April 28, 2026

InterGlobe Enterprises (UK) Limited: Rating reaffirmed

Summary of rating action

Instrument*	Previous rated amount ($ million)	Current rated amount ($ million)	Rating action
Long-term – Fund-based – Term loan	59.680	16.080	[ICRA]BBB+ (Stable); reaffirmed
Total	**59.680**	**16.080**	

**Instrument details are provided in Annexure-II*

Rationale

The rating reaffirmation for Interglobe Enterprises (UK) Limited (IGE UK) factors in an expectation of steady operational performance for the hotel properties owned by the company, going forward, as well as an anticipation of continued financial support from its parent entity, Interglobe Enterprises Private Limited (IEPL). IGE UK is InterGlobe Group's holding entity for its foray into the international hospitality business. ICRA continues to favourably consider the close business linkages between IGE UK and IEPL and the strategic importance of IGE UK to the Interglobe Group. Over the years, most of the investment requirements of IGE UK have been funded through equity infusion by IEPL (directly and through its subsidiaries).

IEPL holds a 35.7% stake in InterGlobe Aviation Limited (IAL; rated [ICRA]AA (Ratings placed on watch with negative implications)/[ICRA]A1+), a leading Indian airline and the InterGlobe Group's key investee company. IEPL's derives strength from its comfortable credit profile, characterised by nil external debt (at the standalone level), and sizeable financial flexibility from its shareholding in IAL (market value of Rs. 63, 744 crore as on April 14, 2026). The liquidity profile of the entity also remains strong, aided by funds received from the stake sale in IAL in June 2024 (2% stake monetisation led to fund inflow of Rs. 3,367 crore). ICRA expects IEPL to continue to extend timely financial support to IGE UK, as and when needed. ICRA further notes that IEPL has provided a corporate guarantee for the facilities rated. However, ICRA has not factored in any credit enhancement because the guarantee lacks the necessary attributes of a strong form of support, as described in ICRA's methodology for factoring in explicit third-party support.

The hotel properties held by IGE UK are well established, with strong operational performance over the years, supported by robust market fundamentals. During the pandemic, there was a severe impact on the global travel and tourism industry, resulting in sub-optimal performance of the company's properties across locations (Europe and Australia). After the impact of the pandemic receded, there has been a healthy improvement in operational metrics across the properties over the past three fiscals, aided by a recovery in recreational travel and in-person engagements, conferences, seminars and offsite trips by corporates. The strategic location of the entities' hotel properties across Europe provides a competitive advantage and is likely to aid in a continuation of recovery in performance over the near-to-medium term.

IGE UK remains exposed to refinancing risks, given the presence of multiple loans with bullet and/or sizeable repayments over the medium term. While the management's ability to achieve timely rollovers or tenor extensions continues to be a monitorable, its demonstrated track record of executing similar refinancings in a timely manner provides comfort. Further, ICRA notes that a portion of the bridge debt raised to fund the refurbishment of the K+K portfolio is being repaid through additional drawdown under the recently upsized Aareal Bank facility at the asset level, resulting in a gradual shift of debt from the holdco level to the asset level. Additionally, the presence of cash and liquid investments amounting to around €35 million across the hotel properties as of December 31, 2025 is expected to partially mitigate dependence on funding support from the parent entity, IEPL, for meeting any further refurbishment-related requirements.

A major refurbishment has been undertaken across five properties in the K+K portfolio held by IGE UK, involving a total capital expenditure (capex) outlay of ~€101 million incurred over CY2023–CY2026. The same has been funded through a mix of debt and funding support from the promoter. The refurbishment is expected to aid in repositioning the properties—four hotels have already been completed and relaunched under the 'Miiro' brand, while the remaining property is likely to be completed shortly—and support an improvement in operational metrics over the medium term. ICRA anticipates that the parent entity, IEPL, will provide funding support, as required, to meet any gaps in interest servicing for the portfolio during this period.

