

Jaypee Healthcare Limited

April 01, 2022

Rating

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	593.94 (Reduced from 650.00)	CARE D (Single D)	Reaffirmed
Total Bank Facilities	593.94 (Rs. Five Hundred Ninety-Three Crore and Ninety-Four Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

The rating assigned to the bank facilities of Jaypee Healthcare Ltd (JHL) continues to factor in delays in debt servicing by the company.

Rating Sensitivities

Positive Factors- Factors that could lead to positive rating action/upgrade

- Timely track record of debt servicing by the company for continuous 3 months.
- Sustainable improvement in financial profile along with cash profits

Detailed description of the key rating drivers

Key Rating Weaknesses

Delay in debt servicing obligation

The liquidity position of the company continues to remain weak on account of weak financial performance leading to delay in debt servicing

Liquidity: Poor

JHL has poor liquidity position marked by inadequate cash accruals when compared to repayment obligations for FY22. The current and quick ratios of the company stood weak at 0.06x and 0.05x, as on March 31, 2021 (PY: 0.09x and 0.08x).

Analytical Approach:

Standalone.

Applicable Criteria

[Policy on default recognition](#)

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

[Hospital](#)

[Factoring Linkages Parent Sub JV Group](#)

[Financial Ratios – Non financial Sector](#)

About the Company

Jaypee Healthcare Ltd (JHL), a 100% subsidiary of Jaypee Infratech Ltd (JIL, rated CARE D), has a multi-specialty tertiary hospital located at Jaypee Wish Town, Noida. The hospital is 504 bedded (300 operational beds) multi super Specialty hospital with 18 operation theatres and 35 specialties including Liver Transplant and Radiation Oncology.

Brief Financials (Rs. crore)	31-03-2020 (A)	31-03-2021 (A)	9MFY22
Total operating income	289.52	185.59	222.71
PBILDT	9.52	-4.50	33.77
PAT	-107.33	-122.39	-60.23
Overall gearing (times)	-16.41	-3.75	-2.71
Interest coverage (times)	0.12	-0.05	0.49

A: Audited

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

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

Any other information: Not Applicable

Rating History (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 for this company: Annexure 4

Annexure-1: Details of Instruments / Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan		-	-	March 2037	543.94	CARE D
Fund-based - LT-Cash Credit		-	-	-	50.00	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 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019
1	Fund-based - LT-Term Loan	LT	543.94	CARE D	-	1)CARE D (30-Mar-21) 2)CARE D (06-Apr-20)	-	1)CARE D (31-Jan-19)
2	Fund-based - LT-Cash Credit	LT	50.00	CARE D	-	1)CARE D (30-Mar-21) 2)CARE D (06-Apr-20)	-	1)CARE D (31-Jan-19)

* Long Term / Short Term

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities- Not Applicable

Annexure 4: Complexity level of various instruments rated for this company

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple

Annexure 5: Bank Lender Details for this Company

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

Note on complexity levels of the rated instrument: CARE Ratings Ltd. 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 for any clarifications.

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