

Press Release

MAVERICK HOLDINGS AND INVESTMENTS PRIVATE LIMITED
January 22, 2024



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rat
Bank Loan Ratings	251.68	ACUITE C Downgraded Issuer not co-operating*	-
Bank Loan Ratings	36.57	-	ACUITE A4 Downgraded Issuer not co-operating*
Total Outstanding Quantum (Rs. Cr)	288.25	-	-

Rating Rationale

Acuite has downgraded its long term rating to 'ACUITE C' (read as ACUITE C) from 'ACUITE BB' (read as ACUITE double B) and short term to 'ACUITE A4 (read as ACUITE A four) from 'ACUITE A4+' (read as ACUITE A four 'plus') on the Rs.288.25 Cr bank facilities of MAVERICK HOLDINGS AND INVESTMENTS PRIVATE LIMITED (MHIPL).

The rating continues to be flagged as "Issuer Not-Cooperating" and is based on best available information

Rationale for rating downgrade

The rating downgrade is on the account of delays reflected in Credit Bureau Information Report of the company.

About the Company

MHIPL, incorporated in 1991, is a Bangalore-based company promoted by Mr. B.N. Garudachar, and Mr. B.G. Uday. The company operates three shopping malls, namely, Garuda Mall, Garuda Swagath Mall, and Garuda Yelahanka Mall in Bangalore. The company is also engaged as a civil contractor for redevelopment projects (mainly for the government).

About the Group

The Maverick group is engaged in land development. MHIPL, established in 1991, operates three shopping malls (Garuda Magrath, Garuda Swagath and Garuda Yehalanka) in Bengaluru, Karnataka. Maverick Holdings is also a class I EPC contractor and undertake only government projects includes Pradhan Mantri Awas Yojna (PMAY) and Bangalore Development Authorities projects (BDA). Euroamer Garuda Resorts (India) Private Limited (EGRIPL) is a group company responsible for facility management of Garuda mall.

Unsupported Rating

Not applicable

Non-cooperation by the issuer/borrower:

Acuite has been requesting for No Default Statements (NDS); however, despite multiple requests; the Company's management has remained non-cooperative and not submitted the NDS for the preceding 03 consecutive months. Acuite has also 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.

Acuité believes that information risk is a critical component in such ratings, and noncooperation 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 Acuité'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). Acuité has endeavoured to gather information about the entity / industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

Rating Sensitivity

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

Liquidity Position

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

Outlook: Not applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 22 (Provisional)	FY 21 (Actual)
Operating Income	Rs. Cr.	110.76	77.28
PAT	Rs. Cr.	1.65	(7.24)
PAT Margin	(%)	1.49	(9.36)
Total Debt/Tangible Net Worth	Times	2.25	2.16
PBDIT/Interest	Times	1.17	0.86

Status of non-cooperation with previous CRA

Not applicable

Any other information

None

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>
- Consolidation Of Companies: <https://www.acuite.in/view-rating-criteria-60.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. Acuité'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

