

Sailaja Sangam LLP

July 04, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	75.00	CARE BB-; Stable	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The reaffirmation of rating assigned to the bank facilities of Sailaja Sangam LLP (SLLP) takes into consideration the ongoing project implementation risk, capital-intensive business with long gestation period, moderate capital structure and high competition from established players along with inherent cyclicity risk associated with the hospitality sector.

The aforementioned weaknesses get partially offset by the experience of the partners in various businesses, association with Hilton Hotels with good visibility of the 'Double Tree' brand, favourable location and firm's eligibility to various subsidies available in the state of Assam. The rating also takes into cognizance the planned extension in scope of the project from earlier 125 rooms to 144 rooms, along with extension of date of commencement of commercial operations (DCCO).

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Completion of the project without any significant cost or time overrun.

Negative factors

- Any significant delay in execution of the project resulting in major time or cost overrun.

Analytical approach: Standalone.

Outlook: Stable.

The stable outlook on the long term rating of SLLP is based on the expected timely completion of the project and stabilisation of operations post project completion.

Detailed description of key rating drivers:

Key weaknesses

Ongoing project risk

SLLP is currently setting up a 144 rooms (revised from 125 rooms) luxury hotel at Guwahati, Assam, which will be operated under 'Double Tree' brand by Hilton Hotels. There has been a change in the scope of project from previous review, due to addition of one entire floor. The revised estimated cost of the project is Rs 136.69 crore (revised from Rs 120.74 crore), which is proposed to be financed by a mix of debt and equity in the ratio of 1.64x with partner's contribution of Rs 51.69 crore and term loan of Rs 85.00 crore. The financial closure for the extension of the project including increase in sanctioned debt is under process. Currently debt of Rs.75 crore is sanctioned as per the earlier plans. The project is currently at mid stage with Rs 58.20 crore expensed till May 31, 2025, funded through promoters' infusion of Rs. 23.23 crore and rest through debt.

The civil construction is being done by the major group company of SLLP, Sailaja Commercial Construction Private Limited. The design and interiors are made as per the specifications and standards prescribed by Hilton Hotels, which has already been approved. The revised COD of the project is April, 2026 (April, 2025).

High competition & inherent cyclicity risk associated with the hospitality sector

Double Tree by Hilton is expected to face high competition from other luxury segment hotels present nearby, which are located in a range of 7 to 8 kilometres. High competition may result in pressure on ARR (Average Room Rate) and RevPAR (Revenue Per Available Room), which in turn will impact profitability margins. The hospitality industry is further exposed to inherent cyclicity & seasonality risk. However, with significant brand presence of Hilton and Guwahati being a commercial and tourist destination, the risk can be partially offset.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Capital-intensive and long gestation period

The hotel industry is a capital-intensive industry with a relatively long gestation period. Generally, a new hotel takes a timeframe of around three to four years to breakeven at its operational level. Time is also needed for its establishment, occupancy rate and financial stability in the initial period of operation. Thus, the promoter is required to support the operation until the mentioned parameters reach the minimum desired level. Furthermore, the maintenance capex required for the hospitality industry also remains high, owing to regular replacement of furniture and change in trend.

Moderate capital structure

The capital structure of the company continue to remain moderate as the project is proposed to be funded through mix of debt of Rs. 85.00 crore and equity of Rs. 51.69 crore. The overall gearing is expected to moderate further during FY26 with complete disbursement of the term loan and during FY27 due to decline in networth base, attributable to anticipated loss in the first year of operation. Nonetheless, thereafter, overall gearing is expected to improve on the back of gradual repayment of debts and accretion profits to reserve.

Key strengths**Experienced Promoters in various businesses**

Sailaja Sangam LLP is managed by its two partners Shri Uday Aditya Goswami and Smt. Ankita Chaliha Goswami. The partners have experience of around two decades in the field of construction, real estate, contract & supply works, paver block manufacturing etc. The major group company is Sailaja Commercial Construction Private Limited which is involved in construction of roads, buildings, etc. for PWD and other Government organisations.

Association with Hilton Hotels with good visibility of the 'Double Tree' brand

Hilton Worldwide (legally Hilton Worldwide Holdings Inc.) is an American multinational hospitality company that manages and franchises a broad portfolio of hotels and resorts. It has 18 brands across different market segments and the Hilton brands that are currently present in India includes Conrad, Hilton, DoubleTree by Hilton, Hilton Garden Inn and Hampton. 'DoubleTree' is the 2nd fastest growing brand globally. The hotel will be the first and the only property in this region of Hilton.

