B S R & Co. LLP
Chartered Accountants

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Independent Auditor's Report

To the Members of Schloss Chennai Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Schloss Chennai Private Limited (the "Company") which comprise the balance sheet as at 31 March 2026, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 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 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 financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 01 April 2026 and 24 April 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2B(f)]below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its financial statements - Refer Note 35 to the financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 42(iv) to the 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 Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of their knowledge and belief, as disclosed in the Note 42(v) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The Company has neither declared nor paid any dividend during the year.

f. Based on our examination which included test checks, the Company has used accounting

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softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility except for an accounting software used for purchases and inventory management where feature of recording the audit trail (edit log) facility was not enabled at the database level to log any direct changes upto 25 June 2025. Further, where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting softwares, we did not come across any instance of audit trail feature being tampered with. Additionally, where audit trail (edit log) facility was enabled and operated in the previous year, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The excess remuneration paid to a director is in accordance with the requisite approval 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 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

Membership No.: 105003

Date: 27 April 2026

ICAI UDIN:26105003CUGLCB4322

Annexure A to the Independent Auditor's Report on the Financial Statements of Schloss Chennai Private Limited for the year ended 31 March 2026

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, all property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has granted advances in the nature of loan to employees during the year in respect of which the requiste information is as below. Further the Company has not granted any advances in the naure of loans, secured or unsecured, to companies, firms or limited liability partnerships during the year.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided advances in the nature of loans to employees as below:

Annexure A to the Independent Auditor's Report on the Financial Statements of Schloss Chennai Private Limited for the year ended 31 March 2026 *(Continued)*

Particulars	Advances in nature of loans (Rs in million)
Aggregate amount during the year -Employees	3.31
Balance outstanding as at balance sheet date -Employees	1.75

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the terms and conditions of the grant of advances in the nature of loans to employees during the year are not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in case of advances in the nature of loans given to employees (which as per the Company policy is interest free) the schedule of repayment is stipulated. The repayments of principal and interest have been regular wherever applicable.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of advances in the nature of loans given during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans given to its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):.

Particulars	Related Parties (Rs in million)
Aggregate of loans - Repayable on demand	105.00
Percentage of loans to the total loans	100%

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has complied with the provisions of Section 185 of the Companies Act, 2013 ("the Act") in respect of loans granted by the Company. The Company has not given any guarantees or security to parties covered under Section 185 of the Act. Further, in terms of Section 186(11) of the Act, the Company is exempt from the provisions of Section 186 except Section 186(1) since the Company is engaged in the business of providing infrastructure facilities. Accordingly, the relevant provisions of Section 186 are not applicable to the loans granted by the Company. The Company has complied with the provisions of Section 186(1) of the Act with respect to the investments made.

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Annexure A to the Independent Auditor's Report on the Financial Statements of Schloss Chennai Private Limited for the year ended 31 March 2026 *(Continued)*

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise and Sales tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Value added tax, Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on Duty of Customs.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Value added tax, Cess or other statutory dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Value added tax, Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs in million)	Amount paid under protest (Rs in million)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Tax and Interest	0.18	-	AY 21-22	Assessing Officer	Nil
Income Tax Act, 1961	Tax and Interest	2.68	0.53	AY 24-25	Appellate Authority	Nil

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

Annexure A to the Independent Auditor's Report on the Financial Statements of Schloss Chennai Private Limited for the year ended 31 March 2026 *(Continued)*

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not obtained any funds on a short term basis. Accordingly, clause 3(ix)(d) of the Order is not applicable.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) During the course of our examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) The Company is a wholly owned subsidiary of a public limited company and accordingly the requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

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Annexure A to the Independent Auditor's Report on the Financial Statements of Schloss Chennai Private Limited for the year ended 31 March 2026 *(Continued)*

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as defined in the regulations made by the Reserve Bank of India). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Tarun Kinger
Partner
Place: Mumbai
Membership No.: 105003
Date: 27 April 2026
ICAI UDIN:26105003CUGLCB4322

Annexure B to the Independent Auditor's Report on the financial statements of Schloss Chennai Private Limited for the year ended 31 March 2026

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Schloss Chennai Private Limited ("the Company") as of 31 March 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

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

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Annexure B to the Independent Auditor's Report on the financial statements of Schloss Chennai Private Limited for the year ended 31 March 2026 *(Continued)*

statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**

Chartered Accountants

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

Tarun Kinger

Partner

Place: Mumbai

Membership No.: 105003

Date: 27 April 2026

ICAI UDIN:26105003CUGLCB4322

Schloss Chennai Private Limited
Balance Sheet as at March 31, 2026
(All amounts are in Rupees in millions except otherwise stated)

Particulars	Notes	As at March 31, 2026	As at March 31, 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3	10,856.86	10,732.33
Right-of-use assets	4	0.34	3.43
Capital work-in-progress	3	170.30	57.92
Other intangible assets	5	2.38	2.02
Financial assets			
- Investments	6	-	0.01
- Other financial assets	7	200.75	221.79
Non-current tax assets (net)	8	34.11	30.28
Other non-current assets	9	61.81	29.39
Total non-current assets		**11,326.55**	**11,077.17**
Current assets			
Inventories	10	60.59	50.88
Financial assets			
- Loans	14	122.24	110.72
- Trade receivables	11	66.30	68.65
- Cash and cash equivalents	12	54.15	330.36
- Bank balances other than cash and cash equivalents	13	15.42	148.19
- Other financial assets	7	0.50	4.54
Other current assets	9	112.33	96.40
Total current assets		**431.53**	**809.74**
TOTAL ASSETS		**11,758.08**	**11,886.91**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	312.39	312.39
Other equity			
-Reserves and surplus	16	4,609.25	4,322.78
Total equity		**4,921.64**	**4,635.17**
Liabilities			
Non-current liabilities			
Financial liabilities			
-Borrowings	17	5,169.73	5,403.10
-Lease liabilities	4	-	0.32
-Other financial liabilities	18	3.69	3.46
Other non-current liabilities	19	0.34	0.52
Deferred tax liabilities (net)	20	1,056.39	964.60
Provisions	21	16.27	13.15
Total non-current liabilities		**6,246.42**	**6,385.15**
Current liabilities			
Financial liabilities			
-Borrowings	17	285.34	584.41
-Lease liabilities	4	0.51	3.36
-Trade payables	22		
(a) Total outstanding dues of micro and small enterprises		22.84	-
(b) Total outstanding dues other than (a) above		79.08	89.58
-Other financial liabilities	18	35.39	40.80
Other current liabilities	19	150.41	145.62
Provisions	21	16.44	2.82
Total current liabilities		**590.01**	**866.59**
Total liabilities		**6,836.43**	**7,251.74**
TOTAL EQUITY AND LIABILITIES		**11,758.08**	**11,886.91**

Summary of Material accounting policies 2

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership Number : 105003

Place: Mumbai
Date: April 27, 2026

For and on behalf of the board of directors of
Schloss Chennai Private Limited
CIN:U55101DL2019PTC346475

Sunil Kumar Subba Raju
Whole time Director
DIN: 11433147
Place: Ahmedabad
Date: April 27, 2026

Dixit Chauhan
Director
DIN: 10683243
Place: Ahmedabad
Date: April 27, 2026

Deepa Arvind
Chief Financial Officer
Place: Ahmedabad
Date: April 27, 2026

Rahul Pathak
Company Secretary
Membership Number: A63909
Place: Mumbai
Date: April 27, 2026

SCHLOSS CHENNAI PRIVATE LIMITED

Schloss Chennai Private Limited
Statement of Profit and Loss for the year ended March 31, 2026
(All amounts are in Rupees in millions except otherwise stated)

	Notes	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
Revenue from operations	23	2,744.71	2,314.06
Other income	24	50.79	90.21
Total income		**2,795.50**	**2,404.27**
Expenses			
Cost of food and beverages consumed	25	273.54	202.70
Employee benefits expense	26	468.56	410.13
Finance costs	27	571.61	599.93
Depreciation and amortisation expenses	28	214.43	200.26
Other expenses	29	881.28	761.25
Total expenses		**2,409.42**	**2,174.27**
Profit before tax and exceptional items		**386.08**	**230.00**
Exceptional items	45	12.58	-
Profit before tax		**373.50**	**230.00**
Income tax expense			
-Current tax	30	-	-
-Deferred tax	30	90.59	264.52
Total tax expense		**90.59**	**264.52**
Profit/(Loss) for the year		**282.91**	**(34.52)**
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit plans	32	4.76	6.86
Income tax relating to these items	30	(1.20)	(1.73)
Other comprehensive income for the year, net of tax		**3.56**	**5.13**
Total comprehensive income/(loss) for the year		**286.47**	**(29.39)**
Earnings per share attributable to owners:	38		
Basic earnings per share (in Rs.) (face value of Rs. 10 each)		9.06	(1.11)
Diluted earnings per share (in Rs.) (face value of Rs. 10 each)		9.06	(1.11)
Summary of Material accounting policies	2		

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

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Place: Ahmedabad
Date: April 27, 2026

Deepa Arvind
Chief Financial Officer

Place: Ahmedabad
Date: April 27, 2026

Rahul Pathak
Company Secretary

Place: Mumbai
Date: April 27, 2026

SCHLOSS CHENNAI PRIVATE LIMITED

Schloss Chennai Private Limited
Statement of cash flows for the year ended March 31, 2026
(All amounts are in Rupees in millions except otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash flows from operating activities		
Profit before tax for the year	386.08	230.00
Adjustments for:		
Depreciation and amortisation	214.43	200.26
Finance costs	571.61	599.93
Net (gain)/loss on disposal of property, plant and equipment	(4.27)	5.71
Net impairment reversal on financial assets	(0.46)	(2.22)
Interest income on income tax refund	3.06	(2.96)
Net unrealised foreign exchange differences	0.33	0.19
Interest income	(43.79)	(86.18)
Operating cash flows before working capital changes	**1,126.99**	**944.72**
Working capital movements:		
(Increase)/decrease in inventories	(9.71)	30.30
Decrease in trade receivables	1.89	52.09
Increase/(decrease) in other financial assets	14.55	(0.84)
(Increase)/decrease in other assets	(13.63)	4.04
Increase/(decrease) in trade payables	12.01	(202.20)
Increase in other liabilities	4.62	1.02
(Decrease)/Increase in other financial liabilities	(0.70)	1.52
Increase in provisions	16.74	8.11
Cash generated from operations	**1,152.76**	**838.75**
Income taxes (paid), net	(6.89)	20.04
Net cash flows generated/(used) from operating activities (A)	**1,145.87**	**858.79**
Cash flows from investing activities		
Payments for purchase of property, plant and equipment	(494.11)	(187.31)
Payments for purchase of intangibles	(1.18)	-
Proceeds from sale of property, plant and equipment	4.27	(0.73)
Payment of acquisition of subsidiary, net of cash acquired	-	(0.01)
Bank Deposit placed	(3,701.10)	(1,907.07)
Bank Deposit matured	3,844.40	2,681.71
Interest received	43.79	26.72
Intercorporate deposits given to related parties	(11.52)	(780.40)
Proceeds from intercorporate loan by related parties	-	1,030.43
Interest received on intercorporate loan from related parties	-	62.95
Net cash flows used in investing activities (B)	**(315.45)**	**926.30**
Cash flows from financing activities		
Proceeds from borrowings	483.48	96.11
Proceeds of borrowings from Related Parties	1,455.00	-
Repayments of borrowings	(2,020.11)	(559.70)
Principal elements of lease payments	(3.00)	(6.38)
Finance cost paid on CCD conversion	-	(470.64)
Finance costs paid to related parties	(136.96)	(552.43)
Finance costs paid other than on lease liabilities	(413.27)	-
Repayments of borrowings to Related Parties	(471.77)	-
Net cash flows used in financing activities (C)	**(1,106.63)**	**(1,493.06)**
Net (decrease)/increase in cash and cash equivalents (A+B+C)	**(276.21)**	**292.04**
Cash and cash equivalents as at beginning of the year	330.36	38.32
Cash and cash equivalents at the end of the year (refer note 12)	**54.15**	**330.36**
Reconciliation of cash and cash equivalents as per the statement of cash flows:		
Cash and cash equivalents comprise of the following:		
Cash on hand	0.78	0.93
Balance with banks		
-in current account	8.36	78.10
-in fixed deposit account with original maturity of less than 3 months	45.01	251.33
Total cash and cash equivalents as at year end	**54.15**	**330.36**

The above cash flow Statement has been prepared under "indirect method" as set out in Ind AS 7: Statement of Cash flows notified under Section 133 of the Companies Act, 2013 together with paragraph 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accouting Standards) amendment rules, 2016.
Supplemental information to the cashflow (refer note 17)

Summary of Material accounting policies

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership Number: 105003
Place: Mumbai
Date: April 27, 2026

For and on behalf of the board of directors of
Schloss Chennai Private Limited
CIN: ~~U55101DL2~~019PTC346475

Sunil Kumar Subba Raju
Whole time Director
DIN: 11433147
Place: Ahmedabad
Date: April 27, 2026

Divit Chauhan
Director
DIN: 10683243
Place: Ahmedabad
Date: April 27, 2026

Deepa Arvind
Chief Financial Officer
Place: Ahmedabad
Date: April 27, 2026

Rahul Pathak
Company Secretary
Place: Mumbai
Date: April 27, 2026

SCHLOSS CHENNAI PRIVATE LIMITED

Schloss Chennai Private Limited
Statement of changes in equity for the year ended March 31, 2026
(All amounts are in Rupees in millions except otherwise stated)

Statement of changes in equity

A. Equity share capital

Particulars	Amount
Balance As at April 01, 2024	172.39
Changes in equity share capital	140.00
Balance As at March 31, 2025	**312.39**
Changes in equity share capital	-
Balance as at March 31, 2026	**312.39**

B. Other equity

Particulars	Equity component of compound financial instruments	Reserves and surplus				Total
		Securities premium	Retained earnings	Retained earnings - fair value as deemed cost	Other Equity	
Balance As at April 01, 2024	**549.14**	**1,456.29**	**(2,437.63)**	**4,039.28**	**-**	**3,607.08**
Loss for the year	-	-	(34.52)	-	-	(34.52)
Other comprehensive income for the year, net of tax	-	-	5.13	-	-	5.13
Total	**549.14**	**1,456.29**	**(2,467.02)**	**4,039.28**	**-**	**3,577.69**
Iimpact of conversion into equity shares	(549.14)	-	-	-	-	(549.14)
Issue of equity shares on conversion of CCD		1,260.00	-	-	-	1,260.00
Extinguishment of compound financial instruments					34.23	34.23
Balance As at March 31, 2025	**-**	**2,716.29**	**(2,467.02)**	**4,039.28**	**34.23**	**4,322.78**
Balance as at April 01, 2025	**-**	**2,716.29**	**(2,467.02)**	**4,039.28**	**34.23**	**4,322.78**
Profit for the year	-	-	282.91	-	-	282.91
Other comprehensive income for the year, net of tax	-	-	3.56	-	-	3.56
Total	**-**	**2,716.29**	**(2,180.55)**	**4,039.28**	**34.23**	**4,609.25**
Balance as at March 31, 2026	**-**	**2,716.29**	**(2,180.55)**	**4,039.28**	**34.23**	**4,609.25**

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership Number : 105003

Place: Mumbai
Date: April 27, 2026

For and on behalf of the board of directors of
Schloss Chennai Private Limited
CIN:U55101DL2019PTC346475

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Whole time Director
DIN: 11433147

Place: Ahmedabad
Date: April 27, 2026

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DIN: 10683243

Place: Ahmedabad
Date: April 27, 2026

Deepa Arvind
Chief Financial Officer

Place: Ahmedabad
Date: April 27, 2026

Rahul Pathak
Company Secretary

Place: Mumbai
Date: April 27, 2026

SCHLOSS CHENNAI PRIVATE LIMITED

1 Company information

Schloss Chennai Private Limited ("the Company") a subsidiary of Leela Palaces Hotels and Resorts Limited (formerly known as Schloss Bangalore Limited) (formerly known as Schloss Bangalore Private Limited) (w.e.f May 31, 2024) was incorporated on 22 February 2019 under the provisions of Companies Act, 2013 and started its operations effective 17 October 2019 by acquiring Chennai hotel undertaking of HLV Limited. The Company is in the hospitality industry and operates hotel under the brand name of "THE LEELA".

