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CHALET
HOTELS

CHALET HOTELS LIMITED

Our Company was incorporated as "Kenwood Hotels Private Limited" on January 6, 1986, as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation granted by the Registrar of Companies, Maharashtra, at Mumbai ("**RoC**"). On July 19, 1997, our Company was converted into a public company under section 43A (1B) of the Companies Act, 1956 and, consequently our name was changed to "Kenwood Hotels Limited". Pursuant to a resolution of our shareholders dated March 2, 1998 and a fresh certificate of incorporation issued by the RoC on April 6, 1998, the name of our Company was changed to "K. Raheja Resorts & Hotels Limited". Further, pursuant to a resolution of our shareholders dated April 24, 1999 and a fresh certificate of incorporation issued by the RoC on May 4, 1999, the name of our Company was changed to "Chalet Hotels Limited". On the conversion of our Company to a private limited company pursuant to a resolution passed by our shareholders dated August 25, 2011 and a fresh certificate of incorporation issued by the RoC on October 15, 2011, our name was changed to "Chalet Hotels Private Limited". Subsequently, pursuant to a resolution passed by our shareholders on June 4, 2018 and a fresh certificate of incorporation issued by the RoC on June 6, 2018 our Company was converted to a public limited company and our name was changed to "Chalet Hotels Limited". For details of changes in name and registered office of our Company, see "History and Certain Corporate Matters" on page 179 of the Prospectus dated February 2, 2019 ("**Prospectus**").

Corporate Identity Number: U55101MH1986PLC038538

Registered and Corporate Office: Raheja Tower, Plot No.C-30, Block 'G', Next to Bank of Baroda, Bandra Kurla Complex, Bandra (East), Mumbai 400051; **Tel**: +91 22 - 26564000;
Facsimile: +91 22 - 26565451, **Contact Person**: Christabelle Baptista, Company Secretary and Compliance Officer; **Tel**: +91 22- 2656 5496, **Facsimile**: +91 22 - 26565451, **E-mail**: investorrelations@chalethotels.com, **Website**: www.chalethotels.com

OUR PROMOTERS: RAVI C. RAHEJA, NEEL C. RAHEJA, K. RAHEJA CORP PRIVATE LIMITED, K. RAHEJA PRIVATE LIMITED, IVORY PROPERTIES AND HOTELS PRIVATE LIMITED, GENEXT HARDWARE & PARKS PRIVATE LIMITED, TOUCHSTONE PROPERTIES & HOTELS PRIVATE LIMITED, CAPE TRADING LLP, CAPSTAN TRADING LLP, CASA MARIA PROPERTIES LLP, ANBEE CONSTRUCTIONS LLP, PALM SHELTER ESTATE DEVELOPMENT LLP, RAGHUKOOL ESTATE DEVELOPEMENT LLP AND IVORY PROPERTY TRUST

Our Company has filed the Prospectus dated February 02, 2019 with the Registrar of Companies, (the "Prospectus") and the Equity Shares are proposed to be listed on the BSE Limited ("BSE") and the National Stock Exchange of India Limited ("NSE") and the trading will commence on or about February 07, 2019.

BASIS OF ALLOTMENT

INITIAL PUBLIC OFFERING OF 58,613,571 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE "EQUITY SHARES") OF CHALET HOTELS LIMITED ("OUR COMPANY" OR "THE COMPANY" OR "THE ISSUER") FOR CASH AT A PRICE OF ₹ 280 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 270 PER EQUITY SHARE) (THE "OFFER PRICE") AGGREGATING TO ₹ 16,411.80 MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF 33,928,571 EQUITY SHARES AGGREGATING TO ₹ 9,500 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF 24,685,000 EQUITY SHARES (THE "OFFERED SHARES") AGGREGATING TO ₹ 6,911.80 MILLION, COMPRISING AN OFFER FOR SALE OF (i) 5,550,000 EQUITY SHARES AGGREGATING TO ₹ 1,554.00 MILLION BY RAVI C. RAHEJA; (ii) 5,550,000 EQUITY SHARES AGGREGATING TO ₹ 1,554.00 MILLION BY NEEL C. RAHEJA; (iii) 10,784,176 EQUITY SHARES AGGREGATING TO ₹ 3,019.57 MILLION BY K. RAHEJA CORP PRIVATE LIMITED; (iv) 800,000 EQUITY SHARES AGGREGATING TO ₹ 224.00 MILLION BY PALM SHELTER ESTATE DEVELOPMENT LLP; AND (v) 2,000,824 EQUITY SHARES AGGREGATING TO ₹ 560.23 MILLION BY IVORY PROPERTIES AND HOTELS PRIVATE LIMITED (COLLECTIVELY THE "SELLING SHAREHOLDERS", AND SUCH OFFER FOR SALE, THE "OFFER FOR SALE"). THE OFFER CONSTITUTES 28.59 % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