The Stable outlook on the rating reflects ICRA's view that IGE UK would continue to receive timely funding support from IEPL, which would help it maintain its credit profile at the current level.

Key rating drivers and their description

Credit strengths

Access to funding support from parent entity, IEPL, the holding entity of the InterGlobe Group – The InterGlobe Group, which has an established presence in the domestic aviation and hospitality businesses, forayed into the international hospitality business through the company, following acquisitions in the European market over the past few years. Most of its investment requirements have been funded through equity infusion by IEPL (directly and through its subsidiary, IGE (Mauritius) Private Limited). Additionally, IEPL has extended corporate guarantee for loans availed by IGE UK to fund the acquisitions, indicating strong financial commitment towards the overseas hospitality expansions. The rating assigned favourably factors in the likelihood that IEPL will continue to extend financial support to IGE UK, led by close business linkages between them as well as the need to protect its reputation from the consequences of a Group entity's distress.

Strategic location of key hotel properties in select European cities provides competitive advantage – The properties acquired by the Group are well established, with strong operational performance over the years, supported by robust market fundamentals. The same was reflected in the healthy operating metrics for the properties, wherein the occupancy rate and the average room rate (ARR) remained at stable levels. The global travel and tourism industry was severely impacted during the pandemic, resulting in sub-optimal performance of IGE UK's properties across locations (Europe and Australia). After the impact of the pandemic receded, there was a healthy improvement in operational metrics across the properties over the past three years, aided by a recovery in recreational travel and in-person engagements, conferences, seminars and offsite trips by corporates. The strategic location of IGE UK's hotel properties across Europe provides a competitive advantage and is likely to aid in continuation of recovery in performance over the near-to-medium term.

Credit challenges

Moderation in credit profile due to adverse impact of Covid-19 pandemic; gradual recovery in credit metrics ongoing– The impact of the pandemic on the global hospitality industry was severe. Given the discretionary nature of consumer spending (especially for leisure travel), the travel and tourism industry has always been highly susceptible to exogenous shocks such as wars, terror attacks, diseases and economic meltdowns. Due to a sharp decline in demand, the company incurred cash losses in CY2020 and CY2021. This eroded its net worth and leverage (TD/TNW of 4.9 times for FY2021), while the coverage ratios deteriorated. Aided by an improvement in demand, the credit metrics of IGE UK reported a gradual recovery over the past few years (TD/TNW of 3.3 times for FY2025). However, the metrics still remain below the pre-pandemic levels.

Exposed to refinancing risk; track record of timely refinancing mitigates the risk to an extent – IGE UK remains exposed to refinancing risks, with multiple loans having bullet/sizeable repayments over the next two years. The loans on the hotel entities also continue to be exposed to timely extension of tenures. While the ability of the company's management to timely achieve rollovers/extensions would remain a monitorable, its track record of completing similar transactions provides comfort. If it is unable to achieve a rollover/refinancing of a loan, the promoters are expected to pitch in with funds to help meet the debt-servicing obligations in a timely manner.

Liquidity position: Adequate

The liquidity position of IGE (UK) continues to be Adequate. At the standalone level, its liquidity profile is expected to remain supported by timely funding from the parent entity, IGE. At the consolidated level, the cash and cash equivalents of Rs. 300-350 crore (or ~35 million euro as of December 2025) are likely to be sufficient to meet a part of the debt servicing. A part of the debt-servicing requirements is also likely to be supported by timely funding support from the promoter or funding tie-ups.

Rating sensitivities

Positive factors – A sustained improvement in operational metrics and profitability indicators of various properties and/or equity infusion by the promoters for the purpose of deleveraging, leading to a significant improvement in liquidity and leverage metrics, could be a trigger for a rating improvement. An improvement in its parent, IEPL's, credit profile could also lead to a rating upgrade.

Negative factors – Pressure on the rating could arise if there is material deterioration in the credit profile of IEPL or material deterioration in the business linkages with IEPL or in the extent and form of financial support from IEPL. A deterioration in the coverage indicators, led by slower-than-expected improvement in operational metrics, could lead to a rating downgrade. Additionally, the company's inability to achieve timely refinancing of loans ahead of scheduled maturities could put pressure on the rating.