2 Basis of preparation, Critical accounting estimates and judgements, Material accounting policies and Recent accounting pronouncements

The accounting policies set out below have been applied consistently to the periods presented in these financial statements.

2.1 Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and other provisions of the Companies Act, 2013 ("the Act") as amended from time to time.

The financial statements are prepared in Indian rupees in millions.

Historical cost convention
The financial statements have been prepared on historical cost basis, except for the following -
• certain financial assets and liabilities - measured at fair value; and
• defined benefit plans - plan assets measured at fair value.

Functional & Presentation Currency:
The financial statement are presented in Indian Rupees (Rs) which is the functional currency of the company and the currency of the primary economic environment in which the Company operates. All values are rounded to the nearest million (Rs 000,000), except when otherwise indicated.

The financial statements are approved for issue by the company's Board of directors on April 25, 2026.

2.2 Critical Accounting estimates and judgements

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires management to make judgements, estimates and assumptions, that affect the reported balances of assets and liabilities and 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 Company has estimated useful life of each class of assets based on the nature of assets, the estimated usage of the asset, the operating condition of the asset, past history of replacement, anticipated technological changes, etc. The Company reviews the useful life of property, plant and equipment as at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods. Refer Note 3 for further details. Refer Note 3 for further details.

– Impairment Testing: Property, plant and equipment 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 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 Company estimates deferred tax assets and liabilities based on current tax laws and rates and in certain cases, business plans, including management's expectations regarding the manner and timing of recovery of the related assets. Changes in these estimates may affect the amount of deferred tax liabilities or the valuation of deferred tax assets and thereby the tax charge in the Statement of Profit and Loss. Refer Note 29 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 30 for further details.

- Defined Benefit Plans: The cost of the defined benefit plans and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each Balance Sheet date. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any plan assets are deducted. Refer Note 31 for further details.

- Leases: The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate. The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics. Refer Note 4 for further details.

- Fair value Measurement of Financial Instruments: The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. This involves significant judgements in the selection of a method in making assumptions that are mainly based on market conditions existing at the Balance Sheet date and in identifying the most appropriate estimate of fair value when a wide range of fair value measurements are possible. Refer Note 32 for further details.

- Contingent Liability: The management evaluates possible obligation that arises from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. The estimates of outcome and financial effect are determined by the judgement of the management of the entity, supplemented by experience of similar transactions and, in some cases, reports from independent experts. Refer Note 36 for further details.

2.3 Going Concern

The Company has earned a profit of Rs. 282.91 millions (March 31, 2025 : loss of Rs. 34.52 millions) during the year ended March 31, 2026, has accumulated losses of Rs. 2,180.55 millions (March 31, 2025 : 2,467.02 millions) and positive net worth of Rs. 4,921.64 millions (March 31, 2025: 4,635.17 millions) at 31 March 2025 and as of that date, the Company's current liabilities exceeded its current assets by Rs. 158.48 millions (March 31, 2025 : 56.85 millions)

Based on the initiatives undertaken by the Company, there is adequate cash balance to meet its obligations. The Company 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 Company 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.

In view of the above, along with financial support from its shareholders, the Company believes that it will be able 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:
(a) it is expected to be realised in, or is intended for sale or consumption in the entity's normal operating cycle;
(b) it is held primarily for the purpose of being traded;
(c) it is expected to be realised within twelve months after the balance sheet date; or
(d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for atleast 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:
(a) it is expected to be settled in the entity's normal operating cycle;
(b) it is held primarily for the purpose of being traded;
(c) it is due to be settled within twelve months after the balance sheet date; or
(d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.
Current liabilities include current portion of non-current liabilities.
All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.
Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non-current classification of assets and liabilities.

SCHLOSS CHENNAI PRIVATE LIMITED

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

2.5 Material Accounting Policies

a) Foreign currency translation

(i) Functional and presentation currency
The functional currency of the Company 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 rate are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation. A monetary item for which settlement is neither planned nor likely to occur in the foreseeable future is considered as a part of the entity's net investment in that foreign operation.
Foreign exchange differences arising on foreign currency borrowings are presented in the statement of profit and loss, within finance costs. 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, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

c) Earnings per share

Basic earnings per share is computed by dividing the profit or loss after tax by the weighted average number of equity shares outstanding during the year adjusting the bonus element for all the reported period arising on account of issue of equity shares on rights and including potential equity shares on compulsory convertible debentures. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share adjusted for the effects of all dilutive potential equity shares. . Ordinary shares that will be issued upon the conversion of a mandatorily convertible instrument are included in the calculation of basic earnings per share from the date the contract is entered into.

d) Revenue recognition and other income

Revenue is recognised at an amount that reflects the consideration to which the Company expects to be entitled in exchange for transferring the goods or services to a customer i.e. on transfer of control of the goods or service to the customer. Revenue from sales of goods or rendering of services is net of indirect taxes, returns and discounts.

Income from operations-
Rooms, Food and Beverage & Banquets: Revenue is recognised at the transaction price that is allocated to the performance obligation. Revenue includes room revenue, food and beverage sale and banquet services which is recognised once the rooms are occupied, food and beverages are sold and banquet services have been provided as per the contract with the customer.

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.

A contract liability is recognised where the customer has paid in advance, but the services are yet to be rendered by the Company or the payment exceeds the services rendered.

The company does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the company does not adjust any of the transaction prices for the time value of money.
Space and Shop Rentals
Rentals basically consists of rental revenue earned from letting of spaces for retails and office at the properties. Revenue is recognised over the tenure of the lease/service agreement on a straight line basis over the term of the lease, except where the rentals are structured to increase in line with expected general inflation, and except where there is uncertainty of ultimate collection.
Interest income
Interest income is recognised on a time proportion basis taking into account amount outstanding using effective interest rate method.

e) Property, plant and equipment

Freehold land is carried at historical cost. All other property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any.

All property, plant and equipment are initially recorded at cost. Cost includes the acquisition cost or the cost of construction, including duties and non-refundable taxes, expenses directly related to bringing the asset to the location and condition necessary for making them operational for their intended use. Initial estimate of costs of dismantling and removing the item and restoring the site on which it is located is also included if there is an obligation to restore it.

Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

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 written down value method, as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of the following categories of assets, in whose case the life of the assets had been re-assessed as under based on technical evaluation, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support, etc. The useful lives have been determined as per the useful life prescribed in Schedule II to the Companies Act, 2013. The residual values are not more than 5% of the original cost of the asset

Based on the above, the estimated useful lives of the property, plant and equipment are as follows:

Category of assets	Useful life as per Schedule II (in years)	Useful life as per technical assessment
Buildings	60 years	60 Years
Plant and machinery	15 years	5 years to 15 years
Plant and machinery - Windmill	25 years	25 years
Furniture and fixtures	10 years	8 Years
Office equipments	5 years	5 years
Computers	3 years	3 years
Data Processing units	6 years	6 years
Vehicles	6 years	6 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 (CWIP) represents expenditure incurred on construction, development, renovation or expansion of hotels that is not yet ready for its intended use. CWIP is recognised as an asset when it is probable that future economic benefits will flow to the Company and the cost can be reabily measured. CWIP is measured at cost, which comprises of cost of land development, construction cost, plant & machinery, directly attributable costs such as employee benefit expense, architectural, design, project management, interior design, installation, testing commission, borrowing cost capitalised as per Ind AS 23.

Subsequent expenditure relating to property, plant and equipment and capital work in progress is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

SCHLOSS CHENNAI PRIVATE LIMITED

f) Intangible assets

Intangible assets are initially measured at acquisition cost including any directly attributable costs of preparing the asset for its intended use and are carried at cost less accumulated amortisation and accumulated impairment losses. Intangible assets with finite lives are amortised over their estimated useful economic life and assessed for impairment, whenever there is an indication that the intangible asset may be impaired. Intangible assets with indefinite useful lives are tested for impairment at least annually and whenever there is an indication that the asset may be impaired. The estimated useful life used for amortising for intangible assets is as under:

Class of asset	Estimated useful life
Computer Software	6 years

The inangible assets are amortised and recognised in profit and loss account. An intangible asset is derecognised on disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss, when the asset is derecognised.

g) Impairment of non-financial assets

Assets that are subject to amortisation and depreciation are reviewed for impairment periodically including whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss. When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss to the extent that it eliminates the impairment loss which has been recognised for the asset in prior years.

h) Income taxes

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity, respectively.

Current tax

Current tax expenses are accounted in the same period to which the revenue and expenses relate. Provision for current income tax is made for the tax liability payable on taxable income after considering tax allowances, deductions and exemptions determined in accordance with the applicable tax rates and the prevailing tax laws.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

Deferred tax

Deferred income tax is recognised using the balance sheet approach. Deferred tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred tax arises from the initial recognition of goodwill, an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss 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 Company. 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 Company intends to settle its current tax assets and liabilities on a net basis.

i) 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 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.

Defined contribution plans:

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The Company's contribution to provident fund and employee state insurance scheme are considered as defined contribution plans and are recognized as an expense when employees have rendered service entitling them to the contributions.

Defined benefit plans -(Post-employment benefit)

The Company's gratuity scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value and the fair value of any plan assets are deducted.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on government securities as at the balance sheet date. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of any economic benefits available in the form of refunds from the plan or reductions in future contributions to the plan ("the asset ceiling").

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets.

Past service cost represents the change in the present value of defined benefit obligations resulting from plan amendments or curtailments, including those arising on account of changes in applicable labour laws and regulations (such as the implementation of new labour codes).

Other long-term employee benefit obligations

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 Company records obligation for compensated absences in the period in which the employee renders services that increase this entitlement. The obligation is measured on the basis of independent actuarial valuation using the Projected Unit credit method. The discount rates used for determining the present value of the liability is based on the market yields on Government securities as at the balance sheet date. Actuarial gains and losses are recognized immediately in the statement of profit & loss.

SCHLOSS CHENNAI PRIVATE LIMITED

j) 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 to bring goods to the location of sale or consumption. Trade discounts and rebates are deducted in determining the cost of purchase.

k) Provisions, contingent liabilities and contingent assets

Provisions are recognised when the Company has a binding present obligation. This may be either legal because it derives from a contract, legislation or other operation of law, or constructive because the Company created valid expectations on the part of third parties by accepting certain responsibilities. To record such an obligation it must be probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made for the amount of the obligation. The amount recognised as a provision and the indicated time range of the outflow of economic benefits are the best estimate (most probable outcome) of the expenditure required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. Non-Current provisions are discounted for giving the effect of time value of money.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.
Provisions, contingent assets and contingent liabilities are reviewed at each balance sheet date.

l) Financial instruments

(i) Classification

The company classifies its financial assets in the following measurement categories
- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.
For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income.

(ii) Recognition

Regular way purchases and sales of financial assets are recognised on trade-date, being the date on which the company commits to purchase or sale the financial asset.

(iii) Measurement

At initial recognition, the Company measures a financial asset at its fair value (trade receivables is measured at transaction price in accordance with Ind AS 115) plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.
Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

- Debt instruments

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. Company classifies its debt instruments as amortised cost

- **Amortised cost:** Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in Other Income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses). Impairment losses are presented as separate line item in the statement of profit and loss.
- **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 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 profit or loss and presented net within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

- Equity instruments

The company subsequently measures all equity investments at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments are recognised in profit or loss as other income when the company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in other gain/ (losses) in the statement of profit and loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

SCHLOSS CHENNAI PRIVATE LIMITED

-Compound financial instruments
Compound financial instruments issued by the Company comprise convertible debentures denominated in INR that can be converted to equity shares at the option of the holder, when the number of shares to be issued is fixed and does not vary with changes in fair value. The liability component of compound financial instruments is initially recognised at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially recognised at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts. Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest method. The equity component of a compound financial instrument is not remeasured subsequently. Interest related to the financial liability is recognised in profit or loss (unless it qualified for inclusion in the cost of an asset). On conversion at maturity, the financial liability is reclassified to equity and no gain or loss is recognized.

Trade and other receivables
Trade receivables are recognized initially at transaction price and subsequently measured at amortised cost using the effective interest method, less loss allowance.

Classification & measurement of financial liabilities

Trade and other payables
Trade payables are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest rate method. If payment is expected in one year or less, they are classified as current liabilities. If not, they are presented as non-current liabilities.

Borrowings
Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the statement of profit or loss over the period of the borrowings using the effective interest rate method.

Borrowings are classified as non-current liabilities if the Company has an unconditional right to defer settlement of the liability for at least 12 months after the statement of financial position date. If not, they are presented under current borrowings.
Covenants that the company is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the company is required to comply with after the reporting period do not affect the classification.

Derecognition of financial asset & financial liabilities

A financial asset (or, a part of a financial asset) is primarily derecognized when:
(i) The contractual right to receive cash flows from the financial assets expire, or
(ii) The Company transfers the financial assets or its right to receive cash flow from the financial assets and substantially all the risks and rewards of ownership of the asset to another party.

A financial liability (or, a part of financial liability) is derecognized when the obligation specified in the contract is discharged or cancelled or expires.

