

Independent Auditor's Report

To the Members of 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 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"), and its joint venture, which comprise the consolidated balance sheet as at 31 March 2025, 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, 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 joint venture as at 31 March 2025, 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 joint venture 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.

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 joint venture 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 joint venture 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 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

Registered Office.

Independent Auditor's Report (Continued)

Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited")

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 joint venture 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 joint venture 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 joint venture to cease to continue as a going concern.
- 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

Independent Auditor's Report (Continued)

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business activities within the Group and its joint venture 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.

Other Matter

- a. We did not audit the financial statements of six subsidiaries, whose financial statements reflects total assets (before consolidation adjustments) of Rs. 1,044.20 million as at 31 March 2025, total revenues (before consolidation adjustments) of Rs. Nil and net cash flows (before consolidation adjustments) amounting to Rs. 31.20 million for the year ended on that date, as considered in the consolidated financial statements. 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 our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

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.

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.
- 2 A. 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 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 reports of the other auditors, except:
 - (i) for the matters stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
 - (ii) in case of four subsidiaries, during the year new accounting software implemented for purchases,

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payables and inventory management which form part of the 'books of account and other relevant books and papers in electronic mode'. The back-up of aforementioned accounting software has not been maintained on the servers physically located in India.

- 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 dated between 03 April 2025 to 16 April 2025 and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies and joint venture company incorporated in India is disqualified as on 31 March 2025 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 2(A)(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(B)(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 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 and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries, as noted in the "Other Matters" paragraph:
- a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2025 on the consolidated financial position of the Group and its joint venture. Refer Note 36 to the consolidated financial statements.
 - b. The Group and its joint venture did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2025.
 - 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 company incorporated in India during the year ended 31 March 2025.
 - d (i) The respective management of the Holding Company and its subsidiary companies and joint venture company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies and joint venture company respectively that, to the best of their knowledge and belief, as disclosed in the Note 45(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 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 Holding Company or any of such subsidiary companies and joint venture company ("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 company incorporated in India whose financial statements have been audited under the

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Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited")

Act have represented to us and the other auditors of such subsidiary companies and joint venture company respectively that, to the best of their knowledge and belief, as disclosed in the Note 45(vi) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies and joint venture company 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 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 performed by us and that performed by the auditors of the subsidiary companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or the other auditors 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 company 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 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 a joint venture company 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, in the absence of reporting on compliance with the audit trail requirements in the independent auditor's report of a service organisation for an accounting software used for maintaining purchases, payables and inventory management, which is operated by a third party software service provider, we are unable to comment whether audit trail feature for the said software was enabled at database level and operated throughout the year for all the relevant transactions recorded in the software.

(ii) In case of five 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 maintaining purchases, payables and inventory management upto 30 May 2024.

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, except for the accounting software where the audit trail was not enabled and operated in the previous year, the audit trail has been preserved as per the statutory requirements for record retention.

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 incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding company and its subsidiaries and joint venture to its directors is in accordance with the provisions of Section 197 of the Act. The excess remuneration paid to the directors of the Holding company and five subsidiaries is in accordance with the requisite approvals as mandated by the provision of Section 197 of the Act read with schedule V to the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act

B S R & Co. LLP

Independent Auditor's Report (Continued)

Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited")

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

Place: Mumbai

Date: 06 May 2025

Membership No.: 105003

ICAI UDIN: 25105003BMMAPJ1828

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited") for the year ended 31 March 2025

(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 its 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/	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited")	U55209DL2019 PLC347492	Holding Company	(i)(c)
2	Leela Palaces and Resorts Limited	U70101DL2005 PLC134480	Subsidiary Company	(i)(c)
3	Leela Palaces and Resorts Limited	U70101DL2005 PLC134480	Subsidiary Company	(ix)(d)

For B S R & Co. LLP

Chartered Accountants

Firm's Registration No.:101248W/W-100022


Tarun Kinger
Partner

Membership No.: 105003

ICAI UDIN:25105003BMMAPJ1828

Place: Mumbai

Date: 06 May 2025

B S R & Co. LLP

**Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited") for the year ended 31 March 2025
(Continued)**

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited") for the year ended 31 March 2025

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 under 'Report on Other Legal and Regulatory Requirements' section of our2(A)(g) report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of 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 2025, 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 a joint venture, 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, as were audited by the other auditors the Holding Company and such companies incorporated in India which are its subsidiary companies and joint venture company, 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 2025, 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.

Annexure B to the Independent Auditor's Report on the consolidated financial statements of Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited") for the year ended 31 March 2025 (Continued)

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

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 Matter

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, 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.:101248WW-100022


Tarun Kinger
Partner

Membership No.: 105003

ICAI UDIN:25105003BMMAPJ1828

Place: Mumbai

Date: 06 May 2025

Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited")
Consolidated financial statements
(All amounts are in Rupees millions except as otherwise stated)

Consolidated Balance Sheet

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3	53,352.49	52,572.81
Right-of-use assets	4	2,604.88	2,509.40
Capital work-in-progress	3	1,309.36	392.32
Investment properties	6	1,683.70	1,688.93
Investment properties under construction	6	296.11	-
Goodwill	5	4,670.56	4,670.56
Other intangible assets	5	445.39	676.31
Investments accounted for using equity method	41 (a)	141.31	-
Financial assets			
- Investments	7	0.19	0.19
- Other financial assets	8	11,063.22	1,132.15
Non-current tax assets (net)	9	294.03	284.49
Other non-current assets	10	1,388.19	1,360.08
Total non-current assets		77,249.43	65,287.24
Current assets			
Inventories	11	271.71	310.04
Financial assets			
- Trade receivables	12	887.02	729.05
- Cash and cash equivalents	13	1,300.07	709.75
- Bank balances other than cash and cash equivalents	14	1,579.84	3,039.70
- Other financial assets	8	245.17	15.20
Current tax assets (net)	9	61.58	49.67
Other current assets	10	1,066.81	478.15
Total current assets		5,412.20	5,331.56
TOTAL ASSETS		82,661.63	70,618.80
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	2,764.87	201.70
Other equity			
- Equity component of compound financial instruments	16 (a)	-	603.09
- Reserves and surplus	16 (b)	32,804.29	(29,062.02)
Equity attributable to owners of the company		35,569.16	(28,257.23)
Non-controlling interest		480.72	-
Total equity		36,049.88	(28,257.23)
Liabilities			
Non-current liabilities			
Financial liabilities			
- Borrowings	17	35,857.42	39,035.02
- Lease liabilities	4	2,270.20	2,056.17
- Other financial liabilities	19	71.81	62.47
Other non-current liabilities	20	11.54	10.38
Deferred tax liabilities (net)	22	3,031.80	2,578.85
Provisions	21	113.67	95.29
Total non-current liabilities		41,356.44	43,838.18
Current liabilities			
Financial liabilities			
- Borrowings	17	3,230.04	3,386.79
- Lease liabilities	4	57.57	52.84
- Trade payables	18		
(a) Total outstanding dues of micro and small enterprises		47.85	60.93
(b) Total outstanding dues other than (a) above		558.65	538.43
- Other financial liabilities	19	411.63	3,411.95
Other current liabilities	20	930.38	47,560.12
Provisions	21	19.19	26.79
Total current liabilities		5,255.31	55,037.85
Total liabilities		46,611.75	98,876.03
TOTAL EQUITY AND LIABILITIES		82,661.63	70,618.80
Material accounting policies	2		

The accompanying notes are an integral part of the consolidated financial statements.

In terms of 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

**For and on behalf of the board of directors of
Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited")**
CIN: U55209DL2019PLC347492

Anuraag Bhatnagar
Executive Director
DIN: 07967035

Ashank Kothari
Director
DIN: 08565174

Ravi Shankar
Chief Financial Officer

Dyoti Maheshwari
Company Secretary
Membership Number:
ACS24469

Place: Mumbai
Date : May 06, 2025

Place: Mumbai
Date : May 06, 2025

Place: Mumbai
Date : May 06, 2025

Place: Mumbai
Date : May 06, 2025

Place: Mumbai
Date : May 06, 2025



Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited")
Consolidated statement of profit and loss for the year ended March 31, 2025
(All amounts are in Rupees millions except as otherwise stated)

Consolidated Statement of Profit and Loss

Particulars	Notes	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from operations	23	13,005.73	11,714.53
Other income	24	1,059.83	550.47
Total income		14,065.56	12,265.00
Expenses			
Cost of food and beverages consumed	25	947.46	849.80
Employee benefits expense	26	2,732.42	2,342.86
Finance costs	27	4,581.67	4,326.21
Depreciation and amortisation expenses	28	1,399.29	1,479.76
Other expenses	29	3,382.11	3,072.08
Total expenses		13,042.95	12,070.71
Profit before share of net loss of investments accounted for using equity method and tax		1,022.61	194.29
Share of net loss of joint venture accounted for using equity method	41 (a)	(1.89)	-
Profit before tax		1,020.72	194.29
Income tax expense			
-Current tax	31	93.79	194.19
-Deferred tax	31	450.35	21.37
Total tax expense		544.14	215.56
Profit/(Loss) for the year		476.58	(21.27)
Other comprehensive Income			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurements of defined benefit plans	32	18.71	(20.76)
Income tax relating to these items	31	(2.61)	1.40
Other comprehensive income/(loss) for the year, net of tax		16.10	(19.36)
Total comprehensive income/(loss) for the year		492.68	(40.63)
Profit/(Loss) for the year attributable to:			
Owners of the company		478.27	(21.27)
Non-controlling interests		(1.69)	-
		476.58	(21.27)
Other comprehensive income/(loss) for the year, net of tax			
Owners of the company		16.10	(19.36)
Non-controlling interests		-	-
		16.10	(19.36)
Total comprehensive income/(loss) for the year attributable to:			
Owners of the company		494.35	(40.63)
Non-controlling interests		(1.69)	-
		492.68	(40.63)
Earnings per share attributable to owners:	40		
Basic earnings per share (in Rs.)		1.97	(0.12)
Diluted earnings per share (in Rs.)		1.97	(0.12)
Material accounting policies	2		

The accompanying notes are an integral part of the consolidated financial statements.

In terms of our report of even date attached.
For BSR & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

Tarun Kunder
Partner
Membership Number : 105003

Place: Mumbai
Date : May 06, 2025

**For and on behalf of the board of directors of
Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited")**
CIN: U55209DL2019PLC347492

Anurag Bhatnagar
Executive Director
DIN: 07967035

Place: Mumbai
Date : May 06, 2025

Ashank Kothari
Director
DIN: 08565174

Place: Mumbai
Date : May 06, 2025

Ravi Shankar
Chief Financial Officer

Place: Mumbai
Date : May 06, 2025

Jyoti Maheshwari
Company Secretary
Membership Number:
ACS24469

Place: Mumbai
Date : May 06, 2025



Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited")
Consolidated statement of cash flows for the year ended March 31, 2025
(All amounts are in Rupees millions except as otherwise stated)

Consolidated Cash Flow Statement

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Cash flows from operating activities		
Profit before tax for the year	1,020.72	194.29
Adjustments for:		
Depreciation and amortisation expenses	1,399.29	1,479.76
Finance costs	4,581.67	4,326.21
Net impairment (reversal)/losses on financial assets	(195.25)	45.41
Share of net loss of joint venture accounted for using equity method	1.89	-
Net loss on disposal of property, plant and equipment	4.42	16.26
Net foreign exchange differences	(0.34)	(1.14)
Gain on cancellation of leases	(4.93)	(8.58)
Interest income on income tax refund	(14.07)	(8.15)
Liabilities no longer required written back	(40.52)	-
Interest income	(558.40)	(205.09)
Operating cash flows before working capital changes	6,194.48	5,838.97
Working capital movements:		
Decrease/(Increase) in inventories	38.33	(35.22)
Decrease/(Increase) in trade receivables	36.60	(90.75)
(Increase) in other financial assets	(182.05)	(36.75)
(Increase) in other current assets	(547.78)	(47.27)
Increase in trade payables	83.22	35.19
(Decrease) in other current liabilities	(38.81)	(20.31)
Increase in other financial liabilities	20.38	3.60
Increase in provisions	29.48	33.57
Cash generated from operations	5,633.85	5,681.03
Income taxes (paid), net	(105.06)	(293.19)
Net cash flows generated from operating activities (A)	5,528.79	5,387.84
Cash flows from investing activities		
Payments for purchase of property, plant and equipments	(2,077.01)	(1,208.82)
Payments for purchase of intangibles	(0.05)	(0.55)
Acquisition of joint venture	(143.20)	-
Proceeds from sale of property, plant and equipment	1.53	10.69
Payments towards investment properties under construction	(296.11)	-
Bank deposits placed	(41,593.40)	(3,768.08)
Bank deposits matured	33,255.55	1,213.46
Interest received	448.92	139.03
Payment for acquisition of subsidiaries, net of cash acquired	(46,893.55)	(4,245.83)
Net cash flows (used in) investing activities (B)	(57,297.32)	(7,860.10)
Cash flows from financing activities		
Proceeds from borrowings including non-convertible bonds and compulsorily convertible debentures	1,343.20	6,156.58
Proceeds from compulsorily convertible preference shares, net	62,210.74	-
Repayments of borrowings	(3,176.04)	(1,125.61)
Proceeds from issue of equity shares to non-controlling interest by a subsidiary	73.46	-
Interest paid on CCD Conversion	(3,726.91)	-
Principal elements of lease payment	(58.19)	(28.37)
Finance costs paid towards lease liabilities	(140.94)	(129.23)
Finance costs paid other than on lease liabilities	(4,166.47)	(3,403.43)
Net cash flows generated from financing activities (C)	52,358.85	1,469.94
Net increase/(decrease) in cash and cash equivalents (A+B+C)	590.32	(1,002.32)
Cash and cash equivalents as at beginning of the year	709.75	1,712.07
Cash and cash equivalents at the end of the year (refer note 13)	1,300.07	709.75
Reconciliation of cash and cash equivalents as per the statement of cash flow:		
Cash and cash equivalents comprise of the following:		
Cash on hand	6.33	4.21
Balance with banks		
-in current account	647.82	473.27
-in fixed deposit account with original maturity of less than 3 months	645.92	232.27
Total cash and cash equivalents as at year end	1,300.07	709.75

