Radhegovindkripa Developers Private Limited

July 23, 2026

Facilities/ Instruments	Name of the Regulator[1]	Amount (₹ crore)	Rating[2]	Rating Action
Long-term bank facilities	RBI	27.84 (Reduced from 32.55)	CARE BB+; Stable	Downgraded from CARE BBB-; Negative

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The downward revision in ratings assigned to bank facilities of Radhegovindkripa Developers Private Limited (RGKDPL) reflects lower-than-envisaged scale of operations and profitability in FY26, resulting in continued weak debt coverage indicators. The rating action also factors in increased scope of debt-funded capital expenditure which is likely to continue putting pressure on the company's debt coverage metrics.

Ratings continue to remain constrained by RGKDPL's stretched liquidity, geographical concentration risk due to a single hotel property in Jaisalmer, intense regional competition, and the inherently cyclical nature of the hospitality industry driven by tourist arrivals.

However, ratings continue to draw strength from RGKDPL's established operational track record, strategic location of its hotel operated under the 'Marriott Resorts & Spa' brand and moderate capital structure.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Improvement in RGKDPL's operating performance resulting in significant growth in its total operating income (TOI) and improvement in profit before interest, lease rentals, depreciation and taxation (PBILDT) margin above 25% on a sustained basis.
- Improvement in debt coverage indicators with PBILDT interest coverage of over 3x and total debt to gross cash accruals (TD/GCA) below 5x on a sustained basis.

Negative factors

- Reduction in occupancy rate (OR) and average room rate (ARR) over a prolonged period, affecting its liquidity and debt coverage indicators.
- Decline in scale of operations and/or decline in PBILDT margin below 20%.
- Withdrawal of surplus liquidity or amount maintained as debt service reserve account (DSRA) leading to significant deterioration in liquidity.

Analytical approach: Standalone

Outlook: Stable

Stable outlook reflects CARE Ratings Limited's (CareEdge Ratings) expectation that RGKDPL will continue to benefit from its strategic location, established brand name of 'Jaisalmer Marriott Resort & Spa', and good demand prospects for the hospitality industry.

Detailed description of key rating drivers

Key weaknesses

Moderation in scale of operations and profitability

RGKDPL's TOI declined to ₹36.08 crore in FY26 from ₹41.37 crore in FY25, driven by lower-than-envisaged room/event bookings in H2FY26, leading to lower revenue from all three segments - rooms, banquet and food & beverage and consequently, decline in OR and ARR. Irregular flight connectivity to Jaisalmer from key cities also led to subdued tourist demand. PBILDT margin, while improved to 20.43% in FY26 from 16.58% in FY25, remained lower-than-envisaged in the last review. In, Q1FY27, RGKDPL reported TOI of ₹3.01.

[1]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority

[2]Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

Weak debt coverage indicators despite moderate capital structure
RGKDPL's capital structure improved but remained moderately leveraged, with overall gearing of 1.32x as on FY26-end against 2.05x as on FY25-end, supported by subordination of unsecured loans of ₹35.33 crore in line with sanction terms and subordination of compulsorily convertible preference share of ₹8.18 crore.
Debt coverage indicators improved but remained weak, marked by PBILDT interest coverage of 1.78x (FY25: 1.38x) and total debt to gross cash accruals (TD/GCA) of 7.96x in FY26 (FY25: 9.19x).
RGKDPL is undertaking capital expenditure of ~₹25 crore for developing a banquet hall and lawn, funded partly through a term loan of ₹19.60 crore while the balance shall be funded through unsecured loans from promoters.

Competition from existing hotels in Jaisalmer and cyclicality of the hospitality industry driven by tourist arrivals
The Indian hotel industry is highly fragmented and region-specific, with the presence of a large number of organised and unorganised players. Leisure destinations such as Jaisalmer depend highly on tourist arrivals and are seasonal, with peak demand from October to March.
The hospitality industry remains cyclical and sensitive to external shocks such as economic slowdown or pandemics. However, with relaxation of travel restrictions and improvement in connectivity, the industry is witnessing recovery in bookings across destination weddings and meetings, incentives, conferences, and exhibitions (MICE).

