

July 26, 2024

National Stock Exchange of India Limited

Exchange Plaza
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
Scrip Code: CHALET

BSE Limited

Corporate Relationship Department
Phiroze Jeejeebhoy Tower,
Dalal Street, Fort
Mumbai – 400 001
Scrip Code: 542399

Dear Sir/ Madam,

Sub: Monitoring Agency Report under Regulation 32 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

Pursuant to the provisions of Regulation 32 of the Listing Regulations, a statement of utilisation of the proceeds from the Qualified Institutions Placement (QIP) was placed at the meeting of the Audit Committee of the Company held on July 25, 2024. The proceeds from the QIP have been utilised in line with the objects as stated in the Placement Document and there has been no deviation or variation therefrom. The said statement of utilisation of the proceeds is also enclosed herewith as Annexure A

Accordingly, pursuant to the provisions of Regulation 32 of the Listing Regulations, the Monitoring Agency Report issued by CRISIL Ratings Limited (Monitoring Agency) with respect to the utilization of the proceeds of QIP as placed before the Audit Committee and the Board of Directors of the Company at their respective meetings held on July 25, 2024 is enclosed herewith as Annexure B.

The same is also available on the website of the Company i.e. www.chalet-hotels.com.

We request you to take the same on record.

Thanking You.

Yours faithfully,
For **Chalet Hotels Limited**

Christabelle Baptista
Company Secretary and Compliance Officer
Membership Number: A17817

Chalet Hotels Limited

Annexure A

Statement of deviation / variation in utilisation of funds raised

Name of listed entity	Chalet Hotels Limited
Mode of Fund Raising <i>(Public Issues / Rights Issues / Preferential Issues / QIP / Others)</i>	Qualified Institutions Placement (QIP)
Date of Raising Funds	April 03, 2024
Amount Raised	Rs.10,000,000,296
Report filed for Quarter ended	June 30, 2024
Monitoring Agency <i>(Applicable / Not Applicable)</i>	Applicable
Monitoring Agency Name, if applicable	CRISIL Ratings Limited
Is there a Deviation / Variation in use of funds raised <i>(Yes / No)</i>	No
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders	Not Applicable
If Yes, Date of shareholder Approval	Not Applicable
Explanation for the Deviation / Variation	Not Applicable
Comments of the Audit Committee after review Comments of the auditors, if any	No comments

Objects for which funds have been raised and where there has been a deviation, in the following table

Original Object	Modified Object, if any	Original Allocation (Rs. in Million)	Modified allocation, if any	Funds Utilised	Amount of Deviation / Variation for the quarter according to applicable object	Remarks if any
Repayment or pre-payment, in full or in part, of certain of outstanding borrowings	Not Applicable	9,000.00	Not Applicable	8,999.51	Nil	None
General Corporate Purposes	Not Applicable	802.00	Not Applicable	802.00	Nil	None

Chalet Hotels Limited

Monitoring Agency Report for Chalet Hotels Limited for the quarter ended June 30, 2024

CRL/MAR/ CHHL /2023-24/1135

July 25, 2024

To

Chalet Hotels Limited

Raheja Tower, Plot No.C-30, Block 'G',
Next to Bank of Baroda, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051, Maharashtra, India

Dear Sir,

Monitoring Agency Report for the quarter ended June 30, 2024 - in relation to the Qualified Institutions Placement ("QIP") of Chalet Hotels Limited ("the Company")

Pursuant to Regulation 173A of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("**SEBI ICDR Regulations**") and Monitoring Agency Agreement dated March 26, 2024, enclosed herewith the Monitoring Agency Report, issued by CRISIL Ratings Limited, Monitoring Agency, as per Schedule XI of the SEBI ICDR Regulations towards utilization of proceeds of QIP for the quarter ended June 30, 2024.

Request you to kindly take the same on records.

Thanking you,

For and on behalf of CRISIL Ratings Limited



Sushant Sarode
Director, Ratings (LCG)

Report of the Monitoring Agency (MA)

Name of the issuer: Chalet Hotels Limited

For quarter ended: June 30, 2024

Name of the Monitoring Agency: CRISIL Ratings Limited

(a) Deviation from the objects: Not applicable

(b) Range of Deviation: Not applicable

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit-related analyses. We confirm that we do not perceive any conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board.

