

ROBUST HOTELS LIMITED

CIN: L55101TN2007PLC062085

Registered Office: No. 365, Anna Salai, Teynampet, Chennai – 600 018.

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Date: 03.07.2025

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai- 400001

National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai-400 051

Type of Security: Equity shares
Scrip Code : 543901

Type of Security: Equity shares
NSE Symbol : RHL

Dear Sir,

Sub: Intimation of credit rating under Regulation 30 of SEBI (LODR) Regulations, 2015

Pursuant to Regulation 30 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, please note that CRISIL Ratings ("CRISIL") has reviewed the rating on bank facilities of the Company. In this regard, please find below the ratings for the bank loan facilities of the Company:

Total Bank Loan Facilities Rated	Rs.170 Crore
Long Term Rating	CRISIL BBB /Stable (Reaffirmed)
Short Term Rating	CRISIL A3+ (Reaffirmed)

The letter received from CRISIL dated 03rd July 2025 is enclosed herewith.

Kindly take the above on record.

For Robust Hotels Limited

YASOTHA Digitally signed by
BENAZIR YASOTHA BENAZIR
Date: 2025.07.03
15:35:31 +05'30'

Yasotha Benazir N

Company Secretary & Compliance Officer



Rating Rationale

July 03, 2025 | Mumbai

Robust Hotels Limited

Ratings reaffirmed at 'Crisil BBB/Stable/Crisil A3+'

Rating Action

Total Bank Loan Facilities Rated	Rs.170 Crore
Long Term Rating	Crisil BBB/Stable (Reaffirmed)
Short Term Rating	Crisil A3+ (Reaffirmed)

Note: None of the Directors on Crisil Ratings Limited's Board are members of rating committee and thus do not participate in discussion or assignment of any ratings.

The Board of Directors also does not discuss any ratings at its meetings.

1 crore = 10 million

Refer to Annexure for Details of Instruments & Bank Facilities

Detailed Rationale

Crisil Ratings has reaffirmed its ratings on the bank facilities of Robust Hotels Ltd (RHL) at 'Crisil BBB/Stable/Crisil A3+'.

The rating assigned reflects the company's strong business risk profile which is characterized by its healthy position in the luxury hospitality sector in Chennai and experience of promoters in managing the Hyatt regency brand of hotels for over 3 decades. Robust Hotels Limited manages the operations of Hyatt Regency Chennai. The ratings are supported by the company's strong financial risk profile and improving business metrics in terms of occupancy rates and average room rates during fiscal 2025 which have translated to sustenance of EBITDA margins of over 27% for past few fiscals. These strengths are partially offset by the company's loan extension to group company Novak Hotels Limited as well as geographic concentration risk owing to its portfolio solely based out of Chennai.

Analytical Approach

Crisil Ratings has evaluated the business and financial risk profiles of RHL on a standalone basis

Key Rating Drivers & Detailed Description

Strengths:

Extensive experience of the promoters and established brand presence: The promoters have more than three and half decades of experience in managing hotel operations association with Hyatt brand, which brings along its existing clientele (both domestic and international). Increase in foreign and non-residential Indian clients is expected to augur well for ARR, led by the differential tariff system and the large network and global marketing strategies of Hyatt. The brand denotes luxury and high quality of critical differentiating factors in the premium hotel segment.

Healthy financial risk profile: Capital structure is healthy marked by gearing of less than 0.5 time as on 31st March 2025. Despite upcoming capex in the medium term, RHL's capital structure is expected to remain at healthy levels. Debt protection metrics are comfortable with Interest coverage ratio (ICR) of over 3.2 times in fiscal 2025 due to improved operating performance. ICR to be sustained at over 2.7 times over the medium term.

Weakness:

Revenue concentration and susceptibility to economic downturns and industry cyclicality: RHL derives its entire revenue from its hotel in Chennai. Dependence on a single location exposes the company to any adverse change in the demand-supply situation and event risk. Moreover, the hospitality industry is susceptible to downturns in domestic and international economies. During weaker periods, revenue per available room for premium and mid-segment hotels get more acutely affected than economy hotels. However, RHL has acquisition plans which mitigate the risk.

Sizeable exposure to group companies: The company has extended loans of around Rs.150-160 crore (including interest) estimated as on 31st March 2025 to group company - Novak Hotels Limited. Significant portion of the loan will be repaid once debt is raised by Novak Hotels Limited. Further extension of loan to Novak Hotels Limited or any delay in debt raise by Novak Hotels Limited which would impact the credit profile of Robust Hotels Limited will be a key monitorable.

