JM FINANCIAL

Schloss Bangalore

Luxury in its DNA

Strong Industry Tailwinds | **Brand with rich heritage** | **Strong development pipeline**

JM Financial Institutional Securities Limited

Schloss Bangalore

Luxury in its DNA

Schloss Bangalore Limited (Leela) owns and operates luxury hotels under the 'The Leela' brand, which is widely recognised for superior architecture and luxury experience – enabling the company to deliver superior ARR in the segment. The demand-supply outlook for the luxury hospitality segment in India continues to be favourable, with total demand for luxury rooms estimated to grow at a CAGR of 10.6% over FY24-FY28E against supply growth of only 5.9% over the same period. Leela has laid out an aggressive expansion plan, which will see its room inventory increase from 1,224 owned keys to 1,978 owned keys by FY30E. We expect the company to report 17%/18% CAGR in Revenue/EBITDA over FY25-28E, aided by 10% CAGR in ARR and gradual improvement in occupancy. It can generate a cumulative FCFE of ~INR 18bn during FY26E-FY30E, which enables it to comfortably fund the BKC expansion (Leela's share - INR 20bn). We initiate coverage with a BUY rating and a target price of INR 605, valuing the company at 22x Jun'27 EBITDA (24% discount to IHCL's target multiple).

Tailwinds in luxury segment: Rising disposable incomes, shift in consumer preference towards premium experiences, and limited inventory of luxury hotels in India have been the drivers for ADR and occupancy growth for the luxury hotel segment in India. Going forward, supply in the luxury segment is expected to remain constrained due to high barriers to entry. Total demand for luxury rooms is estimated to grow at a CAGR of 10.6% over FY24-FY28E against supply growth of only 5.9% over the same period. Riding on these tailwinds, the luxury segment's RevPAR is expected to become ~1.5x of FY24 levels by end-FY28E.

Brand with rich heritage: Leela's properties are widely recognised for the superior quality of architecture and has repeatedly earned top rankings among the world's best hotels. This brand recognition, built over almost 40 years, highlights the company's ability to deliver luxury experiences that are difficult to replicate. Leela's RevPAR across its owned portfolio of hotels was 1.4x of the overall luxury hotel segment average in India (Source: HVS Report), reflecting the brand strength in luxury hospitality.

Strong development pipeline: Leela has laid out an aggressive expansion plan that will see its room inventory increase from 1,224 owned keys to 1,978 owned keys by FY30E. It currently has a development pipeline of 6 hotels including the recently announced mixed-use project (which includes a hotel with 250 keys) in BKC, Mumbai. It will continue to focus its expansion plans in key markets in India and internationally, where the demand-supply dynamics is favourable for luxury hotels.

Proven track record of active asset management: The management team at Leela, with strong support from Brookfield, has demonstrated its capability to enhance operational efficiency, optimise costs and strengthen brand positioning through various tactical and strategic initiatives, leading to improvement in performance of its hotels. We believe this turnaround in performance will sustain and estimate Leela's same-store RevPAR growth at ~11% for the next 3 years.

Initiate with a BUY: We expect the company to report 17%/18% CAGR in Revenue/EBITDA over FY25-28E, aided by 10% CAGR in ARR and gradual improvement in occupancy. We forecast Leela to generate a cumulative FCFE of ~INR 18bn during FY26E-FY30E (excluding BKC capex), which will enable it to comfortably fund the BKC expansion. We initiate coverage with a BUY rating and a target price of INR 605, valuing the company at 22x Jun'27 EBITDA (24% discount to IHCL's target multiple).

Recommendation and Price Target	
Current Reco.	BUY
Current Price Target (12M)	605
Upside/(Downside)	44.1%

Key Data – THELEELA IN	
Current Market Price *	INR420
Market cap (bn) *	INR140.2/US$1.6
Free Float	30%
Shares in issue (mn)	334.0
Diluted share (mn)	334.0
3-mon avg daily val (mn)	INR249.2/US$2.8
52-week range	475/383
Sensex/Nifty	82,626/25,327
INR/US$	88.1

Price Performance			
%	1M	6M	12M
Absolute	-5.0	0.0	0.0
Relative*	-6.5	0.0	0.0

*To the BSE Sensex

Financial Summary					(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	11,715	13,006	15,331	17,020	20,596
Sales Growth (%)	36.2	11.0	17.9	11.0	21.0
EBITDA	5,450	5,944	7,370	8,260	9,679
EBITDA Margin (%)	46.5	45.7	48.1	48.5	47.0
Adjusted Net Profit	-21	477	3,512	4,489	5,431
Diluted EPS (INR)	-0.1	2.0	10.5	13.4	16.3
Diluted EPS Growth (%)	0.0	0.0	434.2	27.8	21.0
ROIC (%)	-4.3	5.1	6.4	7.0	8.2
Adjusted ROCE (%)	12.7	11.5	12.4	12.9	12.0
ROE (%)	0.0	1.3	7.2	7.0	7.8
P/E (x)	-3,475.0	213.4	39.9	31.2	25.8
P/B (x)	-2.6	2.9	2.2	2.1	1.9
EV/EBITDA (x)	33.4	30.0	21.1	18.1	14.9
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0

Source: Company data, JM Financial. Note: Valuations as of **19/Sep/2025**

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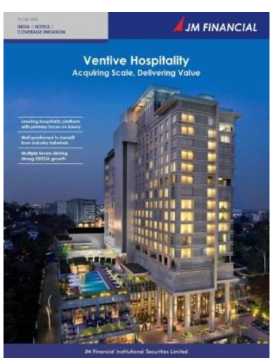
Table of Contents	Page No.

SBL owns and operates luxury hotels under the 'The Leela' brand, which is widely recognised for superior architecture and luxury experience – enabling the company to deliver superior ARR in the segment. The demand-supply outlook for the luxury hospitality segment in India continues to be favourable, with total demand for luxury rooms estimated to grow at a CAGR of 10.6% over FY24-FY28E against supply growth of only 5.9% over the same period. Leela has laid out an aggressive expansion plan that will see its room inventory increase from 1,224 owned keys to 1,978 owned keys by FY30E. We expect the company to report 17%/18% CAGR in Revenue/EBITDA over FY25-28E, aided by 10% CAGR in ARR and gradual improvement in occupancy. It can generate a cumulative FCFE of ~INR 18bn during FY26E-FY30E, which can comfortably fund the BKC expansion (Leela's share - INR 20bn). We initiate coverage with a BUY rating and a target price of INR 605, valuing the company at 22x Jun'27 EBITDA (24% discount to IHCL's target multiple).

RECENT REPORTS

ITC Hotels



Ventive Hospitality

Juniper Hotels

Hotels: Hitting Top Gear

Hotels: Strong rebound on all fronts

Focus charts

Exhibit 1. Leela has a portfolio of 5 owned hotels and 8 asset light hotels

Hotel name	Location	Weighted average room size (sqm)	Total Keys	Suites as a percentage of the total keys (%)	Opening/ Rebranding date
Owned portfolio – Owned and Managed					
The Leela Palace Bengaluru	Bengaluru, Karnataka	61.60	357	12.61%	Aug-01
The Leela Palace Chennai	Chennai, Tamil Nadu	57.96	325	9.23%	Jan-13
The Leela Palace, New Delhi	New Delhi, Delhi	57.24	254	7.09%	Apr-11
The Leela Palace Jaipur	Jaipur, Rajasthan	71.80	200	9.00%	May-21
The Leela Palace Udaipur	Udaipur, Rajasthan	58.71	88	13.64%	May-09
Managed Portfolio – Under hotel management agreement					
The Leela Ambience Convention Hotel Delhi	Shahdara, Delhi	38.44	480	5.21%	Dec-15
The Leela Ambience Gurugram Hotel & Residences	Gurugram, Haryana	58.68	412	7.04%	Jul-09
The Leela Gandhinagar	Gandhinagar, Gujarat	37.86	318	3.77%	Sep-21
The Leela Bhartiya City Bengaluru	Bengaluru, Karnataka	47.00	281	8.19%	Sep-21
The Leela Kovalam, A Raviz Hotel	Kovalam, Kerala	48.71	188	7.45%	Aug-22
The Leela Ashtamudi, A Raviz Hotel	Ashtamudi, Kerala	44.98	96	10.42%	Jul-23
The Leela Hyderabad, Telangana	Hyderabad, Telangana	45.41	156	19.23%	Nov-24
Franchised Hotel – Under franchise arrange (owned, operated and managed by a third-party)					
The Leela Mumbai	Mumbai, Maharashtra	28.48	398	11.31%	Nov-86
		Total	3,553		

Source: Company, JM Financial

Exhibit 2. Development pipeline for Leela Hotels (ex-BKC project)

Name and Location of the Property	Type	Segment	# keys	Leela's ownership	Expected Capital Exp. (INR mn)	Expected year of launch	ARR for comparable luxury properties in FY25
The Leela Palace, Agra, Uttar Pradesh	Palace	Heritage & Grandeur	99	100%	4,419	FY28	INR 46k - 51k
The Leela Palace, Srinagar, Jammu and Kashmir	Palace	Hill Station	170	50%	1,899	FY28	INR 28k - 33k
The Leela, Ayodhya, Uttar Pradesh	Hotel	Spiritual	100	76%	2,997	FY28	INR 18k - 23k
The Leela, Ranthambore, Rajasthan	Resort	Heritage & Grandeur	76	51%	1,280	FY28	INR 49k - 54k
The Leela, Bandhavgarh, Madhya Pradesh	Resort	Wildlife	30	74%	720	FY28	INR 48k - 53k
Total capex - Leela's share			**475**		**11,315**		

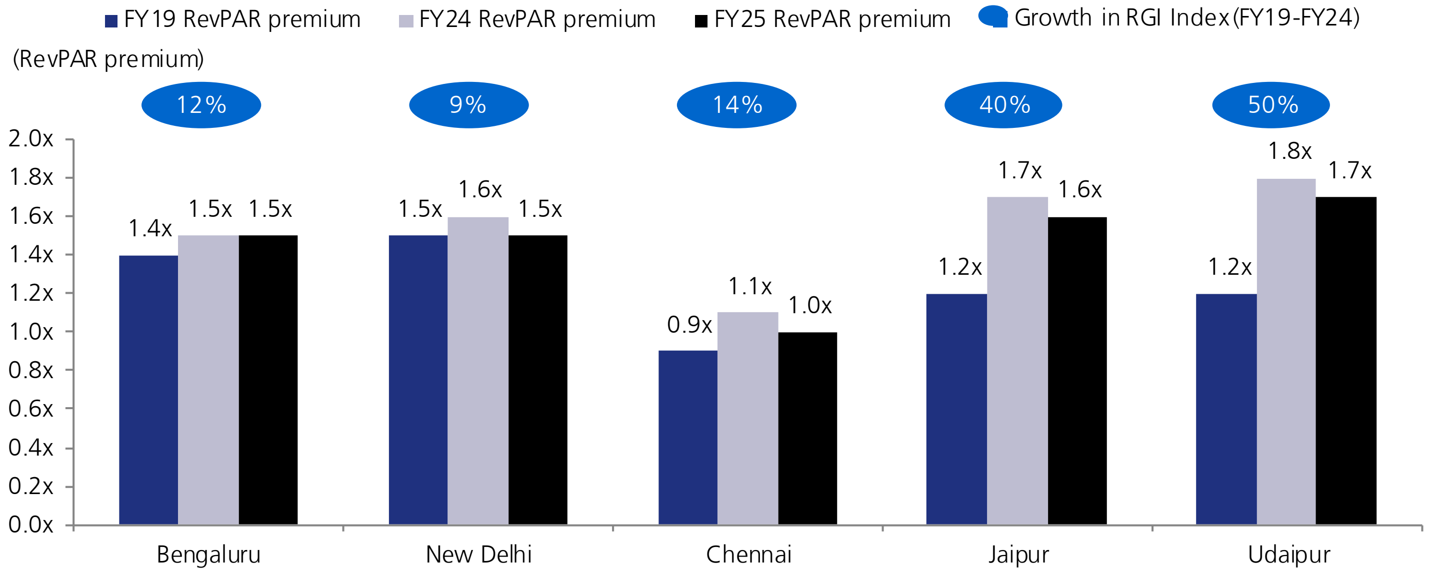
Source: Company, JM Financial

Exhibit 3. Property improvement initiatives

Asset	Capital Expenditure (INR mn)		Description
	Incurred as of FY25	Proposed	
The Leela Palace Bengaluru	2,038	420	- New 8,080 sq. ft. Ballroom: Completed in Mar'24 expected to attract premium events and boost banqueting revenue from FY25 - Luxury Retail Transformation: Upgrading and repositioning of retail space (c. 42,753 sq.ft. of leasable area), to attract high-end retail and luxury brands - India's first Soneva Spa: Introducing a 37,746 sq. ft. globally renowned wellness destination.
The Leela Palace Chennai	633	53	- Room Upgrades: Comprehensive room and tech upgrades
The Leela Palace New Delhi	263	141	- Upgrading the F&B Outlets: Enhancing F&B offerings to increase revenue from F&B
The Leela Palace Udaipur	801	212	- Expanding Luxury Accommodations: Addition of 14 keys, leading to an 18% increase in the number of keys - Sustainable Energy Initiative: Installing 1.5MW solar power
The Leela Palace Jaipur	292	533	- Family-friendly Reconfiguration: Upgrading existing villas and adding kids-friendly amenities - F&B Diversification: Renovation of the all-day dining restaurant and adding new venues to expand culinary offerings - Energy and Infrastructure Upgrades: Addition of 1.5 MW of solar power equipment
Leela Members' Club (ARQ)	252	909	- Exclusive Members-only Clubs: Launching "Arq" at three key locations, The Leela Palace Bengaluru, The Leela Palace Chennai, and The Leela Palace New Delhi.
Total	4,279	2,267	

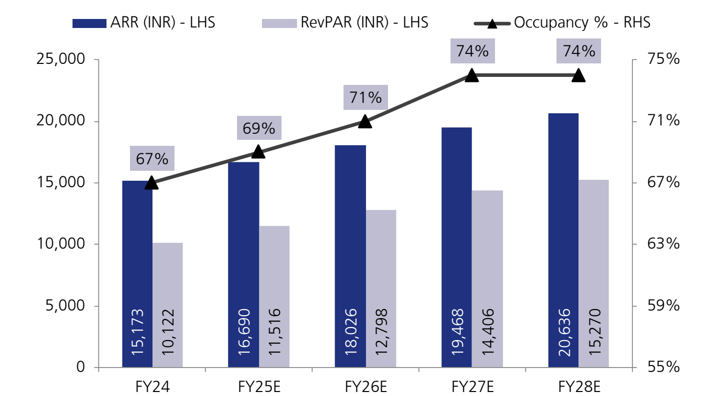
Source: Company, JM Financial

Exhibit 4. RevPAR premium for Leela's owned portfolio has increased over the past few years



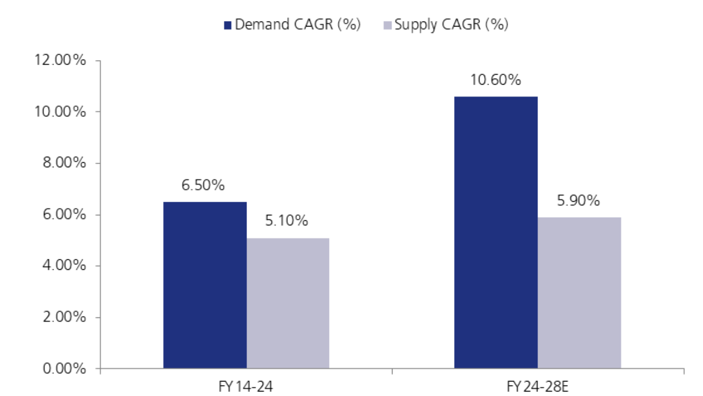
Source: Company, JM Financial

Exhibit 5. Luxury hospitality's RevPAR to grow to 1.5x by FY28E



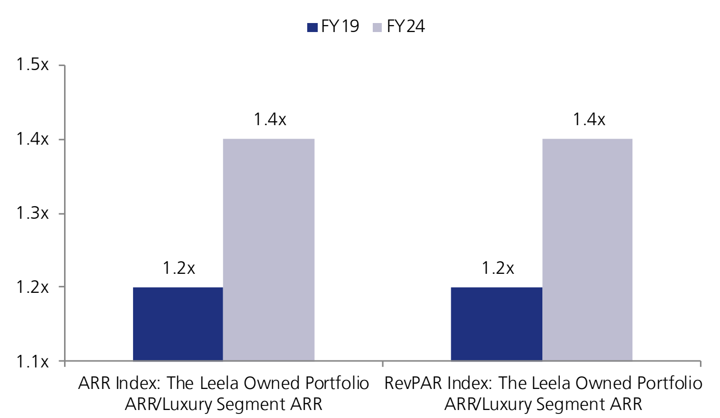
Source: HVS Anarock, JM Financial

Exhibit 6. Luxury hospitality demand outpaces supply



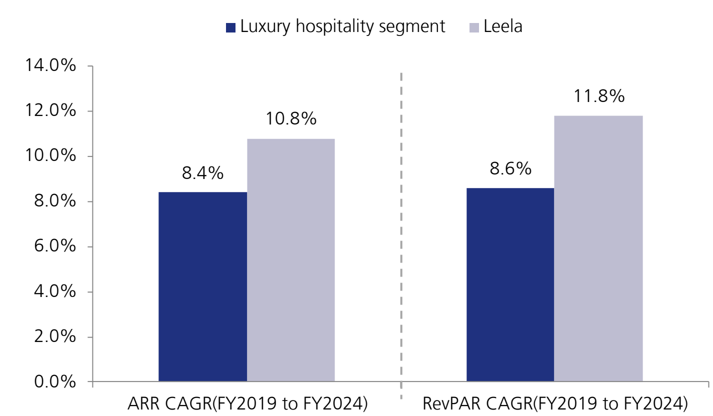
Source: HVS Anarock, JM Financial

Exhibit 7. ARR and RevPAR Index performance: The Leela



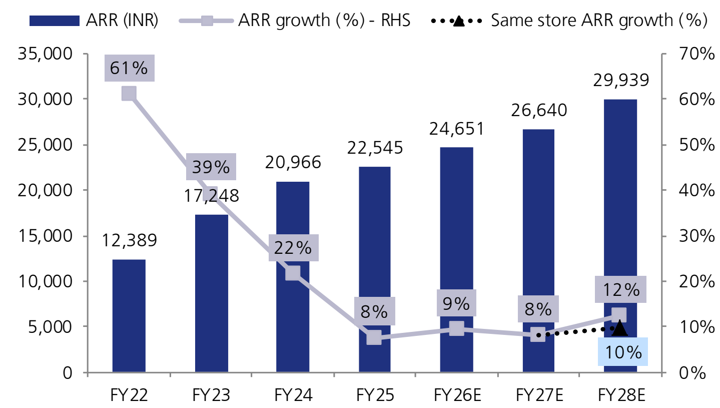
Source: HVS Anarock Research, CoStar – Industry data
Note: The Leela Owned Portfolio includes The Leela Palace, Bengaluru, The Leela Palace, Chennai, The Leela Palace, New Delhi, The Leela Palace, Jaipur and The Leela Palace, Udaipur

Exhibit 8. ARR and RevPAR growth: The Leela vs. luxury hospitality



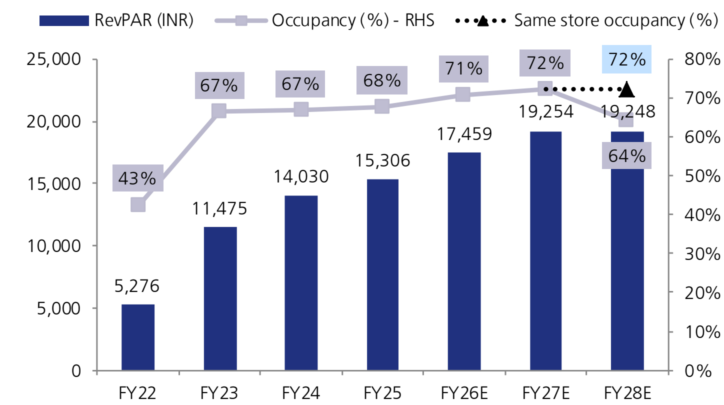
Source: HVS Anarock Research, CoStar – Industry data
Note: The Leela Owned Portfolio includes The Leela Palace, Bengaluru, The Leela Palace, Chennai, The Leela Palace, New Delhi, The Leela Palace, Jaipur and The Leela Palace, Udaipur

Exhibit 9. ARR to grow at a CAGR of 10%...



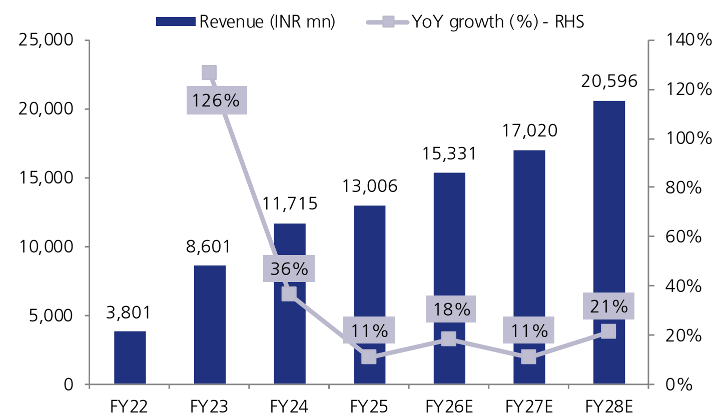
Source: Company, JM Financial

Exhibit 10. ...occupancy to move up to 70%



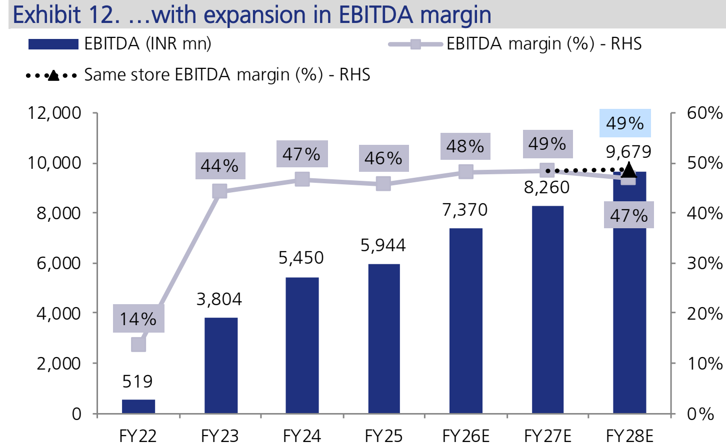
Source: Company, JM Financial

Exhibit 11. Revenue to grow at 17% CAGR...



Source: Company, JM Financial

Exhibit 12. ...with expansion in EBITDA margin



Source: Company, JM Financial

Investment Thesis

Luxury hotel segment benefiting from structural tailwinds

Rising disposable incomes, shift in consumer preference towards premium experiences, and limited inventory of luxury hotels in India have been the drivers for ADR and occupancy growth for the luxury hotel segment in India. ARR for the luxury hospitality segment grew at 5.7% CAGR over FY14-FY24, compared to only 3.1% CAGR for the broader hospitality industry (Source: HVS ANAROCK Research). Going forward, supply in the luxury segment is expected to remain constrained due to high barriers to entry, including limited availability of land, extensive regulation, restrictive zoning, high cost of capital and long gestation periods. The demand-supply outlook for the luxury hospitality segment in India continues to be favourable, with total demand for luxury rooms estimated to grow at a CAGR of 10.6% over FY24-FY28E against supply growth of only 5.9% over the same period. Riding on these tailwinds, the luxury segment's RevPAR is expected to become ~1.5x of FY24 levels by end-FY28E.

Uniquely positioned leading luxury hospitality brand with rich heritage and global appeal

Schloss Bangalore (Leela) is the one of the prominent pure-play luxury hospitality companies in India. Leela's properties are widely recognised for the superior quality of architecture, guest facilities and services, repeatedly earning top rankings among the world's best hotels and travel experiences by recognised publications such as Travel + Leisure and Conde Nast Traveler. It was ranked as #1 among the world's best hotel brands in 2020 and 2021 and among the world's top three best hotel brands in 2023 and 2024 by Travel + Leisure World's Best Award Surveys, reflecting the brand's strong global recognition. This brand recognition, built over almost 40 years, highlights the company's ability to deliver luxury experiences that are difficult to replicate. Leela's RevPAR across its owned portfolio of hotels was 1.4x of the overall luxury hotel segment average in India (Source: HVS Report) reflecting its premium market positioning and brand strength in luxury hospitality. In FY25, international travellers contributed a significant 47% of its room revenue, demonstrating the global appeal and brand recognition amongst foreign travellers.

Marquee owned hotels in markets with high barriers to entry

Leela's owned portfolio includes five iconic landmark hotels comprising 1,224 keys (as of FY25), across top business and leisure destinations in India – Bengaluru (Karnataka), Chennai (Tamil Nadu), New Delhi (Delhi), Udaipur (Rajasthan) and Jaipur (Rajasthan). This portfolio has been designed and built to exceed industry specifications, creating a further competitive advantage for it to attract guests. For example, the average room sizes at its owned hotels are 36% larger than room sizes of the overall luxury hospitality segment (Source: HVS Report). Further, there is no upcoming and comparable competitive supply expected in the micro-market of The Leela Palace New Delhi, The Leela Palace Chennai or The Leela Palace Bengaluru (Source: HVS Report). Consequently, these hotels are best placed to capture market share and grow faster than the industry. This business moat also creates a network effect that has strengthened its brand and enabled it to achieve premium pricing and consistent global recognition.

