

Chartered Hotels Private limited

October 06, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	103.60 (Reduced from 110.64)	CARE A-; Stable	Reaffirmed
Short-term bank facilities	4.73 (Reduced from 13.00)	CARE A2+	Reaffirmed
Issuer rating	-	-	Reaffirmed at CARE A-; Stable and Withdrawn

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Reaffirmation of ratings of assigned to bank facilities of Chartered Hotels Private Limited (CHPL) continue to factor in strong operational, managerial, and financial linkages with its parent, Juniper Hotels Limited (JHL) post its acquisition by the latter in September 2023 demonstrated by common management and JHL's track record of regular fund infusion in the last two years to support debt repayment. CARE Ratings Limited (CareEdge Ratings) understands that JHL will be willing to extend financial support to CHPL, owing to its operational significance for the group and of its need to protect its reputation. Ratings continue to derive comfort from established position of JHL in the Indian hospitality industry with diversified portfolio comprising eight hotels with 2,130 keys as on March 31, 2025, spread across six cities and presence across three segments, luxury, upper upscale and upscale, its established tie-up with international hospitality chains such as Hyatt and strong management and execution capabilities.

Ratings also factor in the CHPL's long association with Hyatt and stable operating and financial performance in FY25, which is expected to sustain given the demand outlook for the hospitality industry in the near-to-medium term. CHPL's total operating income (TOI) revenue grew by ~7% YoY to 126 crore in FY25 compared to ₹118 crore in FY24 aided by steady demand traction and consequent improvement in average room rent (ARR) and occupancy levels, and a healthy contribution from food and beverages (F&B) sales. CHPL reported profit before interest, lease rentals, depreciation, and taxation (PBILDT) margin of ~31% in FY25, lower than earlier expectations, due to higher repair and maintenance expenses and employee costs. The company also has adequate liquidity with debt service reserve account (DSRA) of ₹4.48 crore for restructured loans equivalent to three months.

However, ratings remain constrained by CHPL's presence in the highly competitive hospitality industry with seasonal and cyclical business impacted by macroeconomic and exogenous factors. Ratings also factor in the company's relatively leveraged capital structure and moderate coverage metrics.

CareEdge Ratings has also reaffirmed and withdrawn the issuer rating of CHPL with immediate effect, based on request received from the company. The action is in line with CareEdge Ratings' policy on withdrawal of credit ratings.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Maintaining PBILDT margin above 40%, leading to higher cash accruals and reducing dependency on debt on a sustained basis.
- Improving overall occupancy above 75%.

Negative factors

- Substantial weakening in the parent's consolidated financial risk profile due to large debt-funded capex reflected in deteriorating overall gearing.
- Weakening in CHPL's financial and operational performance leading to cash accrual reducing below ₹20 crore on a sustained basis.
- Significantly changing shareholding, weakening of linkages with the parent or deteriorating parent's credit profile.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Analytical approach: Consolidated financials of CHPL and parental notch up of JHL.

Consolidated financials have been considered due to presence of common management, brand name, and operational linkages with subsidiary, Chartered Hampi Hotels Private Limited (CHHPL), owning one hotel in Hampi of total three hotels in CHPL. List of entities considered for consolidation is mentioned in Annexure- 6

CareEdge Ratings has applied the parental notch-up framework to arrive at the rating of CHPL, as entities are in similar line of business with common management and JHL holding 100% equity stake in CHPL. It also has operational linkages with its subsidiary (CHPL), which owns three hotels of JHL's total portfolio of seven hotels.

Outlook: Stable

The stable outlook reflects CareEdge Ratings' expectation that the company will continue to derive benefits from the group's established presence in the domestic hospitality industry, linkages with the Hyatt Group, and positive demand outlook on the hospitality industry.