Gain or loss on derecognition
Gain or loss on derecognition of a financial asset or liability measured at amortised cost is recognized in the statement of 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 Company 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 Company applies the simplified approach permitted by Ind AS 109, which requires expected lifetime losses to be recognized from initial recognition of the receivables. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in a provision matrix. For other financial assets (not being equity instruments or debt instruments measured subsequently at FVTPL) the expected credit losses are measured at the 12 month expected credit losses or an amount equal to the lifetime expected credit losses if there has been a significant increase in credit risk since initial recognition.

Offsetting of financial asset and liabilities

Financial assets and liabilities are offset and the net amount reported in the balance sheet where Company currently has a legally enforceable right to offset the recognized amounts, and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

m) Leases
Company as a Leassee

On inception of a contract, the Company assesses whether it contains a lease. A contract contains a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The right to use the asset and the obligation under the lease to make payments are recognised in the Company's statement of financial position as a right-of-use asset and a lease liability.

Right of use assets

The right-of- use asset recognised at lease commencement includes the amount of lease liability recognised, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received. Right-of-use assets are depreciated over the shorter of the asset's estimated useful life and the lease term. Right-of-use assets 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, and payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease. 'In-substance fixed' payments are payments that may, in form, contain variability but that, in substance, are unavoidable. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

The lease term includes periods subject to extension options which the Company is reasonably certain to exercise and excludes the effect of early termination options where the Company is reasonably certain that it will not exercise the option. Minimum lease payments include exercise price a purchase option if the Company is reasonably certain it will purchase the underlying asset after the lease term.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the 'in-substance fixed' lease payments or as a result of a rent review or change in the relevant index or rate.

Variable lease

Variable lease payments that do not depend on an index or a rate are recognised as an expense in the period over which the event or condition that triggers the payment occurs.

Short-Term Leases and Leases of Low-Value Assets

The Company has opted not to apply the lease accounting model to leases of low-value assets or leases which have a lease term of 12 months or less and don't contain purchase option. Costs associated with such leases are recognised as an expense on a straightline basis over the lease term.

Disclosure of lease liabilities and assets in balance sheet

The Company presents right-of-use assets that do not meet the definition of 'investment property' and 'property, plant and equipment' separately in the balance sheet and lease liabilities separately in the balance sheet within 'Financial Liabilities'.

To classify each lease the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not, it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

SCHLOSS CHENNAI PRIVATE LIMITED

Company as a lessor

To classify each lease the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease, if not, it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset is classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

n) 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.

o) Exceptional items

Exceptional items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Company. These are material items of income or expense that have to be shown separately due to their nature or incidence.

p) Cash flow Statement

Cash flows are reported using indirect method in accordance with Ind AS 7, whereby profit / (loss) before tax for the year is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated.

q) Recent pronouncements

The Ministry of Corporate Affairs vide notification dated 7 May 2025 and 13 August 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended certain accounting standards (see below), and are effective for annual reporting periods beginning on or after 1 April 2025:

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1

As a result of the adoption of the amendments to Ind AS 1, the Company changed its accounting policy for the classification of borrowings:
"Borrowings are classified as current liabilities unless, at the end of the reporting period, the company has a right to defer settlement of the liability for at least 12 months after the reporting period.
Covenants that the company is required to comply with, on or before the end of the reporting period, are considered in classifying loan arrangements with covenants as current or non-current. Covenants that the company is required to comply with after the reporting period do not affect the classification."
This new policy did not result in a change in the classification of Company's borrowings. The Company did not make retrospective adjustments as a result of adopting the amendments to Ind AS 1.

Supplier Finance Arrangements – Amendments to Ind AS 7 and Ind AS 107

As a result of the adoption of the amendments to Ind AS 7 and Ind AS 107, the Company does not expect material impact of these amendments in its financial statements.

International Tax Reform – Pillar Two Model Rules – Amendments to Ind AS 12

Leela Luxe Hotels & Resorts Private Limited is not within the scope of the OECD Pillar Two Model Rules, as Pillar Two legislation has not yet been enacted in any of the jurisdictions in which the company operates.

Lack of Exchangeability – Amendments to Ind AS 21

The amended Ind AS 21 have added requirements to help entities to determine whether a currency is exchangeable into another currency, and the spot exchange rate to use where it is not. These amendments did not have any material impact on the amounts recognised in current periods and are not expected to significantly affect the future periods.

r) Recent Indian Accounting Standards (Ind AS) issued not yet effective

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1

This amendment also includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, as outlined below.
Under the existing Ind AS 1, where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.
However, the amended requirements stipulate that entities will no longer be permitted to consider lender waivers that are granted after the reporting date but before the financial statements are approved for the purpose of classification of loans. This amendment is required to be applied retrospectively in accordance with Ind AS 8.
Company does not expect this amendment to have an impact on its operations or financial statements

SCHLOSS CHENNAI PRIVATE LIMITED

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

3 Property, plant and equipment (including capital work-in progress)

Particulars	Building	Freehold land	Plant and machinery (including windmill)	Furniture and fixtures	Office equipment	Computers and data processing units	Vehicles	Total	Capital work-in-progress
Year ended March 31, 2025									
Gross carrying amount									
As at April 01, 2024	**5,382.46**	**5,005.61**	**688.02**	**20.10**	**0.23**	**40.19**	**34.45**	**11,171.06**	**83.96**
Additions	50.46	-	147.10	15.31	0.23	5.00	-	**218.10**	44.57
Disposals/transfers	-	-	(8.31)	-	-	-	-	**(8.31)**	(70.61)
Closing gross carrying amount As at March 31, 2025	**5,432.92**	**5,005.61**	**826.81**	**35.41**	**0.46**	**45.19**	**34.45**	**11,380.85**	**57.92**
Accumulated depreciation									
As at April 01, 2024	**210.24**	-	**205.92**	**2.49**	**0.21**	**22.46**	**16.71**	**458.03**	-
Charge for the year	106.44	-	69.71	3.15	0.08	6.04	8.40	193.82	-
Disposals	-	-	(3.33)	-	-	-	-	(3.33)	-
Closing accumulated depreciation As at March 31, 2025	**316.68**	-	**272.30**	**5.64**	**0.29**	**28.50**	**25.11**	**648.52**	-
Net carrying amount As at March 31, 2025	**5,116.24**	**5,005.61**	**554.51**	**29.77**	**0.17**	**16.69**	**9.34**	**10,732.33**	**57.92**
Year ended March 31, 2026									
Gross carrying amount									-
As at April 01, 2025	**5,432.92**	**5,005.61**	**826.81**	**35.41**	**0.46**	**45.19**	**34.45**	**11,380.85**	**57.92**
Additions	23.60	10.12	265.15	26.09	0.56	8.46	1.08	**335.06**	447.21
Disposals/transfers	-	-	(8.98)	(0.03)	(0.04)	(0.53)	(0.13)	**(9.71)**	(334.83)
Closing gross carrying amount as at March 31, 2026	**5,456.52**	**5,015.73**	**1,082.98**	**61.47**	**0.98**	**53.12**	**35.40**	**11,706.20**	**170.30**
Accumulated depreciation									
As at April 01, 2025	**316.68**	-	**272.30**	**5.64**	**0.29**	**28.50**	**25.11**	**648.52**	-
Charge for the year	106.88	-	81.71	5.24	0.24	8.03	8.43	**210.53**	-
Disposals	-	-	(8.98)	(0.03)	(0.04)	(0.53)	(0.13)	(9.71)	-
Closing accumulated depreciation as at March 31, 2026	**423.56**	-	**345.03**	**10.85**	**0.49**	**36.00**	**33.41**	**849.34**	-
Net carrying amount as at March 31, 2026	**5,032.96**	**5,015.73**	**737.95**	**50.62**	**0.49**	**17.12**	**1.99**	**10,856.86**	**170.30**

I) Property, plant and equipment

(i) Property Plant and Equipment pledged as Security: Refer to Note 17 for information on property, plant and equipment pledged as security by the Company.
(ii) Contractual Obligations: Refer to note 37 for disclosure of contractual commitments for the acquisition of property, plant and equipment
(iii) The title deeds of immovable properties including property, plant and equipment are held in the name of the Company.

II) Capital work in progress

Capital work-in-progress mainly comprises of plant and machinery and renovations of hotel property.
There are no projects under capital work-in-progress whose completion is overdue or has exceeded its cost compared to its original plan.

Ageing of Capital Work in progress
As at March 31, 2026

Particulars	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	125.68	37.61	7.01	-	170.30
Projects temporarily suspended	-	-	-	-	-

As at March 31, 2025

Particulars	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	48.27	9.65	-	-	57.92
Projects temporarily suspended	-	-	-	-	-

SCHLOSS CHENNAI PRIVATE LIMITED

BSR & Co. LLP Chartered Accountants

Schloss Chennai Private Limited
Notes to financial statements for the year ended March 31, 2026
(All amounts are in Rupees in millions except otherwise stated)

4 Leases

a) Company as a lessee

The Company has entered into operating lease arrangements primarily for office premises and staff accomodation. These leases are generally not non-cancellable in nature and may generally be terminated by either party by serving a notice. These arrangements are normally renewed on expiry, wherever required.

(i) Amounts recognised in the Balance Sheet

Particulars	As at March 31, 2026	As at March 31, 2025
Right-of-use assets		
- Building	0.34	3.43
	0.34	**3.43**

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liabilities		
Lease liabilities - Current	0.51	3.36
Lease liabilities - Non Current	-	0.32
	0.51	**3.68**

Additions to right-of-use assets for the year ended March 31, 2026 was Rs. Nil on account of new leases or additional security deposit paid for the existing leases (March 31, 2025 - Rs. 4.49 millions).

(ii) Amounts recognized in statement of profit and loss

Particulars	As at March 31, 2026	As at March 31, 2025
Depreciation charge of right-of-use assets (Refer Note 28)		
- Building	3.08	5.74
Interest expense (included in finance costs)	0.18	0.67
Expense relating to short-term leases (included in other expenses)	-	4.62

(iii) Extension and termination options

Extension and termination options are included in a number of residential accommodation leases across the Company. These are used to maximise operational flexibility in terms of managing the assets used in the Company's operations. The majority of extension and termination options held are exercisable only if agreed by both the Company and the lessor.

iv) Critical judgements in determining the lease term:

The Company assesses at lease commencement whether it is reasonably certain to exercise the extension and termination options. The Company 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 Company is reasonably certain to exercise an option not previously included in its determination of the lease term, or not to exercise an option previously included in its determination of the lease term.

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SCHLOSS CHENNAI PRIVATE LIMITED

Schloss Chennai Private Limited
Notes to financial statements for the year ended March 31, 2026
(All amounts are in Rupees in millions except otherwise stated)

5 Other Intangible assets

Particulars	Computer software	Total
Year ended March 31,2025		
Gross carrying amount		
As at April 01, 2024	4.00	4.00
Additions	-	-
Disposals	-	-
Closing gross carrying amount As at March 31, 2025	4.00	4.00
Accumulated amortisation		
As at April 01, 2024	**1.28**	**1.28**
Charge for the year	0.70	0.70
Disposals	-	-
Closing accumulated depreciation As at March 31, 2025	**1.98**	**1.98**
Net carrying amount As at March 31, 2025	**2.02**	**2.02**
Year ended March 31,2026		
Gross carrying amount		
As at April 01, 2025	4.00	4.00
Additions	1.18	1.18
Disposals	-	-
Closing gross carrying amount as at March 31, 2026	**5.18**	**5.18**
Accumulated amortisation		
As at April 01, 2025	**1.98**	**1.98**
Charge for the year	0.82	0.82
Disposals	-	-
Closing accumulated depreciation as at March 31, 2026	**2.80**	**2.80**
Net carrying amount as at March 31, 2026	**2.38**	**2.38**

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SCHLOSS CHENNAI PRIVATE LIMITED

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

6 Investments

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Investment in equity instruments of subsidiary (fully paid-up) (measured at cost)		
Unquoted		
4,199 equity shares of Aries Holdings (DIFC) Limited	-	0.01
	-	**0.01**
Aggregate amount of quoted investments	-	-
Aggregate market value of quoted investments	-	-
Aggregate amount of unquoted investments	-	0.01
Aggregate amount of impairment in the value of investments	-	-

7 Other financial assets

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Fixed deposit with remaining maturity of more than 12 months (refer note (a))	162.25	172.85
Margin money deposits with remaining maturity of more than 12 months (refer note (b))	0.40	0.33
Security deposits	38.10	48.61
Total	**200.75**	**221.79**
(a) Out of the above, deposits restricted for withdrawal against loan facility		
-Deposits restricted for withdrawal against loan facility	161.66	5.30
(b) Margin money includes:		
-Against bank guarantee	0.40	0.33
Current		
Security deposits	-	3.15
Insurance Receivable	0.50	1.14
Others	-	0.25
Total	**0.50**	**4.54**

8 Tax assets (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Advance tax and tax deducted at source (net of provision of tax)	34.11	30.28
Non current tax assets (net)	**34.11**	**30.28**

SCHLOSS CHENNAI PRIVATE LIMITED

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

9 Other assets

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Capital advances	44.08	9.36
Prepaid expenses	2.65	3.85
Lease equalisation reserve	15.08	16.18
Total	**61.81**	**29.39**
Current		
Balances with government authorities		
- With GST authorities	53.73	50.02
Advance to employees	1.75	0.28
Advance to suppliers	8.49	8.25
Prepaid expenses	48.36	37.85
Total	**112.33**	**96.40**

10 Inventories

Particulars	As at March 31, 2026	As at March 31, 2025
Food and beverages	47.61	42.07
Stores and operating supplies	12.98	8.81
Total	**60.59**	**50.88**

1) The amount of Inventories is pledged as security against the Company's borrowings (Refer Note 17)
2) Inventory written down during the year Rs. Nil (Previous year - Rs. Nil)

11 Trade receivables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables from contract with customers – billed	52.63	56.77
Trade receivables from contract with customers – unbilled^	14.25	9.52
Trade receivables from contract with customers – related parties	0.13	3.53
Less: Loss allowance	(0.71)	(1.17)
Total	**66.30**	**68.65**

^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 as performance obligation is satisfied.

Breakup of security details		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	66.30	68.79
Trade receivables which have significant increase in credit risk	-	-
Trade receivables – credit impaired	0.71	1.03
Total	**67.01**	**69.82**
Less: Loss allowance	(0.71)	(1.17)
Total	**66.30**	**68.65**

(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.

(iii) For related party balances refer Note 40.
(iv) The receivable is "unbilled" because the Company has not yet issued an invoice, however, the balance has been included under trade receivable (as apposed to contract assets) because it is an unconditional right to consideration.

