

# CHALET HOTELS

## CHALET HOTELS LIMITED

THIS IS A PUBLIC ANNOUNCEMENT FOR INFORMATION PURPOSES ONLY AND IS NOT A PROSPECTUS ANNOUNCEMENT AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE TO SECURITIES. NOT FOR PUBLICATION AND DISTRIBUTION OUTSIDE INDIA.

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 178 of the Red Herring Prospectus dated January 23, 2019 (“**RHP**”).

**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@chalehotels.com, **Website:** www.chalehotels.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**

INITIAL PUBLIC OFFERING OF UP TO [•] 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 ₹ [•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE) (THE “OFFER PRICE”) AGGREGATING UP TO ₹ [•] MILLION (THE “OFFER”) COMPRISING A FRESH ISSUE OF [•] EQUITY SHARES AGGREGATING UP TO ₹ 9,500 MILLION (“FRESH ISSUE”) AND AN OFFER FOR SALE OF UPTO 24,685,000 EQUITY SHARES (THE “OFFERED SHARES”) AGGREGATING TO ₹ [•] MILLION, COMPRISING AN OFFER FOR SALE OF (i) UP TO 5,550,000 EQUITY SHARES AGGREGATING TO ₹ [•] MILLION BY RAVI C. RAHEJA; (ii) UP TO 5,550,000 EQUITY SHARES AGGREGATING TO ₹ [•] MILLION BY NEEL C. RAHEJA; (iii) UP TO 10,784,176 EQUITY SHARES AGGREGATING TO ₹ [•] MILLION BY K. RAHEJA CORP PRIVATE LIMITED; (iv) UP TO 800,000 EQUITY SHARES AGGREGATING TO ₹ [•] MILLION BY PALM SHELTER ESTATE DEVELOPMENT LLP; AND (v) UP TO 2,000,824 EQUITY SHARES AGGREGATING TO ₹ [•] MILLION BY IVORY PROPERTIES AND HOTELS PRIVATE LIMITED (COLLECTIVELY THE “SELLING SHAREHOLDERS”, AND SUCH OFFER FOR SALE, THE “OFFER FOR SALE”). THE OFFER SHALL CONSTITUTE UP TO [•]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

**QIB Category: Not more than 50%**

**Retail Category: Not less than 35%**

**Non institutional investor category: Not less than 15%**

**Price Band: ₹ 275 to ₹ 280 per Equity Share of face value of ₹ 10 each.**

**The Floor Price is 27.50 times the face value and the Cap Price is 28.00 times the Face Value of the Equity Shares.**

**Bids can be made for a minimum of 53 Equity Shares and in multiples of 53 Equity Shares thereafter.**

## ASBA<sup>#</sup>

**Simple, Safe, Smart way of Application!!!**

<sup>\*</sup>Applications Supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account, For further details, check section on ASBA below.

**Mandatory in public issues. No cheque will be accepted.**



<sup>\*</sup>ASBA is a better way of applying to issues by simply blocking the fund in the bank account. For further details check section on ASBA below: “ASBA has to be availed by all the investors except anchor investors. UPI may be availed by Retail individual Investors. For details on the ASBA and UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section “Issue Procedure – Issue Procedure of ASBA Bidders” beginning on page 691 of the Red Herring Prospectus. The process is also available on the website of AI/ and Exchanges in the General Information Document.” ASBA Bid-cum application forms can be downloaded from the websites of Bombay Stock Exchange and National Stock Exchange and can be obtained from the list of banks that is displayed on the website of SEBI at www.sebi.gov.in. List of banks supporting UPI is also available on the website of SEBI at www.sebi.gov.in. ICICI Bank Limited has been appointed as Sponsor Bank for the Offer, in accordance with the requirements of the SEBI Circular dated November 1, 2018. ICICI Bank Limited and HDFC Bank Limited are the Self Certified Syndicate Banks eligible as Sponsor Banks for UPI. For further details kindly refer to the website of SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=41). Andhra Bank Limited and HDFC Bank Limited are the Self Certified Syndicate Banks eligible to act Issuer Banks for UPI. For further details kindly refer to the website of SEBI (https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=40)

