Press Release
JAI BEVERAGES PRIVATE LIMITED
July 29, 2025
Rating Assigned and Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	391.00	ACUITE AA- | Stable | Assigned	-
Bank Loan Ratings	209.00	ACUITE AA- | Stable | Reaffirmed	-
Total Outstanding Quantum (Rs. Cr)	600.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has reaffirmed its long-term rating of **'ACUITE AA-' (read as ACUITE double A minus)**on the Rs.209.00 Cr. bank facilities of Jai Beverages Private Limited. The outlook is **"Stable".**
Further, Acuite has assigned long term rating of **'ACUITE AA-' (read as ACUITE double A minus)**on the Rs. 391.00 Cr. bank facilities of Jai Beverages Private Limited. The outlook is **"Stable".**

Rationale for rating
The rating draws comfort from established track record of operations and exclusive franchise agreement with PepsiCo India Holdings Private Limited. The rating further takes into account the sound business risk profile of the company marked by revenue from operations which stood at Rs.742.06 Cr. in FY2025 (Prov.) as against Rs.637.69 Cr. in FY2024 and the EBITDA and PAT margin which stood at 16.46% and 11.01% (adjusted PAT Margin: 8.51%) respectively in FY2025 (Prov.). The increase in revenue and profitability is attributed to incremental sales during summers along with sales increased in terms of volume as well as slight increase in realization. In addition, the financial risk profile of the company is healthy marked by healthy net worth of Rs.410.31 Cr. and gearing at 0.84 times as on 31st March 2025 (Prov.) along with interest coverage ratio and debt service coverage ratio at 7.56 times and 2.71 times respectively as on 31st March 2025 (Prov.). The working capital management is comfortable marked by GCA days of 89 days in FY2025 (Prov.) against 112 days in FY2024. However, these strengths are partially offset by susceptibility to changes in regulations and customer preference and operations being restricted to J&K region. Furthermore, the company is also undergoing major capex wherein timely completion of same and ability of the company to scale up substantially while maintaining its profitability and financial risk profile will remain a key monitorable factor.

About the Company

Jai Beverages Private Limited is a New Delhi based company, incorporated in 1999 with manufacturing facility located at Jammu. The company is engaged in manufacturing and bottling of soft drinks. JBPL has trademark license agreement with PepsiCo India Holdings Private Limited for manufacturing and sales in Jammu & Kashmir region. The products that are manufactured by the company are Pepsi Cola, Mirinda Orange, Mirinda Lemon, and Mountain Dew, 7 UP, Nimbooz, Slice, Evervess Soda and Diet Pepsi. Apart from this company is also operating Adidas outlets and have opened around 53 outlets pan India. The Company is currently managed by Mr. Anuraag Jaipuria. Mr. Naginder Razdan, Mr. Tejbir Singh Bedi, Mr. Chandra Kant Jaipuria, Ms. Neetika Jaipuria, Mr. Mahavir Prasad Jaipuria.

Unsupported Rating

Not Applicable

Analytical Approach
Acuite has considered the standalone financials and business risk profile of Jai Beverages Private Limited to arrive at the rating.

Key Rating Drivers

Strengths

Experienced promoters

JBPL is managed by promoters with more than two decades of experience in the beverage bottling industry. The company has long-standing agreement with PepsiCo India Holdings Private Limited since 2000, through the franchise agreement for bottling and distribution of its soft drinks, juice, soda and packaged drinking water for Jammu and Kashmir region. In addition, the company is also around 53 outlets operating Adidas outlets pan India which further supports the revenue of the company. Acuite expects that the company would continue to benefit from experience of the directors and long track record of the company.

