

SCHLOSS BANGALORE LIMITED



Tentative Timetable

Basis of Allotment Date	May 29, 2025
Initiation of Refunds	May 30, 2025
Credit of Shares to Demat Account	May 30, 2025
IPO Listing Date	June 02, 2025

Application Structure

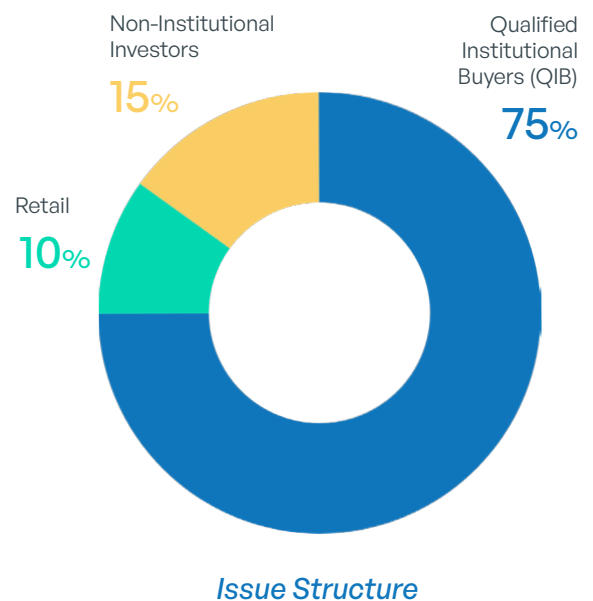
Application	Lot	Shares	Amount
Retail (Min)	1	34	14,790
Retail (Max)	13	442	1,92,270

Book Running Lead Managers

JM Financial Limited	Citigroup Global Markets India Private
BofA Securities India Limited	IIFL Capital Services Limited
Morgan Stanley India Company Private	ICICI Securities Limited
J.P. Morgan India Private Limited	Motilal Oswal Investment Advisors Limited
Kotak Mahindra Capital Company Limited	SBI Capital Markets Limited
Axis Capital Limited	

Registrar

KFin Technologies Limited





Company Background

Schloss Bangalore Limited 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. The company is one of the largest luxury hospitality companies in India by number of keys comprising 3,553 keys across 13 operational hotels. Their portfolio comprises The Leela Palaces, The Leela Hotels, and The Leela Resorts.

The business is conducted through direct hotel ownership and hotel management agreements with third-party owners. The portfolio includes five owned hotels (the “Owned Portfolio”), seven hotels managed under agreements (the “Managed Portfolio”), and one franchised hotel which is owned and operated by a third party. The company has a strategic footprint across 10 key Indian business and leisure destinations, covering significant international air traffic and domestic air traffic in India. The average room rate (“ARR”) and revenue per available room (“RevPAR”) across owned portfolio amounted to ₹22,545 and ₹15,306, respectively, which were both 1.4 times the luxury hospitality segment average in India. The company’s operational excellence and ethos of Indian hospitality positions it as an attractive choice for future owners and developers of luxury hotels, resorts and other hospitality properties.

Objects of the Issue

The Company Leela Hotels IPO proposes to utilize the Net Proceeds from the Issue towards the following objects:

- Offer for Sale from the Promoter Selling Shareholding.
- Repayment/ prepayment/ redemption, in full or in part, of certain outstanding borrowings availed by: (a) the Company, (b) certain Subsidiaries, namely, Schloss Chanakya, Schloss Chennai, Schloss Udaipur and TPRPL, through investment in such Subsidiaries.
- General corporate purposes.

Strengths

- Leading Luxury Hospitality Brand with Rich Heritage and Global Appeal
- Marquee Owned Hotels in Markets with High Barriers to Entry
- Comprehensive Luxury Ecosystem Resulting in Diversified Revenue Sources
- Track Record of Driving Operational Efficiency by Active Asset Management Approach
- Highly Experienced, Cycle-Tested Senior Management Team, Guided by an Experienced and Distinguished Board
- Sponsorship by Brookfield – A Leading Global Investor with Deep Local Expertise

Risks

- Any deterioration in the quality or reputation of “The Leela” brand could have an adverse effect on business, financial condition and results of operations
- A significant portion of total income is derived from the five hotels owned by the company. Any adverse developments affecting such hotels or regions could have an adverse effect on business.
- The company has granted security interests over certain assets to secure borrowings. Failure to satisfy obligations could lead to invocation of security interest, resulting in a forced sale or seizure of such assets
- Exposed to risks associated with the renovation and refurbishment of existing hotels Delays in the renovation and refurbishment of existing hotels in Portfolio may have an adverse effect on business.

Profit and Loss

Particulars	For the year/period ended (in Rs. Mn)		
	FY25	FY24	FY23
Revenue from Operation	13,005.73	11,714.53	8,600.58
Other Income	1,059.83	550.47	432.09
Total Income	14,065.56	12,265.00	9,032.67
EBITDA	7,001.68	6,000.26	4,236.29
EBITDA Margin (%)	49.78	48.92	46.90
Profit Before Tax	1,020.72	194.29	-605.59
Tax	544.14	215.56	11.20
Profit After Tax	476.58	-21.27	-616.79

CA & CL Key Parameters

Particulars	For the year/period ended (in Rs. Mn)		
	FY25	FY24	FY23
Current Assets			
Trade receivables	887.02	729.05	702.09
Cash and cash equivalents	2,879.91	3,749.45	2,549.06
Other Current Assets	1,066.81	478.15	317.59
Current Liabilities			
Trade Payables	606.5	599.46	441.93
Other financial Liabilities	411.63	3,411.95	199.82

Debt Matrices

Particulars	For the year/period ended (in Rs Million)		
	FY25	FY24	FY23
Long Term Borrowing	35,857.42	39,035.02	35,487.02
Short Term Borrowing	3,230.04	3,386.79	1,474.80
TOTAL	39,087.46	42,421.81	36,961.82

Cash Flows

Particulars	For the year/period ended (in Rs Million)		
	FY25	FY24	FY23
CFO	5,528.79	5,387.84	3,183.16
CFI	-57,297.32	-7,860.10	-846.71
OFF	52,358.85	1,469.94	-3,177.70

Our View

India's hospitality industry has an inventory of approximately 3.4 million keys as of March 31, 2024, of which the organized sector, which includes branded, aggregators, and quality independent hotels, represents only approximately 11% or approximately 375,000 keys. The organized 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. The stock of luxury hospitality remains constrained – constituting only 17% of the branded hotel market i.e., approximately 29,000 keys. Supply in the hospitality industry in India is expected to grow at a CAGR of 8.5% over Financial Year 2024 to Financial Year 2028 while demand is expected to grow at a CAGR of 10.4% over the same period, with demand outpacing supply by 190 bps during Financial Year 2024-2028. Schloss Bangalore Limited engaged in the ownership, operation, management, and development of luxury hotels and resorts under the "The Leela" brand which is a leading luxury hospitality brand seeks to capitalize on this opportunity through Enhancement initiatives in existing hotels and invest in upgrades across Owned Portfolio of hotels. The company intends to expand Portfolio through acquisitions and developments of hotels by acquiring and/or developing five new hotels that will be directly owned and managed by the company. Investors looking to invest can invest in the IPO for the long term.

INVEST NOW

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