

## Future Supply Chain Solutions Limited (Revised)

July 28, 2023

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	140.53	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Non Convertible Debentures	199.00	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.

### Detailed rationale and key rating drivers

CARE Ratings Limited had, vide its press release dated August 02, 2022, reviewed the ratings of Future Supply Chain Solutions Limited (FSCSL) under the 'issuer non-cooperating' category as the company 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. The company continues to be non-cooperative despite repeated requests for submission of information through e-mails dated June 18, 2023, June 28, 2023 and July 08, 2023 etc. In line with the extant SEBI guidelines, CARE Ratings Limited 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 August 02, 2022 the following was the rating weakness (updated for the information available from stock exchange):

### Delays in servicing of debt obligation

The company has failed to service its debt repayment obligation.

The NCLT on January 05, 2023 has admitted FSCSL for CIRP under IBC on petition filed by an operational creditor. The tribunal has appointed an IRP to take over the management of the company. The IPR has invited Expression of Interest (EOI) through public announcement dated April 21, 2023. EOI has been received from 7 prospective resolution applicants.

**Analytical approach:** Standalone

### Applicable criteria

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

[Policy on default recognition](#)

[Financial Ratios – Non financial Sector](#)

[Policy On Curing Period](#)

[Rating Outlook and Credit Watch](#)

[Short Term Instruments](#)

[Service Sector Companies](#)

### About the company and industry

#### Industry classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Services	Services	Transport Services	Logistics Solution Provider

Future Supply Chain Solutions Limited (FSCSL), 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. FSCSL provides integrated end-to-end logistics solutions for supply chain management, and offers warehousing and

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

distribution, multi-modal transportation and container freight stations. FSC operations are run through 80 distribution centres across India, covering 8.09 million ft<sup>2</sup> of warehouse space across India.

Brief Financials (Rs. crore)	31-03-2021 (A)	31-03-2022 (A)	Q1FY23(UA)
Total operating income	496.69	608.75	67.04
PBILDT	84.16	114.20	-11.40
PAT	-184.36	-697.91*	-30.01
Overall gearing (times)	1.46	NM	NA
Interest coverage (times)	0.86	1.45	NM

A: Audited; UA: Un-Audited NM: Not Meaningful ; NA; Not Available

Note: 'the above results are latest financial results 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

**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	INE935Q07046 INE935Q07038	20-09-2018	10.2%	September 2024	199.00	CARE D; ISSUER NOT COOPERATING*
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*

\*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-Cash Credit	LT	93.66	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING*	1)CARE B (CW with Negative Implications)	1)CARE BB- (CW with Negative Implications)

						(02-Aug-22) 2)CARE C; ISSUER NOT COOPERATING * (03-May-22)	) (03-Feb-22)	) (22-Mar-21) 2)CARE BB- (CW with Negative Implications ) (18-Nov-20) 3)CARE BB+ (CW with Developing Implications ) (29-Jul-20) 4)CARE A- (CW with Negative Implications ) (15-May- 20)
2	Non-fund-based - ST-BG/LC	ST	-	-	-	-	1)Withdraw n (03-Feb-22)	1)CARE A4 (CW with Negative Implications ) (22-Mar-21) 2)CARE A4 (CW with Negative Implications ) (18-Nov-20) 3)CARE A4+ (CW with Developing Implications ) (29-Jul-20) 4)CARE A2+ (CW with Negative Implications ) (15-May- 20)

3	Term Loan-Long Term	LT	46.87	CARE D; ISSUER NOT COOPERATING *	-	<p>1)CARE D; ISSUER NOT COOPERATING * (02-Aug-22)</p> <p>2)CARE C; ISSUER NOT COOPERATING * (03-May-22)</p>	<p>1)CARE B (CW with Negative Implications ) (03-Feb-22)</p>	<p>1)CARE BB- (CW with Negative Implications ) (22-Mar-21)</p> <p>2)CARE BB- (CW with Negative Implications ) (18-Nov-20)</p> <p>3)CARE BB+ (CW with Developing Implications ) (29-Jul-20)</p> <p>4)CARE A- (CW with Negative Implications ) (15-May-20)</p>
4	Debentures-Non Convertible Debentures	LT	199.00	CARE D; ISSUER NOT COOPERATING *	-	<p>1)CARE D; ISSUER NOT COOPERATING * (02-Aug-22)</p> <p>2)CARE C; ISSUER NOT COOPERATING * (03-May-22)</p>	<p>1)CARE B (CW with Negative Implications ) (03-Feb-22)</p>	<p>1)CARE BB- (CW with Negative Implications ) (22-Mar-21)</p> <p>2)CARE BB- (CW with Negative Implications ) (18-Nov-20)</p> <p>3)CARE BB+ (CW with Developing Implications ) (29-Jul-20)</p> <p>4)CARE A- (CW with Negative Implications )</p>

								(15-May-20)
5	Commercial Paper- Commercial Paper (Carved out)	ST	-	-	-	-	-	1)Withdrawn (04-Sep-20)  2)CARE A4+ (CW with Developing Implications) (29-Jul-20)  3)CARE A2+ (CW with Negative Implications) (15-May-20)
6	Commercial Paper- Commercial Paper (Carved out)	ST	-	-	-	-	-	1)Withdrawn (04-Sep-20)  2)CARE A4+ (CW with Developing Implications) (29-Jul-20)  3)CARE A2+ (CW with Negative Implications) (15-May-20)

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

\*Long term/Short term.

**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 the 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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