



## Press Release

### Clininvent Research Pvt Ltd

August 14, 2020

#### Ratings

Sl. No.	Instrument/Facility	Amount (Rs. Crore)	Ratings	Rating Action
1	Long Term Facilities - Term Loan	54	IVR BB+; [CE]; Issuer Not Cooperating* (IVR Double B Plus [Credit Enhancement]; Issuer Not Cooperating)*	Revised from IVR A- (SO) Outlook Issuer Not Cooperating* (IVR Single A Minus [Structured Obligation] with Stable Outlook; Issuer Not Cooperating)
2	Long Term Fund Based Facilities- Cash Credit	7	IVR BB+; [CE]; Issuer Not Cooperating* (IVR Double B Plus [Credit Enhancement]; Issuer Not Cooperating)*	Revised from IVR A- (SO)/Stable Outlook Issuer Not Cooperating* (IVR Single A Minus [Structured Obligation] with Stable Outlook; Issuer Not Cooperating)
3	Long Term NonFund Based Facilities- Derivative Contract	2	IVR BB+; [CE]; Issuer Not Cooperating* (IVR Double B Plus [Credit Enhancement]; Issuer Not Cooperating)*	Revised from IVR A- (SO)/Stable Outlook Issuer Not Cooperating* (IVR Single A Minus [Structured Obligation] with Stable Outlook; Issuer Not Cooperating)
4	Short Term Non Fund Based Facilities- Letter of Credit	7	IVR A4+; [CE]; Issuer Not Cooperating* (IVR A Four Plus [Credit Enhancement]; Issuer Not Cooperating)*	Revised from IVR A2+ (SO) Issuer Not Cooperating* (IVR A Two Plus [Structured Obligation] Issuer Not Cooperating)
	<b>Total</b>	<b>70</b>		

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

**CE rating is backed by corporate guarantee from TCG Lifesciences Pvt Ltd**

**Details of Facility are in Annexure 1**

#### Detailed Rationale

Infomerics had, vide its press release dated May 17, 2019, placed the rating of Clininvent Research Pvt Ltd (CRPL) under the 'issuer non-cooperating' category as CRPL had failed to provide information for monitoring of the rating for the rating exercise as agreed to in its Rating Agreement. CRPL continues to be non-cooperative despite repeated requests for



## Press Release

submission of information through e-mails communications dated August 08, 2020, August 11, 2020 and numerous phone calls.

### **Detailed description of the key rating drivers: Non-cooperation by Issuer**

Despite our repeated requests, the company has not provided the requisite information for monitoring the ratings. In line with the extant SEBI guidelines, Infomerics has reviewed the ratings on the basis of the best available information (which however, in Infomerics opinion is not sufficient to arrive at a fair rating) and assign ratings to the bank facilities of the company at IVR BB+ (CE); Issuer Not Cooperating/ IVR A4+ (CE); Issuer Not Cooperating (IVR Double B Plus [Credit Enhancement]; Issuer Not Cooperating / IVR A Four Plus [Credit Enhancement]; Issuer Not Cooperating) backed by unconditional and irrevocable corporate guarantee extended by TCG Lifesciences Private Limited (TLPL) against the unsupported rating of IVR BB+; Issuer Not Cooperating (IVR Double B Plus; Issuer Not Cooperating). The ratings have been revised purely on account of non-availability of requisite information.

The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity, despite the downgrade.

### **Analytical Approach**

**Credit Enhancement (CE) Rating:** Assessment of the credit profile of TCG Lifesciences Pvt Ltd (TCGL), provider of unconditional and irrevocable corporate guarantee to the bank facilities of CRPL.

**Unsupported Rating:** Standalone

### **Applicable Criteria**

Guidelines on what constitutes Non-Cooperation by clients

Rating Methodology for Manufacturing Companies

Financial Ratios & Interpretation (Non-Financial Sector)

### **About the Company**



## Press Release

CRPL (incorporated on July, 2003) was in the business of Human Clinical Trials. It is a wholly owned subsidiary of TCG Lifesciences Private Limited belonging to The Chatterjee Group of Kolkata.

### Financials (TCGL, Consolidated)\*

(Rs.Crore)

Particulars	FY18	FY19
Total Operating Income	181.00	266.20
PAT	18.2	28.8
EBITDA%	19.8%	26.6%
ROCE (%)	8.4%	13.4%
Overall Gearing	0.6	0.8
Interest Coverage	4.1	6.4

\*Based on Infomerics classification

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Nil

### Rating History for last three years:

S. No.	Name of Instrument/Facilities	Current Rating (Year 2020-21)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-20	Date(s) & Rating(s) assigned in 2018-19	Date(s) & Rating(s) assigned in 2017-18
1.	Term Loan	Long Term	54	IVR BB+; [CE]; Issuer Not Cooperating *	IVR A-(SO)/Stable Issuer Not Cooperating* (May 17,2019)	-	IVR A-(SO)/Stable Outlook (Feb 12, 2018)
2.	Cash Credit	Long Term	7	IVR BB+; [CE]; Issuer Not Cooperating *	IVR A-(SO)/Stable Issuer Not Cooperating* (May 17,2019)	-	IVR A-(SO)/Stable Outlook (Feb 12, 2018)
3.	Derivative Contract	Long Term	2	IVR BB+; [CE]; Issuer Not Cooperating *	IVR A-(SO)/Stable Issuer Not Cooperating* (May	-	IVR A-(SO)/Stable Outlook (Feb 12, 2018)



## Press Release

					17,2019)		
4.	Letter of Credit	Short Term	7	IVR A4+; [CE]; Issuer Not Cooperating *	IVR A2+(SO) Issuer Not Cooperating* (May 17,2019)	-	IVR A2+(SO) (Feb 12, 2018)

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

**Note on complexity levels of the rated instrument:** Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at [www.infomerics.com](http://www.infomerics.com).

### Name and Contact Details of the Rating Analyst:

Name: Mrs. Nidhi Sukhani	Name: Mr. Avik Podder
Tel: (033) 46022266	Tel: (033) 46022266
Email: <a href="mailto:nsukhani@infomerics.com">nsukhani@infomerics.com</a>	Email: <a href="mailto:apodder@infomerics.com">apodder@infomerics.com</a>

### About Infomerics:

Infomerics commenced rating & grading operations in April 2015 after having spent over 25 years in various segments of financial services. Infomerics is registered with the Securities and Exchange Board of India (SEBI) and accredited by Reserve Bank of India. Firm's long experience in varied spectrum of financial services is helping it to fine tune its product offerings to best suit the market.

**Disclaimer:** Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change, suspend or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are 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 us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.



## Press Release

### Annexure 1: Details of Facility

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term Facilities - Term Loan	-	-	Varied till, June-2024	39.55	IVR BB+ (CE); Issuer Not Cooperating*
Long Term Facilities Term Loan (Proposed)	-	-	-	14.45	IVR BB+ (CE); Issuer Not Cooperating*
Long Term Fund Based Facilities-Cash Credit	-	-	-	7	IVR BB+ (CE); Issuer Not Cooperating*
Long Term Non Fund Based Facilities-Derivative Contract	-	-	-	2	IVR BB+ (CE); Issuer Not Cooperating*
Short Term Non Fund Based Facilities- Letter of Credit	-	-	-	7	IVR A4+ (CE); Issuer Not Cooperating*

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