



SUBA HOTELS LIMITED



(Please scan this QR code to view the Red Herring Prospectus)

Our Company was incorporated on October 23, 1997, under the Companies Act, 1956 with the corporate name "Trupti Supercaterers and Hotels Private Limited" on with a certificate of incorporation granted by the Registrar of Companies, Mumbai ("RoC Mumbai"). On May 21, 2008, the corporate name of our company was changed to "Trupti Caters and Hotels Private Limited" pursuant to a fresh certificate of incorporation granted by RoC Mumbai. On October 8, 2014, the name of our company was subsequently changed to "Hotel Suba Star Private Limited" pursuant to a fresh incorporation granted by RoC Mumbai and then on October 11, 2023, was further changed to "Suba Hotels Private Limited". On conversion of our Company to a public limited company and pursuant to a resolution passed by our shareholders on October 30, 2023, the corporate name of our company was changed to "Suba Hotels Limited" and we obtained a fresh certificate of incorporation from the Registrar of Companies, Gujarat, Dadra & Nagar Haveli at Ahmedabad ("RoC") on November 17, 2023. The corporate identification number of our Company is U99999GJ1997PLC120713. For details in relation to the change in Registered Office of our Company, please refer to the chapter titled, "History and Certain Corporate Matters" on page 182.

Registered Office: Hotel Suba Star, Judges Bungalow Road, Near Akash Tower Bodakdev Ahmedabad- 380 015, Gujarat, India

Contact Person: Sonam Aggarwal, Company Secretary and Compliance Officer

Tel: +91-2266820707; E-mail: compliance@subahotels.com Website: www.subahotels.com, Corporate Identity Number: U99999GJ1997PLC120713

OUR PROMOTERS: CLICK HOTELS PRIVATE LIMITED, MANSUR MEHTA AND MUBEEN MEHTA

THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER IX OF THE SEBI ICDR REGULATIONS (IPO OF SMALL AND MEDIUM ENTERPRISES) AND THE EQUITY SHARES ARE PROPOSED TO BE LISTED ON SME PLATFORM OF NSE (EMERGE PLATFORM OF NSE OR NSE)

THE ISSUE

INITIAL PUBLIC ISSUE OF UPTO 67,99,200 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (THE "EQUITY SHARES") OF SUBA HOTELS LIMITED ("SUBA" OR THE "COMPANY" OR THE "ISSUER") AT AN ISSUE PRICE OF ₹ [•]/- PER EQUITY SHARE (INCLUDING SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE) FOR CASH, AGGREGATING TO ₹ [•] LAKHS ("PUBLIC ISSUE") OUT OF WHICH 3,40,800 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [•]/- PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [•] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE, LESS MARKET MAKER RESERVATION PORTION I.E., ISSUE OF 64,58,000 EQUITY SHARES FACE VALUE OF ₹ 10/- EACH, AT AN ISSUE PRICE OF ₹ [•]/- PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [•] LAKHS IS HEREIN AFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND THE NET ISSUE WILL CONSTITUTE 28.05% AND 26.64% RESPECTIVELY OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

Our Company: We are one of India's largest domestic hotel chains in the mid-market sector with 88 operational hotels as of July 2025, comprising 4,096 keys across over 50 cities, around 81% of which are located in emerging markets in tier 2 and 3 cities. The hotel chain also boasts a portfolio of 40 hotels in the pre-opening phase, encompassing 1,831 rooms. (Source: JLL Report). We operate in the mid-market hotel sector, consisting of upscale, upper-midscale, midscale, and economy brands domestic as well as international. We primarily cater to guests across business, leisure, and religious tourism, delivering superior service standards at attractive price points. Our hotel portfolio encompasses a diverse range of business models, including owned, managed, revenue share & lease, and franchised properties. We currently categorize our hotel portfolio into four distinct hotels categories based on business models that includes owned, managed, revenue share & lease and franchised hotels

The Issue is being made in accordance with regulation 229(2) of the SEBI ICDR regulations

QIB CATEGORY: NOT MORE THAN 50% OF THE NET ISSUE

NON-INSTITUTIONAL INVESTOR CATEGORY: NOT LESS THAN 15% OF THE NET ISSUE

RETAIL CATEGORY: NOT LESS THAN 35% OF THE NET ISSUE MARKET MAKER PORTION: UPTO 3,40,800 EQUITY SHARES OR 5.04% OF THE ISSUE.

