

Business Overview

- Incorporated on November 27, 1987, Apeejay Surrendra Park Hotels Limited, among hotel chains with asset ownership, ranks as the eighth largest in India in terms of chain affiliated hotel rooms inventory as of September 30, 2023.
- Of the 45,800 rooms owned by chained affiliated hotels across the country as at September 30, 2023, the Company comprises of about 1,300 rooms constituting 2.80% of the total inventory.
- The Company has a long-standing expertise of over 55 years in the hospitality business of owning and operating hotels, with their first hotel being launched under their brand "THE PARK" at the iconic Park Street in Kolkata.
- The Company has established presence in the retail food and beverage industry through their retail brand 'Flurys'.

Description of the Company's Business:

Hospitality Business

As part of the Company's hospitality business, they are focused on developing upscale luxury boutique, and upper mid-scale hotels, differentiated through design and use their experience to actively manage the property to drive hotel performance

Brands

The Company's hotel portfolio has a PAN-India presence, and they continue to attract their customers with their diversified portfolio.

They operate hotels under following four brands, namely "THE PARK", "THE PARK Collection", "Zone by The Park", "Zone Connect by The Park" and have recently launched their economy motel brand, "Stop by Zone"

"THE PARK" brand is positioned as an upscale brand with a luxury boutique offering, with a brand philosophy that concentrates on design, style, and service to create differentiated and unique experiences at each hotel.

"THE PARK Collection" brand encompasses small luxury properties located at selected travel destinations targeted at the luxury hotel category delivering personalized guest experiences.

"Zone by The Park" brand is positioned at the upper midscale level. It is designed for the price conscious and design conscious customers.

"Zone Connect by The Park" is an upper midscale brand that channels its spirit and design philosophy from Zone by The Park.

"Stop by Zone" is an economy motel brand which aims at providing convenient accommodation with easy access to parking, free Wi-Fi along with food services.

- The Company's food and beverage outlets and entertainment offerings within their hotels provide a diversified experience for their customers.
- As of September 30, 2023, they operate 81 restaurants, night clubs and bars, offering a wide selection of culinary experiences. The night club and entertainment division contribute to their brand positioning and allows cross-selling opportunities.
- The Company has created award-winning brands such as **Zen, Someplace Else, Tantra, Roxy, iBar, The Leather Bar, Pasha and Aqua**.
- The Company also operates a premium retail chain in the food and beverage business under the brand 'Flurys', which possesses a successful and profitable track record of Industry leading EBITDA margins.

As on the date of the Red Herring Prospectus, the Company operates 30 hotels across luxury boutique upscale, and upper midscale categories, with Pan-India presence in metros such as Kolkata, New Delhi, Chennai, Hyderabad, Bangalore, and Mumbai as well as in other major cities such as Coimbatore, Indore, Goa, Jaipur, Jodhpur, Jammu, Navi Mumbai, Visakhapatnam, Port Blair, Pathankot representing 2,298 rooms.

Issue Details

Fresh Issue of up to [●] Equity Shares aggregating up to ₹6,000 million and Offer for Sale of up to [●] Equity Shares aggregating up to ₹3,200 million.

Issue size: ₹920 Cr
No of Shares (Net): 58,709,676 – 61,904,760
Employee Reservation: ₹10 Cr
Face value: ₹1/-

Price band: ₹147 – 155
Employee Discount: ₹7 per share
Bid Lot: 96 shares and in multiples thereon

Post Issue Implied Market Cap: ₹3,168 – 3,307 Cr

BRLMs: JM Financial Limited, Axis Capital Limited, ICICI Securities Limited
Registrar: Link Intime India Private Limited

Indicative Timetable

Activity	On or about
Anchor Investor Issue Opens	02-02-2024
Issue Opens	05-02-2024
Issue Closes	07-02-2024
Finalization of Basis of Allotment	08-02-2024
Refunds/ Unblocking ASBA Fund	09-02-2024
Credit of equity shares to DP A/c	09-02-2024
Trading commences	12-02-2024

