



VIEWPOINT

Company Update

SECTOR

Consumer Discretionary

COMPANY DETAILS

Market cap:	Rs. 3,318 cr
52-week high/low:	Rs. 255/120
NSE volume: (No of shares)	8.2 lakh
BSE code:	543984
NSE code:	SAMHI
Free float: (No of shares)	22.1 cr

Source: NSE, BSE, Mirae Asset Sharekhan Research

SHAREHOLDING (%)

Promoters	-
FII	45.5
DII	18.1
Others	36.4

Source: NSE, BSE, Mirae Asset Sharekhan Research

PRICE CHART



Source: NSE, BSE, Mirae Asset Sharekhan Research

PRICE PERFORMANCE

(%)	1m	3m	6m	12m
Absolute	-9.5	-17.2	-30.9	-0.7
Relative to Sensex	-3.9	-9.2	-28.7	-6.8

Source: Mirae Asset Sharekhan Research, Bloomberg

Reco/View: **POSITIVE**

CMP: **Rs. 149**

Upside Potential: **54%**

Quick Snapshot

- Samhi to acquire ~70% stake in RARE India for Rs. 47 crore, marking an asset-light foray into the experiential leisure market through 67 hotels in India, Nepal, and Bhutan.
- Acquisition provides Samhi an opportunity to participate in high-growth leisure segment, legacy of RARE India, existing scale and immense growth opportunities, low entry price and asset light model for growth, and affiliation with Marriott to support distribution.
- Medium-term revenue potential of Rs. 90-100 crore driven by network expansion and high fee income and EBITDA potential of Rs. 32-40 crore with operating margins of 35-40%.
- Stock has corrected 26% from recent highs and trades at 7x/6x/5x its FY26E/FY27E/FY28E EV/EBITDA, respectively. We stay Positive and expect a 54% upside.

Business updates

- **Foray into experiential leisure segment:** Samhi to acquire majority stake in RARE India (RARE) - a platform started in 2003, with a portfolio of 67 hotels (990 rooms) across 15+ states in India and international presence in Nepal and Bhutan. Post the investment, under a proposed affiliation with Marriott, RARE will be appointed and recognized as Marriott's exclusive portfolio platform for the "Outdoor Collection by Marriott Bonvoy" in India, Nepal, Sri Lanka and Bhutan. Samhi will invest ~Rs. 47 crore to acquire a 70% stake in RARE over the next 12 months through primary investment of ~Rs. 23 crore in the company and ~Rs. 24 crore for secondary acquisition from existing shareholders. The acquisition is in line with Samhi's strategy of discovering undervalued/under-appreciated assets and collaborate with global brands to create and discover the inherent value.
- **Strong investment rationale:** This transaction allows Samhi to 1) Create a scalable brand-led platform in a capital efficient/asset light model, 2) Develop a brand platform through an affiliation with Marriott Bonvoy's leading distribution network, 3) focus on its core competence of Tier-1 business hotels, while supporting value creation in RARE, and 4) participate in the high-growth leisure segment. Key investment rationale include - 1) Growth of experience-led leisure, 2) Legacy of RARE India — more than 20 years, respected partners, founder and team, 3) Existing scale and immense growth opportunities, 4) Low entry price and asset light model for growth, and 5) Affiliation with Marriott to support distribution.
- **Capital efficient and margin-accretive expansion:** The acquisition ensures minor capital exposure with asymmetrical return potential as the strategy is asset light, and there is significant long-term upside driven by distribution expansion, technology integration and brand strengthening. RARE's network is expected to expand to 120-150 hotels (1,800-2,200 rooms) with a revenue potential of Rs. 90-100 crore in the medium term. With more than 70% hotels operating at higher than Rs. 25,000 average pricing, fee income is expected to be higher. Further, after RARE becomes Marriott's exclusive partner for "Outdoor Collection by Marriott Bonvoy" and builds a stronger sales infrastructure, its direct booking income is likely to increase significantly. It eyes EBITDA of Rs. 32-40 crore with operating margins of 35-40%.

Our Call

Samhi has corrected by 26% from recent highs and is trading at discounted valuations of 7x/6x/5x its FY26E/FY27E/FY28E EV/EBITDA, respectively, versus peers. While strategically sound for long-term growth, the acquisition comes at a premium given the low revenue contribution and some impact on profitability over medium-term. With travel sentiment facing temporary pressure from economic and global events, we reduce our multiple and expect a potential upside of 54% in the next 12 months. We maintain a Positive stance given the positive outlook for the hospitality sector.

Key Risks

Drop in room demand, delay in launch of new hotels/rooms or deferred repayment of loans would act as key risks.

Valuation (Consolidated)

	Rs cr				
Particulars	FY24	FY25	FY26E	FY27E	FY28E
Revenue	957	1,130	1,279	1,485	1,641
EBITDA margin (post-ESOP) (%)	29.4	36.1	37.3	38.4	38.9
Adjusted PAT	-147	110	169	268	327
Adj. diluted EPS (Rs.)	-6.7	5.0	7.6	12.1	14.8
P/E (x)	-	30.2	19.6	12.4	10.1
P/B (x)	3.2	2.9	1.9	1.7	1.4
EV/EBIDTA (x)	11.2	8.1	6.9	5.8	5.1
RoNW (%)	-	10.1	11.9	14.5	15.3
RoCE (%)	7.3	9.2	10.2	12.0	12.7

Source: Company; Mirae Asset Sharekhan estimates; **Note** - Financials of RARE India not considered

Note: CMP as on March 6, 2026

Rare India – Pan India presence across experiential locations

Well diversified portfolio with strong presence across **15+ states in India** and international presence in **Nepal and Bhutan**



Source: Company presentation

How the partnership will work:

- RARE India will enhance its capabilities to support individual properties with stronger direct-to-customer interface, marketing and bookings.
- Properties will be listed on Marriott.com and Bonvoy identified as “by RARE” under “Outdoor Collection by Marriott Bonvoy”, thus amplifying their reach.
- With this partnership, RARE India will materially improve its ability to generate income and become a preferred partner for new owners and properties.

Key risk factors to the proposed transaction:

- Not all properties listed currently on RARE India may transition to the Marriott distribution platform within the intended timeframe especially if they have conflicting affiliations. However, the portfolio’s scale is expected to remain intact and grow in the long term because of new additions. RARE has strong reputation and Marriott affiliation will make it a compelling partner for individual hotels which are driven by authenticity, story and sustainability.
- Unlike several other portfolios driven by numbers, RARE is known for very careful selection of the hotels based on their originality and impact, this may slow-down pace of portfolio growth. However, Samhi believes that protecting this “rarity” is key to long-term value creation.

Additional Data

Top 10 shareholders

Sr. No.	Holder Name	Holding (%)
1	ACIC Mauritius 1	14.98
2	Republic of Singapore	7.29
3	Tata Asset Management Pvt. Ltd.	5.38
4	Aditya Birla Sun Life AMC Ltd.	3.48
5	Steinburg India Emerging Opportunities Fund Ltd.	3.01
6	Emirate of Abu Dhabi United Arab Emirates	2.67
7	SBI Funds Management Ltd.	2.26
8	ACIC Mauritius 2	1.95
9	TT International Funds PLC	1.80
10	FLC Investco LLC	1.55

Source: Bloomberg

Key management personnel

Name	Designation
Ashish Jakhanwala	Chairman, Managing Director and Chief Executive Officer
Rajat Mehra	Chief Financial Officer
Sanjay Jain	Company Secretary & Compliance Officer

Source: Company Website

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