### 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.**

#### BASIS FOR THE OFFER PRICE

The Offer Price will be determined by our Company and the Selling Shareholders, in consultation with the BRLMs, on the basis of an assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares is ₹ 10/- each and the Offer Price is 27.50 times of the face value at the lower end of the Price Band and 28.00 times the face value at the higher end of the Price Band. Investors should also refer to “**Our Business**”, “**Risk Factors**”, “**Summary Financial Information**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 152, 18, 258 and 585 of the RHP, respectively, to have an informed view before making an investment decision.

**Qualitative Factors** : Some of the qualitative factors and our strengths which form the basis for the Offer Price are:

1. High-End Branded Hotels Strategically Located in Key Metro Cities of India; 2. Active Asset Management Model; 3. Well Positioned to Benefit from Industry Trends; 4. Experienced Management Team; and 5. Backed by Leading Indian Real Estate Developer. For further details, see “**Our Business**” and “**Risk Factors**” on pages 152 and 18, of the RHP respectively.

**Quantitative Factors** : Some of the information presented below relating to our Company is based on the Restated Consolidated Summary Financial Information and Restated Standalone Summary Financial Information. For details, see “**Summary Financial Information**” on page 258 of the RHP.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

1. **Basic and Diluted Earnings/Loss per Share (“EPS”) (face value of ₹ 10 each), as adjusted for change in capital:**

As per our Restated Standalone Summary Financial Information:

Year/Period ended	Basic & Diluted EPS (₹)	Weight
March 31, 2018	1.35	3
March 31, 2017	8.14	2
March 31, 2016	(7.43)	1
<b>Weighted Average</b>	<b>2.07</b>	
Period ended September 30, 2018 #	(2.43)	

# Not Annualised

Basic earnings per share (₹) = Restated Net profit after tax and adjustments, available for equity shareholders/weighted average number of equity shares outstanding during the year  
Diluted earnings per share (₹) = Restated Net profit for the year /weighted average number of diluted potential equity shares outstanding during the year

*Note: Basic and diluted earnings per Equity Share are computed in accordance with Indian Accounting Standard 33 ‘Earnings per Share’, notified accounting standard by the Companies (Indian Accounting Standards) Rules of 2015 (as amended). The above statement should be read with significant accounting policies and notes on Restated Summary Financial Information as appearing in the Summary Financial Information.*

*The above statement should be read with significant accounting policies and notes on Restated Summary Financial Information as appearing in the Summary Financial Information.*

*Basic EPS (₹) is net profit attributable to equity shareholders divided by weighted average number of Equity Shares outstanding during the year / period.*

*Diluted EPS (₹) is net profit attributable to equity shareholders divided by weighted average number of Equity Shares outstanding during the year / period as adjusted for the effects of all potential dilutive shares.*

2. **Price / Earning Ratio (P/E) in relation to the Offer Price of ₹ [•] per Equity Share of the face value of ₹ 10 each**

Particulars	Standalone (no. of times)	Consolidated (no. of times)
P/E ratio based on Basic and Diluted EPS for the Fiscal ended March 31, 2018 at the Floor Price:	203.70	151.10
P/E ratio based on Basic and Diluted EPS for the Fiscal ended March 31, 2018 at the Cap Price:	207.41	153.85

**Industry P/E ratio** : Based on the peer group information (excluding our Company) given below in this section, the highest P/E ratio is 381.39, the lowest P/E ratio is 59.87, the average P/E ratio is 199.05.