OFFER PRICE: ₹ 280 PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH
ANCHOR INVESTOR OFFER PRICE: ₹ 280 PER EQUITY SHARE
THE OFFER PRICE IS 28.00 TIMES THE FACE VALUE

Risks to Investors:

I. **The 3 Book Running Lead Managers associated with the Offer have handled 45 public issues in the past three years out of which 12 public issues closed below the issue price on listing date.**

II. **The average cost of acquisition per Equity Share for the Selling Shareholders in the IPO ranges from ₹ 0.00 to ₹ 100.00. The Offer Price at the upper end of the price band is significantly high at ₹ 280 per Equity Share.**

BID/ OFFER PERIOD: OPENED ON: TUESDAY, JANUARY 29, 2019
CLOSED ON : THURSDAY, JANUARY 31, 2019
ANCHOR INVESTOR BIDDING DATE WAS: MONDAY, JANUARY 28, 2019

In terms of Rule 19(2) (b) (iii) of the Securities Contracts (Regulation) Rules, 1957, as amended (the "**SCRR**") read with Regulation 41 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("**SEBI ICDR Regulations**"), this is an Offer for at least 10% of the post-Offer paid-up Equity Share capital of our Company. The Offer has been made through the Book Building Process, in compliance with Regulation 26(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer was available for allocation on a proportionate basis to Qualified Institutional Buyers (the "**QIBs**") (the "**QIB Category**"), of which our Company and the Selling Shareholders in consultation with the BRLMs, allocated 60% of the QIB Category to Anchor Investors, on a discretionary basis (the "**Anchor Investor Portion**"). One-third of the Anchor Investor Portion was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation was made to Anchor Investors (the "**Anchor Investor Allocation Price**"). Post allocation to the Anchor Investors, the QIB Category was reduced by such number of Equity Shares. 5% of the QIB Category (excluding the Anchor Investor Portion) was available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category was available for allocation on a proportionate basis to QIBs (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. Further, not less than 15% of the Offer was available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer was available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All Bidders, other than the Anchor Investors were required to participate in this Offer only through the Application Supported by Blocked Amount ("ASBA") process, providing details of their respective bank accounts in which the Bid amount will be blocked. The Anchor Investors were not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see "Offer Procedure" on page 693 of the Prospectus.

The Offer received 4,997 applications for 83,052,060 Equity Shares (prior to technical rejections) resulting in 1.4169 times subscription. The details of the applications received in the Offer from various categories are as under: (before technical rejections):

Sl. No.	Category	No. of Applications	No. of Equity Shares applied	Shares reserved as per Prospectus	No. of times subscribed	Amount (₹)
A	Retail Individual Bidders	4,844	531,484	20,514,750	0.0259	148,888,660.00
B	Non Institutional Bidders	84	8,862,766	8,792,036	1.0080	2,480,845,730.00
C	Qualifies Institutional Bidders (Excluding Anchors)	42	55,436,039	11,722,714	4.7289	15,522,090,920.00
D	Anchor Investors	27	18,221,771	17,584,071	1.0363	5,102,095,880.00
	Total	**4,997**	**83,052,060**	**58,613,571**	**1.4169**	**23,253,921,190.00**

