

December 28, 2021

## DLF Emporio Limited: Ratings reaffirmed and withdrawn

### Summary of rating action

| Instrument <sup>^</sup>            | Previous Rated Amount (Rs. crore) | Current Rated Amount (Rs. crore) | Rating Action                                |
|------------------------------------|-----------------------------------|----------------------------------|--|
| Long term – Fund Based – Term Loan | 468.00                            | 468.00                           | [ICRA]AA- (Stable); reaffirmed and withdrawn |
| <b>Total</b>                       | <b>468.00</b>                     | <b>468.00</b>                    |  |

<sup>^</sup>Instrument details are provided in Annexure-1

### Rationale

ICRA has reaffirmed and withdrawn the rating assigned to the bank facilities of DLF Emporio Limited (DEL) based on the No Objection Certificate received from the company, as there is no amount outstanding against the rated instruments and in accordance with ICRA's policy on withdrawal and suspension. The Key Rating Drivers, Liquidity Position, Rating Sensitivities, have not been captured as the related instruments are being withdrawn.

The previous detailed rating rationale is available at the following link: [Click Here](#)

### Analytical approach

| Analytical Approach                    | Comments   |
|--|--|
| <b>Applicable Rating Methodologies</b> | <a href="#">Corporate Credit Rating Methodology</a><br><a href="#">Rating Methodology for Debt Backed by Lease Rentals</a><br><a href="#">Rating Approach –Consolidation</a><br><a href="#">ICRA Policy on Withdrawal and Suspension of Credit Ratings</a> |
| <b>Parent/Group Support</b>            | Not Applicable   |
| <b>Consolidation/Standalone</b>        | Not Applicable   |

### About the company

DLF Emporio Limited (DEL) was incorporated in 1999. It developed an ultra-luxury retail mall in Vasant Kunj under the brand name DLF Emporio. DLF Emporio Mall is a fashion mall catering to the high end merchandise. In total there is 307161 sq ft of leasable area in DEL. The mall houses luxury brands with anchor tenants such as Louis Vuitton, Burberry, Dior etc.

### About DCCDL

DCCDL is involved in the business of developing, setting up and maintaining of commercial offices, retail spaces, technology parks and software parks. In December 2017, GIC, Singapore acquired 33.33% in DCCDL and the balance 66.67% is held by DLF Limited. The group acquired the entire stake in One Horizon Center, Gurgaon, a commercial asset with a leasable area of 0.81 mn. sq. ft. in February 2021, operationalization of Cyber Park, Gurgaon (leasable area of 2.6 mn. sq. ft) and Chennai SEZ Block 11 (leasable area of 0.4 mn. sq. ft) which has led to increase the leasable operational portfolio to 34.2 mn. sq. ft., of which 87% is leased and another 4.9 mnsqft under construction as on June 30, 2021.

## Key financial indicators (audited)

| Consolidated   | FY2019   | FY2020   | FY2021  |
|--|----------|----------|---------|
| Operating Income (Rs. crore)                         | 3,958.80 | 4,435.58 | 4,011.3 |
| PAT (Rs. crore)                                      | 1,399.56 | 1,313.81 | 899.2   |
| OPBDIT/OI (%)  | 67.31%   | 69.26%   | 75.9%   |
| PAT/ OI (%)  | 35.4%    | 29.6%    | 22.4%   |
| Total Outside Liabilities/Tangible Net Worth (times) | 2.58     | 4.21     | 3.9     |
| Total Debt/OPBDIT (times)                            | 6.32     | 6.40     | 6.8     |
| Interest Coverage (times)                            | 1.55     | 1.79     | 1.7     |

PAT: Profit after Tax; OPBDIT: Operating Profit before Depreciation, Interest, Taxes and Amortisation; ROCE: PBIT/Avg (Total Debt + Tangible Net Worth + Deferred Tax Liability - Capital Work in Progress); DSCR: (PBIT + Mat Credit Entitlements - Fair Value Gains through P&L - Non-cash Extraordinary Gain/Loss)/(Interest + Repayments made during the Year)

