

March 21, 2025

Chalet Hotels Limited: Change in limits

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Outstanding
Long-term fund based Term Loans	1,802.39	1,595.64	[ICRA]A+(Positive); Outstanding
Long-term Fund-based Limits	138.90	373.53	[ICRA]A+(Positive); Outstanding
Short-term Non-fund Based Limits	60.00	60.00	[ICRA]A1; Outstanding
Long-term/Short-term – unallocated facilities	944.71	916.83	[ICRA]A+(Positive)/[ICRA]A1; Outstanding
Total	2,946.00	2,946.00	

*Instrument details are provided in Annexure-I

Rationale

This rationale is being released to convey the change in the lender wise facilities of the rated limits, based on the latest information received from the entity.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities, Key financial indicators: [Click here](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Hotel Industry Realty - Lease Rental Discounting (LRD) Realty – Commercial/Residential/Retail
Parent/Group support	Not Applicable
Consolidation/Standalone	For arriving at the ratings, ICRA has considered consolidated financials of CHL.

About the company

Chalet Hotels Limited is part of the reputed K Raheja Corp Group, which has diversified business interests across real estate development (residential and commercial), hospitality and retail segments. The company's existing hotel properties include The Westin Mumbai Powai (604 keys; owned), Lakeside Chalet, Mumbai-Marriott Executive Apartments, Powai (173 keys; owned), Four Points by Sheraton, Navi Mumbai (152 keys; owned), The Westin Hyderabad (427 keys; owned), The Westin HITEC City Hyderabad (168 keys; leased), JW Marriott Mumbai Sahar (588 keys; owned), Marriott Hotel Whitefield, Bengaluru (391 keys; owned), Novotel Pune Nagar Road (311 keys; owned), The Dukes Retreat, Lonavala (80 keys; owned), Courtyard by Marriott, NCR (158 Keys; owned) and The Westin Resort & Spa, Himalayas (141 keys, owned). All the hotels except, Four Points by Sheraton (FPS), Vashi, Novotel, Pune (managed by the Accor Hotels) and The Dukes Retreat, Lonavala are run under management contracts with Marriott International Inc.

The company has four operational CRE properties of 2.4 million sq. ft, of which three properties of approximately 1.8 million sq. ft. were commenced in FY2024 and Q1 FY2025. CHL is constructing another CRE property of 0.9 million sq. ft. in Powai, Mumbai. CHL also has an ongoing residential project at Koramangala, Bengaluru.

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

Instrument	Type	Amount rated (Rs. crore)	Current rating (FY2025)			Chronology of rating history for the past 3 years			
			Date & rating in FY2025			Date & rating in FY2024		Date & rating in FY2023	Date & rating in FY2022
			March 21, 2025	October 14, 2024	June 04, 2024	March 11, 2024	July 10, 2023	Sep 29, 2022	July 19, 2021
1	Term loans	1,595.64	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A (Positive)	[ICRA]A- (Positive)	[ICRA]A- (Positive)	[ICRA]BBB+ (Stable)	[ICRA]BBB+ (Negative)
2	Fund based limits	373.53	[ICRA]A+ (Positive)	[ICRA]A+ (Positive)	[ICRA]A (Positive)	[ICRA]A- (Positive)	[ICRA]A- (Positive)	[ICRA]BBB+ (Stable)	[ICRA]BBB+ (Negative)
3	Non-fund based limits	60.00	[ICRA]A1	[ICRA]A1	[ICRA]A1	[ICRA]A2+	[ICRA]A2+	[ICRA]A2	[ICRA]A2
4	Unallocated limits	916.83	[ICRA]A+ (Positive)/ [ICRA]A1	[ICRA]A+ (Positive)/ [ICRA]A1	[ICRA]A (Positive)/ [ICRA]A1	[ICRA]A- (Positive)/ [ICRA]A2+	[ICRA]A- (Positive)/ [ICRA]A2+	[ICRA]BBB+ (Stable)/ [ICRA]A2	[ICRA]BBB+ (Negative)/ [ICRA]A2

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long term fund based – term loans	Simple
Long-term fund based limits	Simple
Short-term non-fund based limits	Very Simple
Long-term / Short-term – Unallocated limits	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click Here](#)

Annexure I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Term loans	FY2017-FY2024	NA	FY2037	1,595.64	[ICRA]A+ (Positive)
NA	Cash Credit	NA	NA	NA	373.53	[ICRA]A+ (Positive)
NA	LC / BG	NA	NA	NA	60.00	[ICRA]A1
NA	Unallocated	NA	NA	NA	916.83	[ICRA]A+ (Positive)/[ICRA]A1

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis

Company Name	Ownership %	Consolidation Approach
Chalet Hotels & Properties (Kerala) Private Limited	90.00%	Full consolidation
Chalet Airport Hotel Private Limited	100.00%	Full consolidation
Sonmil Industries Private Limited	100.00%	Full consolidation
The Dukes Retreat Private Limited	100.00%*	Full consolidation
Ayushi and Poonam Estates LLP	100.00%	Full consolidation
Mahananda Spa and Resorts Private Limited	100.00%	Full consolidation