PRICE BAND: ₹ 105 TO ₹ 111 PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH.

THE FLOOR PRICE 10.50 TIMES OF THE FACE VALUE AND THE CAP PRICE IS 11.10 TIMES OF THE FACE VALUE.

BIDS CAN BE MADE FOR A MINIMUM OF 2400 EQUITY SHARES AND IN MULTIPLES OF 1200 EQUITY SHARES THEREAFTER.

BID/ISSUE PROGRAMME

ANCHOR INVESTOR BIDDING DATE ON : FRIDAY, SEPTEMBER 26, 2025

BID/ISSUE OPENS ON: MONDAY, SEPTEMBER 29, 2025

BID/ISSUE CLOSES ON: WEDNESDAY, OCTOBER 01, 2025* ^

*Our Company in consultation with the BRLM, may decide to close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date, in accordance with the SEBI ICDR Regulations.

^UPI Mandate end time and date shall be at 5:00 pm, on bid/issue closing date.

RISKS TO INVESTORS:

BASIS FOR ISSUE PRICE

The Price Band and the Issue Price will be determined by our Company in consultation with the BRLM, and on the basis of assessment of market demand for the Equity Shares Issued through the Building Process and the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Floor Price is 10.50 times the face value and the Cap Price is 11.10 times the face value.

Investors should refer to "Risk Factors", "Our Business", "Financial Statements" and "Management Discussion and Analysis of Financial Position and Results of Operations" on pages 34, 148, 211 and 245, respectively, to have an informed view before making an investment decision.

Qualitative factors

Some of the qualitative factors which form the basis for computing the Issue Price are

• One of India's leading domestic hotel chains in the mid-scale sector with a differentiated business model.

• Ability to acquire non- /underperforming hotels and demonstrated track record to re-rate hotel's performance through renovation and / or rebranding

• Experienced promoters and management team

For further details, see "Risk Factors" and "Our Business" on pages 34 and 148, respectively.

Quantitative factor

The information presented in this section is derived from our Restated Consolidated Financial Statements. For details, see "Financial Statements" on page 211. Investors should evaluate our Company and their decisions taking into consideration its earnings and based on its growth strategy. Some of the quantitative factors which may form the basis for computing the Issue price are as follows:

I. Basic and diluted earnings per share ("EPS")

Year ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Fiscal 2025	8.69	8.69	3
Fiscal 2024	5.14	5.14	2
Fiscal 2023	1.60	1.60	1
Weighted Average	6.32	6.32	

Notes:

a) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights, i.e. (EPS x weight) for each year divided by the total of weights.

b) Basic and diluted EPS are based on the Restated Consolidated Financial Information.

c) The face value of each Equity Share is ₹ 10.

d) Earnings per Share (₹) = Profit after tax excluding exceptional items attributable to equity shareholders for the year/period divided by the weighted average no. of equity shares. The weighted average number of Equity Shares outstanding during the year.

e) Basic EPS and diluted EPS calculations are in accordance with Accounting Standard 20 Earnings per Share.

f) The above statement should be read with significant accounting policies and the notes to the Restated Consolidated Financial Information.

ii. Price/Earning ("P/E") ratio in relation to Price Band of ₹ 105 to ₹ 111 per Equity Share:

Particulars	P/E at the Floor Price (number of times)	P/E at the Cap Price (number of times)
P/E ratio based on Basic EPS as at March 31, 2025	12.08	12.77
P/E ratio based on Diluted EPS as at March 31, 2025	12.08	12.77

Industry Peer Group P/E ratio

Particulars	P/E ratio
Industry	
Highest	247.58
Lowest	29.81
Average	138.70

Notes:

P/E ratio has been computed based on the closing market price of equity shares on BSE as on September 16, 2025, divided by the diluted EPS for the year ended March 31, 2025.