Listing: BSE & NSE

Issue Break Up

Retail	QIB	NII
10%	75%	15%

Shareholding *

	Pre Issue	Post Issue
Promoters & Promoter Group	94.18%	68.13%
Public – Selling Shareholder	5.82%	4.04%
Public – Other	0.00%	27.83%
Total	100.00%	100.00%

**Calculated using data in RHP on pages – 1, 24 & 127.*

Competitive Strengths

The Company has built successful hospitality brands through product innovation and service excellence to attract customer through a diversified and holistic offering: Among hotel chains with asset ownership, the Company ranks as the eighth largest in India in terms of chain affiliated hotel rooms inventory as of September 30, 2023. Of the 45,800 rooms owned by chained affiliated hotels across the country as at September 30, 2023, the Company comprises of about 1,300 rooms constituting 2.80% of the total inventory. They operate hospitality assets under their own brands, "THE PARK", "THE PARK Collection", "Zone by The Park", "Zone Connect by The Park" and "Stop by Zone". "THE PARK", "THE PARK Collection", "Zone by The Park", "Zone Connect by The Park" and 'Flurys', are well established brands in their respective categories and have received awards and accolades.

A diversified Pan India portfolio of owned, leased and managed hotels that are strategically located across metros and emerging cities: As on the date of the Red Herring Prospectus, the Company operate 30 hotels across upscale to upper midscale category, with pan-India presence representing 2,298 rooms. They have grown their business geographically with the opening of 13 managed and leased hotels in the last 3 years, adding 686 rooms to their total portfolio. Their strength lies in their ability to accurately identify property location with growth potential. Site identification is based on their knowledge and experience developed over the last many years of the Indian hospitality market, understanding of their customer base, an analytical approach to site-selection that encompasses accessibility, local economy, potential for growth, demographics and socio-economic environment and adequate infrastructure.

High occupancy rate and REVPAR with a strong financial and operational track record: The Company has a strong operating track record of high occupancy, competitive average room rates and RevPAR for their hotel properties, during six months ended September 30, 2023 and September 30, 2022 and in last three Fiscals. They have been able to achieve an average occupancy level of 92.76%, 91.50% and 91.55% for their owned hotels for the six months ended September 30, 2023 and September 30, 2022 and the year ended March 31, 2023, respectively. Their high occupancy level reflects their expertise and credentials in the hospitality sector. Their revenue and customer management system that manages their reservation and billing processes allows them to centrally manage all of their hotels so as to maximise hotel occupancy rates and reduce the manpower required for manual updates.

High F&B and Entertainment contributions which adds to stable and non-cyclical earnings while complementing the hotel business: According to the Horwath HTL Report, "THE PARK" hotels' food and beverage contribution to total revenue for Fiscal 2023, Fiscal 2022 and Fiscal 2021 is higher than average food and beverage contribution to total revenue of select listed hotel companies. The Company believes that their restaurants, clubs, and bars not only cater to guests residing in their hotels, but attract nonresident patrons owing to the quality of the food served, service and ambience. They believe that these capabilities and their product offerings increase the resilience of their business model and the sustained achievement of their food and beverage business is a testament to the success of their differentiated food and beverage business strategy. They offer one of the widest selections of culinary experiences among local hotels.

"Flurys" is an iconic brand with a successful and profitable track record of industry leading EBITDA margins: The "Flurys" has a distinctive track record in the retail food and beverage chain and is widely recognised brand in India. "Flurys" is their established retail food and beverage brand under which they operate 73 outlets with multiple formats such as kiosk format, café format and restaurant format. The asset-light business model adopted by Flurys provides a diversified, resilient, and scalable business model for them to leverage on. As on date of the Red Herring Prospectus, they operate 72 outlets of Flurys on leased premises on rent or revenue sharing basis. Flurys contributed ₹ 194.86 million, ₹ 155.98 million, ₹ 382.14 million, ₹ 245.94 million, and ₹ 177.71 million comprising 7.16 %, 6.54%, 7.29%, 9.18%, and 9.34% to their total income for the six months ended September 30, 2023 and September 30, 2022 and the years ended March 31, 2023, 2022 and 2021.