Development pipeline to drive growth from FY28E

Leela has laid out an aggressive expansion plan that will see its room inventory increase from 1,224 owned keys to 1,978 owned keys by FY30E. It currently has a development pipeline of 6 hotels – in Agra (Uttar Pradesh), Srinagar (Union Territory of Jammu and Kashmir), Ayodhya (Uttar Pradesh), near Ranthambore National Park (Rajasthan), near Bandhavgarh National Park (Madhya Pradesh) and the recently announced mixed-use project (which includes a hotel with 250 keys) in BKC, Mumbai. These hotels are expected to be completed and operational during FY27E-FY30E.

The BKC hotel will be a game changer for the company and the micro market. We expect the BKC hotel to achieve steady-state occupancies of ~75%, which compares well with other similar properties in the area. We build in a steady-state ARR of INR 38,000 for the Mumbai property, which is likely to generate Revenue/EBITDA of INR 5.4bn/INR 2.7bn in FY33E. The total contribution to Leela's consolidated EBITDA will be ~8%. The tailwinds in the industry are significantly helping Leela increase its internal accruals through strong EBITDA performance; as a result, the company will have sufficient funds to finance its capex, going forward.

The company will continue to focus its expansion plans in key gateway markets in India and internationally, where the demand-supply dynamics is favourable for hotels in the luxury sector through a combination of greenfield development, inorganic acquisitions and hotel management arrangements. The geographies it intends to focus on for future growth are the Maldives, Dubai, and Mumbai and Goa in India, among others. The company intends to continue to adopt prudent capital allocation strategies in its approach to the development of greenfield projects and for the inorganic acquisitions of existing hotel properties, which can be rebranded and operated under 'The Leela' brand.

Track record of turnaround and driving operational efficiency through active asset management

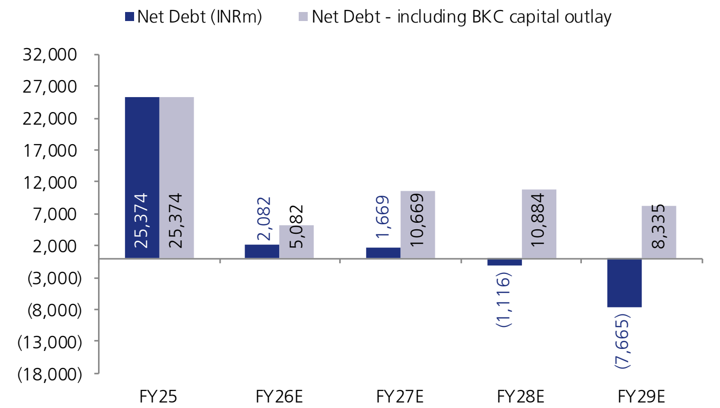
With substantial investment towards refurbishment, upgrading and repurposing of underutilised spaces, Leela has been able to increase the RevPAR premium of its owned portfolio as against the broader luxury segment in India from 1.2x in FY19 (pre-acquisition) to 1.4x in FY25 (post acquisition). Going forward, as part of its asset management initiatives, it has implemented an INR 6,546mn capital expenditure plan, ~65% of which has been incurred as of FY25. This includes room renovations, expansion of premium F&B offerings, and addition of luxury amenities such as exclusive members-only clubs, globally renowned spas and high-end retail outlets. These enhancements are designed to elevate the guest experience, attract high-value guests, increase occupancy and drive ancillary revenue, with much higher yield to cost.

An integral part of its asset management strategy is also the company's commitment to preserving the environment, and it has made substantial progress in effective waste management, optimal utilisation of water, and renewable energy usage among others. In FY24, 51.08% of the electricity utilised across its owned portfolio was generated from renewable sources. All hotels in its owned portfolio have received (i) a platinum certification under the Green Existing Building rating system, (ii) the Net Zero Waste Platinum (Operations) in accordance with the Net Zero Waste to Landfill rating system from the Indian Green Building Council and (iii) ISO 9001, 14001 and 45001 certification. Further, the company has set a target to becoming a net-zero emissions company by 2050, and has taken several concrete steps towards this goal.

Strong free cash flows to keep leverage in check

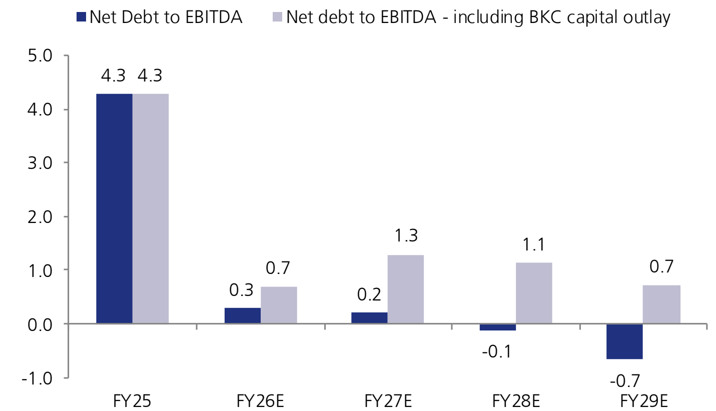
We forecast Leela to generate a cumulative FCFE of ~INR 18bn during FY26E-FY30E (5 year average: INR 3,545mn). These cash flows do not include the capital outlay from the BKC project. Leela's share of capital expenditure in the BKC project is expected to be ~INR 20bn, which can easily be funded through the internal accruals (FCFE) over the next 5 years.

Exhibit 13. Robust free cash flows to keep leverage in check



Source: Company, JM Financial

Exhibit 14. Net debt to EBITDA remains comfortable



Source: Company, JM Financial

Huge potential to expand the reach of the Leela brand

Apart from growing through the asset light mode, Leela Hotels can accelerate growth and diversify revenue streams by extending its brand into complementary lifestyle offerings. These new products extend the reach of the brand by creating new and expanding on existing touch points. Some of the initiatives already launched or being planned are"

- **The Leela Club:** Leela is introducing exclusive, members-only clubs known as "ARQ" at several locations, including more imminently at The Leela Palace Bengaluru (to be launched in Sep'25), The Leela Palace Chennai (by 4QFY26) and The Leela Palace New Delhi (by 4QFY26). These clubs will operate on a subscription-based business model, providing members with unique benefits such as private events, personalised services and access to exclusive facilities. ARQ extends Leela's brand into the ultra-luxury lifestyle segment, deepening customer wallet share while delivering high-margin and capital-light returns.

- **The Leela branded serviced apartments:** Leela is also expanding into the business of luxury serviced apartments, designed for long-stay executives, HNIs and families seeking luxury hotel-grade living. This initiative caters to a growing market segment seeking extended stays with the convenience of residential living and luxury of hotel services. Leela has secured a management contract for The Leela Luxury Residences and Club in Mumbai (located in Andheri, near the Mumbai International Airport), having 63 ultra-luxury serviced apartments and a ~22,000 SF, 3-level, members only ARQ club. This property will be launched in FY27 and has a potential to generate management fees of over INR 70mn on stabilisation.

- **The Leela branded serviced residences:** Leela plans to launch branded serviced residences that are integrated with its hotels and resorts. These properties will aim to offer high-end living environments that reflect the luxurious standards of its hospitality services, appealing to affluent buyers seeking premium, branded living spaces. Leela aims to receive royalty fees and management fees for the use of The Leela brand in connection with the sale of the interests in these projects as well as management of these projects. The Leela branded residences will allow the company to leverage its experience in developing luxury hotels.

Valuation

- Due to the limited public market history of the peer set and the limited profitability track record of the sector, we believe that a P/E multiple valuation approach is not suitable for the sector.
- Additionally, asset holdings differ greatly across hotel companies (owned, leased & managed/franchised). The quality and stability of earnings depend considerably on the level of operating leverage in a hotel company. Consequently, net income/PAT based multiples may not be a true comparative benchmark for such companies. In view of these challenges, we have used EV/EBITDA multiple for valuation of the companies in the sector.
- We value Leela's operational portfolio ascribing an 22.0x multiple to Jun'27 EBITDA. We assign a 24% valuation discount to Leela relative to IHCL, reflecting its industry leadership status, larger operational scale and superior return profile.
- Additionally, we have valued the under-construction portfolio at 18.0x FY30E EBITDA and discount the total value using a WACC of 12%. We initiate coverage with a BUY rating and a Jun'26 TP of INR 605.

Exhibit 15. Jun'26 TP of INR 605

Valuation	(INR mn)
EBITDA Jun'27 EBITDA	8,615
Multiple	22.0x
EV of operational assets	**1,89,523**
EV of contracted pipeline (ex - BKC)	13,408
Total Enterprise Value (EV)	**2,02,931**
Net Debt as of FY26E	1,979
Post-Money Equity Value	**2,00,953**
No. of shares outstanding	334
Target Price	**605**

Source: Company, JM Financial

Exhibit 16. Valuation comps (valuation as of 19th Sep'25)

Company	CMP	Shares o/s (mn)	Mcap (USD bn)	TP (INR/sh)	Upside	Reco	FY25-FY27E CAGR Sales	EBITDA	PAT
Asset Owners									
Chalet	1,028	218	2.5	1,000	-3%	BUY	21%	24%	104%
Juniper Hotels	306	223	0.8	410	34%	BUY	16%	20%	69%
Ventive Hospitality	769	234	2.0	895	16%	BUY	13%	16%	235%
Asset/Brand Owners									
Indian Hotels	775	1,423	12.5	800	3%	HOLD	14%	18%	19%
Lemon Tree	173	792	1.6	175	1%	BUY	14%	16%	28%
ITC Hotels	237	2,081	5.6	215	-9%	SELL	12%	16%	21%
Leela Hotels	420	334	1.6	605	44%	BUY	14%	15%	207%

Company	EV/Sales			EV/EBITDA			P/E		
	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Asset Owners									
Chalet	14.2x	11.5x	9.7x	33.1x	25.8x	21.4x	157.5x	62.6x	37.8x
Juniper Hotels	8.0x	6.7x	5.9x	19.8x	16.2x	13.8x	57.9x	27.3x	20.3x
Ventive Hospitality	9.5x	8.2x	7.4x	21.2x	17.6x	15.8x	374.4x	42.5x	33.4x
Asset/Brand Owners									
Indian Hotels	12.9x	10.8x	9.9x	38.8x	31.0x	28.0x	68.8x	53.2x	48.2x
Lemon Tree	11.9x	10.2x	9.2x	24.2x	20.1x	17.9x	69.7x	51.3x	42.2x
ITC Hotels	13.4x	11.8x	10.7x	39.4x	33.2x	29.5x	77.7x	61.1x	53.0x
Leela Hotels	12.7x	10.8x	9.7x	22.5x	20.1x	17.1x	294.3x	39.9x	31.2x

Company	Sales. (YoY growth)			EBITDA margin (%)			PAT margin (%)		
	FY25	FY26E	FY27E	FY25	FY26E	FY27E	FY25	FY26E	FY27E
Asset Owners									
Chalet	21%	24%	18%	43%	44%	45%	8%	17%	24%
SAMHI	17%	15%	11%	35%	36%	36%	6%	11%	14%
Juniper Hotels	15%	19%	13%	40%	41%	43%	13%	22%	27%
Asset/Brand Owners									
Indian Hotels	23%	20%	9%	33%	35%	35%	19%	21%	21%
Lemon Tree	20%	17%	10%	49%	51%	52%	15%	18%	20%
ITC Hotels	17%	14%	9%	34%	35%	36%	18%	20%	21%
Leela Hotels	11%	18%	11%	57%	54%	57%	4%	23%	26%

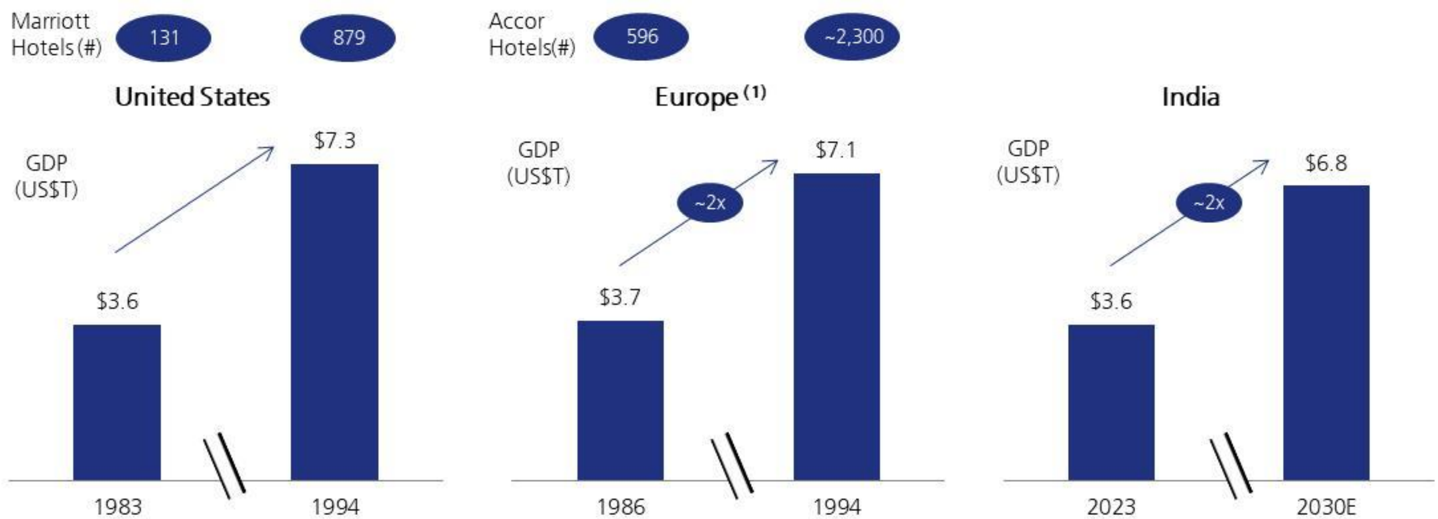
Source: Company, JM Financial
Note: USD to INR conversion of INR 88

Key Competitive Strengths

Luxury hotel segment benefiting from structural tailwinds

- India is one of the fastest-growing major economies in the world, with GDP projected to nearly double to USD 6.8trln in 2030 from USD 3.6trln in 2023 (Source: International Monetary Fund (IMF)). India's rapid economic growth is expected to create an exponential rise in the number of high and upper-middle income households to 200mn by 2030, approximately three times that of 69mn in 2018. India is entering a phase of economic development comparable to that of the United States and Western Europe in the 1980s, when scaled hospitality brands like Marriott and Accor benefited meaningfully during such inflection points, capitalising on favourable demographics and rising affluence.

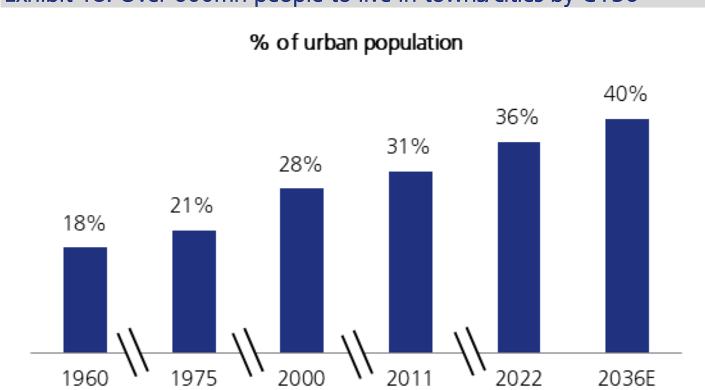
Exhibit 17. Scaled hospitality brands benefited meaningfully during high-growth periods



Source: HVS Anarock, JM Financial
Note: GDP measured in current US$; US$1= ₹83.; (1) Economic data corresponding to European Union.

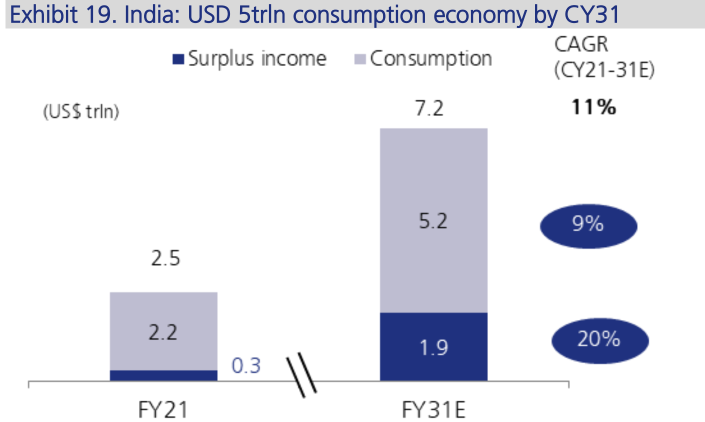
- India is experiencing a rapid trend of urbanisation in tandem with its growing population. Approximately 40% of the Indian population is expected to reside in urban areas by 2036, up from 31% in 2011. According to the World Bank, as of 2023 nearly 518mn Indians live in urban areas, translating to over 1.4 times that of the urban population in the US. With rising disposable incomes and increasing urbanisation, the proportion of high-income and upper middle-income households is expected to increase to 56% in 2030 from 24% in 2018. Consequently, during FY21-FY31E, India is expected to have an incremental consumption potential of c. USD 3trln, ~2.4 times higher than FY21 levels. Overall consumption in India is expected to grow at a healthy FY21-FY31E CAGR of 9%.

Exhibit 18. Over 600mn people to live in towns/cities by CY36



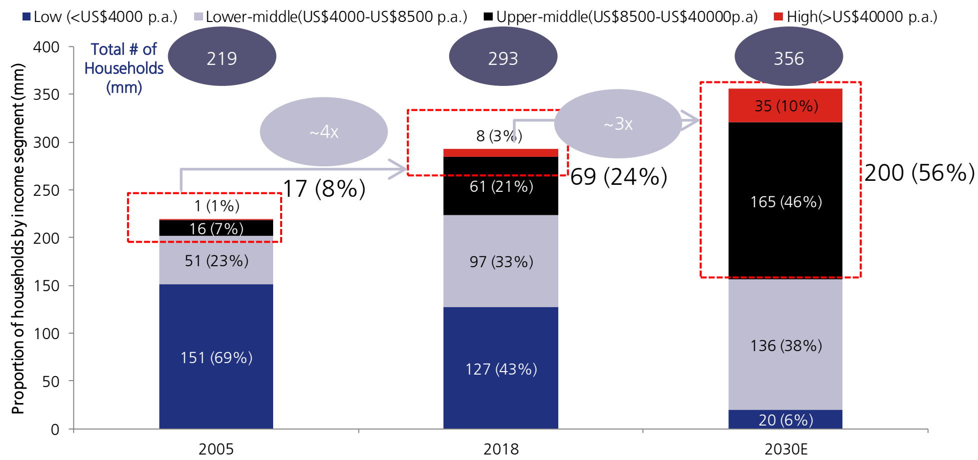
Source: World Bank, Economist Intelligence, JM Financial

Exhibit 19. India: USD 5trln consumption economy by CY31



Source: Rajesh Shukla (2022), "The Rise of India's Middle Class: Results from PRICE's ICE 360 Surveys", People Research on India's Consumer Economy (PRICE), JM Financial

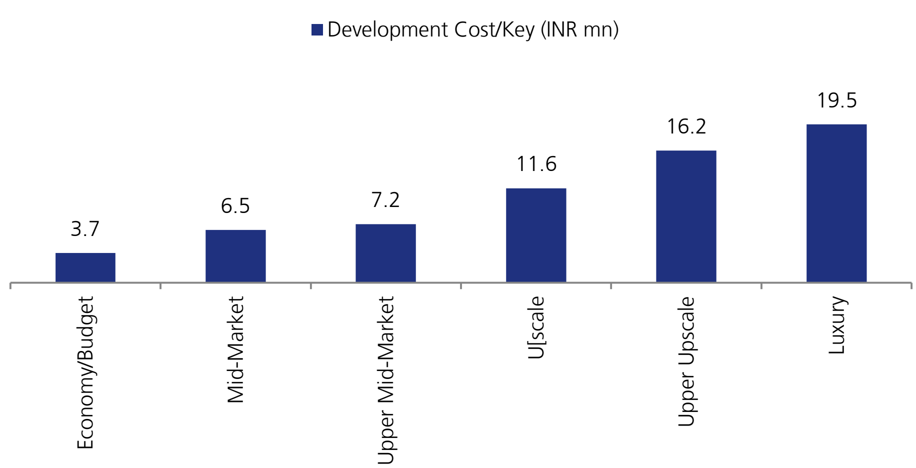
Exhibit 20. High & upper middle income households expected to become 2.9x of 2018 levels



Source: Rajesh Shukla (2022), "The Rise of India's Middle Class: Results from PRICE's ICE 360 Surveys", People Research on India's Consumer Economy (PRICE)
Note: Low-income: less than US$4,000; lower-middle: US$4,000 to US$8,500; upper-middle: US$8,500 to US$40,000; high income: more than US$40,000; this classification is based on income per household in real terms.

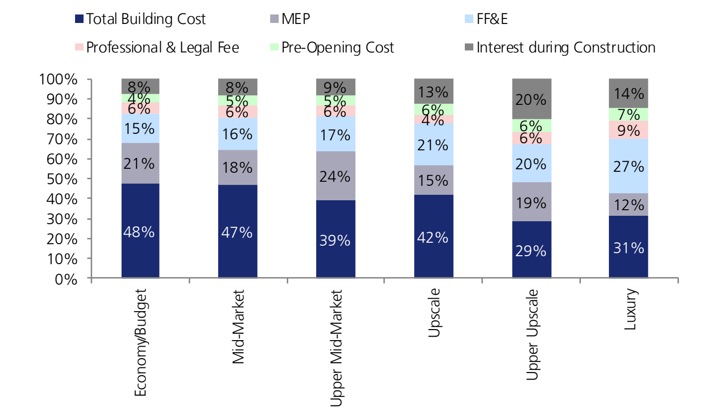
- Global luxury spends are expected to grow at a CAGR of nearly 5% over 2023 to 2026E, reaching USD 1.6trln in value. The hospitality industry is expected to be one of the key beneficiaries, with nearly USD 90bn expected in incremental spends over the next 5 years.
- The luxury market in India is expected to grow at a CY23-CY28E CAGR of 9.2%, significantly outpacing global averages (Source: Kearney). India's income distribution is undergoing a significant shift, with marked expansion in the top-tier income segments, thus creating a strong foundation of discretionary consumption, including travel and hospitality. As consumer preferences evolve from value-based purchasing to lifestyle and experience-driven choices, the market for luxury goods across fashion, automobiles, personal care and hospitality is poised for sustained, long-term growth.
- While the demand for luxury hospitality remains robust, supply concerns persist. Luxury hotel assets take longer to build and have much higher construction costs and, hence, require considerable capital and technical/design expertise.

Exhibit 21. Development cost per key



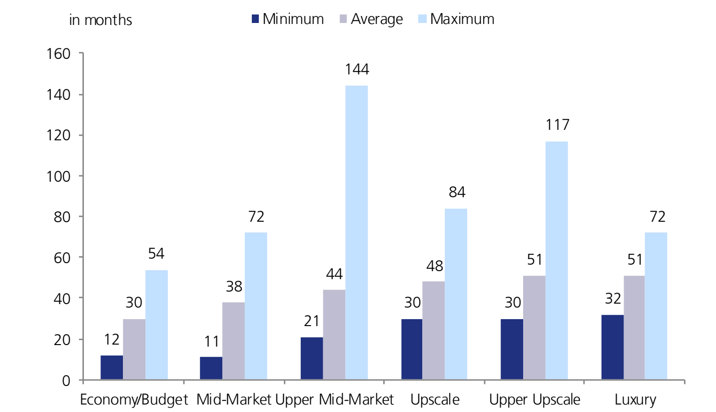
Source: Hotelviate 2021 report, JM Financial

Exhibit 22. Cost breakdown by major categories



Source: Hotelivate, JM Financial

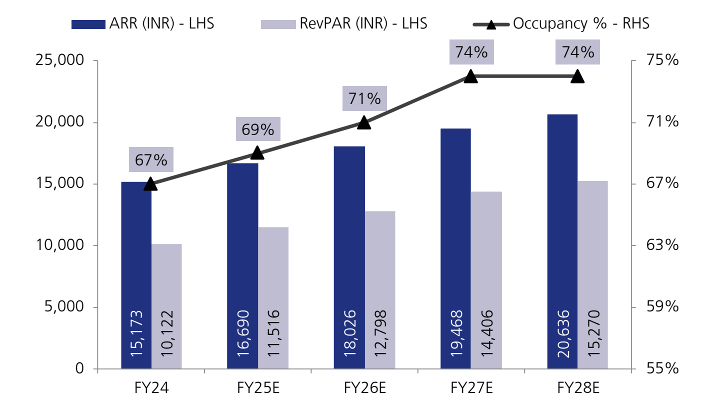
Exhibit 23. Construction tenure by hotel positioning



Source: Hotelivate, JM Financial

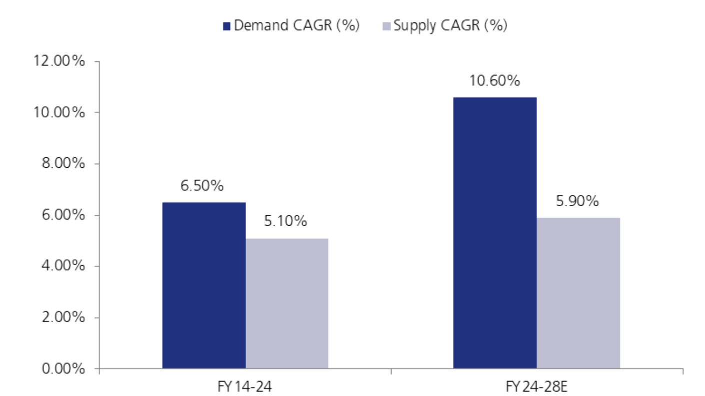
- In India, inventory composition has evolved from an inverted pyramid structure in FY01 towards greater segmental balance, with increasing inventory share and footprint for the lower-tier segments (upscale to economy) over the years. This trend is expected to continue for the next 3 years as the supply of luxury keys in India is expected to grow at 5.9% CAGR vs. 8.5% for the overall hospitality industry.
- According to HVS Anarock, the luxury hotel segment is expected to outperform the broader market on the back of a widening demand and supply gap in the segment. Supply in the luxury segment of the hospitality sector in India is expected to grow at a CAGR of 5.9% during FY24-FY28E while demand is expected to grow at a CAGR of 10.6%.

