

October 12, 2010

**CARE ASSIGNS 'CARE A (SO)' RATING TO THE PROPOSED NCD OF
JAYPEE INFRATECH LTD****Rating assigned**

Instruments	Amount (Rs. crore)	Rating ¹	Remarks
Long-term Non-Convertible Debenture (NCD)	1,000.00	'CARE A (SO) (Single A Structured Obligation)	Assigned
Total	1,000.00		

The rating assigned to the proposed NCD is based on the strength of a letter of comfort from the holding company, viz. Jaiprakash Associates Ltd (JAL, rated 'CARE A+' for its long-term bank facilities and debt instruments).

Company Profile:

JIL is a Special Purpose Vehicle promoted by Japirakash Associates Ltd. (JAL) [rated 'CARE A+'/'PR1'] to develop, construct and operate the E'way project, a 165-km six-lane (extendable to eight lanes) access-controlled toll expressway between Noida and Agra in Uttar Pradesh. Apart from expressway development, JIL is granted rights by Yamuna Expressway Development Authority (YEA) for development of approximately 25 mn sq mt of land in five contiguous parcels along expressway for commercial, amusement, industrial, institutional and residential development. Out of total cost of the E'way project of Rs.9,739 crore, JIL has expensed Rs.7,279 crore till June 30, 2010. For FY10, JIL recognized sales of about Rs.641 crore with PAT of Rs.487 crore (sale of developed commercial plots). During May 2010, the company came up with an IPO and issued 16,29,33,497 equity shares raising about Rs.1,650 crore. For Q1FY11, JIL reported total income of Rs.598 crore with PAT of Rs.395 crore.

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

About JAL:

JAL is a dominant player in the construction of multi-purpose river valley and hydro-power projects and has been involved in the construction of major engineering projects for the last three decades. JAL is also one of the leading cement manufacturers in India with installed cement capacity of 19.1 mtpa as on March 31, 2010. For FY10, JAL reported a PAT of Rs.1,708 crore on a total operating income of Rs.10,093 crore. The overall gearing ratio stood at 1.9x as on March 31, 2010.

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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.

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 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 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.

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