Dedicated and experienced leadership team with high standards of corporate governance: The Company has an experienced and qualified management team and board of directors who have in-depth knowledge of hotel operations and hotel property development. The team has a strong understanding of the local hospitality and property market and has successfully developed their business through brand building initiatives and strategic alliances. Their senior management team include qualified professionals with significant years of experience in the areas of finance, compliance and legal, project management, hospitality and public relations. They are guided by their core values to foster and underpin a culture of openness, teamwork, trust and accountability within their organisation. Their senior management is supported by an experienced management team with demonstrated execution capabilities. Their core management team possesses the relevant mix of multi-disciplinary skills and experience, particularly in areas of product innovation, branding, and hotel design and construction, as well as hotel operations.

For further details, refer to 'Competitive Strengths' page 234 onwards of RHP

Business Strategies

Continued focus on the development of existing land banks and strategic allocation of capital: As a part of the Company's strategy to grow through an optimum mix of owned, leased/ licensed hotels and asset light contracts, they continue to focus on development and expansion of existing owned, leased and licensed hotels, and on strategic expansion of their managed hotels. In order to maximize capital efficiency, they have adopted an asset management strategy with respect to their hotels where they capitalise on the low historic cost of land and develop existing land with low development cost per room through efficient and timely execution. Their Board pursuant to resolutions passed in their meetings held on March 21, 2023, January 13, 2024, and January 29, 2024 approved the proposed timelines for (a) expected start date of construction and estimated time period of construction of the owned hotels, and development of embedded land banks at EM Bypass and Pune; and (b) estimated timelines for commencement of managed and leased hotels of the Company. They will continue their prudent capital allocation strategy to utilise their existing land banks at the opportune time for value accretion, strong financial returns, and brand enhancement. They believe that this is a cost-efficient way to increase their revenue base, improve occupancy rates and enhance profitability. They have a strong pipeline of projects that are under development, which they intend to complete in the near future.

Optimise capital efficiency through the adoption of their asset light model with an optimal portfolio of owned, leased and managed hotels and to further strengthen, develop and expand their existing brands: The Company has developed an expertise of managing and operating hotels for over the last 55 years. Currently, they have 23 operational managed and leased hotels as part of their portfolio representing 1,197 rooms, and 18 under development managed and leased hotels positioned in upper midscale category adding 1,475 rooms to their hotel portfolio, in relation to which they have entered term sheets and lease deeds, respectively for hotels under their brands "Zone by The Park", and "Zone Connect by The Park". As they seek to expand their hotel portfolio as part of their asset light business model, they intend to increase their portfolio of managed and leased properties through operation and management agreements and lease or license deeds with property owners, positioned in upper midscale category. The managed properties under asset light business model enables them to earn management fees without committing a significant capital outlay to acquire or develop such properties. They will continue to maintain an optimal portfolio of owned, leased, or licensed and managed hotels and will seek to expand opportunistically based on overall opportunities.

Improving operational efficiency to achieve superior performance: The Company seeks to improve their operational efficiencies by implementing holistic management plans for their hotels. These include rationalizing sourcing costs, effective workforce management using technology to enhance productivity and drive occupancy and efficient energy management. For instance, they are now migrating their corporate data center to a secured private cloud IaaS (Infrastructure as a Service) environment to ensure optimum uptime, cost-effectiveness, and scalability to accommodate future business requirements. They have further introduced OTA Insight, a cloud-based business and market intelligence tool, procured by the Company on subscription basis from a third-party service provider, which allows the Company to monitor and benchmark demand of their hotel rooms, room rates, and ensure parity in pricing. Business and market intelligence tools, inter-alia provide insights on market demand for hotel rooms and services, which helps the Company in effectively managing its work force, and accordingly deploy its resources including outsourcing some of its services to third parties during the period of high demand. They also seek to outsource functions that cannot be undertaken internally in a cost-effective manner and judiciously managing their use of electricity, fuel, water and other utilities.