Steady scale of operations

The revenue from operations stood at Rs.742.06 Crore in FY2025 (Prov.) against Rs.637.69 Crore in FY2024. The EBITDA Margin stood at 16.46% in FY2025 (Prov.) against 15.44% in FY2024 and likewise, the PAT Margin stood at 11.01% in FY2025 (Prov.) against 7.72% in FY2024. Taxes have not been considered while calculating Profit after tax (PAT) in the Provisional Financials as on March 31, 2025. In case, same is considered as per the past year trends, then the adjusted PAT Margin of the company is expected to be 8.51% in FY2025 (Prov.) against 7.72% in FY2024. The increase in revenue and profitability is contributed by incremental sales during summers wherein sales of beverages skyrocket during months of April to September. In addition, the growth is backed by sales being increased in terms of volume as well as slight increase in realization. The company is currently undergoing capex which is expected to be completed in FY2026 and is expected to support in meeting peak season demands in near to medium term. Additionally, backward integration is expected to help in reducing operating expenses of the company to an extent. Acuite expects business risk profile of the company would continue to benefit from long track record of operations, exclusive franchise agreement with PepsiCo India Holdings Private Limited, revenue from adidas retail outlets along with completion of ongoing capital expenditure plan thereby resulting into healthy revenue and profitability in near to medium term.

Comfortable Working capital operations

The working capital operations of the company are comfortable marked by GCA days which stood at 89 days as on 31st March, 2025 (Prov.) as against 112 days as on 31st March, 2024. The inventory days which stood at 52 days as on 31st March, 2025 (Prov.) against 45 days as on 31st March, 2024. The company maintains stock of concentration received from Pepsi for 2 days due to its lower shelf life and other chemicals in the range of 10-15 days. JBPL also maintain sugar for a week and bottle caps for 30 days. Further, the debtor days of the company stood at 26 days as on 31st March, 2025 (Prov.) against 35 days as on 31st March, 2024 and the creditor days stood at 52 days as on 31st March, 2025 (Prov.) against 58 days as on 31st March, 2024. The average fund based bank limit utilization stood at 28.12% in last six months ending April, 2025. Acuite expects that working capital operations of the company will remain in similar range in medium to near term.

Healthy Financial Risk Profile

The financial risk profile of the company is marked by healthy net worth, gearing and debt protection metrics. The tangible net-worth stood at Rs.410.31 Crore as on 31st March 2025 (Prov.) against Rs.325.74 Crore as on 31st March 2024. The increase in the net-worth is on an account of accretion of profits into reserves without considering provision for taxes. The total debt of the company stood at Rs.342.66 Crore as on 31st March 2025 (Prov.) against Rs.210.23 Crore as on 31st March 2024 majorly on account of additional term loan taken for the ongoing capital expenditure plan. The company is currently undergoing capex for set up a third manufacturing unit (Unit-III) in Jammu along with backward integration related to PET Preforms and Manufacturing of Closures. The project is expected to be completed in the current financial year (FY2026) and the total expected cost of the project is Rs.571.86 Cr. The gearing of the company stood at 0.84 times as on 31st March 2025 (Prov.) against 0.65 times as on 31st March 2024. Further, the coverage indicators of the company are reflected by interest coverage ratio and debt service coverage ratio which stood at 7.56 times and 2.71 times respectively as on 31st March 2025 (Prov.). TOL/TNW ratio of the company stood at 1.15 times as on 31st March 2025 (Prov.) against 1.24 times as on 31st March 2024. Acuité expects the financial risk profile of the company may slightly moderate yet remain healthy in near to medium term on account of ongoing debt funded capex plan and same will be a key monitorable factor.

Weaknesses

Susceptibility to changes in regulations and customer preference

The beverage industry remains susceptible to changes in government regulations regarding the content of soft drinks and to increasing environmental concerns in India about groundwater depletion and discharge of effluents by bottling plants. Further, the beverage industry is susceptible to changes in consumer preferences. Since the company generates around 70 percent of its sales from aerated drinks, the cash flows may be impacted by consumers shifting their preference to non-aerated drinks for health reasons.

Operations restricted to J&K region
The company has received licensing agreement exclusively for Jammu and Kashmir region. Hence, any halt in operations in the region is expected to impact revenue of the company.

Rating Sensitivities

- Sustenance of the profitability margins while scaling up of operations.
- Movement in Financial Risk Profile.
- Timely completion of ongoing capital expenditure.
- Stability in production from the new unit and optimum capacity utilization.

