

Future Enterprises Limited

April 28, 2023

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	1,175.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	602.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Non Convertible Debentures	325.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Non Convertible Debentures	100.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Non Convertible Debentures	358.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Non Convertible Debentures	50.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Non Convertible Debentures	300.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Non Convertible Debentures	265.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Non Convertible Debentures	327.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Non Convertible Debentures	332.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Non Convertible Debentures	150.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Non Convertible Debentures	425.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Non Convertible Debentures	92.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Fixed Deposit	700.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

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

Rationale and key rating drivers

CARE Ratings Ltd. had, vide its press release dated May 03, 2022, placed the ratings of Future Enterprises Limited (FEL) under the 'issuer non-cooperating' category as FEL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. FEL continues to be non-cooperative despite repeated requests for submission of information through e-mails dated January 20, 2023, February 21, 2023, March 19, 2023, March 29, 2023, April 08, 2023, April 17, 2023, April 19, 2023 and April 21, 2023 etc. In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

At the time of last rating on May 03, 2022 the following was the rating weakness (updated for the information available from stock exchange):

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

Delays in servicing of debt obligation

There are continuing delays in debt servicing. The Mumbai bench of the National Company Law Tribunal (NCLT) had on March 08, 2023 directed initiating CIRP against FEL, admitting a plea filed by an operational creditor.

On March 08, 2023, the company has been referred under IBC, and a Resolution Professional has been appointed for the company.

Analytical approach: Standalone

Applicable criteria

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

[Policy on default recognition](#)

[Financial Ratios – Non financial Sector](#)

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

[Policy On Curing Period](#)

[Rating Outlook and Credit Watch](#)

[Short Term Instruments](#)

[Policy on Withdrawal of Ratings](#)

About the company and industry

Industry classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Consumer Discretionary	Consumer Services	Retailing	Distributors

Erstwhile Future Retail Ltd. has now been renamed as Future Enterprises Ltd. (FEL) and houses the physical assets (store formats of erstwhile FRL and Bharti Retail Limited including all the infrastructure assets situated in the stores) apart from strategic investments in various companies. The company is also in the business of manufacturing and trading of men's wear, women's wear and kid's wear in denim segment. FEL is also the holding company for future group's various other businesses.

Brief Financials (₹ crore)	March 31, 2020 (A)	March 31, 2021 (A)	March 31, 2022 (Abr.)
Total operating income	4,069.54	914.05	1513.62
PBILDT	1,176.23	162.80	-278.73
PAT	-325.36	-1,049.90	-2324.57
Overall gearing (times)	2.15	3.56	NM
Interest coverage (times)	1.83	0.23	NM

A: Audited UA: Unaudited; Abr: Abridged, NM: Not Meaningful; Note: 'the above results are latest financial results available'

Status of non-cooperation with previous CRA: Acuite Ratings & Research has moved the ratings assigned to Future Enterprises Limited under 'Non-Cooperation' category vide press release dated November 01, 2022 due to non-submission of information.

Brickwork Ratings has migrated the ratings assigned to Future Enterprises Limited under 'Non-Cooperation' category vide press release dated November 22, 2022 due to non-submission of information.

Infomerics Ratings continues to place the ratings assigned to Future Enterprises Limited under 'Non-Cooperation' category vide press release dated March 10, 2023 due to non-submission of information.

