Warburg invests ₹960 crore in Lemon Tree

ENS ECONOMIC BUREAU @ New Delhi

LEMON Tree Hotels Limited announced on Friday a comprehensive reorganisation of its business and a significant investment from global private equity major Warburg Pincus. The Board of Directors of Lemon Tree Hotels has approved a Composite Scheme of Arrangement designed to split the group into two distinct, high-growth platforms. Concurrently, Warburg Pincus, through its affiliate Coastal Cedar Investments BV, will acquire APG Strategic Real Estate Pool NV's entire 41.09% stake in Fleur Hotels Limited, a subsidiary of Lemon Tree. Warburg Pincus has also committed to infuse up to ₹960 crore of primary capital into Fleur to fuel its expansion.

The plan, subject to regulatory and shareholder approvals, will result in transforming Lemon Tree Hotels into a pure-play, asset-light hotel management, franchising, and digital brand platform, while evolving Fleur Hotels Limited from a subsidiary into a large-scale, growth-oriented hotel ownership and development platform, combining existing assets with a robust pipeline.