III. Return on Net Worth ("RoNW")

Derived from the Restated Financial Statements:

Year ended	RoNW (%)	Weight
Fiscal 2025	31.82%	3
Fiscal 2024	27.71%	2
Fiscal 2023	11.86%	1
Weighted Average	27.13%	

Notes:

a) RoNW = Net Profit after tax, as restated divided by Net-worth, as restated (Net worth include share capital and reserves and surplus)

b) The figures disclosed above are based on the Restated Consolidated Financial Statements of our Company.

IV. Net asset value per Equity Share (face value of ₹ 10 each)

Net Asset Value per Equity Share derived from the Restated Financial Statements

Financial Year	Net Asset Value per Equity Share as of March 31, 2025
Net Asset Value per Equity Share as of March 31, 2025	27.29
After Completion of the Issue	
- At the Floor Price	49.09
- At the Cap Price	50.77
Issue Price	[•]

Notes:

a) Net asset value per equity share is calculated as net worth as of the end of relevant year divided by the weighted average number of equity shares outstanding at the end of the year. Net worth represents the aggregate value of equity share capital, instruments entirely equity in nature and other equity and are based on Restated Consolidated Financial Information.

V. Comparison with listed industry peer:

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

Name Of the Company	Face value (₹)	Closing Price as on September 16, 2025	Revenue from operations (₹ in lakhs) ⁽ⁱ⁾	Basic EPS (₹)	Diluted EPS (₹)	P/E (based on Diluted EPS)	Return on net worth (%)	NAV per Equity Share (₹)
Suba Hotels Limited	10	[•]*	7,924.32	8.69	8.69	[•]	31.82%	27.29
Peer Group								
Royal Orchids Hotels Limited	10	516.30	31,947.02	17.32	17.32	29.81	20.58%	84.16
Sayaji Hotels Limited	10	293.30	13,827.62	1.18	1.18	247.58	1.30%	91.06

Investors should read the above mentioned information along with "Risk Factors", "Our Business", "Management Discussion and Analysis of Financial Position and Results of Operations" and "Financial Information" on pages 34, 148, 245 and 276 respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "Risk Factors" and you may lose all or part of your investment.

1. Key financial and operational performance indicators ("KPIs")

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals. Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations.

(A) Promoter

Name Of the Company	Face value (₹)	Closing Price as on September 16, 2025	Revenue from operations (₹ in lakhs)⁽ⁱ⁾	Basic EPS (₹)	Diluted EPS (₹)	P/E (based on Diluted EPS)	Return on net worth (%)	NAV per Equity Share (₹)
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Sr. No.	Metric	As of and for the Fiscal		
		2025	2024	2023
1	Revenue From operations (₹ in Lakhs)	7,924.32	5,227.65	3,503.30
2	Total Income (₹ in Lakhs)	7,998.49	5,299.61	3,519.86
3	EBITDA (₹ in Lakhs)	2,327.12	1,387.18	874.69
4	EBITDA Margin (%)	29.09%	26.18%	24.85%
5	Profit After Tax (₹ in Lakhs)	1,515.14	895.87	278.32
6	PAT Margin (%)	18.94%	16.90%	7.91%
7	Return on Equity (ROE) (%)	31.82%	27.71%	11.86%
8	Return on Capital Employed (ROCE) (%)	35.55%	26.80%	22.37%
9	Debt to Equity Ratio	1.06	1.41	1.96
10	Current Ratio	0.70	0.55	0.39

Notes:
a) As certified by M/s. Shah and Taparia, Chartered Accountants pursuant to their certificate dated September 19, 2025 The Audit committee in its resolution dated September 05, 2025 has confirmed that the Company has not disclosed any KPIs to any investors at any point of time during the three years preceding the date of this Red Herring Prospectus other than as disclosed in this section.
b) Revenue from Operations means the Revenue from Operations as appearing in the Restated Consolidated Financial Statements.
c) EBITDA refers to earnings before interest expense, taxes, depreciation, amortization.
d) EBITDA Margin refers to EBITDA during a given period as a percentage of Total Income during that period.
e) PAT Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by Total Income.
f) Return on Equity (RoE) equal to profit for the year divided by the total equity and is expressed as a percentage.
g) ROCE (Return on Capital Employed) (%) is calculated as EBIT divided by capital employed. Capital employed is calculated as Total Equity plus long term Debt.
h) Debt to Equity ratio is calculated by dividing the total debt by total equity.
i) Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.

