

No. CARE/DRO/RL/2018-19/3370

Mr Pramod Agarwal
CFO
Jaypee Infratech Ltd
Sector 128,
Noida - 201304

January 25, 2019

Confidential

Dear Sir,

Credit rating for bank facilities

On the basis of recent developments including operational and financial performance of your company for FY18 (audited), our Rating Committee has reviewed the following rating:

Facilities	Amount (Rs. crore)	Rating ¹	Remarks
Long-term Bank Facilities	6,550	CARE D (Single D)	Reaffirmed
Total	6,550 (Rupees Six Thousand Five Hundred and Fifty crore only)		

2. Refer **Annexure 1** for details of rated facilities.
3. The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which is enclosed for your perusal as **Annexure-2**. We request you to peruse the annexed document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by January 28, 2019, we will proceed on the basis that you have no any comments to offer.
4. CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.

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¹Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE publications.

5. CARE reserves the right to revise/reaffirm/withdraw the rating assigned as also revise the outlook, as a result of periodic review/surveillance, based on any event or information which in the opinion of CARE warrants such an action. In the event of failure on the part of the entity to furnish such information, material or clarifications as may be required by CARE so as to enable it to carry out continuous monitoring of the rating of the bank facilities, CARE shall carry out the review on the basis of best available information throughout the life time of such bank facilities. In such cases the credit rating symbol shall be accompanied by "ISSUER NOT COOPERATING". CARE shall also be entitled to publicize/disseminate all the afore-mentioned rating actions in any manner considered appropriate by it, without reference to you.
6. CARE ratings do not take into account the sovereign risk, if any, attached to the foreign currency loans, and the ratings are applicable only to the rupee equivalent of these loans.
7. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
8. CARE ratings are **not** recommendations to sanction, renew, disburse or recall the concerned bank facilities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,
Yours faithfully,



Richa Jain

Deputy Manager

richa.j@careratings.com

Encl.: As above



Nitesh Ranjan

Senior Manager

nitesh.ranjan@careratings.com

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results

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(Formerly known as Credit Analysis & Research Limited)

obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating/outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

Annexure 1
Details of Rated Facilities

1. Long-term facilities

1.A. Secured rupee term loans

S.No.	Name of Bank	Rated Amount (Rs. cr.)	Remarks	Debt Repayment Terms
1	IDBI Bank	3300	Outstanding	Rs.3100 cr - Repayable in 60 quarterly structured installments from January 2020 to October 2034 Rs.200 cr - Repayable in 28 quarterly structured installments from January 2018 to October 2024
2	Corporation Bank	500	Outstanding	Rs.300 cr - Repayable in 60 quarterly structured installments from January 2020 to October 2034 Rs.200 cr - Repayable in 28 quarterly structured installments from January 2018 to October 2024
3	State Bank of India	350	Outstanding	Repayable in 28 quarterly structured installments from January 2018 to October 2024
4	Jammu and Kashmir Bank	200	Outstanding	Repayable in 28 quarterly structured installments from January 2018 to October 2024
5	Union Bank of India	200	Outstanding	Repayable in 28 quarterly structured installments from January 2018 to October 2024
6	LIC of India	600	Outstanding	Rs.300 cr - Repayable in 5 equal monthly installments from September 2015 to January 2016 Rs.300 cr - Repayable in 48 quarterly structured installments from April 2016 to January 2028
7	Syndicate Bank	250	Outstanding	Repayable in 28 quarterly structured installments from January 2018 to October 2024
8	Bank of Maharashtra	250	Outstanding	Repayable in 28 quarterly structured installments from January 2018 to October 2024
9	India Infrastructure Finance Company Ltd (IIFCL)	900	Outstanding	Repayable in 60 quarterly structured installments from January 2020 to October 2034
Total		6,550		

Total Facilities Rated: Rs.6,550 crore

Annexure 2

Press Release

Jaypee Infratech Limited

Ratings

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

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

Private Power Producers

About the Company

JIL is a special purpose vehicle promoted by Jaiprakash Associates Ltd (JAL, rated 'CARE D'), holding 60.98% stake as on September 30, 2018, 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

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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 FY18 (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 and the adjudicating authority of the Bench of the Tribunal has appointed Mr Anuj Jain as Interim Resolution Professional (IRP) to carry the functions as mentioned under the Code and manage JIL's affairs, business and assets.

