

## Press Release

### Sahara Hospitality Limited

February 24, 2023



### Rating Reaffirmed and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	540.00	ACUITE D   Reaffirmed   Issuer not co-operating*	-
Bank Loan Ratings	20.00	-	ACUITE D   Reaffirmed   Issuer not co-operating*
<b>Total Outstanding Quantum (Rs. Cr)</b>	560.00	-	-

### Rating Rationale

Acuite has reaffirmed the long-term rating of '**ACUITE D' (read as ACUITE D)** and the short term rating of '**ACUITE D' (read as ACUITE D)** on the Rs.560.00 crore bank facilities of Sahara Hospitality Limited (SHL). The rating continues to be flagged as "Issuer Not Cooperating" and is based on the best available information.

### About the Company

Sahara Hospitality Limited is a Mumbai-based company incorporated in 1989. The company runs a 5 -star hotel named 'Sahara Star' with 354 guest rooms, 25 luxury suites, 8 restaurants, 7 banquet halls, preview theatre and other facilities. The company also leased out a part of the hotel premises to the outsiders, and still about 40,000 sq. ft. is yet to be leased out. Further, the company is also running a petrol pump. It is a part of Sahara India Pariwar group and it is a subsidiary of Sahara Prime City Limited. Mr. Om Prakash Srivastava, Mr. Subodh Kumar Goel, Mr. Dilipkumar Lokooram Arora, Mr. Rachana Mehrotra, Mr. Mahipal Bhogilal Jain, Mr. Sweeti Chandrikaprasad Bajpai, Mr. Muneesh Sodhi are directors of the company.

### Non-cooperation by the issuer/borrower:

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

Acuite believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

### Limitation regarding information availability:

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuite endeavored to gather information about the entity/industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit ratings is based.

### Rating Sensitivity

"No information provided by the issuer / available for Acuite to comment upon."

### Material Covenants

Not Applicable

### Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

### Outlook

Not Applicable

### Other Factors affecting Rating

Not Applicable

### Key Financials

Particulars	Unit	FY 21 (Actual)	FY 20 (Actual)
Operating Income	Rs. Cr.	52.45	257.83
PAT	Rs. Cr.	(230.03)	(198.46)
PAT Margin	(%)	(438.59)	(76.97)
Total Debt/Tangible Net Worth	Times	(2.64)	(3.86)
PBDIT/Interest	Times	(0.16)	0.29

### Status of non-cooperation with previous CRA

Not Applicable

### Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

### Applicable Criteria

- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>

### Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite' s categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on [www.acuite.in](http://www.acuite.in).

## Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
29 Nov 2021	Term Loan	Long Term	19.46	ACUITE D ( Issuer not co-operating*)
	Bank Guarantee	Short Term	20.00	ACUITE D ( Issuer not co-operating*)
	Cash Credit	Long Term	6.00	ACUITE D ( Issuer not co-operating*)
	Cash Credit	Long Term	8.00	ACUITE D ( Issuer not co-operating*)
	Term Loan	Long Term	35.32	ACUITE D ( Issuer not co-operating*)
	Cash Credit	Long Term	6.67	ACUITE D ( Issuer not co-operating*)
	Term Loan	Long Term	79.87	ACUITE D ( Issuer not co-operating*)
	Term Loan	Long Term	85.00	ACUITE D ( Issuer not co-operating*)
	Term Loan	Long Term	113.95	ACUITE D ( Issuer not co-operating*)
	Term Loan	Long Term	50.77	ACUITE D ( Issuer not co-operating*)
	Proposed Bank Facility	Long Term	20.50	ACUITE D ( Issuer not co-operating*)
	Term Loan	Long Term	43.78	ACUITE D ( Issuer not co-operating*)
	Term Loan	Long Term	70.68	ACUITE D ( Issuer not co-operating*)
25 Aug 2020	Cash Credit	Long Term	6.00	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	70.68	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	85.00	ACUITE D (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	20.50	ACUITE D (Issuer not co-operating*)
	Bank Guarantee	Short Term	20.00	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	43.78	ACUITE D (Issuer not co-operating*)
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	Term Loan	Long Term	19.46	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	79.87	ACUITE D (Issuer not co-operating*)
	Term Loan	Long Term	35.32	ACUITE D (Issuer not co-operating*)

## Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
Union Bank of India	Not Applicable	Bank Guarantee/Letter of Guarantee	Not Applicable	Not Applicable	Not Applicable	Simple	20.00	ACUITE D   Reaffirmed   Issuer not co-operating*
UCO Bank	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	6.00	ACUITE D   Reaffirmed   Issuer not co-operating*
IDBI Bank Ltd.	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	8.00	ACUITE D   Reaffirmed   Issuer not co-operating*
Union Bank of India	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	6.67	ACUITE D   Reaffirmed   Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	20.50	ACUITE D   Reaffirmed   Issuer not co-operating*
UCO Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	79.87	ACUITE D   Reaffirmed   Issuer not co-operating*
Karnataka Bank Ltd	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	19.46	ACUITE D   Reaffirmed   Issuer not co-operating*
Union Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	113.95	ACUITE D   Reaffirmed   Issuer not co-operating*
Union Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	85.00	ACUITE D   Reaffirmed   Issuer not co-

								operating*
Bank of Baroda	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	43.78	ACUITE D   Reaffirmed   Issuer not co- operating*
Central Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	50.77	ACUITE D   Reaffirmed   Issuer not co- operating*
Union Bank of India	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	70.68	ACUITE D   Reaffirmed   Issuer not co- operating*
IDBI Bank Ltd.	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	35.32	ACUITE D   Reaffirmed   Issuer not co- operating*

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### About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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