Material accounting policies

The accompanying notes are an integral part of the special purpose 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 : May 06, 2025

**For and on behalf of the board of directors of
Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited")**
CIN: U55209DL2019PLC347492


Anuraag Bhatnagar
Executive Director
DIN: 07967035
Place: Mumbai
Date : May 06, 2025


Ashank Kothari
Director
DIN: 08565174
Place: Mumbai
Date : May 06, 2025


Raj Shankar
Chief Financial Officer
Place: Mumbai
Date : May 06, 2025


Jyoti Maheshwari
Company Secretary
Membership Number: ACS24469
Place: Mumbai
Date : May 06, 2025



Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited")
Consolidated statement of changes in equity for the year ended March 31, 2025
 (All amounts are in Rupees millions except as otherwise stated)

Consolidated Statement of Changes in Equity

A. Equity share capital	Particulars	Amount
Balance as at April 1, 2023		201.70
Changes in equity share capital		-
Balance as at March 31, 2024		201.70
Balance as at April 1, 2024		201.70
Changes in equity share capital		2,563.17
Balance as at March 31, 2025		2,764.87

B. Other equity

Particulars	Equity component of compound financial instruments	Reserves and surplus				Common control adjustment deficit account	Equity attributable to owners of the Company	Non Controlling interest	Total equity
		Securities premium	Retained earnings	Retained earnings - fair value as deemed cost	Other Equity				
Balance as at April 1, 2023	506.71	10,027.25	(11,115.99)	6,957.11	(2,644.43)	(29,051.98)	(25,321.33)	(25,321.33)	
Loss for the period	-	-	(21.27)	-	-	-	(21.27)	(21.27)	
Other comprehensive loss for the period, net of tax	-	-	(19.36)	-	-	-	(19.36)	(19.36)	
Total	-	-	(40.63)	-	-	-	(40.63)	(40.63)	
Gain on account of modification in terms of compound financial instruments (refer note 17 (1)(F))	96.38	-	-	-	-	-	96.38	96.38	
Addition on account of business combination*	603.09	-	(5,780.80)	5,791.96	(2,644.43)	(3,204.51)	(3,193.35)	(3,193.35)	
Balance as at March 31, 2024	-	10,027.25	(16,937.42)	12,749.07	(2,644.43)	(32,256.49)	(28,458.93)	(28,458.93)	
Non-controlling interests on acquisition of subsidiaries	-	-	-	-	-	-	-	-	
Profit/(Loss) for the period	-	-	478.27	-	-	-	478.27	482.41	
Other comprehensive income for the period, net of tax	-	-	16.10	-	-	-	16.10	(1.69)	
Total	-	-	494.37	-	-	-	494.37	(1.69)	
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	(16,443.06)	12,749.07	(2,422.37)	(32,256.49)	32,804.29	480.72	

* Retained earnings of Rs.(1,176.65) millions and retained earnings - fair value as deemed cost of Rs. 5,791.96 millions are transferred from Tulusi Palace Resort Private Limited under business combination (Refer Note 43). Further, retained earnings of Rs. (4,604.15) millions has been recorded pursuant to scheme of merger of Moonburg Power Private Limited ("Transferor Company"), with Tulusi Palace Resorts Private Limited ("Transferee Company").
 The accompanying notes are 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 : May 06, 2025

For and on behalf of the board of directors of
Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited")
 CIN: U55209DL2019PLC347492


Anurag Bhatnagar
 Executive Director
 DIN: 07967085

Place: Mumbai
 Date : May 06, 2025


Ravi Shankar
 Chief Financial Officer

Place: Mumbai
 Date : May 06, 2025


Jyoti Maheshwari
 Company Secretary
 Membership Number: ACS24469

Place: Mumbai
 Date : May 06, 2025



Schloss Bangalore Limited (Formerly known as Schloss Bangalore Private Limited)
Notes to consolidated financial statements

(All amounts are in Rupees millions except as otherwise stated)

1 Group information

Schloss Bangalore Limited ("the Company") an Indian subsidiary of Project Ballet Bangalore Holdings (DIFC) Pvt 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 along with its subsidiary companies (collectively referred as "Group") and its joint venture are in the hospitality industry and operate hotels under the brand name of "THE LEELA".

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 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
- Moonburg Power Private Limited (MPPL)	100%	India	Hospitality consultancy services

Further, during the year ended March 31, 2025, the Company has acquired 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%	Dubai	Investment company
- Leela BKC Holdings Private Limited (formerly known as Transition Cleantech Services Four Private Limited (TCS4))	100%	India	Hospitality consultancy services
- Transition Cleantech Services Five Private Limited (TCS5)	100%	India	Hospitality consultancy services
- Inside India Resorts Private Limited	51%	India	Hospitality
- Anasvish Tiger Camp Private Limited	74%	India	Hospitality
- Bulldiminds Real estate Private Limited	76%	India	Hospitality

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.

- Lago Vue Srinagar Private Limited (Joint Venture)	50%	India	Hospitality
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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 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 venture, comprise the consolidated balance sheet as at March 31, 2025, 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, 2025 have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Act as amended 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 preceding period (i.e. year ended March 31, 2024) is presented in these Consolidated Financial Statements.

These consolidated Financial statements have been prepared by the Group and its joint venture 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 43 for details) and is preparing consolidated financial statements for the year ended March 31, 2025 with comparative consolidated financial statements for the year ended March 31, 2024.

The consolidated Financial Statements of the Group and its joint venture for the year ended March 31, 2025 were approved for issue in accordance with the resolution of the Board of Directors of the Holding Company on May 06, 2025.



Schloss Bangalore Limited (Formerly known as Schloss Bangalore Private Limited)
Notes to consolidated financial statements

(All amounts are in Rupees millions except as otherwise stated)

Principle of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries. 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.

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 Venture

The Group's interests in equity-accounted investees comprise interests in a joint venture.

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.

Interests in the joint venture are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, until the date on which significant influence or joint control ceases.

Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

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, the accompanying disclosures and 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 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.

- 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. 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 31 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 31 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 32 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 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 33 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.

- 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 36 for further details.



Schloss Bangalore Limited (Formerly known as Schloss Bangalore Private Limited)

Notes to consolidated financial statements

(All amounts are in Rupees millions except as otherwise stated)

2.3 Going Concern

The Group and its joint venture has earned a profit of Rs. 476.58 millions and incurred a loss of Rs. 21.27 millions for the year ended March 31, 2025 and March 31, 2024 respectively. The Group has accumulated losses of Rs. 16,443.05 millions and Rs. 16,937.42 millions for the year ended March 31, 2025 and March 31, 2024 respectively. The Group has net worth of Rs. 36,049.88 millions and negative net worth of Rs. 28,257.23 millions at March 31, 2025 and March 31, 2024 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 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. Further, the Group has also received a letter of financial support from BSREP III India Ballet Holdings (DIFC) Limited to help enable the Group to meet all its contractual obligations and liabilities as and when they fall due in near future and 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:

- it is expected to be realised in, or is intended for sale or consumption in the entity's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within twelve months after the balance sheet date; or
- it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the balance sheet date.

Current assets include the current portion of non-current assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the entity's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within twelve months after the balance sheet date; or
- 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 and its joint venture 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.

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 compulsorily 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.



Schloss Bangalore Limited (Formerly known as Schloss Bangalore Private Limited)

Notes to consolidated financial statements

(All amounts are in Rupees millions except as otherwise stated)

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.

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.

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 Statements 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. Revenue is recognised by applying as invoiced practical expedient.

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.

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.

Contract Balances:

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 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.

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.

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.

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.



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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.

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) 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 and Goodwill. 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 at least 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 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.



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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.

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.

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. 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. 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.



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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 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 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 compulsorily 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 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 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.

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.

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

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.



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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.

Disclosure of lease liabilities and right of use assets in balance sheet

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.

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.

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 39 for segment information presented.



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4 Leases**(i) The balance sheet shows the following amounts relating to leases:**

Particulars	As at March 31, 2025	As at March 31, 2024
Right-of-use assets		
- Building	2,597.77	2,501.53
- Plant and machinery	7.11	7.87
	2,604.88	2,509.40

Particulars	As at March 31, 2025	As at March 31, 2024
Lease liabilities		
Lease liabilities - Current	57.57	52.84
Lease liabilities - Non current	2,270.20	2,056.17
	2,327.77	2,109.01

Additions to right-of-use assets during the year ended March 31, 2025 was Rs. 215.39 millions (year ended March 31, 2024: Rs. 313.59 millions) on account of new leases or additional security deposit paid for the existing leases.

(ii) Amounts recognized in the statement of profit and loss

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation charge of right-of-use assets (refer note 28)		
- Building	123.64	124.55
- Plant and machinery	0.76	0.76
Interest expense (included in finance costs)	227.09	204.34
Expense relating to short-term leases (included in other expenses)	9.45	19.96

The total cash outflow for leases for the year ended March 31, 2025 was Rs. 208.58 millions (year ended March 31, 2024: Rs 177.56 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.



5 Other Intangible assets and goodwill

Particulars	Computer software	Website	Brand	Management contracts	Right to access the parking space	Customer relationships	Total	Goodwill
Period ended March 31, 2024								
Gross block As at April 1, 2023	20.94	16.38	763.55	416.04	402.80	-	1,619.71	1,920.90
Additions	0.49	-	-	-	-	-	0.49	-
Acquired in business combination (refer note 43)	-	-	-	-	-	85.00	85.00	2,749.66
Disposals/adjustments	-	-	-	(250.00)	-	-	(250.00)	-
Closing gross carrying amount as at March 31, 2024	21.43	16.38	763.55	166.04	402.80	85.00	1,455.20	4,670.56
Accumulated amortisation								
As at April 1, 2023	4.15	6.82	299.74	78.13	7.00	-	395.84	-
Charge during the year	4.61	6.83	300.56	71.38	7.02	14.17	404.57	-
Disposals	-	-	-	(21.52)	-	-	(21.52)	-
Closing accumulated amortisation as at March 31, 2024	8.76	13.65	600.30	127.99	14.02	14.17	778.89	-
Net carrying amount as at March 31, 2024	12.67	2.73	163.25	38.05	388.78	70.83	676.31	4,670.56

Particulars	Computer software	Website	Brand	Management contracts	Right to access the parking space	Customer relationships	Total	Goodwill
Period ended March 31, 2025								
Gross block As at April 1, 2024	21.43	16.38	763.55	166.04	402.80	85.00	1,455.20	4,670.56
Additions	1.26	-	-	-	-	-	1.26	-
Acquired in business combination (refer note 43)	-	-	-	-	-	-	-	-
Disposals/adjustments	-	-	-	-	-	-	-	-
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 1, 2024	8.76	13.65	600.30	127.99	14.02	14.17	778.89	-
Charge during the year	4.14	2.73	163.25	38.05	7.00	17.01	232.18	-
Disposals	-	-	-	-	-	-	-	-
Closing accumulated amortisation 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

Goodwill and Other intangible assets are provided as collateral security against the term loans availed by the Group (refer note 17)



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(f) 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, 2025	Carrying Value as at March 31, 2024
Bengaluru 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) Bangalore hotel: The estimated value-in-use of this CGU is based on the future cash flows using a 5% (March 31, 2024: 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 (March 31, 2024: 11.30% p.a).

12.50% p.a (March 31, 2024: 11.30% p.a).

(ii) Hotel managed business: The estimated value-in-use of this CGU is based on the future cash flows using a 5% (March 31, 2024: 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 (March 31, 2024: 11.30% p.a).

