



Press Release

IQ City Foundation

August 28, 2021

Ratings

Instrument / Facility	Amount (Rs. Crore)	Ratings	Rating Action
Long Term Bank Facilities	197.925	IVR BB-; ISSUER NOT COOPERATING* (IVR Double B Minus; Issuer Not Cooperating)	Downgraded and Moved to ISSUER NOT COOPERATING category
Total	197.925 (Rupees one hundred ninety-seven crore and nine hundred twenty five lakhs only)		

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

Details of Facilities are in Annexure 1

Detailed Rationale

Infomerics has been seeking information from IQ City Foundation (IQCF) to monitor the rating vide e-mail communications dated February 18th, 2021; June 14th, 2021; July 13th, 2021 and August 18th, 2021 and numerous phone calls. However, despite our repeated requests, the Society has not provided the requisite information for monitoring the rating. In line with the extant SEBI guidelines, Infomerics has reviewed the rating on the basis of the best available 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.

Non-cooperation by Issuer

Infomerics has been regularly following up with the Society to provide the required data to monitor its assigned rating to the bank facilities. However, despite repeated requests by Infomerics, the Society's management has not submitted the essential details.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the long-term rating for the bank loan facilities of IQ City Foundation aggregating to Rs.197.925 crore shall be moved to the 'ISSUER NOT



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COOPERATING' category by Infomerics and the revised rating be noted as IVR BB-: Issuer Not Co-operating; Based on best available information (IVR Double B Minus: Issuer Not Co-operating; Based on best available information).

Analytical Approach: Standalone

Applicable Criteria:

Guidelines on what constitutes Non-Cooperation by clients

Rating Methodology for service companies

Financial Ratios & Interpretation – (Non-financial Sector)

About the Society

IQ City Foundation (IQCF), set up in February 2006 and erstwhile known as SPS Synergy Foundation was initially jointly promoted by the SPS, Mani and Synergy group of Kolkata. However, with the exit of the SPS group from the promoter's consortium, the society was subsequently renamed in April 2014. IQCF is a registered society under the West Bengal Societies Registration Act, 1961 and has been formed for the purpose of establishing and operating hospital and educational institutions. IQCF, a part of Mani Group, has set up a Medical College and a Teaching cum multi-speciality Hospital (under the name IQ City Foundation) at MouzaSovapur in Durgapur, West Bengal on a 100 acres parcel of land allotted to it by Govt. of West Bengal.

Financials (Standalone)

(Rs. crore)

For the year ended* / As On	31-03-2018	31-03-2019
	Audited	Audited
Total Operating Income	110.51	118.56
EBITDA	24.73	26.58
PAT	-20.78	-24.83
Total Debt	298.72	290.08
Tangible Net worth	-8.26	-33.09
EBITDA Margin (%)	22.38	22.42
PAT Margin (%)	-18.48	-20.83
Overall Gearing Ratio (x)	2.91	4.19

**Classification as per Infomerics' standards.*

Status of non-cooperation with previous CRA: CARE has moved the company to Issuer Not Cooperating category vide its press release dated July 09, 2021.



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Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Instrument/Facilities	Current Rating (Year 2021-22)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Ratings	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2020-21	Date(s) & Rating(s) assigned in 2019-20
1.	Term Loan	Long Term	197.925	IVR BB-; ISSUER NOT COOPERATING*	IVR BB+/ Stable (June 01, 2020)	-	-

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

Name and Contact Details of the Rating Analyst:

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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. It is gradually gaining prominence in domestic rating and/or grading space. Infomerics is striving for positioning itself as the most Societyed & credible rating agency in the country and is gradually widening its product portfolio. Company'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



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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.

Annexure 1: Details of Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term loan	-	-	Q4FY28	197.925	IVR BB-; ISSUER NOT COOPERATING*

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

Annexure 2: Facility wise lender details: Not Available

Annexure 3: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Annexure 4: Complexity level of the rated Instruments/Facilities

Sr No.	Instrument	Complexity Indicator
1.	Term Loan	Simple

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.