

Avendus Capital Advised the Shareholders of Sarovar Hotels on the Sale of a Significant Majority to Louvre Hotels Group.

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DEAL VALUE	Undisclosed
SERVICE	Mergers & Acquisitions
SECTOR	Financial Institutions Group

The shareholders of Sarovar Hotels Pvt. Ltd have decided to sell a majority stake to the Louvre Hotels Group (Europe's 2nd largest hotel group). As part of this transaction, Louvre Hotels Group has become one of the largest managed hotel chains operating in India. The Golden Tulip Hotels business (part of the Louvre Group) will also amalgamate within Sarovar Hotels. Existing financial investors – Bessemer Venture Partners Trust and New Vernon Private Equity have exited the Company as part of this transaction.

Sarovar Hotels was founded in 1994 and is one of the largest hotel management companies operating in India with a robust and effective hotel platform combining marketing, human resources, operations, management and technical services. Leveraging its hotel expertise and seasoned management staff, Sarovar has developed significantly over the past 5 years, growing from 4,500 to nearly 6,000 rooms in over 50 cities. Sarovar has a secured pipeline of over 16 hotels, most of which are due to join the network shortly.

Over the last few years, Sarovar also started to develop its brands outside India, targeting Africa, and more significantly Eastern Africa, which de facto also strengthens Louvre Hotels Group positioning as the largest hotel group in this part of the world.

There will be no change in management of the Sarovar Group and the existing management team led by Mr Anil Madhok and Mr Ajay Bakaya will continue to provide its expertise and manage the hotels under its brands. Both hotel groups share the desire to continue developing Sarovar Hotels brands. This powerful platform will also sustain the development of Louvre Hotels Group brand which has been present in the Indian subcontinent since 2007 and currently manages 22 hotels under its Golden Tulip Umbrella brand.

This transaction between Louvre Hotels Group and Sarovar Hotels offers unprecedented synergies between strong local brands and the world's 5th largest hotel group. Respective hotel owners for both groups will benefit immediately from such synergies including local and international management expertise, world-wide

distribution, loyalty programs, sales and marketing initiatives, and procurement services while continuing to benefit from the experience of the local management.

“**Pierre-Frédéric Roulot, CEO, Louvre Hotels Group**, said, “Number 2 in Europe, Number 1 in China, and now a leader in India, we really are a major global player, present in all major markets, and in all the hospitality segments. Sarovar is a fantastic platform, very promising for the future, mostly due to the professionalism and the local expertise of its smart team”

“**Anil Madhok, Executive Chairman, Sarovar Hotels**, said, “Over the last two decades, Sarovar Hotels has grown to be one of the fastest growing hospitality chains in India. The association with Louvre Hotels Group will help us to spread our wings further and we will continue to develop our brands. With local and international capabilities, we aim to be the leading brand in the business and bring in major benefits to our guests”

“**Ritesh Chandra, Executive Director, Avendus**, said, “This transaction is a validation of the strong brand equity, management quality and scale of operations established by Sarovar in India. Given the robust growth and strong pipeline of new hotel properties, the combination of Louvre and Sarovar will present a formidable player in the Indian hospitality segment”

| **Avendus Capital Pvt. Ltd. was the sole financial advisor for this transaction.**

| **About Avendus**

The **Avendus Group (Avendus)** is a leading provider of financial services with an emphasis on customized solutions in the areas of Financial Advisory, Wealth Management, Structured Credit Solutions and Alternative Assets Management. Avendus relies on its extensive experience, in-depth domain understanding and knowledge of the regulatory environment, to offer customized solutions that enable clients to meet their strategic aspirations. Avendus Capital has consistently been ranked among the leading financial advisors by overall number of deals. It has a strong track record of cross-border transactions and has helped multiple clients benefit from opportunities across geographies. Avendus’s wide range of clients is testimony to its ability to serve its corporate clients throughout their life cycle – from growth stage funding to complex, large sized transactions later in the cycle.

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