



Rating Rationale

06 Sep 2023

Future Ideas Company Limited

Brickwork Ratings reaffirms the Rating for the Non-Convertible Debentures of Rs. 130.00 Crs. of Future Ideas Company Limited (or “the company”) based on the best available information, as the issuer did not cooperate.

Particulars

Instrument**	Previous Amount (in Rs.)	Present Amount (in Rs.)	Tenure	Previous Rating August 10, 2022	Present Rating#		
NCD (Issue amt Rs.150 crs)	15.00	15.00	Long Term	BWR D ISSUER NOT COOPERATING* Reaffirmation and continues to be in ISSUER NOT COOPERATING category	BWR D Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed		
	15.00	15.00	Long Term				
NCD (Issue amt Rs.150 crs)	10.00	10.00	Long Term				
	20.00	20.00	Long Term				
	30.00	30.00	Long Term				
	40.00	40.00	Long Term				
Total	130.00	130.00	INR One Hundred and Thirty Crores only				

#Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

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

**Details of NCDs are provided in Annexure-I

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

The rating of Future Ideas Company Limited (or “the Company”) was due for review in August 2023 and BWR took up with the issuer to provide required information through emails. Despite the best efforts of BWR to get the minimum required information for a review, the company has not provided same. In the absence of adequate information from the Company, BWR is unable to assess the company’s performance, its ability to service its debt and maintain a valid rating. The debenture trustee has informed the BWR that the default is continuing. Hence, BWR has reaffirmed the rating of the company at BWR D and continues the ratings under the Issuer Not Cooperating Category, based on the best available information.



Limitations of the rating:

Information availability risk is a key factor in the assessment of credit risk as generally, noncooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress. Users of the credit rating should therefore take into account the possible deterioration in the credit quality of the rated entity arising from its non-transparency and withholding information required for a review of the rating reflecting weak corporate governance.

About the Company (Information as available with BWR)

Macro Economic Indicator	Sector	Industry	Basic Industry
Services	Services	Commercial Services & Supplies	Consulting Services

Future Ideas Company Limited (FICL) is the ideation arm of Future Group which provides research, insights and solutions for various initiatives and activities of the group relating to brands, market, consumer and product. The main clients of FICL within Future Group are the three entities: Future Retail Limited (FRL), Future Lifestyle Fashions Limited (FLFL) & Future Consumer Limited (FCL).

KEY FINANCIAL INDICATORS (in ₹ Cr)

Key Parameters	Units	FY 2018	FY 2019	FY2023
Result Type		Audited	Audited	
Total Income	Rs. Crs	26.24	83.25+	NA
PAT	Rs. Crs	1.45	52.73	NA
Tangible Net worth (TNW)	Rs. Crs	3.10	55.86	NA
Total Borrowing/TNW	Times	57.94	3.94	NA
Current ratio	Times	0.16	0.15	NA

+Total income of FY2019 includes non operating income of Rs.69 crs on account of long term capital gains.

Note: As per information available with BWR. The financials after FY19 are not available.

NON-COOPERATION WITH PREVIOUS RATING AGENCY IF ANY : The company has no outstanding rating from other CRA.

RATING HISTORY FOR THE PREVIOUS THREE YEARS (Including withdrawal and suspension)

Instrument	Current Rating			Rating History		
	Tenure (Long Term/ Short Term)	Amount (₹ Cr)	Rating	2022	2021	2020
NCD	Long Term	30.00	BWR D Continues to be in ISSUER NOT COOPERATING* category/Reaffirmed	BWR D ISSUER NOT COOPERATING* reaffirmation^ and continues to be in NOT COOPERATING category (10 August)	BWR D (CE) ISSUER NOT COOPERATING* (04 August)	BWR A- (CE) Credit Watch With Negative Implications (13 April)
NCD		100.00				BWR BBB+ (CE) Credit Watch With Negative Implications (27 May)
Total		130.00	INR One Hundred and Thirty crores Only			

*Issuer did not cooperate; based on best available information

^The analytical approach was changed from CE to standalone as the Lessees were incapable of providing any support to the company. Therefore, there was no meaningful credit enhancement available.

COMPLEXITY LEVELS OF THE INSTRUMENTS: Simple

For more information, visit www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Approach to Financial Ratios](#)
- [Service Sector](#)
- [Default Recognition and Default Curing Period](#)
- [What Constitutes Non-Cooperation](#)



Analytical Contacts	
Pallav Kumar Goel Ratings Analyst pallavkumar.g@brickworkratings.com	Bal Krishna Piparaiya Principal Director – Ratings Board: +91 22 28311426,28311439. piparaiya.bk@brickworkratings.com
1-860-425-2742	media@brickworkratings.com

Future Ideas Company Limited
ANNEXURE I
INSTRUMENT (NCD) DETAILS

Instrument	Issue Date	Amount (Rs. Crs.)	Coupon Rate	Maturity Date	Old ISIN	New ISIN
NCD	26/06/2015	15.00@	12.75%	31/07/2020	INE080T07037	INE080T07086
		15.00@	12.75%	30/09/2020		
Total	A	30.00				
NCD\$	28/09/2018	10.00	13.40%	31/01/2021	INE080T07045	INE080T07128
		20.00	13.40%	31/01/2022	INE080T07052	INE080T07110
		30.00	13.40%	31/01/2023	INE080T07060	INE080T07094
		40.00	13.40%	31/12/2023	INE080T07078	INE080T07102
Total	B	100.00				
Grand total	A + B	130.00	INR One Hundred and Thirty crores Only			

\$ O/S as on 31 March 2020 was Rs.97.50 crs

@ The above amounts refer to a single NCD with staggered payment structure.



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