Exhibit 24. Luxury hospitality's RevPAR to grow to 1.5x by FY28E



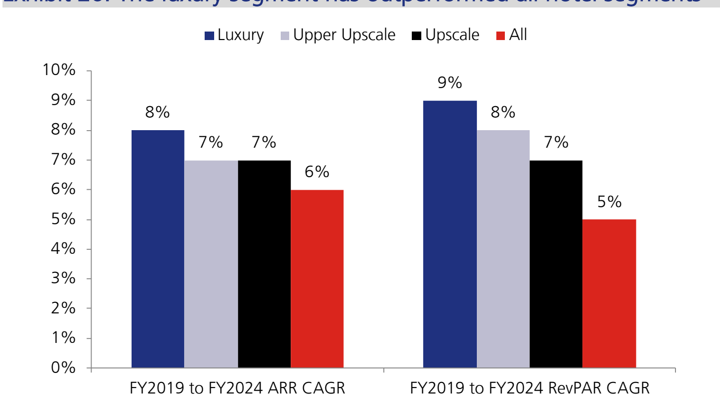
Source: HVS Anarock, JM Financial

Exhibit 25. Luxury hospitality demand outpaces supply



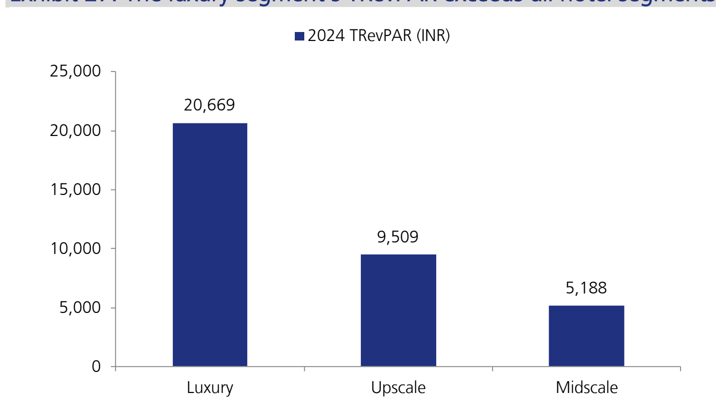
Source: HVS Anarock, JM Financial

Exhibit 26. The luxury segment has outperformed all hotel segments



Source: HVS Anarock Research, CoStar – Industry data - ARR and RevPAR
Note: Survey tracks performance and operating metrics of hotels.
Industry TRevPAR as of 2023, due to unavailability of FY24 data

Exhibit 27. The luxury segment's TRevPAR exceeds all hotel segments



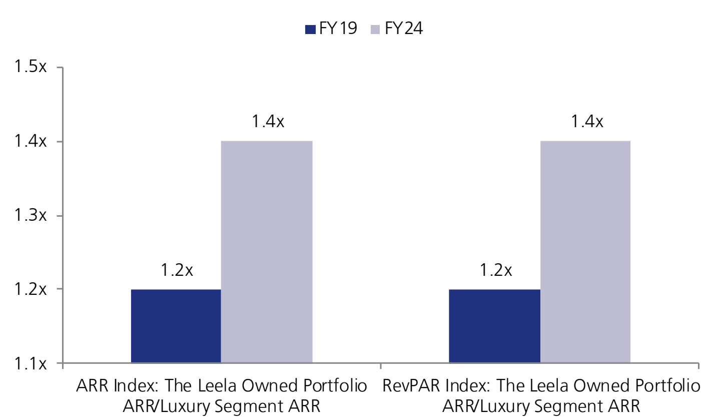
Source: HVS Anarock Research, CoStar – Industry data - ARR and RevPAR
Note: Survey tracks performance and operating metrics of hotels.
Industry TRevPAR as of 2023, due to unavailability of FY24 data

- Against this favourable demand-supply dynamic, the luxury hospitality segment has continued to outperform the broader hospitality industry. In FY24, the RevPAR for the luxury hospitality segment was INR 10,122, nearly 2.1x of the overall hospitality industry, which stood at INR 4,739. Further the luxury hospitality segment commanded 117% Total Revenue per Available Room ("TRevPAR") premium over the upscale segment, and 298% premium over the midscale segment. (Source: CoStar - Industry data)
- ARR for the luxury hospitality segment grew at 5.7% CAGR over FY14-FY24, compared to the India hospitality industry, which grew only 3.1% CAGR over the same period (Source: HVS Anarock). Expected rise in disposable income, widening demand-supply gap, evolving consumer preference towards premium experiences, improving infrastructure and limited inventory of luxury hotels in India are expected to continue driving ARR growth and occupancy for the luxury segment.

Uniquely positioned leading luxury hospitality brand with rich heritage and global appeal

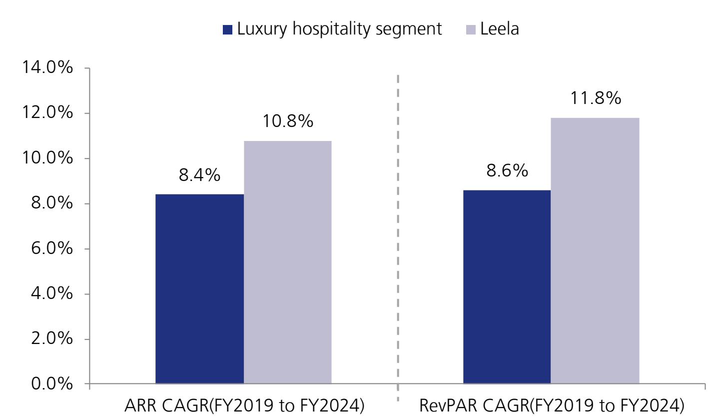
- Leela is a key player in India's premium luxury hotel segment, which remains significantly underpenetrated at only ~17% of branded inventory. The brand is widely recognised for its heritage appeal, curated luxury experiences, and presence in high-demand urban and leisure destinations). It is uniquely positioned as a luxury brand with a rich heritage with its properties being widely recognised for the superior quality of architecture, guest facilities and services, repeatedly earning top rankings among the world's best hotels and travel experiences by recognised publications such as Travel + Leisure and Conde Nast Traveler. International travellers contribute a significant 47% of its room revenue, demonstrating the global appeal and brand recognition amongst foreign travellers.
- Leela commands a substantial premium compared to its peers, which is reflected in terms of operating metrics: FY25 RevPAR of its owned portfolio was 1.4x of the overall luxury hotel segment average in India. Additionally, the ARR and RevPAR of Leela's managed portfolio, in comparison to comparable hotels across their micro-markets, was 1.3x and 1.2x respectively (Source: HVS Anarock). During FY19-FY24, Leela's owned portfolio outperformed the broader luxury hospitality segment with 1.2x ARR and 1.4x RevPAR compared to the segment average in the same period.
- Leela delivered an industry leading EBITDA margin of 48.9% for its portfolio, compared to the EBITDA margin for listed peers, ranging from 33.7% to 45.6% in FY24 (Source: RHP).

Exhibit 28. ARR and RevPAR Index performance: The Leela



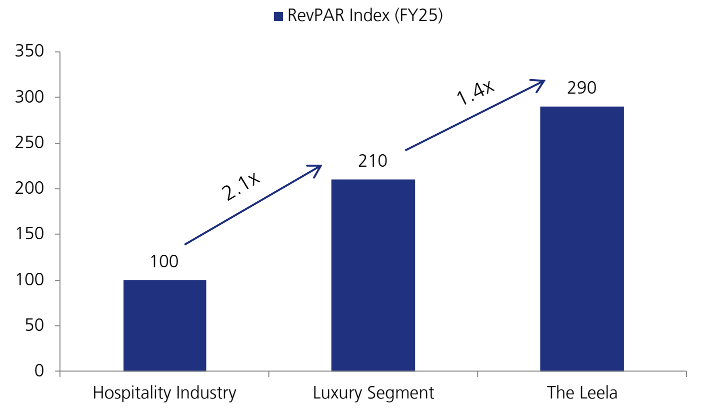
Source: HVS Anarock Research, CoStar – Industry data
Note: The Leela Owned Portfolio includes The Leela Palace, Bengaluru, The Leela Palace, Chennai, The Leela Palace, New Delhi, The Leela Palace, Jaipur and The Leela Palace, Udaipur

Exhibit 29. ARR and RevPAR growth: The Leela vs. luxury hospitality



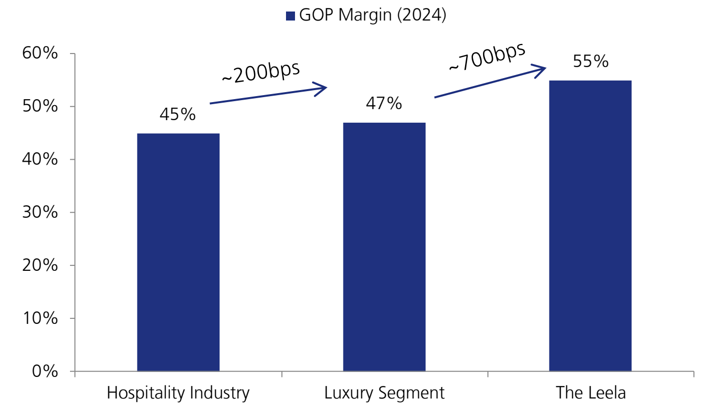
Source: HVS Anarock Research, CoStar – Industry data
Note: The Leela Owned Portfolio includes The Leela Palace, Bengaluru, The Leela Palace, Chennai, The Leela Palace, New Delhi, The Leela Palace, Jaipur and The Leela Palace, Udaipur

Exhibit 30. RevPAR Index (FY2025)



Source: HVS Anarock Research, CoStar – Industry data – RevPAR data
Note: Represents the RevPAR index of The Leela for the FY25 and GOP margin of The Leela for the 2024, in both cases, for Owned Portfolio. Represents RevPAR index of hospitality industry and luxury segment for the FY25, and GOP margin of hospitality industry and luxury segment for 2024. GOP margin data has been computed by HVS.

Exhibit 31. GOP margin (2024)

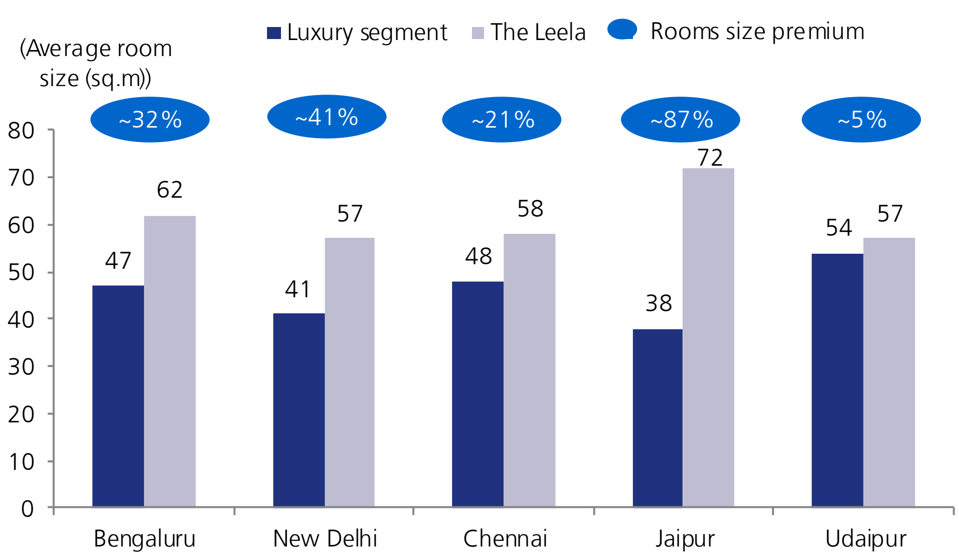


Source: HVS Anarock Research, CoStar – Industry data – RevPAR data
Note: Represents the RevPAR index of The Leela for the FY25 and GOP margin of The Leela for the 2024, in both cases, for Owned Portfolio. Represents RevPAR index of hospitality industry and luxury segment for the FY25, and GOP margin of hospitality industry and luxury segment for 2024. GOP margin data has been computed by HVS.

Marquee owned hotels in markets with high barriers to entry

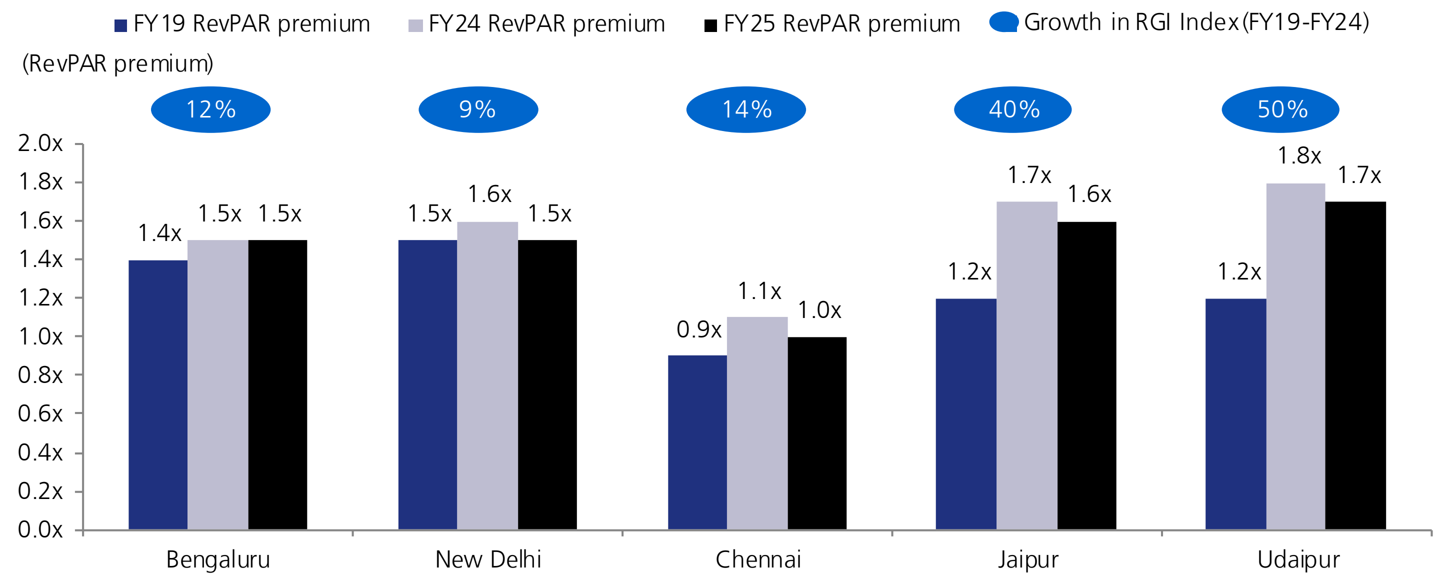
- Leela's owned portfolio includes five iconic landmark hotels comprising 1,224 keys, across top business and leisure destinations in India – Bengaluru (Karnataka), Chennai (Tamil Nadu), New Delhi (Delhi), Udaipur (Rajasthan) and Jaipur (Rajasthan). This portfolio has been designed and built to exceed industry specifications, creating a further competitive advantage for it to attract guests. For example, the average room sizes at its owned hotels are 36% larger than room sizes of the overall luxury hospitality segment (Source: HVS Report).
- Further, there is no upcoming and comparable competitive supply expected in the micro-market of The Leela Palace New Delhi, The Leela Palace Chennai or The Leela Palace Bengaluru (Source: HVS Report). Consequently, these hotels are best placed to capture market share and grow faster than the industry. This business moat also creates a network effect that has strengthened its brand and enabled it to achieve premium pricing and consistent global recognition.

Exhibit 32. 36% larger rooms in Leela's owned portfolio compared to the luxury hospitality segment average



Source: HVS Anarock, JM Financial

Exhibit 33. RevPAR premium for Leela's owned portfolio has increased over the past few years



Source: Company, JM Financial

Track record of turnaround and driving operational efficiency through active asset management

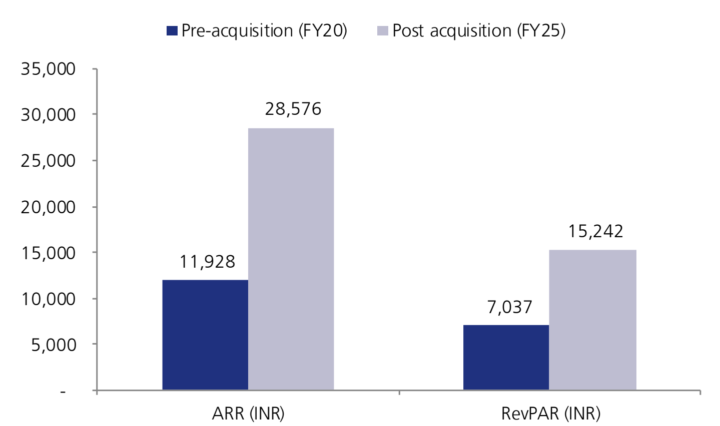
- With substantial investment towards refurbishment, upgrading and repurposing of underutilised spaces, Leela has been able to increase the RevPAR premium of its owned portfolio as against the broader luxury segment in India from 1.2x in FY19 (pre-acquisition) to 1.4x in FY25 (post acquisition). Even the managed properties have ramped up significantly post integration under the Leela brand.

Exhibit 34. The Leela portfolio snapshot, key metrics and transition since FY20

Particulars	FY20	Growth	FY25	Growth	FY28E
Total properties	8	1.6x	13	1.6x	20
Total keys	2,498	1.4x	3,553	1.3x	4,260
Owned properties	4	1.3x	5	2.2x	10
Owned keys	10,007	1.2x	1,224	1.6x	1,728
ADR	12,329	1.8x	22,545	1.3x	30,168
RevPAR	7,584	2.0x	15,306	1.3x	19,541
RevPAR premium	**1.2x**		**1.4x**		**n/a**

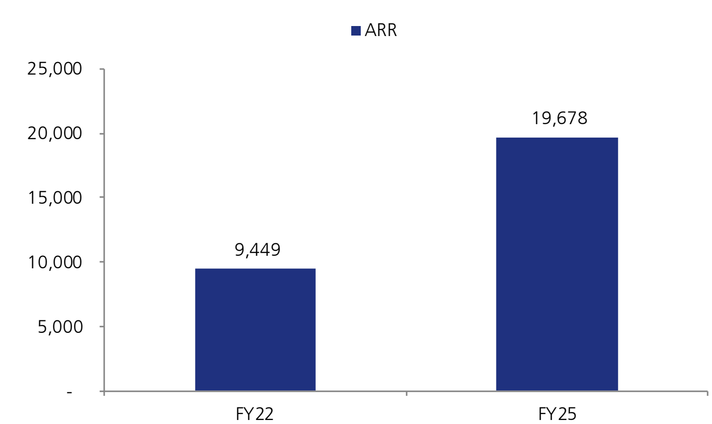
Source: Company, JM Financial; FY28E numbers don't include BKC project

Exhibit 35. ARR and RevPAR trend for The Leela Palace Jaipur



Source: Company, JM Financial

Exhibit 36. Leela Kovalam: c. 2.1x growth in ARR over FY22-25



Source: Company, JM Financial

- Going forward, as part of its asset management initiatives, Leela has implemented an INR 6,546mn capital expenditure plan, ~65% of which has been incurred as of FY25. This includes room renovations, expansion of premium F&B offerings, and addition of luxury amenities such as exclusive members-only clubs, globally renowned spas and high-end retail outlets. These enhancements are designed to elevate the guest experience, attract high-value guests, increase occupancy and drive ancillary revenue, with much higher yield to cost.

Exhibit 37. Property improvement initiatives

Asset	Capital Expenditure (INR mn)		Description
	Incurred as of FY25	Proposed	
The Leela Palace Bengaluru	2,038	420	- New 8,080 sq. ft. Ballroom: Completed in Mar'24 expected to attract premium events and boost banqueting revenue from FY25 - Luxury Retail Transformation: Upgrading and repositioning of retail space (c. 42,753 sq.ft. of leasable area), to attract high-end retail and luxury brands - India's first Soneva Spa: Introducing a 37,746 sq. ft. globally renowned wellness destination.
The Leela Palace Chennai	633	53	- Room Upgrades: Comprehensive room and tech upgrades
The Leela Palace New Delhi	263	141	- Upgrading the F&B Outlets: Enhancing F&B offerings to increase revenue from F&B
The Leela Palace Udaipur	801	212	- Expanding Luxury Accommodations: Addition of 14 keys, leading to an 18% increase in the number of keys - Sustainable Energy Initiative: Installing 1.5MW solar power
The Leela Palace Jaipur	292	533	- Family-friendly Reconfiguration: Upgrading existing villas and adding kids-friendly amenities - F&B Diversification: Renovation of the all-day dining restaurant and adding new venues to expand culinary offerings - Energy and Infrastructure Upgrades: Addition of 1.5 MW of solar power equipment
Leela Members' Club (ARQ)	252	909	- Exclusive Members-only Clubs: Launching "Arq" at three key locations, The Leela Palace Bengaluru, The Leela Palace Chennai, and The Leela Palace New Delhi.
Total	4,279	2,267	

Source: Company, JM Financial

- The management team at The Leela, with strong support from Brookfield, has demonstrated its capability to enhance operational efficiency, optimise costs and strengthen brand positioning through various tactical and strategic initiatives, leading to improvement in performance of its hotels. The team has delivered ~15%+ CAGR since FY20. We believe this turnaround in performance will sustain and estimate Leela's revenue to grow at a CAGR of 17% over FY25-28E to INR 21bn, led by increase in owned room inventory (up c. 41% in FY28E) and same-store RevPAR growth of 11%.

- Leela has adopted a structured and disciplined asset management approach to drive operational efficiencies, which has resulted in EBITDA margin expansion from 44% in FY23 to 46% in FY25. This is further expected to move to ~49% on the back of operating leverage, savings from efforts on waste management and renewable energy and higher contribution from the fee business. We assume EBITDA to grow at 18% CAGR over FY25-28E and expect margin to reach ~49% in FY27E, before declining to 47%, due to the impact of new openings.

- Net debt has come down from INR 33bn in FY22 to INR 26bn by end-FY25 led by recapitalisation of the business by the sponsor group. Post the IPO, net debt has come down further to INR 2.3bn, with an upgrade in credit rating from A^- (positive) to AA (stable). This comfortable leverage position gives the company sufficient dry powder/capital to fund its expansion plan – both the contracted pipeline and new acquisitions.

- We expect PAT and PAT margin to improve substantially from a low base, while RoEs are expected to touch double digits by FY29E. Return on capital employed, adjusted for the capital gains recorded due to the common control transaction and fresh capital infused by the sponsor group, stands at 11% and is expected to move up to 14% by FY30E (post stabilisation of the under-construction pipeline).

