

**Jaypee Infratech Limited**  
**March 26, 2020**

**Ratings**

Facilities	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long-term Bank Facilities	6,550	<b>CARE D (Single D)</b>	<b>Reaffirmed</b>
<b>Total Facilities</b>	<b>6,550 (Rupees Six Thousand Five Hundred and Fifty crore only)</b>		
Long-term Instruments-Non- Convertible Debentures	211.95	<b>CARE D (Single D)</b>	<b>Reaffirmed</b>
<b>Total Instruments</b>	<b>211.95 (Rupees Two Hundred Eleven crore and Ninety Five lakh only)</b>		

Details of instruments/facilities in Annexure-1

**Detailed Rationale & Key Rating Drivers**

The ratings assigned to the bank facilities and instruments of Jaypee Infratech Limited (JIL) continue to factor in delays in debt servicing by the company due to its weak financial performance and stretched liquidity position.

**Detailed description of the key rating drivers****Key Rating Weaknesses****Weak financial performance and stretched liquidity position**

The liquidity position of the company continues to remain weak on account of weak financial performance, leading to ongoing delays in debt servicing.

**Analytical approach:** Standalone

**Applicable Criteria**

Criteria on assigning Outlook to Credit Ratings

CARE's Policy on Default Recognition

Rating Methodology – Infrastructure Sector Ratings

Financial ratios – Non-Financial Sector

**About the Company**

JIL is a special purpose vehicle promoted by Jaiprakash Associates Ltd (JAL, rated 'CARE D'), holding 60.98% stake as on December 31, 2019, to develop and operate a 165-km six-lane (extendable to eight lanes) access-controlled toll expressway between Noida and Agra in Uttar Pradesh (E'way project). The E'way project achieved Commercial Operations Date (COD) and commenced toll collection in August 2012, post receipt of substantial completion certificate. Also, JIL has been granted rights by Yamuna Expressway Development Authority (YEDA), a state government undertaking, for the development of approximately 6,175 acres of land (443.30 mn sq ft of real estate) along expressway in five different parcels in Uttar Pradesh for residential, commercial, amusement, industrial and institutional development. The land for real estate development is provided on 90-year lease.

On account slowdown in real estate sales and high debt levels, the company's financial performance in FY19 (refers to the period April 01 to March 31) was weak, resulting in weak liquidity position and ongoing delays in debt servicing as discussed with the company and confirmed with bankers.

The company is currently under the Corporate Insolvency Resolution Process by virtue of the order dated August 9, 2017 of National Company Law Tribunal (NCLT), Allahabad Bench Mr. Anuj Jain as Interim Resolution Professional (IRP). Recently the NCLT in its order declared a PSU viz. NBCC Ltd as successful bidder to take over the assets of Jaypee Infratech Limited.

Brief Financials (Rs. crore)	FY18 (A)	FY19 (A)
Total operating income	-62.51	1292.51
PBILDT	-658.79	277.83
PAT After Discontinuing Operations	-1818.37	-1325.69
Overall gearing (times)	-1.24	-0.95
Interest coverage (times)	-0.59	0.18

A: Audited

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

**Annexure-1: Details of Instruments/Facilities**

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Term Loan-Long Term	-	-	-	6550.00	CARE D
Debentures-Non Convertible Debentures	September 01, 2014	10.50%	30.06.2019	211.95	CARE D

**Annexure-2: Rating History of last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Term Loan-Long Term	LT	6550.00	CARE D	-	1)CARE D (31-Jan-19)	1)CARE D (23-Mar-18)	1)CARE D (31-Dec-16)
2.	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (31-Dec-16)
3.	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (31-Dec-16)
4.	Debentures-Non Convertible Debentures	LT	211.95	CARE D	-	1)CARE D (31-Jan-19)	1)CARE D (23-Mar-18)	1)CARE D (31-Dec-16)

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications

**Contact us**

**Media Contact**

Name: Mradul Mishra

Contact no. : +91-22-6837 4424

Email ID – [mradul.mishra@careratings.com](mailto:mradul.mishra@careratings.com)

**Analyst Contact:**

Name: Sudhir Kumar

Contact No. : 011-45333232

Email ID: [sudhir.kumar@careratings.com](mailto:sudhir.kumar@careratings.com)

**Relationship Contact**

Name: Swati Agrawal

Contact no. : +91-11-4533 3200

Email ID: [swati.agrawal@careratings.com](mailto:swati.agrawal@careratings.com)

**About CARE Ratings:**

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