Any other information: Not Applicable

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

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

Complexity level of various instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Debentures-Non Convertible Debentures	INE623B07743	03-Jan-19	10.50%	December 2026	250.00	CARE D; ISSUER NOT COOPERATING*
Debentures-Non Convertible Debentures	INE623B07487	16-Feb-17	9.60%	March 2022	106.00	CARE D; ISSUER NOT COOPERATING*
Debentures-Non Convertible Debentures	INE623B07495	16-Feb-17	9.60%	March 2024	159.00	CARE D; ISSUER NOT COOPERATING*
Debentures-Non Convertible Debentures	INE623B07503	20-Mar-17	9.60%	March 2023	130.60	CARE D; ISSUER NOT COOPERATING*
Debentures-Non Convertible Debentures	INE623B07511	20-Mar-17	9.60%	March 2025	196.40	CARE D; ISSUER NOT COOPERATING*
Debentures-Non Convertible Debentures	INE623B07529	27-Mar-17	9.60%	March 2023	133.00	CARE D; ISSUER NOT COOPERATING*
Debentures-Non Convertible Debentures	INE623B07537	27-Mar-17	9.60%	March 2025	199.00	CARE D; ISSUER NOT COOPERATING*
Debentures-Non Convertible Debentures	INE623B07735	03-Jan-19	10.50%	March 2023	500.00	CARE D; ISSUER NOT COOPERATING*
Debentures-Non Convertible Debentures	INE623B07628	20-Dec-17	9.25%	March 2024	60.00	CARE D; ISSUER NOT COOPERATING*
Debentures-Non Convertible Debentures	INE623B07636	20-Dec-17	9.25%	March 2025	90.00	CARE D; ISSUER NOT COOPERATING*
Debentures-Non Convertible Debentures	INE623B07339	24-Jun-16	10.25%	March 2023	16.00	CARE D; ISSUER NOT COOPERATING*

Debentures-Non Convertible Debentures	INE623B07347	24-Jun-15	10.25%	March 2024	24.00	CARE D; ISSUER NOT COOPERATING*
Debentures-Non Convertible Debentures	INE623B07362	24-Jun-16	10.25%	March 2023	24.00	CARE D; ISSUER NOT COOPERATING*
Debentures-Non Convertible Debentures	INE623B07370	24-Jun-16	10.25%	March 2024	36.00	CARE D; ISSUER NOT COOPERATING*
Debentures-Non Convertible Debentures	INE623B07685	17-Apr-18	9.75%	March 2025	120.00	CARE D; ISSUER NOT COOPERATING*
Debentures-Non Convertible Debentures	INE623B07693	17-Apr-18	9.75%	March 2026	180.00	CARE D; ISSUER NOT COOPERATING*
Debentures-Non Convertible Debentures	INE623B07701	24-Apr-18	10.00%	March 2026	500.00	CARE D; ISSUER NOT COOPERATING*
Fixed Deposit		-	-	-	700.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	March 2026	550.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Working Capital Limits		-	-	-	625.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - ST-BG/LC		-	-	-	602.00	CARE D; ISSUER NOT COOPERATING*

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

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 2023-2024	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
1	Fund-based - LT-Term Loan	LT	550.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (03-May-22)	1)CARE D (28-Mar-22) 2)CARE C (CW with Developing (31-Mar-21)	1)CARE C (CW with Developing Implications) (31-Mar-21)

							Implications (03-Jan-22) 3)CARE C (CW with Developing Implications) (07-Jan-21) 3)CARE C (CW with Developing Implications) (20-Apr-21) 4)CARE C (CW with Developing Implications) (08-Sep-20) 5)CARE C (19-Aug-20) 6)CARE BB (CW with Developing Implications) (31-Jul-20) 7)CARE BBB+ (CW with Negative Implications) (13-May-20)	
2	Debentures-Non Convertible Debentures	LT	325.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (03-May-22)	1)CARE D (28-Mar-22) 2)CARE D (03-Jan-22) 3)CARE D (20-Apr-21)	1)CARE D (31-Mar-21) 2)CARE D (07-Jan-21) 3)CARE C (CW with Developing Implications)

