

GRAND
CONTINENT

GRAND CONTINENT HOTELS LIMITED

(Formerly known as “Grand Continent Hotels Private Limited”)

CIN: U55101TN2011PLC083100

Our Company was originally incorporated as a private limited company under the Companies Act, 1956 in the name and style of “Grand Continent Hotels Private Limited” pursuant to certificate of incorporation dated November 11, 2011 issued by the RoC, Chennai, Tamil Nadu bearing Corporate Identity Number U55101TN2011PTC083100. Subsequently, our Company was converted into public limited company pursuant to special resolution passed in the EGM held on May 27, 2024, and consequently, the name of our Company was changed to “Grand Continent Hotels Limited” and a fresh certificate of incorporation dated August 30, 2024 consequent upon conversion from private company to public company was issued by RoC, Central Processing Centre bearing CIN U55101TN2011PLC083100. For further details please refer to section titled “History and Certain Other Corporate Matters” beginning on page 194 of this Prospectus.

Registered Office: S No. 245/1A/1B, Venpursham Village, Veeralapakkam, Thiruporur, Chengalpattu, Mamallapuram, Kanchipuram, Tirukalikundram - 603110, Tamil Nadu, India.

Corporate Office: Municipal No 3, 3rd Main Road, K R Garden, Koramangala, Bengaluru - 560095, Karnataka, India **Contact Person:** Ms. Aastha Kochar, Company Secretary and Compliance Officer; **Tel:** +91 80 4165 6491; **E-mail:** cs@grandcontinenthotels.com; **Website:** https://grandcontinenthotels.com

PROMOTERS OF OUR COMPANY: MR. RAMESH SIVA AND MRS. VIDYA RAMESH

OUR COMPANY HAS FILED THE PROSPECTUS WITH THE ROC ON TUESDAY, MARCH 25, 2025 AND THE EQUITY SHARES ARE PROPOSED TO BE LISTED ON SME PLATFORM OF THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (“NSE EMERGE”) AND THE TRADING IS EXPECTED TO COMMENCE ON THURSDAY, MARCH 27, 2025.

BASIS OF ALLOTMENT

INITIAL PUBLIC OFFERING OF 65,89,200 EQUITY SHARES OF FACE VALUE OF ₹10.00 EACH (THE “EQUITY SHARES”) OF GRAND CONTINENT HOTELS LIMITED (“OUR COMPANY” OR “GCHL” OR “THE ISSUER”) AT A PRICE OF ₹113.00 PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹103.00 PER EQUITY SHARE) (“OFFER PRICE”) FOR CASH, AGGREGATING TO ₹7,445.80 LAKHS (“OFFER”) COMPRISING OF A FRESH ISSUE OF UP TO 62,60,400 EQUITY SHARES OF FACE VALUE OF ₹10.00 EACH AGGREGATING UP TO ₹7,074.25 LAKHS (THE “FRESH ISSUE”) AND AN OFFER FOR SALE OF 3,28,800 EQUITY SHARES OF FACE VALUE OF ₹10.00 EACH AGGREGATING UP TO ₹371.54 LAKHS BY MR. RAMESH SIVA (THE “PROMOTER SELLING SHAREHOLDER”).

THE OFFER INCLUDES A RESERVATION OF 3,30,000 EQUITY SHARES OF FACE VALUE OF ₹10.00 EACH, AT AN OFFER PRICE OF ₹113/- PER EQUITY SHARE FOR CASH, AGGREGATING TO ₹372.90 LAKHS (CONSTITUTING UP TO 5.01% OF THE POST OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) FOR SUBSCRIPTION BY THE MARKET MAKER TO THE OFFER (THE “MARKET MAKER RESERVATION PORTION”) AND A RESERVATION OF 12,000 EQUITY SHARES, AT AN OFFER PRICE OF ₹113.00 PER EQUITY SHARE FOR CASH, AGGREGATING UP TO ₹13.56 LAKHS (CONSTITUTING UP TO 0.18% OF THE POST OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY), FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (THE “EMPLOYEE RESERVATION PORTION”). THE OFFER LESS MARKET MAKER RESERVATION PORTION AND EMPLOYEE RESERVATION PORTION I.E. OFFER OF 62,47,200 EQUITY SHARES OF FACE VALUE OF ₹10.00 EACH, AT AN OFFER PRICE OF ₹113.00 PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹7,059.34 LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET OFFER”. THE OFFER AND NET OFFER WILL CONSTITUTE 26.44% AND 25.07% RESPECTIVELY OF THE POST- OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