Final Demand

A summary of the final demand as at different Bid prices is as under:

Sl. No.	Bid Price	Bids Quantity	(%) to Total	Cumulative Total	% Cumulative Total
1	275	166,049	0.26	166,049	0.26
2	276	2,703	0.00	168,752	0.26
3	277	2,491	0.00	171,243	0.26
4	278	4,876	0.01	176,119	0.27
5	279	2,756	0.00	178,875	0.28
6	280	64,260,539	98.98	64,439,414	99.26
7	CUTOFF	482,724	0.74	64,922,138	100.00
	TOTAL	**64,922,138**	**100.00**		

The Basis of Allotment was finalized in consultation with the Designated Stock Exchange, being the NSE on February 5, 2019.

A. Allotment to Retail Individual Bidders (after technical rejections) (including ASBA Applications)

The Basis of Allotment to the Retail Individual Bidders, who have bid at the Cut-Off Price or at the Offer Price of ₹ 280 per Equity Share, was finalized in consultation with the NSE. This category has been subscribed to the extent of 0.02457 times. The total number of Equity Shares Allotted in Retail Portion is 504,083 Equity Shares to 4,497 successful Retail Individual Bidder. The category-wise details of the Basis of Allotment are as under:

Category	No. of Applications Received	% of Total	Total No. of Equity Shares applied	% to Total	No. of Equity Shares allotted per applicant	Ratio	Total No. of Equity Shares allotted
53	3,374	75.03	178,822	35.47	53	1 : 1	178,822
106	489	10.87	51,834	10.28	106	1 : 1	51,834
159	114	2.54	18,126	3.60	159	1 : 1	18,126
212	79	1.76	16,748	3.32	212	1 : 1	16,748
265	45	1.00	11,925	2.37	265	1 : 1	11,925
318	56	1.25	17,808	3.53	318	1 : 1	17,808
371	42	0.93	15,582	3.09	371	1 : 1	15,582
424	12	0.27	5,088	1.01	424	1 : 1	5,088
477	7	0.16	3,339	0.66	477	1 : 1	3,339
530	41	0.91	21,730	4.31	530	1 : 1	21,730
583	4	0.09	2,332	0.46	583	1 : 1	2,332
636	9	0.20	5,724	1.14	636	1 : 1	5,724
689	225	5.00	155,025	30.75	689	1 : 1	155,025
TOTAL	**4,497**	**100.00**	**504,083**	**100.00**			**504,083**

** Unsubscribed portion of 20,010,667 Equity Shares spilled over to QIB Category.*

B. Allotment to Non-Institutional Bidders (After Technical Rejections)

The Basis of Allotment to the Non-Institutional Bidders, who have bid at the Offer Price of ₹ 280 per Equity Share or above, was finalized in consultation with the NSE. The Non-Institutional Portion has been subscribed to the extent of 0.99147 times. The total number of Equity Shares Allotted in this category is 8,717,016 Equity Shares to 80 successful Non-Institutional Bidder. The category-wise details of the Basis of Allotment are as under:

Category	No. of Applications Received	% of Total	Total No. of Equity Shares applied	% to Total	No. of Equity Shares allotted per applicant	Ratio	Total No. of Equity Shares allotted
742	1	1.25	742	0.01	742	1 : 1	742
795	3	3.75	2,385	0.03	795	1 : 1	2,385
848	1	1.25	848	0.01	848	1 : 1	848
901	1	1.25	901	0.01	901	1 : 1	901
954	1	1.25	954	0.01	954	1 : 1	954
1,007	1	1.25	1,007	0.01	1007	1 : 1	1,007
1,749	4	5.00	6,996	0.08	1749	1 : 1	6,996
1,802	4	5.00	7,208	0.08	1802	1 : 1	7,208
1,961	1	1.25	1,961	0.02	1961	1 : 1	1,961
2,385	1	1.25	2,385	0.03	2385	1 : 1	2,385
2,544	1	1.25	2,544	0.03	2544	1 : 1	2,544
3,392	1	1.25	3,392	0.04	3392	1 : 1	3,392
3,551	11	13.75	39,061	0.45	3551	1 : 1	39,061
3,604	2	2.50	7,208	0.08	3604	1 : 1	7,208
4,664	1	1.25	4,664	0.05	4664	1 : 1	4,664
5,035	1	1.25	5,035	0.06	5035	1 : 1	5,035
6,996	1	1.25	6,996	0.08	6996	1 : 1	6,996
7,102	3	3.75	21,306	0.24	7102	1 : 1	21,306
7,950	1	1.25	7,950	0.09	7950	1 : 1	7,950
8,904	4	5.00	35,616	0.41	8904	1 : 1	35,616
9,964	1	1.25	9,964	0.11	9964	1 : 1	9,964
10,017	1	1.25	10,017	0.11	10017	1 : 1	10,017
10,600	2	2.50	21,200	0.24	10600	1 : 1	21,200
13,568	1	1.25	13,568	0.16	13568	1 : 1	13,568
14,310	1	1.25	14,310	0.16	14310	1 : 1	14,310
14,999	1	1.25	14,999	0.17	14999	1 : 1	14,999
17,649	1	1.25	17,649	0.20	17649	1 : 1	17,649
17,808	1	1.25	17,808	0.20	17808	1 : 1	17,808
20,087	1	1.25	20,087	0.23	20087	1 : 1	20,087
35,722	1	1.25	35,722	0.41	35722	1 : 1	35,722
37,100	1	1.25	37,100	0.43	37100	1 : 1	37,100
69,960	1	1.25	69,960	0.80	69960	1 : 1	69,960
71,391	2	2.50	142,782	1.64	71391	1 : 1	142,782
89,305	3	3.75	267,915	3.07	89305	1 : 1	267,915
99,958	1	1.25	99,958	1.15	99958	1 : 1	99,958
107,113	1	1.25	107,113	1.23	107113	1 : 1	107,113
112,466	1	1.25	112,466	1.29	112466	1 : 1	112,466
178,557	2	2.50	357,114	4.10	178557	1 : 1	357,114
178,610	2	2.50	357,220	4.10	178610	1 : 1	357,220
265,000	1	1.25	265,000	3.04	265000	1 : 1	265,000
357,114	3	3.75	1,071,342	12.29	357114	1 : 1	1,071,342
535,671	1	1.25	535,671	6.15	535671	1 : 1	535,671
535,724	1	1.25	535,724	6.15	535724	1 : 1	535,724
566,040	1	1.25	566,040	6.49	566040	1 : 1	566,040
714,281	1	1.25	714,281	8.19	714281	1 : 1	714,281
892,838	1	1.25	892,838	10.24	892838	1 : 1	892,838
1,000,004	1	1.25	1,000,004	11.47	1000004	1 : 1	1,000,004
1,250,005	1	1.25	1,250,005	14.34	1250005	1 : 1	1,250,005
TOTAL	**80**	**100.00**	**8,717,016**	**100.00**			**8,717,016**

** Unsubscribed portion of 75,020 Equity Shares spilled over to QIB Category.*

C. Allotment to QIBs (Excluding Anchor Investors)

Allotment to QIBs, who have Bid at the Offer Price of ₹ 280 per Equity Share or above, has been done on a proportionate basis in consultation with the NSE. This category has been subscribed to the extent of 1.74281 times of QIB Portion. As per the SEBI Regulations, Mutual Funds were Allotted 5% of the Equity Shares of QIB Portion available i.e. 1,590,421 Equity Shares (including spilled over) and other QIBs and unsatisfied demand of Mutual Funds were Allotted the remaining available Equity Shares i.e. 30,217,980 Equity Shares (including spilled over) on a proportionate basis. The total number of Equity Shares Allotted in the QIB Portion is 31,808,401 Equity Shares, which were allotted to 42 successful QIB Bidders. The category-wise details of the Basis of Allotment are as under:

Category	AIF	FIs/Banks	FPI/FII	ICs	MFs	Others	Total
QIB	-	-	14,299,478	1,487,171	15,320,341	701,411	31,808,401

** includes spilled over of 20,085,687 Equity Shares from Retail Category and NIB Category*

D. Allotment to Anchor Investors

The Company and the Selling Shareholders, in consultation with the BRLMs, have allocated 17,584,071 Equity Shares to 21 Anchor Investors (through 27 Applications) at the Anchor Investor Offer Price of ₹ 280 per Equity Share in accordance with the SEBI Regulations. This represents 60% of the QIB Portion.