*Note - The highest and lowest Industry P/E shown above is based on the peer set provided below under “Comparison with listed industry peers”. The industry average has been calculated as the arithmetic average P/E of the peer set provided below. For further details, see “Comparison with listed industry peers” hereunder.*

3. **Return on Net Worth (RoNW)**

Return on net worth as per the Restated Standalone Summary Financial Information:

Period/Year ended	RoNW (%)	Weight
March 31, 2018	4.43	3
March 31, 2017	26.02	2
March 31, 2016	(20.66)	1
<b>Weighted Average</b>	<b>7.44</b>	
Period ended September 30, 2018 #	(8.49)	

# Not Annualised

Return on net worth as per the Restated Consolidated Summary Financial Information:

Period/Year ended	RoNW (%)	Weight
March 31, 2018	6.20	3
March 31, 2017	27.05	2
March 31, 2016	(21.58)	1
<b>Weighted Average</b>	<b>8.52</b>	
Period ended September 30, 2018 #	(0.09)	

# Not Annualised

RoNW (%) =  $\frac{\text{Restated Net profit/(loss) after tax and adjustments, as restated available for equity shareholders}}{\text{Restated Net worth at the end of the year}}$

*Return on net worth (%) is net profit attributable to equity shareholders divided by net worth excluding preference share capital (at the end of the year). Net Worth = Equity Share Capital + Reserves & Surplus (included General Reserves, Surplus in Profit & Loss Account and Share Premium.*

4. **Minimum Return on Total Net Worth after Offer needed to maintain pre-Offer EPS as at March 31, 2018**

a) For Basic EPS

Particulars	Standalone (%)	Consolidated (%)
At the Floor Price	1.88%	2.58%
At the Cap Price	1.88%	2.57%

b) For Diluted EPS

Particulars	Standalone (%)	Consolidated (%)
At the Floor Price	1.88%	2.58%
At the Cap Price	1.88%	2.57%

5. **Net Asset Value (NAV) per Equity Share (face value of ₹ 10 each)**

NAV	Standalone (₹)	Consolidated (₹)
As on September 30, 2018	28.67	27.32
As on March 31, 2018	30.59	29.36
At the Floor Price	70.05	68.93
At the Cap Price	70.26	69.14
At the Offer Price	[•]	[•]

Net asset value per Equity Share = Restated Net worth at the end of the year / Weighted average number of Equity Shares outstanding during the year.

6. **Comparison with listed industry peers**

Following is the comparison with our peer group companies listed in India:

Name of the company	Total Revenue (₹ in million)	Face Value per Equity Share (₹)	P/E	EPS (Basic) (₹)	Return on Net Worth (%)#	Net Asset Value/ Share (₹)#
Company*	9,295.14	10	[•]	1.82	6.20	29.36
<b>Peer Group</b>						
The Indian Hotels Company Limited	41,652.80	1	155.88	0.91	2.09	41.69
ElIH Limited	17,048.30	2	59.87	3.14	6.63	51.66
Lemon Tree Hotels Limited	4,920.68	10	381.39	0.18	1.17	15.81

\*Based on the Restated Consolidated Summary Financial Information (as at March 31, 2018)

Notes:

1. Source for industry peers: Audited Financials for the year ended March 31, 2018 filed with the Stock Exchanges

2. P/E ratio is calculated at the closing share price (January 8, 2019, NSE)

# Net worth includes minority or non-controlling interests. Number of shares for industry peers refer to outstanding Equity Shares at the end of the year

The Offer Price is [•] times of the face value of Equity Shares

The Offer Price will be determined by our Company and the Selling Shareholders, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters. Our Company, the Selling Shareholders and the BRLMs believe that the Offer Price of ₹ [•] is justified in view of the above parameters. Investors should read the above mentioned information along with the sections “Risk Factors” and “Summary Financial Information” on pages 18 and 258 of the RHP, respectively, to have a more informed view.

The trading price of the Equity Shares could decline due to the factors mentioned in the section titled “**Risk Factors**” on pages 18 of the RHP and any other factors that may arise in the future and you may lose all or part of your investments.