Exhibit 38. The Leela Hotels (ex-BKC) operational and financial snapshot

Particulars (ex - BKC)	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E	FY29E	FY30E	FY31E	FY32E
Portfolio- # of rooms											
Owned & holding companies	1,216	1,216	1,216	1,224	1,215	1,215	1,728	1,728	1,728	1,728	1,728
Management Contracts	1,983	2,166	2,166	2,329	2,329	2,392	2,532	2,732	2,932	3,132	3,332
Total	**3,199**	**3,382**	**3,382**	**3,553**	**3,544**	**3,607**	**4,260**	**4,460**	**4,660**	**4,860**	**5,060**
% of asset light	62%	64%	64%	66%	66%	66%	59%	61%	63%	64%	66%
Financial metrics (INR mn)											
Revenue	3,801	8,601	11,715	13,006	15,331	17,020	20,596	24,132	26,858	28,676	30,561
EBITDA	519	3,804	5,450	5,944	7,370	8,260	9,679	11,556	13,072	13,989	14,931
EBITDA Margin (%)	14%	44%	47%	46%	48%	49%	47%	48%	49%	49%	49%
PAT	-3,198	-617	-21	477	3,512	4,489	5,431	7,324	8,590	9,427	10,279
PAT Margin (%)	**-84%**	**-7%**	**0%**	**4%**	**23%**	**26%**	**26%**	**30%**	**32%**	**33%**	**34%**
Dupont Analysis											
Leverage Factor	-2.39x	-2.36x	-2.42x	2.29x	1.72x	1.37x	1.33x	1.29x	1.26x	1.23x	1.20x
Asset Turnover Ratio	0.06x	0.15x	0.18x	0.17x	0.18x	0.19x	0.22x	0.24x	0.25x	0.25x	0.25x
ROE	**NM**	**NM**	**NM**	**1%**	**7%**	**7%**	**8%**	**10%**	**10%**	**10%**	**10%**
Return on Capital Employed											
EBIT	-429	2,986	4,521	6,054	6,878	7,715	9,080	10,816	12,268	13,120	14,067
NOPLAT	-429	2,986	4,521	6,054	6,878	7,715	9,080	10,816	12,268	13,120	14,067
Average Capital employed	**56,444**	**56,152**	**35,721**	**64,658**	**67,233**	**71,661**	**75,889**	**81,325**	**87,983**	**95,481**	**1,03,692**
RoCE	-1%	5%	13%	9%	10%	11%	12%	13%	14%	14%	14%
RoCE - adjusted for development assets	-1%	5%	13%	11%	12%	13%	12%	13%	14%	14%	14%

Source: Company, JM Financial
Note: ROCE – adjusted for u/c pipeline has been calculated till FY30E by removing the EBITDA contribution and corresponding capital employed for the under-construction assets

Development pipeline to drive growth from FY28E onwards

- The Leela has laid out an aggressive expansion plan that will see its room inventory increase from 1,224 owned keys to 1,978 owned keys by FY30E. Leela currently has a development pipeline of 6 hotels – in Agra (Uttar Pradesh), Srinagar (Union Territory of Jammu and Kashmir), Ayodhya (Uttar Pradesh), near Ranthambore National Park (Rajasthan), near Bandhavgarh National Park (Madhya Pradesh) and the recently announced mixed-use project (which includes a hotel with 250 keys) in BKC, Mumbai. These hotels are expected to be completed and operational during FY27E-28E.

Exhibit 39. Development pipeline for Leela Hotels (ex-BKC project)

Name and Location of the Property	Type	Segment	# keys	Leela's ownership	Expected Capital Exp. (INR mn)	Expected year of launch	ARR for comparable luxury properties in FY25
The Leela Palace, Agra, Uttar Pradesh	Palace	Heritage & Grandeur	99	100%	4,419	FY28	INR 46k - 51k
The Leela Palace, Srinagar, Jammu and Kashmir	Palace	Hill Station	170	50%	1,899	FY28	INR 28k - 33k
The Leela, Ayodhya, Uttar Pradesh	Hotel	Spiritual	100	76%	2,997	FY28	INR 18k - 23k
The Leela, Ranthambore, Rajasthan	Resort	Heritage & Grandeur	76	51%	1,280	FY28	INR 49k - 54k
The Leela, Bandhavgarh, Madhya Pradesh	Resort	Wildlife	30	74%	720	FY28	INR 48k - 53k
Total capex - Leela's share			475		11,315		

Source: Company, JM Financial

- The BKC hotel will be a game changer for the company and the micro market. We expect the BKC hotel to achieve steady-state occupancies of ~75%, which compares well with other similar properties in the area. We build in a steady-state ARR of INR 38,000 for the Mumbai property, which is likely to generate Revenue/EBITDA of INR 5.4bn/INR 2.7bn in FY33E. The total contribution to The Leela's consolidated EBITDA will be ~8%. The tailwinds in the industry are significantly helping Leela increase its internal accruals through its strong EBITDA performance; as a result, the company will have sufficient funds to finance its capex, going forward.

Exhibit 40. Key assumptions for the Leela Palace, BKC project

Key assumptions	
Office Area (msf)	0.7
Keys (#)	250
Office rentals (INR/sq/month)	450
ARR (INR)	31,562
ARR growth	7.0%
Exit cap rate for office	7.5%
Exit multiple for hotels	18.0x

Capex assumptions (INR mn unless specified)	
Land cost to paid to MMRDA	13,020
Approval and FSI costs	8,000
Total land and approval cost	21,020
Capex for Leela Palace – INR 40mn/key	10,000
Capex for Office space	8,980
Total capital expenditure	40,000

Source: Company, JM Financial estimates
Note: Assumptions based on channel checks and industry level benchmarks

Exhibit 41. Earnings assumptions for the BKC project

Leela Palace Hotel	FY27E	FY28E	FY29E	FY30E	FY31E	FY32E	FY33E
No of rooms (#)				250	250	250	250
ARR (INR)				31,562	33,771	36,135	38,665
Occupancy				30%	50%	60%	75%
RevPAR (INR)				9,469	16,886	21,681	28,999
Room revenues (INR mn)				864	1,541	1,978	2,646
F&B and others (INR mn)				821	1,541	2,018	2,778
F&B as a % of room revenues				95%	100%	102%	105%
Hotel revenues (INR mn)				1,685	3,082	3,996	5,425
Hotel GOP (INR mn)				**590**	**1,233**	**1,798**	**2,712**
GOP margin				35%	40%	45%	50%

Office – INR mn	FY27E	FY28E	FY29E	FY30E	FY31E	FY32E	FY33E
Leasable area (msf)				0.7	0.7	0.7	0.7
Monthly rental psf/month				430	447	465	484
Occupancy				30%	60%	75%	95%
Rental income				1,084	2,254	2,930	3,860
CAM				217	451	586	772
CAM as a % of rental				20%	20%	20%	20%
Offices revenues				1,300	2,705	3,516	4,632
Office EBITDA				**1,105**	**2,380**	**3,129**	**4,169**
Office EBITDA margin				85%	88%	89%	90%

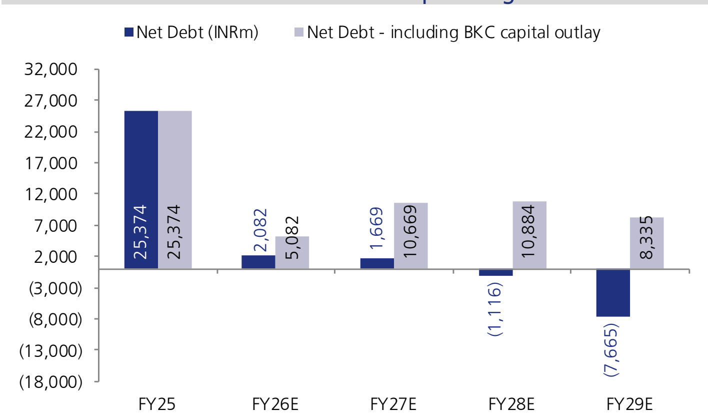
Total BKC project revenues				**2,985**	**5,786**	**7,512**	**10,056**
Total BKC project EBITDA				**1,695**	**3,613**	**4,928**	**6,881**

Source: JM Financial estimates
Note: Assumptions based on channel checks and industry level benchmarks

Strong free cash flows to keep leverage in check

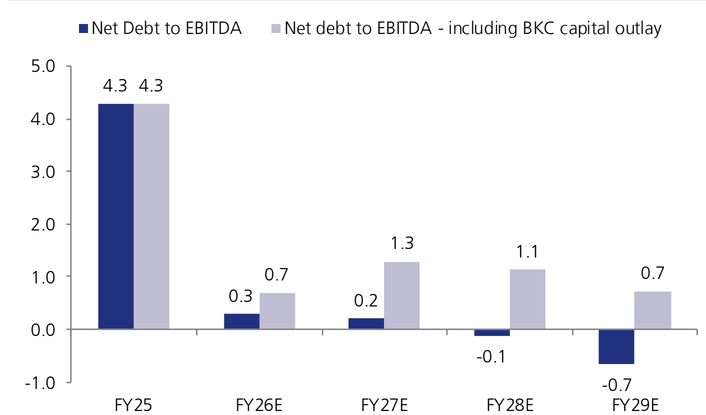
We forecast Leela to generate a cumulative FCFE of ~INR 18bn during FY26E-FY30E (5-year average: INR 3.5bn). These cash flows do not include the capital outlay from the BKC project. Leela's share of capital expenditure in the BKC project is expected to be ~INR 20bn, which can easily be funded through internal accruals (FCFE) from its other properties over the next 5 years.

Exhibit 42. Robust free cash flows to keep leverage in check



Source: Company, JM Financial

Exhibit 43. Net debt to EBITDA remains comfortable



Source: Company, JM Financial

Huge potential to expand the reach of The Leela brand

Apart from growing through the asset light mode, Leela Hotels can accelerate growth and diversify revenue streams by extending its brand into complementary lifestyle offerings. These new products extend the reach of the brand by creating new touch points and expanding on existing one. Some of the initiatives already launched or being planned are:

- The Leela Club: Leela is introducing exclusive, members-only clubs known as "ARQ" at several locations, including more imminently at The Leela Palace Bengaluru (to be launched in Sep'25), The Leela Palace Chennai (by 4QFY26) and The Leela Palace New Delhi (by 4QFY26). These clubs will operate on a subscription-based business model, providing members with unique benefits such as private events, personalised services and access to exclusive facilities. ARQ extends Leela's brand into the ultra-luxury lifestyle segment, deepening customer wallet share while delivering high-margin and capital-light returns.
- The Leela branded serviced apartments: Leela is also expanding into the business of luxury serviced apartments, designed for long-stay executives, HNIs and families seeking luxury hotel-grade living. This initiative caters to a growing market segment seeking extended stays with the convenience of residential living and luxury of hotel services. Leela has secured a management contract for The Leela Luxury Residences and Club, in Mumbai (located in Andheri, near the Mumbai International Airport), having 63 ultra-luxury serviced apartments and a ~22,000 SF, 3-level, members only ARQ club. This property will be launched in FY27 and has a potential to generate management fees of over INR 70mn on stabilisation.
- The Leela branded serviced residences: Leela plans to launch branded serviced residences that are integrated with its hotels and resorts. These properties will aim to offer high-end living environments that reflect the luxurious standards of its hospitality services, appealing to affluent buyers seeking premium, branded living spaces. Leela aims to receive royalty fees and management fees for the use of The Leela brand in connection with the sale of the interests in these projects as well as management of these projects. The Leela branded residences will allow the company to leverage its experience in developing luxury hotels.

Financials and Estimates

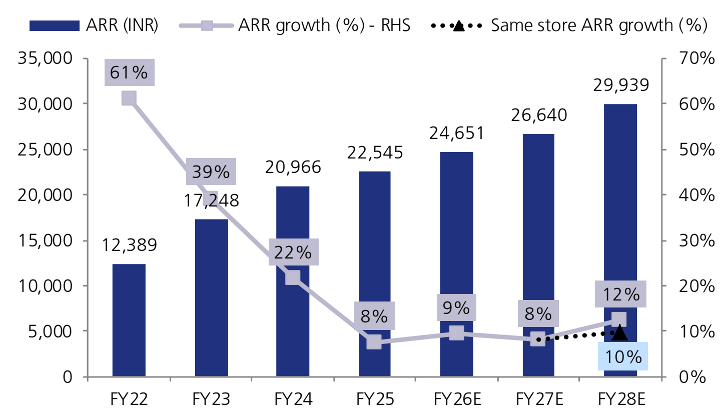
- We build in a 10% FY25-FY28E CAGR for the ARR of the owned portfolio, while occupancy improves to 72% in FY27E and falls to 64% in FY28E due to commissioning of ~500 rooms at its new hotels and Udaipur.
- We estimate Leela's revenue to grow at a CAGR of 17% over FY25-28E to INR 21bn led by increase in owned room inventory (up c. 41% in FY28E) and same-store RevPAR growth of 11%. We expect core margin to expand further as the effect of positive operating leverage should be realised with improvement in occupancy. Leela's asset management initiatives should also help in further margin expansion. We assume EBITDA to grow at 18% CAGR over FY25-28E and expect margin to reach ~49% in FY27E, before declining to 47% due to the impact of new openings.

Exhibit 44. Financial and operational snapshot

Particulars	FY23	FY24	FY25	FY26E	FY27E	FY28E
Operational Metrics – Leela Hotels						
ARR (INR)	17,248	20,966	22,545	24,651	26,640	29,939
ARR Growth (%) - RHS	39%	22%	8%	9%	8%	12%
Occupancy (%)	67%	67%	68%	71%	72%	64%
RevPAR (INR)	11,475	14,030	15,306	17,459	19,254	19,248
Consolidated Financials						
Revenue from Operations (INR bn)	8,601	11,715	13,006	15,331	17,020	20,596
YoY growth (%) - RHS	126%	36%	11%	18%	11%	21%
EBITDA (INR bn)	3,804	5,450	5,944	7,370	8,260	9,679
EBITDA Margin (%) - RHS	44%	47%	46%	48%	49%	47%
EBITDA growth (%)	633%	43%	9%	24%	12%	17%
PAT (INR bn)	-617	-21	477	3,512	4,489	5,431
PAT Margin (%) - RHS	-7%	0%	4%	23%	26%	26%
Performance Ratios						
Net Debt (INR bn)	34,098	37,751	25,374	2,082	1,669	-1,116
Net Debt / EBITDA (x)	9.0	6.9	4.3	0.3	0.2	-0.1

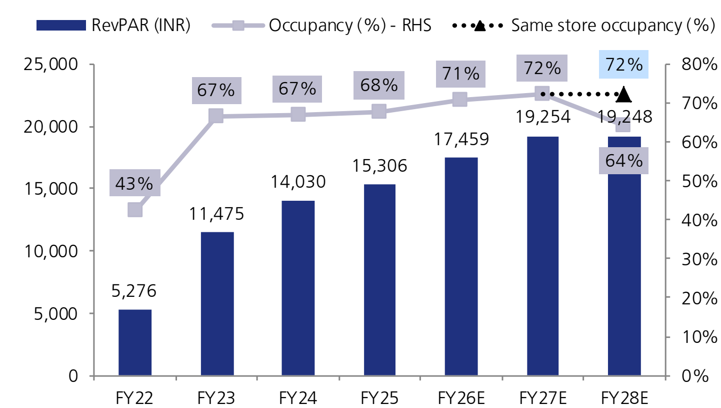
Source: Company, JM Financial

Exhibit 45. ARR to grow at a CAGR of 10%...



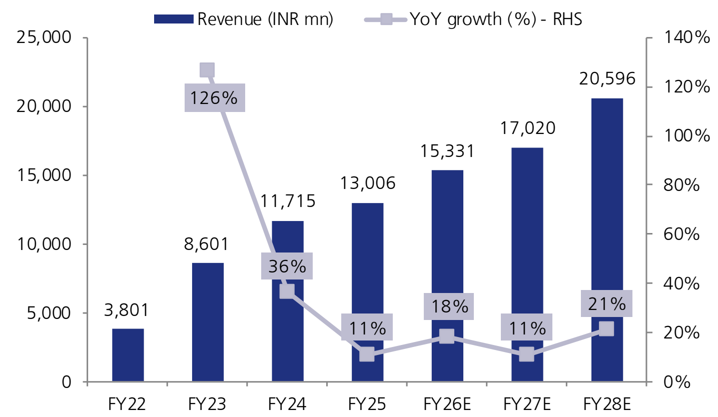
Source: Company, JM Financial

Exhibit 46. …occupancy to move up to 70%



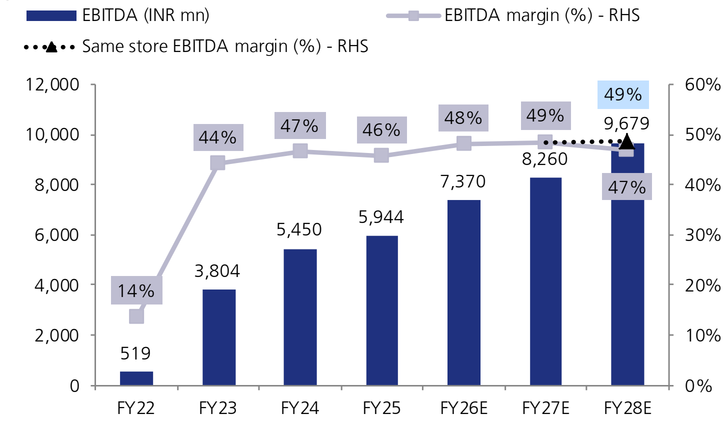
Source: Company, JM Financial

Exhibit 47. Revenue to grow at 17% CAGR…



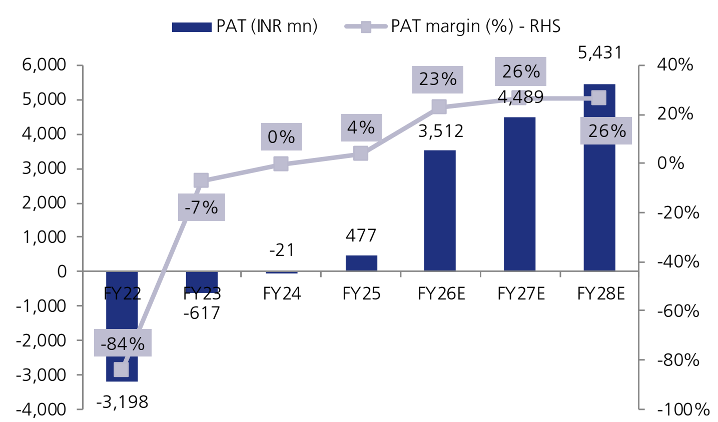
Source: Company, JM Financial

Exhibit 48. …with expansion in EBITDA margin



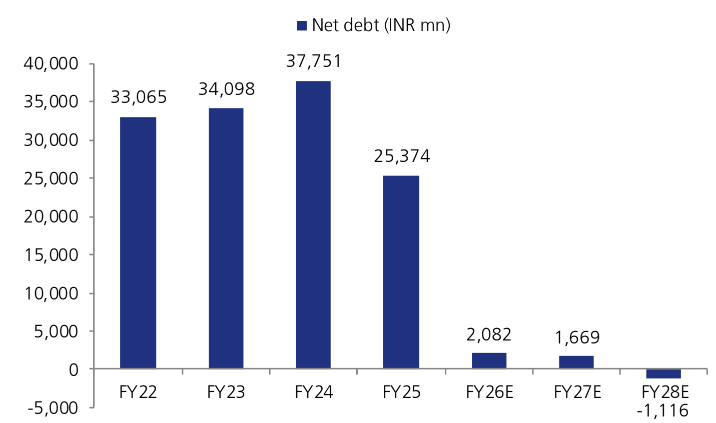
Source: Company, JM Financial

Exhibit 49. PAT grows multi-fold on a small base



Source: Company, JM Financial

Exhibit 50. Reduction in net debt post FY26



Source: Company, JM Financial

Competitive Benchmarking

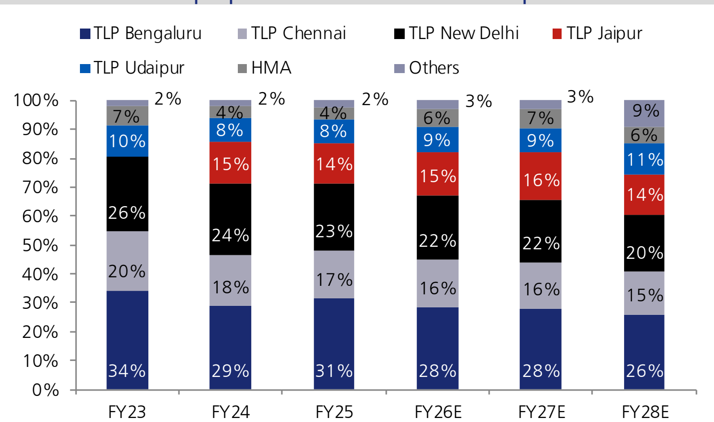
Exhibit 51. Competitive benchmarking with other brand owners

Parameters	Particulars	Leela	EIH	IHCL	Lemon Tree	ITC Hotels
Key Parameters & Pipeline	Hotels	13	30	243	111	143
	Keys	3,553	4,205	26,494	10,269	13,382
	Hotels in Pipeline	8	21	139	101	50
	Keys in Pipeline	966	1,473	14,516	6,847	4,500
Financial KPIs (FY25)	Total Revenue (INR mn)	13,006	27,432	83,345	12,861	35,598
	F&B as a % of Revenue	37%	37%	40%	14%	40%
	EBITDA (INR mn)	5,944	10,170	27,693	6,341	12,109
	PAT (INR mn)	477	7,699	16,942	1,966	6,346
	EBITDA Margin (%)	46%	37%	33%	49%	34%
	Revenue CAGR (FY25-28E)	17%	11%	12%	11%	11%
	EBITDA CAGR (FY25-28E)	19%	8%	14%	13%	13%
	Return on Capital Employed	11.5%	18.0%	17.5%	14.5%	8.9%
Operational KPIs	ADR (INR)	22,545	17,308	10,992	6,381	12,500
	Occupancy %	68%	80%	72%	72%	73%
	RevPAR (INR)	15,306	13,846	7,914	4,575	9,125
Debt Status	D/E	1.1	Net Cash	Net Cash	0.95	Net Cash
	CFO (INR mn)	5,529	8,251	21,944	5,416	8,035

Source: Company, JM Financial
Note: Data as of FY25, for IHCL standalone we have included our estimates for room and hotel count

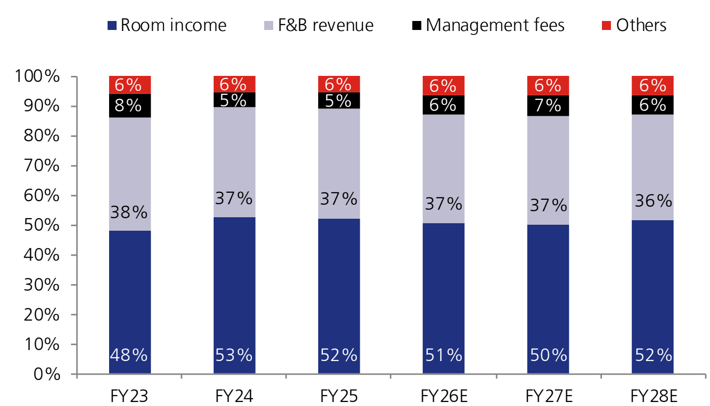
- The closest peers of Leela are Indian Hotels, EIH and ITC Hotels as all these companies are owner-operators with direct brand ownership. The market positioning of the hotel assets is similar, as they operate in the luxury and the upper-upscale segments.
- Leela's ARR and RevPAR is significantly higher that its peers, as its portfolio consists of mostly luxury assets. The average portfolio occupancy in FY25 is still 5pps lower than its closest peers. This gap in performance is expected to converge as the occupancy at its assets in Udaipur and Jaipur is expected to move into the 70%+ range in by end-FY26E itself.
- Leela Hotels derives c. 93% of its total income from five owned and directly managed properties: Bengaluru (31.4%), New Delhi (23.1%), Chennai (16.7%), Jaipur (13.9%), and Udaipur (8.2%) as of FY25.

Exhibit 52. Owned properties contribute 93% to top line



Source: Company, JM Financial

Exhibit 53. Room revenue contributes ~50%



Source: Company, JM Financial

- Leela's EBITDA margin has been consistently higher than its peers, but due to the higher capital intensity involved in luxury assets the return profile is comparable to the other direct peers. While all other brand owners have net-cash balance sheets, Leela is now in a comfortable debt position, as net debt has come down substantially post the IPO.
- RoCE (calculated on FY25 EBIT) for Leela is 11.5% and is lower compared to peers like IHCL and EIH. We believe this difference is largely due to relatively older assets at historical cost (book value) for its peers and the meaningful contribution of asset light businesses to both IHCL and EIH.
- The adjusted RoCE calculations for Leela are shown below:

Exhibit 54. Adjusted capital employed and profitability ratios

Particulars	Mar'25	Jun'25	Jun'25
Capital Employed	**77,405**	**80,931**	**80,931**
Fair value gain (IndAS implementation and control tr.) [1]	-12,749	-12,749	-12,749
Additional Cap. Infused in Sep'24	-11,930	-11,930	-11,930
Adjusted capital employed	**52,726**	**56,252**	**56,252**
	FY25	**FY26E**	**LTM Jun'25**
EBITDA – including other income	7,001	7,847	7,496
EBIT – including other income	5,602	6,428	6,217
Adjustments to depreciation on Revaluation Reserve (Estimated)	450	450	450
Adjusted EBIT	6,052	6,878	6,667
ROCE - EBITDA	13.3%	13.9%	13.3%
ROCE - EBIT	**11.5%**	**12.2%**	**11.9%**

Source: Company, JM Financial
(1) Note 16(b) of Consolidated Financial Statements From RHP

Key Risk Factors

- Risk related to seasonal and cyclical variations: The hospitality industry in India and the Maldives are subject to seasonal variations, to varying extents. The periods during which hotels experience higher revenue vary from property to property, depending principally on their location and segment. The occupancy rates and revenues for hotels are generally higher during the second half of each financial year relative to the first half of the financial year. Additionally, the hospitality industry is cyclical, and demand generally follows, on a lagged basis, key macroeconomic indicators. Demand for rooms, occupancy levels and room rates realised by owners of hospitality assets increases and decreases through macroeconomic cycles.

