



Press Release
JAKSONS DEVELOPERS PRIVATE LIMITED
July 18, 2025
Rating Upgraded

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	75.73	ACUITE BBB Stable Upgraded	-
Total Outstanding Quantum (Rs. Cr)	75.73	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuité has upgraded the long-term rating to '**ACUITE BBB**' (read as **ACUITE triple B**) from '**ACUITE BBB-**' (read as **ACUITE triple B minus**) on the Rs.75.73 Cr. bank loan facilities of Jaksons Developers Private Limited (JDPL). The outlook is "**Stable**".

Rationale for Rating

The rating upgrade takes into account the improvement in scale of operations as reflected by operating revenue which stood at Rs.88.57 Cr. in FY2025 (Prov.) as against Rs.80.48 Cr. in FY2024 and the EBITDA and PAT Margin of the company which stood at 28.70% and 15.68% respectively in FY2025 (Prov.). The increase in revenue and profitability is contributed by y-o-y growth in revenue from the hotel segment marked by growth in Average Room Rent (ARR), Revenue per Room (RevPAR) and occupancy levels. Further, the financial risk profile is comfortable as reflected by gearing at 0.29 times as on 31st March 2025 (Prov.) and the liquidity position is adequate as reflected by sufficient net cash accruals along with cash and cash equivalents of the company. The rating also factors in the benefits derived from long track record of operations and extensive experience of the promoters. However, the aforementioned strengths are partly off-set by intensive working capital operations of the company reflected by high GCA days of 231 days and presence in highly competitive industry.

About the Company

Incorporated in 2006, Jaksons Developers Private Limited is based in Delhi. The company is engaged in real estate development and developed a mall, City Centre, and later the company entered in its maiden hospitality venture, after developing and now operating a hotel-cum-commercial project in the Northern part of Delhi. The hotel is branded as 'Crown Plaza' (brand owned by InterContinental Group) and commenced its operations in May 2011. Crown Plaza has a total of 183 rooms divided into three categories – Standard Rooms (157 rooms), Deluxe Rooms (22 rooms) and Executive Suites (4 rooms). Currently the company is managed by Mr. Arun Kumar Gupta and Mr. Virender Gupta.

Unsupported Rating

Not Applicable

Analytical Approach

Acuité has considered the standalone business and financial risk profile of JDPL to arrive at the rating.

Key Rating Drivers

Strengths

Established track record of operations visible in the brand reputation

JDPL is engaged in real estate business i.e. construction and management of Shopping Mall (City Centre Mall, Rohini) and Commercial Complexes including the Hotel ~ Crown Plaza. JDPL is promoted by Mr. Arun Gupta and Mr. Virender Gupta who have more than two decades of experience in the real estate and the hospitality industry. The promoters backed by their experience have been able to create a market for the hotel in Rohini located in the Northern part of Delhi.

Improvement in Revenue and Profitability

JDPL reported increase in operating revenue which stood at Rs.88.57 Cr. in FY2025 (Prov.) as against Rs.80.48 Cr. in FY2024. The EBITDA Margin of the company increased and stood at 28.70% in FY2025 (Prov.) against 25.75% in FY2024. Likewise, the PAT Margin increased to 15.68% in FY2025 (Prov.) against 13.29% in FY2024. The increase in revenue and profitability is contributed by y-o-y growth in revenue from the hotel segment marked by growth of 7.67% and 9.74% respectively in Average Room Rent (ARR) and Revenue per Room (RevPAR) in FY2025 (Prov.) as compared to previous year. Further, the occupancy levels of the company has been increasing annually and stood at 73.21% in FY2025 (Prov.) as against 72.14% in FY2024. Acuite expects business risk profile of the company to remain stable in near to medium term backed by incremental occupancy levels thereby supporting the revenue and profitability of the company.

Comfortable Financial Risk Profile

The financial risk profile of the company is marked by healthy net worth and comfortable debt protection metrics. The net-worth of the company stood at Rs.270.09 Crore as on 31st March 2025 (Prov.) as against Rs.256.03 Crore as on 31st March 2024. The increase in the net-worth is on an account of accretion of profits into reserves. The capital structure of the company is marked by gearing below unity which stood at 0.29 times as on 31st March 2025 (Prov.) against 0.38 times as on 31st March 2024. Further, the interest coverage ratio stood at 4.95 times as on 31st March 2025 (Prov.) against 3.03 times as on 31st March 2024 and DEBT-EBITDA of the company stood at 2.64 times as on 31st March 2025 (Prov.) against 3.97 times as on 31st March 2024. Acuite expects that going forward the financial risk profile of the company is likely to improve in near to medium term in absence of any major debt funded capex plans.

