

Press Release

Clininvent Research Pvt Limited

May 17, 2019

Ratings

Instrument / Facility	Amount (Rs. crore)	Ratings	Rating Action
Long Term Facilities- Term Loan	54	IVR A-(SO)/Stable; ISSUER NOT COOPERATING* (IVR Single A Minus [Structured Obligation] with Stable Outlook; ISSUER NOT COOPERATING	Moved to ISSUER NOT COOPERATING Category and revised from IVR A-(SO) with Stable Outlook on the basis of best available information
Long Term Fund Based Facilities- Cash Credit	7	IVR A-(SO)/Stable; ISSUER NOT COOPERATING* (IVR Single A Minus [Structured Obligation] with Stable Outlook; ISSUER NOT COOPERATING	Moved to ISSUER NOT COOPERATING Category and revised from IVR A-(SO) with Stable Outlook on the basis of best available information
Long Term Non Fund Based Facilities- Derivative Contract	2	IVR A-(SO)/Stable; ISSUER NOT COOPERATING* (IVR Single A Minus [Structured Obligation] with Stable Outlook; ISSUER NOT COOPERATING	Moved to ISSUER NOT COOPERATING Category and revised from IVR A-(SO) with Stable Outlook on the basis of best available information
Short Term Non Fund Based Facilities- Letter of Credit	7	IVR A2+(SO) ISSUER NOT COOPERATING* (IVR A Two Plus [Structured Obligation]; ISSUER NOT COOPERATING*	Moved to ISSUER NOT COOPERATING Category from IVR A2+(SO) on the basis of best available information
Total	70		

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

Details of Facility are in Annexure 1

Detailed Rationale and Key Rating Drivers

Availability of information from the client is a key factor in the assessment of credit risk. However, no operational or financial information has been provided by the company. Based on information available at the time of last review/surveillance, the ratings have been migrated to 'IVR A-(SO) with Stable outlook and IVR A2+ (SO) (IVR Single A Minus

[Structured Obligation]) with Stable Outlook and IVR A Two Plus [Structured Obligation]) ISSUER NOT COOPERATING'. In line with the extant SEBI guidelines, Infomerics has reviewed the rating on the basis of the best available information which however, in Infomerics's opinion is not sufficient to arrive at a fair rating.

Non-cooperation by Issuer

- We have repeatedly followed up with the entity to provide the latest data for FY18 for annual surveillance, vide mails dated April 25, 2019, April 26, 2019, April 29, 2019, May 1, 2019, May 6, 2019, May 7, 2019 and May 8, 2019 and concurrently over several phone calls. However, despite our repeated requests, the company has not submitted the relevant details. In the absence of relevant information, in consonance with SEBI guidelines, Infomerics has moved the long term rating for bank loan facilities of Clininvent Research Pvt Ltd. aggregating to Rs. 63.00 crore and short term rating for bank loan facilities aggregating to Rs.7.00 crore to the 'ISSUER NOT COOPERATING' category. The ratings are now denoted as IVR A-(SO) with Stable Outlook ISSUER NOT COOPERATING and IVR A2+(SO) ISSUER NOT COOPERATING (IVR Single A Minus [Structured Obligation]) with Stable Outlook and IVR A Two Plus [Structured Obligation] ISSUER NOT COOPERATING). Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the company.

Analytical Approach & Applicable Criteria

Rating Methodology for Manufacturing Companies

Financial Ratios & Interpretation – (Non-financial Sector)

Guidelines on what constitutes Non-Cooperation by clients

About the Company

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 (Standalone)

(Rs. Crore)

For the year ended*	31-03-2018
	Audited
Total Operating Income	15.89
EBITDA	-3.00

For the year ended*	31-03-2018
PAT	-2.10
Total Debt	50.45
Tangible Net worth	19.67
EBITDA Margin (%)	-18.90
PAT Margin (%)	-12.84
Overall Gearing Ratio (x)	2.56

*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 2019-20)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2018-19	Date(s) & Rating(s) assigned in 2017-18	Date(s) & Rating(s) assigned in 2016-17
1.	Long Term Facilities - Term Loan	Long Term	54	IVR A-(SO)/Stable ISSUER NOT COOPERATING*		IVR A-(SO)/Stable Outlook (Feb 12, 2018)	--
2.	Long Term Fund Based Facilities- Cash Credit	Long Term	7	IVR A-(SO)/Stable ISSUER NOT COOPERATING*		IVR A-(SO)/Stable Outlook (Feb 12, 2018)	--
3.	Long Term Non Fund Based Facilities- Derivative Contract	Long Term	2	IVR A-(SO)/Stable ISSUER NOT COOPERATING*		IVR A-(SO)/Stable Outlook (Feb 12, 2018)	--
4.	Short Term Non Fund Based Facilities- Letter of Credit	Short Term	7	IVR A2+(SO) ISSUER NOT COOPERATING*		IVR A2+(SO) (Feb 12, 2018)	--

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.

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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. 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 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 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 A- (SO)/Stable ISSUER NOT COOPERATING*
Long Term Facilities Term Loan (Proposed)	-	-	-	14.45	IVR A- (SO)/Stable ISSUER NOT COOPERATING*
Long Term Fund Based Facilities-Cash Credit	-	-	-	7	IVR A- (SO)/Stable ISSUER NOT COOPERATING*
Long Term Non Fund Based Facilities-Derivative Contract	-	-	-	2	IVR A- (SO)/Stable ISSUER NOT COOPERATING*
Short Term Non Fund Based Facilities- Letter of Credit				7	IVR A2+(SO) ISSUER NOT COOPERATING*

* Issuer did not cooperate; based on best available information