



# IPO NOTE

## VENTIVE HOSPITALITY LIMITED



Rating:  
**AVOID**



### ISSUE OFFER

Issue Opens on	DEC 20, 2024
Issue Close on	DEC 24, 2024
Total IPO size (cr)	₹1,600.00
Fresh issue (cr)	₹1,600.00
Offer For Sale (cr)	NIL
Price Band (INR)	610-643
Market Lot	23
Face Value (INR)	1
Listing At	NSE, BSE
Market Capitalization (cr)	15016.70

### ISSUE BREAK-UP (%)

QIB Portion	<div><div></div></div>	75%
NII Portion	<div><div></div></div>	15%
Retail Portion	<div><div></div></div>	10%

### PROMOTER HOLDING %

Pre Issue	Post Issue
99.59%	88.98 %

### INDICATIVE TIMETABLE

Basis of Allotment	26-12-2024
Refunds/Unblocking ASBA Fund	27-12-2024
Credit of Share to Demat A/c	27-12-2024
Listing Date	30-12-2024

Ventive Hospitality Limited a hospitality asset owner with a primary focus on luxury offerings across business and leisure segments. All of its hospitality assets are operated by or franchised from global operators, including Marriott, Hilton, Minor and Atmosphere.

### OBJECTS OF THE ISSUE

- Payment of borrowings.
- Investment in subsidiary.
- General corporate purposes.

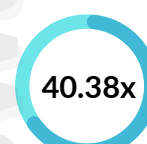
### FINANCIALS (RESTATED CONSOLIDATED)

PARTICULARS (IN CRORE)	FY 2024	FY 2023	FY 2022
Equity Share Capital	10.4	10.4	10.7
Net Worth	334.4	167.7	215.0
Average Occupancy	56.09%	60.03%	23.09%
Revenue	1374	1218.2	820.7
Net Profit/Loss of the year	(66.7)	156.75	(146.1)

### FINANCIAL RATIOS OF FY24



P/BV



P/E



Asset Turnover

### OUTLOOK & VALUATION

- A hospitality company supported by renowned promoters.
- Demonstrates an established history of development and acquisition-led expansion.
- However, pro forma numbers indicate negative financial performance, raising caution.
- The company's debt burden has increased, adding to the financial risks.
- The IPO is fully priced, leaving limited room for upside.
- Recommendation: Investors may consider avoiding this IPO.



## COMPANY PROFILE

- Its pre-acquisition luxury hospitality asset comprises JW Marriott, Pune, and its post-acquisition luxury hospitality assets comprise JW Marriott, Pune, The Ritz-Carlton, Pune, Conrad, Maldives, Anantara, Maldives and Raaya by Atmosphere, Maldives.
- It has scaled up the Portfolio and forayed into new geographies such as Bengaluru, Varanasi and the Maldives within the past few years.
- Company was founded as the hospitality division of Panchshil Realty, a real estate conglomerate based in Pune.



## COMPETITIVE STRATEGIES

- Developing and expanding its asset base.
- Drive organic growth from ramp-up of its existing assets.
- Leverage on its award-winning F&B and amenities.
- Selective acquisitions supported by cash flows and significant debt headroom.



## KEY CONCERNS

- Rely on third parties for the quality of services.
- A significant portion of its pro forma total income is derived from its pro forma revenue from hotel operations.
- Majority of its properties are located in Pune and Maldives.
- Hospitality business is subject to seasonal and cyclical variations.
- The hospitality and commercial real estate industries are intensely competitive.



## KEY STRENGTHS

- Premium hospitality assets complemented by Grade A annuity assets.
- Established track record of development and acquisition-led growth.
- Renowned Promoters with global and local expertise.
- Professional and experienced management team.
- Proven track record of active asset management.
- Well-positioned to benefit from industry tailwinds.

## COMPARISON WITH LISTED INDUSTRY PEERS

Name of the Company	EPS (Basic)	NAV	P/E	TOTAL INCOME (In CR.)	RoNW%
<b>Ventive Hospitality Limited</b>	<b>15.92</b>	<b>31.65</b>	<b>40.38</b>	<b>477.9</b>	<b>50.31%</b>
<b>(Proforma)</b>	<b>(5.24)</b>	<b>175.69</b>	<b>(201)</b>	<b>1,842</b>	<b>(1.82%)</b>
<b>Peer Group</b>					
Chalet Hotels Limited	13.54	90.08	66.04	1,417.2	15.03%
Samhi Hotels Limited	(14.67)	47.63	NA	953.7	NA
Juniper Hotels Limited	1.46	119.34	244.86	817.6	0.90%
The Indian Hotels Company Limited	8.86	71.16	87.89	6,768.7	13.13%
EIH Limited	10.22	65.34	36.68	2,511.2	16.58%
Lemon Tree Hotels Limited	1.88	19.52	69.10	1,071.1	11.75%
Apeejay Surrendra Park Hotels Limited	3.82	56.13	42.96	578.9	5.74%



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