Category	AIF	FIs/Banks	FPI	ICs	MFs	OTH	Total
Anchor	-	-	9,155,216	1,214,336	7,214,519	-	17,584,071

The Board of our Company on February 05, 2019 has taken on record the Basis of Allotment of Equity Shares approved by the Designated Stock Exchange, being NSE and has allotted the Equity Shares to various successful Bidders. The Allotment Advice-cum-Intimations and/ or notices will be dispatched to the address of the investors as registered with the depositories. Further, the instructions to the Self Certified Syndicate Banks for unblocking of funds, transfer to Public Offer Account have been issued on February 05, 2019 and payment to non-Syndicate brokers have been issued on February 05, 2019. In case the same is not received within ten days, investors may contact the Registrar to the Offer at the address given below. The Equity Shares Allotted to the successful Allottees have been uploaded on February 05, 2019 for credit into the respective beneficiary accounts subject to validation of the account details with the depositories concerned. The Company has filed the Listing application with NSE and BSE on February 06, 2019. The Company has received listing and trading approval from NSE and BSE and the trading will commence on or about February 07, 2019.

All capitalised terms used and not specifically defined herein shall have the same meaning as ascribed to them in the Prospectus.

INVESTORS PLEASE NOTE

The details of the allotment made will be hosted on the website of the Registrar to the Offer, **Karvy Fintech Private Limited** at www.karvyfintech.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, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of submission of Bid cum Application Form, address of the Bidder, number of Equity Shares applied for, the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder. and a copy of the Acknowledgment Slip received from the Designated Intermediary at the address given below:

KARVY FINTECH

Karvy Fintech Private Limited
Karvy Selenium Tower B, Plot 31 & 32, Gachibowli, Financial District,
Nanakramguda, Serilingampally, Hyderabad 500 032, Telangana, India.
Tel: +91 40 6716 2222; **Fax**: +91 40 2343 1551
E-mail: einward.ris@karvy.com, **Investor grievance e-mail**: chalethotels.ipo@karvy.com
Website: www.karvyfintech.com, **Contact person**: M Murali Krishna, **SEBI Registration No.**: INR000000221

For **CHALET HOTELS LIMITED**
On behalf of the Board of Directors
Sd/-
Company Secretary and Compliance Officer

Place: Mumbai
Date: February 06, 2019

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 CHALET HOTELS LIMITED.

CHALET HOTELS LIMITED is proposing, subject to, applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its Equity Shares and has filed the Prospectus with RoC on February 2, 2019. The Prospectus shall be available on the websites of SEBI, BSE and NSE at www.sebi.gov.in, www.bseindia.com and www.nseindia.com, respectively, and is available on the websites of the BRLMs, i.e. www.jmfl.com, www.axiscapital.co.in and www.morganstanley.com/about-us/globaloffices/india, respectively. Potential Investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, see "Risk Factors" beginning on page 18 of the Prospectus. Potential Investors should not rely on the DRHP for any investment decision.

These materials are not for publication or distribution, directly or indirectly, in or into the United States (including its territories and possessions, any state of the United States and the District of Columbia). These materials are not an offer of securities for sale into the United States, Canada or Japan. The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("U.S. Securities Act") or any state securities laws in the United States, and unless so registered 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 U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to "qualified institutional buyers" (as defined in Rule 144A ("Rule 144A") under the U.S. Securities Act), pursuant to the private placement exemption set out in Section 4(a) of the U.S. Securities Act. No public offering of securities is being made in the United States.