



Rating Advisory.

Asian Hotels (North) Limited

2 December 2020.

Brickwork Ratings takes note of the fact that Asian Hotels (North) Limited has applied for one time loan restructuring under the Resolution Framework for Covid-19 – related stress as per the RBI policy.

BWR takes note of the fact that the Asian Hotels (North) Limited (AHNL) has made application for one-time restructuring (OTR) under Covid-19 related stress circular of Reserve Bank of India, dated 6 August 2020. The Company and the lenders have confirmed the application is submitted on 28 September 2020 and the same is under consideration. The proposed restructuring plans is expected to mitigate liquidity constraints due to Covid-19 pandemic. BWR takes cognizance of the Resolution Framework for Covid-19 related Stress and related guidelines announced by the Reserve Bank of India (RBI) vide its circulars dated 06 Aug 2020. BWR also takes note of the guidance provided by the SEBI circular SEBI/HO/MIRSD/CRADT/CIR/P/2020/160 dated 31 August 2020 in this regard. Consequent to the application under the guidelines, AHNL is not servicing the debt obligations. However, BWR has not recognized the non-payment as default in accordance with the BWR approach for rating companies opting for loan restructuring under the resolution framework for COVID-19 related stress, published on BWR website. BWR will monitor the development and an appropriate rating will be assigned post implementation of resolution plans.

Key Risk Driver and Rating Sensitivities.

Please refer to our previous rationale on the below link.

<https://www.brickworkratings.com/Admin/PressRelease/Asian-Hotels-19Aug2020.pdf>

About the Company

Asian Hotel Limited (AHL) was promoted by Jatia, Gupta and Saraf families in 1980. AHL engaged in the business of operating a hotel property under the brand, Hyatt Regency, a five-star hotel, with 507 rooms and five restaurants located at Bhikaji Cama Place, New Delhi. Over the years, the three promoter groups of AHL acquired independent interests in the hospitality industry. In order to reduce the possibility of any conflict of interests among the promoter groups, it was decided to de-merger AHL into three separate undertakings; each undertaking having one hotel property. As per the demerger scheme, the Hyatt Regency Mumbai property was transferred and vested in Asian Hotel (West) Limited, the Hyatt Regency Kolkata property was transferred and vested in Asian Hotels (East) Limited while the Hyatt Regency Delhi property was retained in AHL – now known as Asian Hotels (North) Limited. Currently, the promoter shareholding is with the Jatia family. AHNL operates Hyatt Regency, New Delhi, a five-star hotel, with 507 rooms and five restaurants located at Bhikaji Cama Place, New Delhi. AHNL has developed a new commercial tower “New Towers” at its existing hotel complex.

Key Financial: Consolidated

Particulars (Amt in Rs. Crs)	FY 2019	FY 2020
Type of Account	Consolidated	Consolidated
Total Operating Income	273.52	252.39
EBITDA	82.94	54.47
PAT/ (Loss)	-39.07	-64.74
Total Debt	1183.2	1211.85
Tangible Net worth	228.31	156.40

H1FY21: The Company has reported total operating income of Rs. 19.08 Cr and EBITDA loss of Rs. 13.85 Cr and net loss of Rs. 65.01 Cr.

Rating History for the last three years (including rating withdrawal and suspension)

Sr. NO	Facility			Current Rating	Rating History		
		Type	Amount (Rs in Cr)		2020	2019	2018
1	Term Loan	Long Term	384.24	BWR BB Negative (March 2020)	BWR BB+ Stable	BWR BBB Stable	BWR BBB Stable
2	Cash Credit / Overdraft		37.00	BWR B Negative (August 2020)			

Status of non-cooperation with previous CRA (if applicable)- CRISIL B-/Negative (ISSUER NOT COOPERATING)

Hyperlink/Reference to Applicable Criteria

[General Criteria](#)

[Approach to Financial Ratios](#)

[Service Sector](#)

[Consolidation](#)

[Resolution Framework for Covid-19 related stress.](#)

Annexure I

Details of Bank Facilities rated by BWR.

Particulars (Amt in Rs Cr)	Type of Facilities		Total (Amt in Rs Cr)
	TL	CC/OD	
Yes Bank	148.51	32	180.51
Punjab National Bank (9.25%)	140.03	0	140.03
IndusInd Bank (9.5%)	95.7	5	100.7
Total	384.24	37	421.24

Annexure II

List of Entities Consolidated

Name of The Company	% of holding
Fineline Hospitality & Consultancy Pte Ltd (FHCPL)- an Overseas Subsidiary	100%
Lexon Hotel Ventures Limited (Lexon), a subsidiary of FHCPL	80%
Leading Hotels Limited (LHL), a subsidiary of Lexon	79.81%

For print and digital media

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