

May 06, 2025

## Ascent Hotels Private Limited: Placed on Ratings Watch with Developing Implications

### Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action
Long term fund-based – Term loan	227.00	227.00	[ICRA]A-; Placed on rating watch with developing implication
Short term fund-based – Overdraft	15.00	15.00	[ICRA]A2+; Placed on rating watch with developing implication
<b>Total</b>	<b>242.00</b>	<b>242.00</b>	

\*Instrument details are provided in Annexure I

### Rationale

ICRA has taken a consolidated view of SAMHI Hotels Limited (SHL), its subsidiaries and step-down subsidiaries, while assigning the ratings, given the common management team and significant operational and financial linkages among the entities.

Vide BSE release dated April 24, 2025, SAMHI Hotels Limited (SHL/the company) has announced that its board of directors approved the transaction proposed to be entered into by the company with Reco Bellflower Private Limited, an affiliate of GIC Pte. Ltd (GIC/investor), in respect of three wholly-owned subsidiaries i.e Ascent Hotels Private Limited, SAMHI JV Business Hotels Private Limited and Innmar Tourism and Hotels Private Limited. The company has scheduled an extraordinary general meeting of the shareholders to be held on May 20, 2025 to approve the transaction.

Under the proposed transaction, the investor will make an investment of ~Rs. 752 crore (via a combination of primary and secondary investments), such that GIC will hold 35% stake and SHL will hold 65% stake in these entities post the investments (as against 100% held by SHL earlier). Out of the investment, ~Rs. 580 crore is proposed to be utilised for debt reduction in SAMHI Group (SHL and its subsidiaries), Rs. 149 crore over next two years to part fund the capex of Innmar Tourism and Hotels Private Limited for development of the Westin-Tribute dual branded hotel in Whitefield, Bengaluru and remaining to be utilised towards deal related expenses. Large part of investment is expected to be received in FY2026 and remaining portion of ~Rs. 100 crore towards capex is expected to be received in FY2027 and FY2028.

Following the announcement, if the above mentioned development materialises, it is expected to improve the debt metrics and overall credit profile of the parent (SHL). However, since AHPL will cease to be a wholly owned subsidiary of SHL, will have an impact on the credit profile of AHPL. Hence, ICRA has placed the company's ratings on 'Watch with Developing Implications' and will continue to monitor the developments in this regard.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities: [Click here](#)

### Analytical approach

Analytical approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology Hotels</a>
Parent/Group support	Not Applicable
Consolidation/Standalone	The ratings are based on the consolidated financial profile of the company

## About the company

Ascent Hotels Private Limited (AHPL) is a wholly owned subsidiary of SAMHI Hotels Limited. AHPL houses one of the flagship upper upscale property at Pune, Maharashtra, under the Hyatt Regency brand. The property has an inventory of 222 rooms and 79 service apartments.

SAMHI Hotels Limited has 32 hotels with an inventory of 4,939 keys as of December 31, 2024, spread across 13 cities (largely metro/tier-I cities) including Bangalore, Pune, Hyderabad, Delhi NCR and Chennai, with no city contributing to more than 20% of the inventory. SHL was founded by Mr. Ashish Jakhwanwala and Mr. Manav Thadani, both with significant experience and knowledge of the Indian hospitality industry. The company has historically raised equity from GTI Capital Group, International Finance Corporation and Goldman Sachs. SHL has hotels across 13 cities, with top cities like Pune and Bangalore housing 18% and ~20% respectively of its inventory each, followed by Hyderabad with 17% of its inventory. The company operates across multiple segment and in the upper upscale segment accounts for 43% of its revenues followed by 42% from upscale and 15% from the midscale in Q3 FY2025. SHL has been associated with eight international brands with Marriott, InterContinental Hotels Group (IHG) and Hyatt. SHL came up with a book-built IPO of listing in September 2023, on BSE and NSE.

## Key financial indicators (audited)

Consolidated	FY2023	FY2024
Operating income	738.6	959.2
PAT	-338.6	-234.6
OPBDIT/OI	33.1%	28.1%
PAT/OI	-45.8%	-24.5%
Total outside liabilities/Tangible net worth (times)	-3.8	2.3
Total debt/OPBDIT (times)	11.2	7.9
Interest coverage (times)	0.5	0.8

Source: Company, ICRA Research; Financial ratios in this document are ICRA adjusted figures and may not be directly comparable with numbers reported by the company in some instances; Amount in Rs. Crore; PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation;

## Status of non-cooperation with previous CRA: Not applicable

## Any other information: None

## Rating history for past three years

Current rating (FY2026)			Chronology of rating history for the past 3 years						
Instrument	Type	Amount rated (Rs. crore)	May 06, 2025	FY2025		FY2024		FY2023	
				Date	Rating	Date	Rating	Date	Rating
Fund Based-Term Loan	Long Term	227.00	[ICRA]A-; rating watch with developing implications	17-Jul-2024	[ICRA]A-(Stable)	-	-	08-Feb-2023	[ICRA]BB+(Positive); withdrawn
								28-Jul-2022	[ICRA]BB+(Positive)
Fund-based overdraft	Short Term	15.00	[ICRA]A2+; rating watch with developing implications	17-Jul-2024	[ICRA]A2+	-	-	08-Feb-2023	-
								28-Jul-2022	-
Unallocated	Long Term	-	-	17-Jul-2024	-	-	-	08-Feb-2023	[ICRA]BB+(Positive); withdrawn
								28-Jul-2022	[ICRA]BB+(Positive)

## Complexity level of the rated instruments

Instrument	Complexity indicator
Long term – Fund-based – Term loan	Simple
Short term – Fund-based – Overdraft	Simple