Loss Allowance for credit impaired

Particulars	As at March 31, 2026	As at March 31, 2025
Opening Balance	1.17	3.39
Add: Allowance during the year (Refer note 29)	(0.46)	(2.22)
Less: Bad debt Written off	-	-
Closing Balance	**0.71**	**1.17**

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SCHLOSS CHENNAI PRIVATE LIMITED

Schloss Chennai Private Limited
Notes to financial statements for the year ended March 31, 2026
(All amounts are in Rupees in millions except otherwise stated)

Trade Receivables Ageing

Ageing of trade receivables as at March 31, 2026

		Outstanding for following periods from the due date						
	Unbilled	**Not due**	**Less than 6 months**	**6 months to 1 year**	**1-2 Years**	**2-3 years**	**More Than 3 years**	**Total**
Undisputed trade receivables								
considered good	14.25	-	52.05	-	-	-	-	66.30
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	0.39	-	0.32	-	-	0.71
Disputed trade receivables								-
considered good	-	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
Total	**14.25**	**-**	**52.44**	**-**	**0.32**	**-**	**-**	**67.01**
Less: Loss allowance	-	-	(0.39)	-	(0.32)	-	-	(0.71)
Net	**14.25**	**-**	**52.05**	**-**	**-**	**-**	**-**	**66.30**

Ageing of trade receivables As at March 31, 2025

		Outstanding for following periods from the due date						
	Unbilled	**Not due**	**Less than 6 months**	**6 months to 1 year**	**1-2 Years**	**2-3 years**	**More Than 3 years**	**Total**
Undisputed trade receivables								
considered good	9.52	-	59.13		0.04	0.11	-	68.79
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	0.85	-	0.17	-	-	1.03
Disputed trade receivables								-
considered good	-	-	-	-	-	-	-	-
which have significant increase in credit risk	-	-	-	-	-	-	-	-
credit impaired	-	-	-	-	-	-	-	-
Total	**9.52**	**-**	**59.98**	**-**	**0.21**	**0.11**	**-**	**69.82**
Less: Loss allowance	-	-	(0.85)	-	(0.21)	(0.11)	-	(1.17)
Net	**9.52**	**-**	**59.13**	**-**	**-**	**-**	**-**	**68.65**

SCHLOSS CHENNAI PRIVATE LIMITED

Schloss Chennai Private Limited
Notes to financial statements for the year ended March 31, 2026
(All amounts are in Rupees in millions except otherwise stated)

12 Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
-in current accounts	8.36	78.10
-in fixed deposits with original maturity of less than 3 months	45.01	251.33
Cash on hand	0.78	0.93
Total	**54.15**	**330.36**

Note: Cash and bank balances are denominated and held in Indian Rupees and the balance with banks mentioned above is of unrestricted nature.

13 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Fixed deposits with banks with original maturity more than three months but less than twelve months*	15.42	148.19
Total	**15.42**	**148.19**

*Fixed deposits of Rs. 15.42 millions (March 31, 2025 - Rs. 148.19 millions) is restricted for withdrawal, against term loans facility availed by Company's related party, Schloss Chankaya Private Limited.

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SCHLOSS CHENNAI PRIVATE LIMITED

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

14 Loans

Particulars	As at March 31, 2026	As at March 31, 2025
Current		
Unsecured considered good, unless otherwise stated:		
Inter Corporate Deposit (ICD) [refer note 41]*	122.24	110.72
Total	**122.24**	**110.72**

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Repayable on demand		
Fellow subsidiary	122.24	110.72
% to the total loans outstanding	**100.00%**	**100.00%**

*Loans are repayable on demand of Rs. 122.24 million (Rs. 110.72 million) including interest accrued of Rs. 17.24 million (Rs. 5.72 million) from companies in which any director is a director or a member details of which are set out below (Rate of interest is 11.75%)(March 31, 2025:12.50%)

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

15 Share capital

Particulars	As at March 31, 2026	As at March 31, 2025
Authorised		
31,250,000 (March 31 2025:31,250,000) equity shares of Rs.10 each	312.50	312.50
Issued, subscribed and paid up		
31,239,130 (March 31 2025:31,239,130) equity shares of Rs.10 each	312.39	312.39
Total	**312.39**	**312.39**

(i) Movements in share capital

Particulars	No. of shares	Amounts
Equity		
As at April 01, 2025	3,12,39,130	312
Shares issued during the year	-	-
As at March 31, 2026	**3,12,39,130**	**312.39**
As at April 01, 2024	1,72,39,130	172.39
Shares issued during the year		
On conversion of CCDs (refer note 17)	1,40,00,000	140.00
As at March 31, 2025	**3,12,39,130**	**312.39**

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, 2026		As at March 31, 2025	
Equity shares of Rs. 10 each fully paid-up				
Leela Palaces Hotels & Resorts Limited (formerly known as Schloss Bangalore Limited) (formerly known as Schloss Bangalore Private Limited)	3,12,39,124.00	312.39	3,12,39,124	312.39

(iii) Details of shareholders holding more than 5% shares in the company

As at March 31, 2026

Particulars	Number of shares	Percentage of total number of shares
Equity Shares		
Leela Palaces Hotels & Resorts Limited (formerly known as Schloss Bangalore Limited) (formerly known as Schloss Bangalore Private Limited)	3,12,39,124.00	99.99%

As at March 31, 2025

Particulars	Number of shares	Percentage of total number of shares
Equity Shares		
Leela Palaces Hotels & Resorts Limited (formerly known as Schloss Bangalore Limited) (formerly known as Schloss Bangalore Private Limited)	3,12,39,124	99.99%

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SCHLOSS CHENNAI PRIVATE LIMITED

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

(iv) Details of shareholding of promoters:

As at March 31, 2026

Name of the promoter and promoter group	Number of shares	Percentage of total number of shares	Percentage of change during the period
Leela Palaces Hotels & Resorts Limited (formerly known as Schloss Bangalore Limited) (formerly known as Schloss Bangalore Private Limited)	3,12,39,124.00	99.99%	-
Schloss HMA Private Limited (nominee shareholder)	1.00	0.00%	-
Schloss Chanakya Private Limited (nominee shareholder)	1.00	0.00%	-
Leela Palaces and Resorts Limited (nominee shareholder)	1.00	0.00%	-
Schloss Tadoba Private Limited (nominee shareholder)	1.00	0.00%	-
Schloss Gandhinagar Private Limited (nominee shareholder)	1.00	0.00%	-
Schloss Udaipur Private Limited (nominee shareholder)	1.00	0.00%	-
	3,12,39,130	**100.00%**	**-**

As at March 31, 2025

Name of the promoter and promoter group	Number of shares	Percentage of total number of shares	Percentage of change during the period
Leela Palaces Hotels & Resorts Limited (formerly known as Schloss Bangalore Limited) (formerly known as Schloss Bangalore Private Limited)	3,12,39,124.00	99.99%	-
Schloss HMA Private Limited (nominee shareholder)	1.00	0.00%	-
Schloss Chanakya Private Limited (nominee shareholder)	1.00	0.00%	-
Leela Palaces and Resorts Limited (nominee shareholder)	1.00	0.00%	-
Schloss Tadoba Private Limited (nominee shareholder)	1.00	0.00%	-
Schloss Gandhinagar Private Limited (nominee shareholder)	1.00	0.00%	-
Schloss Udaipur Private Limited (nominee shareholder)	1.00	0.00%	-
	3,12,39,130.00	**100.00%**	**0%**

Note: Pursuant to the share purchase agreement entered on May 31, 2024, Leela Palaces Hotels & Resorts Limited (formerly known as Schloss Bangalore Limited) (formerly known as Schloss Bangalore Private Limited) has acquired control of the Company by purchasing 100% of the equity shares from Project Ballet Chennai Holdings (DIFC) Private Limited. Accordingly, Leela Palaces Hotels & Resorts Limited (formerly known as Schloss Bangalore Limited) (formerly known as Schloss Bangalore Private Limited) has become the holding company on May 31, 2024.

(vi) The company has not issued any bonus shares, shares for consideration other than cash and neither bought back any shares from the date of incorporation.
(vii) There are no dividends declared during the year.

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SCHLOSS CHENNAI PRIVATE LIMITED

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

16 (a) Equity component of compound financial instruments

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	-	549.14
On conversion of compound financial instruments	-	(549.14)
Closing balance	**-**	**-**

16 (b) Reserves and surplus

Particulars	As at March 31, 2026	As at March 31, 2025
Securities Premium	2,716.29	2,716.29
Retained earnings	(2,180.55)	(2,467.02)
Retained earnings - fair value as deemed cost	4,039.28	4,039.28
Other equity	34.23	34.23
Total	**4,609.25**	**4,322.78**

16 (b) (i) Securities Premium

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	2,716.29	1,456.29
On conversion of compound financial instruments	-	1,260.00
Closing balance	**2,716.29**	**2,716.29**

16 (b) (ii) Retained earnings

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	(2,467.02)	(2,437.63)
Profit/(Loss) for the year	282.91	(34.52)
Other comprehensive income/(loss) for the year, net of tax	3.56	5.13
Closing balance	**(2,180.55)**	**(2,467.02)**

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

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	4,039.28	4,039.28
Closing balance	**4,039.28**	**4,039.28**

16 (b) (iv) Other equity

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	34.23	-
Loss on early conversion of CCD	-	34.23
Closing balance	**34.23**	**34.23**

Nature and purpose of reserves:

Equity component of compound financial instrument
This represented the equity portion of compulsory convertible debentures issued to Project Ballet Bangalore Holdings (DIFC) Private Limited, holding company.

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 Company 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 Company.

Other equity
This reserve represents loss recorded on transactions with shareholders on conversion of compulsorily convertible debentures ("CCD") under share purchase agreement to acquire subsidiaries under common control.

SCHLOSS CHENNAI PRIVATE LIMITED

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

17 Borrowings

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Term Loans:		
- From banks		
Rupee term loan [refer note I(A.1),I(A.2),II(A.1)]	4,071.05	5,142.31
Less: Current maturities of long-term borrowings (included in current borrowings)	(58.03)	(132.83)
Total	**4,013.02**	**5,009.48**
Other Loans		
Working capital term loan [refer note I(A.3),II(A.2) and I(A.3)]	395.06	848.20
Less: Current maturities of long-term borrowings (included in current borrowings)	(227.31)	(454.58)
Total	**167.75**	**393.62**
Unsecured		
Inter corporate deposit from related party (refer note 40) [refer note I(A.4)]	988.96	-
Total	**5,169.73**	**5,403.10**
Current		
Secured		
Current maturities of long-term borrowings	285.34	584.41
Total	**285.34**	**584.41**

Net debt reconciliation - disclosure of changes in liabilities arising from financing activities (read with Statement of Cash Flows)
This section sets out an analysis of net debt and movements in net debt for each of the periods presented:

Particulars	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalents	(54.15)	(330.36)
Borrowings	5,455.07	5,987.51
Lease liabilities	0.51	3.68
Closing balance	**5,401.43**	**5,660.83**

Particulars	Cash and cash equivalents	Borrowings	Lease liabilities	Total
Net debt As at April 01, 2024	**(38.32)**	**7,760.22**	**4.90**	**7,803.44**
Interest expense		552.43	0.67	553.10
New leases		-	4.49	4.49
Cash flows	(292.04)	(463.59)	(6.38)	(762.01)
Interest paid		(1,020.80)	-	(1,020.80)
Impact of early conversion of CCD		(840.75)	-	(840.75)
Net debt As at March 31, 2025	**(330.36)**	**5,987.51**	**3.68**	**5,660.83**
Interest expense	-	571.19	0.18	571.37
Cash flows	276.21	(553.40)	(3.35)	(280.54)
Interest paid	-	(550.23)	-	(550.23)
Net debt as at March 31, 2026	**(54.15)**	**5,455.07**	**0.51**	**5,401.43**

I Non-current borrowings

As at 31-Mar-26:

A. 1 New Term Loan I - Refinancing of existing term loans and corporate term loans

The lender, during the year, has refinanced existing term loan and corporate term loan, under a Term Loan Agreement dated December 31, 2025. The aggregate loans refinanced amounts to Rs. 3,652.16 millions. The door to door tenure of the term loan is 15 years, without moratorium. The loan is repayable in structured quarterly repayments beginning from March 31, 2026. The loan carries interest rate linked to lender's 3 months marginal cost of funds based lending rate ("MCLR"), subject to monthly interest rests. The Company has an outstanding loan balance of Rs. 3,629.48 millions (March 31, 2025: NA), undrawn facility of Rs. Nil millions (March 31 , 2025 : NA) and rate of interest as on March 31, 2026 is 8.25% p.a.(March 31, 2025: N.A.).

a) **Primary security:**

As a part of the overall security package, following securities are offered:
i. All present and future current assets of Schloss Udaipur Private Limited (Udaipur Hotel), Schloss Chennai Private Limited (Chennai Hotel), Tulsi Palace Resort Private Limited (Jaipur) and Schloss Chanakya Private Limited (Chanakya/Delhi Hotel).

ii. All present and future immovable assets of Schloss Udaipur Private Limited (Udaipur Hotel), Schloss Chennai Private Limited (Chennai Hotel) and Tulsi Palace Resort Private Limited (Jaipur). Negative lien on moveable and immovable assets of Schloss Chanakya Private Limited (Chanakya/Delhi Hotel).

iii. All movable assets of Schloss Udaipur Private Limited (Udaipur Hotel), Schloss Chennai Private Limited (Chennai Hotel) and Tulsi Palace Resort Private Limited (Jaipur) including movable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles, etc. and all current assets, both present and future relating to the Company (Udaipur Hotel), Schloss Chennai Private Limited (Chennai Hotel) and Tulsi Palace Resort Private Limited (Jaipur).

iv. Exclusive charge over, all bank accounts including DSRA, TRA / escrow / designated account of Schloss Udaipur Private Limited (Udaipur Hotel), Schloss Chennai Private Limited (Chennai Hotel), Tulsi Palace Resort Private Limited (Jaipur Hotel) and Schloss Chanakya Private Limited (Chanakya/Delhi Hotel).

b) Loan covenants: Under the terms of the borrowing facilities, the following covenants are required to be maintained:
Loan to Value Ratio: Maximum 75%,
Fixed Assets Coverage Ratio: Minimum 1.25,
Debt Service Coverage Ratio: Minimum 1.15.

The Company has met all the loan covenants during the year.

c) Current maturities of long-term borrowings are classified as short-term borrowings.