Source: Company; * 82.28% is held by Chalet Hotels Limited, and the remaining are held by Sonmil Industries Private Limited

ANALYST CONTACTS

Shamsher Dewan
+91 124 4545 328
shamsherd@icraindia.com

Vinutaa S
+91 44 4596 4305
vinutaa.s@icraindia.com

Sriraman Mohan
+91 44 4596 4316
sriraman.mohan@icraindia.com

K. Srikumar
+91 44 4596 4318
ksrikumar@icraindia.com

Nilesh Kumar Jain
+91 44 4596 4312
nilesh.jain2@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)
info@icraindia.com

ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited



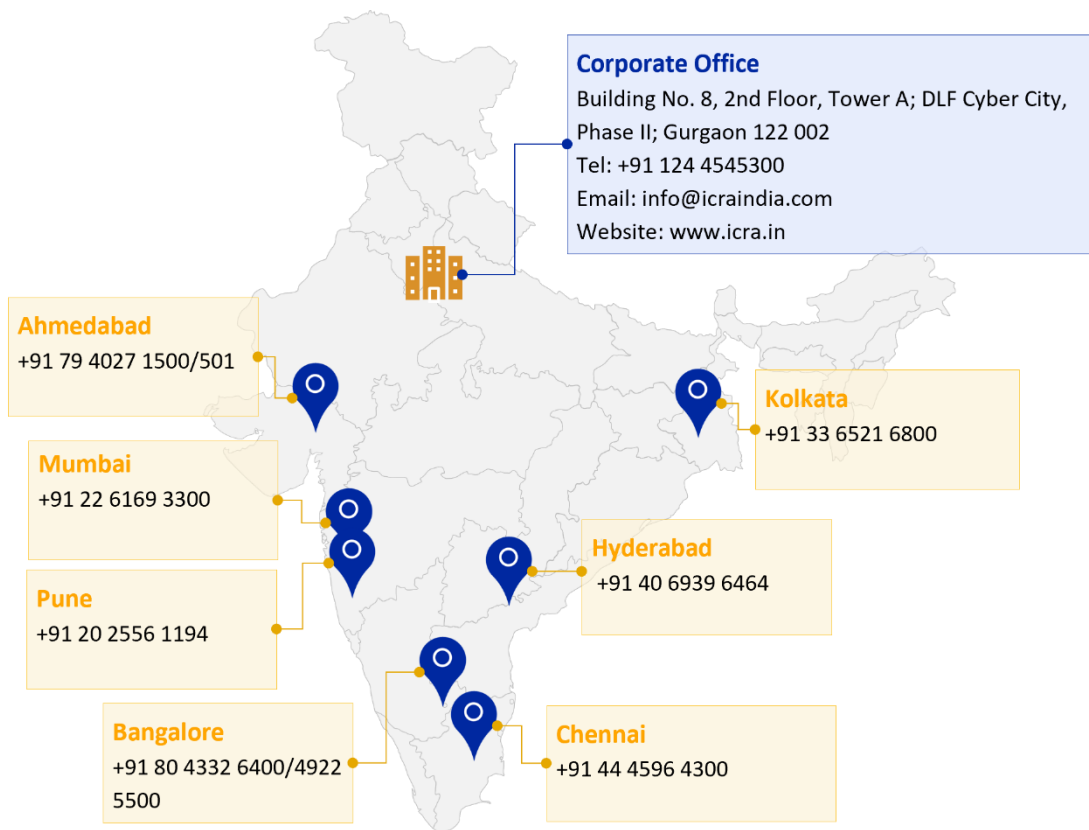
Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



Branches



© Copyright, 2025 ICRA Limited. All Rights Reserved.

Contents may be used freely with due acknowledgement to ICRA.

ICRA ratings should not be treated as recommendation to buy, sell or hold the rated debt instruments. ICRA ratings are subject to a process of surveillance, which may lead to revision in ratings. An ICRA rating is a symbolic indicator of ICRA's current opinion on the relative capability of the issuer concerned to timely service debts and obligations, with reference to the instrument rated. Please visit our website www.icra.in or contact any ICRA office for the latest information on ICRA ratings outstanding. All information contained herein has been obtained by ICRA from sources believed by it to be accurate and reliable, including the rated issuer. ICRA however has not conducted any audit of the rated issuer or of the information provided by it. While reasonable care has been taken to ensure that the information herein is true, such information is provided 'as is' without any warranty of any kind, and ICRA in particular, makes no representation or warranty, express or implied, as to the accuracy, timeliness or completeness of any such information. Also, ICRA or any of its group companies may have provided services other than rating to the issuer rated. All information contained herein must be construed solely as statements of opinion, and ICRA shall not be liable for any losses incurred by users from any use of this publication or its contents.