



### Press Release

**Manjeera Hotels And Resorts Private Limited**

**October 03, 2023**

### Rating Reaffirmed and Issuer not co-operating

| Product                                       | Quantum<br>(Rs. Cr) | Long Term Rating                                     | Short Term<br>Rating |
|---|---------------------|--|----------------------|
| Bank Loan Ratings                             | 10.00               | ACUITE BB   Reaffirmed   Issuer not<br>co-operating* | -                    |
| <b>Total Outstanding<br/>Quantum (Rs. Cr)</b> | 10.00               | -  | -                    |

### Rating Rationale

Acuite has **reaffirmed** a long term rating of '**ACUITE BB**' (read as **ACUITE double B**) to the Rs 10.00 crore bank facilities of Manjeera Hotels and Resorts Private Limited (MHRPL). The rating is now flagged as "Issuer Not Cooperating" based on account of information risk.

Acuite had sent repeated reminders to the company for sharing critical information and documents for surveillance of the ratings; but, despite multiple requests; the management has remained non-cooperative in providing any information. However, the banker has provided their feedback that the conduct of the account is satisfactory.

### About the Company

Manjeera Hotels and Resorts Private Ltd (MHRPL) incorporated in the year 1995, owns two hotels in Hyderabad, engaged in hospitality business. The Company operates 3-star category hotel "Aditya Park" at Ameerpet, Hyderabad, a 4-star category Hotel "Radisson Hyderabad Hitech City" at Gachibowli, Hyderabad and a Three-star category Hotel "Hometel", through its subsidiary Aashraya Hotels And Estates Private Limited. It is a part of the Manjeera Group promoted by Mr. G Yoganand.

### About the Group

Manjeera Hospitality (Rajahmundry) Pvt Ltd, which is a subsidiary of MHRPL is an SPV incorporated in 2016 was set up to implement the project for setting up Convention cum Exhibition centre, Hotel and Mall & multiplex at Rajahmundry. The SPV was floated to develop the PPP project awarded by Andhra Pradesh Tourism Development Corporation Limited (APTDC) to Manjeera Hotels and Resorts Private Ltd (MHRPL) in consortium with Manjeera Constructions Ltd (MCL) for development of MICE Tourism Destination project for Rajahmundry region.

### 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 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 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 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 Sensitivities**

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

### **All Covenants**

Not Applicable

### **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. | 50.26               | 20.09          |
| PAT                           | Rs. Cr. | (2.52)              | (5.00)         |
| PAT Margin                    | (%)     | (5.01)              | (24.89)        |
| Total Debt/Tangible Net Worth | Times   | 1.97                | 1.63           |
| PBDIT/Interest                | Times   | 1.26                | 0.64           |

### Status of non-cooperation with previous CRA

Not Applicable

### Any other information

Not Applicable

### Applicable Criteria

- 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>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.htm>

### Note on Complexity Levels of the Rated Instrument

In order to inform the investors about complexity of instruments, Acuite 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                |
|-------------|--------------------------------|-----------|-----------------|-------------------------------|
| 26 Jul 2022 | Term Loan                      | Long Term | 10.00           | ACUITE BB   Stable (Assigned) |

**Annexure - Details of instruments rated**

| Lender's Name               | ISIN           | Facilities | Date Of Issuance | Coupon Rate   | Maturity Date | Complexity Level | Quantum (Rs. Cr.) | Rating  |
|-----------------------------|----------------|------------|------------------|---------------|---------------|------------------|-------------------|---|
| Piramal Enterprises Limited | Not Applicable | Term Loan  | Not available    | Not available | Not available | Simple           | 10.00             | ACUITE BB<br> <br>Reaffirmed<br>  Issuer<br>not co-<br>operating* |

## Contacts

| Analytical  | Rating Desk  |
|---|--|
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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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