- Risk concentration in key assets: Leela Hotels derives c. 93% of its total income from five owned and directly managed properties: Bengaluru (31.4%), New Delhi (23.1%), Chennai (16.7%), Jaipur (13.9%), and Udaipur (8.2%) as of FY25. This high revenue concentration exposes the company to significant operational and financial risks tied to the performance of these specific assets and their respective local markets. Any region-specific disruptions (e.g., macroeconomic downturns, regulatory changes, political instability, or oversupply) could materially impact revenue and profitability.

- Profitability and cash flow risk: Leela Hotels faces a structural risk wherein revenue growth may lag behind rising expenses and capital investments. Failure to maintain a favourable revenue-expense balance could result in inconsistent profitability and negative cash flows. This would constrain the company's ability to self-fund operations, service debt obligations, or pursue expansion plans.

- Cash flow sustainability concern: Although Leela Hotels has reported positive operating cash flows in the past 3 financial years till FY25, its history of negative overall cash flows indicates potential structural cash flow volatility. Extended periods of negative net cash flow, or even short-term spikes, could impair the company's ability to sustain operations or execute planned growth initiatives.

- High fixed cost structure: Leela Hotels operates with a high fixed cost base, particularly in areas like power and fuel, employee expenses, and maintenance of key assets. These costs remain largely inelastic, irrespective of fluctuations in occupancy or demand. As a result, any decline in revenue or room occupancy can disproportionately impact margins and profitability.

- Asset-backed debt risk: As of 31st Mar'25, Leela Hotels has secured borrowings amounting to INR 39.1bn, backed by critical assets including land, buildings, receivables, DSRA-linked bank accounts, IP rights, and equity in the company and its subsidiaries. Any default on these obligations could trigger enforcement of security interests, potentially resulting in forced asset sales or loss of strategic control.

Company Overview

- Leela is one of the prominent luxury hospitality companies in India. It owns, operates, manages and develops luxury hotels and resorts under "The Leela" brand. The Leela brand was ranked as #1 among the world's best hospitality brands in 2020 and 2021, and among the world's top three hospitality brands in 2023 and 2024, by Travel + Leisure World's Best Awards Surveys.
- In 1986, the late Captain C P Krishnan Nair laid the foundation of The Leela brand, and since then, it has focused on building a luxury brand specialising in Indian hospitality. Leela's mission is deeply rooted in the traditional Indian hospitality belief of "Atithi Devo Bhava" (Guest is God). Its goal is to offer its guests luxury experiences with premier accommodation, exclusivity and personalised service, inspired by the ethos of Indian hospitality.
- Its portfolio includes five owned hotels, seven managed hotels and one hotel that is owned and operated by a third-party owner under a franchise arrangement. Leela has a strategic footprint across 10 key Indian business and leisure destinations, covering 80% of international air traffic and 59% of domestic air traffic in India in the FY25 (Source: HVS Report).
- Its owned portfolio includes five iconic hotels located in the top luxury hospitality destinations in India. Built at attractive locations, these hotels are designed as "modern palaces" and aim to blend traditional Indian architecture with contemporary world-class amenities and services. Its modern palace hotels in Bengaluru (Karnataka), Chennai (Tamil Nadu) and New Delhi (Delhi) are recognised hospitality landmarks and benefit from high barriers to entry.
- In addition to its owned portfolio, its portfolio also includes seven assets managed under hotel management agreements with third-party owners and one hotel under a franchise arrangement. These properties offer the company an asset-light business model with minimal capital investment and enhance its total income and its brand's reach. The asset light portfolio is strategically located in key urban centres seeking to cater to high-demand group business, retail and corporate business, while the resorts are in leisure destinations.

Exhibit 55. Leela has a portfolio of 5 owned hotels and 8 asset light hotels

Hotel name	Location	Weighted average room size (sqm)	Total Keys	Suites as a percentage of the total keys (%)	Opening/ Rebranding date
Owned portfolio – Owned and Managed					
The Leela Palace Bengaluru	Bengaluru,Karnataka	61.60	357	12.61%	Aug-01
The Leela Palace Chennai	Chennai, Tamil Nadu	57.96	325	9.23%	Jan-13
The Leela Palace, New Delhi	New Delhi, Delhi	57.24	254	7.09%	Apr-11
The Leela Palace Jaipur	Jaipur, Rajasthan	71.80	200	9.00%	May-21
The Leela Palace Udaipur	Udaipur, Rajasthan	58.71	88	13.64%	May-09
Managed Portfolio – Under hotel management agreement					
The Leela Ambience Convention Hotel Delhi	Shahdara, Delhi	38.44	480	5.21%	Dec-15
The Leela Ambience Gurugram Hotel & Residences	Gurugram, Haryana	58.68	412	7.04%	Jul-09
The Leela Gandhinagar	Gandhinagar, Gujarat	37.86	318	3.77%	Sep-21
The Leela Bhartiya City Bengaluru	Bengaluru, Karnataka	47.00	281	8.19%	Sep-21
The Leela Kovalam, A Raviz Hotel	Kovalam, Kerala	48.71	188	7.45%	Aug-22
The Leela Ashtamudi, A Raviz Hotel	Ashtamudi, Kerala	44.98	96	10.42%	Jul-23
The Leela Hyderabad, Telangana	Hyderabad, Telangana	45.41	156	19.23%	Nov-24
Franchised Hotel – Under franchise arrange (owned, operated and managed by a third-party)					
The Leela Mumbai	Mumbai, Maharashtra	28.48	398	11.31%	Nov-86
		Total	3,553		

Source: Company

Details of key assets of Leela

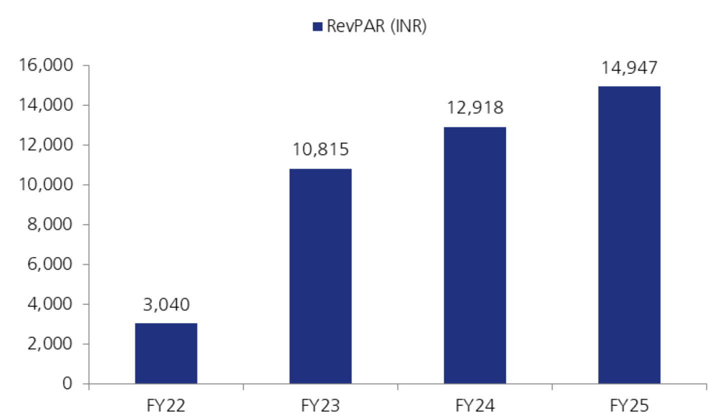
- **The Leela Palace Bengaluru:** The Leela Palace Bengaluru comprises 357 keys, including 312 rooms (including 75 royal club rooms) and 45 suites (which comprises 12.61% of the total keys). The average room size at the hotel is approximately 61.60 sqm, which is approximately 32% higher than other comparable luxury hotels in the micro-market as of FY24 (Source: HVS Report).
- The hotel's event spaces include three ballrooms with spacious pre-function areas and a courtyard, as well as 12 board and meeting rooms, aggregating to a total indoor MICE area of 27,601 sqft. The hotel operates four restaurants offering various cuisines, including Jamavar, its signature Indian fine dining restaurant, Le Cirque Signature, which serves French and Italian cuisine, Zen, which serves Pan-Asian cuisine, and Citrus, an all-day dining restaurant. The hotel also has three bars, including its award-winning ZLB 23 bar. In addition, the hotel offers spa and fitness facilities as well as a shopping arcade.

Exhibit 56. Key operational details for The Leela Palace, Bengaluru

Particulars	FY25	FY24	FY23	FY22
Number of keys	357	357	357	357
Average Occupancy[(1)]	69.7%	68.4%	72.7%	37.3%
ARR[(2)] (INR)	21,445	18,872	14,873	8,140
RevPAR[(3)] (INR)	14,947	12,918	10,815	3,040

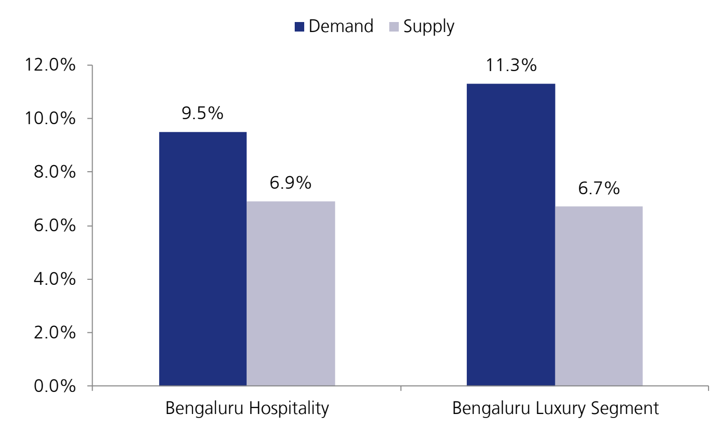
Source: Company
Notes:
1-Average occupancy represents the total number of room nights sold expressed as a percentage of the total number of room nights available in a given year.
2-ARR represents room revenue divided by total number of room nights sold in a given year.
3-RevPAR represents the revenue generated per available room calculated by multiplying the ARR charged and the average occupancy achieved in a given year.

Exhibit 57. Key operating metrics



Source: HVS Report

Exhibit 58. Demand-supply (FY24-27E)



Source: HVS Report

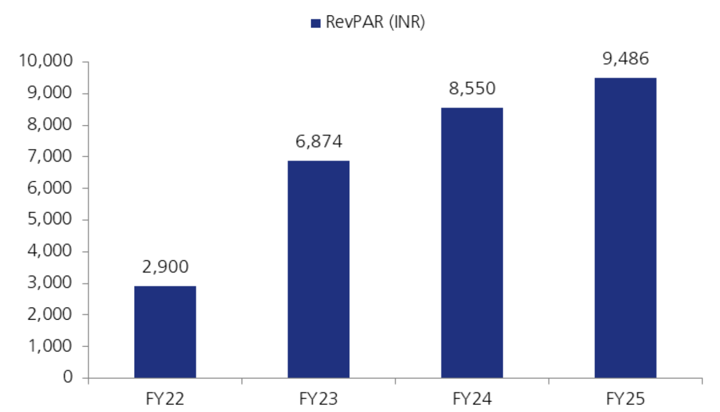
- **The Leela Palace Chennai:** The Leela Palace Chennai comprises 325 keys, comprising 294 rooms (including 54 royal club rooms and eight premier club rooms) and 30 suites (which comprises 9.23% of the total keys). The average room size at the hotel is approximately 57.96 sqm, which is approximately 21% higher than other comparable luxury hotels in the micro-market as of FY24 (Source: HVS Report).
- The hotel's event spaces include two ballrooms with pre-function areas, as well as seven board, meeting and office rooms, aggregating to a total indoor MICE area of 29,906 sqft. The hotel operates three restaurants, including Jamavar, Leela's signature Indian fine dining restaurant, China XO, which serves authentic Chinese cuisine, and Spectra, an all-day dining restaurant. The hotel also has a bar (Library Blu) and lobby lounge offering high tea services. In addition, the hotel also offers spa, steam and sauna, salon and fitness facilities as well as a shopping arcade.

Exhibit 59. Key operational details for The Leela Palace, Chennai

Particulars	FY25	FY24	FY23	FY22
Number of keys	325	325	325	325
Average Occupancy[1]	74.6%	68.0%	66.8%	45.1%
ARR[2] (INR)	12,725	12,573	10,292	6,435
RevPAR[3] (INR)	9,486	8,550	6,874	2,900

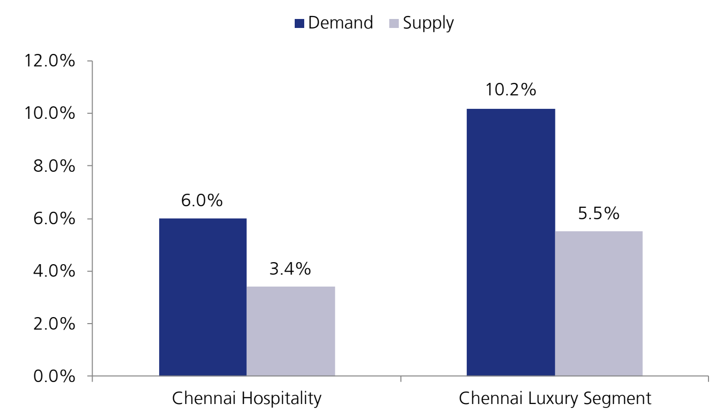
Source: Company
Notes:
1-Average occupancy represents the total number of room nights sold expressed as a percentage of the total number of room nights available in a given year.
2-ARR represents room revenue divided by total number of room nights sold in a given year.
3-RevPAR represents the revenue generated per available room calculated by multiplying the ARR charged and the average occupancy achieved in a given year.

Exhibit 60. Key operating metrics



Source: HVS Report

Exhibit 61. Demand Supply (FY24-27E)



Source: HVS Report

- **The Leela Palace New Delhi:** The Leela Palace New Delhi comprises 254 keys, consisting of 236 rooms (including 74 royal club rooms) and 18 suites (which comprises 7.09% of keys for the hotel) as of 31st Mar'24. The average room size at the hotel is approximately 57.24 sqm, which is approximately 41% higher than other comparable luxury hotels in the micro-market as of FY24 (Source: HVS Report).

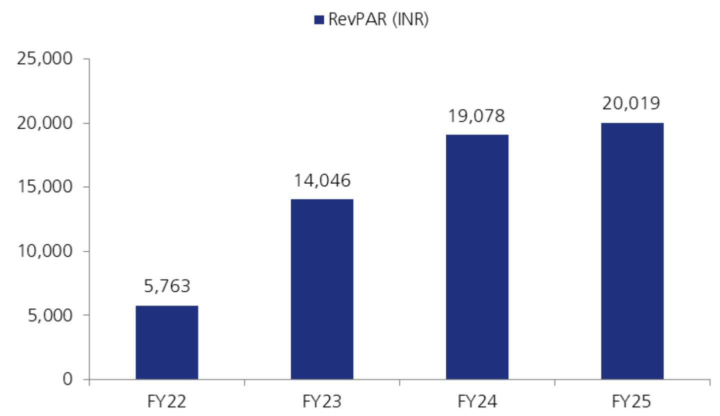
- The hotel's event spaces include two adjoining ballrooms with a pre-function area and terrace, as well as eight board and meeting rooms, aggregating to a total indoor MICE area of 12,258 sqft. The hotel operates four restaurants, including Jamavar, its signature Indian fine dining restaurant, Megu, which serves authentic Japanese cuisine, Le Cirque, which serves French and Italian cuisine, and The Qube, an all-day dining restaurant. The hotel also has a bar and a lobby lounge. In addition, the hotel offers spa, steam and sauna, and fitness facilities.

Exhibit 62. Key operational details for The Leela Palace, New Delhi

Particulars	FY25	FY24	FY23	FY22
Number of keys	254	254	254	254
Average Occupancy[1]	73.0%	71.5%	67.9%	46.3%
ARR[2] (INR)	27,430	26,680	20,697	12,437
RevPAR[3] (INR)	20,019	19,078	14,046	5,763

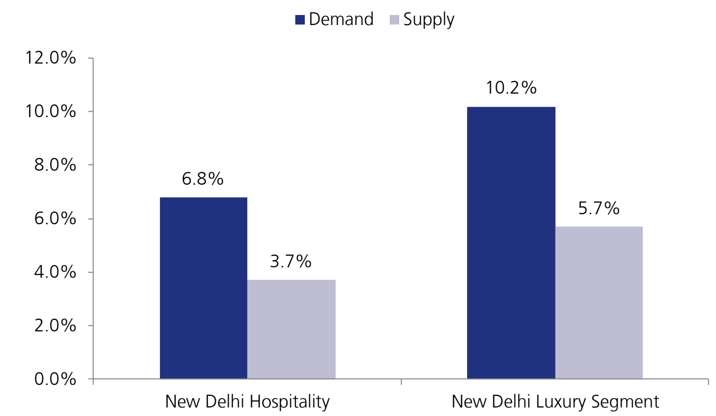
Source: Company
Notes:
1-Average occupancy represents the total number of room nights sold expressed as a percentage of the total number of room nights available in a given year.
2-ARR represents room revenue divided by total number of room nights sold in a given year.
3-RevPAR represents the revenue generated per available room calculated by multiplying the ARR charged and the average occupancy achieved in a given year.

Exhibit 63. Key operating metrics for The Leela Palace, New Delhi



Source: HVS Report
Note: RevPAR for owned hotels relative to RevPAR for Indian luxury sector in New Delhi, Delhi.

Exhibit 64. Demand supply (FY24-27E)



Source: HVS Report

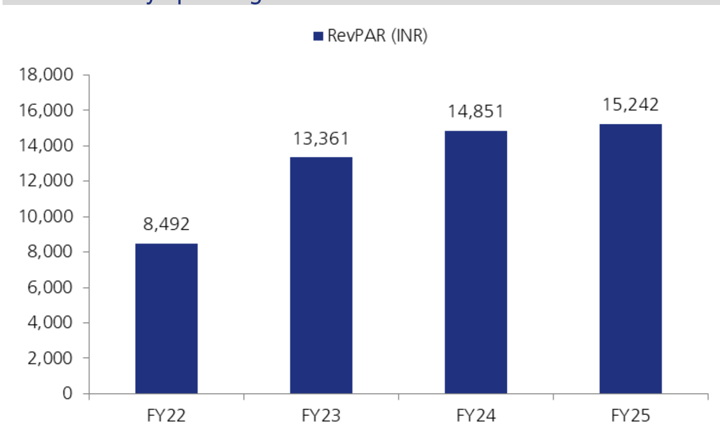
- **The Leela Palace Jaipur:** The Leela Palace Jaipur comprises 200 keys, comprising 108 villas (including 64 royal villas and 44 grand villas), 74 rooms and 18 suites (which comprises 9.00% of the total keys). The average room size at the hotel is 71.8 sqm, which is approximately 87% higher than other comparable luxury hotels in the micro-market as of FY24 (Source: HVS Report).
- The hotel's event spaces include a grand ballroom with a pre-function area, two meeting rooms, as well as versatile outdoor lawn and courtyard venues, aggregating to a total indoor MICE area of 15,536 sqft. The hotel operates three restaurants, including Mohan Mahal, an Indian specialty restaurant, Preet Mahal, which serves traditional Italian food, and Sukh Mahal, an all-day dining restaurant.

Exhibit 65. Key operational details for The Leela Palace Jaipur

Particulars	FY25	FY24	FY23	FY22
Number of keys	200	200	200	200
Average Occupancy(2)	53.0%	62.3%	60.4%	42.7%
ARR(3) (INR)	28,756	23,831	22,116	19,880
RevPAR(4) (INR)	15,242	14,851	13,361	8,492

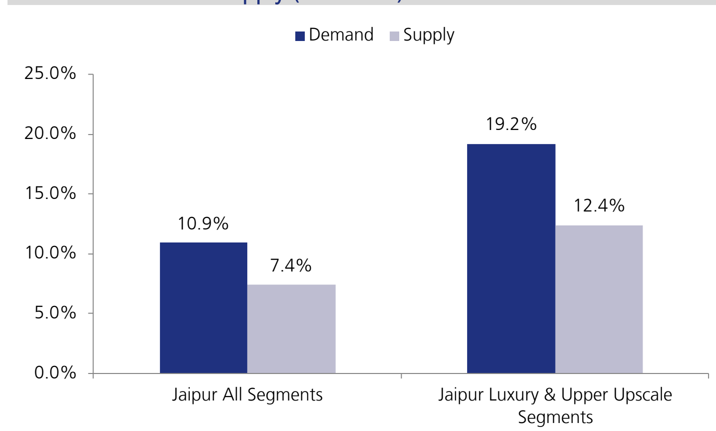
Source: Company
Notes:
1- Details reflect 100.00% interest in The Leela Palace, Jaipur, which it held 50.00% ownership interest since May 3, 2021, and acquired the remaining 50.00% ownership interest in May 2023.
2-Average occupancy represents the total number of room nights sold expressed as a percentage of the total number of room nights available in a given year.
3-ARR represents room revenue divided by total number of room nights sold in a given period
4- RevPAR represents the revenue generated per available room calculated by multiplying the ARR charged and the average occupancy achieved in a given year.

Exhibit 66. Key operating metrics



Source: HVS Report Notes: RevPAR for owned hotels relative to RevPAR for Indian luxury and upper upscale sectors in Jaipur, Rajasthan.

Exhibit 67. Demand supply (FY24-27E)



Source: HVS Report

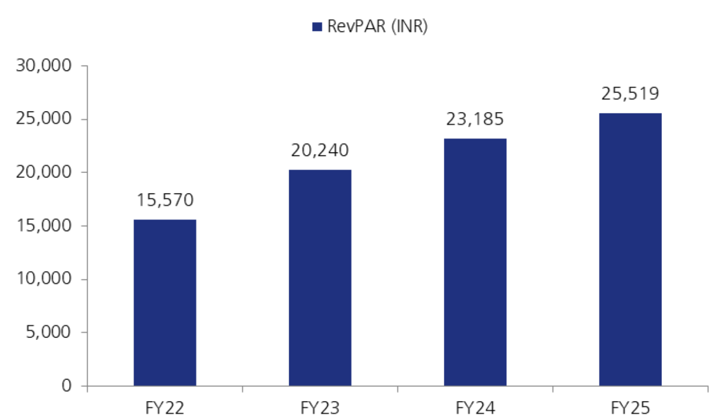
- **The Leela Palace Udaipur:** The Leela Palace Udaipur comprises 88 keys, comprising 76 rooms and 12 suites and villas (which comprises 13.64% of the total keys). The average room size at the hotel is approximately 57.00 sqm, which is approximately 5% higher than other comparable luxury hotels in the micro-market as of FY24 (Source: HVS Report).
- The hotel's event spaces include one ballroom with a pre-function area, one conference hall (which includes a large open terrace), aggregating to a total indoor MICE area of 2,995 sqft, as well as outdoor garden, lawn and courtyard venues.
- The Leela Palace Udaipur also has an additional 77,008 sqft of outdoor space, purchased by Schloss Udaipur Private Limited through a deed of conveyance registered on 9th Apr'25, which is intended to be used for expansion and future development of the hotel. The hotel operates two restaurants, including Sheesh Mahal, an Indian open-air fine dining restaurant offering lakeside views, and The Dining Room, which serves international cuisine and also has a walk-in wine cellar. Further, the hotel offers private dining experiences with bespoke menu options. The hotel also has a bar as well as spa, steam, salon and fitness facilities.

Exhibit 68. Key operational details for The Leela Palace, Udaipur

Particulars	FY25	FY24	FY23	FY22
Number of keys	88	80	80	80
Average Occupancy[1]	54.1%	52.6%	49.0%	43.6%
ARR[2] INR	47,138	44,052	41,344	35,681
RevPAR[3] (INR)	25,519	23,185	20,240	15,570

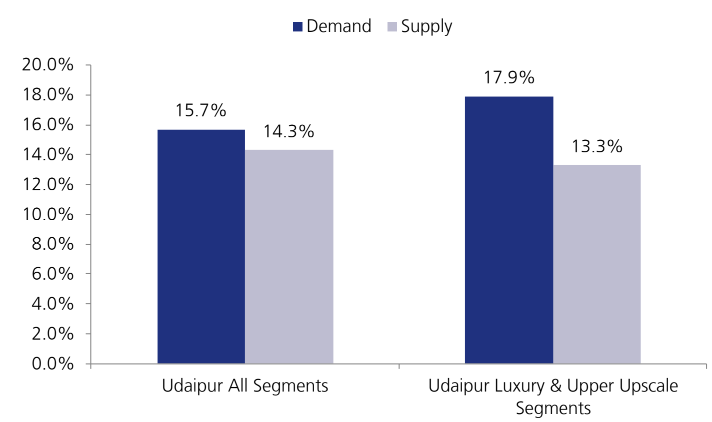
Source: Company
Notes: 1-Average occupancy represents the total number of room nights sold expressed as a percentage of the total number of room nights available in a given year.
2-ARR represents room revenue divided by total number of room nights sold in a given year.
3-RevPAR represents the revenue generated per available room calculated by multiplying the ARR charged and the average occupancy achieved in a given year.

Exhibit 69. Key operating metrics



Source: HVS Report
Note: RevPAR for owned hotels relative to RevPAR for Indian luxury and upper upscale sectors in Udaipur, Rajasthan.

Exhibit 70. Demand-supply expectation FY24-27E



Source: HVS Report

Board of directors and senior management

Board of Directors

- Anuraag Bhatnagar (Whole-time Director and Chief Executive Officer) - He holds a bachelor's degree in commerce from the University of Delhi and a diploma in hotel management, catering and nutrition from the Board of Technical Education, Delhi. He has also completed the Marriott Ascent Leadership Program conducted by Kenan-Flagler Business School, the University of North Carolina at Chapel Hill and an executive education programme conducted by the Indian Institute of Management, Bangalore. He was previously associated with Starwood Hotels & Resorts India Private Limited, a subsidiary of Mariott International and with EIH Limited.