Detailed description of key rating drivers:
Key strengths
Operational and financial linkages with a strong parent

As a wholly owned subsidiary of JHL, CHPL is strategically important to it for maintaining its presence in its key markets, Lucknow, Raipur, and Hampi. CHPL has 420 keys contributing ~20% to the total keys of JHL group as on March 31, 2025. Operationally, CHPL is well-integrated with JHL, with common business relationships, shared resources such as marketing and finance functions, among others, being centrally managed. JHL has a track record of supporting the company's operations whenever required. JHL's financial risk profile has improved substantially post its IPO, where its raised fresh equity of ₹1,800 crore primarily utilised for reduction of debt. JHL has extended ~₹74 crore in FY25 towards repayment of CHPL's loans. JHL intends to extend support it may require in the future for its expansion and /operational purposes. CareEdge Ratings believes CHPL would remain strategically and operationally integral to JHL's growth plans.

Long-term association and tie-up with Hyatt Hotels

CHPL derives hotel management support from the international hospitality chain Hyatt and their well-established global brands. At present, all three hotels are managed by Hyatt, benefitting from global branding, marketing, and advertising networks for its properties. The agreements for the hotels have a term ranging from 25-46 years with an extension for a further 10 years, as may be mutually agreed among parties to such agreements.

Favorable location backed by strong catchment area

CHPL's largest property, Hyatt Regency Lucknow, is conveniently in Gomti Nagar, a 20-minute drive from Chaudhary Charan Singh International airport and within four minutes from the High Court, corporates and shopping hubs, which benefits the hotel from an influx of business and leisure travelers. The Hyatt Raipur is part of a mall complex in the city's center and in key commercial area of Raipur and it is conveniently just 7 km from Raipur City Railway Station and 10 km from Swami Vivekananda Airport. Hyatt Place Hampi is close to Bellary district, a hub for steel manufacturing and mining activities, with several large and mid-sized industrial units in the region, resulting in the hotel having a mixed revenue stream between leisure and business travelers. It is 1.2 km (3-minute) distance from Vidyanagar airport. Strong positioning of its properties is expected to aid in attracting travelers, supporting its occupancy and revenue generation potential in the medium term.

Healthy occupancy and ARR translating into stable profitability

CHPL's revenue grew at CAGR of 22% in last three years between FY22 and FY25, to ₹127 crore in FY25 compared to 69 crore in FY22, and modest YoY growth of 7% to ₹127 crore in FY25 compared to 118 crore in FY24. The growth over the years have been partially by demand uptick and improvement in overall occupancy and ARR. The overall occupancy improved to 74% in FY25 compared to 70% in FY24, and 54% in FY22. Increase in ARR and revenue per available room (RevPAR) led to improved TOI and healthy profitability. PBILDT margin remained stable at ~31% in FY25 (PY: 32%). Of the total revenue in FY25, ~64% is derived from room rentals, ~30% from F&B, and balance from other services.

CareEdge Ratings expects revenue growth and margins to sustain going forward from domestic leisure travel, demand from meetings, incentives, conferences, and exhibitions (MICE) activities and business travel.

Key weaknesses

Leveraged capital structure and moderate coverage indicators

CHPL's capital structure continues to remain leveraged with overall gearing of 2.03x and total outside liabilities to total net worth (TOL/TNW) of 2.30x as on March 31, 2025. Its debt coverage metrics remain moderate with interest cover of 1.81x and total debt (TD)/PBILDT of 5.21x in FY25. CHPL's financial risk profile has improved in FY25 owing to pre-payment of external borrowings through unsecured loans by JHL. JHL infused funds in the form of unsecured loans of ₹74 crore in FY25, having no fixed repayment schedule, which led to significant reduction of external debts to ₹104.98 crore as on March 31, 2025 compared to ₹155.42 crore as on March 31, 2024.

High geographical concentration of revenue and competition risk

CHPL derives majority revenue from its Lucknow Hotel, exposing it to geographical concentration risks. In FY25, ~61% of total income was contributed by Hyatt Regency Lucknow followed by 20% from Hyatt Place Hampi and balance from Hyatt Raipur. The hospitality industry is highly fragmented with many local and international players operating across different hotel segments, leading to high level of competition in the business. The established position of its hotel in Lucknow and track record of average occupancy above 75% in the last three years mitigates risks to an extent.

Vulnerability of hotel revenues to inherent cyclicity, economic uncertainties, and exogenous events

CHPL's operating performance remains vulnerable to industry cyclicity/seasonality, macro-economic cycles, and exogenous factors (geo-political crisis, terrorist attacks, and disease outbreaks, among others). External shocks translating to weak demand prospects could materially impact CHPL's financial risk profile, as seen in the pandemic.

