



Samara Capital Completes Final Fund II Exit with Sale of SMS Integrated Facility Services, Delivers 25% IRR Across All Investments

Mumbai, 10 February 2026 - Samara Capital has successfully concluded its final exit from the Fund II portfolio through the sale of SMS Integrated Facility Services Pvt. Ltd. to SILA Solutions Pvt. Ltd. This sale marks Samara's fifth strategic exit from the fund and wraps up Fund II with a perfect exit record across all ten investments.

Across the portfolio, Fund II delivered an overall gross internal rate of return of approximately 25 percent on an investment base of over INR 3,000 crore. With an average holding period of 5.5 years, the fund generated more than INR 7,500 crore in value for investors and co-investors, with all ten investments delivering positive returns. The outcome reflects Samara's disciplined buyout approach, strong emphasis on downside protection, and consistent focus on value creation.

The exit of SMS IFS highlights a less visible but critical capability in private equity. The ability to remain invested through adversity, rebuild businesses fundamentally, and deliver target outcomes even in stressed situations.

Samara Group acquired nearly 100 per cent of SMS IFS in 2017, recognising the long-term structural opportunity in India's facilities management sector. These included rising office penetration, increased outsourcing, and the gradual formalisation of a highly fragmented industry. The investment thesis centred on transforming SMS into a professionally managed organisation.

Midway through the investment period, the COVID-19 pandemic created severe headwinds. While clients shifted to remote work, physical facilities management operations remained heavily dependent on on-site operations. By the end of the pandemic, SMS revenues had declined by nearly 30 per cent from Samara's entry-level, falling to an annual run rate of under INR 200 crore, with EBITDA reduced to zero. Liquidity pressures and organisational fatigue posed existential challenges.

Rather than pursue a distressed exit, Samara committed to a fundamental transformation. In 2021, the firm appointed a new CEO and rebuilt the leadership team to execute a reimagined strategy. SMS was repositioned as an engineering-led, technology-enabled platform with rigorous emphasis on compliance and governance, all executed in a capital-constrained environment.

Over the subsequent years, SMS delivered a strong recovery. SMS now operates at an INR 700 crore revenue run rate, roughly 2.5 times Samara's entry-level. EBITDA has tripled from initial levels. EBITDA margins surpass those of larger listed competitors. Pre-tax return on capital employed exceeds 40 percent.

SMS is now recognised as one of India's fastest-growing and leading facilities management companies. Under new ownership, the company is positioned for continued accelerated value creation. The SMS exit underscores Samara's disciplined buyout investing, downside protection, and the patient construction of durable businesses and leadership teams.

Anchit Gupta, Managing Director at Samara Capital, said "When investments hit stress, the instinct is often panic. Fifteen years of buyout investing has taught us that setbacks are inevitable. What matters is a calm, decisive response. At SMS, the turnaround belongs to the leadership team we built around Tarun Ramrakhiani, whom we appointed CEO in 2021. They executed the turnaround with discipline and creativity under the most difficult conditions imaginable."

About Samara Capital:

Founded in 2007, Samara Capital is a premier mid-market buyout private equity firm in India. With over INR 10,000 crore invested across a diverse portfolio of more than 25 companies, Samara Capital stands out for its commitment to partnering with entrepreneurs and management teams to unlock the full potential of businesses, delivering compelling risk-adjusted returns.

Guided by a seasoned and cohesive team, Samara Capital employs a rigorous, research-driven investment strategy with a focus on four core sectors: consumer/retail, healthcare/pharma, financial services, and business services/technology. The firm's structured operational excellence framework is designed to drive growth and business transformation. To learn more about Samara Capital, visit www.samaracapital.com.