



Press Release

Future Enterprises Limited

February 26, 2024

Ratings

Facilities	Amount (Rs. crore)	Ratings	Rating Action	Complexity Indicator
Short Term Fund based Facilities - Commercial Paper	500.00	IVR D; ISSUER NOT COOPERATING* (IVR D; Issuer not cooperating)	Rating reaffirmed & continues at ISSUER NOT COOPERATING category	Simple
Total	500.00	Rupees Five Hundred Crore only		

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

Details of Facilities are in Annexure 1

Detailed Rationale

The reaffirmation in the ratings assigned to the bank facilities of Future Enterprises Limited (FEL) reflects lack of adequate information and the uncertainty around its credit risk. Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.

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 company to provide the required data to monitor its assigned rating to the bank facilities, vide mail communications dated January 11, 2024, January 19, 2024, January 29, 2024, and February 06, 2024, and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted the essential details/information for surveillance exercise.



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Availability of information is very critical in the 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 rating for the bank facilities of FEL aggregating Rs.500.00 crore has been moved to the 'ISSUER NOT COOPERATING' category by Infomerics.

Analytical Approach: Consolidated

Applicable Criteria:

[Guidelines on what constitutes Non-Cooperation by Clients](#)

[Rating Methodology for Trading Companies](#)

[Criteria on consolidation of companies](#)

[Financial Ratios & Interpretation \(Non- Financial Sector\)](#)

[Criteria for Default Recognition](#)

[Criteria – Complexity Level of Rated Instruments/Facilities](#)

About the Company

Future Enterprises Limited (FEL) is engaged in the business of Manufacturing, Trading & Distribution activity and Leasing of retail infrastructure assets. While Future Retail Limited caters to the front end with its multiple formats, forming the backbone and linking the retail arm with its infrastructure is Future Enterprises Limited (FEL). FEL develops, owns and leases the retail infrastructure for the Group. The company also holds the Group's investments in subsidiaries and joint ventures including insurance, textile manufacturing, supply chain and logistics.

Financials (Consolidated):

(Rs. Crore)

For the year ended* / INR. Crore	31-03-2020	31-03-2021
	Audited	Audited
Total Operating Income	5,365.66	1,422.14
EBITDA	1,336.67	167.50



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PAT	-369.51	-1,220.17
Total Debt	6,447.61	6846.18
Tangible Net Worth	4,153.86	2,925.67
Ratios		
EBITDA Margin (%)	24.91%	11.78%
PAT Margin (%)	-6.80%	-76.71%
Overall Gearing Ratio (x)	1.55	2.34

*Classification as per Infomerics' standards

Status of non-cooperation with previous CRA:

CARE Ratings vide its press release dated April 28, 2023, has classified the case under Issuer Not Co-operating category on account of non-submission of relevant information.

Acuite Ratings vide its press release dated October 27, 2023, has classified the case under Issuer Not Co-operating category on account of non-submission of relevant information.

Any other information: Nil

Rating History for last three years:

Sr. No.	Name of Instrument / Facilities	Current Ratings (Year 2023-24)			Rating History for the past 3 years		
		Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2022-23 (March 10, 2023)	Date(s) & Rating(s) assigned in 2021-22 (December 14, 2021)	Date(s) & Rating(s) assigned in 2020-21
1.	Short Term Fund based Facilities- Commercial Paper	Short Term	500.00	IVR D; ISSUER NOT COOPERATING*	IVR D; ISSUER NOT COOPERATING *	IVR D; ISSUER NOT COOPERATING *	15-Sep-20 IVR D 22-Aug-20 IVR A4 08-Aug-20 IVR A2/ Credit Watch with Negative implication

*Issuer did not cooperate; based on best available information



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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com.

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 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



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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 Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Existing	19-Mar-20	-	14-Sep-20	90.00	IVR D; ISSUER NOT COOPERATING*
Existing	30-Apr-20	-	23-Oct-20	100.00	IVR D; ISSUER NOT COOPERATING*
Proposed	-	-	-	310.00	IVR D; ISSUER NOT COOPERATING*

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

Annexure 2: List of companies considered for consolidated analysis:

A. Subsidiary Companies

- (i) Bluerock eServices Private Limited (BEPL)
- (ii) Future E-Commerce Infrastructure Limited (FECIL)
- (iii) Future Media (India) Limited (FMIL)
- (iv) Future Merchandising and Sourcing Pte. Ltd. (FMSPL)
- (v) Futurebazaar India Limited (FBIL)
- (vi) Ritvika Trading Private Limited (RTPL)
- (vii) Future Supply Chain Solutions Limited (FSCSL) - (Subsidiary of Ritvika Trading Private Limited)
- (viii) Leanbox Logistics Solutions Private Limited (LLSPL)

Step down subsidiary companies: -

Subsidiary of Futurebazaar India Limited (w.e.f. 29th August 2020): -

- (i) Acute Retail Infra Private Limited (ARIPL)
- (ii) Basuti Sales and Trading Private Limited (BSTPL)



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- (iii) Brattle Foods Private Limited (BFPL)
- (iv) Chirag Operating Lease Co. Private Limited (COLPL)
- (v) Hare Krishna Operating Lease Private Limited (HKOLPL)
- (vi) Nice Texcot Trading & Agency Private Limited (NTTAPL)
- (vii) Nishta Mall Management Company Private Limited (NMMCPL)
- (viii) Ojas Tradelease and Mall Management Private Limited (OTMMPL)
- (ix) Precision Realty Developers Private Limited (PRDPL)
- (x) Syntex Trading & Agency Private Limited (STAPL)
- (xi) Rivaaz Trade Ventures Private Limited (RTVPL)
- (xii) Taquito Lease Operators Private Limited (TLOPL)
- (xiii) Unique Malls Private Limited (UMPL)

B. Associate Company

- (i) Livquik Technology (India) Private Limited (LTPL) (upto 23-12-2020)
- (ii) Work Store Limited (WSL)

C. Joint Venture Companies

- (i) Apollo Design Apparel Parks Limited (ADAPL)
- (ii) Future Generali India Insurance Company Limited (FGIICL)
- (iii) Future Generali India Life Insurance Company Limited (FGILICL)
- (iv) Goldmohur Design and Apparel Park Limited (GDAPL)
- (v) Shendra Advisory Services Private Limited (SASPL)
- (vi) Sprint Advisory Services Private Limited (SASL)

Annexure 3: Facility wise lender details: Not Applicable

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities:

Not Applicable



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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.