Liquidity: Adequate

CHPL's liquidity remains adequate marked by adequate projected cash flows against scheduled debt repayment obligations. It is projected to generate cash accruals between ₹20-30 crore per annum in the next 1-2 years. Against this, it has repayment obligations between ₹9-13 crore per annum. In the next three years with no major planned debt funded capex. CHPL's cash and bank balance stood at ~₹4 crore as on March 31, 2025. The liquidity is also aided by demonstrated track record of support from the holding company, JHL. CHPL has maintained DSRA of ₹4.48 crore for restructured loans equivalent for three months since June 2023, which provides additional cushion.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

[Consolidation](#)

[Definition of Default](#)

[Factoring Linkages Parent Sub JV Group](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Hotels & Resorts](#)

[Financial Ratios – Non financial Sector](#)

[Service Sector Companies](#)

[Issuer Rating](#)

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About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer discretionary	Consumer services	Leisure services	Hotels & resorts

Incorporated in 1996, CHPL is a 100% subsidiary of JHL and operates three hotels under the Hyatt brand name in India with 430 keys as on March 31, 2025. Its properties include the 206-Key 'Hyatt Regency Lucknow' (Lucknow, Uttar Pradesh), the 105-Key 'Hyatt Raipur' (Raipur, Chhattisgarh), and the 119-Key 'Hyatt Place Hampi' (Hampi, Karnataka), which is operated by its 100% subsidiary, CHHPL. The company has entered management-cum-marketing agreement with Hyatt International Corporation for

all three hotels. CHPL is currently being managed by Varun Saraf, managing director, who has experience in the hospitality and tourism industries and is responsible for managing the company's overall operations.

JHL's portfolio includes eight hotels and serviced apartments across India. As on March 31, 2025, and pursuant to acquisition of CHPL, it has 2,130 keys, including 245 serviced apartments, across eight hotels and serviced apartments in six cities, namely, Mumbai, New Delhi, Ahmedabad, Lucknow, Raipur, and Hampi. JHL raised ₹1,800 crore (fresh issue) through an IPO in February 2024.

Consolidated – Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	Q1FY26 (UA)
Total operating income	118.00	126.63	30.84
PBILDT	37.34	39.40	7.92
PAT	-14.54	2.67	1.28
Overall gearing (times)	2.03	2.03	NA
Interest coverage (times)	1.67	1.81	1.74

A: Audited UA: Unaudited NA: Not available; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of 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 and Rating Outlook
Fund-based - LT-Term Loan	-	-	-	31-03-2032	103.60	CARE A-; Stable
Issuer Rating-Issuer Ratings	-	-	-	-	0.00	Withdrawn
Non-fund-based - ST-Bank Guarantee	-	-	-	-	4.73	CARE A2+

Annexure-2: Rating history for 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 2025-2026	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
1	Fund-based - LT-Term Loan	LT	103.60	CARE A-; Stable	-	1)CARE A-; Stable (26-Jul-24)	1)CARE D; ISSUER NOT COOPERATING* (18-Dec-23)	1)CARE D; ISSUER NOT COOPERATING* (06-Oct-22)
2	Non-fund-based - ST-Bank Guarantee	ST	4.73	CARE A2+	-	1)CARE A2+ (26-Jul-24)	1)CARE A4; ISSUER NOT COOPERATING* (18-Dec-23)	1)CARE A4; ISSUER NOT COOPERATING* (06-Oct-22)
3	Fund-based - LT-Term Loan	LT	-	-	-	1)Withdrawn (26-Jul-24)	1)CARE D; ISSUER NOT COOPERATING* (18-Dec-23)	1)CARE D; ISSUER NOT COOPERATING* (06-Oct-22)
4	Issuer Rating-Issuer Ratings	LT	-	-	1)CARE A-; Stable (06-Oct-25)	1)CARE A-; Stable (26-Jul-24)	-	-

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

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities:**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Non-fund-based - ST-Bank Guarantee	Simple

Annexure-5: Lender details

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

Annexure-6: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Chartered Hampi Hotels Private Limited	Full	Subsidiary

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

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