

Park Hotels submits Rs 1,050cr IPO plan

A STAFF REPORTER

Calcutta: Apeejay Surrendra Park Hotels Ltd, which owns and operates The Park on Calcutta's Park Street, is taking a second shot at listing on the bourses.

The company has filed a draft prospectus with Sebi to raise Rs 1,050 crore through an initial public offer.

The IPO comprises a fresh issue of equity shares worth Rs 650 crore and an offer for sale (OFS) of equity shares to the tune of Rs 400 crore by promoters and investor shareholders, according to the draft red herring prospectus (DRHP) filed on Saturday.

The OFS comprises equity shares aggregating up to Rs 80 crore by Apeejay Surrendra Trust, up to Rs 296 crore by Apeejay Private Limited, up to Rs 23 crore by RECP IV Park Hotel Investors Ltd and up to Rs 1 crore by RECP IV Park Hotel Co-Investors Ltd. At present, promoters and promoter group members hold a 94.18 per cent stake in the company.

According to the DRHP, proceeds of the fresh issue would be utilised toward the payment of debt and for general corporate purposes.

Apeejay Surrendra Park Hotels Limited is the eighth largest hotel chain in terms of asset ownership in India according to a Horwath HTL report.

The company operates hospitality assets under its own brands — The Park, The Park Collection, Zone by The Park, Zone Connect by The Park and Stop by Zone. It has established a presence in the retail food and beverage industry through its retail brand 'Flurys'.

The firm's total income was Rs 524.43 crore in 2022-23. With 2009 rooms across 25 hotels in operation during FY23, the company had recorded an average occupancy rate of 91.77 per cent with an average room revenue of Rs 6,070.51. This is a marked improvement from 79.10 per cent occupancy in FY22 with an average room revenue of Rs 3,804.27.