Liquidity: Adequate

Bank limit utilization is low at around 4 percent for the past twelve months ended April 2025. Cash accruals are expected to be over Rs 26-30 crore which are adequate against term debt obligation of Rs7.5 to 9 crore per annum over the medium term. In addition, it will be act as cushion to the liquidity of the company. Company maintains Fixed deposit of Rs.10 crore and mutual fund investments of Rs.13.18 crore which will further support the liquidity profile.

Outlook: Stable

Crisil Ratings believes that RHL shall benefit from its established market position and from the financial flexibility of its promoters.

Rating Sensitivity Factors

Upward Factors

- Steady growth in revenue and sustenance of operating margin at over 25% leading to better cash accruals
- Reduction in debt exposure to Novak Hotels Limited leading to improvement in financial and liquidity profiles

Downward Factors

- Decline in revenue by more than 30 percent or steep decline in profitability leading to lower cash accruals.
- Larger than expected increase in exposure to group entities or significant capex leading to weakening of liquidity and thus the financial risk profile

About the Company

Incorporated in 2007 and promoted by Mr. Radhe Shyam Saraf and his family members, RHL operates a five-star hotel property under the Hyatt Regency brand in Chennai. The hotel has 325 rooms, including 28 suits, and is equipped with a swimming pool, fitness center, business center, banquet hall, salon and restaurants. RHL was a wholly owned subsidiary of Asian Hotels (East) Ltd; the company has demerged and listed its shares.

Key Financial Indicators

As on/for the period ended March 31	Unit	2024	2023
Operating income	Rs.Crore	122.61	106.72
Reported profit after tax	Rs.Crore	4.74	56.43
PAT margins	%	3.86	52.88
Adjusted Debt/Adjusted Networth	Times	0.30	0.22
Interest coverage	Times	2.32	1.69

Any other information: Not Applicable

Note on complexity levels of the rated instrument:

Crisil Ratings' complexity levels are assigned to various types of financial instruments and are included (where applicable) in the 'Annexure - Details of Instrument' in this Rating Rationale.

Crisil Ratings will disclose complexity level for all securities - including those that are yet to be placed - based on available information. The complexity level for instruments may be updated, where required, in the rating rationale published subsequent to the issuance of the instrument when details on such features are available.

For more details on the Crisil Ratings' complexity levels please visit www.crisilratings.com. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Annexure - Details of Instrument(s)

ISIN	Name Of Instrument	Date Of Allotment	Coupon Rate (%)	Maturity Date	Issue Size (Rs.Crore)	Complexity Levels	Rating Outstanding with Outlook
NA	Overdraft Facility	NA	NA	NA	5.00	NA	Crisil A3+
NA	Long Term Loan	NA	NA	31-Jan-39	115.00	NA	Crisil BBB/Stable
NA	Long Term Loan	NA	NA	31-Jan-39	50.00	NA	Crisil BBB/Stable

Annexure - Rating History for last 3 Years

Instrument	Type	Current		2025 (History)		2024		2023		2022		Start of 2022
		Outstanding Amount	Rating	Date	Rating	Date	Rating	Date	Rating	Date	Rating	Rating
Fund Based Facilities	LT/ST	170.0	Crisil BBB/Stable / Crisil A3+		--	07-08-24	Crisil BBB/Stable / Crisil A3+	22-12-23	Crisil BB+/Watch Developing	16-11-22	Crisil BB/Stable	Crisil B/Stable
			--		--	02-02-24	Crisil BBB-/Stable	21-11-23	Crisil BB+/Watch Developing		--	Crisil D
			--		--		--	24-08-23	Crisil BB+/Watch Developing		--	--
			--		--		--	17-07-23	Crisil BB+/Stable		--	--
			--		--		--	13-07-23	Crisil BB/Stable		--	--

Non-Fund Based Facilities	ST		--		--		--	22-12-23	Crisil A4+/Watch Developing	16-11-22	Crisil A4+	Crisil A4
			--		--		--	21-11-23	Crisil A4+/Watch Developing		--	--
			--		--		--	24-08-23	Crisil A4+/Watch Developing		--	--
			--		--		--	17-07-23	Crisil A4+		--	--
			--		--		--	13-07-23	Crisil A4+		--	--

All amounts are in Rs.Cr.

Annexure - Details of Bank Lenders & Facilities

Facility	Amount (Rs.Crore)	Name of Lender	Rating
Long Term Loan	115	Axis Finance Limited	Crisil BBB/Stable
Long Term Loan	50	Aditya Birla Finance Limited	Crisil BBB/Stable
Overdraft Facility	5	Axis Bank Limited	Crisil A3+

Criteria Details

Links to related criteria

[Basics of Ratings \(including default recognition, assessing information adequacy\)](#)

[Criteria for manufacturing, trading and corporate services sector \(including approach for financial ratios\)](#)

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