- Ankur Gupta (Non-executive Director) - He holds a bachelor's degree in technology (chemical engineering) from the Indian Institute of Technology, Bombay and a master's degree in business administration from Columbia University, New York. He is a Deputy Chief Investment Officer and head of Asia Pacific and Middle East for Brookfield's real estate business and country head for Brookfield in India. In these roles, he oversees all of Brookfield's activities in India and is responsible for investment activities and growth for Brookfield's real estate business in Asia Pacific and Middle East. He joined Brookfield in 2012 and has worked on Brookfield's real business transactions spanning across India and North America.

- Ananya Tripathi (Non-executive Director) - She holds a bachelor's degree of computer engineering from Army Institute of Technology, Pune and a post-graduate diploma in management from the Indian Institute of Management, Kozhikode. She is Managing Director at Brookfield's Real Estate Group. She was previously associated with Myntra Jabong India Private Limited as the chief strategy officer and head of category business, McKinsey & Company as associate principal.

- Ashank Kothari (Non-executive Director) - He holds a bachelor of science degree in commerce from the University of Virginia. He is a managing director in Brookfield's real estate business in India, and is responsible for new investments, strategy and asset management initiatives across various real estate asset classes in India. He joined Brookfield in 2017 and has led a wide range of investments across strategies at the platform, portfolio and property level including Brookfield's acquisition of RMZ's real estate assets and the growth of the Leela portfolio. Prior to joining Brookfield, he was associated with a global private equity firm in New York.

- Shai Zelering (Non-executive Director) - He holds a bachelor's degree in science from Cornell University and a master's degree in business administration from J. L. Kellogg School of Management, Northwestern University. He joined Brookfield in 2014. He is currently a managing partner in Brookfield's real estate business, and is responsible for portfolio management activities for all hospitality properties in the U.S.

- Deepak Parekh (Chairman and Independent Director) - He is an associate of the Institute of Chartered Accountants (England and Wales). He is on the board of several companies across diverse sectors including HDFC Life Insurance Company Limited. He was also the first international recipient of the Outstanding Achievement Award by Institute of Chartered Accountants in England and Wales in 2010 and has also received the Lifetime Achievement Award at CNBC TV18's 15th India Business Leader Awards in 2020. Further, the Mayor of London named him as the first of a network of international ambassadors for championing London across the globe.

- Mukesh Butani (Independent Director) - He holds a bachelor's degree in commerce from the University of Bombay and bachelor's degree in laws from Chaudhary Charan Singh University, Meerut. He is also a qualified chartered accountant. He co-founded BMR Legal, a tax law firm in India.

- Apurva Purohit (Independent Director) - . She holds a bachelor's degree in science from the University of Madras and a post graduate diploma in management from the Indian Institute of Management, Bangalore. She has authored the books titled "Lady, You're not a Man! – The Adventures of a Woman at Work" and "Lady, You're the Boss! - The Adventures of a Woman at Work (Part 2)". She has been named as one of the 'most powerful women in business' by Business Today and Fortune India. She has also received the 'Distinguished Alumni Award 2022' from the Indian Institute of Management, Bangalore in recognition of her contribution to industry and society. She has previously served as a director on boards of directors of Manipal Health Enterprises Private Limited,, Midday Infomedia Limited and Music Broadcast Limited.

Key Managerial Personnel

- Ravi Shankar (Head – Asset Management and Chief Financial Officer) - He has been associated with the Leela group since 2nd Jan'20. He is responsible for the asset management, risk and compliance and the overall financial performance of the company. He holds a bachelor's degree in commerce from the University of Delhi and a bachelor's degree in law from Manav Bharti University, Solan. He is an associate of the Institute of Chartered Accountants of India. Prior to joining the company, he was associated with Meraas Hotels and Resorts LLC as its chief financial officer, Starwood Hotels & Resorts India Private Limited (a subsidiary of Mariott International Inc.) as its regional director, openings (Asia Pacific, excluding China), and Abjar Hotels International LLC as its chief financial officer.
- Jyoti Maheshwari (Company Secretary and Compliance Officer) - She has been associated with Leela group since 7th Oct'21. She is responsible for the secretarial and regulatory compliance functions of the company. She holds a bachelor's degree in commerce from the University of Delhi. She is an associate of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. Prior to joining the company, she was associated with Noveltech Feeds Private Limited as its company secretary, chief compliance officer and head of treasury, Seamec Limited as its deputy general manager (finance & accounts), and Vikas Global One Limited as its company secretary and manager of corporate affairs.

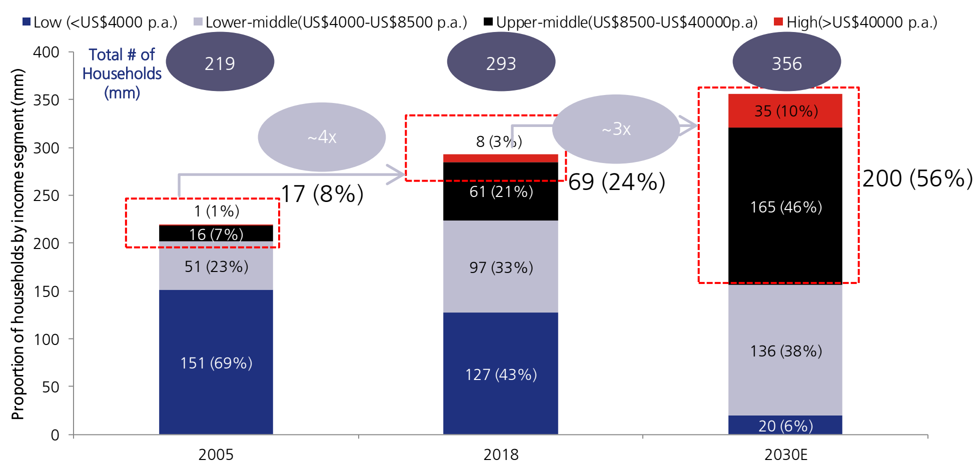
Industry Overview

- **India economy is well poised to drive hospitality growth:** The hospitality industry's growth is correlated with GDP growth as we have seen in other geographies. We expect the Indian hospitality industry to benefit from India's economic growth and deliver strong growth in the coming years. The US and Europe had similar GDP levels to India's current GDP in the 1980s, which was followed by a doubling of GDP of these regions within a decade. Scaled hospitality brands such as Marriott and Accor increased their hotel count by nearly 7 and 4 times by number of properties respectively during this period. Indian hospitality players are well placed to witness accelerated growth with the near-doubling of India's GDP expected over 2023 to 2030.

- **The Indian hospitality industry is underpenetrated and has robust growth potential:** In 2023, the travel and tourism industry in India contributed 6.5% to overall GDP, well below the global average of 9.1% (Source: WTTC Economic Impact Research (EIR) 2024) – highlighting the significant room for growth in the Indian hospitality industry. India had an inventory of approximately 3.4mn hotel keys as of 31st Mar'24, of which the organised sector represents only ~11% or approximately 375,000 keys. The organised hotel stock is further segmented into branded and independent hotels, of which branded hotels constitute approximately 45% of the keys, i.e., approximately 170,000 keys. Luxury hotel keys constitute only 17% of the branded hotel stock, i.e., approximately 29,000 keys. India's per million capita of 23 luxury keys is highly underpenetrated compared to major countries in the Asia-Pacific ("APAC") such as Australia (973 luxury keys), Thailand (690 luxury keys) and China (177 luxury keys).

- **The Indian luxury hospitality segment has favourable demand-supply dynamics:** The demand-supply gap in India's luxury hospitality segment drove differential RevPAR growth as compared to the hospitality industry. In FY24, the RevPAR for the luxury hospitality segment was INR 10,122, over 2 times that of INR 4,739 for the hospitality industry. The demand-supply outlook for the luxury hospitality segment continues to be favourable in India, with total demand for luxury rooms estimated to grow at a CAGR of 10.6% over FY24 to FY28 against supply growth of only 5.9% over the same period. Supply in the luxury hospitality segment remains limited given high barriers to entry. Against this favourable demand-supply dynamics, India luxury hospitality segment RevPAR is expected to become nearly 1.5 times that of FY24 by FY28E.

Exhibit 71. High and upper middle income households expected to become 2.9 times that of 69mn in 2018

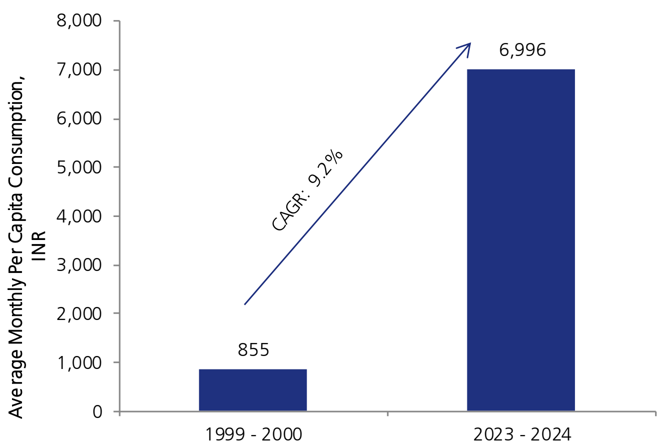


Source: Rajesh Shukla (2022), "The Rise of India's Middle Class: Results from PRICE's ICE 360 Surveys", People Research on India's Consumer Economy (PRICE)
Note: Low-income: less than US$4,000; lower-middle: US$4,000 to US$8,500; upper-middle: US$8,500 to US$40,000; high income: more than US$40,000; this classification is based on income per household in real terms.

- **Growing household incomes with rising disposable incomes and increasing urbanisation:** India's high-income and upper middle-income categories comprise 24% of total households in 2018 and are expected to grow to 56% by 2030. Rising disposable income is expected to spur spending towards luxury goods and experiences, on the back of increasing global exposure and awareness, growing aspirations and desire for upgraded experiences. (Source: Rajesh Shukla (2022), "The Rise of India's Middle Class: Results from PRICE's ICE 360 Surveys", People Research on India's Consumer Economy (PRICE))

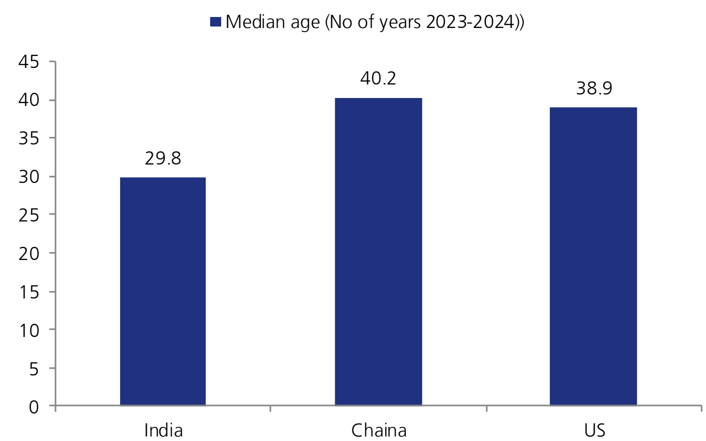
- The Indian Household Consumer Expenditure Survey 2023-2024 released by the Ministry of Statics and Programme Implementation (MOSPI) between Aug'23 and Jul'24 indicated a notable change in the purchasing habits of Indian households. According to the survey, the share of non-food expenditure comprising travel, entertainment and conveyance in urban areas has grown to ~60% during Aug'23 to Jul'24 from 57% over 2011 to 2012. Average monthly per capita consumption has grown at a CAGR of 9.2% from INR 855 in 1999-2000 to INR 6,996 in 2023-2024.

Exhibit 72. Consumer spending in urban India has grown over the last two decades



Source: HVS ANAROCK Research; MoSPI Survey on Household Consumption Expenditure 2022-2023

Exhibit 73. Median age (number of years, 2023-2024)



Source: The World of Factbook, Central Intelligence Agency (CIA), ESCAP

Overview of Indian hospitality industry

- India's hospitality industry had an inventory of ~3.4mn keys as of 31st Mar'24, of which the organised sector, which includes branded, aggregators, and quality independent hotels, represents only approximately 11% or c. 375,000 keys. The organised hotel stock is further segmented into branded and independent hotels, of which branded hotels constitute c. 45% of the keys, i.e., approximately 170,000 keys. The stock of luxury hospitality remains constrained – constituting only 17% of the branded hotel market, i.e., c. 29,000 keys.

- Hospitality in India is typically undertaken through Owner, Manager and Franchiser business models and any combinations of these. The business model of an Owner-Manager combines asset ownership and management and provides alignment with an optimal focus on asset level profitability, brand progression and management fee growth. The hospitality industry comprises luxury, premium (upper upscale and upscale), economy and midscale segments, which provide a wide range of offerings, services, and experiences. The luxury hospitality segment has larger room sizes and high-quality amenities with best-in-class services, and is typically characterised by multiple banquets, restaurants and meeting rooms depending on the target segment and is, thus, able to command higher ARRs compared to other segments.

Exhibit 74. Business models in hospitality

Model	Function	Economics
Owner	• Owner or developer of the underlying real estate • Asset manager (appointed by Owner to oversee the hotel performance)	• Top-line revenue • Bottom-line, property level economics (i.e., hotel EBITDA, asset valuations)
Manager	• Promotes the brand • Sets the SOP • Runs day-to-day operations	• Base fee: 2-4% of total revenues • Incentive fee: 6-10% of gross operating profit
Franchiser	• Promotes the brand • Sets brand standards	• Base Franchise Fee: 4%-6% of the total revenue

Source: HVS ANAROCK Research

- The hospitality industry comprises luxury, premium (upper upscale and upscale), midscale and economy segments, which provide a wide range of offerings, services, and experiences. Segmental classification is essentially based on the intended positioning of respective hotel brands. Luxury hotels typically comprise the top tier hotels characterised by iconic status and high service standards.

Exhibit 75. Snapshot of hospitality segments in India

Segment	Luxury	Premium (upper upscale and upscale)	Economy and midscale
Segment Description	Typically includes iconic and marquee hotels, positioned in the topmost tier. They usually offer larger room sizes, multiple and differentiated fine dining options, spas, recreational facilities, large and opulent public areas with personalized services.	Upper upscale hotels are typically well positioned, full-service hotels. Typically, priced lower than luxury and offer smaller public areas and facilities	Economy and midscale hotels offer functional accommodations and limited services, while being focused on price consciousness
Typical Brand Examples	The Leela, Raffles, Fairmont, Waldorf Astoria, Six Senses, Mandarin Oriental, St. Regis, Oberoi, Four Seasons, Taj	Vivanta, Hyatt Regency, Crowne Plaza, Marriott, Westin Hotels & Resorts and Trident Hotels	Novotel, Hilton Garden Inn, Ginger, Ibis, FabHotel, Keys by Lemontree
# of keys in India	29,727	78,778	84,533
% of Branded Keys (India)	15.4%	40.8%	43.8%

Source: HVS ANAROCK Research. As on Dec'24

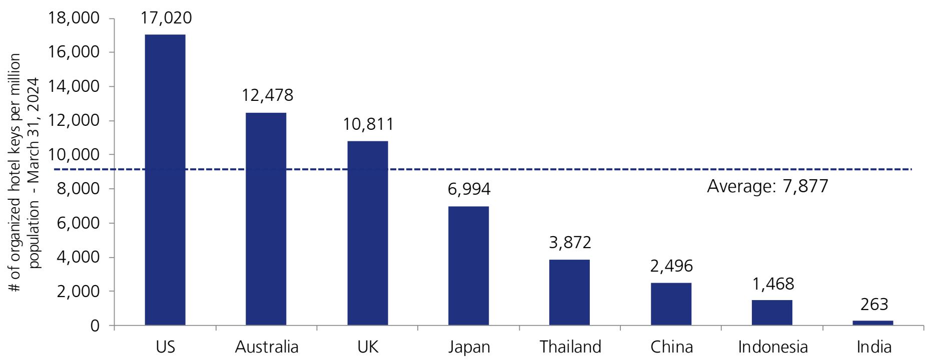
Exhibit 76. Segment attributes

Particulars	Luxury	Upper Upscale and Upscale / Premium	Midscale and Economy
Service Level	Full	Full	Select / Limited
# of Restaurants	3 - 4	1 - 3	0 - 1
Other Typical Amenities	Gym, Spa, Swimming Pool, Wellness Services	Gym, Spa, Swimming Pool	Gym
Service Highlights	Opulent & large rooms, multiple & typically theme based dining options, multiple amenities, personalized services (e.g., butler services)	Well-designed rooms, multiple dining options, multiple amenities	Functional rooms, limited dining options
Primary Income Streams	Room sales, sizeable F&B revenues, MICE & banqueting	Room sales, F&B revenues, MICE & banqueting	Room sales & limited F&B
Typical Gross Floor Area per room (sq. ft)	1,200 and above	800 - 1,200	400 - 800
Typical Area per Room	38 sqm and above	28 - 38 sqm	15 - 28 sqm
Key Location Attributes	Marquee Locations in Central and Key Business Districts	Premium locations	Multiple locations

Source: HVS ANAROCK Research

- India had an inventory of approximately 3.4mn keys as of 31st Mar'24, of which the organised sector represents c. 375,000 keys. The penetration of organised hotels, by keys, in India continues to remain lower than major economies with significant domestic visitation.

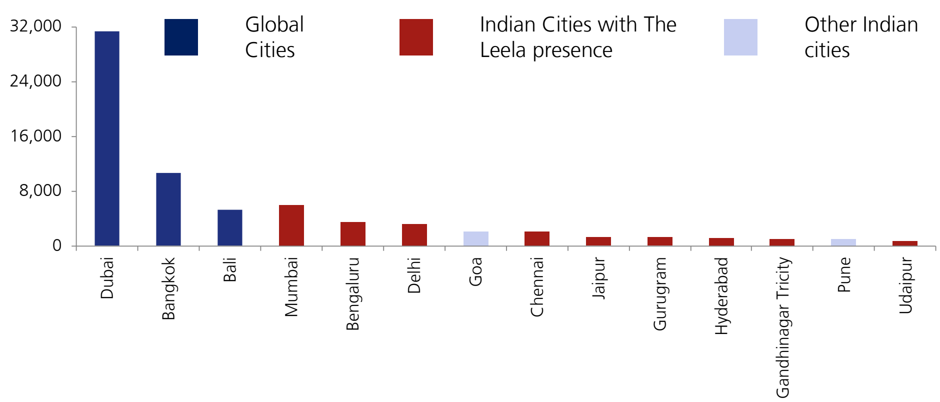
Exhibit 77. The Indian hospitality industry is significantly underpenetrated relative to major economies



Source: HVS ANAROCK Research
Note: Global average does not include India. Global keys mentioned as of December 31, 2023.

- The organised hotel stock is further segmented into branded and independent hotels, of which branded hotels constitute approximately 45% of the inventory, i.e., c. 170,000 keys in FY24. Branded hotels are further segmented into luxury, premium (upper upscale and upscale), midscale and economy. The stock of luxury hospitality hotels remains constrained – constituting only 17% of the branded hotel keys, across 230 hotels and approximately 29,000 keys across India in FY24.

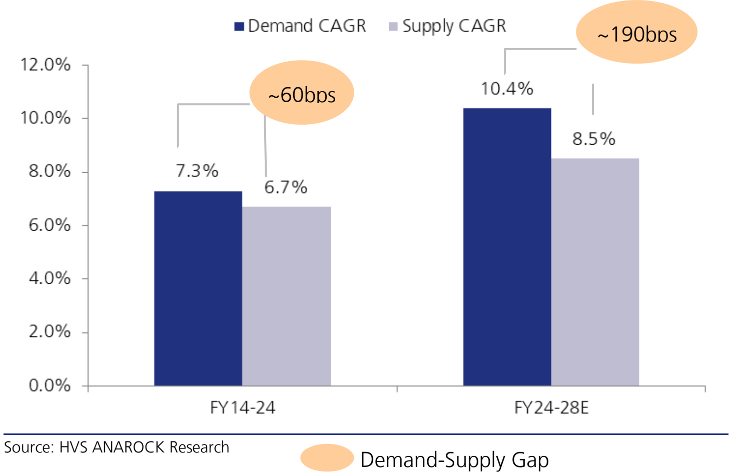
Exhibit 78. Key Indian and international luxury markets by existing stock



Source: HVS ANAROCK Research
Note: Indian cities with The Leela presence represents cities with operational owned and managed properties
Data for India as of FY24, for international cities as of 31St Dec'23

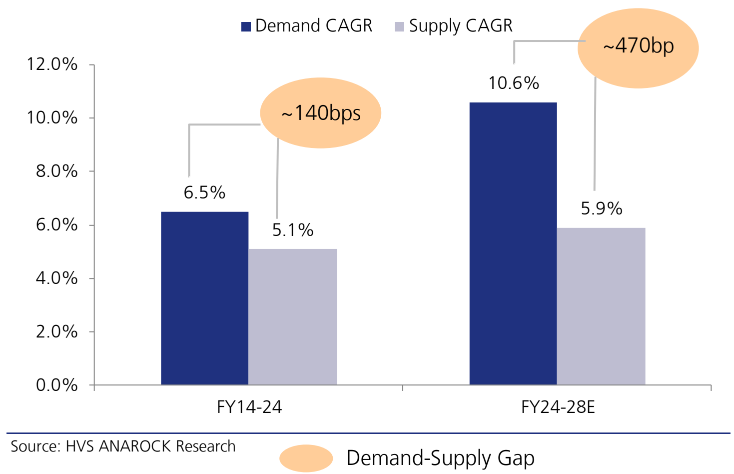
- Supply in the hospitality industry in India is expected to grow at a CAGR of 8.5% CAGR over FY24 to FY28 while demand is expected to grow at a CAGR of 10.4% over the same period, with demand outpacing supply by ~190bps during FY24-28E.
- Rising disposable income, widening demand-supply gap, shift in consumer preference towards premium experiences, and limited inventory of luxury hotels in India have driven ARR growth and occupancy for the luxury segment from FY14-24. Further, supply in the luxury segment is expected to remain constrained due to high barriers to entry including limited availability of land, extensive regulation, restrictive zoning, high cost of capital and long gestation periods.
- As a result, a favourable demand-supply outlook is expected for the luxury hospitality segment in India, with total demand estimated to grow at a CAGR of 10.6% over FY24 to FY28 against supply growth of a CAGR of 5.9% over the same period.

Exhibit 79. Widening demand-supply gap in the Indian hospitality industry



Source: HVS ANAROCK Research

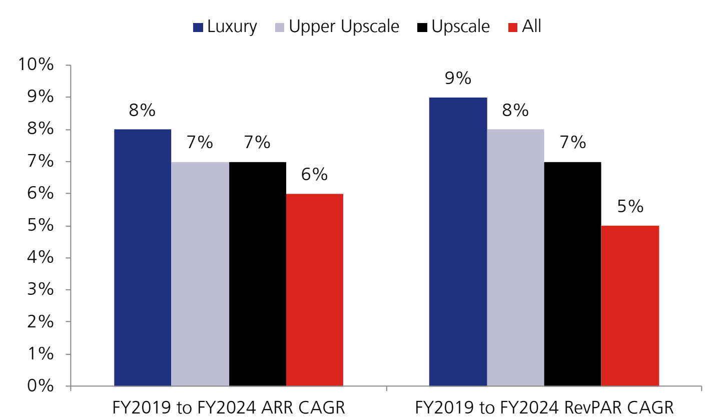
Exhibit 80. Widening demand-supply gap in the luxury hospitality segment



Source: HVS ANAROCK Research

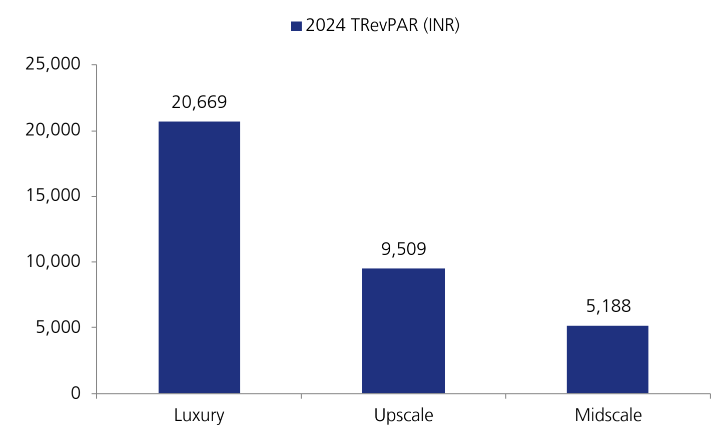
- Further the luxury hospitality segment commanded 117% Total Revenue per Available Room ("TRevPAR") premium over the upscale segment, and 298% premium over the midscale segment. In FY25, The Leela's Owned Portfolio TRevPAR of INR 29,575 was 1.4 times of the luxury hospitality segment TRevPAR.

