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Zuri Group to raise funds via PE route, likely to offload 20% stake

fe Bureau

Kolkata, Sep 21: Bangalore-based Zuri Group Global, a multinational conglomerate promoted by a consortium of investors from West Asia, may offload 20% of its stake as it plans to raise funds through the PE route.

Abhishek Kamani, managing director of the group, said the company will look for PE partners who have expertise in the hospitality industry.

Zuri Group Global will require an investment of Rs 500 crore in next five years to carry out its expansion plans. "We

will prefer PE partners who can add more value than money to the company. If it is a large international or domestic player who has interest in the hospitality sector, it will have preference," Kamani said.

The company, which is preferring the PE route to raise money, may be opting to tap the market with an initial public offer.

"The plan for IPO is still in the boardroom, but for a company of our size, it is one of the most suitable option to raise money," he said.

Talking to reporters on the sidelines of the launch of

Zuri's first property in Sikkim under the management contract model, he said the company is keen on expanding the brand Zuri in domestic and international market.

It has planned to add 10 hotels in India and five abroad under the Zuri banner in next five years.

The group already has four hotels in the country and one each in UK and Kenya. According to Kamani, construction cost per room in the platinum category is around Rs 1.3 crore, Rs 90 lakh in lifestyle category and Rs 65 lakh in the comfort category.