A. 2 New Term Loan II - Capital expenditure

a) The lender, during the year, has granted a capex term loan under a Term Loan Agreement dated February 20, 2026 with a sanctioned limit of Rs. 2,750 millions which is fungible across Schloss Udaipur Private Limited, Schloss Chennai Private Limited and Tulsi Palace Resort Private Limited and of Rs. 1,250 millions to Schloss Chanakya Private Limited. The door to door tenure of such refinanced loan is 15 years, with a moratorium on principal repayments of 2 years from the first date of disbursement. Accordingly, the loan is repayable in quarterly repayments beginning from March 31, 2028. The loan carries interest rate linked to lender's 3 months marginal cost of funds based lending rate ("MCLR"), with monthly interest rests. The interest rate benchmark is subject to reset on a quarterly basis. The Company has an outstanding loan balance of Rs. 441.55 millions (March 31, 2025: NA), undrawn facility of Rs. 1,795.77 millions (March 31 , 2025 : NA) and rate of interest as on March 31, 2026 is 8.25% p.a.(March 31, 2025: N.A.).

b) Loan covenants: Under the terms of the borrowing facilities, all the Company's are required to maintain the following covenants:
Debt-Equity Ratio: 80:20,
Loan to Value Ratio: Maximum 75%,
Fixed Assets Coverage Ratio: Minimum 1.25,
Debt Service Coverage Ratio: Minimum 1.15.

The Company has met all the loan covenants during the year.

c) The primary charge on assets is the same as mentioned in I A.1 above

d) Current maturities of long-term borrowings are classified as short-term borrowings.

A. 3 The lender has granted a Working capital term Loan (WCTL) Facility under Guaranteed Emergency Credit Line 3.0 (GECL 3.0) facility of Rs. 900 millions on December 9, 2021 to the Company 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. The loan carries interest rate linked to lender's six months marginal cost of funds based lending rate ("MCLR") subject to half yearly reset.

a) **Primary security:**
Second charge on securities mentioned in Term loan from Bank above.

b) Current maturities of long-term borrowings are classified as short term borrowings.

A. 4 Inter corporate deposit from related party (refer note 40) [refer note I(A.4)]
Inter corporate deposit (ICD) from related party: Inter corporate deposit has been taken from Leela Palaces Hotels & Resorts Limited (formerly known as "Schloss Bangalore Limited") (formerly known as "Schloss Bangalore Private Limited"). The ICD carries interest rate of 10.75 % p.a and repayable in 10 years.

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SCHLOSS CHENNAI PRIVATE LIMITED

II As at 31-Mar-25:

A.1(a) Term loan from bank

The lender has granted a term loan facility under the Common Facility Agreement dated 30 September 2019 to the Company and co-borrowers i.e.Leela Palaces Hotels & Resorts Limited (formerly known as Schloss Bangalore Limited) (formerly known as Schloss Bangalore Private Limited), Schloss Chanakya Private Limited, Schloss Udaipur Private Limited, Schloss HMA Private Limited (w.e.f. March 29, 2025) and Leela Agra Resort Limited (formerly known as "Leela Palaces and Resorts Limited") (w.e.f. March 29, 2025) for a total amounting to Rs. 27,500.00 millions for the purpose of acquisition (Rs. 25,500 millions) and refurbishment of the hotel property acquired (Rs. 2,000 millions) fully fungible amongst each of the co-borrowers and the Company's hotel property in Bangalore. The door to door tenure of the loan is 15 years including moratorium of one year. The loan is repayable in 56 quarterly structured installments beginning 31 December 2020. The loan carries interest rate linked to lender's one year marginal cost of funds based lending rate ("MCLR"), subject to annual reset, plus spread of 0.10%. The Company has available facility of Rs.Nil (March 31, 2024:Rs.5038.34 milions) and rate of interest as on March 31, 2025 is 9.10 % p.a. (March 31, 2024 8.65%) with monthly rests.

With the gradual drawdown of capex in the past three years the individual limits set for the company and Schloss Udaipur Private Limited got exhausted and an application to the lender was made for revision in the individual limits. However, due to the system limitation at the end of the lender, the same cannot be revised and accordingly a cross utilisation of capex limit was done during the period. The Company has been cross charged the interest expense on such utilisation.

(a) Primary security:

The total term loan under the said agreement is secured against assets of the Company, other co-borrowers under the Common Facility Agreement, interalia, including:

(i) Exclusive charge on total assets (including mortgage of property and / or mortgage of leasehold rights in case of leasehold property, if any) (present & future).
(ii) Exclusive charge on brand 'Leela' pertaining to Hotels, other intangibles, Goodwill, Intellectual Property (IP), uncalled capital (present and future).
(iii) Exclusive charge on all bank accounts including but not limited to Escrow account (present & future).
(iv) First charge on the total current assets (present and future).
(v) Hypothecation of cash flows.

(b) Other security:

(i) Pledge of 30% shares of the Company held by Leela Palaces Hotels & Resorts Limited (formerly known as Schloss Bangalore Limited) (formerly known as Schloss Bangalore Private Limited) , Holding company in favour of security trustee for the benefit of lenders for the entire term loan exposure.

(ii) A guarantee of Schloss HMA Private Limited and Leela Agra Resort Limited (formerly known as "Leela Palaces and Resorts Limited"), fellow subsidiaries, enforceable towards meeting the shortfall in debt service obligations upto March 28, 2025.

(iii) A guarantee of BSREP III India Ballet Holdings (DIFC) Limited, 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. The aforesaid guarantee has been released during the year ended March 31, 2026.

(iv) Mortgage on the land situated at Agra owned by Leela Agra Resort Limited (formerly known as "Leela Palaces and Resorts Limited").

(c.) Current maturities of long-term borrowings are classified as short term borrowings.

(d) Moratorium on interest:

Company has availed the moratorium facility for interest on term loan for the period March, 2020 to August 2020 which has been further capitalised into term loan w.e.f. October 1, 2020 amount Rs. 203.03 millions(March 31 2024:Rs. 203.03 milions)

(e) The quarterly returns or statements of current assets i.e. stock statement, FFRs etc. filed by the Company with banks or financial institutions are in agreement with the books of accounts.

(f) Loan covenants: Under the terms of the borrowing facilities, all the co-borrowers including the HMA entity are required to maintain the following covenants:
FACR 1.52, DSCR 1.34, ICR 1.89, Debt/EBITDA 5.64. The Company has met all the loan covenants during the previous year.

The above loan has been refinanced in current year, refer I A.1 above

Corporate Term Loan:

A.1(b) The lender has granted a corporate term loan facility under the Agreement dated February 02, 2024 to the Company and co-borrowers i.e. Leela Palaces Hotels & Resorts Limited (formerly known as Schloss Bangalore Limited) (formerly known as Schloss Bangalore Private Limited) , Schloss Chanakya Private Limited, Schloss Udaipur Private Limited, Schloss HMA Private Limited (w.e.f. March 29, 2025) and Leela Agra Resort Limited (formerly known as "Leela Palaces and Resorts Limited") (w.e.f. March 29, 2025) for a total amounting to Rs. 1,500.00 millions for the purpose of ongoing capital expenditure ("capex") of the Company and other three co-borrowers. Major portion i.e. 2/3rd portion of the sanctioned loan to be utilized in Schloss Bangalore Limited and remaining 1/3rd will be utilized by Schloss Chanakya Private Limited, Schloss Udaipur Private Limited and Schloss Chennai Private Limited. The rate of interest is 0.10% plus 1 year MCLR i.e. 9.00% p.a., present effective rate is 9.10 % p.a. with monthly resets.

(a) Security details: Refer points II.A.1.a and II.A.1.b above.

The above loan has been refinanced in current year, refer I A.1 above

A.2 **Guaranteed Emergency Credit Line 2.0 (GECL 2.0) -** The lender has granted a Working capital term Loan (WCTL) Facility under Guaranteed Emergency Credit Line 2.0 (GECL 2.0) facility of Rs 900.00 millions on February 17, 2021 to the Company 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 quarterly structured instalments beginning April 30, 2022. The loan carries interest rate linked to lender's half yearly marginal cost of funds based lending rate ("MCLR"), plus 0.20% subject to annual reset(March 31 2024:lending rate ("MCLR"), plus 1% subject to annual reset).

(a) Primary security:

Second charge on securities mentioned in II A.1(a) above.

(b) Other security:

i) Pledge of 30% shares of the Company held by the Leela Palaces Hotels & Resorts Limited (formerly known as Schloss Bangalore Limited) (formerly known as Schloss Bangalore Private Limited) , Holding company, in favour of security trustee for the benefit of lenders for the entire term loan exposure.
ii) Extension of mortgage on the land situated at Agra owned by Leela Agra Resort Limited (formerly known as "Leela Palaces and Resorts Limited").

(c) Current maturities of long-term borrowings are classified as short term borrowings.

A.3 **Guaranteed Emergency Credit Line 3.0 (GECL 3.0) -** The lender has granted a Working capital term Loan (WCTL) Facility under Guaranteed Emergency Credit Line 3.0 (GECL 3.0) facility of Rs. 900 millions on December 9, 2021 to the Company 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 quarterly structured instalments beginning January 2024. The loan carries interest rate linked to lender's six months marginal cost of funds based lending rate ("MCLR"), plus 0.20%, subject to annual reset(March 31 2024:lending rate ("MCLR"), plus 1%, subject to annual reset).

(a) Primary security:

Second charge on securities mentioned in A.1(a) above.

(b) Other security:

i) Pledge of 30% shares of the Company held by Leela Palaces Hotels & Resorts Limited (formerly known as Schloss Bangalore Limited) (formerly known as Schloss Bangalore Private Limited) , Holding company, in favour of security trustee for the benefit of lenders for the entire term loan exposure.
ii) Extension of mortgage on the land situated at Agra owned by Leela Agra Resort Limited (formerly known as "Leela Palaces and Resorts Limited").

(c) Current maturities of long-term

(d) The Company has available working capital loan facility of Rs. 410.86 millions as on March 31, 2025.

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SCHLOSS CHENNAI PRIVATE LIMITED

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

18 Other financial liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Security deposits	3.69	3.46
Total	**3.69**	**3.46**
Current		
Capital creditors	7.86	12.34
Employee dues payable	27.53	28.46
Total	**35.39**	**40.80**

19 Other liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Deferred rental income	0.34	0.52
Total	**0.34**	**0.52**
Current		
Contract Liability		
Advance from customers	86.75	84.16
Deferred revenue - membership fee	8.65	5.38
Total	**95.40**	**89.54**
Statutory dues payable		
-Value added tax payable	2.61	3.25
-Provident Fund Payable	3.01	2.75
-Employee state insurance payable	0.09	0.11
-GST Payable	42.01	44.72
-Tax deducted at source and equalisation levy payable	7.29	5.24
Total	**150.41**	**145.61**

20 Deferred Tax Liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liabilities (net)	1,056.39	964.60
Total	**1,056.39**	**964.60**

Refer Note 30 (a) for details.

21 Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Non-Current		
Provision for employee benefits:		
- Compensated absences	11.50	7.36
- Gratuity	4.77	5.78
Total	**16.27**	**13.14**
Current		
Provision for employee benefits:		
- Compensated absences	1.40	0.72
- Gratuity	15.04	2.10
Total	**16.44**	**2.82**

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SCHLOSS CHENNAI PRIVATE LIMITED

Schloss Chennai Private Limited
Notes to financial statements for the year ended March 31, 2026
(All amounts are in Rupees in millions except otherwise stated)

22 Trade Payables

Particulars	As at March 31, 2026	As at March 31, 2025
Trade payables - micro and small enterprises (refer note below)	22.84	-
Trade payables - others	71.04	63.07
Trade payables - to related parties (refer note 42)	8.04	26.51
Total	**101.92**	**89.58**

Outstanding Dues to Micro and Small Enterprises

Particulars	As at March 31, 2026	As at March 31, 2025
Principal amount due to suppliers registered under the MSMED Act and	22.84	-
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
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.
Interest due and payable towards suppliers registered under MSMED Act, for payments already made amounts to Rs.Nil (March 31 , 2025 Rs. Nil).

Trade Payables Ageing

As at March 31, 2026 — **Outstanding for following periods from date of transaction**

	Particulars	Unbilled	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
	Undisputed Trade Payables							
(i)	MSME	-	-	22.84	-	-	-	22.84
(ii)	Others	48.22	-	30.86	-	-	-	79.08
								-
	Disputed Trade Payables							-
(i)	MSME	-	-	-	-	-	-	-
(ii)	Others	-	-	-	-	-	-	-
	Total	**48.22**	**-**	**53.70**	**-**	**-**	**-**	**101.92**

As at March 31, 2025 — **Outstanding for following periods from date of transaction**

	Particulars	Unbilled	Not Due	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
	Undisputed Trade Payables							
(i)	MSME	-	-	-	-	-	-	-
(ii)	Others	16.15	71.73	1.70	-	-	-	89.58
								-
	Disputed Trade Payables							-
(i)	MSME	-	-	-	-	-	-	-
(ii)	Others	-	-	-	-	-	-	-
	Total	**16.15**	**71.73**	**1.70**	**-**	**-**	**-**	**89.58**

SCHLOSS CHENNAI PRIVATE LIMITED

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

23 Revenue from operations

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Sale of products:		
Food and beverages revenue	1,345.34	1,093.95
(b) Sale of services:		
Room income	1,288.84	1,120.45
Other allied services*	110.53	99.66
Total Revenue from operations	**2,744.71**	**2,314.06**

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

Disclosure pursuant to Ind AS 115: Revenue from contract with customers

Reconciliation of revenue recognised with contract price

	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue as per contract price	2,744.71	2,314.06
Adjustments	-	-
Revenue from operations	**2,744.71**	**2,314.06**

Performance obligation

(i) Food and beverages revenue

The performance obligation is satisfied upon the delivery of the foods and beverage.

(ii) Room income

The performance obligation is satisfied when the room is available for accommodation to the customers.

(iii) Other allied services (laundry income, airport transfers, membership etc.)

The performance obligation is satisfied when the services is rendered to the customer.

Contract Balances

Trade receivables are non-interest bearing and are generally on payment terms of 0 to 30 days.
The contract liabilities primarily relates to the advance consideration received from customers for which revenue is recognized when the performance obligation is over/ services delivered.
Advance collection is recognised when payment is received before the related performance obligation is satisfied. This includes advances received from the customer towards rooms/ restaurant/ banquets. Revenue is recognized once the performance obligation is met i.e. on room stay/ sale of food and beverage/ provision of banquet services/ other allied services.

The Company has recorded revenue of Rs. 84.16 millions (March 31, 2025: Rs. 70.63 millions) against opening balance of contract liabilities.

Contract balances

	For the year ended March 31, 2026	For the year ended March 31, 2025
Trade receivables	66.30	68.65
Advance from customers	86.75	84.16
Deferred revenue - membership fee	8.65	5.38
Total contract liabilities	**95.40**	**89.54**

All contracts are for periods of one year or less. As permitted under Ind AS 115, the transaction price allocated to these unsatisfied contracts is not disclosed.

