

Press Release

Dheera Retail Infra Private Limited

September 11, 2018

Rating Withdrawn



| | |
|--------------------------------|-------------------------------------|
| Total Facilities Rated* | Rs. 50.00 Cr. |
| Long Term Rating | ACUITE Provisional AA- (SO)/ Stable |

* Refer Annexure for details

Rating Rationale

Acuite has withdrawn the long term rating of '**ACUITE Provisional AA- (SO)**' (read as **ACUITE provisional double A minus structured obligation**) to the Rs. 50.00 crore proposed nonconvertible, secured, redeemable debenture (NCD) issue of Dheera Retail Infra Private Limited (DRIPL).

The Rating is being withdrawn on the request of DRIPL as the management of the company has decided not to proceed with the issue of the proposed NCD.

Incorporated in 2016, DRIPL acquires and deals in property, equipment and assets. The current transaction for which the NCDs are proposed to be raised, envisages discounting of lease rentals under a lease arrangement with Future Lifestyle Fashions Limited (FLFL). DRIPL (lessor) is leasing various movable assets like plant & machinery, furniture and fixtures, computers for retail outlets of FLFL. Apart from the lease agreement with FLFL, the company also trades in furniture and fixtures, albeit on a small scale.

Analytical Approach

Acuite has considered the standalone financial and business risk profile of DRIPL and factored in the benefits emanating from the presence of a strong counterparty, FLFL. Other than support from FLFL, Acuite had also considered credit enhancement in the form of structured payment mechanism and waterfall in Escrow account.

Status of non-cooperation with previous CRA (if applicable)

None

Any other information

None

Note on complexity levels of the rated instrument

<https://www.acuite.in/criteria-complexity-levels.htm>

Rating History (Upto last three years)

| Date | Name of Instrument / Facilities | Term | Amount (Rs. Cr) | Ratings/Outlook |
|-------------|---------------------------------------|-----------|-----------------|---|
| 16-Sep-2017 | Non-convertible debentures (Proposed) | Long term | 50.00 | ACUITE Provisional AA- (SO)/Stable (Assigned) |

*Annexure – Details of instruments rated

| Name of the Facilities | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. Crore) | Ratings/Outlook |
|---------------------------------------|------------------|----------------|----------------|-------------------------------|--|
| Non-convertible debentures (Proposed) | Not Applicable | Not Applicable | Not Applicable | 50.00 | ACUITE Provisional AA- (SO)/Stable (Withdrawn) |

Contacts:

| Analytical | Rating Desk |
|--|---|
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About Acuite Ratings & Research:

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