Liquidity Position

Strong

The liquidity profile of the company strong marked by net cash accruals of Rs.112.00 Crore as on 31st March, 2025 (Prov.) against the debt repayment obligations of Rs.30.54 crore in the same period. Going forward, the company is expected to generate enough net cash accruals in the range of Rs.135.00 Cr. to Rs.158.00 Cr. against the debt repayment obligation of upto Rs.40.44 Crore in the next two years. The current ratio of the company stood at 0.96 times as on 31st March, 2025 (Prov.) against 0.99 times as on 31st March, 2024. The average fund based bank limit utilization stood at 28.12% in last six months ending April, 2025. Further, the cash and cash balance with the company stood at Rs.2.40 Cr. as on 31st March, 2025 (Prov.). Acuite expects liquidity profile of the company to be strong marked by sufficient accruals to repayment as well as low bank limit utilisation albeit debt funded capex plans in near to medium term.

Outlook: Stable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	742.06	637.69
PAT	Rs. Cr.	81.68	49.22
PAT Margin	(%)	11.01	7.72
Total Debt/Tangible Net Worth	Times	0.84	0.65
PBDIT/Interest	Times	7.56	12.41

Status of non-cooperation with previous CRA (if applicable)
Not Applicable

Any other information
None

Applicable Criteria
• Default Recognition :- https://www.acuite.in/view-rating-criteria-52.htm
• Manufacturing Entities: https://www.acuite.in/view-rating-criteria-59.htm
• Application Of Financial Ratios And Adjustments: https://www.acuite.in/view-rating-criteria-53.htm

Note on complexity levels of the rated instrument
In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
30 Apr 2024	Cash Credit	Long Term	15.00	ACUITE AA- | Stable (Upgraded from ACUITE A+ | Stable)
	Term Loan	Long Term	72.00	ACUITE AA- | Stable (Upgraded from ACUITE A+ | Stable)
	Cash Credit	Long Term	15.00	ACUITE AA- | Stable (Upgraded from ACUITE A+ | Stable)
	Cash Credit	Long Term	20.00	ACUITE AA- | Stable (Assigned)
	Term Loan	Long Term	72.00	ACUITE AA- | Stable (Upgraded from ACUITE A+ | Stable)
	Cash Credit	Long Term	15.00	ACUITE AA- | Stable (Assigned)
31 Jan 2023	Cash Credit	Long Term	10.00	ACUITE A+ | Stable (Reaffirmed)
	Cash Credit	Long Term	5.00	ACUITE A+ | Stable (Assigned)
	Term Loan	Long Term	72.00	ACUITE A+ | Stable (Assigned)
	Cash Credit	Long Term	15.00	ACUITE A+ | Stable (Assigned)
	Term Loan	Long Term	72.00	ACUITE A+ | Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Yes Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	30.00	Simple	ACUITE AA- | Stable | Reaffirmed
HDFC Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	35.00	Simple	ACUITE AA- | Stable | Reaffirmed
Yes Bank Ltd	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	25.00	Simple	ACUITE AA- | Stable | Assigned
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	36.12	Simple	ACUITE AA- | Stable | Reaffirmed
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	39.49	Simple	ACUITE AA- | Stable | Assigned
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	30 Sep 2023	Not avl. / Not appl.	30 Sep 2029	53.88	Simple	ACUITE AA- | Stable | Reaffirmed
Yes Bank Ltd	Not avl. / Not appl.	Term Loan	14 Aug 2023	Not avl. / Not appl.	14 May 2031	54.00	Simple	ACUITE AA- | Stable | Reaffirmed
HDFC Bank Ltd	Not avl. / Not appl.	Term Loan	05 Sep 2024	Not avl. / Not appl.	30 Jun 2034	149.31	Simple	ACUITE AA- | Stable | Assigned
Yes Bank Ltd	Not avl. / Not appl.	Term Loan	05 Sep 2024	Not avl. / Not appl.	30 Sep 2032	157.20	Simple	ACUITE AA- | Stable | Assigned
Yes Bank Ltd	Not avl. / Not appl.	Term Loan	15 Apr 2025	Not avl. / Not appl.	30 Sep 2033	20.00	Simple	ACUITE AA- | Stable | Assigned

Contacts

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About Acuité Ratings & Research
Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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