Further develop and strengthen the 'Flurys' brand in the retail food and beverage business through expansion plans: 'Flurys' operates 73 outlets under multiple formats such as restaurants, cafés, and kiosks. As of the date of the Red Herring Prospectus, the Company operates 64 outlets in Kolkata and rest of West Bengal, eight outlets in Mumbai and Navi Mumbai, and one outlet in New Delhi. As part of their expansion strategy, they intend to leverage on their expertise in the hospitality industry to develop and grow their presence in the retail food and beverage industry. They recognise the potential of the strength of the 'Flurys' brand in India and intend to capitalise on the opportunities for growth. In Fiscal 2023, among the identified players which reported financials as per IND AS, Flury's had the second highest EBITDA margin of 17.18 %. They have adopted the asset-light business model for Flurys, wherein they operate their outlets on leased premises for rent or share of revenue to be shared with lessor, which provides a diversified, resilient and scalable business model for them to leverage on. They aim to expand the outlets of Flurys under asset light business model in diversified format of café, kiosks, and tea rooms. As part of their expansion strategy, they intend to expand their existing offering of 73 outlets and increase their footprint of Flurys in Kolkata, rest of West Bengal and Mumbai regions as well as expand in the Delhi NCR region, Hyderabad, Pune, and the metro domestic and international airports.

For further details, refer to 'Strategy' page 244 onwards of RHP

Profile of Directors

Priya Paul is the Chairperson and Executive Director of the Company. She is also one of their Promoters. Priya Paul started her career with the Apeejay Group in July 1988 when she joined as a marketing manager and has continued to be associated with them since in different capacities. She has approximately 35 years of experience in the hospitality sector and continues to hold a leadership position in the Company since April 1, 2003. She has been the recipient of many awards and honours for her contribution to the hotel industry, including the Padma Shri for her services to trade and industry by the President of India in the year 2012, insignia of Chevalier de l'Ordre National du Merite (National Order of Merit) in 2013, 'Entrepreneur of the Year' Award in 2000 from Federation of Hotel and Restaurant Association of India, the Aatithya Ratna Award in 2012 by Hotel Investment Forum India and Readers' Travel Awards for 'Excellence in Design Innovation' in 2011 from Condé Nast Traveller, India. Priya Paul has also been nominated multiple times for the Economic Times Award for 'Businesswoman of the Year'. She was ranked by Fortune India as one of India's top 50 most powerful businesswomen in 2020. She has also featured in the Power List 2021 by Hotelier India.

Karan Paul is a Non-Executive Director of the Company and one of their Promoters. He has been a member and been associated with various reputed trade organizations and professional forums such as Indian National Shipowners' Association, Indian Tea Association, Tea Board of India, Federation of Indian Chambers of Commerce & Industry, and Indian Chamber of Commerce amongst others. He is also a director of the West Bengal Tourism Development Corporation Limited under the Government of West Bengal, India. He has approximately 31 years of experience in managing and developing businesses across various sectors such as shipping, real estate and logistics, financial services, tea plantations and FMCG. He also leads the group's expansion in education. He joined the Apeejay Surrendra Group in 1992. He was appointed on their Board in 2005. In 2006, Karan Paul was awarded one of Italy's highest honours, 'The Order of the Star of Italian Solidarity' by the President of Italy. In 2012, International Confederation of NGOs felicitated Karan Paul with its coveted 'Karmaveer Puraskaar' for his contribution as a 'Corporate Citizen for Holistic CSR Initiatives'. The award was given to him for his work in the field of social service and for interpreting his responsibilities as an individual and as the leader of the Apeejay Surrendra Group. In 2019 the same NGO body awarded him with their highest award 'Karmaveer Puraskaar Maharatna Award 2019' for his continued service. Further, in 2019, Karan Paul was conferred with the Business Leadership Award by Calcutta Management Association in acknowledgement of his various pioneering entrepreneurial initiatives and achievements.