Signature: 

Name and designation of the Authorized Signatory: Sushant Sarode

Designation of Authorized person/Signing Authority: Director, Ratings (LCG)

1) Issuer Details:

Name of the issuer:	Chalet Hotels Limited
Names of the promoter:	a. Ravi C. Raheja b. Neel C. Raheja c. Ivory Properties And Hotels Private Ltd d. K Raheja Pvt Ltd e. K Raheja Corp Private Limited f. Touchstone Properties And Hotels Pvt Ltd g. Genext Hardware And Parks Private Ltd h. Cape Trading LLP i. Casa Maria Properties LLP j. Capstan Trading LLP k. Palm Shelter Estate Development LLP l. Raghukool Estate Development LLP m. Anbee Construction LLP n. Ivory Property Trust
Industry/sector to which it belongs:	Hotels and Resorts

2) Issue Details

Issue Period:	March 27, 2024 to April 02, 2024
Type of issue (public/rights):	Qualified Institutions Placement (QIP)
Type of specified securities:	Equity Shares
QIP Grading, if any:	NA
Issue size:	Rs 10,000 million Issue size comprises of gross proceeds of Rs 10,000.00 million (Net proceeds of Rs 9,802.00 million*)

**CRISIL Ratings shall be monitoring the net proceeds amount.*

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

Particulars	Reply	Source of information/ certifications considered by Monitoring Agency for preparation of report	Comments of the Monitoring Agency	Comments of the Board of Directors
Whether all utilization is as per the disclosures in the Offer Document?	Yes	Management undertaking, Independent Chartered Accountant Certificate [^] , Final Offer Document, Bank Statements	No Comments	No comment
Whether shareholder approval has been obtained in case of material deviations from expenditures disclosed in the Offer Document?	NA	Management undertaking, Independent Chartered Accountant Certificate [^]	No Comments	No comment
Whether the means of finance for the disclosed objects of the issue has changed?	No		No Comments	No comment
Is there any major deviation observed over the earlier monitoring agency reports?	NA		No Comments	No comment
Whether all Government/statutory approvals related to the object(s) have been obtained?	NA		No Comments	No comment
Whether all arrangements pertaining to technical assistance/collaboration are in operation?	NA		No Comments	No comment
Are there any favorable events improving the viability of these object(s)?	NA		No Comments	No comment
Are there any unfavorable events affecting the viability of the object(s)?	No		No Comments	No comment
Is there any other relevant information that may materially affect the decision making of the investors?	No		No Comments	No comment

NA represents Not Applicable

[^]Certificate dated July 17, 2024 issued by M/s Nayak and Rane Chartered Accountants, Peer reviewed Chartered Accountants (Firm Registration Number: 117249W)

4) Details of object(s) to be monitored:

i. Cost of the object(s):

Sr. No.	Item Head	Source of information/certification considered by MA for preparation of report	Original cost (as per the Offer Document) (Rs in million)	Revised Cost (Rs in million)	Comment of the MA	Comments of the Board of Directors		
						Reason of Cost revision	Proposed financing option	Particulars of firm arrangements made
1	Repayment or prepayment, in full or in part, of certain of outstanding borrowings	Management undertaking, Independent Chartered Accountant Certificate [^] , Final offer document	9,000.00	NA	No revision	No comment	No comment	No comment
2	General Corporate Purposes [#]		802.00	NA	No revision	No comment	No comment	No comment
Total		-	9,802.00	NA	-	-	-	-

[^]Certificate dated July 17, 2024 issued by M/s Nayak and Rane Chartered Accountants, Peer reviewed Chartered Accountants (Firm Registration Number: 117249W), Independent Chartered Accountants.

[#]The amount utilised for general corporate purposes does not exceed 25% of the Gross Proceeds (amounting to Rs 2,500.00 million) from the Fresh Issue.

Note: All figures in the above table are rounded off to two decimal places

ii. Progress in the object(s):

Sr. No.	Item Head#	Source of information/certifications considered by Monitoring Agency for preparation of report	Amount as proposed in the Offer Document (Rs in million)	Amount utilized (Rs in million)			Total unutilized amount (Rs in million)	Comments of the Monitoring Agency	Comments of the Board of Directors	
				As at beginning of the quarter	During the quarter	At the end of the quarter			Reasons for idle funds	Proposed course of action
1	Repayment or pre-payment, in full or in part, of certain of outstanding borrowings	Management undertaking, Independent Chartered Accountant Certificate [^] , Final Offer Document, Bank Statements	9,000.00	NA	8,999.51	8,999.51	0.49	No comments	No comment	No comment
2	General Corporate Purposes	Management undertaking, Independent Chartered Accountant Certificate [^] , Final Offer Document, Bank Statements	802.00	NA	802.00	802.00	Nil	Amount fully utilised during the reported quarter	No comment	No comment
Total			9,802.00	NA	9,801.51	9,801.51	0.49	-	-	-

[^]Certificate dated July 17, 2024 issued by M/s Nayak and Rane Chartered Accountants, Peer reviewed Chartered Accountants (Firm Registration Number: 117249W), Independent Chartered Accountants.

