

News monitored for: Lemon Tree Hotels

## Warburg to part-exit LemonTree via IPO

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**Mumbai:** Global private equity major Warburg Pincus will be divesting its 50% shareholding or 94,500,053 shares in LemonTree Hotels that is launching an initial public offering (IPO) of over Rs 1,000 crore next week.

The PE firm, via its arm Maplewood Investment, had bought a little over 24% stake in the homegrown mid-market hospitality chain in 2006 for Rs 210 crore.

According to Patanjali G Keswani, chairman and managing director, Lemon-



Patanjali G Keswani

Tree Hotels, the promoters are not selling any of stake in the company.

"There is no primary component in this public offer," he said.

The promoter entities

hold a little over 31% stake in the hotel company and the balance is held by PE and non-promoter shareholders.

Another PE investor, APG, with 15.10% stake will also continue to stay invested in the hospitality company.

Among non-promoter shareholders making partial exits through this IPO are RJ Corp which has 25,320,584 shares, Ravi Kant Jaiuria & Sons (Hindu Undivided Family) - 13,999,416 shares, Whispering resorts - 6,986,180 shares, Swift Builders Ltd - 883,440 shares, Five Star Hospitality Investments Ltd - 23,649,816 shares, Palms In-

ternational Investments Ltd - 19,159,911 shares, Satish Chander Kohli - 480,000 shares and Raj Pal Ganshi - 500,000 shares.

The public offer of 18.5 crore (185,479,400) equity shares will constitute up to 23.59% of the company's post-offer paid-up equity share capital.

The issue will open for subscription on March 26 and close on March 28.

The price band for this IPO is between Rs 54 to 56 per share. LemonTree will raise a little over Rs 1,038 crore at the higher end of the price band.