The change in contract liabilities is on account of revenue recognised and advances received from customers during the year. Considering the nature of business of the Company, the above contract liabilities are generally materialised as revenue within the same operating cycle.

(i) Significant changes in contract liabilities

	For the year ended March 31, 2026	For the year ended March 31, 2025
Contract liabilities		
Opening balance	84.16	70.63
Addition during the year	86.75	84.16
Revenue recognised that was included in the contract liability balance at the beginning of the year	(84.16)	(70.63)
Closing balance	**86.75**	**84.16**

Timing of recognition	**For the year ended March 31, 2026**		**For the year ended March 31, 2025**	
	At a point in time	**Over time**	**At a point in time**	**Over time**
Room revenue	-	1,288.84	-	1,120.45
Revenue from foods and beverages	1,345.34	-	1,093.95	-
Other allied services	94.92	15.61	97.30	2.36
Total	**1,440.26**	**1,304.45**	**1,191.25**	**1,122.81**

SCHLOSS CHENNAI PRIVATE LIMITED

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

24 Other income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income on financial assets measured at amortised cost:		
- Deposits with banks	30.99	32.60
- Security deposits	-	0.25
- Intercorporate deposit (Refer note 41)	12.80	50.62
Interest income on income tax refund	3.06	2.96
Miscellaneous income	-	3.78
Total Other income	**46.85**	**90.21**

Other gains/(losses)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net foreign exchange differences	(0.33)	-
Net gain on disposal of property, plant and equipment	4.27	-
Total Other gains/(losses)	**3.94**	**-**
Total	**50.79**	**90.21**

25 Cost of food and beverages consumed

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Food and beverages		
Opening inventories	42.07	43.39
Add : Purchases (Net)	279.08	201.38
Less : Inventories at the end of the year	(47.61)	(42.07)
Cost of food and beverages consumed during the year	**273.54**	**202.70**

26 Employee benefits expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	388.61	341.39
Contribution to provident and other funds (Refer note 31)	17.36	16.19
Staff welfare expenses	50.72	42.86
Gratuity (Refer note 31)	5.19	7.43
Compensated absences (Refer note 31)	6.68	2.26
Total Employee benefits expense	**468.56**	**410.13**

27 Finance costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on:		
- Rupee term loan	428.55	553.77
- Liability component of compound financial instruments	-	44.25
- Inter corporate deposit (Refer note 41)	142.69	-
- Lease liabilities and others (Refer note 4)	0.18	0.67
- Security deposit	0.19	0.24
Other borrowing costs	-	1.00
Total Finance costs	**571.61**	**599.93**

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SCHLOSS CHENNAI PRIVATE LIMITED

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

28 Depreciation and amortisation expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on property, plant and equipment (Refer note 3)	210.53	193.82
Depreciation on right-of-use assets (Refer note 4)	3.08	5.74
Amortisation on intangible assets (Refer note 5)	0.82	0.70
Total Depreciation and amortisation expenses	**214.43**	**200.26**

29 Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Consumption of stores and operating supplies	66.07	64.92
Power and fuel	112.48	104.97
Rent charges	-	4.62
Repairs and maintenance		
- buildings	25.05	41.17
- plant and machinery	24.62	16.88
- others	41.83	25.90
Insurance	8.17	9.97
Communication	4.46	3.94
Travelling and conveyance	22.41	11.75
Guest transport	16.67	11.57
Printing and stationary	6.90	-
Sales and credit card commission	103.80	70.14
Business promotion	129.09	96.41
Management fees (Refer note 41)	165.71	142.32
Legal and professional fees	19.37	15.36
Payment to auditors (Refer note below)	2.50	2.10
Rates and taxes	48.98	42.90
Bank charges	0.38	-
Corporate social responsibility expenses (Refer Note 30)	1.02	-
Reservation fee	17.62	15.77
Net Impairment losses on financial assets (Refer note 11)	(0.46)	(2.22)
Net foreign exchange differences	-	0.19
Net gain on disposal of property, plant and equipment	-	5.71
Miscellaneous expenses	64.61	76.88
Total Other expenses	**881.28**	**761.25**

29 (a) Details of payments to auditors

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Payment to auditors		
As auditor:		
- Audit fee	2.50	2.10
Total	**2.50**	**2.10**

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SCHLOSS CHENNAI PRIVATE LIMITED

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

30 Corporate Social Responsibility

a. Gross amount required to be spent by the Company during the year towards its Corporate Social Responsibility (CSR) is Rs. 1.02 millions (March 31, 2025: Rs. Nil)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Expenditure towards Corporate Social Responsibility:		
b) Amount spent and paid during the year	1.02	-
Particulars of amount spent and paid during the year:		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above:	-	-
- Environmental Sustainability	1.02	-
Total	**1.02**	**-**

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

d. Unspent CSR expenditure incurred during the year: Rs. Nil (March 31, 2025 : Rs Nil)

Under Section 135 of the Companies Act, 2013, the Company is required to spend, in every financial year, atleast 2% of the average net profits of the Company made during the three immediately preceding financial years on Corporate Social Responsibility (CSR), pursuant to its policy in this regard.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Gross amount required to be spent during the year	1.02	-
b) Amount approved by the Board to be spent during the year	1.02	-
c) Amount spent and paid during the year	1.02	-
Particulars of amount spent and paid during the year:		
(i) Construction/acquisition of any asset	-	-
(ii) On purpose other than (i) above	-	-
- Environmental Sustainability	1.02	-
Total	**1.02**	**-**

Details of non on-going projects	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening Balance*	**-**	**-**
- With the Company	-	-
- In separate CSR Unspent Account	-	-
Amount required to be spent during the year	**1.02**	**-**
Amount spent during the year	**1.02**	**-**
- From Company's bank account	1.02	-
- From separate CSR Unspent Account	-	-
Closing Balance	**-**	**-**
- With the Company	-	-
- In separate CSR Unspent Account	-	-

* The Company was not required to spend any amount towards during the year ended March 31, 2025.

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SCHLOSS CHENNAI PRIVATE LIMITED

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

31 Taxation

31a Taxation for the year

This note provides an analysis of the Company's income tax expense, show amounts that are recognised directly in equity (if any) and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Company's tax positions (if any).

(a) Income tax expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax		
Current tax on profit for the year	-	-
Total current tax expenses	**-**	**-**
Decrease/ (Increase) in deferred tax assets	87.01	272.41
(Decrease)/ Increase in deferred tax liabilities	4.78	(7.89)
Total deferred tax expenses/(credit)	**91.79**	**264.52**
Income tax expense	**91.79**	**264.52**
Income tax expense/(credit) attributable to :		
Profit/(loss) from operations	90.59	264.52
OCI	1.20	1.73
Total	**91.79**	**266.25**

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Profit/(loss) from operations before income tax expense	373.50	230.00
Tax rate	25.168%	25.168%
Tax at India tax rate	**94.00**	**57.90**
Tax effect of amounts which are not deductible / taxable in calculating taxable income :		
Reversal of previously recognised deferred tax assets on business losses	-	195.48
Items allowable on payment basis not recognised in statement of profit and loss	(3.41)	-
Tax on CCD	-	11.14
Total	**90.59**	**264.52**

31b Taxation as at the year end

(a) Deferred tax asset/(liability) (net)
The balance comprises temporary differences attributable to:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A) Deferred tax assets		
Unabsorbed depreciation / business loss (Refer note below)	97.01	132.66
Borrowings	-	50.57
Gratuity and Leave Encashment	8.23	2.16
Lease liability	0.13	0.93
	105.37	**186.31**
B) Deferred tax liability		
Property, plant and equipment and intangible assets	(1,159.63)	(1,146.03)
Right of use of asset	(0.09)	(0.86)
Others	(2.04)	(4.01)
	(1,161.76)	**(1,150.90)**
Net deferred tax asset/(liability)	**(1,056.39)**	**(964.60)**

SCHLOSS CHENNAI PRIVATE LIMITED

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

31 Taxation (Cont.)

Movement in deferred tax liabilities/assets

Movement in Deferred Tax for the period ended March 31, 2026

Particulars	As at April 01, 2025	Accounted through statement of profit & loss (charge)/credit	Accounted through OCI charge/(credit)	Balance as at March 31, 2026
Deferred tax assets				
Unabsorbed depreciation / business loss	(132.66)	(35.65)	-	(97.01)
Borrowings	(50.57)	(50.57)	-	-
Lease liability	(0.93)	(0.80)	-	(0.13)
Others		-	-	-
	(184.15)	**(87.01)**	**-**	**(97.14)**
Deferred tax liability				
Property, plant and equipment and intangible assets (including goodwill)	1,146.03	13.60	-	1,159.63
Provision for employee benefits	(2.16)	(7.28)	1.20	(8.23)
Right of use of asset	0.86	(0.78)	-	0.09
Others	4.01	(1.97)	-	2.04
	1,148.75	**3.58**	**1.20**	**1,153.53**
Total Deferred tax asset/(Liability)	**964.60**	**(90.59)**	**1.20**	**1,056.39**

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

Particulars	As at April 01, 2024	Accounted through statement of profit & loss charge/(credit)	Accounted through OCI charge/(credit)	Balance as at March 31, 2025
Deferred tax assets				
Unabsorbed depreciation / business loss	(407.41)	274.75	-	(132.66)
Borrowings	(47.85)	(2.72)	-	(50.57)
Lease liability	(1.27)	0.34	-	(0.93)
	(456.53)	**272.38**	**-**	**184.15**
Deferred tax liability				
Property, plant and equipment and intangible assets (including goodwill)	1,153.41	(7.38)	-	1,146.03
Provision for employee benefits	0.16	(4.05)	1.73	(2.16)
Right of use of asset	1.22	(0.36)	-	0.86
Others	0.11	3.90	-	4.01
	1,154.90	**(7.89)**	**1.73**	**1,148.74**
Total Deferred tax asset/(Liability)	**(1,611.43)**	**264.49**	**1.73**	**964.60**

SCHLOSS CHENNAI PRIVATE LIMITED

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

32 Employee Benefit Obligation

a) Compensated absences

Compensated absences covers the Company's liability for earned leaves. Accumulated compensated absences, which are expected to be availed or encashed are treated as employee benefits. The employees are entitled to accumulate leave subject to certain limits for future encashment / availment. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the period end.

The Company's liability is actuarially determined (using the Projected Unit Credit method) by an Independent actuary at the end of the period. Actuarial losses/ gains are recognised in statement of profit or loss in the period in which they arise.
The expense of compensated absences (non-funded) for the year ended March 31, 2026 amounting to Rs. 6.68 millions (March 31, 2025 : Rs. 2.26 millions) has been recognized in statement of profit and loss, based on actuarial valuation carried out using projected unit credit method.

b) Post employment obligations

Provident fund and Employees State Insurance Commission - Defined contribution plan

The Company has defined contribution plans for provident fund for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The contributions payable under these plans are at rates specified in the rules of the schemes.

The contributions are charged to statement of profit and loss as they accrue. The amount of expense towards contribution to provident fund and employees state insurance for the year ended March 31, 2026 aggregated to Rs. 17.36 millions (March 31, 2025 : Rs. 16.19 millions)

Gratuity - Defined Benefit Plan
The Company operates post-employment defined benefit plan that provides gratuity. The Company has partly funded the defined benefit plan for eligible employees. The scheme provides for lumpsum payment to eligible employees on retirement, death while in employment or on termination of employment, of an amount equivalent to 15 days salary payable for each completed year of service or part thereof in excess of six months subject to a limit of Rs. 2 millions. The unfunded portion as well as the amounts in excess of the limit are to be borne by the Company as per policy. Eligibility occurs upon completion of five years of service.

The present value of the defined benefit obligation and current service cost are measured using the projected unit credit method with actuarial valuations being carried out at each balance sheet date.

Amounts recognised in statement of profit and loss and exceptional items:

	For the year ended March 31, 2026	For the year ended March 31, 2025
Defined benefit plans		
- Employer's contribution to provident and other funds	17.36	16.19
Total	**17.36**	**16.19**
Defined benefit plans		
- Gratuity	4.12	7.43
Total	**4.12**	**7.43**

Amounts recognised in other comprehensive income:

	For the year ended March 31, 2026	For the year ended March 31, 2025
Remeasurements for:		
ans - Gratuity	(4.76)	(6.88)
Total Amounts recognised in other comprehensive income/(loss):	**(4.76)**	**(6.88)**

Gratuity plan

	For the year ended March 31, 2026	For the year ended March 31, 2025
Present value of defined benefit obligation	**29.81**	**18.43**
Fair value of plan assets	(10.00)	(10.56)
Net defined benefit liability recognised in the Balance Sheet	**19.81**	**7.87**
Net defined benefit liability is bifurcated as follows:		
Current	15.04	2.10
Non-current	4.77	5.78

SCHLOSS CHENNAI PRIVATE LIMITED

Notes to financial statements for the year ended March 31, 2026
(All amounts are in Rupees in millions except otherwise stated)

Schloss Chennai Private Limited
Notes to financial statements for the year ended March 31, 2026
(All amounts are in Rupees in millions except otherwise stated)

	Present value of obligations	Fair value of plan assets	Net amount
As at April 01, 2024	**19.76**	**10.91**	**8.84**
Acquisition adjustment	0.70	-	0.70
Current service cost	6.09	-	6.09
Interest expense/ (income)	1.43	0.79	0.64
Total amount recognised in profit or loss	**8.23**	**0.79**	**7.43**
Remeasurements:			
- Return on plan assets, excluding amounts included in interest expense/ (income)	-	-	-
- (Gain)/ loss from change in demographic assumptions	-	-	-
- (Gain)/ loss from change in financial assumptions	0.23	-	0.23
- Experience (gains)/ losses	(7.11)	-	(7.11)
Total amount recognised in other comprehensive income	**(6.88)**	**-**	**(6.88)**
Transfer/Acquisition adjustment	-	-	-
Employer contributions	-	1.53	(1.53)
Benefit payments	(2.68)	(2.68)	-
For the year ended March 31, 2025	**18.43**	**10.56**	**7.87**
As at April 01, 2025	**18.43**	**10.56**	**7.87**
Current service cost	3.65	-	3.65
Past service cost including curtailment gains/losses	12.58	-	12.58
Interest expense/ (income)	1.55	1.08	0.47
Total amount recognised in profit or loss	**17.78**	**1.08**	**16.70**
Remeasurements:			-
- Return on plan assets, excluding amounts included in interest expense/ (income)	-	0.06	(0.06)
- (Gain)/ loss from change in demographic assumptions	(0.25)	-	(0.25)
- (Gain)/ loss from change in financial assumptions	(4.45)	-	(4.45)
- Experience (gains)/ losses	-	-	-
Total amount recognised in other comprehensive income	**(4.70)**	**0.06**	**(4.76)**
Transfer/Acquisition adjustment	-	-	-
Employer contributions	-	-	-
Benefit payments	(1.29)	(1.29)	-
For the year ended March 31, 2026	**30.22**	**10.41**	**19.81**