12.50% p.a (March 31, 2024: 11.30% 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, 2024: 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 (March 31, 2024: 11.30% p.a).

12.50% p.a (March 31, 2024: 11.30% 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, 2024: 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 (March 31, 2024: 11.30% p.a).

12.50% p.a (March 31, 2024: 11.30% p.a).

(v) Jaipur hotel: The average growth rate of revenue for 6 years has been considered as 5% for March 31, 2025 (March 31, 2024: 5%). The Terminal value growth rate has been taken as 5% for March 31, 2025 (March 31, 2024 : 5% and a discount rate (pre-tax) 12.50% p.a for March 31, 2025 (March 31, 2024 : 11.30%).

B) The outcome of the Group's goodwill impairment test as at March 31, 2025 and March 31, 2024 did not result in any impairment of goodwill. The key assumptions considered by the Group are EBITDA 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.



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6 Investment properties

	As at March 31, 2025	As at March 31, 2024
Gross carrying amount (measured at cost)		
Opening gross carrying amount	1,699.35	1,699.35
Additions	-	-
Disposals	-	-
Closing gross carrying amount	1,699.35	1,699.35
Accumulated depreciation		
Opening accumulated depreciation	10.42	5.20
Charge during the period	5.23	5.22
Closing accumulated depreciation	15.65	10.42
Net carrying amount	1,683.70	1,688.93

Investment properties under construction

	As at March 31, 2025	As at March 31, 2024
Opening	-	-
Additions during the period#	296.11	-
Transferred to investment properties	-	-
Total	296.11	-

Includes interest capitalised amounting to Rs. 9.63 millions for year ended March 31, 2025 (March 31, 2024: Nil).

(i) Amounts recognised in profit or loss for investment properties

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Rental income from operating leases	227.31	216.79
Direct operating expenses from property that generated rental income	(44.45)	(72.46)
Direct operating expenses from property that did not generate rental income	(2.96)	(2.78)
Profit from investment properties before depreciation	179.90	141.55
Depreciation	5.23	5.22
Profit from investment properties	174.67	136.33

(ii) 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.

Minimum lease payments receivable on leases of investment properties are as follows-

Particulars	As at March 31, 2025	As at March 31, 2024
Within 1 year	202.83	169.65
Between 1 and 2 years	219.48	171.43
Between 2 and 3 years	125.23	185.36
Between 3 and 4 years	42.68	89.37
Between 4 and 5 years	39.23	3.45
Later than 5 years	118.13	-

(iii) Fair value

Particulars	As at March 31, 2025	As at March 31, 2024
Investment properties (including investment properties under construction)	3,505.11	2,852.00

(iv) Contractual obligations

See note 37 for disclosure of contractual obligations to purchase, construct or develop investment properties or for its repairs, maintenance or enhancements.

(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 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.

(vi) Presenting cash flows

The Group classifies cash outflows to acquire or construct investment properties as investing cashflows and rental inflows as operating cash flows.

(vii) Investment properties are provided as collateral security against the term loans availed by the company (refer note 17)

Ageing of investment properties under construction

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	296.11	-	-	-	296.11
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2024

Investment property under construction was Rs. Nil as at March 31, 2024



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7 Investments

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current		
Investment in equity instruments (unquoted) (measured at FVTPL)		
18,600 equity shares (March 31, 2024 : 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, 2025	As at March 31, 2024
Non-current		
Fixed deposit with remaining maturity of more than 12 months (refer note (a))	10,833.11	921.35
Margin money deposits with remaining maturity of more than 12 months (refer note (b))	89.06	83.92
Security deposits (for related party refer note 42)	141.05	126.88
Total	11,063.22	1,132.15
(a) Fixed deposit includes:		
- Deposits restricted for withdrawal against loan facility	70.54	420.00
- Against bank guarantee	210.86	2.55
(b) Margin money includes:		
-Against bank guarantee	8.51	11.55
-Towards guarantee to Ministry of Environment, Forest and Climate Change	80.55	70.82
- Against discounted import duty with customs department	-	1.07
Current		
Security deposits	4.49	4.64
Insurance Receivable	1.14	1.53
Receivable against business support services (refer note 42 for related party balances)	-	5.28
Government incentive receivables	45.89	-
Others (refer note 42 for related party balances)	193.65	3.75
Total	245.17	15.20

9 Non-current tax assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance tax and tax deducted at source (net of provision of tax)	294.03	284.49
Non current tax assets (net)	294.03	284.49

Current tax assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance tax and tax deducted at source (net of provision of tax)	61.58	49.67
	61.58	49.67



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10 Other assets

Particulars	As at	As at
	March 31, 2025	March 31, 2024
Non-current		
Capital advances	242.53	176.58
Advance for hotel management contract renewal (refer note (a) below)	770.37	802.24
Prepaid expenses	16.05	23.08
Lease equalisation reserve	72.32	66.70
Deposits with governmental authorities (refer note (b) below)	286.92	289.10
Other non current assets	-	2.38
Total	1,388.19	1,360.08

Notes

(a) During the year ended March 31, 2023 one of the entity of the Group has 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.

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, 2025: Rs. 31.87 millions (March 31, 2024:Rs. 15.89 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) Balance with government authorities to the extent of 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.

Current

Balances with government authorities		
- With GST authorities	362.68	202.05
Advance to employees	7.27	4.89
Advance to suppliers	78.36	70.33
Prepaid expenses*	586.63	169.01
Advance for hotel management contract renewal	31.87	31.87
Total	1,066.81	478.15

* 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 year ended March 31, 2025 (March 31, 2024: Nil), recoverable from selling shareholders or adjustable against securities premium portion of the IPO proceeds.

11 Inventories

Particulars	As at	As at
	March 31, 2025	March 31, 2024
Food and beverages	230.42	214.82
Stores and operating supplies	41.29	95.22
Total	271.71	310.04

Inventory written down during the period is Rs. Nil (March 31, 2024 : Nil)

The amount of Inventories is pledged as security against the Group's borrowings (refer note 17).



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12 Trade receivables

Particulars	As at		As at	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Trade receivables from contract with customers – billed	973.56	990.15		
Trade receivables from contract with customers – unbilled [^]	84.58	105.87		
Trade receivables from contract with customers – related parties (refer note 42)	6.92	6.30		
Less: Loss allowance	(178.04)	(373.27)		
Total	887.02	729.05		
Current portion	887.02	729.05		
Non-current portion	-	-		

[^]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) because it is an unconditional right to consideration.

Breakup of security details

Trade receivables considered good - secured	-	-		
Trade receivables considered good - unsecured	1,043.62	1,072.17		
Trade receivables which have significant increase in credit risk	-	-		
Trade receivables – credit impaired	21.44	30.15		
Total	1,065.06	1,102.32		
Loss allowance	(178.04)	(373.27)		
Total	887.02	729.05		

(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.



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12 Trade Receivables Ageing

Ageing of trade receivables as at March 31, 2025

	Outstanding for following periods from the due date							Total
	Unbilled	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

Ageing of trade receivables as at March 31, 2024

	Outstanding for following periods from the due date							Total
	Unbilled	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	105.87	-	507.43	148.70	66.31	81.06	162.80	1,072.17
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	6.13	5.98	8.01	6.13	3.90	30.15
Disputed trade receivables								
considered good	-	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
Less : Elimination	-	-	-	-	-	-	-	-
Total	105.87	-	513.56	154.68	74.32	87.19	166.70	1,102.32
Less: Loss allowance	-	-	(10.62)	(37.10)	(72.04)	(86.81)	(166.70)	(373.27)
Net	105.87	-	502.94	117.58	2.28	0.38	-	729.05



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13 Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks		-
in current accounts	647.82	473.27
in fixed deposits with original maturity of less than 3 months	645.92	232.27
Cash on hand	6.33	4.21
Total	1,300.07	709.75

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, 2025	As at March 31, 2024
Fixed deposits with banks with original maturity more than three months but less than twelve months (refer note a below)	1,575.99	3,039.70
Earmarked balances with bank (refer note b below)	3.85	-
Total	1,579.84	3,039.70

a) Fixed deposits of Rs. 908.94 millions (March 31, 2024: Rs. 1,881.82 millions) is restricted for withdrawal, against bank guarantee, term loans and overdraft facility availed by the Group.

b) Earmarked balances which comprises of Rs. 3.85 millions towards unspent CSR expenditure pertains to one of the entities within the Group as at March 31, 2025 (March 31, 2024: Rs. Nil).



15 Equity share capital

Particulars	As at March 31, 2025	As at March 31, 2024
Authorised *		
6,567,500,000 (as at March 31, 2024: 67,500,000) equity shares of Rs. 10 each	65,675.00	675.00
675,000,000 (as at March 31, 2024: Nil) preference shares of Rs. 100 each	67,500.00	-
Issued, subscribed and paid up		
276,486,614 (as at March 31, 2024: 20,169,566) equity shares of Rs. 10 each, fully paid-up	2,764.87	201.70
Total	2,764.87	201.70

*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 millions (divided into 6,567,500,000 equity shares having face value of Rs.10 each) and Rs.55,000 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 millions (divided into 550,000,000 Preference shares having face value of Rs. 100 each) to Rs. 57,500 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 millions (divided into 575,000,000 Preference shares having face value of Rs. 100 each) to Rs. 67,500 millions (divided into 675,000,000 Preference shares having face value of Rs. 100 each).

(i) Movements in equity share capital

(a) Authorised Share capital

Particulars	No. of shares	Amount
Equity		
As at April 1, 2024	6,75,00,000	675.00
Increase/(decrease) during the period	6,50,00,00,000	65,000.00
As at March 31, 2025	6,56,75,00,000	65,675.00
As at April 1, 2023	6,75,00,000	675.00
Increase/(decrease) during the period	-	-
As at March 31, 2024	6,75,00,000	675.00
Preference shares		
As at April 1, 2024	-	-
Increase/(decrease) during the period	67,50,00,000	67,500.00
As at March 31, 2025	67,50,00,000	67,500.00

(b) Issued, subscribed and paid up

Particulars	No. of shares	Amount
Equity		
As at April 1, 2024	2,01,69,566	201.70
Shares issued during the period		
Bonus shares	14,07,88,256	1,407.88
On conversion of CCDs (refer note 17)	1,50,27,498	150.27
On conversion of CCPs (refer note 16(b)(iv))	10,05,01,294	1,005.01
As at March 31, 2025	27,64,86,614	2,764.87
As at April 1, 2023	2,01,69,566	201.70
Shares issued during the period	-	-
As at March 31, 2024	2,01,69,566	201.70

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

Particulars	As at March 31, 2025	As at March 31, 2024
Project Ballet Bangalore Holdings (DIFC) Pvt. Limited, holding company*	17,59,85,315	2,01,69,565
BSREP III India Ballet Holdings (DIFC) Limited, intermediate holding company	5	1

* 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, 2025		As at March 31, 2024	
	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. Limited, holding company	17,59,85,315	63.65%	2,01,69,565	99.99%
BSREP III Tadoba Holdings (DIFC) Private Limited	4,37,18,480	15.81%	-	-
Project Ballet HMA Holdings (DIFC) Private Limited	1,96,33,813	7.10%	-	-
Project Ballet Chennai Holdings (DIFC) Private Limited	1,63,34,179	5.91%	-	-

(iv) Details of shareholding of promoters:

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 year
Project Ballet Bangalore Holdings (DIFC) Private Limited	17,59,85,315	63.65%	36.34%
BSREP III India Ballet Holdings (DIFC) Limited	5	0.00%	-0.01%
Project Ballet Chennai Holdings (DIFC) Private Limited	1,63,34,179	5.91%	5.91%
Project Ballet HMA Holdings (DIFC) Private Limited	1,96,33,813	7.10%	7.10%
Project Ballet Gandhinagar Holdings (DIFC) Private Limited	28,45,442	1.03%	1.03%
BSREP III Tadoba Holdings (DIFC) Private Limited	4,37,18,480	15.81%	15.81%
Project Ballet Udaipur Holdings (DIFC) Private Limited	66,87,984	2.42%	2.42%
BSREP III Joy (Two) Holdings DIFC Limited	1,12,81,396	4.08%	4.08%
Total	27,64,86,614	100.00%	-



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As at March 31, 2024

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) Pvt Limited	2,01,69,565	99.99%	-
BSREP III India Ballet Holdings (DIFC) Limited	1	0.01%	-
	2,01,69,566	100.00%	-

(v) Aggregate number of shares issued for consideration other than cash

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Bonus shares issued*	14,07,88,256	-
	14,07,88,256	-

* 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, 2024, the Company has not issued any shares for consideration other than cash and neither bought back any shares from the date of incorporation.

