

Kinara Group of Hotels Private Limited

July 03, 2024

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	7.67	CARE BB-; Stable; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	2.00	CARE A4; 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 April 19, 2023, 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 March 04, 2024, March 14, 2024, March 24, 2024.

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 [April 19, 2023](#)

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

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.

Brief Financials (Rs. crore)	March 31, 2022 (A)	March 31, 2023 (A)
Total operating income	47.47	72.89
PBILDT	5.00	5.36
PAT	1.00	1.92
Overall gearing (times)	0.60	0.48
Interest coverage (times)	2.25	4.88

A: Audited; Note: 'the above results are latest financial results available'

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

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

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		-	-	-	3.25	CARE BB-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	3.46	CARE BB-; Stable; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	March-2024	0.96	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*

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

Annexure-2: Rating history for the 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 2024-2025	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
1	Fund-based - LT-Term Loan	LT	0.96	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (19-Apr-23)	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (14-Feb-22)
2	Fund-based - LT-Cash Credit	LT	3.25	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (19-Apr-23)	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (14-Feb-22)
3	Non-fund-based - ST-Bank Guarantee	ST	0.50	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (19-Apr-23)	-	1)CARE A4; ISSUER NOT COOPERATING* (14-Feb-22)
4	Non-fund-based - ST-Bank Guarantee	ST	1.50	CARE A4; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (19-Apr-23)	-	1)CARE A4; ISSUER NOT COOPERATING* (14-Feb-22)
5	Fund-based - LT-Cash Credit	LT	3.46	CARE BB-; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (19-Apr-23)	-	1)CARE BB-; Stable; ISSUER NOT COOPERATING* (14-Feb-22)

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

LT: Long term; ST: Short term

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
3	Non-fund-based - ST-Bank Guarantee	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:

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