



SMERA RATINGS LIMITED

KJS Cement Limited (KJS)

Rating Rationale

January 02, 2015

Facilities	Amount (Rs. Crore)	Rating
Term Loan - I	150.00	SMERA D (Reaffirmed)
Term Loan - II	90.00	SMERA D (Reaffirmed)
Term Loan - III	100.00	SMERA D (Reaffirmed)
Term Loan - IV	75.00	SMERA D (Reaffirmed)
Term Loan - V	70.00	SMERA D (Reaffirmed)
Term Loan - VI	60.00	SMERA D (Reaffirmed)
Term Loan - VII	50.00	SMERA D (Reaffirmed)

SMERA has reaffirmed the rating of '**SMERA D**' (read as **SMERA D**) on the Rs.595.00 crore bank facilities of KJS Cement Limited (KJS). The rating reflects continuous delays in servicing of debt by the company. The rating also reflects the company's weak financial risk profile. SMERA notes that KJS's debt was restructured in January 2014.

About the company

KJS (formerly known as Diwan Lime Company Private Limited) was established in 1983 to undertake mining operations and manufacturing of cement. The company has set up an integrated facility to manufacture clinker (installed capacity of 1.65 MTPA) and cement (installed capacity of 2.27 MTPA) in Maihar, Satna district, Madhya Pradesh. The company also has a 27 MW captive power plant.

For FY2013-14 (refers to financial year, April 01 to March 31), KJS reported net loss of Rs.117.09 crore on operating income of Rs.472.19 crore, as compared with net loss of Rs.111.73 crore on operating income of Rs.218.89 crore in FY2012-13. The company's net worth stood at Rs.199.15 crore as on March 31, 2014 as compared with Rs.316.24 crore a year earlier.

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