Exhibit 81. The luxury segment's ARR and RevPAR growth has outperformed all hotel segments



Source: HVS ANAROCK Research, CoStar – Industry data - ARR and RevPAR
Note: Survey tracks performance and operating metrics of hotels.
Industry TRevPAR as of 2023, due to unavoidability of Financial Year 2024 data

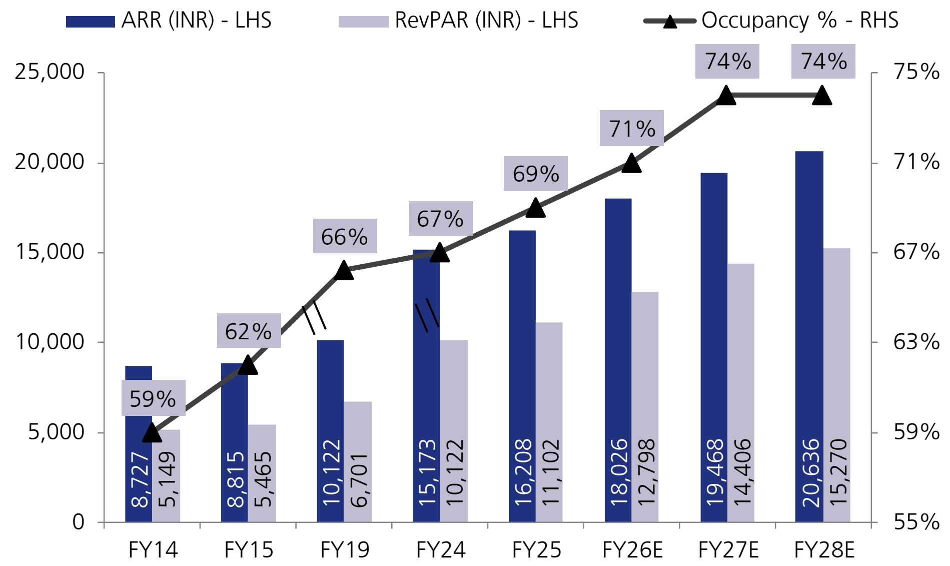
Exhibit 82. The luxury segment's TRevPAR exceeds all hotel segments



Source: HVS ANAROCK Research, CoStar – Industry data - ARR and RevPAR
Note: Survey tracks performance and operating metrics of hotels.
Industry TRevPAR as of 2023, due to unavoidability of Financial Year 2024 data

- ARR for the luxury hospitality segment grew at 5.7% CAGR over FY14 to FY24, compared to the India hospitality industry that grew only 3.1% CAGR over the same period (Source: HVS ANAROCK Research). Expected rise in disposable income, widening demand-supply gap, evolving consumer preference towards premium experiences, improving infrastructure and limited inventory of luxury hotels in India are expected to continue driving ARR growth and occupancy for the luxury segment.

Exhibit 83. India luxury segment FY28E RevPARs expected to become ~1.5x of FY24

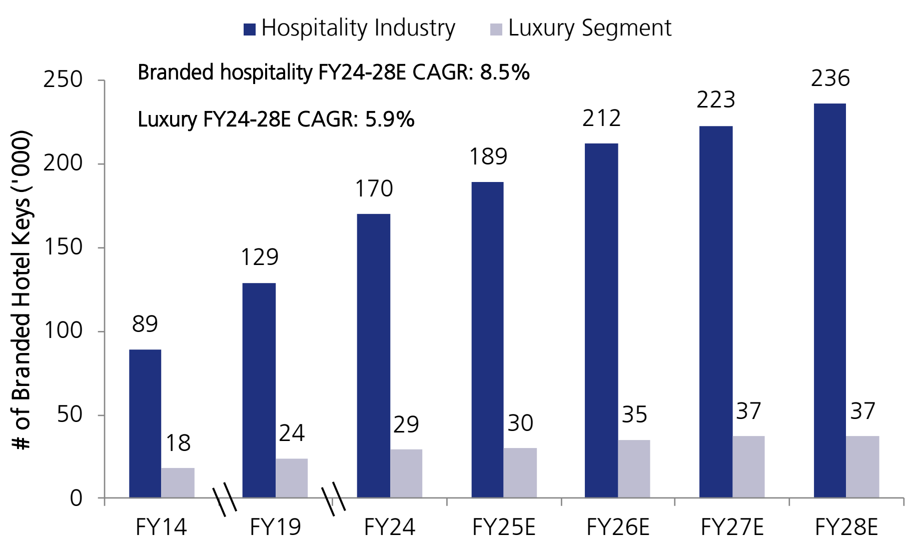


Source: HVS ANAROCK Research, CoStar – Industry Data – FY19, FY24)

Supply in the luxury hospitality segment remains limited

- Supply in the luxury hospitality segment remains limited given high barriers to entry, which include limited availability of suitable land parcels, securing requisite land use permissions and end-use restrictions, regulatory approvals and licences and substantial capital and time investment needed to build a well-recognised and respected luxury brand, as well as to develop luxury hotels.

Exhibit 84. Supply of luxury keys in India expected to grow at a slower pace vs. industry



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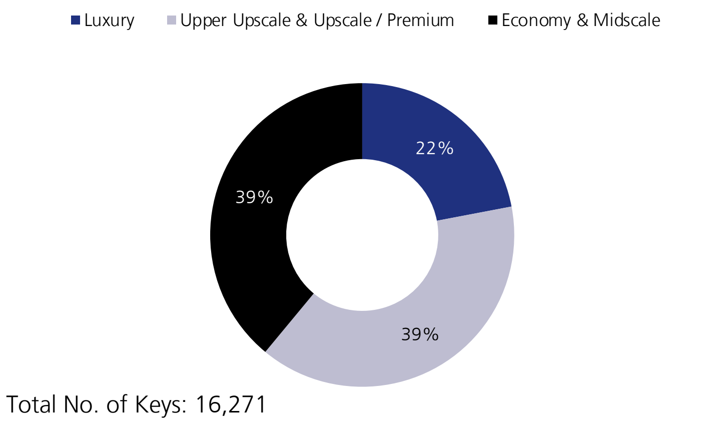
Source: HVS ANAROCK Research

Key Markets for Leela

Bengaluru

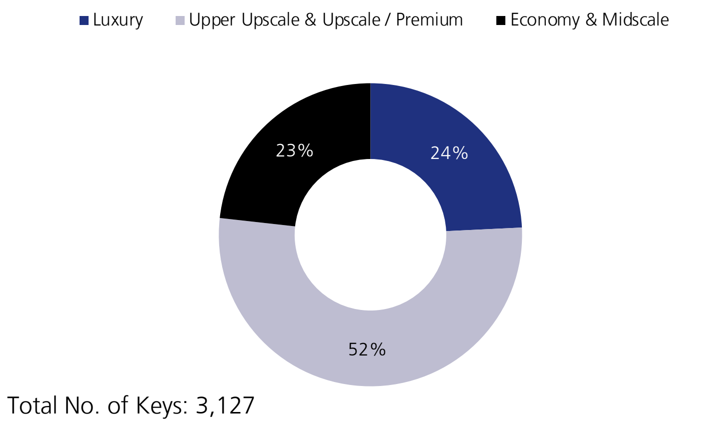
- Bengaluru is the largest hospitality market in India with a total inventory of 16,271 branded keys as of 31st Dec'24, of which the luxury segment represents 22% of the stock (3,561 keys).
- Till FY27E, Bengaluru is expected to have a supply pipeline of 3,127 keys. The luxury segment represents 24% of the upcoming supply (763 keys). There is no upcoming competitive supply in the immediate micro-market of The Leela Palace Bengaluru.

Exhibit 85. Total existing supply of branded supply (31st Dec'24)



Source: HVS ANAROCK Research

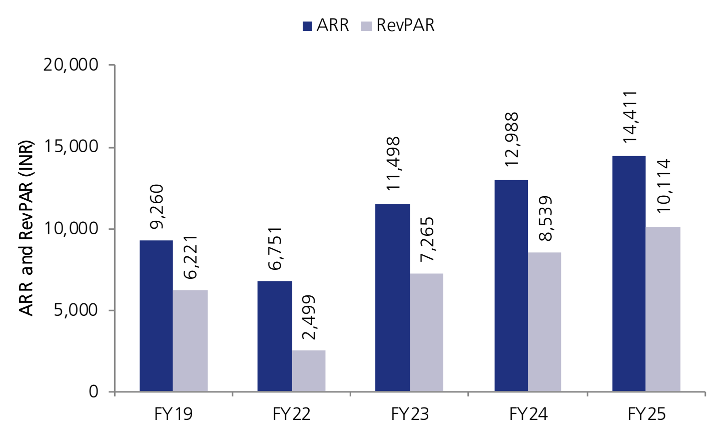
Exhibit 86. Total pipeline of supply over 3QFY25 to FY27E



Source: HVS ANAROCK Research

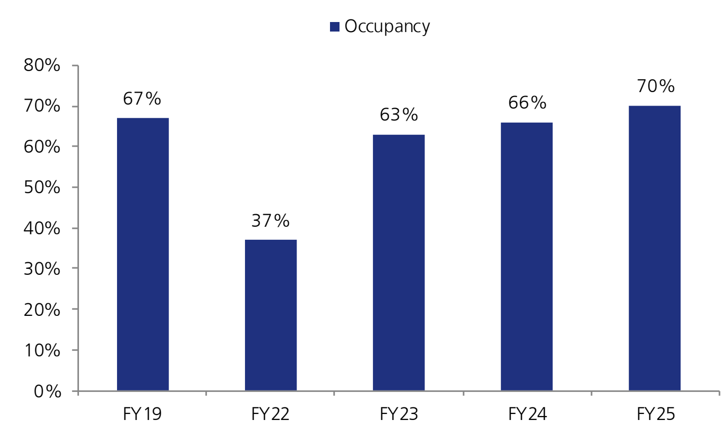
- The Leela Palace Bengaluru outperformed the Bengaluru luxury hospitality segment in terms of both ARR and RevPAR, both growing at a CAGR of 9.0% from FY19 to FY24 compared to the Bengaluru luxury hospitality segment, which grew at 7.0% and 6.5% respectively over the same period.

Exhibit 87. Bengaluru luxury hospitality segment – ARR and RevPAR



Source: HVS ANAROCK Research, CoStar – Industry Data

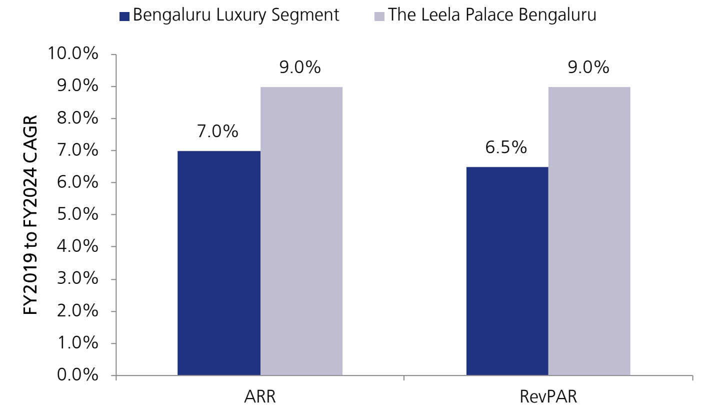
Exhibit 88. Bengaluru luxury hospitality segment - Occupancy



Source: HVS ANAROCK Research, CoStar – Industry Data

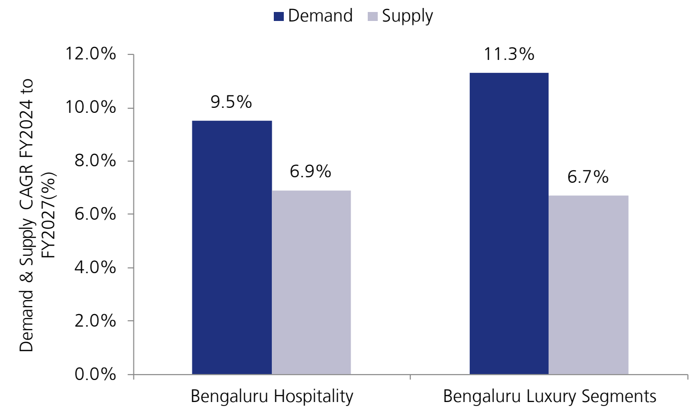
- The Bengaluru luxury hospitality segment is expected to outperform the Bengaluru hospitality industry. Demand for the Bengaluru luxury segment is expected to grow at a CAGR of 11.3% from FY24 to FY27E as compared to the branded hotel segment, which is expected to grow at 9.5% over the same period.

Exhibit 89. Benchmarking of The Leela Palace Bengaluru to Bengaluru luxury segment



Source: HVS ANAROCK Research, CoStar – Industry data

Exhibit 90. Luxury segment expected to outperform overall industry over FY24 to FY27E

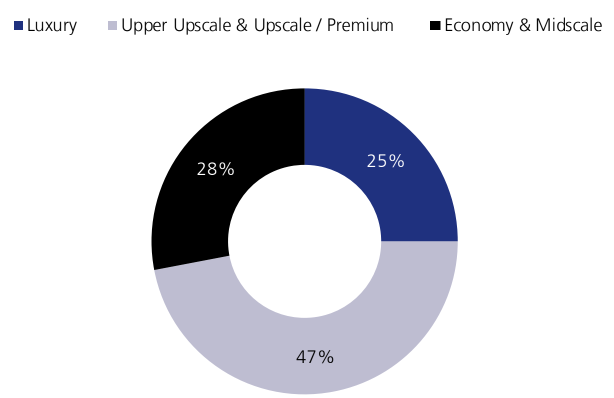


Source: HVS ANAROCK Research

New Delhi

- New Delhi is the second largest hospitality market in India with a total inventory of 12,899 branded keys as of 31st Dec'24, of which the luxury segment represents 25% of the stock (3,237 keys).
- Till FY27E, New Delhi has a supply pipeline of 1,165 keys. The luxury segment represents 51% of the upcoming supply (589 keys); however, a majority of this supply is expected to be come to market in FY27E. There is no upcoming competitive supply in the immediate micro market of The Leela Palace New Delhi. In general, new development in central New Delhi is difficult due to the limited availability of land parcels in one of the city's most affluent areas and the high cost of land acquisition.

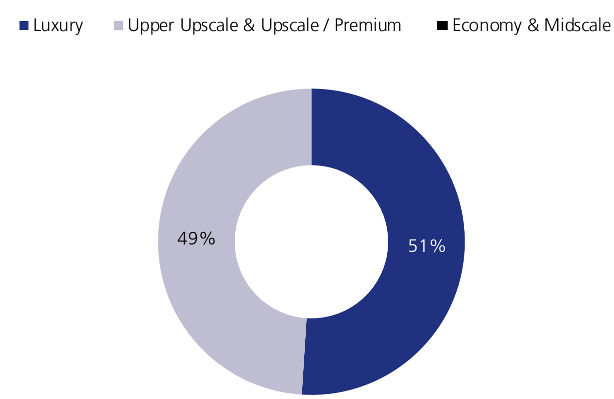
Exhibit 91. Total existing branded supply (31st Dec24)



Total No. of keys: 12,899

Source: HVS ANAROCK Research

Exhibit 92. Total pipeline of supply over 3QFY25 to FY27E

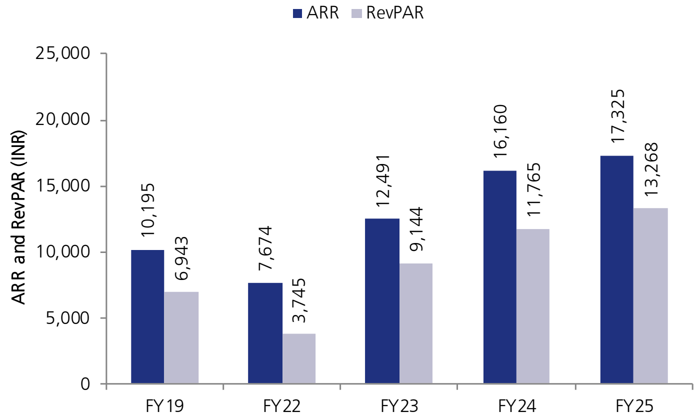


Total No. of keys: 1,165

Source: HVS ANAROCK Research

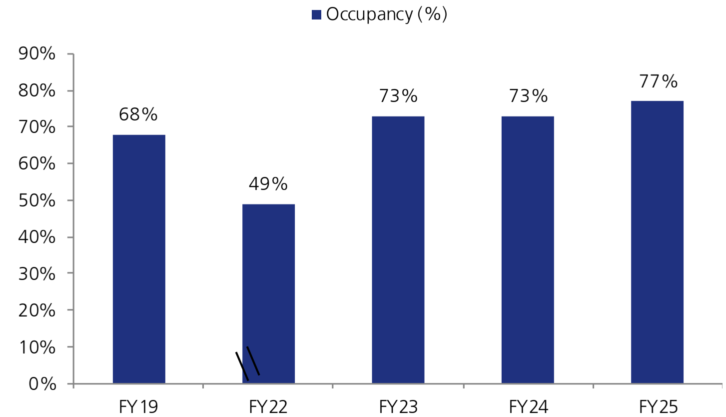
- Given New Delhi's importance as a key gateway city into India with the highest share of FTAs, its position as the political and administrative centre, rich cultural heritage and a key industrial and business hub of North India and limited supply of luxury keys, the New Delhi luxury hospitality segment ARR has grown at a CAGR of 9.7% from FY19 to FY24. The segment has demonstrated strong growth from FY19 to FY24, witnessing RevPAR CAGR of 11.1% led by strong occupancy in FY24. The Leela Palace New Delhi outperformed the New Delhi luxury hospitality segment in terms of both ARR and RevPAR, growing at a CAGR of 10.8% and 13.1% respectively over the same period.

Exhibit 93. New Delhi luxury hospitality segment - ARR and RevPAR



Source: HVS ANAROCK Research, CoStar – Industry data

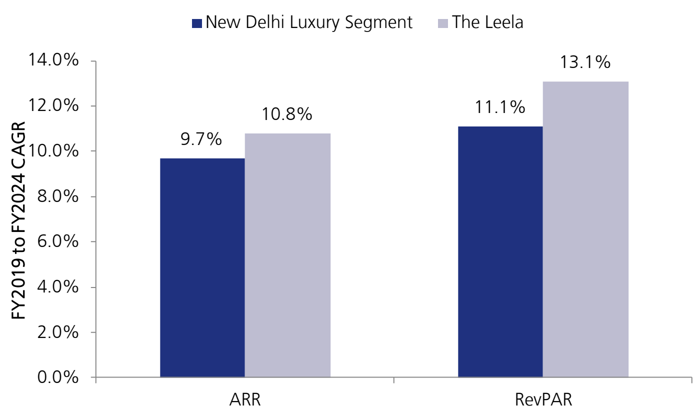
Exhibit 94. New Delhi luxury hospitality segment – Occupancy (%)



Source: HVS ANAROCK Research, CoStar – Industry data

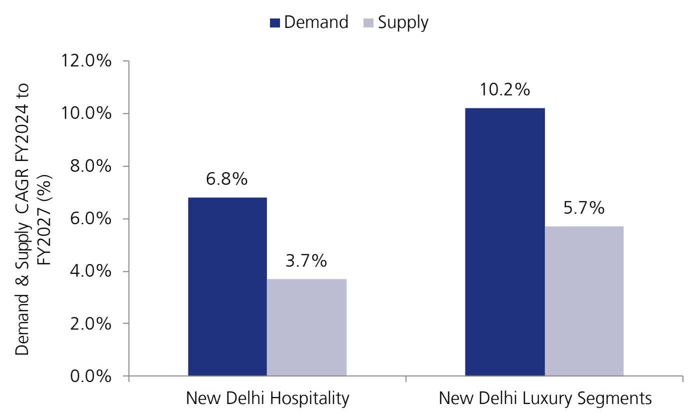
- The New Delhi luxury hospitality segment is expected to continue to outperform the branded hotel segment over FY24 to FY27E. Demand in the segment is expected to grow at a CAGR of 10.2% over FY24 to FY27E as compared to the branded hotel segment, which is expected to grow at 6.8% over the same period.

Exhibit 95. Benchmarking of The Leela Palace New Delhi to New Delhi luxury segment



Source: HVS ANAROCK Research, CoStar – Industry data

Exhibit 96. Luxury segment expected to outperform overall industry over FY24 to FY27E

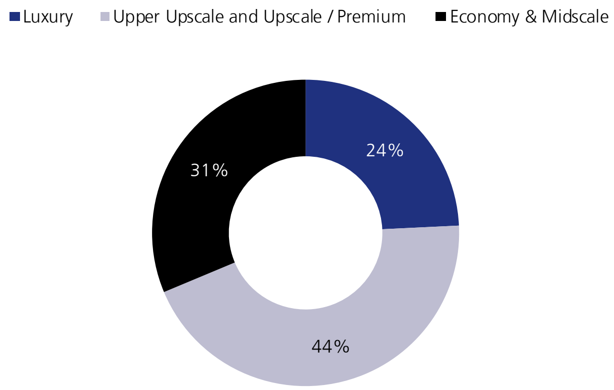


Source: HVS ANAROCK Research

Chennai

- As of 31st Dec'24, Chennai had a total inventory of 8,477 branded keys, of which the luxury hospitality segment represents 24% of the stock (2,071 keys).
- Till FY27E, Chennai has a pipeline of 853 keys. The luxury segment represents 42% of the upcoming supply (358 keys). There is no upcoming competitive supply in the immediate micro market of The Leela Palace Chennai.
- The Chennai luxury segment has demonstrated a strong performance from FY19 to FY24, witnessing a high RevPAR CAGR of 9.5% led by strong occupancy in FY24. The Leela Palace Chennai outperformed the Chennai luxury hospitality segment in terms of both ARR and RevPAR, growing at a CAGR of 11.1% and 12.4% respectively over FY19 to FY24 compared to the Chennai luxury hospitality segment, which grew at 7.2% and 9.5% respectively over the same period.

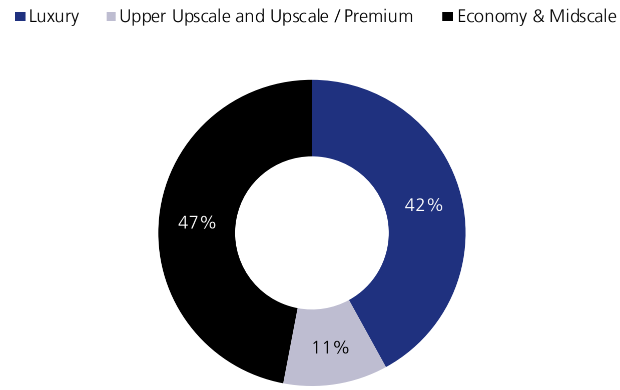
Exhibit 97. Total existing branded supply (31st Dec'24)



Total No. of Keys: 8,477

Source: HVS ANAROCK Research

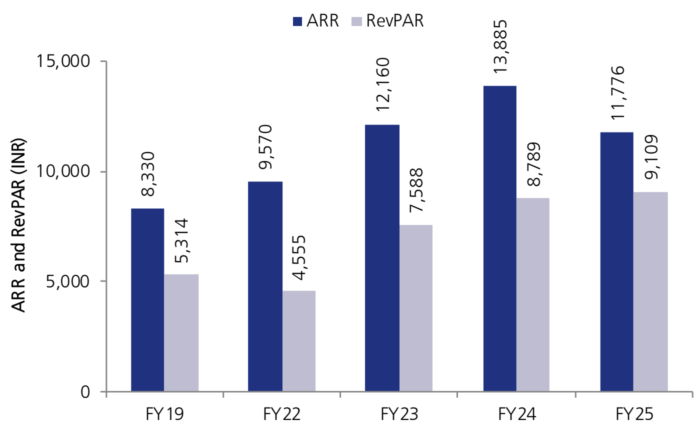
Exhibit 98. Total pipeline of supply over 3QFY25 to FY27E



Total No. of Keys: 853

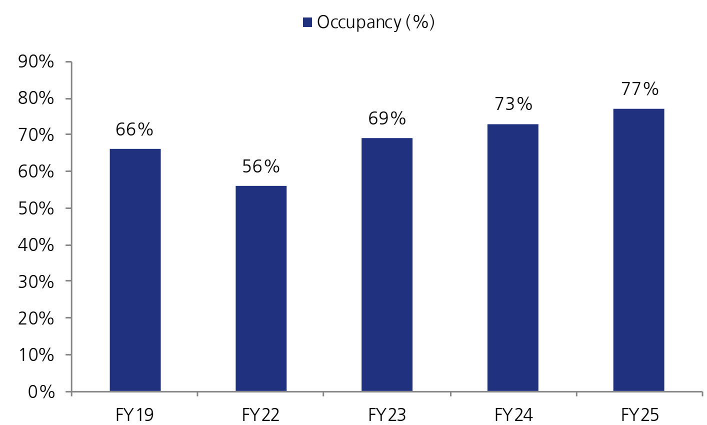
Source: HVS ANAROCK Research

Exhibit 99. Chennai luxury hospitality segment - ARR and RevPAR



Source: HVS ANAROCK Research, CoStar – Industry data

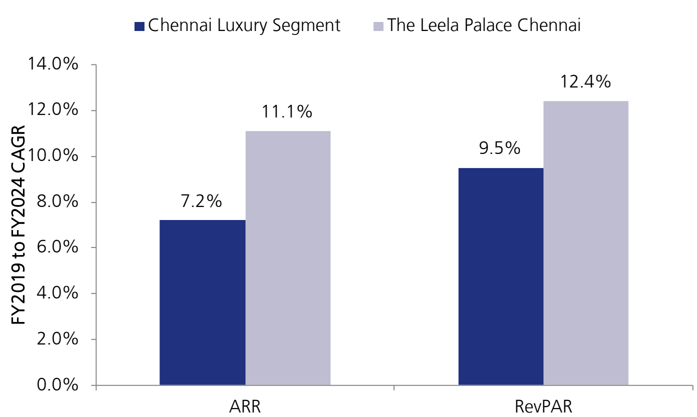
Exhibit 100. Chennai luxury hospitality segment - Occupancy %



Source: HVS ANAROCK Research, CoStar – Industry data

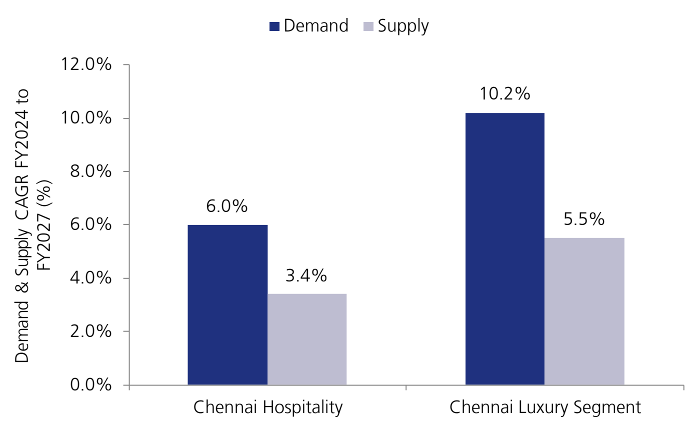
- Demand for the Chennai luxury segment is expected to grow at a CAGR of 10.2% over FY24 to FY27E as compared to supply, which is expected to grow at a CAGR of 5.5% over the same period.