								<p>(24-Dec-20)</p> <p>4)CARE C (CW with Developing Implications) (08-Sep-20)</p> <p>5)CARE C (19-Aug-20)</p> <p>6)CARE BB (CW with Developing Implications) (31-Jul-20)</p> <p>7)CARE BBB+ (CW with Negative Implications) (13-May-20)</p>
3	Fund-based - LT-Working Capital Limits	LT	625.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (03-May-22)	<p>1)CARE D (28-Mar-22)</p> <p>2)CARE C (CW with Developing Implications) (03-Jan-22)</p> <p>3)CARE C (CW with Developing Implications) (20-Apr-21)</p>	<p>1)CARE C (CW with Developing Implications) (31-Mar-21)</p> <p>2)CARE C (CW with Developing Implications) (07-Jan-21)</p> <p>3)CARE C (CW with Developing Implications) (24-Dec-20)</p> <p>4)CARE C (CW with Developing</p>

								<p>Implication s) (08-Sep-20)</p> <p>5)CARE C (19-Aug-20)</p> <p>6)CARE BB (CW with Developing Implication s) (31-Jul-20)</p> <p>7)CARE BBB+ (CW with Negative Implication s) (13-May-20)</p>
4	Non-fund-based - ST-BG/LC	ST	602.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (03-May-22)	<p>1)CARE D (28-Mar-22)</p> <p>2)CARE A4 (CW with Developing Implication s) (07-Jan-21)</p> <p>3)CARE A4 (CW with Developing Implication s) (24-Dec-20)</p> <p>4)CARE A4 (CW with Developing Implication s) (08-Sep-20)</p> <p>5)CARE A4</p>	

								(19-Aug-20) 6)CARE A4 (CW with Developing Implications) (31-Jul-20) 7)CARE A3+ (CW with Negative Implications) (13-May-20)
5	Debentures-Non Convertible Debentures	LT	100.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (03-May-22)	1)CARE D (28-Mar-22) 2)CARE C (CW with Developing Implications) (03-Jan-22) 3)CARE C (CW with Developing Implications) (20-Apr-21)	1)CARE C (CW with Developing Implications) (31-Mar-21) 2)CARE C (CW with Developing Implications) (07-Jan-21) 3)CARE C (CW with Developing Implications) (24-Dec-20) 4)CARE C (CW with Developing Implications) (08-Sep-20) 5)CARE C (19-Aug-20) 6)CARE BB (CW with Developing

								Implication s) (31-Jul-20)
								7)CARE BBB+ (CW with Negative Implication s) (13-May-20)
6	Debentures-Non Convertible Debentures	LT	358.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (03-May-22)	1)CARE D (28-Mar-22) 2)CARE D (03-Jan-22) 3)CARE D (20-Apr-21)	1)CARE C (CW with Developing Implication s) (31-Mar-21) 2)CARE C (CW with Developing Implication s) (07-Jan-21) 3)CARE C (CW with Developing Implication s) (24-Dec-20) 4)CARE C (CW with Developing Implication s) (08-Sep-20) 5)CARE C (19-Aug-20) 6)CARE BB (CW with Developing Implication s) (31-Jul-20) 7)CARE BBB+ (CW

								with Negative Implications) (13-May-20)
7	Commercial Paper	ST	-	-	-	-	-	1)Withdrawn (13-May-20)
8	Debentures-Non Convertible Debentures	LT	50.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (03-May-22)	1)CARE D (28-Mar-22) 2)CARE D (03-Jan-22) 3)CARE D (20-Apr-21)	1)CARE C (CW with Developing Implications) (31-Mar-21) 2)CARE C (CW with Developing Implications) (07-Jan-21) 3)CARE C (CW with Developing Implications) (24-Dec-20) 4)CARE C (CW with Developing Implications) (08-Sep-20) 5)CARE C (19-Aug-20) 6)CARE BB (CW with Developing Implications) (31-Jul-20) 7)CARE BBB+ (CW with Negative

