# SAGE GLOBAL ENTERPRISES PRIVATE LIMITED

November 05, 2025

| Facilities/Instruments | Amount (₹ crore) | Rating[1] | Rating Action |
|---|---|---|---|
| Long Term Bank Facilities | 146.25 | CARE BB-; Stable | Assigned |
| Short Term Bank Facilities | 3.75 | CARE A4 | Assigned |

Details of instruments/facilities in Annexure-1.

## Rationale and key rating drivers

The ratings assigned to bank facilities of Sage Global Enterprises Private Limited (SGEPL) is constrained on account of implementation and stabilisation risk pertaining to nascent stage of project progress, stretched liquidity position in absence of operational cash flows, vulnerability of hotel industry to cyclicality and macroeconomic factors. Rating also factors moderate level of competition in luxurious hotel segment in Bhopal.

The rating however derives comfort from resourceful promotor group, achievement of financial closure, favourable hotel location and tie-up with reputed hotel operator "Hilton Hotels Management India Private Limited" (HHMIPL) for managing hotel operations.

## Rating sensitivities: Factors likely to lead to rating actions

**Positive factors:**

- Physical and financial progress of more than 45% of the project within envisaged time and cost parameters.

**Negative factors**

- Any significant time or cost overrun leading to moderation in financial risk profile or liquidity of the company.

## Analytical approach: Standalone

## Outlook: Stable

The stable outlook reflects CARE Ratings Limited's (CAREdge Rating's) expectations that SGEPL will continue to benefit from the experience of promotors in diversified industries and involvement of Global Hotel operator chain viz. Hilton Hotels Management India Private Limited (Part of Hilton Holdings Inc) in development as well as operational stages of hotel.

## Detailed description of key rating drivers:

## Key weakness

### Implementation and stabilisation risk

SGEPL is undertaking a project to set up a 5-star Hotel at Bhopal at the project cost of ₹236.76 crore to be funded in Debt-equity ratio of 1.62x (Term debt of Rs. 146.25 crore and balance through promoter's contribution). The project progress is at a nascent stage with ~16% of the project cost incurred as on July 15, 2025, with promotor's contribution of ₹27.6 crore and term loan of ₹10 crore. The hotel is envisaged to commence operations in December 2027. Since progress of project is at nascent stage, timely completion of project within envisaged time and cost parameters remains a key monitorable.

### Vulnerability to macroeconomic factors and seasonal uncertainty

The company is exposed to changes in macroeconomic factors, industrial growth, and tourist arrival growth in India, international and domestic demand-supply scenarios, competition in the industry, government policies and regulations, and other socio-economic factors, which lead to inherent cyclicality in the hospitality industry. These risks can impact the company's occupancy rate and its profitability.

## Key Strengths

### Resourceful promotor group

SGEPL is part of SAGE Group which is promoted by Sanjeev Agrawal. The SAGE Group has diversified business ventures in education, social welfare, healthcare, real estate, and power infrastructure. Recently, the Group ventured into battery recycling and providing online certification courses. The Chairman of the Group, Sanjeev Agrawal, has a net worth of ₹219.55 crore as on

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

March 31, 2024. The free cashflow from real estate projects and promotors' networth is envisaged to be deployed towards meeting the promoters' contribution requirement for the project.

**Favourable location; albeit medium level of competition in Bhopal in luxurious segment**

Bhopal, the capital city of Madhya Pradesh has a blend of historical sites, lakes, modern institutions and cultural blend. Since its located at centre of the country, it is a key node for transportation and logistics across India. The Hospitality industry is highly competitive with presence of many organised and unorganised players in the market and online aggregators. In Bhopal, there are over 350 hotels including budget and luxurious hotels with capacity of over 10,000 rooms. Majority are budget hotels with only few luxurious hotels. Currently, Bhopal has only four other 5-star Hotels, limiting competition to certain extent.

**Tie up with reputed Hotel operator 'Hilton Hotel Management India Private Limited' under brand name "Double tree by Hilton":**

SGEPL has entered into Branding and management agreement with HHMIPL for operating hotel under brand name of "Double Tree by Hilton" for a tenor of 25 years. HHMIPL shall oversee and provide services such as Periodic on-site inspection, design direction to architects and finalise architectural plans, review of MEP (Mechanical, electrical and plumbing) systems and guidance in Food & Beverage (F&B) concepts, kitchen and laundry equipment, lighting, IT etc. during development phase (i.e. during construction phase) and play a pivotal role in management of Hotel operations, sales and marketing.

## **Liquidity:** Stretched

The liquidity of SGEPL is stretched due to absence of operational cashflows since the hotel is under construction. Progress of the hotel is at a nascent stage and completion within envisaged time parameters depends on infusion of funds from promoters and timely disbursement of term loan by lenders. Of envisaged promotor contribution of ₹90.49 crores, promotors have infused ₹27.6 crores till July 15, 2025.

Going forward, it remains crucial for the company to commence its operations timely and generate revenue as envisaged.

## Applicable criteria

Definition of Default
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Hotels & Resorts
Financial Ratios – Non financial Sector
Service Sector Companies
Short Term Instruments

## About the company and industry

## Industry classification

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

Sage Global Enterprises Private Limited (SGEPL), part of Bhopal based SAGE group was incorporated on September 26, 2024 (Erstwhile partnership firm: M/s sage associates formed on July 29, 2024) for setting up of a 5-star hotel in Bhopal under brand name of "Double tree by Hilton". The operations of the Hotel will be managed by Shivani Agrawal and her husband Mr. Karan Khurana.

Brief Financials: Not meaningful since it is a project phase entity.

**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 (DD-MM-YYYY) | Size of the Issue (₹ crore) | Rating Assigned and Rating Outlook |
|---|---|---|---|---|---|---|
| Fund-based - ST-Bank Overdraft | | - | - | - | 3.75 | CARE A4 |
| Term Loan-Long Term | | - | - | 31-07-2038 | 146.25 | 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 | Term Loan-Long Term | LT | 146.25 | CARE BB-; Stable | | | | |
| 2 | Fund-based - ST-Bank Overdraft | ST | 3.75 | CARE A4 | | | | |

LT: Long term; ST: Short term; LT/ST: Long term/Short 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 - ST-Bank Overdraft | Simple |
| 2 | Term Loan-Long Term | Simple |

## Annexure-5: Lender details

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| To view lender-wise details of bank facilities please click here |

**Note on complexity levels of rated instruments:** CareEdge 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.

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**About us:**

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