Significant actuarial assumptions were as follows:

	For the year ended March 31, 2026	For the year ended March 31, 2025
Discount rate	6.77	7.04
Salary growth rate	8.00	8.00
Retirement Age (years)	62	62
Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2012 - 14)
Weighted average duration of defined benefit obligation	3.86	3.86
Withdrawal Rate		
Up to 30 Years	30.00%	30.00%
From 31 to 44 years	25.00%	25.00%
Above 44 years	2.00%	2.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Sensitivity analysis

Gratuity is a lump sum plan and the cost of providing these benefits is typically less sensitive to small changes in demographic assumptions. The key actuarial assumptions to which the benefit obligation results are particularly sensitive to are discount rate and future salary escalation rate. The following table summarizes the change in defined benefit obligation and impact in percentage terms compared with the reported defined benefit obligation at the end of the reporting period arising on account of an increase or decrease in the reported assumption by 50 basis points:

	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Impact of the change in discount rate		
Present Value of Obligation at the end of the period		
Impact due to increase of 0.50%	(0.99)	(0.55)
Impact due to decrease of 0.50%	1.05	0.58
b) Impact of the change in salary increase		
Present Value of Obligation at the end of the period		
Impact due to increase of 0.50%	0.84	0.49
Impact due to decrease of 0.50%	(0.81)	(0.47)

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 5.97 years (March 31, 2023: 21.35 years).
Expected expense for the next annual reporting period is Rs. 28.12 millions (March 31,2023: 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
For the year ended March 31, 2026					
- Gratuity	3.10	2.91	8.84	38.26	53.11
Total	**3.10**	**2.91**	**8.84**	**38.26**	**53.11**

Particulars	Less than a year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
For the year ended March 31, 2025					
- Gratuity	2.10	2.47	4.94	8.91	18.41
Total	**2.10**	**2.47**	**4.94**	**8.91**	**18.41**

Risk exposure:
A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
B) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
C) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.

SCHLOSS CHENNAI PRIVATE LIMITED

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

33 Fair Value Measurement

(i) Financial instruments by category

As at March 31, 2026

	Carrying amount			
	FVTPL	**FVOCI**	**Amortised cost**	**Total carrying value**
Financial assets				
Loans	-	-	122.24	122.24
Trade receivables	-	-	66.30	66.30
Cash and cash equivalents	-	-	54.15	54.15
Bank balances other than cash and cash equivalents	-	-	15.42	15.42
Other financial assets	-	-	201.25	201.25
Total financial assets	-	-	**459.36**	**459.36**
Financial liabilities				
Borrowings	-	-	5,455.07	5,455.07
Trade payables	-	-	101.92	101.92
Lease liabilities	-	-	0.51	0.51
Other financial liabilities	-	-	39.08	39.08
Total financial liabilities	-	-	**5,596.58**	**5,596.58**

As at March 31, 2025

	Carrying amount			
	FVTPL	**FVOCI**	**Amortised cost**	**Total carrying value**
Financial assets				
Loans	-	-	110.72	110.72
Investments (Level 3)	-	-	0.01	0.01
Trade receivables	-	-	68.65	68.65
Cash and cash equivalents	-	-	330.36	330.36
Bank balances other than cash and cash equivalents	-	-	148.19	148.19
Other financial assets	-	-	226.33	226.33
Total financial assets	-	-	**884.26**	**884.26**
Financial liabilities				
Borrowings	-	-	5,987.51	5,987.51
Trade payables	-	-	89.59	89.59
Lease liabilities	-	-	3.68	3.68
Other financial liabilities	-	-	40.80	40.80
Total financial liabilities	-	-	**6,121.58**	**6,121.58**

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, loans, cash and cash equivalents, fixed deposits with banks, trade payables are considered to be the same as their fair values, due to their short-term nature.

Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis.

The carrying amount of non current borrowings, security deposit liability, lease liability are fair valued using the current borrowing rate for similar instruments on similar terms. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

Further, the Company has valued compound financial instrument (both financial liability and equity component) at fair value on initial recognition. Financial liability subsequently measured at amortised cost by adding unwinded interest.

The current lending rate and the rate used in determination of fair value at inception for non-current borrowings, security deposits, compound financial instruments are not significantly different. Accordingly, the fair value and carrying value for non-current borrowings, security deposits and compound financial instrument are same.

The fair-value-hierarchy under Ind AS 113 are described below:

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. .
Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There has been no transfer between different fair values hierarchy level for the year ended March 31, 2026 and March 31, 2025.

SCHLOSS CHENNAI PRIVATE LIMITED

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

34 Financial Risk Management

The Company's business activities expose it to market risk, liquidity risk and credit risk. The management develops and monitors the Company's risk management policies. The key risks and mitigating actions are also placed before the Board of directors of the Company. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and to control and monitor risks and adherence to limits.

Finance team and experts of respective business divisions provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to:
-protect the Company's financial results and position from financial risks
-maintain market risks within acceptable parameters, while optimising returns; and
-protect the Company's financial investments, while maximising returns.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

A. Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Credit risk arises from trade receivables, cash and cash equivalents, bank balance, fixed deposits with banks, security deposits and other financial assets.

The 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.

Cash and cash equivalents and bank deposits are held with only high rated banks/financial institutions, credit risk on them is therefore insignificant.

With respect to other financial assets namely security deposits, the maximum exposure to credit risk is the carrying amount of these classes of financial assets presented in the Balance Sheet. These are actively monitored and confirmed by the Company. Currently, the credit risk arising from such security deposits are evaluated to be immaterial for the Company.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company operates only in one geographical location i.e. in India. Considering the industry in which the Company is operating, there is no major long outstanding receivables.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward looking information. The carrying amounts of trade receivables as disclosed in note number 12 represent the maximum credit risk exposure.

Ageing	1 to 60 days	61 to 120 days	120 to 180 days	Above 180 days	Gross receivable	Impairment	Net receivable
As at March 31, 2026	14.25	-	52.44	0.32	67.01	0.71	66.30
As at March 31, 2025	65.81	3.54	0.14	0.33	69.82	1.17	68.65

The movement in loss allowance in respect of trade receivables is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	1.17	3.39
Impairment losses (recognised)/ reversed on receivables	(0.46)	(2.22)
Amounts written off during the year	-	-
Balance at the end of the year	**0.71**	**1.17**

B. Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. In addition, processes and policies related to such risks are overseen by senior management.

The Company believes that the working capital is sufficient to meet its current requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

Also refer note on going concern assessment (Refer Note 2.3). Accordingly, no liquidity risk is perceived.

(i) Financing arrangements

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

Particulars	As at March 31, 2026	As at March 31, 2025
Fixed interest rate	-	-
Floating interest rate	3,250.77	770.27
Total	**3,250.77**	**770.27**

(ii) Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted.

Contractual maturities of financial liabilities

As at March 31, 2026	Carrying amount	Less than 1 Year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
Borrowings	5,455.07	725.97	642.31	1,475.17	6,194.65	9,038.10
Lease liabilities	0.51	0.51	-	-	-	0.51
Trade payables	101.92	101.92	-	-	-	101.92
Other financial liabilities	39.08	35.39	3.69	-	-	39.08
Total financial liabilities	**5596.58**	**863.79**	**646.00**	**1475.17**	**6194.65**	**9179.61**

As at March 31, 2025	Carrying amount	Less than 1 Year	Between 1 - 2 years	Between 2 - 5 years	Over 5 years	Total
Borrowings	5,987.51	1,086.44	868.17	3,313.84	3,095.53	8,363.97
Lease liabilities	3.68	3.68	-	-	-	3.68
Trade payables	89.58	89.58	-	-	-	89.58
Other financial liabilities	44.26	44.26	-	-	-	44.26
Total financial liabilities	**6125.03**	**1,223.97**	**868.17**	**3,313.84**	**3,095.53**	**8,501.49**

C. Market risk
(a) Foreign currency risk

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign currency rates. The Company makes payments internationally and is exposed to foreign exchange risk arising from foreign currency purchases, primarily with respect to USD and GBP. Foreign exchange risk arises from recognised assets and liabilities denominated in a currency that is not the Company's functional currency (Rs.) at the year end. The Company's exposure to foreign currency risk, expressed in Rs., is given in the table below. The amounts represent only the financial assets and liabilities that are denominated in currencies other than the functional currency of the Company.

Currency risk:

The currencies in which the transactions are primarily denominated are Indian Rupees. The Company is exposed to currency risk in respect of transactions in foreign currency. The transactions of the Company primarily in foreign currency are import of stores and operating supplies, payment of royalty and other expenses. There are no foreign currency revenue. The Company's exposure to foreign currency risk at the end of the reporting period expressed in Rupees, are as follow:

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

	As at March 31, 2026		
	Foreign Currency Denomination	**Foreign Currency Amount (absolute)**	**Amount (INR in millions)**
Liabilities			
Trade payables	USD	54,349.00	5.14
Trade payables	GBP	1,600.00	0.20
Total exposure			**5.34**
Less: exposure hedged			(5.34)
Unhedged exposure		-	-

	As at March 31, 2025		
	Foreign Currency Denomination	**Foreign Currency Amount (absolute)**	**Amount (INR in millions)**
Liabilities			
Trade payables	USD	80,884.00	6.94
Trade payables	GBP	5,000.00	0.56
Total exposure			**7.50**
Less: exposure hedged			(7.50)
Unhedged exposure			-

The Company has purchased forward contracts to hedge its foreign currency risk. The Company has not formally designated these forward contracts against foreign currency payables.

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

		As at March 31, 2026		
	Currency pair	**Average exchange rate**	**Notional value (Rs. in million)**	**Fair value**
Non-designated				
Buy	USD/Rs.	95.85	5.21	-
Buy	GBP/Rs.	127.10	0.20	-
Total			**5.41**	**-**

		As at March 31, 2025		
	Currency pair	**Average exchange rate**	**Notional value (Rs. in million)**	**Fair value**
Non-designated				
Buy	USD/Rs.	86.16	7.44	-
Buy	GBP/Rs.	111.70	0.60	-
Total			**8.03**	**-**

SCHLOSS CHENNAI PRIVATE LIMITED

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

	Impact on Profit or Loss	
	As at March 31, 2026	As at March 31, 2025
USD sensitivity		
Rs./ USD - Increase by 1%*	(0.05)	(0.07)
Rs./ USD - Decrease by 1%*	0.05	0.07
GBP sensitivity		
Rs./ GBP - Increase by 1%*	(0.00)	(0.01)
Rs./ GBP - Decrease by 1%*	0.00	0.01

b) Interest rate risk

Interest rate risk is the risk that changes in market interest rates will lead to changes in fair value of financial instruments or changes in interest income, expense and cash flows of the Company.

	As at March 31, 2026		
	Interest rate range	**Balance**	**% of total loans**
Term loans	3 months MCLR subject to quarterly rests	4,071.05	75%
Working capital term loan	6 months MCLR subject to half yearly reset	395.06	7%

	As at March 31, 2025		
	Interest rate range	**Balance**	**% of total loans**
Term loans	One year MCLR + spread of 0.10%, subject to monthly rests	5,142.31	85.88%
Working capital term loan	Six months MCLR + spread of 0.20%, subject to annual rests	845.20	14.12%

An analysis by maturities is provided in note 33(b)(ii) above. The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings.

Cash flow sensitivity analysis for variable rate instruments

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

	As at March 31, 2026	As at March 31, 2025
	Impact on profit after tax	**Impact on profit after tax**
Interest sensitivity		
Interest rates – increase by 100 basis points	(44.66)	(59.88)
Interest rates – decrease by 100 basis points	44.66	59.88

35 Capital Management

The Company considers its total equity as shown in the balance sheet including share capital and retained earnings as the components of its balance sheet of managed capital. The Company's objectives when managing capital are:

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure. The management monitors the return on capital as well as the level of dividends to shareholders.

The gearing ratios were as follows:

	As at March 31, 2026	As at March 31, 2025
Borrowings	5,455.07	5,987.51
Lease liabilities	0.51	3.68
Less: Cash and Cash Equivalents	(54.15)	(330.36)
Less: Other Balance with bank (short term deposits)	(15.42)	(148.19)
Net Debt	5,386.01	5,512.64
Total equity	4,921.64	4,635.17
Net debt to equity ratio	**1.09**	**1.19**

Loan covenants: Under the terms of the major borrowing facilities, the Company is required to comply with financial covenants as disclosed under note 17. The Company has complied with the applicable financial covenants as at each reporting date.

SCHLOSS CHENNAI PRIVATE LIMITED

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

36 Contingent liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Disputed statutory liabilities		
*Income Tax	2.86	0.18
Total	**2.86**	**0.18**

*Assessment proceedings for AY 2024-25 have been initiated by issuance of notice u/s 143(2) of the Income-tax Act, 1961. The Company has filed an appeal before CIT(A) against the said order and is in the process of filing a rectification application with the jurisdictional officer. Rs. 0.53 millions is paid under protest against the said order.

37 Commitments

Particulars	As at March 31, 2026	As at March 31, 2025
Estimated amount of contracts remaining to be executed on capital expenditure related to property, plant and equipment and not provided for.	368.99	23.74

SCHLOSS CHENNAI PRIVATE LIMITED

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

38 Lease - as a lessor

The Company has given on operating leases portion of its building for shops and for installation and commissioning of a telecommunication tower on lease. The Company has given a portion of building for installing and commissioning of a telecommunication tower on lease. Income of Rs. 2.69 millions (March 31, 2025: Rs. 2.67 millions) has been recognised in Statement of Profit and Loss.
The future minimum lease payments receivable for under the said non-cancellable operating lease are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Receivable within one year	4.75	1.13
Receivable between one and five years	20.47	6.15
Receivable more than five years	-	-

39 Segment Information

The Company is engaged in the business of hoteliering. The Board of Directors has appointed a strategic steering committee as Chief Operating Decision Maker ("CODM") which assesses the financial performance and position of the Company, and makes strategic decisions. The CODM of the Company examines the performance and make decisions for resource allocation. The CODM reviews these activities as one single segment to evaluate the overall performance of the Company operations. Accordingly, the segment revenue, segment results, total carrying amount of segment assets and segment liability is as reflected in the financial statements.