Weaknesses

Intensive Working Capital Operation

The working capital operations of the company improved yet remained intensive marked by GCA days which stood at 231 days as on 31st March, 2025 (Prov.) as against 289 days as on 31st March, 2024. The high GCA days are on account of high inventory days of the company which stood at 140 days as on 31st March, 2025 (Prov.) against 145 days as on 31st March, 2024. The debtor days stood high at 9 days as on 31st March, 2025 (Prov.) against 11 days as on 31st March, 2024 and the creditor days stood at 184 days as on 31st March, 2025 (Prov.) against 142 days as on 31st March, 2024. Further, the average fund based bank limit utilization of the company stood at 78.70% in last six months ending May, 2025. Acuite expects that the working capital operations of the group will remain intensive in medium to near term and will remain a key monitorable.

Highly competitive industry

The hospitality sector is vulnerable to high competition and cyclicalality due to the expansion of domestic players and the growing presence of overseas competitors. Several chains have been established and others have their plans to establish hotels to take advantage of the opportunities in the market. These entrants are expected to intensify the competitive environment. Acuite believes the success of the company will be dependent upon its ability to compete in areas such as room rates, quality of accommodation, service level and convenience of location and also the quality and scope of other amenities, including food and beverage facilities.

Rating Sensitivities

- Sustenance of the profitability margins while scaling up of operations.
- Movement in Working capital operations leading to stress on the debt protection metrics or the liquidity position.
- Any Significant incremental exposure in group companies.

Liquidity Position

Adequate

The liquidity profile of the company is marked by net cash accruals of Rs.19.60 Crore in FY2025 (Prov.) against the debt repayment obligation of Rs.18.94 Crore in the same period. Further, the company is expected to generate net cash accruals in the range of Rs.20.50 Crore to Rs.22.50 Crore against the debt repayment obligation under the range of Rs.15.43 Crore for the next two years. The average fund based bank limit utilization of the company stood at 78.70% in last six months ending May, 2025. The current ratio of the company stood at 0.74 times as on 31st March 2025 (Prov.) and cash and bank balance stood at Rs.3.42 Crore as on 31st March, 2025 (Prov.). Acuite expects that liquidity profile of the company to be adequate marked by sufficient accruals to repayment, moderate fund based bank limit utilisation, absence of debt funded capex plan albeit intensive working capital requirements over the medium term.

Outlook: Stable

Other Factors affecting Rating
None

Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	88.57	80.48
PAT	Rs. Cr.	13.89	10.69
PAT Margin	(%)	15.68	13.29
Total Debt/Tangible Net Worth	Times	0.29	0.38
PBDIT/Interest	Times	4.95	3.03

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>
- Service Sector: <https://www.acuite.in/view-rating-criteria-50.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. Acuité'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
19 Apr 2024	Term Loan	Long Term	6.25	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	4.29	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	13.52	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	10.16	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	26.51	ACUITE BBB- Stable (Reaffirmed)
	Secured Overdraft	Long Term	15.00	ACUITE BBB- Stable (Reaffirmed)
	Term Loan	Long Term	3.23	ACUITE BBB- (Reaffirmed & Withdrawn)
	Term Loan	Long Term	8.43	ACUITE BBB- (Reaffirmed & Withdrawn)
	Term Loan	Long Term	5.54	ACUITE BBB- (Reaffirmed & Withdrawn)
	Term Loan	Long Term	3.12	ACUITE BBB- (Reaffirmed & Withdrawn)
	Term Loan	Long Term	3.95	ACUITE BBB- (Reaffirmed & Withdrawn)
20 Jan 2023	Term Loan	Long Term	35.00	ACUITE BBB- Stable (Upgraded from ACUITE BB+ Stable)
	Secured Overdraft	Long Term	15.00	ACUITE BBB- Stable (Upgraded from ACUITE BB+ Stable)
	Term Loan	Long Term	50.00	ACUITE BBB- Stable (Upgraded from ACUITE BB+ Stable)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Not Applicable	Not avl. / Not appl.	Proposed Long Term Bank Facility	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	21.29	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)
Karnataka Bank Ltd	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	15.00	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)
Karnataka Bank Ltd	Not avl. / Not appl.	Term Loan	22 Jan 2019	Not avl. / Not appl.	22 Feb 2029	19.21	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)
Karnataka Bank Ltd	Not avl. / Not appl.	Term Loan	25 Mar 2021	Not avl. / Not appl.	25 Feb 2026	2.61	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)
Karnataka Bank Ltd	Not avl. / Not appl.	Term Loan	05 Jul 2021	Not avl. / Not appl.	05 Jul 2027	6.51	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)
Karnataka Bank Ltd	Not avl. / Not appl.	Term Loan	06 Mar 2020	Not avl. / Not appl.	06 Mar 2030	11.11	Simple	ACUITE BBB Stable Upgraded (from ACUITE BBB-)

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About Acuité Ratings & Research

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