SSLLP has already entered into a Branding and Management Agreement with Hilton as on August 31, 2022. The property will get the entire attention of the hotel management company and will get all the benefits of association with the Hilton.

Favourable location

Guwahati is one of the key urban centres of Assam and the biggest city in North-East India and serves as the major gateway to the whole region. The major tourist spots of Guwahati are Kamakhya Temple, River Cruise on the river Brahmaputra, Shankardev Kalakshetra, Umananda Temple, Chandubi Lake, Sonapur, Madan Kamdev, Chandrapur and Pobitora Wildlife Sanctuary etc.

Furthermore, Guwahati is also a centre for education and a commercial hub for the Northeast. As a result, many Corporate Houses, Colleges & Universities hosts different events throughout the year, which are attended by thousands of delegates coming from all over the world. Therefore, making it an ideal location for a hotel given the huge footfall of business travellers and tourist alike.

Eligible for various government subsidies

The project is eligible for various subsidies and incentives under 1) Uttar Poorva Transformative Industrialisation Scheme, 2024 and 2) Incentives under Industrial and Investment Policy of Assam, 2019. Under these schemes, the company is eligible for various subsidies including SGST reimbursement, power subsidy, Capital investment incentive, Capital Interest Subvention (CIS) and Manufacturing & Services linked incentive (MSLI).

Liquidity: Stretched

Liquidity position of the company is expected to remain stretched in near future as financing of project cost is largely contingent upon fund infusion from the promoters. Any delay in infusion of funds from promoters may lead to delay in completion of the project.

The promoters have already infused around Rs. 23.23 crores in the form of contribution. Liquidity position derives some comfort from the partial closure of bank loan of Rs 75.00 crore out of Rs 85.00 crore projected. Till May 31, 2025 around Rs.32.17 crore has already been disbursed. Remaining fund from promoters and undisbursed bank limits are adequate to meet the remaining cost of the project. Going forward, it remains crucial for the company to commence its operations and generate revenue as envisaged to meet its debt repayment obligations.

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)
[Rating Outlook and Rating Watch](#)
[Hotels & Resorts](#)
[Financial Ratios – Non financial Sector](#)
[Project stage companies](#)
[Service Sector Companies](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Consumer Services	Leisure Services	Hotels & Resorts

Sailaja Sangam LLP (SLLP) was incorporated in June 2019 with its registered address in Guwahati, Assam. It is a partnership entity under Mr Uday Aditya Goswami and Mrs Ankita Chaliha Goswami. SLLP is a unit of Sailaja Group from Guwahati, which has business interests in various fields, which includes Real Estate, Stone Crushing, Paver Block Manufacturing, etc.

The firm has taken up a project for construction, development and operation of a hotel of 144 rooms (increased from 125 rooms) along with banquets, conference halls, bar, swimming pool and other requisite services, in Guwahati which is to be managed by Hilton Hotels and to be operated under the brand name of "Double Tree By Hilton". The project was started from March 2022 and the expected COD is in April, 2026 (revised from April, 2025).

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (UA)
Total operating income	0.00	0.00
PBILDT	-0.01	-0.01
PAT	-0.03	-0.02
Overall gearing (times)	1.01	1.45
Interest coverage (times)	-12.27	-1.04

A: Audited UA: Unaudited; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not Applicable.

Any other information: Not Applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan		-	-	March 2038	75.00	CARE BB-; Stable

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Term Loan	LT	75.00	CARE BB-; Stable	-	1)CARE BB-; Stable (28-May-24)	-	-

LT: Long term.

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

Annexure-4: Complexity level of instruments rated

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

Annexure-5: Lender details

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

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

Contact us

<p>Media Contact</p> <p>Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in</p> <p>Relationship Contact</p> <p>Ankur Sachdeva Senior Director CARE Ratings Limited Phone: +91-22-67543444 E-mail: Ankur.sachdeva@careedge.in</p>	<p>Analytical Contacts</p> <p>Arindam Saha Director CARE Ratings Limited Phone: +91-033-4018-1631 E-mail: arindam.saha@careedge.in</p> <p>Gopal Pansari Associate Director CARE Ratings Limited Phone: +91-33-4018 1647 E-mail: gopal.pansari@careedge.in</p> <p>Soumadip Kumar Lead Analyst CARE Ratings Limited E-mail: Soumadip.Kumar@careedge.in</p>
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