

Sapthagiri Hospitality Private Limited

March 04, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	15.19	CARE B-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated December 29, 2022, placed the rating(s) of Sapthagiri Hospitality Private Limited (SHPL) under the 'issuer non-cooperating' category as SHPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. SHPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated November 14, 2023, November 24, 2023, December 04, 2023.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Analytical approach: Standalone

Outlook: Stable

Detailed description of the key rating drivers

Please refer to PR dated [December 29, 2022](#)

Applicable criteria

[CARE Rating's criteria on information adequacy risk and issuer non-cooperation](#)

[Policy on Default Recognition](#)

[Criteria on assigning outlook and credit watch](#)

About the Company

Vadodara (Gujarat) based SHPL has been promoted by Mr. Kiran Dave and Mr. Vipul Thakker, which is a SPV floated by New Light Hotels and Resorts Limited (NLHRL) which owns The Gateway Hotel in Vadodara, Gujarat. Incorporated in January, 2009 SHPL has set-up a hotel in Dahej SEZ, which is now five-star hotel (as company has got 5-star Deluxe Category certificate from Regional Director India Tourism, Mumbai during FY18) which comprises hotel, studio apartments and other facilities. SHPL has built hotel in approximate 5.93 acre and balance 4.94 acres of land would be used for future projects of the company. The hotel is a 4 storied building and it has room inventory of 102 rooms and is managed by team of Fortune Park Hotels Limited (FPHL). Further, the hotel also offers state-of-the-art meeting and banquet facilities and multi cuisine restaurant that can accommodate up to 200 guests.

Brief Financials (Rs. crore)	March 31, 2022 (A) [^]	March 31, 2023 (A)
Total operating income	6.51	10.42
PBILDT	1.36	3.36
PAT	-1.76	0.21
Overall gearing (times)	0.56	0.52
Interest coverage (times)	1.10	2.46

A: Audited; Note: 'the above results are latest financial results available'; [^]FY22 financials have been revised in line with CARE's revised criteria on classification of non-core item as part of non-operating income.

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Covenants of the rated instruments/facilities: Detailed explanation of the covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	0.40	CARE B-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	July 2024	14.79	CARE B-; Stable; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

Annexure-2: Rating history for the last three years

S r. N o.	Name of the Instrument/ Bank Facilities	Current Ratings		Rating History				
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Fund-based - LT-Term Loan	LT	14.79	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (29-Dec-22)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (20-Oct-21)	1)CARE B; Stable; ISSUER NOT COOPERATING* (06-Nov-20)
2	Fund-based - LT-Cash Credit	LT	0.40	CARE B-; Stable; ISSUER NOT COOPERATING*	-	1)CARE B-; Stable; ISSUER NOT COOPERATING* (29-Dec-22)	1)CARE B-; Stable; ISSUER NOT COOPERATING* (20-Oct-21)	1)CARE B; Stable; ISSUER NOT COOPERATING* (06-Nov-20)

*Issuer did not cooperate; based on best available information.

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not Applicable

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us

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About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

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