Exhibit 101. Benchmarking of The Leela Palace Chennai to Chennai luxury segment



Source: HVS ANAROCK Research, CoStar – Industry data

Exhibit 102. Widening demand-supply gap in the luxury hospitality segment over FY24 to FY27E

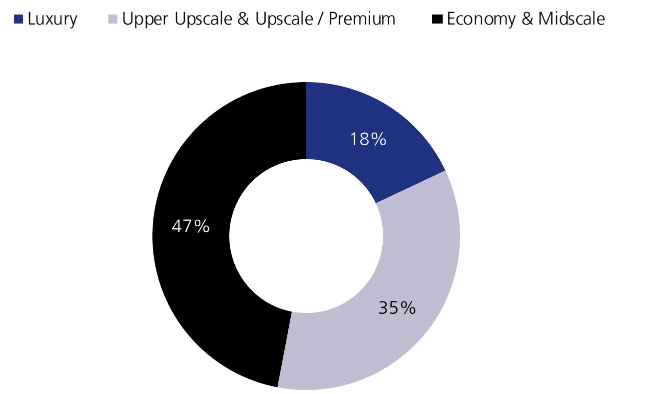


Source: HVS ANAROCK Research

Jaipur

- As of 31st Dec'24, Jaipur had a total inventory of 7,876 branded keys, of which the luxury segment represents 18% of the supply (1,381).
- Till FY27E, Jaipur is expected to have a total supply pipeline of 1,423 keys. The luxury segment is expected represent 18% of the upcoming supply (416).

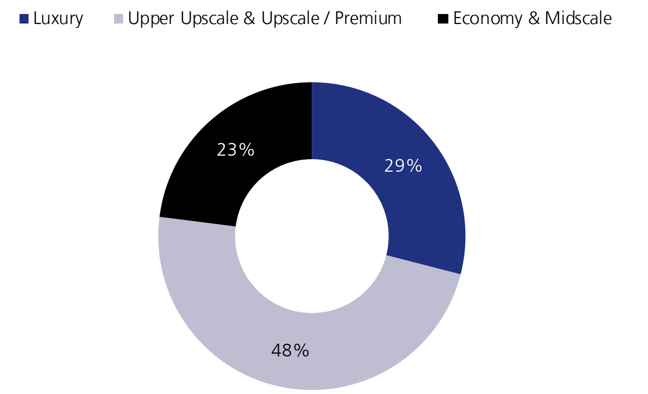
Exhibit 103. Total existing branded supply (31st Dec'24)



Total No. of keys: 7,876

Source: HVS ANAROCK Research

Exhibit 104. Total pipeline of supply over 3QFY25 to FY27E

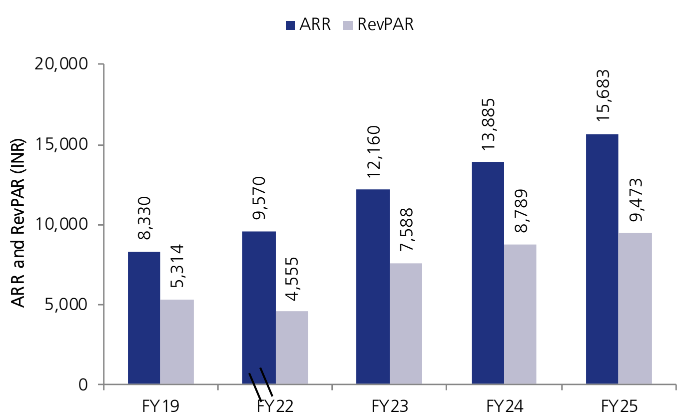


Total No. of keys: 1,423

Source: HVS ANAROCK Research

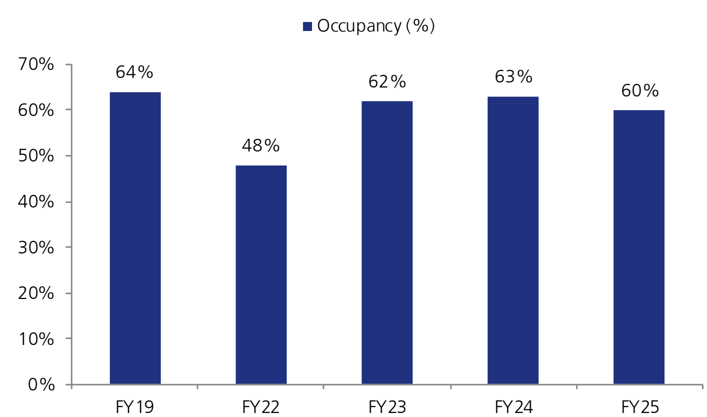
- On the back of its strategic location along key tourist routes such as the "Golden Triangle", proximity to gateway cities, rich cultural heritage and increasing popularity as a preferred wedding destination, the Jaipur luxury & upper upscale segment ARR grew at a CAGR of 10.8% over FY19 to FY24. The segment has demonstrated a strong performance from FY19 to FY24, witnessing strong RevPAR CAGR of 10.6% with an occupancy of 63% in FY24.

Exhibit 105. Jaipur luxury & upper upscale hospitality segment – ARR & RevPAR



Source: HVS ANAROCK Research, CoStar – Industry data

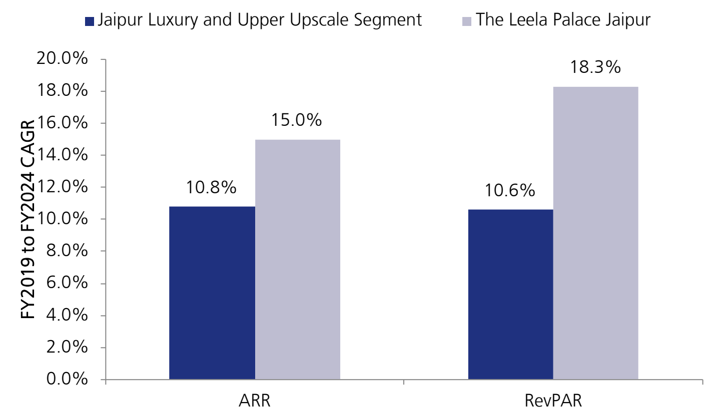
Exhibit 106. Jaipur luxury & upper upscale hospitality segment – Occupancy (%)



Source: HVS ANAROCK Research, CoStar – Industry data

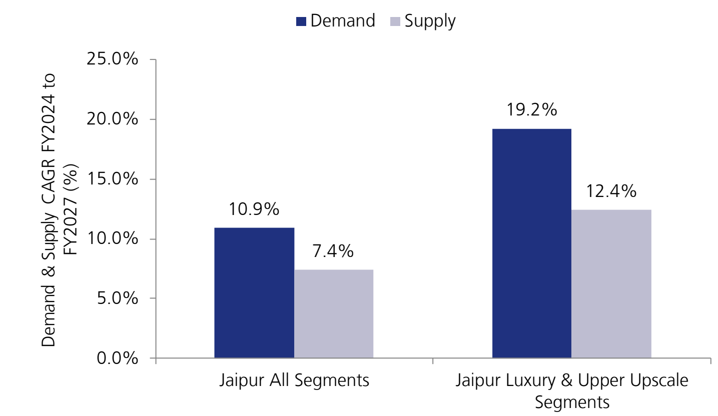
- The Leela Palace Jaipur outperformed the Jaipur luxury & upper upscale hospitality segment in terms of both ARR and RevPAR, growing at a CAGR of 15.0% and 18.3% respectively over FY19 to FY24 compared to the Jaipur luxury & upper upscale hospitality segment which grew at 10.8% and 10.6% respectively over the same period.
- The Jaipur luxury & upper upscale hospitality segment is expected to outperform the branded hotel segment. Demand in the segment is expected to grow at a CAGR of 19.2% over FY24 to FY27E compared to the branded hotel segment, which is expected to grow at 10.9% over the same period.

Exhibit 107. Benchmarking of The Leela Palace Jaipur to Jaipur luxury & upper upscale segment



Source: HVS ANAROCK Research, CoStar – Industry data

Exhibit 108. Luxury & upper upscale industry expected to outperform overall industry over FY24 to FY27E

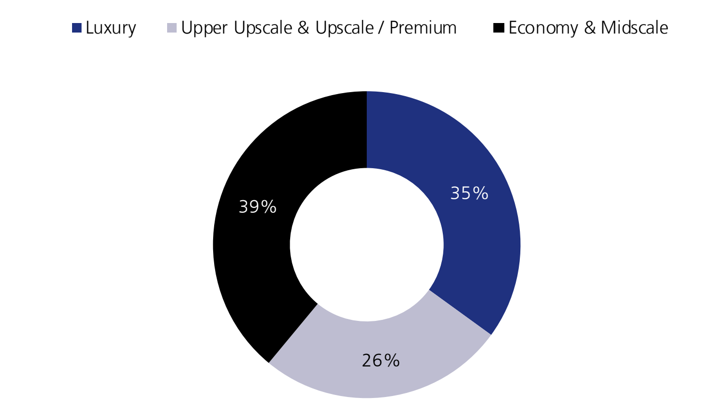


Source: HVS ANAROCK Research

Udaipur

- As of 31st Dec'24, Udaipur had a total inventory of 2,433 branded keys, of which the luxury segment represents 35% of the supply (851).
- Till FY27, Udaipur is expected to have a supply pipeline of 569 keys. The luxury segment represents 41% of the upcoming supply (236 keys). There is no expected new supply coming up within 5 km of The Leela Palace Udaipur within the next 3 years.
- Udaipur's popularity amongst tourist, particularly with foreign tourist and the city's emergence as a preferred wedding destination amongst the young and affluent population, the Udaipur luxury & upper upscale segment ARR grew at a CAGR of 7.9% over FY19 to FY24. The segment RevPAR grew at a CAGR of 4.5% over FY19 to FY24.
- The Leela Palace Udaipur outperformed the luxury & upper upscale hospitality segment in terms of both ARR and RevPAR, growing at a CAGR of 9.3% and 13.4% respectively over FY19 to FY24 compared to the luxury & upper upscale hospitality segment, which grew at 7.9% and 4.6% respectively over the same period.

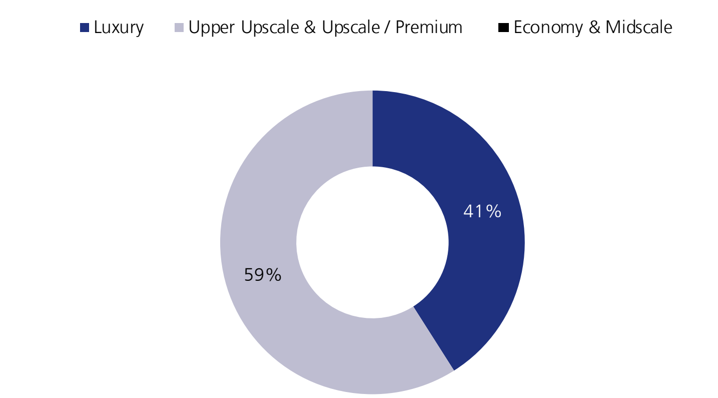
Exhibit 109. Total existing branded supply (31st Dec'24)



Total No. of Keys: 2,433

Source: HVS ANAROCK Research

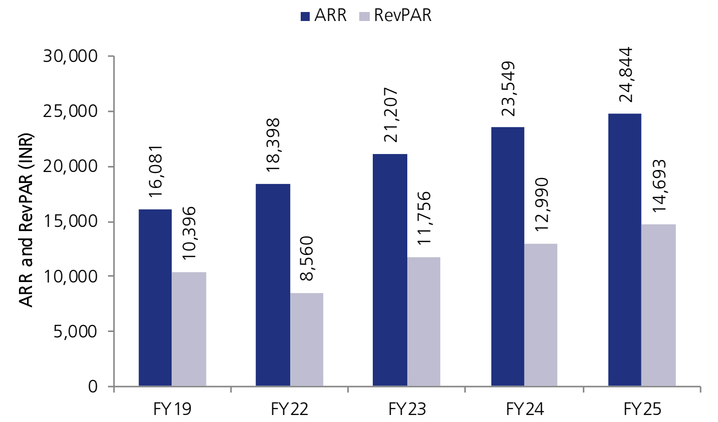
Exhibit 110. Total pipeline of supply over 3QFY25 to FY27E



Total No. of Keys: 569

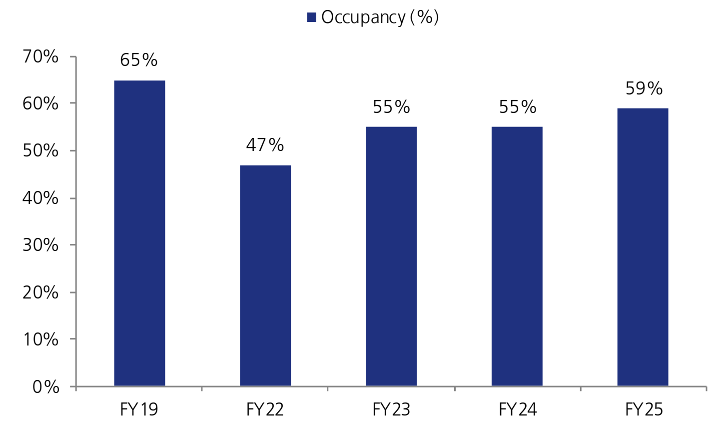
Source: HVS ANAROCK Research

Exhibit 111. Udaipur luxury & upper upscale hospitality segment – ARR & RevPAR



Source: HVS ANAROCK Research, CoStar – Industry data

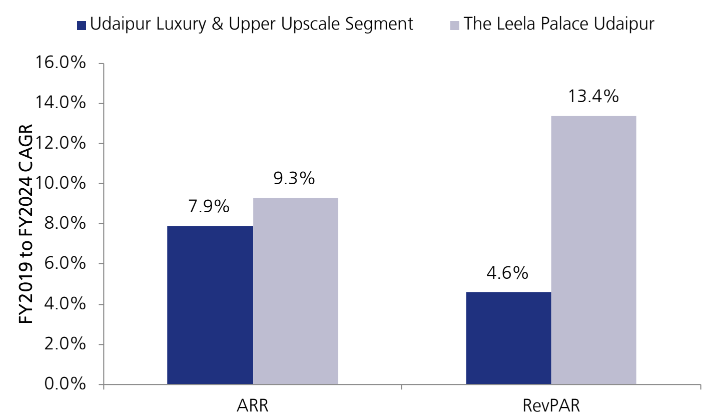
Exhibit 112. Udaipur luxury & upper upscale hospitality segment – Occupancy (%)



Source: HVS ANAROCK Research, CoStar – Industry data

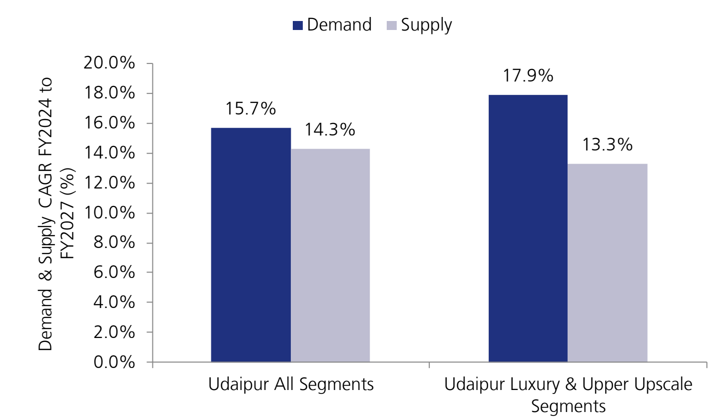
- The Udaipur luxury & upper upscale hospitality segment is expected to outperform the branded hotel segment. Demand for the Udaipur luxury & upper upscale hospitality segment is expected to grow at a CAGR of 17.9% over FY24 to FY27E as compared to the branded hotel segment, which is expected to grow at 15.7% over the same period.

Exhibit 113. Benchmarking of The Leela Palace Udaipur to Udaipur luxury & upper upscale segment



Source: HVS ANAROCK Research, CoStar – Industry data

Exhibit 114. Luxury & upper upscale industry expected to outperform overall industry over FY24 to FY27E



Source: HVS ANAROCK Research

Financial Tables (Consolidated)

Income Statement (INR mn)

Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	11,715	13,006	15,331	17,020	20,596
Sales Growth	36.2%	11.0%	17.9%	11.0%	21.0%
Other Operating Income	0	0	0	0	0
Total Revenue	**11,715**	**13,006**	**15,331**	**17,020**	**20,596**
Cost of Goods Sold/Op. Exp	850	947	1,065	1,213	1,536
Personnel Cost	2,343	2,732	1,960	2,117	2,516
Other Expenses	3,072	3,382	4,040	4,477	5,848
EBITDA	**5,450**	**5,944**	**7,370**	**8,260**	**9,679**
EBITDA Margin	46.5%	45.7%	48.1%	48.5%	47.0%
EBITDA Growth	43.3%	9.1%	24.0%	12.1%	17.2%
Depn. & Amort.	1,480	1,399	1,418	1,496	1,575
EBIT	3,970	4,544	5,951	6,764	8,104
Other Income	550	1,060	477	501	526
Finance Cost	4,326	4,582	2,028	1,469	1,359
PBT before Excep. & Forex	194	1,023	4,400	5,796	7,271
Excep. & Forex Inc./Loss(-)	0	0	0	0	0
PBT	194	1,023	4,400	5,796	7,271
Taxes	216	544	878	1,266	1,810
Extraordinary Inc./Loss(-)	0	0	0	0	0
Assoc. Profit/Min. Int.(-)	0	-2	-10	-40	-29
Reported Net Profit	-21	477	3,512	4,489	5,431
Adjusted Net Profit	**-21**	**477**	**3,512**	**4,489**	**5,431**
Net Margin	-0.2%	3.7%	22.9%	26.4%	26.4%
Diluted Share Cap. (mn)	176.0	242.1	334.0	334.0	334.0
Diluted EPS (INR)	**-0.1**	**2.0**	**10.5**	**13.4**	**16.3**
Diluted EPS Growth	0.0%	0.0%	434.2%	27.8%	21.0%
Total Dividend + Tax	0	0	0	0	0
Dividend Per Share (INR)	0.0	0.0	0.0	0.0	0.0

Source: Company, JM Financial

Cash Flow Statement (INR mn)

Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	194	1,021	4,420	5,876	7,464
Depn. & Amort.	1,480	1,399	1,418	1,496	1,575
Net Interest Exp. / Inc. (-)	4,326	4,582	2,028	1,469	1,359
Inc (-) / Dec in WCap.	-158	-561	-295	5,638	2,136
Others	-161	-807	0	0	0
Taxes Paid	-293	-105	-878	-1,266	-1,810
Operating Cash Flow	**5,388**	**5,529**	**6,693**	**13,212**	**10,724**
Capex	-1,209	-2,077	-5,465	-5,593	-4,181
Free Cash Flow	4,179	3,452	1,228	7,619	6,543
Inc (-) / Dec in Investments	-2,555	-8,338	0	0	0
Others	-4,097	-46,882	0	0	0
Investing Cash Flow	**-7,860**	**-57,297**	**-5,465**	**-5,593**	**-4,181**
Inc / Dec (-) in Capital	0	62,211	24,000	0	0
Dividend + Tax thereon	0	0	0	0	0
Inc / Dec (-) in Loans	6,157	1,343	-22,000	-1,000	-1,000
Others	-4,687	-11,195	-1,935	-1,372	-1,259
Financing Cash Flow	**1,470**	**52,359**	**64**	**-2,372**	**-2,259**
Inc / Dec (-) in Cash	**-1,002**	**590**	**1,293**	**5,246**	**4,285**
Opening Cash Balance	1,712	710	1,300	2,593	7,839
Closing Cash Balance	710	1,300	2,593	7,839	12,124

Source: Company, JM Financial

Balance Sheet (INR mn)

Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Shareholders' Fund	-28,257	35,569	62,360	66,489	72,365
Share Capital	202	2,765	3,340	3,340	3,340
Reserves & Surplus	-28,459	32,804	59,020	63,150	69,025
Preference Share Capital	0	0	0	0	0
Minority Interest	0	481	751	1,231	1,009
Total Loans	42,422	39,087	17,087	16,087	15,087
Def. Tax Liab. / Assets (-)	2,579	3,032	3,032	3,032	3,032
Total - Equity & Liab.	**16,743**	**78,169**	**83,230**	**86,839**	**91,493**
Net Fixed Assets	53,641	55,107	59,007	62,996	65,489
Gross Fixed Assets	52,573	53,352	52,683	52,003	61,768
Intangible Assets	676	445	445	445	445
Less: Depn. & Amort.	0	0	0	0	0
Capital WIP	392	1,309	5,878	10,547	3,275
Investments	1,689	1,684	1,684	1,684	1,684
Current Assets	15,288	25,871	27,158	26,944	29,279
Inventories	310	272	460	511	618
Sundry Debtors	729	887	920	1,021	1,236
Cash & Bank Balances	710	1,300	2,593	7,839	12,124
Loans & Advances	0	0	0	0	0
Other Current Assets	13,539	23,412	23,186	17,573	15,302
Current Liab. & Prov.	53,875	4,492	4,619	4,784	4,959
Current Liabilities	2,728	2,960	3,073	3,191	3,313
Provisions & Others	51,147	1,532	1,546	1,593	1,645
Net Current Assets	-38,587	21,378	22,540	22,160	24,320
Total – Assets	**16,743**	**78,169**	**83,230**	**86,839**	**91,493**

Source: Company, JM Financial

Dupont Analysis

Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Margin	-0.2%	3.7%	22.9%	26.4%	26.4%
Asset Turnover (x)	0.3	0.2	0.2	0.2	0.2
Leverage Factor (x)	0.0	2.3	1.7	1.4	1.3
RoE	0.0%	1.3%	7.2%	7.0%	7.8%

Key Ratios

Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
BV/Share (INR)	-160.6	146.9	186.7	199.1	216.7
ROIC	-4.3%	5.1%	6.4%	7.0%	8.2%
ROE	0.0%	1.3%	7.2%	7.0%	7.8%
Net Debt/Equity (x)	0.0	1.1	0.2	0.1	0.0
P/E (x)	-3,475.0	213.4	39.9	31.2	25.8
P/B (x)	-2.6	2.9	2.2	2.1	1.9
EV/EBITDA (x)	33.4	30.0	21.1	18.1	14.9
EV/Sales (x)	15.5	13.7	10.1	8.8	7.0
Debtor days	23	25	22	22	22
Inventory days	10	8	11	11	11
Creditor days	35	31	32	30	25

Source: Company, JM Financial

APPENDIX I

JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081
Member of BSE Ltd. and National Stock Exchange of India Ltd.
SEBI Registration Nos.: Stock Broker - INZ000163434, Research Analyst - INH000000610
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Compliance Officer: Mr. Sahil Salastekar | Tel: +91 22 6224 1743 | Email: sahil.salastekar@jmfl.com
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Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

New Rating System: Definition of ratings	
Rating	Meaning
BUY	Expected return >= 15% over the next twelve months.
ADD	Expected return >= 5% and < 15% over the next twelve months.
REDUCE	Expected return >= -10% and < 5% over the next twelve months.
SELL	Expected return < -10% over the next twelve months.

Previous Rating System: Definition of ratings	
Rating	Meaning
BUY	Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
HOLD	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
SELL	Price expected to move downwards by more than 10% from the current market price over the next twelve months.

* REITs refers to Real Estate Investment Trusts.

Research Analyst(s) Certification

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