Vijay Dewan is the Managing Director of the Company and looks after the management and administration of the Company under the overall supervision, control and direction of their Board. Vijay Dewan has approximately 32 years of experience in the hospitality industry and has been with the Company since April 8, 1991. He was the Chairman of the CII West Bengal State Council for the year 2019-2020. Thereafter he became the Chairman of the CII Eastern Region for the year 2021-2022. Currently, he is the National Council Member of CII. He is also the Managing Committee Member of Hotels & Restaurant Association of Eastern India (HRAEI).

Debanjan Mandal is an Independent Director of the Company and has been on their Board since February 21, 2017. He is a member of the Incorporated Law Society of Calcutta, International Bar Association, U.K. and Bar Council of West Bengal. He has more than 23 years of experience in litigation, arbitration and transactional matters in various sectors such as energy, public transport, aviation, shipping and corporate mergers and acquisitions. Presently he is a partner at Fox & Mandal, Solicitors and Advocates, Kolkata, where he started his career as an associate in 1999.

Suresh Kumar is an Independent Director of the Company and has been on their Board since March 29, 2018. He has approximately 43 years of experience in the hospitality sector. Suresh Kumar has previously worked at ITC Hotels Limited for over three decades and retired as their Managing Director. He was recognized as a 'Green Hotelier' at the Environment Awards, 1996 by the International Hotel & Restaurant Association.

Ragini Chopra is an Independent Director of the Company and has been on their Board since December 23, 2019. She has over 48 years of experience in the hotel industry. Presently she is the Executive Vice President for Corporate Affairs at InterGlobe Enterprises Private Limited and has been previously associated with Jet Airways (India) Limited and Oberoi Group.

Given above is the abstract of data on directors seen on page 295 – 296 of the RHP

Object of the Offer

Offer for Sale: Since the Offer is an offer for sale, the Company will not receive any proceeds from the Offer.

Fresh Issue: The Net Proceeds are proposed to be utilized by the Company towards funding the following objects:

Particulars	Amount (₹ In million)
Repayment/ prepayment, in full or in part of certain outstanding borrowings availed by the Company	5,500
General corporate purposes ⁽¹⁾	[•]
Total	[•]

Above data is obtained from page 134 of RHP

⁽¹⁾To be finalised upon determination of the Offer Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds.

Comparison with peers

Following is the comparison with the Company's peer group Companies listed in India:

Company	FV/Share (₹)	EPS (Basic)	RONW (%)	NAV (₹ per share)	P/E (times)
Apeejay Surrendra Park Hotels Limited	1	2.75	8.65	31.81	NA
Industry Peers					
Chalet Hotels Limited	10	9.06	12.03	75.20	79.78
Lemon Tree Hotels Limited	10	1.45	16.46	10.78	92.34
Indian Hotels Company Limited	1	7.06	13.19	56.20	65.67
ElH Limited	2	5.03	9.75	53.96	56.59
SAMHI Hotels Limited*	1	(47.48)	NA	2.51	NA

Above data is obtained from page 154 – 155 of RHP

Source: All the financial information for the industry peers mentioned above is on a consolidated basis and is sourced from the published financial result, www.bseindia.com. investors' presentation as available of the respective company for the relevant year in public domain.

*The financial information for SAMHI Hotels Limited has been included based on their proforma condensed financial statements as at and for the year ended March 31, 2023, since the audited financial statements of SAMHI Hotels Limited as at and for the year ended March 31, 2023 do not reflect the impact of a subsequent acquisition by SAMHI Hotels Limited, which was completed post March 31, 2023.

