

## Future Retail Limited (FRL)

### Future Retail Limited (FRL): Withdrawn

Instruments	Amount (Rs. Crore)	Rating/Outlook
Non-convertible Debentures (Proposed)	200.00	SMERA provisional AA (SO)/Stable (Withdrawn) *
Non-convertible Debentures (Proposed)	100.00	SMERA provisional AA (SO)/Stable (Withdrawn) *

\* Credit enhancement on account of structured payment mechanism in the form of Debt Service Reserve Account (DSRA).

SMERA has withdrawn rating of '**SMERA provisional AA (SO)/Stable**' assigned to the abovementioned instruments of Future Retail Limited (FRL) with immediate effect. FRL has not issued and has no plans to issue the above mentioned Rs. 300.00 crore non-convertible debentures (NCD's) as indicated by the management.

### About the Company

The erstwhile Future Retail Limited (E-FRL), the flagship company of the Future Group (one of India's largest retailers), engaged mainly in home and electronics retailing and value retailing. Till FY2014-15, E-FRL was engaged in retail operations as well as owning the infrastructure assets associated with the retail operations. During FY2015-16, pursuant to a business restructuring exercise, E-FRL's retail operations and infrastructure operations were split into two separate entities namely Future Retail Limited (FRL) and Future Enterprises Limited (FEL) respectively. As per the arrangement, FRL would be carrying out the retail trade whereas all the infrastructure assets would be owned by FEL.

On October 31, 2015 (appointed date), E-FRL acquired Bharti Retail Limited (BRL) in an all- stock deal. The retail operations of E-FRL merged with Bharti Retail Limited's (BRL) retail operations and subsequently the name of the entity was changed to Future Retail Limited (FRL). The infrastructure operations of BRL merged with E-FRL's infrastructure and investment operations and subsequently name of the entity was changed to Future Enterprises Limited (FEL).

Presently FEL owns the physical assets (store formats of E-FRL and BRL including all the infrastructure assets situated in the stores) apart from strategic investments in various companies. FRL is operating all the retail formats. Mr. Kishore Biyani continues to be associated as a promoter of both, FEL and FRL. As on March 31, 2016, FRL operates 738 stores with 12.96 Mn. Sq.Ft. spread across 221 cities. It includes 218 Big Bazaar stores, 320 Easy Day, 92 E-Zone, 43 Home Town and rest other formats.

### Contacts:

Analytical	Business Development
Mr. Mohit Jain Vice President – Ratings Operations, Tel: +91-22-6714 1105 Cell: 9619911017 Email: <a href="mailto:mohit.jain@smera.in">mohit.jain@smera.in</a>	Mr. Suman M Vice President – Business Development, Corporate Ratings Tel: +91-22-6714 1151 Cell: +91-9892306888 Email: <a href="mailto:suman.m@smera.in">suman.m@smera.in</a>

## **ABOUT SMERA**

SMERA Ratings Limited is a joint initiative of SIDBI, Dun & Bradstreet Information Services India Private Limited (D&B) and leading public and private sector banks in India. SMERA is registered with SEBI as a Credit Rating Agency and accredited by Reserve Bank of India. For more details, please visit [www.smera.in](http://www.smera.in).

***Disclaimer:*** A SMERA rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. SMERA ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, SMERA, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. SMERA is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings. SMERA ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website ([www.smera.in](http://www.smera.in)) for the latest information on any instrument rated by SMERA.