The Company provides services to customers in India. Hence, statement for geographical information is not applicable

SCHLOSS CHENNAI PRIVATE LIMITED

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

40 Earnings per share

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Basic earnings per share		
Profit/(Loss) for the year (A)	282.91	(34.52)
Weighted average number of equity shares for the purpose of basic earnings per share (B)	3,12,39,130	3,12,39,130
Basic Earnings per equity share C=(A/B) in Rs.	**9.06**	**(1.11)**
Diluted earnings per share		
Profit attributable to the equity holders (A)		
Used in calculating basic earning per share	282.91	(34.52)
Profit/(loss) attributable to the equity holders used in calculating diluted earnings per share:	**282.91**	**(34.52)**
Weighted average number of shares used as the denominator (B)		
Opening balance	3,12,39,130.00	1,72,39,130.00
Equivalent shares of CCDs	-	23,33,333.00
Shares issued towards conversion of CCD	-	1,16,66,667.00
*Weighted average number of equity shares used as the denominator in calculating basic earnings per share	3,12,39,130.00	3,12,39,130.00
Diluted Earnings per equity share C=(A/B) in Rs.**	**9.06**	**(1.11)**

*Weighted average number of compulsorily convertible debentures (CCDs) included in the denominator in calculating basic earnings as per para 23 of Ind-AS 33.

**As the impact of the CCDs was anti-dilutive, resulting in a decrease in loss per share from continuing ordinary activities, the effect thereof has been ignored whilst calculating diluted earnings per share.

SCHLOSS CHENNAI PRIVATE LIMITED

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

41 Related party transactions

Name of related parties

i Enterprises where control exists irrespective of whether transactions have taken place or not:

(i) Holding company
Project Ballet Chennai Holdings (DIFC) Private Limited, holding company (w.e.f. March 30, 2022 upto May 30, 2024)
Leela Palaces Hotels & Resorts Limited (Formerly Known as Schloss Bangalore Limited) (Formerly Known as Schloss Bangalore Private Limited), Holding company (w.e.f. May 31, 2024)

(ii) Fellow subsidiaries
Schloss HMA Private Limited
Schloss Udaipur Private Limited
Schloss Gandhinagar Private Limited
Leela Agra Resort Limited (formerly known as "Leela Palaces and Resorts Limited")
Tulsi Palace Resort Private Limited
Schloss Tadoba Private Limited
Schloss Chanakya Private Limited
Transition Cleantech Services Five Private Limited
Anasvish Tiger Camp Private Limited (November 26, 2024)
Inside India Resorts Private Limited (November 26, 2024)
Buildminds Real Estate Private Limited (February 25, 2025)
Leela Essence Hospitality Private Limited (December 22, 2025)
Leela Opulence Hospitality Private Limited (December 22, 2025)
Leela Nirvana Resorts Private Limited (December 19, 2025)
Leela Imperial Suites Private Limited (Janauary 05, 2026)
Leela Luxe Resorts Private Limited (November 28, 2025)
Aries Holdings DIFC Limited
Leela BKC Holdings Private Limited (upto April 17, 2025)
Summitt Digitel Infrastructure Pvt Ltd
Arliga India Office Parks Private Limited
BAM DLR Chennai Private Limited

(iii) Joint ventures/associate of Holding Company/fellow subsidiary
- Leela BKC Holdings Private Limited (w.e.f. April 18, 2025)
- Lago Vue Srinagar Private Limited
- Argon Holdings DIFC Limited

(iv) Key management personnel
Mr. KM Chengappa, General Manager (upto February 24, 2025)
Mr.Nishant Agarwal (uptill December 10, 2025)
Mr. Anuraag Bhatnagar, Non-executive Director (upto January 05, 2026)
Mr. Ravi Shankar, Non-Executive Director (upto January 05, 2026)
Mr. Sunil Kumar Subba Raju (w.e.f. December 16, 2025)
Mr. Dixit Chauhan (w.e.f. January 05, 2026)
Ms. Deepa Arvind, Chief Financial Officer (w.e.f. December 05, 2024)

iii Other related parties
Siemens Limited

B Disclosure of transactions between the company and related parties and the status of outstanding balances as

Nature of Transaction	Name of related party	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from food and beverages	Arliga India Office Parks Private Limited	-	0.02
Management and operating fees	Schloss HMA Private Limited	165.71	142.32
Revenue from operations	BAM DLR Chennai Private Limited	-	0.16
	Cowrks India Private Limited	-	7.71
	Arliga India Office Parks Private Limited	0.03	-
Reimbursement of expenses paid to / (received from)	Schloss HMA Private Limited	92.59	66.05
	Leela Palaces Hotels & Resorts Limited (Formerly Known as Schloss Bangalore Limited) (Formerly Known as Schloss Bangalore Private Limited)	5.50	2.90
	Schloss Chanakya Private Limited	3.27	1.10
	Schloss Udaipur Private Limited	(8.18)	(0.40)
	Tulsi Palace Resort Private Limited	0.06	(0.37)
Interest expense on capex limit utilisation	Schloss Chanakya Private Limited	30.68	23.41
Inter corporate deposit taken	Leela Palaces Hotels & Resorts Limited (Formerly Known as Schloss Bangalore Limited) (Formerly Known as Schloss Bangalore Private Limited)	1,455.00	254.40
Inter corporate deposit given	Schloss Chanakya Private Limited	-	526.00
Inter corporate deposit settlement	Leela Palaces Hotels & Resorts Limited (Formerly Known as Schloss Bangalore Limited) (Formerly Known as Schloss Bangalore Private Limited)	594.46	609.43
	Schloss Chanakya Private Limited	-	421.00
Interest on inter corporate deposit	Leela Palaces Hotels & Resorts Limited (Formerly Known as Schloss Bangalore Limited) (Formerly Known as Schloss Bangalore Private Limited)	142.69	33.07
Interest income on inter corporate deposit	Schloss Chanakya Private Limited	12.80	17.55
Other operating income (Rental income)	Summitt Digitel Infrastructure Pvt Ltd	1.16	0.67
Payments for capital goods	Siemens Limited	0.54	-
Managerial renumeration* (short-term employee benefits)	Mr. KM Chengappa	-	14.44
	Mr.Nishant Agarwal	11.60	2.05
	Ms. Deepa Arvind	6.25	1.62
	Mr. Sunil Kumar Subba Raju	8.37	-

* Managerial renumeration excludes provision for gratuity and compensated absences, since these are provided on the basis of an actuarial valuation for the Company as a whole and long term incentive.

SCHLOSS CHENNAI PRIVATE LIMITED

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

41 Related party transactions (Continued)

C Outstanding Balances

	As at March 31, 2026	As at March 31, 2025
Trade receivables		
Summitt Digitel Infrastructure Private Limited	0.13	0.12
Leela Palaces Hotels & Resorts Limited (Formerly Known as Schloss Bangalore Limited) (Formerly Known as Schloss Bangalore Private Limited)	-	3.24
BAM DLR Chennai Private Limited	-	0.05
Cowrks India Private Limited	-	0.11
Trade payables including accrruals		
Schloss HMA Private Limited	24.38	25.92
Schloss Chanakya Private Limited	-	0.60
Tulsi Palace Resort Private Limited	-	0.00
Security deposits received		
Summit Digitel Infrastructure Limited	0.24	0.24
Inter corporate deposit given		
Schloss Chanakya Private Limited	105.00	105.00
Inter corporate deposit received		
Leela Palaces Hotels & Resorts Limited (Formerly Known as Schloss Bangalore Limited) (Formerly Known as Schloss Bangalore Private Limited)	988.96	-
Interest receivable on Inter corporate deposit given		
Schloss Chanakya Private Limited	17.24	5.72

D Corporate Guarantee

During the previous year, the Group had received a corporate guarantee of up to ₹3,000 million from BSREP III India Ballet Holdings (DIFC) Limited in respect of the term loan facility availed by the Company and its subsidiaries, namely Schloss Chennai Private Limited, Schloss Udaipur Private Limited, Schloss Chanakya Private Limited, Schloss HMA Private Limited (w.e.f. March 29, 2025) and Leela Agra Resort Limited (formerly known as "Leela Palaces and Resorts Limited") (w.e.f. March 29, 2025) (joint co-borrowers)."

Effective January 31, 2026, the aforesaid corporate guarantee has been released, and accordingly, no such guarantee is outstanding as at the reporting date

E Other security

During the previous year, Company's fellow subsidiary i.e Leela Agra Resorts Limited (formerly known as Leela Palaces Resorts Limited) and the holding company Leela Palaces Hotels & Resorts Limited (formerly known as Schloss Bangalore Limited) (Formerly known as Schloss Bangalore Private Limited)had extended the mortgage on the land and pledged 30% shares of the Company respectively for the term loan availed by the Company.
The aforesaid mortgage and pledge has been released during the financial year ended March 31, 2026.

F Names of Related parties where control exists

Leela Palaces Hotels and Resorts Limited (formerly known as Schloss Bangalore Limited) (formerly known as Schloss Bangalore Private Limited) (Holding Company - (w.e.f 31 May 2024) Project Ballet Chennai Holdings (DIFC) Private Limited (Holding Company - upto 30 May 2024), BSREP III India Ballet Holdings (DIFC) Limited (Holding Company of Company having substantial interest in Holding Company) and Brookfield Corporation (Formerly known as Brookfield Asset Management Inc.) (Ultimate controlling party)

G 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.

BSR & Co. LLP Chennai

SCHLOSS CHENNAI PRIVATE LIMITED

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

42 Ratio Analysis and its elements

Ratio Analysis	Numerator	Denominator	March 31, 2026	March 31, 2025	% Change	Remarks
Current Ratio	Current Assets	Current Liabilities	0.73	0.93	-21%	Not applicable
Debt Equity Ratio	Non - Current Borrowings + Current Borrowings	Total Equity	1.11	1.29	-14%	Not applicable
Debt Service Coverage Ratio	Profit before Tax + Interest (Net) + Depreciation and amortisation expenses	Interest (Net) + Lease Payments + Principal Repayment of long-term Debt	2.84	0.48	491%	Profits during the year
Return on Equity Ratio	Net Profit after taxes	Average Total Equity	0.01	(0.01)	-248%	Profits during the year
Inventory Turnover Ratio	Cost of Goods sold	Average Inventory	1.23	3.07	-60%	Increase in inventories during current year
Trade Receivables Turnover Ratio	Revenue from operations	Average Trade Receivables	10.17	24.73	-59%	Reduction in trade receivables in current year
Trade Payables Turnover Ratio	Net Purchases	Average Trade Payables	0.73	1.06	-31%	Increase in trade payables in current year
Net Capital Turnover Ratio	Net Sales	Average Working Capital i.e. Average Current Assets - Average Current Liabilities	(25.49)	(7.71)	231%	Increase in net working capital in current year
Net Profit Ratio	Net Profit after tax	Net Sales	0.10	0.01	1062%	Increase in profits in current year
Return on Capital employed	EBIT	Capital Employed	0.05	0.07	-31%	Increase in profits in current year

BSR & Co. LLP Chartered Accountants

SCHLOSS CHENNAI PRIVATE LIMITED

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

43 Transfer Pricing

The Company has established a comprehensive system of maintenance of information and documents as required by the transfer pricing legislation under sections 92-92F of the Income-tax Act, 1961. Since the law requires existence of such information and documentation to be contemporaneous in nature, the Company is in the process of updating the documentation for the international transactions entered into with the associated enterprises during the financial year. The Company is required to update and put in place the information latest by the due date of filing its income tax return. The management is of the opinion that its international transactions are at arm's length so that the aforesaid legislation will not have any impact on the financial statements, particularly on the amount of tax expenses and that of provision for tax.

Management believes the Company's transactions with related parties are at arms length so that the aforesaid legislation will not have any impact on these financial statements, particularly on the amount of tax expenses and that of provision for tax.

44 Other Statutory Information

i. No proceedings has been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

ii. The Company has reviewed transactions to identify if there are any transactions with struck off companies. To the extent information is available on struck off companies, there are no transactions with struck off companies.

iii. With reference to Note 17 (a). Borrowings of the financial statement for the year ended March 31, 2026, we confirm that all charges created/satisfied during FY 2025-26 have been registered with the Ministry of Corporate Affairs.

iv. The Company has not advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) any funds, that have been to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
   a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
   b. Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

v. The Company has not received any funds from other persons or entities, including foreign entities ("Funding Parties") with the understanding, whether recorded in writing or otherwise, that the Company shall:
   a. Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding party or
   b. Provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

vi. As on March 31 ,2026, there is no unutilised amounts in respect of any issue of securities and long term borrowings from banks and financial institutions. The borrowed funds have been utilised for the specific purpose for which the funds were raised.

vii. Company do not have any charges or satisfaction, which is yet to be registered with Registrat of Companies beyind the statutory period.

viii. Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017.

ix. The Companies have not traded or invested in Crypto currency or Virtual currency during the financial year.

x. The Companies 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.

xi. The Company has not been declared as wilful defaulter by any bank or financial institution or other lender.

xii. The Company has used funds borrowed for the specific purposes only for the purposes which it has been borrowed.

45 Exceptional items

On November 21, 2025, the Government of India notified the four Labour Codes - the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 - consolidating 29 existing labour laws. The Ministry of Labour & Employment published draft Central Rules and FAQs to enable assessment of the financial impact due to changes in regulations. The Company has restructured the compensation of its employees, and assessed the impact of the changes, consistent with the Labour codes, FAQs and disclosed the incremental impact of these changes on the best information available and consistent with the guidance provided by the Institute of Chartered Accountants of India.

Considering the regulatory-driven and non-recurring nature of this impact, the Company has presented such incremental impact under Exceptional Items amounting to Rs. 12.58 millions in the financial statements for the year ended March 31, 2026. The Company continues to monitor the finalisation of Central / State Rules and clarifications from the Government on other aspects of the Labour Code and would provide appropriate accounting effect on the basis of such developments as needed.

46 Subsequent events

There are no events after the reporting period.

The notes referred to above form an integral part of the financial statement.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No: 101248W/W-100022

Tarun Kinger
Partner
Membership Number : 105003

Place: Mumbai
Date: April 27, 2026

For and on behalf of the board of directors of
Schloss Chennai Private Limited
CIN:U55101DL2019PTC346475

Sunil Kumar Subba Raju	**Dixit Chauhan**	**Deepa Arvind**	**Rahul Pathak**
Whole time Director	Director	Chief Financial Officer	Company Secretary
DIN: 11433147	DIN: 10683243		
Place: Ahmedabad	Place: Ahmedabad	Place: Ahmedabad	Place: Mumbai
Date: April 27, 2026	Date: April 27, 2026	Date: April 27, 2026	Date: April 27, 2026

SCHLOSS CHENNAI PRIVATE LIMITED