Note:

- Return on Net worth is calculated as restated profit/ (loss) for the period/ year attributable to equity holders of the parent divided by Net worth at the end of the period/ year
- Net Asset Value per Equity Share is calculated as Net worth attributable to the owners of the company divided by number of Equity Shares outstanding at the end of the period/ year.
- P / E Ratio has been computed based on the closing market price of equity shares on BSE on January 18, 2024, divided by the EPS for the year ended March 31, 2023

Financials (Restated Consolidated):

(₹ in Million unless stated otherwise)

Particulars	As at September 30, 2023	As at March 31, 2023	As at March 31, 2022	As at March 31, 2021
Equity Share Capital	174.66	174.66	174.66	174.66
Other Equity	5,612.42	5,382.16	4,910.47	5,188.10
Net Worth	5,787.08	5,556.82	5,085.13	5,362.76
Total Borrowings	5,970.90	5,668.80	6,226.79	5,934.40
Revenue from contracts with customers	2,644.12	5,061.30	2,550.20	1,788.30
Total Income	2,723.12	5,244.30	2,678.30	1,902.90
EBITDA	909.05	1,770.95	582.93	228.46
EBITDA Margin	33.38%	33.77%	21.76%	12.01%
Profit/(Loss) Before Tax	336.38	654.67	(417.89)	(868.04)
Profit/(Loss) After Tax	229.50	480.62	(282.02)	(758.83)
PAT Margin	8.43%	9.16%	(10.53%)	(39.88%)
Net Debt / Equity	1.00	0.99	1.21	1.09
Return on Net Worth	4.05%*	9.03%	(5.40%)	(13.23%)
Basic EPS	1.31*	2.75	(1.61)	(4.34)

Operational Metrics

Inventory (No. of operating keys) (Owned, Leased and Managed)	2,123	2,009	1,865	1,612
No of Hotels (Owned, Leased and Managed)	27	25	21	17
No of Flurry's Outlets	73	69	59	52
Average Room Rent (Owned Hotel of the Company)	6,059.05	6,070.51	3,804.27	3,250.90
Average Occupancy (%) (Owned Hotel of the Company)	93.29%	91.77%	79.10%	67.26%

*Not Annualised

Above data obtained from pages 24-25, 104-108 & 156-157 of RHP

Notes:

- Net worth means the aggregate value of the paid-up equity share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account after deducting the aggregate value of the accumulated losses as on September 30, 2023, September 30, 2022, March 31, 2023, March 31, 2022 and March 31, 2021. Net worth represents equity attributable to equity holders of the Parent and does not include amount attributable to non- controlling interests.
- Total Income means addition of revenue from contracts with customers and other income.
- EBITDA = Restated profit/ (loss) for the period/ year + Finance Costs + Total Tax expense/(credit) + Depreciation and Amortisation expense + Exceptional loss
- EBITDA Margin = EBITDA / Total income.
- Restated profit/(loss) for the period/ year Margin = restated profit/ (loss) for the period/ year divided by Total income.
- Inventory is the total number of operational keys/ rooms in the company's portfolio of hotels for the relevant year / period.
- No. of Hotels are the total number of operational hotels of the relevant year / period.
- No. of Flurry Outlets are the total number of their operational Café & Bakery portfolio size of the relevant year / period.
- Average Room Rent is calculated total revenue from sale of rooms received for a relevant year / period divided by the total occupied room per night.
- Average Occupancy is calculated the total room nights sold in a relevant year / period divided by the total available room nights in the same relevant year / period.
- Basic EPS (₹) = Restated net profit / (loss) for the period/ year attributable to equity holders of the parent divided by weighted average number of Equity Shares outstanding during the period/ year.