Note: All figures in the above table are rounded off to two decimal places

#Brief description of objects:

Object of the Issue	Description of objects as per the offer document filed by the issuer
Repayment or pre-payment, in full or in part, of certain of outstanding borrowings	Company availed fund-based and non-fund-based facilities in the ordinary course of business from various banks and financial institutions. The borrowing arrangements entered into include, inter alia, term loans and working capital facilities and non-convertible debentures. The Company proposes to utilise Net Proceeds to repay/pre-pay, in part or full, certain of borrowings.
General Corporate Purposes	<p>Company intends to deploy any balance Net Proceeds towards general corporate purposes, and the business requirements of Company, as approved by management, from time to time, subject to such utilization for general corporate purposes not exceeding 25% of the Net Proceeds, aggregating to Rs 802.00 million, in compliance with applicable laws. Such general corporate purposes may include, but are not restricted to meeting fund requirements which Company may face in the ordinary course of business, funding growth opportunities, strategic initiatives, partnerships, tie-ups, joint ventures or acquisitions, meeting exigencies and expenses, and other expenses, and any other purpose as may be approved by Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act, 2013.</p> <p>The allocation or quantum of utilization of funds towards the specific purposes described above will be determined by Board, based on business requirements and other relevant considerations, from time to time. Company's management shall have flexibility in utilising surplus amounts, if any, in accordance with applicable law.</p>

iii. Deployment of unutilised proceeds:

On the basis of management undertaking and Certificate dated July 17, 2024 issued by M/s Nayak and Rane Chartered Accountants, Peer reviewed Chartered Accountants (Firm Registration Number: 117249W), Independent Chartered Accountants:

S. No.	Type of instrument where amount is invested	Amount invested (Rs in million)	Maturity date	Earnings as on June 30, 2024 (Rs in million)	Return on Investment (%)	Market value as at the end of quarter (Rs in million)
Refer Note 1 & 2 below						

Note 1: An amount of Rs 20.00 million was transferred from Monitoring agency account to HSBC current account for utilization towards object 1, out of this transferred amount, Rs 0.49 million is lying as balance in HSBC current account as at the end of the reported quarter.

Note 2: An amount of Rs 1.17 million transferred from Escrow account to Monitoring agency account is lying as a balance in the Monitoring agency account of the Company as at the end of the reported quarter. Further, this amount will be reimbursed to the Current account of the Company towards issue-related expenses in subsequent quarter.

iv. Delay in implementation of the object(s):

On the basis of management undertaking and Certificate dated July 17, 2024 issued by M/s Nayak and Rane Chartered Accountants, Peer reviewed Chartered Accountants (Firm Registration Number: 117249W), Independent Chartered Accountants:

Object(s)	Completion Date		Delay (no. of days/ months)	Comments of the Board of Directors	
	As per the Offer Document	Actual		Reason of delay	Proposed course of action
Not applicable					

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the offer document*:

On the basis of management undertaking and Certificate dated July 17, 2024 issued by M/s Nayak and Rane Chartered Accountants, Chartered Accountants (Firm Registration Number: 117249W):

S. No.	Item heads	Amount (Rs in million)	Remarks
1	Interest payment	126.31	The Board of Directors of the Company vide resolution dated 25 July, 2024 has ratified the utilisation of GCP towards these purposes
2	Working capital	603.10	
3	Capital Expenditure	65.73	
4	Sales & Marketing expenses	6.86	
	Total	802.00	

Note: All figures in the above table are rounded off to two decimal places

Disclaimers:

- a) *This Report is prepared by CRISIL Ratings Limited (hereinafter referred to as "Monitoring Agency" / "MA" / "CRL"). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.*
- b) *This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like Independent Chartered Accountants (or from peer reviewed CA firms) appointed by the Issuer believed by it to be accurate and reliable.*
- c) *Nothing contained in this Report is capable or intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.*
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Ratings

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