**FOR FURTHER DETAILS, SEE “BASIS FOR OFFER PRICE” BEGINNING ON PAGE 126 OF THE RHP.**

## BID/OFFER PERIOD

# OPENS ON: TUESDAY JANUARY 29, 2019 \* | CLOSES ON: THURSDAY, JANUARY 31, 2019 \*\*

**\* Our Company and the Selling Shareholders, in consultation with the BRLMs, may consider participation by Anchor Investors, in accordance with the SEBI ICDR Regulations. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date, i.e. Monday, January 28, 2019**

**\*\* Our Company and the Selling Shareholders, in consultation with the BRLMs, may decide to close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date, in accordance with the SEBI ICDR Regulations.**

In case of a revision in the Price Band, the Bid/Offer Period will be extended for at least three additional Working Days after revision of the Price Band subject to the Bid/Offer Period not exceeding a total of 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate and by intimation to Self-Certified Syndicate Banks (“**SCSBs**”), the Sponsor Bank, the Registered Brokers, Collecting Registrar and Share Transfer Agents (“**CRTAs**”) and Collecting Depository Participants (“**CDPs**”).

In terms of Rule 19(2) (b) (ii) of the Securities Contracts (Regulation) Rules, 1957, as amended (the “**SCRR**”) read with Regulation 31 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended (collectively “**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 is being made through the Book Building Process, in compliance with Regulation 6 & 7 of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be allotted on a proportionate basis to Qualified Institutional Buyers (the “**QIBs**”) (the “**QIB Category**”), provided that our Company and the Selling Shareholders in consultation with the BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors, on a discretionary basis (the “**Anchor Investor Portion**”). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors (the “**Anchor Investor Allocation Price**”). Post allocation to the Anchor Investors, the QIB Category will be reduced by such number of Equity Shares. 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be 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 shall be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Offer will be 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 potential Bidders, other than the Anchor Investors are mandatorily 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 are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see “**Offer Procedure**” beginning on 691 of the RHP.

Bidders/Applicants should note that on the basis of the PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorised the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for unblocking of ASBA Account or for other correspondence(s) related to the Issue. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants’ sole risk.

**Contents of the Memorandum of Association of the Company as regards its objects:** For information on the main objects of the Company, please see the section entitled “**History and Certain Corporate Matters**” on page 178 of the RHP and Clause III (A) 1 of the Memorandum of Association of the Company. The Memorandum of Association of the Company is a material document for inspection in relation to the Issue. For further details, please see the section entitled “**Material Contracts and Documents for Inspection**” on page 756 of the RHP.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER
<b>JM Financial Limited</b> 7 <sup>th</sup> Floor, Chenergy, Appasaheb Marathe Marg, Prabhadevi Mumbai 400 025, Maharashtra, India <b>Tel:</b> +91 22 6630 3030; <b>Fax:</b> +91 22 6630 3330 <b>Email:</b> chalet ipo@jmfi.com <b>Investor grievance email:</b> grievance.ibd@jmfi.com <b>Website:</b> www.jmfi.com <b>Contact Person:</b> Prachee Dhuri <b>SEBI Registration No.:</b> INM000010361	<b>Axis Capital Limited</b> 1 <sup>st</sup> Floor, Axis House, C 2 Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai 400 025, Maharashtra, India <b>Tel:</b> +91 22 4325 2183; <b>Fax:</b> +91 22 4325 3000 <b>E-mail:</b> chalet.ipo@axiscap.in <b>Investor grievance e-mail:</b> complaints@axiscap.in <b>Website:</b> www.axiscapital.co.in <b>Contact Person:</b> Mangesh Ghogale/ Mayuri Arya <b>SEBI Registration No.:</b> INM000012029	<b>Morgan Stanley India Company Private Limited</b> 18F, Tower 2, One Indiabulls Centre, 841, Senapati Bapat Marg Mumbai 400 013, Maharashtra, India <b>Tel:</b> +91 22 6118 1000; <b>Fax:</b> +91 22 6118 1040 <b>Email:</b> chalet_ipo_2018@morganstanley.com <b>Investor grievance email:</b> investors_india@morganstanley.com <b>Website:</b> www.morganstanley.com/about-us/globaloffices/india <b>Contact Person:</b> Anirudh Premkumar <b>SEBI Registration. No.:</b> INM000011203	<b>Karvy Fintech Private Limited</b> 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 <b>E-mail:</b> einward.ris@karvy.com <b>Investor grievance e-mail:</b> chalet-hotels.ipo@karvy.com <b>Website:</b> www.karvyfintech.com <b>Contact person:</b> M Murali Krishna <b>SEBI Registration No.:</b> INR000000221