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

**Annexure I: Instrument details**

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term loan	FY2024	9.40%	FY2036	227.0	[ICRA]A-; rating watch with developing implications
NA	Overdraft	NA	9.25%	NA	15.0	[ICRA]A2+; rating watch with developing implications

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

**Annexure II: List of entities considered for consolidated analysis**

Company Name	Ownership	Consolidation Approach
Argon Hotels Private Limited	100.0%	Full consolidation
Ascent Hotels Private Limited	100.0%	Full consolidation
Barque Hotels Private Limited	100.0%	Full consolidation
CAPSIA Hotels Private Limited	100.0%	Full consolidation
SAMHI Hotels (Ahmedabad) Private Limited	100.0%	Full consolidation
SAMHI Hotels (Gurgaon) Private Limited	100.0%	Full consolidation
SAMHI JV Business Hotels Private Limited	100.0%	Full consolidation
Duet India Hotels (Ahmedabad) Private Limited	100.0%	Full consolidation
Duet India Hotels (Chennai OMR) Private Limited (Till 19 <sup>th</sup> Feb 2025)	100.0%	Full consolidation
Duet India Hotels (Chennai) Private Limited	100.0%	Full consolidation
Duet India Hotels (Hyderabad) Private Limited	100.0%	Full consolidation
Duet India Hotels (Pune) Private Limited	100.0%	Full consolidation
ACIC Advisory Private Limited	100.0%	Full consolidation
Innmar Tourism and Hotels Private Limited	100.0%	Full consolidation
<b>Step-down subsidiaries</b>		
Paulmech Hospitality Private Limited	100.0%	Full consolidation
Duet India Hotels (Jaipur) Private Limited	100.0%	Full consolidation
Duet India Hotels (Bangalore) Private Limited	100.0%	Full consolidation
Duet India Hotels (Navi Mumbai) Private Limited	100.0%	Full consolidation

Source: Company; As on December 31, 2024

## ANALYST CONTACTS

**Jitin Makkar**

+91 012 4454 5368

[jitinm@icraindia.com](mailto:jitinm@icraindia.com)

**Sriraman Mohan**

+91 44 4596 4316

[sriraman.mohan@icraindia.com](mailto:sriraman.mohan@icraindia.com)

**Srikumar K**

+91 44 4596 4318

[ksrikumar@icraindia.com](mailto:ksrikumar@icraindia.com)

## RELATIONSHIP CONTACT

**L. Shivakumar**

+91 22 6114 3406

[shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**

Tel: +91 124 4545 860

[communications@icraindia.com](mailto:communications@icraindia.com)

## HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

[info@icraindia.com](mailto:info@icraindia.com)

## ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit [www.icra.in](http://www.icra.in)

## ICRA Limited



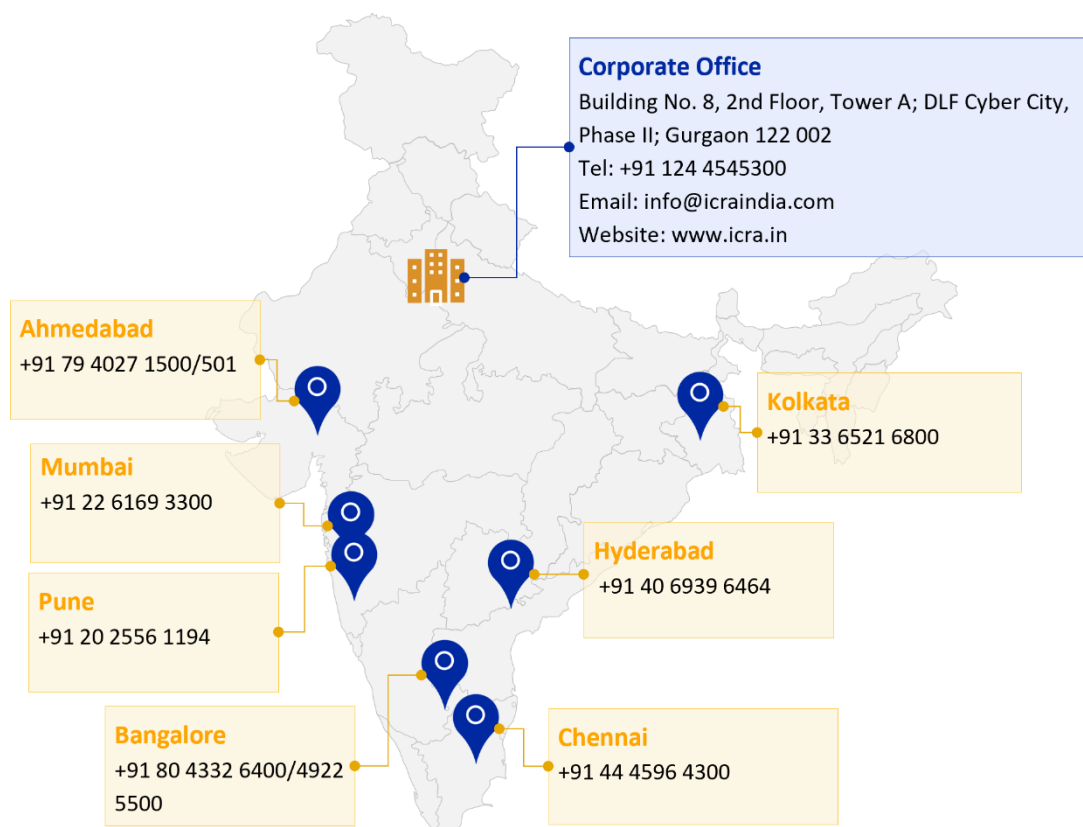
### Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



### Branches



© Copyright, 2025 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website [www.icra.in](http://www.icra.in) or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.