16 Other equity

16 (a) Equity component of compound financial instruments

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	603.09	506.71
Residual value at inception of CCPS (refer note 16 (b) (iv))	55,761.16	-
Conversion of CCPS into equity	(55,761.16)	-
Gain on account of modification in terms of compound financial instruments (refer note 17 (I)(F))	-	96.38
Extinguishment of financial liability recorded under equity	(603.09)	-
Total	-	603.09

16 (b) Reserves and surplus

Particulars	As at March 31, 2025	As at March 31, 2024
Securities Premium	71,177.13	10,027.25
Retained earnings	(16,443.05)	(16,937.42)
Retained earnings - fair value as deemed cost	12,749.07	12,749.07
Other equity (refer note 43)	(2,422.37)	(2,644.43)
Common control adjustment deficit account (refer note 43)	(32,256.49)	(32,256.49)
Total	32,804.29	(29,062.02)

16 (b) (i) Securities Premium

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	10,027.25	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*	61,205.29	-
Closing balance	71,177.13	10,027.25

16 (b) (ii) Retained earnings

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	(16,937.42)	(11,115.99)
Addition on account of business combination (refer note 43)	-	(5,780.80)
Net Profit/(Loss) during the period	478.27	(21.27)
Remeasurements of post employment benefit obligations, net of tax	16.10	(19.36)
Closing balance	(16,443.05)	(16,937.42)

16 (b) (iii) Retained earnings - fair value as deemed cost

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	12,749.07	6,957.11
Addition on account of business combination (refer note 43)	-	5,791.96
Closing balance	12,749.07	12,749.07

16 (b) (iv) Other equity

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	(2,644.43)	(2,644.43)
Extinguishment of compound financial instruments (refer note 17 (I)(F))	(113.53)	-
Gain on conversion of CCPS*	335.59	-
Closing balance	(2,422.37)	(2,644.43)

*During the current 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.



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(All amounts are in Rupees millions except as otherwise stated)

16 (b) (v) Common control adjustment deficit account

Particulars	As at	As at
	March 31, 2025	March 31, 2024
Opening balance	(32,256.49)	(29,051.98)
Change during the period	-	(3,204.51)
Closing balance	(32,256.49)	(32,256.49)

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(1)(F) and 16(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 compulsory convertible preference shares issued during the year.

Common control adjustment deficit account

This Reserve represents the difference between value of the net assets transferred to the Group in the course of business combinations under common control and the consideration paid for such combinations (refer note 43)



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17 Borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Non-current		
Secured		
Non-convertible bonds [refer note I(G)]	4,680.26	5,100.72
Less: Current maturities of long-term borrowings (included in current borrowings)	(30.00)	(30.00)
Total	4,650.26	5,070.72
Term Loans:		
- From banks		
Rupee term loan [refer note I (A), (B) and (C)]	29,616.99	29,026.65
Less: Current maturities of long-term borrowings (included in current borrowings)	(814.81)	(852.24)
Total	28,802.18	28,174.41
Other Loans		
Vehicle Loan [refer note I(E)]	14.12	-
Working capital term loan [refer note I(D)]	4,134.38	5,973.78
Less: Current maturities of long-term borrowings (included in current borrowings)	(1,743.52)	(1,430.43)
Total	2,404.98	4,543.35
Unsecured		
Liability component of Compulsorily convertible debentures [refer note I (F)]	-	1,246.54
Total	-	1,246.54
Total	35,857.42	39,035.02
Current		
Secured		
Working capital loan [refer note II(A)]	589.45	444.12
Overdraft [refer note II(B)]	52.24	630.00
Current maturities of long-term borrowings	2,588.35	2,312.67
Total	3,230.04	3,386.79

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.

	As at March 31, 2025	As at March 31, 2024
Borrowings*	(39,087.46)	(45,435.42)
Lease liabilities	(2,327.77)	(2,109.01)
Cash and cash equivalents	1,300.07	709.75
Total	(40,115.16)	(46,834.68)

Reconciliation

	Borrowings	Lease liabilities	Cash and cash equivalents	Net
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)

Reconciliation

	Borrowings	Lease liabilities	Cash and cash equivalents	Net
Net debt as at March 31, 2023	(39,797.47)	(1,871.13)	1,712.07	(39,956.53)
Acquisition adjustment	(499.82)	(0.10)	-	(499.92)
Interest expense	(4,106.95)	(204.34)	-	(4,311.29)
New leases	-	(290.21)	-	(290.21)
Cancellation of leases	-	99.16	-	99.16
Cash flows	(5,030.97)	28.37	(1,002.32)	(6,004.92)
Impact of elimination of CCD on consolidation	500.00	-	-	500.00
Gain on account of modification in the terms of compound financial instruments	96.38	-	-	96.38
Interest paid	3,403.43	129.23	-	3,532.66
Net debt as at March 31, 2024	(45,435.42)	(2,109.01)	709.75	(46,834.68)

* Includes interest accrued on compulsory convertible debentures reported in other financial liabilities for the year ended March 31, 2024.



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I Non-current borrowings

A (i) 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 at March 31, 2025	As at March 31, 2024
Term Loan Facility (carrying value)*	Rs. 27,486.59 millions	Rs. 27,992.30 millions
Purpose	Acquisition (Rs. 25,500 millions) and refurbishment (Rs. 2,000 millions) 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	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 Palaces and Resorts Limited (w.e.f. March 29, 2025)	1. Schloss Chennai Private Limited 2. Schloss Chanakya Private Limited 3. Schloss Udaipur Private Limited
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	8.65% 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:

The term loan is secured against assets of the Company, other co-borrowers, however excludes Tulsi Palace Resort Private Limited, that have provided corporate guarantee under the Common Facility Agreement, inter alia, 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 (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.

ii) Mortgage on the land situated at Agra owned by Leela Palaces and Resorts Limited.

Corporate Guarantee:

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.

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 (As at March 31, 2024: 1.50), debt service coverage ratio (DSCR) 1.34 (As at March 31, 2024: 1.11), interest coverage ratio (ICR) 1.89 (As at March 31, 2024: 1.59), Debt/EBITDA 5.64 (As at March 31, 2024: 6.74). The Company along with co-borrowers have met all the covenants during the year and as at March 31, 2024.

B Term loan facility under Lease Rental Discounting ('LRD') facility

Particulars	As at March 31, 2025	As at March 31, 2024
Facility Sanctioned	Rs. 1,100.00 millions	Rs. 1,100.00 millions
Purpose	Acquisition of Galleria office in Bangalore	Acquisition of Galleria office in Bangalore
Carrying Amount (Rs. in millions)	Rs. 989.81 millions	Rs. 1,034.35 millions
Tenure of Loan	15 years from date of first disbursement	15 years from date of first disbursement
Repayment Structure	180 monthly structured installments starting from December 2021	180 monthly structured installments starting from December 2021
Interest Rate	9.75% p.a. with monthly rests	9.40% 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	



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C 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 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) Primary Security details: Exclusive charge on plant and machinery financed out of proposed corporate term loan of Rs. 1,500 millions.

(b) Collateral security details: Extension of charge on current assets and fixed assets of the company and other co-borrowers under Obligor/Co-obligor structure, both present and future.

(c) Corporate guarantee:

- BSREP III India Ballet Holdings (DIFC) Limited

D 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.

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 instalments beginning January 2024. These 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. These WCTL facilities is secured against the existing primary and collateral securities including mortgages created in favour of the bank.

E 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, 2025, carrying amount is Rs. 14.12 millions (March 31, 2024: Rs. Nil). This loan carries interest rate linked 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, 2025 is 9.50 % p.a (March 31, 2024: N.A.).

F Unsecured Compulsorily Convertible Debentures ('CCDs')

The Company has issued CCD bearing an interest of 10.50% p.a. for the period of 15 years

The Company was liable to pay the interest portion on the CCDs and at the end of the term of the CCD, it will be converted into equity shares in the ratio of 1:1. The interest and equity conversion as included in the CCD instrument was required it to be classified as compound financial instrument having an equity component for conversion and liability component for cash outflows towards interest payments. As at March 31, 2024, Liability component was recorded as present value of cash outflows towards interest portion and the residual amount after deducting the liability component from the gross value of the instrument is recorded as equity component post deferred tax adjustment.

Modification to the terms of CCDs: As per the original terms, the CCD holder was entitled to interest @ 10.50%. During the previous year ended, the Group entered into addendum agreement with the CCD holders for alteration of the CCD terms. As per the new terms, the CCD holder shall be entitled to interest on principal amount at the rate of 10.50% p.a. till March 2029 and henceforth it will be 12.50% p.a. compounded on yearly basis until conversion. The Group accounted the modification as substantial modification and recognised the gain on account of modification amounting to Rs 96.38 millions within equity in previous year ended March 31, 2024 [refer note 16(a)].

Extinguishment of CCDs: 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 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 year ended March 31, 2025. Interest on CCD's was paid during the year till date of conversion of these CCD's to equity.

G Non-convertible bonds

i 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 (March 31, 2024: Rs.4,622.92 millions includes interest accrued but not due Rs. 381.52 millions) 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 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 has given effect to the Scheme effective the Appointed Date and pursuant to NCLT Order, listed Non- Convertible Bonds are now held by Tulsi.

The NCB's are secured by:

- 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;
- 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;
- 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 are listed on Bombay Stock Exchange (BSE) w.e.f May 25, 2023 and pursuant to NCLT order, these NCB's are transferred to Tulsi.

These non-convertible bonds are redeemable at the end of 36 months from the date of allotment.

Interest shall be accumulated on a quarterly basis and the interest is subject to negotiations at the end of 2 years, however, deferred interest for the deferred period upto September 30, 2024 as per the Bond Trust Deed has been paid on September 30, 2024 and further interest is now being paid quarterly.

ii 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 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.
- 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).
- 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
- 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 and Rs. 477.80 millions as at March 31, 2025 and March 31, 2024 respectively.



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II Current borrowings

A 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 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. and 8.65% p.a with monthly rests as at March 31, 2025 and March 31, 2024 respectively. As at March 31, 2024, the Company and co-borrowers i.e. Schloss Chennai Private Limited, Schloss Chanakya Private Limited, Schloss Udaipur Private Limited was having working capital facility amounting to Rs. 500 millions.

- (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).
- (b) **Collateral 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 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+W.C).
- (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.

B Overdraft

i The lender has granted overdraft facility as per Agreement dated July 28, 2023 to one of the subsidiary named Schloss Chanakya Private Limited against pledged securities as mentioned below. This facility was closed during the year ended March 31, 2025:

- (a) **Interest Rate**
The rate of interest is Nil and 7.50 % p.a as at March 31, 2025 and March 31, 2024 respectively.
- (b) **Pledged securities:**
Fixed Deposits amounting to March 31, 2025 and March 31, 2024 : Rs Nil millions and Rs. 1,647.63 millions has been pledged against Overdraft facilities.
The above overdraft facilities were repaid during the year ended March 31, 2025.

ii 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:

- (a) **Interest Rate**
The rate of interest is 7.25% p.a. and Nil as at March 31, 2025 and March 31, 2024 respectively.
- (b) **Pledged securities:**
Fixed Deposits amounting to March 31, 2025 and March 31, 2024 : Rs. 65.24 millions and Rs. Nil has been pledged against Overdraft facilities availed during the year.
The group utilised the borrowings for the specific purpose for which it was obtained.