**AVAILABILITY OF THE RHP:** Investors are advised to refer to the RHP and the Risk Factors, contained therein before applying in the Issue. Full copy of the RHP is available on website of SEBI at www.sebi.gov.in, website of the BRLM, i.e. at www.jmfi.com, www.axiscapital.co.in and www.morganstanley.com/about-us/globaloffices/india and on the websites of BSE and NSE at www.bseindia.com and www.nseindia.com, respectively.

**AVAILABILITY OF BID CUM APPLICATION FORMS:** Bid cum Application Forms can be obtained from the Registered Office of **Chalet Hotels Limited, Tel:** +91 22 – 26564000 **Facsimile:** +91 22 – 26565451; **BRLMs** : **JM Financial Limited, Tel:** (91 22) 6630 3030; **Fax:** (91 22) 6630 3330; **Axis Capital Limited, Tel:** +91 22 4325 2183; **Fax:** +91 22 4325 3000 and **Morgan Stanley India Company Private Limited, Tel:** +91 22 6118 1000; **Fax:** +91 22 6118 1040 & **Syndicate Member:** **JM Financial Services Limited, Tel:** +91 22 6136 3400 at the select locations of the Sub-syndicate Members (as given below), SCSBs, Registered Brokers, RTAs and CDPs participating in the Offer. ASBA Forms will also be available on the websites of BSE and NSE and the Designated Branches of SCSBs, the list of which is available at websites of the Stock Exchanges and SEBI.

**Sub-Syndicate Members:** Achivers Equities Limited, Aicon Global Services Limited, Almondz Global Securities Limited, Amit Jasani Financial Services Pvt Limited, Amrapali Capital & Finance Services Limited, Anand Rath Share & Stock Brokers Limited, Anand Share Consultancy, Anil Dhulia, ANS Pvt Limited, Ashika Share & Stock Brokers Ltd, Ashika Stock Broking Limited, Ashwani Dandia & Co, Axis Securities Limited, Centillion Capital (P) Limited, Centrum Capital Ltd, Dalal & Broacha Stock Broking Pvt Limited, Edelweiss Broking Ltd, Eureka Stock & Share Broking Services Limited, G Raj & Co. (Consultants) Limited, HDFC Securities Ltd, ICICI Securities Limited, IDBI Capital Markets & Securities Ltd, IIFL Securities Limited, India Infoline Ltd, Indiabull Ventures Limited, Jhaveri Securities Limited, JM Financial Services Limited, Jobanputra Fiscal Services P. Ltd, Kalpataru Multiplier Limited, Kamlesh D Joshi, Karvy Stock Broking Limited, KJMC Capital Market Services Limited, Kotak Securities Limited, Lakshmiashree Investment & Securities Pvt Limited, LKP Securities Limited, Marwadi Shares & Finance, Motilal Oswal Securities Limited, Mukesh D Joshi, Ohm Securities, Patel Wealth Advisors Pvt Limited, Prabhudas Lalladhar Pvt Limited, Pravin Ratilal Share & Stock Brokers Limited, SBICAP Securities Ltd, Sharekhan Limited, SMC Global Securities Limited, SPA Securities Limited, Tanna Financial Services, Tradebulls Securities (P) Limited, Viren M Shah, VSE Stock Services Limited and Way2wealth Brokers Pvt Limited.

**Escrow Bank and Refund Bank:** Axis Bank Limited

**Public Issue Account Bank and Sponsor Bank** : ICICI Bank Limited

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

Place: Mumbai

Date: January 24, 2019

**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 RHP with RoC on January 23, 2019 .The RHP 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.jmfi.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 RHP. 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.