial Officer	Company Secretary
Membership Number: 105003	DIN: 07967035	DIN: 08565174		Membership No.: ACS24469
Place: Mumbai	Place: Mumbai	Place: Mumbai	Place: Mumbai	Place: Mumbai
Date: April 28, 2026	Date: April 28, 2026	Date: April 28, 2026	Date: April 28, 2026	Date: April 28, 2026

it's an SGA adsvita creation | adsvita.com



THE LEELA

PALACES HOTELS RESORTS

Registered Office Address: The Leela Palace, Diplomatic Enclave, Africa Avenue, Netaji Nagar, South Delhi, New Delhi, Delhi, 110 023, India.

Tel: +91 22 6901 5454 | **Email:** cs@theleela.com

CIN Number: L55209DL2019PLC347492

GST Number: 29ABBCS7760A1ZC

Corporate Office Address: Tower 4, Third Floor, Equinox Business Park, Kurla West, Mumbai 400 070, Maharashtra, India.
Tel: +91 22 6901 5454 | **Email:** cs@theleela.com