

## Avenue Supermarts Limited

March 12, 2020

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Commercial Paper Issue	-	-	Withdrawn
<b>Total Facilities</b>	-		

Details of facilities in Annexure-1

### Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the rating assigned to the Commercial Paper issue of Avenue Supermarts Ltd. with immediate effect, as the company has not placed the rated commercial paper issue and there is no amount outstanding under the issue as on date.

**Analytical Approach:** Not Applicable

### Applicable Criteria

[Policy on Withdrawal of ratings](#)

### About the Company

Avenue Supermarts Limited is a Mumbai-based company, which owns and operates D-Mart stores. D-Mart is an emerging national supermarket chain that offers customers a range of home and personal products under one roof. The Company offers a wide range of products with a focus on Foods, Non-Foods (FMCG) and General Merchandise & Apparel product categories. Each D-Mart store stocks home utility products, including food, toiletries, beauty products, garments, kitchenware, bed and bath linen, home appliances and others. The Company offers its products under various categories, such as bed and bath, dairy and frozen, fruits and vegetables, crockery, toys and games, kid's apparel, ladies garments, apparel for men, home and personal care, daily essentials, grocery and staples.

The Company opened its first store in Mumbai, Maharashtra in 2002. As on December 31 2019, the Company had 196 stores across Maharashtra, Gujarat, Andhra Pradesh, Karnataka, Telangana, Tamil Nadu, Madhya Pradesh, Rajasthan, NCR, Chhattisgarh, Punjab and Daman with a retail business area of 6.97msf.

Brief Financials (Rs. crore)	FY17 (A)	FY18 (A)	FY19 (A)
Total operating income	11912	15082	19968
PBILDT	995	1410	1694
PAT	483	785	936
Overall gearing (times)	0.39	0.09	0.12
Interest coverage (times)	8.17	23.73	35.92

A: Audited

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

### Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Commercial Paper	-	-	-	0.00	Withdrawn

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and other CARE publications

**Annexure-2: Rating History of last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Commercial Paper	ST	-	-	-	1)CARE A1+ (25-Dec-18)	1)CARE A1+ (22-Mar-18) 2)CARE A1+ (27-Apr-17)	1)CARE A1+ (12-Apr-16)

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

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Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

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