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18 Trade Payables

Particulars	As at	As at
	March 31, 2025	March 31, 2024
Trade payables - micro and small enterprises (refer note below)	47.85	60.93
Trade payables - others	550.07	530.89
Trade payables - to related parties (refer note 42)	8.58	7.54
Total	606.50	599.36

Outstanding Dues to Micro and Small Enterprises

Particulars	As at	As at
	March 31, 2025	March 31, 2024
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at period end	47.85	60.81
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at period end	-	0.12
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the period	-	70.56
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the period	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the period	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	0.40
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, 2025

Particulars	Unbilled	Not Due	Outstanding for following periods from date of transaction				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
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	-	295.38	4.22	0.29	-	606.50

As at March 31, 2024

Particulars	Unbilled	Not Due	Outstanding for following periods from date of transaction				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	-	-	59.33	1.60	-	-	60.93
(ii) Others	221.73	11.08	292.22	5.05	8.04	0.31	538.43
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-	-
Total	221.73	11.08	351.55	6.65	8.04	0.31	599.36



Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited")
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19 Other financial liabilities

Particulars	As at	As at
	March 31, 2025	March 31, 2024
Non-current		
Security deposits	71.81	62.47
Total	71.81	62.47
Current		
Liability towards environmental clearance	29.50	36.20
Security deposits	0.07	1.82
Retention money payable	2.66	3.13
Capital creditors (refer note 42)	154.03	153.63
Employee dues payable	225.37	203.56
Interest payable on compulsory convertible debentures [refer note 17 (I) (D)]	-	3,013.61
Total	411.63	3,411.95

20 Other liabilities

Particulars	As at	As at
	March 31, 2025	March 31, 2024
Non Current		
Deferred rental income	0.52	0.76
Deferred income on fair valuation of security deposits	11.02	9.62
Total	11.54	10.38
Current		
Contract Liability		
Advance from customers	560.31	508.92
Deferred revenue - membership fee	19.99	14.74
Total	580.30	523.66
Deferred income on fair valuation of security deposits	6.52	4.92
Purchase consideration payable for business acquisition (refer note 43)	-	46,599.49
Statutory dues payable		
Value added tax payable	10.40	8.40
Provident fund payable	17.27	15.59
Employee state insurance payable	0.52	0.64
Professional tax payable	0.17	0.14
GST Payable	226.98	161.23
Tax deducted at source and equalisation levy payable	69.95	244.58
Other liabilities	18.27	1.47
Total	930.38	47,560.12

21 Provisions

Particulars	As at	As at
	March 31, 2025	March 31, 2024
Non-Current		
Provision for employee benefits:		
- Compensated absences	47.76	40.54
- Gratuity	65.91	54.75
Total	113.67	95.29
Current		
Provision for employee benefits:		
- Compensated absences	5.23	5.74
- Gratuity	13.96	21.05
Total	19.19	26.79
Refer note 32 for details		

22 Deferred Tax Liabilities

Particulars	As at	As at
	March 31, 2025	March 31, 2024
Deferred tax liabilities (net)	3,031.80	2,578.85
Total	3,031.80	2,578.85
Refer note 31 for details		



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(All amounts are in Rupees millions except as otherwise stated)

23 Revenue from operations

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Sale of products:		
Food and beverages revenue	4,781.73	4,317.12
(b) Sale of services:		
Room income	6,800.17	6,150.58
Manpower services	187.05	163.37
Management and other operating fees	698.20	594.97
Other allied services*	538.58	488.49
Total Revenue from operations	13,005.73	11,714.53

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

24 Other income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income on:		
- Deposits with banks	559.29	201.06
- Security deposits	3.06	2.93
- Income tax refund	14.07	8.15
- Others	0.89	1.11
Government grant*	129.13	64.50
Income from rental and related services	228.41	217.89
Gain/ Loss on cancellation of leases	4.93	8.58
Liabilities no longer required written back	40.52	-
Miscellaneous income	83.61	62.16
Total Other income	1,063.91	566.38

Other gains/(losses)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net foreign exchange differences	0.34	1.14
Net loss on disposal of property, plant and equipment	(4.42)	(16.26)
Net loss on de-recognition of financial liability	-	(0.79)
Total other losses	(4.08)	(15.91)
Total	1,059.83	550.47

* 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 two of the entities within the Group.

25 Cost of food and beverages consumed

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Food and beverages		
Opening inventories	214.82	133.99
Add : Acquired in business combination	-	18.51
Add : Purchases (net)	963.06	912.12
Less : Inventories at the end of the year	(230.42)	(214.82)
Cost of food and beverages consumed during the year	947.46	849.80



Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited")**Notes to consolidated financial statements**

(All amounts are in Rupees millions except as otherwise stated)

26 Employee benefits expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries, wages and bonus	2,374.53	2,022.25
Contribution to provident and other funds (refer note 32)	103.32	93.74
Staff welfare expenses	219.19	182.41
Gratuity (refer note 32)	28.29	22.29
Compensated absences (refer note 32)	7.09	22.17
Total Employee benefits expense	2,732.42	2,342.86

27 Finance costs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expense on:		
- Rupee term loan	3,086.83	3,151.12
- Non convertible bonds	645.50	444.12
- Working capital term loan	27.64	14.84
- Liability component of compound financial instruments (CCPS and CCD)	588.13	484.31
- Lease liabilities and others	227.09	204.34
- Bank overdraft	12.93	22.39
- Unwinding of provision and liability	-	4.17
- Security deposit	6.02	7.25
- Others	-	1.80
Other borrowing costs	17.34	0.73
	4,611.48	4,335.07
Less: Capitalised to property, plant and equipment	(20.18)	(8.86)
Less: Capitalised to investment property	(9.63)	-
Total Finance costs	4,581.67	4,326.21

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, 2025: 9.10% p.a. (March 31, 2024: 8.70% p.a.).

28 Depreciation and amortisation expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation on property, plant and equipment	1,037.47	944.66
Depreciation on right-of-use assets	124.41	125.31
Depreciation on investment property	5.23	5.22
Amortisation on intangible assets	232.18	404.57
Total depreciation and amortisation expenses	1,399.29	1,479.76



Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited")**Notes to consolidated financial statements**

(All amounts are in Rupees millions except as otherwise stated)

29 Other expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Consumption of stores and operating supplies	313.77	321.54
Power and fuel	445.20	431.17
Rent charges	9.45	19.96
Repairs and maintenance		
- buildings	138.30	145.08
- plant and machinery	102.42	109.91
- others	190.92	162.50
Insurance	36.00	39.82
Communication	33.04	27.13
Travelling and conveyance	87.19	72.21
Guest transport	59.51	56.50
Printing and stationary	16.44	30.58
Sales and credit card commission	438.71	358.47
Business promotion	645.41	530.25
Legal and professional fees	190.29	145.29
Payment to auditors (refer note below)	15.31	15.31
Rates and taxes	233.39	214.54
Security expenses	-	1.17
Bad debts written off	170.34	-
Bank charges	7.84	32.62
Corporate social responsibility expenses (refer note 30)	4.58	4.88
Reservation fee	27.57	7.36
Amortisation of advance given for hotel management contract	31.87	15.89
Non executive director fees	2.90	-
Net impairment losses on financial assets	(195.25)	45.41
Miscellaneous expenses	376.91	284.49
Total other expenses	3,382.11	3,072.08

Details of payments to auditors

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Payment to auditors*		
As auditor:		
- Audit fee	15.31	13.59
- Out of pocket expenses	-	0.11
- Other service fee	-	1.61
Total	15.31	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 year ended March 31, 2025, recoverable from selling shareholders or adjustable against securities premium portion of the IPO proceeds are recorded within prepaid expenses.



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23 Revenue Recognition (Continued)

Reconciliation of revenue recognised with contract price

	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue as per contract price	13,005.73	11,714.53
Adjustments	-	-
Revenue from operations	13,005.73	11,714.53

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.

It also includes membership fee received for food and beverage based memberships programme and disclosed as Income received in advance.

The Group has recorded revenue of Rs. 497.60 millions against opening balance of contract liabilities for the year ended March 31, 2025 (for the year ended March 31, 2024 is Rs. 493.77 millions).

Contract liabilities

	As at March 31, 2025	As at March 31, 2024
Advance from customers	560.31	508.92
Deferred revenue - membership fee	19.99	14.74
Total contract liabilities	580.30	523.66

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

	As at March 31, 2025	As at March 31, 2024
Contract liabilities		
Opening balance	523.66	400.33
Acquired in Business Combination	-	243.66
Addition during the year	567.01	373.44
Revenue recognised that was included in the contract liability balance at the beginning of the year	(510.37)	(493.77)
Closing balance	580.30	523.66

Timing of recognition

	For the year ended March 31, 2025		For the year ended March 31, 2024	
	At a point in time	Over time	At a point in time	Over time
Room revenue	-	6,800.17	-	6,150.58
Revenue from foods and beverages	4,781.73	-	4,317.12	-
Other allied services	515.45	23.13	445.11	43.38
Management and marketing fees	-	698.20	-	594.97
Manpower services	-	187.05	-	163.37
Total	5,297.18	7,708.55	4,762.23	6,952.30



Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited")**Notes to consolidated financial statements**

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30 Corporate Social Responsibility

a. Gross amount required to be spent by one of the entities within the Group ("TPRPL") during the year towards its Corporate Social Responsibility (CSR) is Rs. 6.04 millions for the year ended March 31, 2025 (for the year ended March 31, 2024: Rs 5.04 millions). Following are the details of the amount spent during the period on CSR activities:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Expenditure towards Corporate Social Responsibility:		
b) Amount spent and paid during the year	1.95	1.08
Particulars of amount spent and paid during the period:		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above:		
- Health care and community development	1.95	1.08
Total	1.95	1.08

c. Related party transactions in relation to Corporate Social Responsibility during the year ended March 31, 2025: Rs Nil (during the year ended March 31, 2024: Rs.Nil)

d. Unspent CSR expenditure incurred during the year ended March 31, 2025: Rs Nil (during the year ended March 31, 2024: 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, 2025	For the year ended March 31, 2024
a) Gross amount required to be spent by one of the entities within the Group during the period	6.04	5.04
b) Amount approved by the Board to be spent during the period	6.04	4.88
c) Amount spent and paid during the period	1.95	1.08
Particulars of amount spent and paid during the period:		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	-	-
(iii) Health care and community development	1.95	1.08
Total	1.95	1.08

Details of on-going projects	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening Balance	2.34	-
- With the Group	2.34	-
- In separate CSR Unspent Account	-	-
Acquired in business combination	-	(1.61)
- With the Group	-	(1.61)
- In separate CSR Unspent Account	-	-
Amount required to be spent during the period	6.04	5.04
Amount spent during the period	1.95	1.08
- From Group's bank account	1.95	1.08
- From separate CSR Unspent Account	-	-
Closing Balance	6.43	2.34
- With the Group	2.58	2.34
- In separate CSR Unspent Account	3.85	-

Reason for unspent amount - While there was a shortfall in CSR expenditure, the Company is dedicated to continuing its efforts in the future and is committed to implementing and monitoring its CSR policy in compliance with its CSR objectives and policy. The unspent CSR liability will be spent on ongoing projects identified by the Company. Unspent CSR amount of Rs. 2.58 millions as at March 31, 2025 was subsequently deposited in separate CSR Unspent Account.

Nature of CSR activities - Promoting art and culture, environment sustainability, rural development projects , children's support, tree plantation and development and sanitation and hygiene.



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31 Taxation**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, 2025	For the year ended March 31, 2024
Current tax		
Current tax on profit for the period	93.79	191.33
Tax impact of earlier years	-	2.86
Total current tax expenses	93.79	194.19
Decrease in deferred tax assets	455.27	81.82
(Decrease)/ Increase in deferred tax liabilities	(2.31)	1,480.92
Total deferred tax expenses*	452.96	1,562.74
Income tax expense	546.75	1,756.93

*Includes deferred tax liability addition on account of business combination. Refer movement in deferred tax liabilities/assets.

Income tax expense attributable to :

Loss from operations	544.14	215.56
OCI	2.61	(1.40)
Total	546.75	214.16

(b) Reconciliation of tax expense and accounting profit multiplies by India tax rate

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Profit from operations before income tax expense	1,020.71	194.29
Tax rate	25.168%	25.168%
Tax at India tax rate	256.89	48.90
Tax effect of amounts which are not deductible / taxable in calculating taxable income :		
Disallowance of interest on compulsory convertible debentures and non-convertible bonds	162.47	(16.63)
Reversal of previously recognised deferred tax on tax losses	216.44	-
Deferred tax asset not recognised on tax losses	(14.50)	180.41
Disallowance of interest on compulsorily convertible preference shares	84.46	-
Items allowable on payment basis not recognised in statement of profit and loss	-	(2.41)
Previously unrecognised tax losses now recouped to reduce current tax expense	(159.72)	-
Others	(1.90)	5.28
Total	544.14	215.56



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31 Taxation as at the year ended (Continued)

(a) Deferred tax asset/(liability) (net)

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2025	As at March 31, 2024
A) Deferred tax assets		
Unabsorbed depreciation / business loss (refer note below)	792.10	1,328.07
Provision for employee benefits	33.95	25.34
Borrowings	146.13	141.24
Loss allowance	5.87	2.24
Lease liability	579.00	524.66
Deferred revenue	5.32	2.95
Security deposits given	43.73	37.72
Others	9.48	8.14
	1,615.58	2,070.36
B) Deferred tax liability		
Property, plant and equipment and intangible assets	3,945.28	3,983.76
Right of use of asset	655.54	631.41
Contract liability - Key money	9.04	6.93
Non convertible bonds	-	0.55
Gratuity and Leave Encashment	-	0.17
Borrowings	16.98	12.99
Security deposits received	2.44	0.79
Lease equalisation reserve	14.10	12.50
Others	4.00	0.11
	4,647.38	4,649.21
Net Deferred tax liability at year end	(3,031.80)	(2,578.85)
Net deferred tax liability	(3,031.80)	(2,578.85)

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	As at March 31, 2025	As at March 31, 2024
Unused tax losses for which no deferred tax asset has been recognised	17.64	1,501.56
Potential tax benefit @25.168%	4.44	377.91
Expiry date	April 1, 2025 to March 31, 2033	April 1, 2024 to April 1, 2032
Unabsorbed depreciation for which no deferred tax asset has been recognised	1,234.09	3,285.69
Potential tax benefit @25.168%	310.60	826.94
Expiry date	No expiry	No expiry





Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited")

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31 Taxation (Cont.)

