

**Kinara Group of Hotels Private Limited
(Earstwhile Mandadi Group of Hotels Private Limited)**

February 14, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	7.67	CARE BB-; Stable; ISSUER NOT COOPERATING* (Double B Minus; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB; Stable; (Double B; Outlook: Stable)
Short Term Bank Facilities	2.00	CARE A4; ISSUER NOT COOPERATING* (A Four; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	9.67 (Rs. Nine Crore and Sixty-Seven Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated January 29, 2021, placed the rating(s) of Kinara Group of Hotels Private Limited (KGOHPL) under the 'issuer non-cooperating' category as KGOHPL 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. KGOHPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated December 15, 2021, December 25, 2021, January 04, 2022.

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).

The ratings have been revised on account of non-availability of requisite information. The ratings also factored decline in scale of operations as well as debt coverage indicators during FY20.

Detailed description of the key rating drivers

Please refer to PR dated [January 29, 2021](#)

Analytical approach: Standalone

Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

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

About the Company

Hyderabad based, Mandadi Group of Hotels & Resorts Private Limited (MGHR) formerly known as Swagath Motels Private Limited (SMPL) was initially formed as a partnership firm in the name of Hotel Swagath in 2003. Subsequently, in July 2007, the constitution of the entity converted to Private Limited Company in the name of Swagath Mandadi Hotels Private Limited. Later on, in January 2008, the name of the company changed to Swagath Motels Private Limited. Further, in the year August 2019, the name of the company changed to current nomenclature Mandadi Group of Hotels & resorts Private Limited. The company is engaged in hospitality business and offers services in the area of hotels, restaurants, bar, banquet hall and convention centre, etc. In order to expand its regional reach, the company is continuously opening up new hotels in various locations in Hyderabad. Currently, SMPL has 11 branches and one convention center in Hyderabad, Telangana. The company is managed by Mr. Vidya Sagar Reddy and his three sons who look after overall operations of the company. The company has revised name to Kinara Group of Hotels Private Limited November 08,2019.

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

Brief Financials (Rs. crore)	31-03-2020 (A)	31-03-2021 (A)	9MFY22(Prov.)
Total operating income	56.34	NA	NA
PBILDT	5.98	NA	NA
PAT	1.15	NA	NA
Overall gearing (times)	0.74	NA	NA
Interest coverage (times)	1.98	NA	NA

A: Audited; Prov: Provisional; NA: Not Available

Status of non-cooperation with previous CRA: Not Available

Any other information: Not Applicable

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

Covenants of rated instrument/facility: Annexure -3

Complexity level of various instruments rated for this Company: Annexure- 4

Annexure-1: Details of Instruments / Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan		-	-	March-2024	0.96	CARE BB-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	3.25	CARE BB-; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	0.50	CARE A4; ISSUER NOT COOPERATING*
Non-fund-based - ST-Bank Guarantee		-	-	-	1.50	CARE A4; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	3.46	CARE BB-; Stable; ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No	Name of the Instrument/ Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Fund-based - LT-Term Loan	LT	0.96	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (29-Jan-21)	1)CARE BB+; Stable (27-Nov-19) 2)CARE BB; Stable; ISSUER NOT COOPERATING* (16-Aug-19)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (23-Oct-18)
2	Fund-based - LT-Cash Credit	LT	3.25	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (29-Jan-21)	1)CARE BB+; Stable (27-Nov-19) 2)CARE BB; Stable; ISSUER NOT COOPERATING* (16-Aug-19)	1)CARE BB; Stable; ISSUER NOT COOPERATING* (23-Oct-18)
3	Non-fund-based - ST-Bank Guarantee	ST	0.50	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (29-Jan-21)	1)CARE A4+ (27-Nov-19) 2)CARE A4; ISSUER NOT COOPERATING* (16-Aug-19)	1)CARE A4; ISSUER NOT COOPERATING* (23-Oct-18)
4	Non-fund-based - ST-Bank Guarantee	ST	1.50	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (29-Jan-21)	1)CARE A4+ (27-Nov-19)	-
5	Fund-based - LT-Cash Credit	LT	3.46	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable; ISSUER NOT COOPERATING* (29-Jan-21)	1)CARE BB+; Stable (27-Nov-19)	-

*Issuer did not cooperate; Based on best available information

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: Not Applicable**Annexure 4: Complexity level of various instruments rated for this company**

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-Bank Guarantee	Simple

Annexure 5: Bank Lender Details for this Company

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

Note on complexity levels of the rated instrument: CARE 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.

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About CARE Ratings:

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