Key strengths

Long track record of operations and management agreement with Marriott International
RGKDPL's hotel property has been operational since 2016. The company entered a marketing-cum-management agreement with the US-based hotel chain Marriott International for the "Marriott Resorts & Spa" brand for an initial term of 30 years, with automatic renewal for two additional 10-year terms. Marriott International operates over 7,000 hotels across 131 countries under 30 brands. Association with Marriott provides benefits such as global promotion, access to its reservation system, and a loyal customer base.

Strategic location of the hotel
The hotel is in the heart of Jaisalmer city; 3.50 km from railway station, 1.50 km from bus stand and ~15 km from the airport. Tourist attractions such as the Gadisar Lake and Sonar Quila (Jaisalmer fort) are in proximity to the hotel site. The famous sand dunes of Sam and Khuri are also in its vicinity and are easily accessible from the hotel. Most demand for the hotel is expected to come from tourists visiting Jaisalmer.

Liquidity: Stretched

RGKDPL's liquidity is expected to remain stretched with envisaged cash accruals expected to tightly match debt repayment obligation in the next 2-3 years. However, liquidity is supported by a debt service reserve account (DSRA) maintained in the form of fixed deposits equivalent to six months of principal debt repayment obligations. The company utilises need based overdraft facility against fixed deposit. The company had fixed deposit (DSRA/free/lien) of ₹30.41 crore as on June 30, 2026.

Assumptions/Covenants

Environment, social, and governance (ESG) risks

Applicable criteria

Definition of Default
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Hotels & Resorts
Financial Ratios – Non financial Sector
Service Sector Companies

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer discretionary	Consumer services	Leisure services	Hotels and resorts

RGKDPL is promoted by G K Group (GKG) to foray into the hospitality business. GKG has been promoted by Maheshwari family and is engaged in businesses ranging from gems and jewellery to real estate. RGKDPL has developed 135 rooms luxury resort property, marketed by the US-based Marriott International under the brand of "Jaisalmer Marriott Resort and Spa". The hotel has one indoor restaurant, a roof top restaurant, three event rooms for business meetings/conferences and modern facilities including a swimming pool, a gymnasium, spa, conferencing facilities, kids club and extensive parking space. The hotel commenced partial operations (90 rooms) of hotel property from October 29, 2016, and full operations from November 10, 2016.

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (Prov)
Total operating income	41.38	36.08
PBILDT	6.86	7.37
Profit after tax (PAT)	0.80	1.80
Overall gearing (x)	2.05	1.32
Interest coverage (x)	1.38	1.78

A: Audited; Prov: Provisional; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

For complexity level of instruments rated refer to Annexure-1

Lender details: Annexure-4

Disclosure on facilities/instruments and name of the regulators:
A list of facilities / instruments falling under the purview of various financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan	RBI	Simple	-	-	-	31-08-2026	27.84	CARE BB+; Stable

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2026-2027	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024
1	Fund-based - LT-Term Loan	LT	27.84	CARE BB+; Stable	-	1)CARE BBB-; Negative (06-Nov-25)	1)CARE BBB-; Stable (06-Dec-24)	1)CARE BBB-; Stable (21-Nov-23)

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Lender details

To view lender-wise details of bank facilities please click here

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

Media Contact	Analytical Contacts
Mradul Mishra Director **CARE Ratings Limited** Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Kalpesh Ramanbhai Patel Director **CARE Ratings Limited** Phone: 079-40265611 E-mail: kalpesh.patel@careedge.in
Relationship Contact Pradeep Kumar V Senior Director **CARE Ratings Limited** Phone: 044-28501001 E-mail: pradeep.kumar@careedge.in	Anuja Parikh Associate Director **CARE Ratings Limited** Phone: 079-4026 5616 E-mail: anuja.parikh@careedge.in Sarvesh Harish Gaikar Analyst **CARE Ratings Limited** E-mail: Sarvesh.gaikar@careedge.in

About us:
Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com

For detailed Rating Report and subscription information,
please visit www.careratings.com