(e) Movement in deferred tax liabilities/assets

Movement in Deferred Tax for the period ended March 31, 2025

Particulars	Balance as at March 31, 2024	Accounted through statement of profit & loss charge/(credit)	Accounted through OCI charge/(credit)	Accounted through Other Equity charge/(credit)	Addition on account of asset acquisition	Balance as at March 31, 2025
Deferred tax assets						
Unabsorbed depreciation / business loss	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	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
Deferred tax liability (net)	(2,578.85)	450.35	2.61	-	-	(3,031.80)

Movement in Deferred Tax for the period ended March 31, 2024

Particulars	Balance as on March 31, 2023	Accounted through statement of profit & loss charge/(credit)	Accounted through OCI charge/(credit)	Accounted through Other Equity charge/(credit)	Addition on account of common control transaction*	Balance as at March 31, 2024
Deferred tax assets						
Unabsorbed depreciation / business loss	1,482.80	154.73	-	-	-	1,328.07
Borrowings	139.44	(1.80)	-	-	-	141.24
Deferred revenue	3.72	0.77	-	-	-	2.95
Security Deposit paid	36.00	(1.72)	-	-	-	37.72
Loss Allowance on trade receivable	2.19	(0.05)	-	-	-	2.24
Provision for employee benefits	14.24	(9.13)	(0.09)	-	-	25.34
Lease liability	470.34	14.25	-	-	1.87	524.66
Others	3.45	(4.69)	-	-	-	8.14
	2,152.18	152.36	(0.09)	-	1.87	2,070.36
Deferred tax liability						
Property, plant and equipment	2,358.82	80.29	-	-	-	3,983.76
Compulsorily Convertible Debentures	176.41	(176.41)	-	-	1,544.64	-
Security deposit received	0.73	0.06	-	-	-	0.79
Gratuity and Leave Encashment	1.89	(0.41)	(1.31)	-	-	0.17
Right of use of asset	607.88	(45.05)	-	-	-	631.40
Lease equalisation reserve	7.94	4.57	-	-	-	12.51
Borrowings	14.20	(1.21)	-	-	-	12.99
Contract liability - key money	-	6.93	-	-	-	6.93
Non convertible bonds	-	0.55	-	-	-	0.55
Others	0.41	(0.31)	-	-	-	0.11
	3,168.28	(130.99)	(1.31)	-	1,544.64	4,649.21
Deferred tax liability (net)	(1,016.10)	21.37	(1.40)	-	(1,542.77)	(2,578.85)

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32 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 and loss in the period in which they arise.

The expense of compensated absences (non-funded) for the year ended March 31, 2025 amounting to Rs 7.09 millions (for the year ended March 31, 2024: Rs 22.17 millions) has been recognized in profit or 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, 2025 aggregated to Rs. 103.32 millions (for the year ended March 31, 2024: Rs. 93.74 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, 2025	For the year ended March 31, 2024
Defined benefit plans		
- Gratuity	28.29	22.29
Total	28.29	22.29

Amounts recognised in other comprehensive income:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Remeasurements for:		
- Gratuity	18.71	(20.76)
Total	18.71	(20.76)

Gratuity plan

	As at March 31, 2025	As at March 31, 2024
Present value of defined benefit obligation	116.37	120.91
Fair value of plan assets	36.50	45.05
Net defined benefit liability recognised in the Balance Sheet	79.87	75.86

Net defined benefit liability is bifurcated as follows:

	13.96	21.05
Current		
Non-current	65.91	54.75

The amounts recognised in the Balance Sheet and the movements in the net defined benefit obligation over the period are as follows:

	Present value of obligations	Fair value of plan assets	Net amount
As at March 31, 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)
As at March 31, 2025	116.37	36.50	79.87



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	Present value of obligations	Fair value of plan assets	Net amount
As at March 31, 2023	85.33	45.15	40.18
Acquired as a part of business combination	3.40	-	3.40
Current service cost	-	-	-
Past service cost including curtailment (gains)/losses	18.89	0.37	18.52
Interest expense/ (income)	5.33	1.56	3.77
Total amount recognised in profit or loss	24.22	1.93	22.29
Remeasurements:			
- Return on plan assets, excluding amounts included in interest expense/ (income)	1.22	0.88	0.34
- (Gain)/ loss from change in demographic assumptions	(5.05)	-	(5.05)
- (Gain)/ loss from change in financial assumptions	11.80	(0.09)	11.89
- Experience (gains)/ losses	13.91	-	13.91
Total amount recognised in other comprehensive income	21.88	0.79	21.09
Employer contributions	-	11.10	(11.10)
Benefit payments	(13.92)	(13.92)	-
As at March 31, 2024	120.91	45.05	75.86

Significant actuarial assumptions were as follows:

	As at March 31, 2025	As at March 31, 2024
Discount rate (p.a.)	7.04%	7.25%
Salary growth rate (p.a.)	7-9%	7-9%
Retirement Age (Years)	58	58
Mortality rates inclusive of provision for disability	100% of IALM(2012-14)	100% of IALM(2012 - 14)
Attrition at Ages		
- Up to 30 Years	3-30%	3-30%
- From 31 to 44 years	3-25%	3-25%
- Above 44 years	2-18%	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.

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:

	As at March 31, 2025	As at March 31, 2024
a) Impact of the change in discount rate		
Present Value of Obligation at the end of the period	116.37	120.91
Impact due to increase of 0.50%	(3.65)	(3.59)
Impact due to decrease of 0.50%	3.88	3.80
b) Impact of the change in salary increase		
Present Value of Obligation at the end of the period	116.37	120.91
Impact due to increase of 0.50%	3.37	3.76
Impact due to decrease of 0.50%	(2.94)	(3.58)

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 6.06 years (March 2024: 5.97 years).

Expected expense for the next annual reporting period is Rs. 31.67 millions (March 2024: Rs. 28.12 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
As at 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
As at March 31, 2024					
- Gratuity	21.23	11.93	26.17	61.58	120.91
Total	21.23	11.93	26.17	61.58	120.91

Risk exposure:

Gratuity is a defined benefit plan and the Group 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.



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33 Fair Value Measurement

(i) Financial instruments by category

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

As at March 31, 2024

	Carrying amount			
	FVTPL	FVOCI	Amortised cost	Total carrying value
Financial assets (Level 3)				
Investments	0.19	-	-	0.19
Trade receivables	-	-	729.05	729.05
Cash and cash equivalents	-	-	709.75	709.75
Bank balances other than cash and cash equivalents	-	-	3,039.70	3,039.70
Other financial assets	-	-	1,147.35	1,147.35
Total financial assets	0.19	-	5,625.85	5,626.04
Financial liabilities (Level 3)				
Borrowings	-	-	42,421.81	42,421.81
Trade payables	-	-	599.36	599.36
Lease liabilities	-	-	2,109.01	2,109.01
Other financial liabilities	-	-	3,474.42	3,474.42
Total financial liabilities	-	-	48,604.60	48,604.60

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 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 period ended March 31, 2025.



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34 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.

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, 2025	As at March 31, 2024
Balance at the beginning of the period	373.27	328.51
Addition from common control transaction (refer note 43)	-	3.52
Impairment losses (recognised)/ reversed on receivables	(24.89)	45.41
Amounts written off during the period	(170.34)	(4.85)
Others	-	0.68
Balance at the end of the year	178.04	373.27

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

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group'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 Group 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 asset and liabilities (refer note 2.3 - Going Concern for further details). Accordingly, no liquidity risk is perceived.

(i) Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31, 2025	As at March 31, 2024
Fixed interest rate	-	-
Floating interest rate	773.02	38.00
Total	773.02	38.00

(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, 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
As at March 31, 2024	Carrying amount	Less than 1 Year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
Borrowings	42,421.81	3,305.40	4,250.58	25,664.47	27,224.03	60,444.48
Lease liabilities	2,109.01	188.48	186.89	565.93	13,782.18	14,723.48
Trade payables	599.36	599.36	-	-	-	599.36
Other financial liabilities	3,474.42	3,412.80	14.50	65.52	-	3,492.82
Total financial liabilities	48,604.60	7,506.04	4,451.97	26,295.92	41,006.20	79,260.14

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 period 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.



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i. The foreign currency outstanding balances that have not been hedged by any derivative instrument or otherwise are as follows:

As at March 31, 2025			
	Foreign Currency Denomination	Foreign Currency Amount (absolute)	Amount (Rs. in millions)
Liabilities			
Trade payables	USD	4,35,829.91	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			-
As at March 31, 2024			
	Foreign Currency Denomination	Foreign Currency Amount (absolute)	Amount (Rs. in millions)
Liabilities			
Trade payables	EUR	2,342.52	0.21
Trade payables	USD	2,92,829.76	24.51
Trade payables	GBP	29,435.42	3.10
Total exposure			27.82
Less: exposure hedged			(23.23)
Unhedged exposure			4.59

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.

The following table presents the outstanding position and fair value of various foreign currency derivative financial instruments:

As at March 31, 2025				
	Currency pair	Average exchange rate	Notional value (Rs. in millions)	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				-
As at March 31, 2024				
	Currency pair	Average exchange rate	Notional value (Rs. in millions)	Fair value
Non-designated				
Buy	USD/Rs.	83.69	53.12	-
Buy	EUR/Rs.	91.09	0.41	-
Buy	GBP/Rs.	105.79	0.95	-
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	
	For the year ended March 31, 2025	For the year ended March 31, 2024
USD sensitivity		
Rs./ USD - Increase by 1%	(0.28)	(0.25)
Rs./ USD - Decrease by 1%	0.28	0.25
EUR sensitivity		
Rs./ EUR - Increase by 1%	(0.05)	(0.00)
Rs./ EUR - Decrease by 1%	0.05	0.00
GBP sensitivity		
Rs./ GBP - Increase by 1%	(0.10)	(0.03)
Rs./ GBP - Decrease by 1%	0.10	0.03

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:

	Interest rate range	As at March 31, 2025		As at March 31, 2024	
		Balance	% of total loans	Balance	% of total loans
Term loans	MCLR + spread of 0.10% to 0.75% subject to annual reset	29,616.99	76%	29,026.65	64%
Working capital term loan	MCLR+ 0.20% subject to half yearly reset	4,134.38	11%	5,973.78	14%
Working capital loan	MCLR+ 0.20% subject to half yearly reset	589.45	2%	444.12	1%
Non-convertible bonds	TBIL rate + margin of 2.40% pa.	448.83	1%	477.80	1%
Vehicle loan	MCLR + 0.85% p.a. subject to annual reset	14.12	0%	-	-

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.

	For the year ended March 31, 2025	For the year ended March 31, 2024
	Impact on profit after tax	Impact on profit after tax
Interest sensitivity		
Interest rates – increase by 100 basis points	(348.04)	(359.22)
Interest rates – decrease by 100 basis points	348.04	359.22



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35 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:

	As at	
	March 31, 2025	March 31, 2024
Borrowings	39,087.46	42,421.81
Interest payable on compulsory convertible debentures	-	3,013.61
Lease liabilities	2,327.77	2,109.01
Less: Cash and Cash Equivalents	(1,300.07)	(709.75)
Less: Other Balance with bank (short term deposits)	(1,579.84)	(3,039.70)
Net Debt	38,535.32	43,794.98
Total equity	36,049.88	(28,257.23)
Net debt to equity ratio	1.07	(1.55)

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.



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36 Contingent liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Claims against the Group not acknowledged as debt, in respect of -		
Floor Area Ratio Charges ("FAR") - New Delhi Municipal Council ("NDMC") (Note 1)	3,031.72	2,928.62
Disputed statutory liabilities (Note - 2)	1,899.35	111.08
Rajasthan Micro and Small Enterprises Facilitation Council and Nutan Deco Private Limited	2.30	2.30
Industrial dispute by an ex-employee	-	0.20
Proceeding under The Minimum Wages Act, 1948	1.08	1.08
Bank Gaurantees	6.99	5.56
Total	4,941.44	3,048.83

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.

(2) The breakup of disputed statutory liabilities is as under:

Particulars	As at March 31, 2025	As at March 31, 2024
Disputed statutory liabilities		
Service tax (refer note i below)	109.22	90.68
Income Tax (refer note ii below)	16.15	14.50
VAT	61.30	-
GST	1,712.68	5.90
Total	1,899.35	111.08

(i) Service tax

Service tax department has raised demand on HLV Limited vide Show Cause Notice ("SCN") on account of disallowance:

- (a) of CENVAT availed on debit notes raised by Leela Lace Holding Private Limited for service tax paid on lease rental under Voluntary Compliance Encouragement Scheme ("VCES") introduced by Ministry of Finance, Government of India to encourage payment of taxes on undisclosed income;
- (b) on account of classification of in-room dining and mini bar under room accommodation (HLV Limited has paid service tax on in-room dining and mini bar service under restaurant category (department has considered the said services under room accommodation category to levy tax) and
- (c) of abatement claimed under rent-a-cab on account of input availment on car washing, maintenance etc.

