

Press Release

Taquito Lease Operators Private Limited

October 05, 2020

Rating Update



Total Bank Facilities Rated*	Rs. 255.00 Cr. #
Long Term Rating	ACUITE D (Downgraded & Issuer not co-operating*)

Refer Annexure for details

* The issuer did not co-operate; Based on best available information.

Acuité has downgraded the long-term rating to '**ACUITE D**' (read as **ACUITE D**) from '**ACUITE B+**' (read as **ACUITE B plus**) on the Rs. 255.00 crore Non-Convertible Debentures of Taquito Lease Operators Private Limited (TLOPL). The rating continues to be flagged as "Issuer Not-Cooperating" and is based on the best available information.

The rating downgrade is on account delays in payment of coupon due on 30 September 2020. Acuité has relied upon the confirmation from the debenture trustee with regards to the account conduct.

Incorporated in 2012, TLOPL has leased out certain fixed assets required for retail operations of FERG. It derives its revenues mainly from lease rentals from the Future Group.

Non-cooperation by the issuer/borrower

Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before the due date.

Acuité believes that information risk is a critical component in such ratings, and non-cooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality.

This rating is, therefore, being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuité's policies.

Applicable Criteria

- Default Recognition - <https://www.acuite.in/view-rating-criteria-52.htm>
- Entities in Infrastructure Sector - <https://www.acuite.in/view-rating-criteria-51.htm>

Limitation regarding information availability

The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavoured to gather information about the entity/industry from the public domain. Therefore, Acuité cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity - Key Financials

The rated entity has not shared the latest financial statements despite repeated requests.

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups.

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr)	Ratings/Outlook
25-Aug-20	Non-convertible debentures	Long term	255.00	ACUITE B+ (Downgraded and Indicative)
22-May-20	Non-convertible debentures	Long term	255.00	ACUITE BBB+ (CE) (Downgraded; Watch with Negative Implications)
08-April-20	Non-convertible debentures	Long term	255.00	ACUITE A- (CE) (Downgraded; Watch with Negative Implications)
	Non-convertible debentures (Proposed)	Long term	45.00	ACUITE A- (CE) (Downgraded & Withdrawn)
23-May-19	Non-convertible debentures	Long term	255.00	ACUITE AA- (CE) / Stable (Reaffirmed)
	Non-convertible debentures (Proposed)	Long term	45.00	ACUITE AA- (CE) / Stable (Reaffirmed)
17-May-18	Non-convertible debentures	Long term	255.00	ACUITE AA- (CE) / Stable (Assigned)
	Non-convertible debentures (Proposed)	Long term	45.00	ACUITE AA- (CE) / Stable (Assigned)
16-Sept-2017	Non-convertible debentures (Proposed)	Long term	300.00	Provisional ACUITE AA- (CE) / Stable (Assigned)

#Annexure – Details of instruments rated

ISIN	Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings/Outlook
INE496Z07016	Non-convertible debentures	04/05/2018	9.5%	03/05/2024	255.00	ACUITE D (Downgraded; Indicative)

*The issuer did not co-operate; Based on best available information.

Contacts

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About Acuite Ratings & Research:

Acuite Ratings & Research Limited is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then,

it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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