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

**Any other information: None**

## Rating history for past three years

|   | Instrument                | Type      | Current Rating (FY2022)  |   |   |                   | Chronology of Rating History for the past 3 years |                         |                                  |                         |                         |
|---|---------------------------|-----------|--------------------------|---|---|-------------------|---|-------------------------|----------------------------------|-------------------------|-------------------------|
|   |                           |           | Amount Rated (Rs. crore) | Amount Outstanding as of Nov 30, 2021 (Rs. crore) | Date & Rating in                            | Date & Rating in  | Date & Rating in FY2021                           | Date & Rating in FY2020 | Date & Rating in FY2020          | Date & Rating in FY2019 | Date & Rating in FY2018 |
|   |                           |           |                          |   | Dec 28, 2021                                | Sep 30, 2021      | June 26, 2020                                     | June 14, 2019           | June 05, 2019                    | November 22, 2018       | November 16, 2017       |
| 1 | Fund based limits         | Long Term | 468                      | 0.0   | [ICRA]AA-(Stable); reaffirmed and withdrawn | [ICRA]AA-(Stable) | [ICRA]AA-(Stable)                                 | [ICRA]AA-(Stable)       | -                                | -                       |                         |
| 2 | Non-convertible Debenture | Long Term | -                        | -   | -   | -                 | -   | -                       | [ICRA]AA (SO)(Stable); Withdrawn | [ICRA]AA (SO)(Stable)   | [ICRA]AA (SO)(Stable)   |

Amount in Rs. Crore

## Complexity level of the rated instrument

| Instrument | Complexity Indicator |
|------------|----------------------|
| Term Loan  | Simple               |

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [www.icra.in](http://www.icra.in)

## Annexure-1: Instrument details

| ISIN No | Instrument Name | Date of Issuance / Sanction | Coupon Rate | Maturity Date | Amount Rated (RS Crore) | Current Rating and Outlook                  |
|---------|-----------------|-----------------------------|-------------|---------------|-------------------------|---|
| NA      | Term Loan       | May-19                      | -           | May-28        | 468.0                   | [ICRA]AA-(Stable); reaffirmed and withdrawn |

Source: NVR

## Annexure-2: List of entities considered for consolidated analysis

| Company Name   | DCCDL Ownership | Consolidation Approach    |
|--|-----------------|---------------------------|
| <b>DLF Cyber City Developers Limited (Holding Company)</b> | -               | <b>Full Consolidation</b> |
| <b><u>Subsidiary companies</u></b>                         |                 |                           |
| DLF Assets Limited   | 100%            | Full Consolidation        |
| DLF City Centre Limited                                    | 100%            | Full Consolidation        |
| DLF Emporio Limited  | 100%            | Full Consolidation        |
| DLF Info City Developers (Chandigarh) Limited              | 100%            | Full Consolidation        |
| DLF Info City Developers (Kolkata) Limited                 | 100%            | Full Consolidation        |
| Nambi Buildwell Limited#                                   | 100%            | Full Consolidation        |
| DLF Power & Services Limited                               | 100%            | Full Consolidation        |
| DLF Promenade Limited                                      | 100%            | Full Consolidation        |
| Richmond Park Property Management Services Limited         | 100%            | Full Consolidation        |
| Fairleaf Real Estate Private Limited                       | 100%            | Full Consolidated         |
| DLF Info Park Developers (Chennai) Ltd                     | 99.99%          | Full Consolidated         |
| Paliwal Real Estate Limited                                | 100%            | Full Consolidated         |
| DLF Lands India Private Limited                            | 100%            | Full Consolidated         |
| DLF Info City Chennai Limited                              | 100%            | Full Consolidated         |

Source: Annual report FY2021

Note: ICRA has taken a consolidated view of the parent (DCCDL), its subsidiaries and associates while assigning the ratings.

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### Branches



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