PRICE BAND: ₹107.00 TO ₹113.00 PER EQUITY SHARE OF FACE VALUE OF ₹10.00 EACH

THE OFFER PRICE IS ₹113.00 PER EQUITY SHARE OF FACE VALUE OF ₹10.00 EACH. ANCHOR INVESTOR OFFER PRICE IS ₹113.00 PER EQUITY SHARE

THE OFFER PRICE IS ₹113.00 PER EQUITY SHARE WHICH IS 11.30 TIMES OF THE FACE VALUE

BID/ OFFER PERIOD

ANCHOR INVESTOR BID/OFFER OPENED AND CLOSED ON: WEDNESDAY, MARCH 19, 2025

OPENED ON: THURSDAY, MARCH 20, 2025 | CLOSED ON: MONDAY, MARCH 24, 2025

RISK TO INVESTORS:

(For more details refer to section titled “Risk Factors” on page 37 of the Prospectus

1. A majority of our properties are operating under Sarovar Brands /Royal Orchid Brands pursuant to the franchise/ trademark license agreements with the Sarovar/Royal Orchid, and we are subject to risks, including non-renewal, termination and disputes, associated with such contracts.

2. As on September 30, 2024, a significant portion of our hotel keys and revenue from operations is derived from hotels properties concentrated in the city of Bengaluru (Karnataka) and Tirupati (Andhra Pradesh) out of the portfolio of 16 operational hotel properties, and any adverse developments affecting these hotels or the regions in which they operate, could have an adverse effect on our business, results of operation, cash flows and financial condition.

3. We are subject to extensive government regulation with respect to safety, health, environment, real estate, food, excise, property tax and labor laws. Any non-compliance with or changes in regulations applicable to us or failure to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business may adversely affect our business, results of operations, cash flows and financial condition

4. Negative customer experiences or negative publicity surrounding our hotel properties could have an impact on ability to source customers. Thus, we may also incur higher expenses towards business promotion in the future, to source more customers which may have an adverse impact on our business and financial condition.

5. The Merchant Banker associated with the Offer has handled 9 public issue out of which 1 Issue closed below the Offer Price on listing date.

6. Average cost of acquisition of Equity Shares held by the Promoters (including the Promoter Selling Shareholder) is as below:

Sr. No	Name of the Promoter	No. of Shares held	Average Cost of Acquisition (in ₹)
1.	Mr. Ramesh Siva	94,50,000	2.81
2.	Mrs. Vidya Ramesh	45,47,300	6.36

7. Weighted Average Return on Net worth for Fiscals 2024, 2023 and, 2022 is (42.00) % and for the period ended September 30, 2024 (Not Annualized) is 17.74%.

8. The Price / Earnings Ratio based on Diluted EPS for Fiscal 2024 for the Company at the upper end of the Price Band is 44.49 times.

9. The Weighted average cost of acquisition of all Equity Shares transacted in the last one year, 18 months and three years preceding the date of Prospectus is as given below:

Period	Weighted Average Cost of Acquisition (in ₹)	Floor Price (₹107/-) is 'X' times the Weighted Average Cost of Acquisition	Cap Price (₹113/-) is 'X' times the Weighted Average Cost of Acquisition	Range of acquisition price: Lowest Price -Highest Price (in ₹) ¹
Last 1 year	1.43	74.83	79.02	0.00-68.00
Last 18 months	3.57	29.97	31.65	0.00-68.00
Last 3 years	3.57	29.97	31.65	0.00-68.00

Pursuant to the certificate dated March 25, 2025, issued by M/s. Bhuta Shah & Co. LLP, Chartered Accountants

¹ Amounts are Post Bonus Issue Impact

10. The Weighted average cost of acquisition (WACA) compared to floor price and cap price

Types of Transaction	Weighted average cost of acquisition (₹ per Equity Share)	Floor price* (i.e. ₹ 107)	Cap price* (i.e. ₹ 113)
WACA of primary transaction (excluding for shares issued pursuant to ESOP and bonus issue) (equals to or more than 5% of the pre issue fully diluted paid-up share capital during the 18 months preceding the date of Prospectus) in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Transactions").	14	7.64	8.07
WACA of secondary sale/ acquisition (excluding gifts) (equals to or more than 5% of the pre issue fully diluted paid-up share capital during the 18 months preceding the date of Prospectus) in a single transaction or multiple transactions combined together over a span of rolling 30 days("Secondary Transactions").	Nil ^A	Nil ^A	Nil ^A
WACA if there are no such transactions to report under the Primary Transactions and the Secondary Transactions above, the details of the price per share of the Company basis the last five primary or secondary transactions (secondary transactions where our Promoters, members of the Promoter Group, the Promoter Selling Shareholder or other Shareholder(s) having the right to nominate director(s) on the Board, are a party to the transaction), not older than three years prior to the date of the Prospectus irrespective of the size of transactions	Not Applicable	Not Applicable	Not Applicable

^AAs adjusted for changes in capital

^A There were no secondary transactions in the last 18 months preceding the date of the Prospectus.

