

Jaypee Cement Corporation Limited

April 08, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	2,312.94	CARE D; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities	50.00	CARE D; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

*Issuer did not cooperate; based on best available information.

Rationale and key rating drivers

CARE Ratings Limited (CARE Ratings) has been seeking information from Jaypee Cement Corporation Limited (JCCL) to monitor the rating(s) vide e-mail communications dated March 17, 2025, March 19, 2025, March 21, 2025 and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring of ratings. Aligned with the extant Securities and Exchange Board of India (SEBI) guidelines, CARE Ratings has reviewed the rating based on the best available information, which however, in CARE Ratings' opinion is not sufficient to arrive at a fair rating.

Further, JCCL has not paid the surveillance fees for the rating exercise agreed to in its Rating Agreement. In line with the extant SEBI guidelines, CARE Ratings Limited's (CARE Ratings') rating on JCCL's bank facilities will now be denoted as "CARE D; ISSUER NOT COOPERATING".

Users of this rating (including investors, lenders and public at large) are hence requested to exercise caution while using above rating(s)

Ratings assigned to bank facilities of JCCL have been revised considering non-availability of requisite information due to non-cooperation by JCCL with CARE Ratings efforts to undertake a review of the rating outstanding. CARE Ratings views information availability risk as a key factor in its assessment of credit risk.

The ratings of the bank facilities and instruments of Jaypee Cement Corporation Limited (JCCL) continue to factor in delays in debt servicing by the company.

Rating sensitivities: Not Applicable

Analytical approach: Standalone

Detailed description of key rating drivers:

At the time of last rating on March 26, 2024, the following were the rating weaknesses.

Key weaknesses

Weak financial profile in FY24

During FY24, the company's net loss stood at Rs. 287.08 crore on the total operating income of Rs. 20.5 crore against net loss of Rs. 345.52 crore on total operating income of Rs. 53.81 crore in FY24. Low operating income and high interest cost have been the key reasons for weak financial performance. Due to weak financial risk profile of the group, coupled with JCCL's weak operating performance, the liquidity position continued to remain constrained, leading to delays in debt servicing by the company.

Liquidity: Poor

The liquidity of the company is poor, owing to delays in debt servicing. The company had cash and bank balance of Rs. 5.49 crore as on March 31, 2024.

Applicable criteria

[Definition of Default](#)

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

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

[Policy in respect of non-cooperation by issuers](#)
[Rating Outlook and Rating Watch](#)
[Manufacturing Companies](#)
[Financial Ratios – Non financial Sector](#)
[Short Term Instruments](#)
[Cement](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Commodities	Construction Materials	Cement & Cement Products	Cement & Cement Products

JCCL, a wholly owned subsidiary of Jaiprakash Associates Ltd (JAL, rated CARE D), is engaged in cement manufacturing. It has a 1.20 MTPA cement grinding unit at Shahabad District Gulbarga, Karnataka along with a 60 MW captive power plant. Another 1.20 MTPA cement capacity at Jaypee Shahabad Cement Project has been kept suspended temporarily.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)
Total operating income	53.81	20.50
PBILDT	-88.73	-34.01
PAT	-345.42	-287.08
Overall gearing (times)	-1.23	-1.19
Interest coverage (times)	-0.40	-0.15

A: Audited UA: Unaudited; 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: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of 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 and Rating Outlook
Fund-based - LT-Term Loan		-	-	31-10-2025	2312.94	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	50.00	CARE D; ISSUER NOT COOPERATING*

*Issuer did not cooperate; based on best available information.

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 2024-2025	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
1	Fund-based - LT-Term Loan	LT	2312.94	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D (26-Mar-24)	1)CARE D (27-Mar-23) 2)CARE D (04-Apr-22)	-
2	Non-fund-based - ST-Letter of credit	ST	50.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D (26-Mar-24)	1)CARE D (27-Mar-23) 2)CARE D (04-Apr-22)	-

*Issuer did not cooperate; based on best available information.

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: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Non-fund-based - ST-Letter of credit	Simple

Annexure-5: Lender details

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

Note on complexity levels of rated instruments: CARE 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 Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in Relationship Contact Saikat Roy Senior Director CARE Ratings Limited Phone: 912267543404 E-mail: saiikat.roy@careedge.in	Analytical Contacts Ravleen Sethi Director CARE Ratings Limited Phone: 91-120-4452016 E-mail: ravleen.sethi@careedge.in Anant Agarwal Associate Director CARE Ratings Limited Phone: 91-120-4452000 E-mail: Anant.Agarwal@careedge.in Utkarsh Sogani Analyst CARE Ratings Limited E-mail: Utkarsh.sogani@careedge.in
---	--

About us:

Established in 1993, CARE 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 RBI. With an equitable position in the Indian capital market, CARE 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, CARE 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. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:

The ratings issued by CARE Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE Ratings is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. CARE Ratings is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CARE Ratings. The ratings of CARE Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades.

**For detailed Rationale Report and subscription information,
please visit www.careedge.in**