Brief Financials (Rs. crore)	FY17 (A)	FY18 (A)
Total operating income	962.31	-62.51
PBILDT	-361.19	-658.79
PAT After Discontinuing Operations	-876.69	-1818.37
Overall gearing (times)	1.59	2.54
Interest coverage (times)	-0.43	-0.59

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

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. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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Email: nitesh.ranjan@careratings.com

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

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performance and other relevant factors.

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 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017	Date(s) & Rating(s) assigned in 2015-2016
1.	Debentures-Non Convertible Debentures	LT	-	-	-	-	-	1)Withdrawn (10-Apr-15)
2.	Term Loan-Long Term	LT	6550.00	CARE D	-	1)CARE D (23-Mar-18)	1)CARE D (31-Dec-16)	1)CARE D (25-Sep-15) 2)CARE BB (10-Jun-15) 3)CARE BBB- (10-Apr-15)
3.	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (31-Dec-16)	1)CARE D (25-Sep-15) 2)CARE BB (10-Jun-15) 3)CARE BBB- (10-Apr-15)
4.	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (31-Dec-16)	1)CARE D (25-Sep-15) 2)CARE BB (10-Jun-15) 3)CARE BBB- (10-Apr-15)
5.	Debentures-Non Convertible Debentures	LT	211.95	CARE D	-	1)CARE D (23-Mar-18)	1)CARE D (31-Dec-16)	1)CARE D (25-Sep-15) 2)CARE BB (10-Jun-15) 3)CARE BBB- (10-Apr-15)

No. CARE/DRO/RL/2018-19/3369

Mr Pramod Agarwal
CFO
Jaypee Infratech Ltd
Sector 128,
Noida - 201304

January 25, 2019

Confidential

Dear Sir,

Credit rating for outstanding Non-Convertible Debenture issue of Rs.211.95 crore

On a review of recent developments including operational and financial performance of your company for FY18 (audited), our Rating Committee has reviewed the following rating:

Instrument	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Instruments-Non-Convertible Debentures	211.95	CARE D (Single D)	Reaffirmed
Total	211.95 (Rupees Two Hundred Eleven Crore and Ninety Five Lakh only)		

- The NCDs are repayable in 3 unequal installments on December 31, 2017, December 31, 2018 and June 30, 2019.
- The rationale for the rating will be communicated to you separately. A write-up (press release) on the above rating is proposed to be issued to the press shortly, a draft of which is enclosed for your perusal as Annexure. We request you to peruse the annexed document and offer your comments if any. We are doing this as a matter of courtesy to our clients and with a view to ensure that no factual inaccuracies have inadvertently crept in. Kindly revert as early as possible. In any case, if we do not hear from you by January 28, 2019, we will proceed on the basis that you have no any comments to offer.
- CARE reserves the right to undertake a surveillance/review of the rating from time to time, based on circumstances warranting such review, subject to at least one such review/surveillance every year.

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6. Users of this rating may kindly refer our website www.careratings.com for latest update on the outstanding rating.
7. CARE ratings are **not** recommendations to buy, sell, or hold any securities.

If you need any clarification, you are welcome to approach us in this regard.

Thanking you,
Yours faithfully,



Richa Jain
Deputy Manager
richa.j@careratings.com



Nitesh Ranjan
Senior Manager
nitesh.ranjan@careratings.com

Encl.: As above

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Annexure
Press Release

Jaypee Infratech Limited

Ratings

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Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

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

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