SUBSCRIPTION DETAILS

The bidding for Anchor Investors opened and closed on March 19, 2025. The Company received 7 Anchor Investors Application Form from 7 Anchor Investors for 21,27,600 Equity Shares against 18,73,200 Equity Shares reserved for Anchor Investor Portion. The Anchor Investor Allocation Price was finalized at ₹ 113 per Equity Share. A total of 18,73,200 Equity Shares were allotted under the Anchor Investor Portion aggregating to ₹ 21,16,71,600/-

The offer was subscribed to the extent of 1.71 times (excluding the Anchor Investor Portion) as per the bid books of NSE (the “Bid Files”) after removing multiple and duplicate bids & Bid not bank cases. The details of the applications received from various categories (after rejections) are as under:

Details of the Application Received

Category	Number of Applications Received	Number of Equity Shares applied	Number of Equity Shares reserved as per Prospectus	Number of times subscribed	Application Amount (in ₹)
Retail Individual Investors	2,314	27,76,800	21,87,600	1.26	31,37,78,400
Non-Institutional Investors	221	12,85,200	9,37,200	1.37	14,52,27,600
Qualified Institutional Buyers (excluding Anchor Investor Portion)	10	36,66,000	12,49,200	2.93	41,42,58,000
Employee	4	12,000	12,000	1.00	13,56,000
Market Maker	1	3,30,000	3,30,000	1.00	3,72,90,000
Total	2,550	80,70,000	47,16,000	1.71	91,19,10,000

Final Summary:

A summary of final demand (prior to any rejections) as per NSE EMERGE as on the Bid/Offer Closing Date at different prices is as under:

Sr. No.	Bid Price	Bids Quantity	% of Total	Cumulative Total	% of Cumulative Total
1	107	1,70,400	1.25	1,70,400	1.25
2	108	30,000	0.22	2,00,400	1.47
3	109	15,600	0.11	2,16,000	1.58
4	110	38,400	0.28	2,54,400	1.86
5	111	6,000	0.04	2,60,400	1.90
6	112	14,400	0.11	2,74,800	2.01
7	113	97,68,000	71.44	1,00,42,800	73.45
8	CUT-OFF	36,30,000	26.55	1,36,72,800	100.00
	TOTAL	1,36,72,800	100.00		

The Basis of Allotment was finalized in consultation with the Designated Stock Exchange, being NSE EMERGE on March 25, 2025.

1. Allotment to Retail Individual Investors (After Rejections & Withdrawal):

The Basis of Allotment to the Retail Individual Investors, who have Bid at Cut-Off Price or at or above the Offer Price of ₹113/- per Equity Share, was finalized in consultation with NSE EMERGE. The category was subscribed by 1.27 times i.e., for 27,76,800 Equity Shares. The total number of Equity Shares allotted in this category is 21,87,600 Equity Shares to 1,823 successful applicants. The category wise details of the Basis of Allotment are as under:

Sr. No	Category	Number of applications received	% to total	Total No. of Shares applied in each category	% to total	No. of Equity Shares Allotted per Bidder	Ratio	Total No. of Equity Shares Allotted
1	1,200	2,314	100.00	27,76,800	100.00	1200	26:33	21,87,600
	TOTAL	2,314	100.00	27,76,800	100.00			21,87,600

2. Allotment to Non-Institutional Investors (After Rejections & Withdrawal):

The Basis of Allotment to Non-Institutional Investors, who have bid at cut off or at the Offer Price of ₹113/- per Equity Share, was finalized in consultation with NSE EMERGE. The category was subscribed by 1.37 times i.e., for 12,85,200 Equity Shares. The total number of shares allotted in this category is 9,37,200 Equity Shares to 221 successful applicants. The category wise details of the Basis of Allotment are as under:

Sr. No	Category	Number of applications received	% to total	Total No. of Equity Shares applied	% to total	No. of Equity Shares Allotted per Bidder	Ratio	Total No. of Equity Shares Allotted
1	2,400	111	50.22	2,66,400	20.72	1,200	1:1	1,33,200
	2,400	1200 additional share is allocated for serial no 1 in the ratio of 51:111				1,200	51:111	61,200
2	3,600	49	22.17	1,76,400	13.72	2,400	1:1	1,17,600
	3,600	1200 additional share is allocated for serial no 2 in the ratio of 9:49				1,200	9:49	10,800
3	4,800	17	7.69	81,600	6.34	2,400	1:1	40,800
	4,800	1200 additional share is allocated for serial no 3 in the ratio of 16:17				1,200	16:17	19,200
4	6,000	9	4.07	54,000	4.20	3,600	1:1	32,400
	6,000	1200 additional share is allocated for serial no 4 in the ratio of 6:9				1,200	6:9	7,200
5	7,200	3	1.35	21,600	1.68	4,800	1:1	14,400
	7,200	1200 additional share is allocated for serial no 5 in the ratio of 1:3				1,200	1:3	1,200
6	8,400	9	4.07	75,600	5.88	6,000	1:1	54,000
	8,400	1200 additional share is allocated for serial no 6 in the ratio of 1:9				1,200	1:9	1,200
7	9,600	7	3.16	67,200	5.22	6,000	1:1	42,000
	9,600	1200 additional share is allocated for Serial no 7 in the ratio of 6:7				1,200	6:7	7,200
8	12,000	6	2.71	72,000	5.60	8,400	1:1	50,400
	12,000	1200 additional share is allocated for Serial no 8 in the ratio of 2:6				1,200	2:6	2,400
9	14,400	3	1.35	43,200	3.36	9,600	1:1	28,800
	14,400	1200 additional share is allocated for Serial no 9 in the ratio of 2:3				1,200	2:3	2,400
10	24,000	2	0.91	48,000	3.73	16,800	1:1	33,600

INVESTORS, PLEASE NOTE

The details of the allotment made has been hosted on the website of the Registrar to the Offer, MUFG Intime India Private Limited (Formerly Link Intime India Private Limited) at website: https://in.mpms.mufg.com/

All future correspondence in this regard may kindly be addressed to the Registrar to the Offer quoting full name of the first/ sole Bidder serial number of the ASBA form, number of Equity Shares bid for, Bidder DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, the name and address of the Designated Intermediary where he Bid cum Application Form was submitted by the Bidder and copy of the Acknowledgment Slip received from the Designated Intermediary and payment details at the address given below:

MUFG

MUFG Intime

MUFG INTIME INDIA PRIVATE LIMITED (Formerly Link Intime India Private Limited)

C-101, 1st Floor, 247 Park, Lal Bahadur Shastri Marg Vikhroli (West), Mumbai - 400083, Maharashtra, India. | Tel No.: +91 8108114949 | Fax No.: +91 – 2249186060

E-mail: grandcontinent ipo@linkintime.co.in | Investor Grievance Email: grandcontinent.ipo@linkintime.co.in | Website: https://in.mpms.mufg.com/

CIN: U67190MH1999PTC118368 | SEBI Registration No: INR000004058 | Contact Person: Ms. Shanti Gopalkrishnan

On behalf of the Board of Directors

Grand Continent Hotels Limited

Sd/-

Ramesh Siva

Chairman & Managing Director

DIN: 02449456

Date: March 25, 2025

Place: Bengaluru

THE LEVEL OF SUBSCRIPTION SHOULD NOT BE TAKEN TO BE INDICATIVE OF EITHER THE MARKET PRICE OF THE EQUITY SHARES ON LISTING OR THE BUSINESS PROSPECTS OF GRAND CONTINENT HOTELS LIMITED.

Disclaimer: Grand Continent Hotels Limited has filed the Prospectus with the RoC on March 25, 2025. The Prospectus is available on the website of NSE at www.nseindia.com and on the website of the BRLM, Indorient Financial Services Limited at www.indorient.in. Investors should note that investment in Equity Shares involves a high degree of risk and for details relating to the same, please see “Risk Factors” beginning on page 37 of the Prospectus.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”) or any state securities laws in the United States, and unless so registered, and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with any applicable U.S. state securities laws. The Equity Shares are being offered and sold outside the United States in ‘offshore transactions’ in reliance on Regulation under the Securities Act and the applicable laws of each jurisdiction where such offers and sales are made. There will be no public offering in the United States.

CONCEPT

Size 32.9 x 50cm