See "Management Discussion and Analysis of Financial Position and Results of Operations" on page 245 for the reconciliation and the manner of calculation of our key financial performance indicators. For further information in relation to historical use of such KPIs by our Company to monitor the operational and/or financial performance of our Company, "Our Business" on pages 148.

Comparison of financial KPIs and Operational KPIs of our Company and our listed peer.

Metric	Suba Hotels Limited			Royal Orchids Hotels Limited		
	As of and for the Fiscal 2025	As of and for the Fiscal 2024	As of and for the Fiscal 2023	As of and for the Fiscal 2025	As of and for the Fiscal 2024	As of and for the Fiscal 2023
Revenue From operations (₹ in Lakhs)	7,924.32	5,227.65	3,503.30	31,947.02	29,361.05	26,354.88
Total revenue (₹ in lakhs)	7,998.49	5,299.61	3,519.86	34,317.69	31,269.92	27,968.76
EBITDA (₹ in lakhs)	2,327.12	1,387.18	874.69	10,114.80	9,861.95	10,031.04
EBITDA Margin (%)	29.09%	26.18%	24.85%	29.47%	31.54%	35.87%
Profit after tax (₹ in lakhs)	1,515.14	895.87	278.32	4,749.69	5,082.35	4,922.31
PAT Margin (%)	18.94%	16.90%	7.91%	13.84%	16.25%	17.60%
Return on Equity (ROE) (%)	31.82%	27.71%	11.86%	20.58%	26.65%	28.46%
Return on Capital Employed (ROCE) (%)	35.55%	26.80%	22.37%	18.42%	21.53%	25.05%
Debt to Equity Ratio	1.06	1.41	1.96	0.43	0.35	0.44
Current Ratio	0.70	0.55	0.39	1.22	1.14	1.45

Metric	Suba Hotels Limited			Sayaji Hotels Limited		
	As of and for the Fiscal 2025	As of and for the Fiscal 2024	As of and for the Fiscal 2023	As of and for the Fiscal 2025	As of and for the Fiscal 2024	As of and for the Fiscal 2023
Revenue From operations (₹ in Lakhs)	7,924.32	5,227.65	3,503.30	13,827.62	11,176.32	11,498.21
Total revenue (₹ in lakhs)	7,998.49	5,299.61	3,519.86	14,167.35	11,662.40	11,813.89
EBITDA (₹ in lakhs)	2,327.12	1,387.18	874.69	3,072.35	3,803.28	7,395.40
EBITDA Margin (%)	29.09%	26.18%	24.85%	21.69%	32.61%	62.60%
Profit after tax (₹ in lakhs)	1,515.14	895.87	278.32	207.53	1,433.66	3,509.49
PAT Margin (%)	18.94%	16.90%	7.91%	1.46%	12.29%	29.71%
Return on Equity (ROE) (%)	31.82%	27.71%	11.86%	1.30%	9.04%	14.10%
Return on Capital Employed (ROCE) (%)	35.55%	26.80%	22.37%	5.36%	12.84%	19.29%
Debt to Equity Ratio	1.06	1.41	1.96	0.20	0.00	0.09
Current Ratio	0.70	0.55	0.39	0.85	1.94	1.37

Notes:
a) Revenue from Operations means the Revenue from Operations as appearing in the Restated Consolidated Financial Statements.
b) EBITDA refers to earnings before interest expense, taxes, depreciation, amortization.
c) EBITDA Margin refers to operating EBITDA during a given period as a percentage of Total Income during that period.
d) PAT Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by Total Income.
e) Return on equity (RoE) is equal to profit for the year divided by the total equity and is expressed as a percentage.
f) ROCE (Return on Capital Employed) (%) is calculated as EBIT divided by capital employed. Capital employed is calculated as Total Equity plus long term Debt.
g) Debt to Equity ratio is calculated by dividing the total debt by total equity.
h) Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.

