

Future Supply Chain Solutions Limited

August 02, 2022

Ratings

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	140.53	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE C; (Single C)
Total Bank Facilities	140.53 (₹ One Hundred Forty Crore and Fifty-Three Lakhs Only)		
Non Convertible Debentures	199.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE C; (Single C)
Total Long Term Instruments	199.00 (₹ One Hundred Ninety-Nine Crore Only)		

Details of instruments/facilities in Annexure-1.

Detailed rationale and key rating drivers

The revision in ratings assigned to the bank facilities & Instruments of Future Supply Chain Solutions Limited takes into account delay in servicing of its debt repayment obligation.

Rating sensitivities

Positive factors – Factors that could lead to positive rating action/upgrade:

- Default free track record of the company for a period of 90 days
- Improvement in operating performance and profitability of the company on sustained basis

Detailed description of key rating drivers:

Key Rating Weaknesses

Delays in Debt Servicing

The company has failed to service its debt repayment obligation.

Key Rating Strengths: Not Applicable

Liquidity: Poor

The company has failed to service its debt repayment obligation.

Analytical approach: Standalone

Applicable criteria

[Policy on default recognition](#)

[Financial Ratios – Non financial Sector](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Credit Watch](#)

[Service Sector Companies](#)

[Policy in respect of Non-cooperation by issuer](#)

[CARE's Policy on Curing Period](#)

About the company

Future Supply Chain Solutions Limited (FSC), incorporated in March 2006, is a Future Group company with a focus on providing supply chain solutions (for non-agro products) to its group companies (anchor customers) as well as to outside companies. Future Group has wide presence in retail, consumer finance, insurance, leisure and entertainment, brand development, retail real estate development, retail media and logistics. FSC provides integrated end-to-end logistics solutions for supply chain management, and offers warehousing and distribution, multi-modal transportation and container freight stations. FSC operations are run through 80 distribution centres across India, covering 8.09 million ft² of warehouse space across India.

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Brief Financials (Rs. crore)	31-03-2021 (A)	31-03-2022 (Abr.)	Q1FY23
Total operating income	496.69	608.75	NA
PBILDT	84.16	114.20	NA
PAT	-184.36	-697.91*	NA
Overall gearing (times)	1.46	NM	NA
Interest coverage (times)	0.86	1.45	NA

A: Audited; Abr.: Abridged; NA; Not Available

*Includes exceptional item for the quarter and year ended March 31, 2022 includes expected credit loss provision taken on trade receivables amounting to Rs.434.99 crore mainly on account of admission of insolvency petitions against Future Retail Limited; impairment for inter corporate deposit (ICD) given to Basuti Sales and Trading private Limited amounting to Rs. 210 crore; and impairment for interest due on above ICD amounting to Rs. 27.10 crore.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for the last three years: Please refer Annexure-2

Covenants of the rated instruments/facilities: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated for this company: Annexure-4

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	93.66	CARE D; ISSUER NOT COOPERATING*
Term Loan-Long Term		-	-	March 2026	46.87	CARE D; ISSUER NOT COOPERATING*
Debentures-Non Convertible Debentures	INE935Q07046 INE935Q07038	September 20, 2018	10.2%	Sept 2024	199.00	CARE D; ISSUER NOT COOPERATING*

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Cash Credit	LT	93.66	CARE D; ISSUER NOT COOPERATING*	1)CARE C; ISSUER NOT COOPERATING* (03-May-22)	1)CARE B (CWN) (03-Feb-22)	1)CARE BB-(CWN) (22-Mar-21) 2)CARE BB-(CWN) (18-Nov-20) 3)CARE BB+ (CWD) (29-Jul-20) 4)CARE A-(CWN) (15-May-20)	1)CARE A+ (CWN) (26-Mar-20) 2)CARE AA-; Stable (29-Aug-19)

2	Non-fund-based - ST-BG/LC	ST	-	-	-	1)Withdrawn (03-Feb-22)	1)CARE A4 (CWN) (22-Mar-21) 2)CARE A4 (CWN) (18-Nov-20) 3)CARE A4+ (CWD) (29-Jul-20) 4)CARE A2+ (CWN) (15-May-20)	1)CARE A1 (CWN) (26-Mar-20) 2)CARE A1+ (29-Aug-19)
3	Term Loan-Long Term	LT	46.87	CARE D; ISSUER NOT COOPERATING *	1)CARE C; ISSUER NOT COOPERATING * (03-May-22)	1)CARE B (CWN) (03-Feb-22)	1)CARE BB- (CWN) (22-Mar-21) 2)CARE BB- (CWN) (18-Nov-20) 3)CARE BB+ (CWD) (29-Jul-20) 4)CARE A- (CWN) (15-May-20)	1)CARE A+ (CWN) (26-Mar-20) 2)CARE AA-; Stable (29-Aug-19)
4	Debentures-Non Convertible Debentures	LT	199.00	CARE D; ISSUER NOT COOPERATING *	1)CARE C; ISSUER NOT COOPERATING * (03-May-22)	1)CARE B (CWN) (03-Feb-22)	1)CARE BB- (CWN) (22-Mar-21) 2)CARE BB- (CWN) (18-Nov-20) 3)CARE BB+ (CWD) (29-Jul-20) 4)CARE A- (CWN) (15-May-20)	1)CARE A+ (CWN) (26-Mar-20) 2)CARE AA-; Stable (29-Aug-19)
5	Commercial Paper-Commercial Paper (Carved out)	ST	-	-	-	-	1)Withdrawn (04-Sep-20) 2)CARE A4+ (CWD) (29-Jul-20) 3)CARE A2+ (CWN) (15-May-20)	1)CARE A1 (CWN) (26-Mar-20) 2)CARE A1+ (29-Aug-19)
6	Commercial Paper-Commercial Paper (Carved out)	ST	-	-	-	-	1)Withdrawn (04-Sep-20)	1)CARE A1 (CWN) (26-Mar-20)

							2)CARE A4+ (CWD) (29-Jul-20) 3)CARE A2+ (CWN) (15-May-20)	2)CARE A1+ (29-Aug-19)
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Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: Not applicable

Annexure-4: Complexity level of various instruments rated for this company

Sr. No.	Name of Instrument	Complexity Level
1	Debentures-Non Convertible Debentures	Simple
2	Fund-based - LT-Cash Credit	Simple
3	Term Loan-Long Term	Simple

Annexure-5: Bank lender details for this company

To view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

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About us:

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