Key Risk Factors

- The Company is exposed to risks associated with the delay in development of their hotel properties and land banks. Any delay in the construction of new hotel buildings or expansion of their existing properties may have an adverse effect on their business, results of operations, financial condition, and cash flows.
- The Company is exposed to risks associated with the construction and development of serviced apartments at EM Bypass, which is a one-off project of the Company and of which the Company has no prior experience.
- The Company was not in compliance with certain covenants under certain of their financing agreements in the past and had delays in repayment of certain long-term rupee loans and working capital loans. In case of any breach of covenants or delay in repayment of facilities in the future, such non-compliance, if not waived, could adversely affect their business, results of operations, cash flows, and financial condition.
- There are certain instances of delays in payment of statutory dues or non-payment of statutory dues on account of certain disputes. Any delay in payment of such statutory dues or non-payment of statutory dues in dispute may attract financial penalties from the respective government authorities and in turn may have an adverse impact on the Company's financial condition and cash flows.
- Majority portion of the Company's hotel bookings (approximately 49% of their total room bookings contributing about 49% of their total room revenue for Fiscal 2023) originate from online travel agents and intermediaries. In the event such online travel agents and intermediaries continue to gain market share compared to their direct booking channels, they may be able to negotiate higher commissions for services provided, or demand significant concessions or reduced room rates causing an adverse effect on their margins, business, and results of operations.
- The Company derives a significant portion of their room revenue from corporate accounts and from leisure customers, contributing approximately 80% of the total room revenue comprising approximately 40% each from corporate accounts and leisure customers in Fiscal 2023. Changes in travellers' preferences due to increased use of telepresence equipment, cost of travel, spending habits, and other factors may adversely affect the demand for hotel rooms leading to adverse effect on their business, results of operations, financial condition, and cash flows.
- Credit rating downgrades may increase the Company's cost of capital and future fund raising may cause a dilution in your shareholding or place restrictions on their operations.
- The Company has incurred indebtedness which requires significant cash flows to service, and this, together with the conditions and restrictions imposed by their financing arrangements, fluctuations in the interest rates may limit their ability to operate freely and grow their business.
- The Company, their Subsidiaries, their Directors, and their Promoters are involved in certain legal proceedings. An adverse outcome in any of these proceedings may adversely affect their profitability, reputation, business, results of operations, financial condition and cash flows.
- The Company's funding requirements and proposed deployment of the Net Proceeds towards repayment and/ or prepayment of all or certain portion of outstanding borrowing are based on management estimates and have not been independently appraised by any bank or financial institution. Variations in the utilization of the Net Proceeds would be subject to certain compliance requirements, and their inability to comply with such requirements may cause an adverse impact on their business and operations.
- Certain of the Company's hotels are mortgaged with lenders, out of which the title deeds of certain immovable properties are not held in the name of the Company. Failure to comply with the terms of the mortgage agreements or inability to enforce their rights effectively in the event of any dispute or adverse action in relation to properties where the title deeds are not in the Company's name may result in adverse impact on their business, results of operations, financial condition and cash flows.
- A large portion of the Company's revenue (approximately 75% of the Total Income in Fiscal 2023) is realised from their top five owned hotels with THE PARK Kolkata contributing 21.75% to the Total Income in Fiscal 2023. Any adverse development affecting these hotels or the regions in which they operate, may adversely affect their business, results of operations, cash flows and financial condition.
- Certain of the Company's hotels are located in buildings and lands which have been leased to them by third parties. If they are unable to comply with the terms of the lease agreements, renew their agreements or enter into new agreements, their business, results of operations, financial condition and cash flows may be adversely affected.

Please read carefully the Risk Factors given in detail in section II (page 29 onwards) of RHP

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Registration details:

JM Financial Services Ltd.

Stock Broker – Registration No. - INZ000195834

Corporate Identity Number: U67120MH1998PLC115415

Registered office Address: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai, Maharashtra Pin- 400025.

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