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Hotels Investment Companies
Parent/Group support	Parent company: IEPL The unsupported rating factors in the very high likelihood of its parent, IEPL, extending financial support because of close business linkages between the entities. ICRA expects IEPL to be willing to extend financial support to IGE UK out of its need to protect its reputation from the consequences of a Group entity's distress. IEPL has a consistent track record of extending timely financial support to IGE UK, whenever needed.
Consolidation/Standalone	ICRA has taken a consolidated view of IGE UK and its subsidiaries (enlisted in Annexure III).

About the company

Incorporated in 2017, IGE UK is the holding company for the InterGlobe Group's investments in the international hospitality sector. The company is a 100% subsidiary (including indirect investments) of IEPL, the Group's holding company. At present, it holds five investments in the international hospitality space, most of which are in Europe. Since its incorporation, IGE UK has undertaken four acquisitions. In the first two acquisitions in July 2018 and October 2018, the Group acquired one property each in Amsterdam and Hamburg, the Sheraton Amsterdam Airport Hotel and Conference Centre (the Netherlands) and the Reichshof Hamburg (Germany). In the third acquisition in June 2019, the Group acquired a bouquet of 10 properties across eight cities in Europe (the K+K portfolio). It subsequently sold one property out of the bouquet after a few years. The Group acquired a controlling stake in a small chalet-style hotel property (in Switzerland) in its fourth acquisition in November 2020. The company also owns a hotel in Melbourne, Australia.

About the guarantor

IEPL is the holding company for the InterGlobe Group, promoted by the Bhatia family, including Mr. Kapil Bhatia, Mr. Rahul Bhatia (his son) and Mrs. Rohini Bhatia (wife of Mr. Rahul Bhatia). Established in 1989 and headquartered in Gurgaon, Haryana, the Group's ventures include civil aviation under the Indigo brand, airline management, travel commerce solutions, hospitality, advanced pilot training, aircraft maintenance engineering and real estate.

Key financial indicators (audited)

IGE UK (consolidated) (Amount in € mn)	FY2024	FY2025
Operating income (OI)	931.9	905.5
PAT	-205.2	-101.5
OPBDIT/OI	22.4%	17.1%
PAT/OI	-22.0%	-11.2%
Total outside liabilities/Tangible net worth (times)	4.3	3.9
Total debt/OPBDIT (times)	21.6	33.1
Interest coverage (times)	0.8	0.5

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

<table>
<tr><th></th><th colspan="3">Current (FY2027)</th><th colspan="6">Chronology of rating history for the past 3 years</th></tr>
<tr><th></th><th colspan="3"></th><th colspan="2">FY2026</th><th colspan="2">FY2025</th><th colspan="2">FY2024</th></tr>
<tr><th>Instrument</th><th>Type</th><th>Amount rated (USD million)</th><th>Apr 28, 2026</th><th>Date</th><th>Rating</th><th>Date</th><th>Rating</th><th>Date</th><th>Rating</th></tr>
<tr><td rowspan="2">Term loan</td><td rowspan="2">Long term</td><td rowspan="2">16.080</td><td rowspan="2">[ICRA]BBB+ (Stable)</td><td rowspan="2">-</td><td rowspan="2">-</td><td rowspan="2">Mar-17-2025</td><td rowspan="2">[ICRA]BBB+ (Stable)</td><td>Jan-22-2024</td><td>[ICRA]BBB (Stable)</td></tr>
<tr><td>May-29-2023</td><td>[ICRA]BBB (Stable)</td></tr>
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Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10,2026

ICRA-rated instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs ($)	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)

(*) Includes securitisation transactions involving assignee payout, acquirer's payout.

($) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other activities offered by ICRA fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Activity name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutal Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)
8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

Disclosure: SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

Complexity level of the rated instruments

Instrument	Complexity indicator
Long term – Fund-based – Term loan	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 II: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (USD million)	Current rating and outlook
NA	**Term loan-II**	FY2023	NA	FY2027	16.080	[ICRA]BBB+ (Stable)

Source: Company

Please click here to view details of lender-wise facilities rated by ICRA

Annexure III: List of entities considered for consolidated analysis

Company name	IGE UK ownership	Consolidation approach
Empire 3 Investment S.a.r.l.	100.00%	Full consolidation
Luchthaven Hotel Beleggingsmaatschappij B.V.	100.00%	Full consolidation
NKS Hospitality II S.a.r.l.	89.90%	Full consolidation
Interglobe Operations Holding II B.V.	100.00%	Full consolidation
Hamburg Furniture S.a.r.l.	100.00%	Full consolidation
RH Operations VerwaltungsGmbh	100.00%	Full consolidation
Interglobe Enterprises (Switzerland) AG	100.00%	Full consolidation

Source: IGE UK Annual Report; ICRA has factored in the consolidated financials of IGE UK while assigning the ratings.

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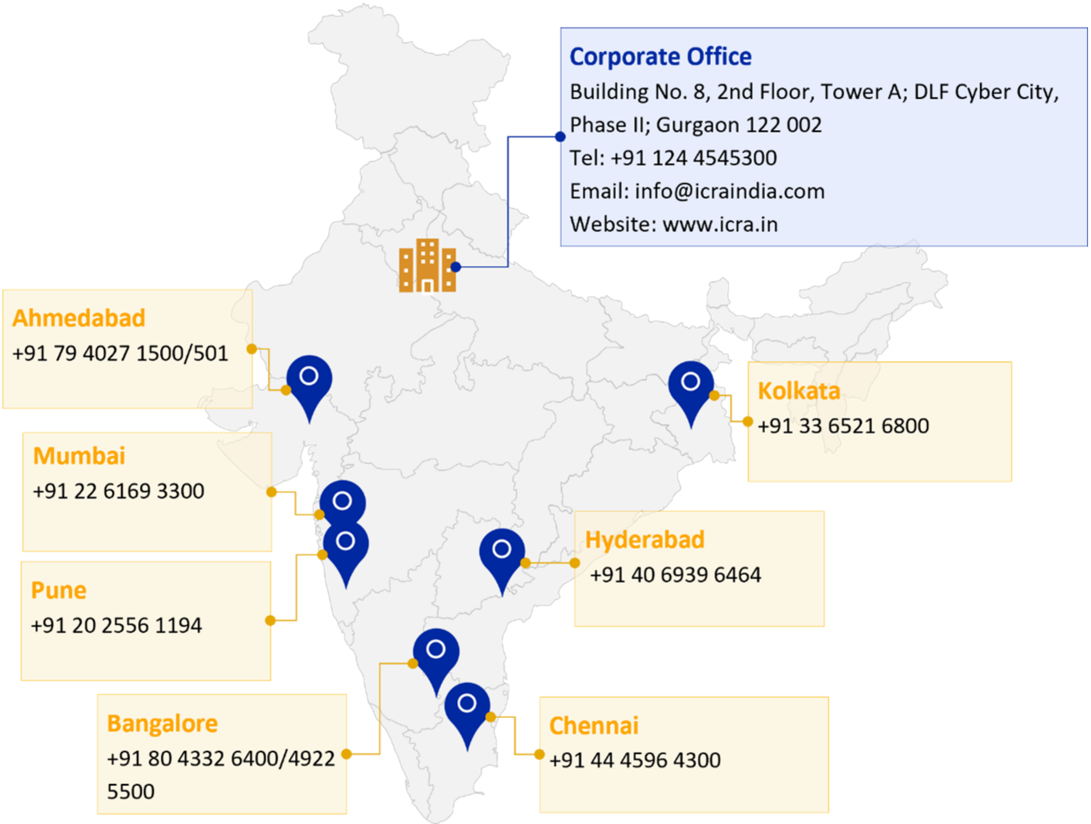

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