2. Weighted average cost of acquisition ("WACA"), floor price and cap price

(a) The price per share of our Company based on the primary/ new issue of shares (equity / convertible securities)

There has been no primary/ new issue of Equity Shares or convertible securities, excluding shares issued under ESOP/ESOS and issuance of bonus shares, during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

(b) The price per share of our Company based on secondary sale/ acquisitions of shares (equity / convertible securities)

There have been no secondary sale/ acquisitions of Equity Shares or any convertible securities, where our Promoters, members of our Promoter Group or Shareholder(s) having the right to nominate director(s) in the Board of Directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of this RHP, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days

(c) Since there are no such transactions to report to under (a) and (b) therefore, information based on last five primary or secondary transactions (secondary transactions where our Promoters/ members of our Promoter Group or Shareholder(s) having the right to nominate director(s) in the Board of our Company, are a party to the transaction), during the three years prior to the date of this Red Herring Prospectus irrespective of the size of the transaction, is as below

Primary Transactions

Date of allotment	No. of equity shares allotted	Face value per equity share (₹)	Issue price per equity share (₹)	Nature of allotment	Nature of consideration	Total Consideration (in ₹ lakhs)
June 28, 2024	1,26,86,048	10	-	Bonus issue in the ratio of 8 (eight) bonus shares for every 3 (one) existing Equity Share.	Other than cash	-
October 30, 2023	25,28,767	10	10	Allotment pursuant to scheme of Arrangement.	Other than cash	252.88
Weighted average cost of acquisition (WACA)						1.66

Secondary Transactions

Date of Transfer	Name of Transferor	Name of Transferee	No. of Securities	Face value of Securities	Price of securities (₹)	Nature of transaction	Nature of consideration	Total Consideration (in ₹ lakhs)
November 06, 2023	Hamirbanu Abubaker	Mubeen Mehta	179	10	NA	Gift	Other than cash	-
October 27, 2023	Mansur Mehta	Hajra Mehta	1	10	NA	Gift	Other than cash	-
October 27, 2023	Mansur Mehta	Rahima Mansur Mehta	1	10	NA	Gift	Other than cash	-

Weighted average cost of acquisition (WACA)

Floor price and cap price being [*] times the weighted average cost of acquisition (WACA) based on primary/ secondary transaction(s) as disclosed in terms of clause (a) and (b), shall be disclosed in the following manner:

Past Transactions	Weighted average cost of acquisition	Floor Price	Cap Price
	(₹)	₹ 105	₹ 110
WACA of Equity Shares that were issued by our Company	N.A.	N.A.	N.A.
WACA of Equity Shares that were acquired or sold by way of secondary transactions	N.A.	N.A.	N.A.

Since there were no primary or secondary transactions of equity shares of our Company during the 18 months preceding the date of filing of this Red Herring Prospectus, the information has been disclosed for price per share of our Company based on the last five primary or secondary transactions where our Promoters/members of our Promoter Group or Shareholder(s) having the right to nominate director(s) on the Board of our Company, are a party to the transaction, during the three years prior to the date of filing of this Red Herring Prospectus irrespective of the size of the transaction, is as below:

a) Based on primary issuances 1.66
b) Based on secondary transactions Nil

VI. Justification for Basis of Issue Price.

Explanation for Issue Price / Cap Price being [*] price of weighted average cost of acquisition of primary issuance price / secondary transaction price of Equity Shares (set out in [*] above) along with our Company's key performance indicators for the Fiscals 2025, 2024 and 2023

- One of India's leading domestic hotel chains in the mid-scale sector with a differentiated business model
- Wide geographical coverage
- Established distribution network
- Ability to acquire non/ underperforming hotels and demonstrated track record to re-rate hotel's performance through renovation and/ or rebranding
- Experienced promoters and management team

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY AS REGARDS ITS OBJECTS: For information on the main objects and other objects of our Company, see "History and Certain Corporate Matters" on page 182 of the RHP. The Memorandum of Association of our Company is a material document for inspection in relation to the issue. For further details, see the section "Material Contracts and Documents for Inspection" on page 335 of the RHP.

LIABILITY OF MEMBERS OF THE COMPANY: Limited by shares.

AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE: The authorized share capital of the Company is ₹ 40,00,00,000 divided into 4,00,00,000 Equity Shares of ₹ 10 each. The issued, subscribed, and paid-up share capital of the Company before the issue is ₹ 17,44,33,160 divided into 1,74,43,316 Equity Shares of ₹ 10 each. For details of the Capital Structure, see chapter titled "Capital Structure" beginning on page 9