

Debut that's out of the Park

OUR SPECIAL CORRESPONDENT

Calcutta: Apeejay Surrendra Park Hotels Ltd made a blockbuster debut on Monday with the stock rallying 32.26 per cent over the IPO issue price.

The stock of the Calcutta-based hospitality chain closed at Rs 205, gaining by Rs 50 on the NSE, amid a weaker broader market. While the BSE Sensex and the Nifty 50 were down 0.73 and 0.76 per cent, respectively, the S&P BSE Smallcap Index ended the day with a 3.16 per cent cut.

Based on the closing on Monday, the Park stock has a market capitalisation of Rs 4,374 crore. The IPO was subscribed 59.66 times, riding high



on the applications from both the retail and institutional investors, who are betting on the revival of the hospitality sector post pandemic. It had received 2.19 million applications.

Speaking to **The Tele-**

graph shortly after the close of the day's trading, Karan Paul, chairman of Apeejay Surrendra Group, said: "We are delighted with the strong response to the Park IPO. For the company, there is a strong pipeline of growth and it should play out in the next 3-5 years."

While the stock settled at Rs 205, it had touched the upper band intra-day at Rs 223.2 with a large volume.

The Rs 920-crore IPO, first from Calcutta in 2024, was a mix of primary and secondary share sales. The company is primarily looking at cutting debt with the proceeds of the issue.

The Park IPO came at an opportune time when most

of the hospitality stocks are trading close to their life high, notably The Indian Hotels Company Ltd, which owns the Taj brand, and EIH Ltd, which owns and operates the Oberoi properties.

Park, where the Paul family owns a 68 per cent stake post listing, operates under five brands, including the luxury boutique range The Park. It is going to nearly double room count to 4,603 by 2029 from 2,298 now.

Another vector of growth for the company is the expansion of Calcutta's famous tea room and confectionery Flury's nationally. Apart from expanding in Bengal, it plans to grow in Mumbai-Pune, Delhi-NCR and Hyderabad.