Order to SCN was received in favour of HLV Limited. However, in departmental query the issue was raised again and the department has filed an appeal before CESTAT against the order received in favour of HLV Limited. The department has filed an appeal before CESTAT against the said order.

(ii) Income tax

(a) The Income Tax department had issued notice u/s 143(2) of The Income Tax Act requesting preliminary information for A.Y. 2020-2021, for which assessment order u/s 143(3) of The Income Tax Act has been passed. The tax amount as per the order was of Rs. 15.21 millions against which Rs. 3.04 millions has been paid. The Group has filed an appeal with Commissioner of Income Tax (Appeals) against the said order.

(iii) VAT

The Group has received the notice (issued by Deputy Commissioner of Commercial Tax) on March 9, 2010 for the period FY 2005-06 to FY 2009-10 demanding the VAT @12.5% on service charges including service tax component charged on foods and service supplied at the banquet halls alleging that the service charges, service tax and cess collected relating to sale of food and beverages are presale expenses which add to the value of goods sold. The Group had filed detailed response in this regard.

AO passed the order confirming the demand for FY 05-06, 06-07, 07-08, 08-09 and 09-10 (Upto Nov-19). Commissioner of Commercial Tax (Appeal) upheld the order passed by AO.

The Group filed an appeal before Karnataka Appellate Tribunal. Karnataka Appellate Tribunal set aside the order passed by AO in 2010.

The Department filed revision petition before Hon'ble High court of Karnataka. Hon'ble High Court allowed the revision petition in 2012 and instructed the Appellate Tribunal to undertake fresh scrutiny/ assessment of the said matter. Against High court order, SBPL has filed the Special Leave Petition ("SLP") before Hon'ble Supreme Court. Supreme Court dismissed the SLP on April 5, 2013 and directed the Group to approach High Court.

Till date the Group has not received any letter for fresh scrutiny in this regard.

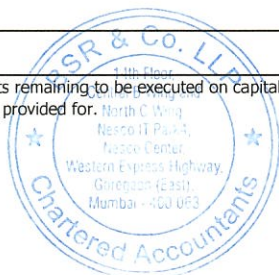
(iv) GST

(a) GST authorities have passed on order under section 73(9) of MGST Act, 2017 in Form GST DRC-07 on August 29, 2024 raising a demand of Rs. 87.55 million (tax - Rs. 42.08 million, interest - Rs. 41.27 million, penalty - Rs. 4.21 million) pertaining to the financial year 2019-20. The GST authorities has issued Form ADT-02 raising the demand against which the Company has also filed additional submission dated August, 26 2024. The Company has filed a writ petition against the said order before the Hon'ble High Court of Bombay of which the hearing is awaited.

(b) GST authorities have issued show cause notice on November 18, 2024 raising a demand of Rs. 1,519.38 million (tax - Rs. 759.69 million, interest - Rs. 683.72 million, penalty - Rs. 75.97 million) pertaining to the financial year 2020-21. The Company has filed a writ petition against the said SCN before the Hon'ble High Court of Bombay. The Company has filed a writ petition against the said order before the Hon'ble High Court of Bombay of which the hearing is awaited.

37 Commitments

Particulars	As at March 31, 2025	As at March 31, 2024
Estimated amount of contracts remaining to be executed on capital expenditure related to Property, plant and equipment and not provided for.	1,277.65	319.09



Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited")**Notes to consolidated financial statements**

(All amounts are in Rupees millions except as otherwise stated)

38 Group - as a lessor

The Group has given on operating leases portion of its building for shops 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. 3.77 millions (March 31, 2024: Rs. 3.65 millions) has been recognised in the Statement of Profit and Loss other than leases disclosed under note 6 on Investment properties.

The future minimum lease payments receivable for under the said non-cancellable operating lease are as follows:

Particulars	As at	As at
	March 31, 2025	March 31, 2024
Receivable within one year	2.28	3.43
Receivable between one and five years	9.38	14.10
Receivable more than five years	-	-

39 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 standalone financial results.

No single customer contributes 10% or more of the Group's total revenue for the year ended March 31, 2025 and March 31, 2024.

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.



Schloss Bangalore Limited (Formerly known as Schloss Bangalore Private Limited)**Notes to consolidated financial statements**

(All amounts are in Rupees millions except as otherwise stated)

40 Earnings per share

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Basic earnings per share		
Profit/(Loss) for the period (A)	476.58	(21.27)
Weighted average number of equity shares for the purpose of basic earnings per share (B)	24,21,44,537	17,59,85,320
Basic Earnings per equity share C=(A/B) in Rs.	1.97	(0.12)
Diluted earnings per share		
Profit attributable to the equity holders		
Used in calculating basic earning per share	476.58	(21.27)
Add: Finance cost saved on compulsorily convertible debentures	-	139.90
Add: Finance cost saved on compulsorily convertible preference shares ("CCPS")	-	-
Profit attributable to the equity holders used in calculating diluted earnings per share:	476.58	118.63
Weighted average number of shares used as the denominator (B)		
Opening balance (a)	2,01,69,566	2,01,69,566
Shares issued during the year (refer note 15(i)(b)) (b)#	11,55,28,792	-
Effect of shares issued during the period (c)		
Equivalent shares on conversion of CCPS (d)****	6,61,59,217	-
Equivalent shares of CCDs (e)	1,50,27,498	1,50,27,498
Number of equity shares under bonus issue (4 bonus shares for each equity share)*** (f)	14,07,88,256	14,07,88,256
Weighted average number of equity shares for the purpose of basic earnings per share (a+d+e+f)	24,21,44,537	17,59,85,320
Adjustments for calculation of diluted earnings per share		
Weighted average number of equity shares for the purpose of diluted earnings per share*	24,21,44,537	17,59,85,320
Diluted** Earnings per equity share C=(A/B) in Rs.	1.97	(0.12)

*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 year ended March 31, 2025.



Schloss Bangalore Limited (Formerly known as Schloss Bangalore Private Limited)

Notes to consolidated financial statements

(All amounts are in Rupees millions except as otherwise stated)

41 (a) Interest in Joint venture

During the 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 venture of the Group as at March 31, 2025 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*
					As at March 31, 2025
Lago Vue Srinagar Private Limited	India	50%	Joint Venture	Equity method	141.31
Total Equity Accounting Investments					141.31

* No quoted fair value available as the joint venture is unlisted entity.

(i) Significant judgement: Existence of significant influence

The Group holds 50% of the board seats and shareholding of Lago Vue Srinagar Private Limited and thus the Group has determined it's a joint venture.

(ii) Commitments and contingent liabilities in respect of joint venture

There are no commitments and contingent liabilities in respect of this joint venture as at March 31, 2025.

	As at March 31, 2025
Commitments- Joint Venture	
Commitment to provide funding for joint venture's capital commitments, if called	-
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	-
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	-

(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	As at March 31, 2025
Current assets	
Other assets	1.02
Total current assets	1.02
Total non-current assets	312.20
Current liabilities	
Financial liabilities	29.80
Other liabilities	0.80
Total current liabilities	30.60
Net assets	282.62

Reconciliation to carrying amounts

	As at March 31, 2025
Opening net assets	-
Addition during the period	286.40
Loss for the period	(3.78)
Closing net assets	282.62
Group's share in %	50%
Group's share in Rs	141.31
Goodwill	-
Carrying amount	141.31

Summarised statement of profit and loss

	For the year ended March 31, 2025
Revenue	-
Interest Income	2.31
Depreciation and Amortisation	-
Interest Expense	-
Income Tax Expense	-
Other expense	(6.09)
Loss from continuing Operations	(3.78)
Profit from discontinued operations	-
Loss for the period	(3.78)
Other comprehensive income	-
Total other comprehensive income/(loss)	(3.78)
Dividends received	-



Schloss Bangalore Limited (Formerly known as Schloss Bangalore Private Limited)**Notes to consolidated financial statements**

(All amounts are in Rupees millions except as otherwise stated)

41 (b) 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	Inside India Resorts Private Limited	Anasvish Tiger Camp Private Limited	Buildminds Real Estate Private Limited
NCI percentage	49%	26%	24%
Non-current assets	606.51	285.59	-
Current assets	0.88	0.18	-
Non-current liabilities	-	-	-
Current liabilities	17.47	3.54	-
Net assets	589.92	282.23	-
Net assets attributable to NCI	289.06	73.38	-
Preference equity held by NCI	-	-	118.28
Total NCI	289.06	73.38	118.28
Revenue	-	-	-
Profit/(loss) after tax	(3.08)	(0.69)	(0.03)
Other comprehensive income	-	-	-
Total comprehensive income	(3.08)	(0.69)	(0.03)
Profit allocated to NCI	(1.50)	(0.18)	(0.01)
OCI allocated to NCI	-	-	-
Cash flows from/(used in) operating activities	104.47	0.43	(1.09)
Cash flows from/(used in) investing activities	7.17	(282.24)	31.20
Cash flows from/(used in) financing activities	(111.18)	281.99	-
Net increase/(decrease) in cash and cash equivalents	0.46	0.18	30.11



Schloss Bangalore Limited (Formerly known as Schloss Bangalore Private Limited)

Notes to consolidated financial statements

(All amounts are in Rupees millions except as otherwise stated)

42 Related party transactions

A Name of related parties

List of related parties where control exists and relationships

i Holding company

Project Ballet Bangalore Holdings (DIFC) Pvt Limited

ii Fellow Subsidiaries

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 Joy Two Holdings (DIFC) Limited
 BSREP III India Ballet I Pte. Ltd.
 BSREP III India Ballet Pte. Ltd.
 Summit Digital 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
 Striton Properties Private Limited (Formerly known as 'Mars Hotels & Resorts Private Limited')
 Witwicky One Private Limited
 BAM DLR Chennai Private Limited
 BSREP III Tadoba Holdings (DIFC) Pvt 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
 Tulsi Palace Resort Private Limited (upto May 26, 2023)
 Elevar Digital Infrastructure Private Limited

iv Joint Venture

Lago Vue Srinagar Private Limited

v 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, 2025	For the year ended March 31, 2024
Management and operating fees		
Tulsi Palace Resort Private Limited	-	6.96
Striton Properties Private Limited (Formely known as Mars Hotels & Resorts Private Limited)	6.96	8.12
Revenue from operations		
Arliga India Office Parks Private Limited	0.27	0.70
Cowrks India Private Limited	7.72	0.19
Brookprop Property Management Services Private Limited	0.66	2.90
Arliga Ecoworld Infrastructure Private Limited	1.09	0.10
Brookfield Advisors India Private Limited	24.78	2.36
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	-
Mountainstar India Office Parks Private Limited	0.01	-
Kairos Properties Private Limited	0.05	-
Candor Kolkata One Hi Tech Structures Private Limited	0.02	-
Candor India Office Parks Private Limited	0.44	-
Brookprop Management Services Private Limited	0.59	-
Witwicky One Private Limited	-	0.01
Reimbursement of expenses paid to / (received from)		
Tulsi Palace Resort Private Limited	-	(5.95)
Arliga India Office Parks Private Limited	-	(3.44)
Arliga Ecoworld Infrastructure Private Limited	-	0.12
Cowrks India Private Limited	-	0.14
Project Ballet Bangalore Holdings (DIFC) Pvt Limited	(106.35)	-
Lago Vue Srinagar Private Limited	7.67	-
Brookprop Property Management Services Private Limited	2.43	-



Schloss Bangalore Limited (Formerly known as Schloss Bangalore Private Limited)**Notes to consolidated financial statements**

(All amounts are in Rupees millions except as otherwise stated)

Rental Income		
Summit Digital Infrastructure Limited	3.65	3.56
Elevar Digital Infrastructure Private Limited	0.38	-
Other Income		
Equinox Business Parks Private Limited	17.44	-
Business support services		
Brookprop Property Management Services Private Limited	12.83	12.34
Rent expense		
Equinox Business Parks Private Limited	6.66	3.56
Cowrks India Private Limited	0.31	0.25
Interest expense on lease liability		
Equinox Business Parks Private Limited	24.58	25.80
Principal payment of lease liability		
Equinox Business Parks Private Limited	47.16	25.17
Security deposit paid		
Equinox Business Parks Private Limited	-	22.40
Cowrks India Private Limited	-	0.07
Security deposit refund received		
Equinox Business Parks Private Limited	3.93	15.92
Interest Income on Security Deposits		
Equinox Business Parks Private Limited	2.53	2.70
Gain on account of modification in the terms/extinguishment/conversion of compound financial instruments		
Project Ballet Bangalore Holdings (DIFC) Pvt Limited	(113.53)	96.38
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	-
Allotment of 10.50% compulsorily convertible debentures		
BSREP III Joy Two Holdings (DIFC) Limited	-	500.00
Acquisition under common control		
BSREP III Joy Two Holdings (DIFC) Limited	-	6,983.08
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 Venture		
Lago Vue Srinagar Private Limited	143.20	-
Issue of bonus equity shares		
Project Ballet Bangalore Holdings (DIFC) Pvt Limited	1,407.88	-



Schloss Bangalore Limited (Formerly known as Schloss Bangalore Private Limited)**Notes to consolidated financial statements**

(All amounts are in Rupees millions except as otherwise stated)

Interest expense on unsecured compulsorily convertible debentures

Project Ballet Bangalore Holdings (DIFC) Pvt Limited	44.77	139.90
Project Ballet Udaipur Holdings (DIFC) Pvt Limited	5.11	10.22
Project Ballet Chennai Holdings (DIFC) Pvt Limited	25.10	50.23
Project Ballet HMA Holdings (DIFC) Pvt Limited	46.13	92.73
BSREP III India Ballet I Pte. Ltd.	131.44	191.23

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	-

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.

