

## M. Jaypee Cement Private Limited: Ratings withdrawn

July 05, 2021

### Summary of rating action:

Instrument	Rated Amount (In NPR Million)	Rating Action
Long-term loans	56.34	Rating withdrawn
Short-term loans	928.73	Rating withdrawn
<b>Total</b>	<b>985.07</b>	

### Rating action

ICRA Nepal has withdrawn the long-term rating of [ICRANP] LB+ 'Issuer not Cooperating' (pronounced ICRA NP L B plus Issuer Not Cooperating) and the short-term rating of [ICRANP] A4 'Issuer not Cooperating' (pronounced ICRA NP A four Issuer Not Cooperating) assigned to M. Jaypee Cement Private Limited (MJP). The rating actions have been taken in accordance with the Credit Rating Regulations 2011 following the non-cooperation from MJP for rating information despite multiple follow-ups. The ratings were kept on notice for withdrawal for a period of six months, during which also there was no cooperation from the company for rating surveillance.

### Rationale

ICRA Nepal is withdrawing the ratings and it does not have information to suggest that the credit risk has changed since the time the rating was last reviewed. The key rating drivers, rating sensitivities, key financial indicators have not been captured as the rated instruments are being withdrawn.

ICRA Nepal assesses whether the information available about the entity is commensurate with its rating and reviews the same as per Credit Rating Regulations 2011 as well as ICRA Nepal's 'Withdrawal/Suspension Policy'. As part of its process and in accordance with its rating agreement with MJP, ICRA Nepal had been trying to seek information from the entity to monitor its performance, but despite repeated requests by ICRA Nepal, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA Nepal, the ratings have been withdrawn.

### Link to previous detailed rating rationale/s

[Rationale-M. Jaypee Cement P. Ltd.- Fresh Bank loan rating](#)

[Rationale-M. Jaypee Cement P. Ltd.- Ratings placed on watch with negative implications](#)

[Rationale-M. Jaypee Cement P. Ltd.- Issuer not cooperating; notice of rating withdrawal](#)

**Analytical approach:** For arriving at the ratings, ICRA Nepal has applied its rating methodology as indicated below.

### Links to applicable criteria

[Corporate Credit Rating Methodology](#)

[ICRA Nepal's Policy on withdrawal of credit rating](#)

### About the company

Established in 2000, M. Jaypee Cement Private Limited has an installed cement grinding capacity of 0.31 MTPA. The company has mainly been producing Portland Pozzolana Cement (PPC) and Ordinary Portland Cement (OPC) under the three brands of Apex Cement (OPC-33 grade, 43 grade and 53 grade), Buddha Cement (PPC) and Lumbini Cement (PPC). The plant is located at Birpur in Kapilvastu District. The shareholders of MJP include 32 individuals from diverse backgrounds.

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### **About ICRA Nepal Limited:**

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For more information, visit [www.icranepal.com](http://www.icranepal.com)

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