								Implication s) (13-May- 20)
9	Fixed Deposit	LT	700.00	CARE D; ISSUER NOT COOPERATIN G*	-	1)CARE D (FD); ISSUER NOT COOPERATIN G* (03-May-22)	1)CARE D (28-Mar- 22) 2)CARE C (FD) (CW with Developing Implication s) (03-Jan-22) 3)CARE C (FD) (CW with Developing Implication s) (20-Apr-21)	1)CARE C (FD) (CW with Developing Implication s) (31-Mar- 21) 2)CARE C (FD) (CW with Developing Implication s) (07-Jan-21) 3)CARE C (FD) (CW with Developing Implication s) (24-Dec- 20) 4)CARE C (FD) (CW with Developing Implication s) (08-Sep- 20) 5)CARE C (FD) (19-Aug- 20) 6)CARE BB (FD) (CW with Developing Implication s) (31-Jul-20) 7)CARE BBB+ (FD) (CW with Negative

								Implication s) (13-May- 20)
10	Debentures-Non Convertible Debentures	LT	300.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (03-May-22)	1)CARE D (28-Mar- 22) 2)CARE D (03-Jan-22) 3)CARE D (20-Apr-21)	1)CARE C (CW with Developing Implication s) (31-Mar- 21) 2)CARE C (CW with Developing Implication s) (07-Jan-21) 3)CARE C (CW with Developing Implication s) (24-Dec- 20) 4)CARE C (CW with Developing Implication s) (08-Sep- 20) 5)CARE C (19-Aug- 20) 6)CARE BB (CW with Developing Implication s) (31-Jul-20) 7)CARE BBB+ (CW with Negative Implication s) (13-May- 20)

11	Debentures-Non Convertible Debentures	LT	265.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (03-May-22)	1)CARE D (28-Mar-22) 2)CARE D (03-Jan-22) 3)CARE D (20-Apr-21)	1)CARE D (31-Mar-21) 2)CARE D (07-Jan-21) 3)CARE D (24-Dec-20) 4)CARE D (08-Sep-20) 5)CARE D (19-Aug-20)
12	Debentures-Non Convertible Debentures	LT	327.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (03-May-22)	1)CARE D (28-Mar-22) 2)CARE D (03-Jan-22) 3)CARE D (20-Apr-21)	1)CARE D (31-Mar-21) 2)CARE D (07-Jan-21) 3)CARE D (24-Dec-20) 4)CARE D (23-Sep-20)
13	Debentures-Non Convertible Debentures	LT	332.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (03-May-22)	1)CARE D (28-Mar-22) 2)CARE D (03-Jan-22) 3)CARE D (20-Apr-21)	1)CARE D (31-Mar-21) 2)CARE D (07-Jan-21) 3)CARE D (24-Dec-20) 4)CARE D (30-Sep-20)
14	Debentures-Non Convertible Debentures	LT	150.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (03-May-22)	1)CARE D (28-Mar-22) 2)CARE D (03-Jan-22) 3)CARE D (20-Apr-21)	1)CARE D (31-Mar-21) 2)CARE D (07-Jan-21) 3)CARE D (24-Dec-20)

15	Debentures-Non Convertible Debentures	LT	425.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (03-May-22)	1)CARE D (28-Mar-22) 2)CARE D (03-Jan-22) 3)CARE D (20-Apr-21)	1)CARE D (31-Mar-21) 2)CARE D (07-Jan-21)
16	Debentures-Non Convertible Debentures	LT	92.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (03-May-22)	1)CARE D (28-Mar-22) 2)CARE D (03-Jan-22) 3)CARE D (20-Apr-21)	-

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

*Long term/Short term.

Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: Not Applicable

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Debentures-Non Convertible Debentures	Complex
2	Debentures-Non Convertible Debentures	Simple
3	Fixed Deposit	Simple
4	Fund-based - LT-Term Loan	Simple
5	Fund-based - LT-Working Capital Limits	Simple
6	Non-fund-based - ST-BG/LC	Simple

Annexure-5: Lender details

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

Note on the 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.

Contact us

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About us:

Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:

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