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
07 Jun 2023	Working Capital Demand Loan	Long Term	4.90	ACUITE BB (Issuer not co-operating*)
	Funded Interest Term Loan	Long Term	8.18	ACUITE BB (Issuer not co-operating*)
	Funded Interest Term Loan	Long Term	4.91	ACUITE BB (Issuer not co-operating*)
	Proposed Bank Facility	Long Term	18.18	ACUITE BB (Issuer not co-operating*)
	Term Loan	Long Term	54.30	ACUITE BB (Issuer not co-operating*)
	Secured Overdraft	Long Term	15.00	ACUITE BB (Issuer not co-operating*)
	Bank Guarantee	Short Term	27.00	ACUITE A4+ (Issuer not co-operating*)
	Term Loan	Long Term	42.76	ACUITE BB (Issuer not co-operating*)
	Funded Interest Term Loan	Long Term	5.84	ACUITE BB (Issuer not co-operating*)
	Cash Credit	Long Term	2.00	ACUITE BB (Issuer not co-operating*)
	Bank Guarantee	Short Term	9.57	ACUITE A4+ (Issuer not co-operating*)
	Term Loan	Long Term	95.61	ACUITE BB (Issuer not co-operating*)
18 Aug 2022	Bank Guarantee	Short Term	9.57	ACUITE A4+ (Reaffirmed)
	Working Capital Demand Loan	Long Term	4.90	ACUITE BB Stable (Reaffirmed)
	Term Loan	Long Term	42.76	ACUITE BB Stable (Reaffirmed)
	Term Loan	Long Term	54.30	ACUITE BB Stable (Reaffirmed)
	Proposed Bank Facility	Long Term	18.18	ACUITE BB Stable (Reaffirmed)
	Funded Interest Term Loan	Long Term	5.84	ACUITE BB Stable (Reaffirmed)
	Secured Overdraft	Long Term	15.00	ACUITE BB Stable (Reaffirmed)
	Cash Credit	Long Term	2.00	ACUITE BB Stable (Reaffirmed)
	Funded Interest Term Loan	Long Term	4.91	ACUITE BB Stable (Reaffirmed)
	Term Loan	Long Term	95.61	ACUITE BB Stable (Reaffirmed)
	Funded Interest Term Loan	Long Term	8.18	ACUITE BB Stable (Reaffirmed)
	Bank Guarantee	Short Term	27.00	ACUITE A4+ (Reaffirmed)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Complexity Level	Quantum (Rs. Cr.)	Rating
HDFC Bank Ltd	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	27.00	ACUITE A4 Downgraded Issuer not co-operating*
The Jammu and Kashmir Bank	Not Applicable	Bank Guarantee (BLR)	Not Applicable	Not Applicable	Not Applicable	Simple	9.57	ACUITE A4 Downgraded Issuer not co-operating*
HDFC Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	Simple	2.00	ACUITE C Downgraded Issuer not co-operating*
HDFC Bank Ltd	Not Applicable	Funded Interest Term Loan	Not available	Not available	Not available	Simple	8.18	ACUITE C Downgraded Issuer not co-operating*
Punjab National Bank	Not Applicable	Funded Interest Term Loan	Not available	Not available	Not available	Simple	5.84	ACUITE C Downgraded Issuer not co-operating*
South Indian Bank	Not Applicable	Funded Interest Term Loan	Not available	Not available	Not available	Simple	4.91	ACUITE C Downgraded Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Long Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	Simple	18.18	ACUITE C Downgraded Issuer not co-operating*
Karnataka Bank Ltd	Not Applicable	Secured Overdraft	Not Applicable	Not Applicable	Not Applicable	Simple	15.00	ACUITE C Downgraded Issuer not co-operating*
Punjab National Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	54.30	ACUITE C Downgraded Issuer not co-operating*
South Indian Bank	Not Applicable	Term Loan	Not available	Not available	Not available	Simple	42.76	ACUITE C Downgraded Issuer not co-operating*
HDFC	Not		Not	Not	Not			ACUITE C Downgraded

Bank Ltd	Applicable	Term Loan	available	available	available	Simple	95.61	Issuer not co-operating*
The Jammu and Kashmir Bank	Not Applicable	Working Capital Demand Loan (WC DL)	Not available	Not available	Not available	Simple	4.90	ACUITE C Downgraded Issuer not co-operating*

Contacts

Analytical	Rating Desk
Mohit Jain Senior Vice President-Rating Operations Tel: 022-49294017 mohit.jain@acuite.in	Varsha Bist Senior Manager-Rating Operations Tel: 022-49294011 rating.desk@acuite.in
Moparthy Anuradha Devi Analyst-Rating Operations Tel: 022-49294065 moparthy.anuradha@acuite.in	

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.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Ratings assigned by Acuité are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind, arising from the use of its ratings. Ratings assigned by Acuité are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité. Please visit <https://www.acuite.in/faqs.htm> to refer FAQs on Credit Rating.