Non-executive director fees

Mr. Deepak Parekh	0.90	-
Mr. Mukesh Butani	1.00	-
Ms. Apurva Purohit	1.00	-

Managerial remuneration***Short term employment benefits**

Mr. Anuraag Bhatnagar	69.29	55.29
Mr. Ravi Shankar	29.23	21.25
Mr. Madhav Sehgal	6.35	15.14

* BSREP III India Ballet Holdings (DIFC) Limited has adopted the BSREP III India Ballet Holdings Outperformance Plan (the "Plan") on September 18, 2024 for payment of incentive by BSREP III India Ballet Holdings (DIFC) Limited to certain identified employees of the Group. Accordingly, BSREP III India Ballet Holdings (DIFC) Limited will make the payment under this plan to such identified employees as per the plan. There is however no financial impact of such payments on the Group.

* 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:

	As at March 31, 2025	As at March 31, 2024
Trade receivables		
Summit Digital Infrastructure Limited	0.19	0.36
Striton Properties Private Limited (Formerly known as Mars Hotels & Resorts Private Limited)	6.16	2.74
Rostrum Realty Private Limited	0.06	-
Cowrks India Private Limited	0.12	-
Elevar Digital Infrastructure Private Limited	0.12	-
Brookfield Advisors India Private Limited	0.22	-
BAM DLR Chennai Private Limited	0.05	-
Brookprop Property Management Services Private Limited	-	3.20
Trade payables		
Brookprop Property Management Services Private Limited	0.49	6.57
Cowrks India Private Limited	0.03	*
Equinox Business Parks Private Limited	8.07	0.96
Capital creditors		
Brookprop Property Management Services Private Limited	1.35	-
Security deposits placed		
Equinox Business Parks Private Limited	37.13	28.21
Cowrks India Private Limited	0.11	0.11
Security deposits received		
Summit Digital Infrastructure Limited	0.24	0.24



Schloss Bangalore Limited (Formerly known as Schloss Bangalore Private Limited)**Notes to consolidated financial statements**

(All amounts are in Rupees millions except as otherwise stated)

Lease liability		
Equinox Business Parks Private Limited	222.86	279.27
Other receivables		
Project Ballet Bangalore Holdings (DIFC) Pvt Limited	106.35	-
Equinox Business Parks Private Limited	20.58	-
Lago Vue Srinagar Private Limited	29.80	-
Equity component of unsecured compulsorily convertible debentures		
Project Ballet Bangalore Holdings (DIFC) Pvt Limited	-	603.09
Financial liability component of unsecured compulsorily convertible debentures		
Project Ballet Bangalore Holdings (DIFC) Pvt Limited	-	1,246.55
Interest payable on unsecured compulsorily convertible debentures		
Project Ballet Chennai Holdings (DIFC) Pvt Limited	-	445.54
BSREP III India Ballet I Pte. Ltd.	-	822.59
Project Ballet Udaipur Holdings (DIFC) Pvt Limited	-	1,654.79
Project Ballet HMA Holdings (DIFC) Pvt Limited	-	90.69
Purchase consideration payable 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 Joy Two Holdings (DIFC) Limited	-	6,983.18
BSREP III Tadoba Holdings (DIFC) Pvt Limited	-	0.01
Project Ballet Chennai Holdings (DIFC) Pvt Limited	-	10,110.86
Project Ballet Gandhinagar Holdings (DIFC) Pvt Limited	-	18.52
Project Ballet HMA Holdings (DIFC) Pvt Limited	-	12,153.33
Project Ballet Udaipur Holdings (DIFC) Pvt Limited	-	4,139.86

*amounts are less than rounding off norms.

D Corporate Guarantee

The Group has received corporate guarantee from BSREP III India Ballet Holdings (DIFC) Limited upto an amount of Rs. 3,000 millions against the term loan facility availed by the Company and its subsidiaries 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) respectively (jointly co-borrower).

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.



Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited")**Notes to consolidated financial statements**

(All amounts are in Rs millions except per share data or as otherwise stated)

43 Business combination**II Scheme of merger accounting**

The Board of Directors of Tuli 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

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

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 allotted to the shareholders of Transferor Company for

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

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

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
	<u>(4,604.15)</u>

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.

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.

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)	<u>203.80</u>

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 millions)
Total assets (A)	613.16
Total liabilities (B)	19.42
Non-controlling interest (C)	290.57
Total net assets (A)-(B)-(C)	<u>303.17</u>

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 millions)
Total assets (A)	151.20
Total liabilities (B)	2.94
Non-controlling interest (C)	118.26
Total net assets (A)-(B)-(C)	<u>30.00</u>



Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited")

Notes to consolidated financial statements

(All amounts are in Rs millions except per share data or as otherwise stated)

43 Business combination

I Business combination under common control

- (a) Pursuant to the respective share purchase agreements entered on May 31, 2024, Schloss Bangalore 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 ⁽²⁾	BSREP III India Ballet I Pte. Limited, BSREP III India Ballet Pte. Limited	11,10,23,076	100%	11,450.92
Schloss Udaipur Private Limited ⁽²⁾	Project Ballet Udaipur Holdings (DIFC) Pvt Limited, BSREP III India Ballet Holdings (DIFC) Limited	79,57,142	100%	4,139.86
Schloss Chennai Private Limited ⁽³⁾	Project Ballet Chennai Holdings (DIFC) Pvt Limited, BSREP III India Ballet Holdings (DIFC) Limited	3,12,39,130	100%	10,110.86
Schloss HMA Private Limited ⁽⁴⁾	Project Ballet HMA Holdings (DIFC) Pvt Limited, BSREP III India Ballet Holdings (DIFC) Limited	3,67,92,597	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 Palaces and Resorts Limited ⁽⁴⁾	BSREP III India Ballet Holdings (DIFC) Limited	27,28,130	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	50,10,000	100%	500.14
Tulsi Palace Resort Private Limited ("TPRPL") ⁽²⁾	BSREP III Joy Two Holdings (DIFC) Limited	1,25,75,000	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.

** 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 Schloss Bangalore Limited on July 25, 2024.

⁽⁴⁾ Equity shares were subsequently transferred to Schloss Bangalore Limited on July 26, 2024.

⁽⁵⁾ Equity shares were subsequently transferred to Schloss Bangalore 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 occurred 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	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



- (c) Disclosure of Common control adjustment deficit account:

Particulars	As at	
	March 31, 2024	April 01, 2023
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)



Schloss Bangalore Limited (Formerly known as Schloss Bangalore Private Limited)
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44 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								
Schloss Bangalore Limited								
March 31, 2025	175.94	63,427.73	71.83	342.33	14.00	2.25	69.94	344.58
March 31, 2024	0.88	(248.89)	604.22	(128.52)	29.03	(5.62)	330.14	(134.14)
Subsidiaries (Group's Share)								
Schloss Udaipur Private Limited								
March 31, 2025	4.70	1,694.45	25.44	121.22	(2.22)	(0.36)	24.53	120.86
March 31, 2024	(5.06)	1,430.70	(128.43)	27.32	5.01	(0.97)	(64.85)	26.35
Schloss HMA Private Limited								
March 31, 2025	5.14	1,851.95	74.87	356.81	60.16	9.69	74.39	366.50
March 31, 2024	(0.66)	186.57	715.28	(152.14)	45.81	(8.87)	396.27	(161.01)
Tulsi Palace Resort Private Limited								
March 31, 2025	(0.04)	(14.98)	(50.86)	(242.40)	4.62	0.74	(49.05)	(241.66)
March 31, 2024	(2.44)	689.26	(1,999.96)	425.39	(6.25)	1.21	(1,049.96)	426.60
Schloss Chennai Private Limited								
March 31, 2025	12.86	4,635.07	(7.25)	(34.56)	31.45	5.06	(5.99)	(29.49)
March 31, 2024	(13.38)	3,779.48	(90.07)	19.16	19.21	(3.72)	(37.99)	15.44
Schloss Tadoba Private Limited								
March 31, 2025	(0.00)	(1.30)	(0.15)	(0.71)	-	-	(0.14)	(0.71)
March 31, 2024	0.00	(0.59)	2.73	(0.58)	-	-	1.43	(0.58)
Leela Palaces and Resorts Limited								
March 31, 2025	1.47	530.77	(3.70)	(17.64)	-	-	(3.58)	(17.64)
March 31, 2024	(1.94)	548.41	23.45	(4.99)	-	-	12.28	(4.99)
Schloss Chanakya Private Limited								
March 31, 2025	45.59	16,433.66	(44.81)	(213.55)	(11.81)	(1.90)	(43.73)	(215.45)
March 31, 2024	(12.05)	3,406.16	1,771.56	(376.81)	16.17	(3.13)	935.11	(379.94)
Schloss Gandhinagar Private Limited								
March 31, 2025	(0.04)	(13.94)	(1.23)	(5.84)	3.76	0.62	(1.06)	(5.23)
March 31, 2024	0.03	(8.70)	17.58	(3.74)	(8.98)	1.74	4.92	(2.00)
Moonburg Power Private Limited								
March 31, 2024	1.19	(336.73)	1,978.41	(420.81)	-	-	1,035.71	(420.81)
Aries Holdings (DIFC) Limited								
March 31, 2025	(0.01)	(1.97)	(0.49)	(2.32)	-	-	(0.47)	(2.32)
Leela BKC Holdings Private Limited (formerly known as Transition Cleantech Services Four Private Limited)								
March 31, 2025	(0.00)	(0.28)	(0.08)	(0.38)	-	-	(0.08)	(0.38)
Transition Cleantech Services Five Private Limited								
March 31, 2025	(0.00)	(0.28)	(0.08)	(0.38)	-	-	(0.08)	(0.38)
Inside India Resorts Private Limited								
March 31, 2025	1.48	533.10	(0.33)	(1.57)	-	-	(0.32)	(1.57)
Anasvish Tiger Camp Private Limited								
March 31, 2025	0.77	279.14	(0.11)	(0.51)	-	-	(0.10)	(0.51)
Buildminds Real estate Private Limited								
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, 2025	-	-	(0.40)	(1.89)	-	-	(0.38)	(1.89)
Non-controlling interest								
March 31, 2025	1.33	480.72	(0.35)	(1.69)	-	-	(0.34)	(1.69)
Consolidation Adjustments /Eliminations								
March 31, 2025	(151.61)	(53,927.96)	37.31	177.80	-	-	36.09	177.82
March 31, 2024	133.43	(37,702.93)	(2,794.78)	594.45	-	-	(1,463.05)	594.45
Total								
March 31, 2025	100.00	36,049.88	100.00	476.58	100.00	16.10	100.00	492.68
March 31, 2024	100.00	(28,257.23)	100.00	(21.27)	100.00	(19.36)	100.00	(40.63)



Schloss Bangalore Limited (Formerly known as Schloss Bangalore Private Limited)

Notes to consolidated financial statements

(All amounts are in Rupees millions except as otherwise stated)

45 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:
 - (a) 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
 - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.
 - (vi) The Group 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 Group 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 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.
 - (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.
- 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.
- 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.
- (xii) 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.

46 Subsequent events

- i) 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 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.

For B S R & Co. LLP

Chartered Accountants

Firm Registration No: 101248W/W-100022

Tarun Kinger

Partner

Membership Number : 105003

Place: Mumbai

Date : May 06, 2025

For and on behalf of the board of directors of

Schloss Bangalore Limited (formerly known as "Schloss Bangalore Private Limited")

CIN: U55209DL2019PLC347492

Anuraag Bhatnagar

Executive Director

DIN: 07967035

Place: Mumbai

Date : May 06, 2025

Ashank Kothari

Director

DIN: 08565174

Place: Mumbai

Date : May 06, 2025

Ravi Shankar

Chief Financial Officer

Place: Mumbai

Date : May 06, 2025

Jyoti Maheshwari

Company Secretary

Membership Number: ACS24469

Place: Mumbai

Date : May 06, 2025

