

October 07, 2019

## Talwalkars Better Value Fitness Limited: Rating downgraded to [ICRA]D and continues to remain in 'Issuer Not Cooperating' category

### Summary of rated instruments

Instrument <sup>^</sup>	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-convertible Debenture (NCD) Program	80.0	80.0	[ICRA]D ISSUER NOT COOPERATING*; Rating downgraded from [ICRA]C and continues to remain in the 'Issuer Not Cooperating' category
<b>Total</b>	<b>80.0</b>	<b>80.0</b>	

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

<sup>^</sup>Instrument details are provided in Annexure-1

### Rationale

The ratings downgrade reflects default on interest payments on its NCD programme - due to continued strained liquidity position -as was disclosed to the stock exchanges on October 04, 2019.

As part of its process and in accordance with its rating agreement with Talwalkars Better Value Fitness Limited, ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with SEBI's Circular No. SEBI/HO/MIRSD4/CIR/2016/119, dated November 01, 2016, ICRA's Rating Committee has taken a rating view based on the best available information.

The previous detailed rating rationale is available on the following link: [Click here](#)

### About the company:

The company offers various lifestyle activities such as aerobics, yoga, spa and zumba programmes, as well as diet and weight loss programmes. It also forayed into the segment of leisure and sports clubs, wherein it set up its first club in Pune (Maharashtra) in collaboration with David Lloyd Leisure Limited. The club is expected to become operational soon.

### Status of non-cooperation with previous CRA

Not applicable

### Any other information

Not applicable

## Rating history for past three years

Instrument	Type	Amount (Rs. crore)	Amount Outstanding (Rs. crore)	Current Rating (FY2020)							Chronology of Rating History for the past 3 years											
				Date & Rating							Date & Rating in FY2019				Date & Rating in FY2018				Date & Rating in FY2017			
				07-Oct-2019	02-Aug-2019	01-Aug-2019	14-Jun-2019	11-Apr-2019	25-Mar-2019	13-Feb-2019	25-Jan-2019	05-Nov-2018	06-Aug-2018	06-Apr-2018	04-Jan-2018	31-Oct-2017	22-Sep-2017	19-Jul-2017	09-Jan-2017	17-Aug-2016	07-Apr-2016	
1	NCD	Long Term	80.0	80.0	[ICRA] A]D	[ICRA] A]C	[ICRA] B-	[ICRA] BBB	[ICRA] BBB+	[ICRA] BBB+	[ICRA] A (Negative)	[ICRA] AA-(S) (Negative)	[ICRA] AA-(S) (Negative)	[ICRA] AA-(S) (Stable)	[ICRA] AA- & ]AA- & (Stable)	[ICRA] ]AA- (Stable)	[ICRA] ]AA- (Stable)	[ICRA] ]AA- & (Stable)	[ICRA] ]AA- (Stable)	[ICRA] A]AA (Stable)	[ICRA] A]AA (Stable)	
					INC	INC	(Negative)	(Negative)	(Negative)	(Negative)												
							INC	INC	INC													
2	Term loans	Long Term	85.09	-	-	-	-	-	-	-	Withdawn	[ICRA] AA-(S) (Negative)	[ICRA] AA-(S) (Stable)	[ICRA] AA- & ]AA- & (Stable)	[ICRA] ]AA- (Stable)	[ICRA] ]AA- (Stable)	[ICRA] ]AA- & (Stable)	[ICRA] ]AA- (Stable)	[ICRA] A]AA (Stable)	[ICRA] A]AA (Stable)		
3	Proposed NCD	Long Term	25.0	-	-	-	-	-	-	-	Withdawn	[ICRA] AA-(S) (Negative)	[ICRA] AA-(S) (Stable)	[ICRA] AA- & ]AA- & (Stable)	[ICRA] ]AA- (Stable)	[ICRA] ]AA- (Stable)	[ICRA] ]AA- & (Stable)	[ICRA] ]AA- (Stable)	[ICRA] A]AA (Stable)	[ICRA] A]AA (Stable)		
4	NCD	Long Term	150.0	-	-	-	-	-	-	-	Withdawn	[ICRA] AA- & ]AA- & (Stable)	[ICRA] ]AA- (Stable)	[ICRA] ]AA- (Stable)	[ICRA] ]AA- & (Stable)	[ICRA] ]AA- (Stable)	[ICRA] ]AA- & (Stable)	[ICRA] ]AA- (Stable)	[ICRA] A]AA (Stable)	[ICRA] A]AA (Stable)		
5	Term loans	Long Term	212.98	-	-	-	-	-	-	-	Withdawn	[ICRA] AA- & ]AA- & (Stable)	[ICRA] ]AA- (Stable)	[ICRA] ]AA- (Stable)	[ICRA] ]AA- & (Stable)	[ICRA] ]AA- (Stable)	[ICRA] ]AA- & (Stable)	[ICRA] ]AA- (Stable)	[ICRA] A]AA (Stable)	[ICRA] A]AA (Stable)		

Instrument	Type	Amount (Rs. crore)	Outstanding (Rs. crore)	Current Rating (FY2020)				Chronology of Rating History for the past 3 years																	
				7-Oct-2019	02-Aug-2019	Date & Rating		Date & Rating in FY2019				Date & Rating in FY2018				Date & Rating in FY2017									
						01-Aug-2019	14-Jun-2019	11-Apr-2019	25-Mar-2019	13-Feb-2019	25-Jan-2019	05-Nov-2018	06-Aug-2018	06-Apr-2018	04-Jan-2018	31-Oct-2017	22-Sep-2017	19-Jul-2017	09-Jan-2017	17-Aug-2016	07-Apr-2016				
6	NCD Long Term	25.0	-	-	-	-	-	-	-	-	-	-	-	-	[ICRA] AA- & Withdrawn	[ICRA] ]AA- & (Stable)	[ICRA] ]AA- (Stable)	[ICRA] ]AA- (Stable)	[ICRA] ]AA- & (Stable)	[ICRA] ]AA- (Stable)	[ICRA] ]AA- (Stable)	[ICRA] ]AA- (Stable)	[ICRA] ]AA- (Stable)	[ICRA] ]AA- (Stable)	[ICRA] ]AA- (Stable)

INC: ISSUER NOT COOPERATING

### Complexity level of the rated instrument:

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website [click here](#)

## Annexure-1

### Instrument Details

ISIN No	Instrument	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE502K07096	NCD	8-Jul-16	9.85%	08-Jul-21	30.00	[ICRA]D ISSUER NOT COOPERATING
INE502K07120	NCD	25-Oct-17	9.50%	25-Oct-24	50.00	[ICRA]D ISSUER NOT COOPERATING

Source: Talwalkars Better Value Fitness Limited

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ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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For more information, visit [www.icra.in](http://www.icra.in)

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