

## Jaypee Infratech Limited

November 06, 2023

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	-	-	Reaffirmed at CARE D and Withdrawn
Non Convertible Debentures	211.95	CARE D	Reaffirmed

Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers

The ratings of 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.

Further, CARE has withdrawn the outstanding rating assigned to the term loans of JIL with immediate effect. The rating withdrawal is at the request of JIL and No Objection Certificate received from the lender.

### Rating sensitivities: Factors likely to lead to rating actions

#### Positive factors

- Timely repayment of its debt on timely basis.

**Analytical approach:** Standalone

### Detailed description of the key rating drivers:

#### Key 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.

#### Liquidity: Poor

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

### Applicable criteria

[Policy on default recognition](#)

[Financial Ratios – Non financial Sector](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Credit Watch](#)

[Rating methodology for Real estate sector](#)

[Infrastructure Sector Ratings](#)

[Policy on Withdrawal of Ratings](#)

### About the company and industry

#### Industry classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Consumer Discretionary	Realty	Realty	Residential, Commercial Projects

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

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 (YEA), 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 FY20 (refers to the period April 01 to March 31) was weak, resulting in weak liquidity position and continuing delays in debt servicing as discussed with the company and bankers.

Further Suraksha Realty has submitted the resolution plan with NCLT for the resolution of company's debt and the same has been accepted by the NCLT vide its order dt. March 7, 2023.

Brief Financials (₹ crore)	March 31, 2021 (A)	March 31, 2022 (A)	9MFY23 (UA)
Total operating income	612.27	773.41	682
PBILDT	247.96	82.83	297
PAT	-2,268.50	-2,320.95	-1764
Overall gearing (times)	-0.64	-0.54	NA
Interest coverage (times)	0.12	0.04	NA

A: Audited UA: Unaudited; Note: 'the above results are latest financial results available', NA: Not available

**Status of non-cooperation with previous CRA:** NA

**Any other information:** NA

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

**Covenants of rated instrument / facility:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various instruments rated:** Annexure-4

**Lender details:** Annexure-5

**Annexure-1: Details of instruments/facilities**

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Debentures-Non Convertible Debentures	INE099J07160	September 01, 2014	10.50%	31.12.2017	11.95	CARE D
Debentures-Non Convertible Debentures	INE099J07186	January 02, 2015	11%	31.12.2017	100.00	CARE D
Debentures-Non Convertible Debentures	INE099J07194	January 02, 2015	11%	30.06.2019	100.00	CARE D
Term Loan-Long Term		-	-	31-10-2034	0.00	Withdrawn

**Annexure-2: Rating history for the 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 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Term Loan-Long Term	LT	-	-	-	1)CARE D (05-Jan-23)	1)CARE D (22-Feb-22)	1)CARE D (26-Feb-21)
2	Debentures-Non Convertible Debentures	LT	211.95	CARE D	-	1)CARE D (05-Jan-23)	1)CARE D (22-Feb-22)	1)CARE D (26-Feb-21)

\*Long term/Short term.

**Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: NA****Annexure-4: Complexity level of the various instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Debentures-Non Convertible Debentures	Simple
2	Term Loan-Long Term	Simple

**Annexure-5: Lender details**

To view the lender wise details of bank facilities please [click here](#)

**Note on the complexity levels of the rated instruments:** CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

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