



## RATING RATIONALE

15 Nov 2024

### Reliance Commercial Finance Limited

**Brickwork Ratings reaffirms the rating of various debt instruments of Rs. 2850.00 Crs of Reliance Commercial Finance Limited based on the best available information, as the issuer did not cooperate.**

#### Particulars:

Instrument	Amount (Rs in Crs)		Tenure	Rating#	
	Previous	Present		Previous	Present
Secured NCDs	2000.00	<b>2000.00</b>	Long Term	BWR D /Continues to be in ISSUER NOT COOPERATING* category/ Reaffirmation	<b>BWR D /Continues to be in ISSUER NOT COOPERATING* category/ Reaffirmation</b>
Subordinated Debt	100.00	<b>100.00</b>			
Market Linked Debentures	50.00	<b>50.00</b>	Long Term	BWR PP- MLD D /Continues to be in ISSUER NOT COOPERATING* category/ Reaffirmation	<b>BWR PP- MLD D /Continues to be in ISSUER NOT COOPERATING* category/ Reaffirmation</b>
Commercial Paper	700.00	<b>700.00</b>	Short Term	BWR D /Continues to be in ISSUER NOT COOPERATING* category/ Reaffirmation	<b>BWR D /Continues to be in ISSUER NOT COOPERATING* category /Reaffirmation</b>
Total	2850.00	<b>2850.00</b>	<b>Rupees Two Thousand Eight Hundred Fifty Crores Only</b>		
# Please refer to BWR website <a href="http://www.brickworkratings.com/">www.brickworkratings.com/</a> for definition of the ratings * Issuer did not cooperate; based on best available information ** Details of Instruments provided in Annexures- II					

#### RATING ACTION / OUTLOOK / NATURE OF COOPERATION

Brickwork Ratings (BWR) reaffirms the ratings of various debt instruments of Reliance Commercial Finance Ltd. (“RCFL” or “the Company”) at ‘BWR D /PP- MLD D /Continues to be in ISSUER NOT COOPERATING\* category, as tabulated above.

Despite BWR’s best efforts to obtain at least the minimum required information for a rating review, the Company has not provided the same. In the absence of adequate information received from the Company and continued lack of cooperation, BWR is unable to assess its ability to service its debt and maintain a valid rating. Based on inadequate information, lack of cooperation and non submission of No Default Statements (NDS) for the past several months, weak financial risk profile, persistent delay in servicing of the debt instruments, BWR reaffirms the rating of the various debt instruments at ‘BWR D /PP MLD D /Continues to be in ISSUER NOT COOPERATING category’ based on the best available information.



The Debenture Trustee (DT) confirmation is awaited on timely serving of coupon/ debt obligations on the ISINs (details shared in annexure II).

### 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 the required information for a review of the assigned rating may also be accompanied by financial stress. The current rating action has been taken on the basis of the limited information on the issuer's performance. Accordingly, the lenders, investors and other market participants are advised to exercise due caution while using this rating that mentions "Issuer Not Cooperating" as it may not adequately reflect the credit risk profile of the issuer because the rating lacks projections or forward-looking component as it is arrived at based on the best available information.

### KEY FINANCIAL INDICATORS (as available from public domain)

Particulars	Units	FY 22	FY23	FY24
Result Type		Audited	Audited	Audited
Interest Income	Rs Crs	174.76	97.18	92.40
Net Interest Income	Rs Crs	-964.18	-158.19	54.34
Other Income	Rs Crs	21.23	78.60	86.46
Op. Profit	Rs Crs	-1006	-156	69.74
Provisions	Rs Crs	6086	-74.76	-1137.13
PBT	Rs Crs	-7103	4043	1265
PAT	Rs Crs	-7079	4043	1323
Loan Book	Rs Crs	9302	9575	0
GNPA	%	93.12	82.23	0
NNPA	%	0.63	0.07	0

### COMPANY'S PROFILE

RCFL is a public limited company, engaged in lending activities. The company had defaulted in repayment of its debt obligation and therefore entered into a resolution plan/ Inter-Creditor Agreement ("ICA") with its lenders, in accordance with the circular dated June 7, 2019; issued by the RBI on Prudential Framework for Resolution of Stressed Assets. According to the terms of the ICA, the lenders had evaluated, voted upon, and selected Authum Investment & Infrastructure Limited ("Authum") as the final bidder on July 15, 2021. Authum Investment & Infrastructure Limited post successful transfer of control through change of shareholding has become the holding Company of Reliance Commercial Finance Limited.

### NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY IF ANY:

CARE Ratings reaffirmed the company's ratings to the ISSUER NOT COOPERATING\* category w.e.f. Jan 29, 2024 as the issuer did not provide the information to conduct the rating exercise.



**Any Other Information: None**

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

Sr. No	Facilities	Current Ratings (Year 2024)			Rating History for the past 3 years		
		Type	Amount O/s in (Rs. Crs.)	Rating	2023 (23 Nov 2023)	2022 (4 Oct 2022)	2021 (20 Sept 2021)
1	Secured NCDs	Long Term	2000.00	BWR D /Continues to be in ISSUER NOT COOPERATING* category/ Reaffirmation	BWR D /Continues to be in ISSUER NOT COOPERATING* category /Reaffirmed	BWR D /Continues to be in ISSUER NOT COOPERATING* category /Reaffirmed	BWR D ISSUER NOT COOPERATING* /Reaffirmed
2	Subordinated Debt	Long Term	100.00	BWR D /Continues to be in ISSUER NOT COOPERATING* category/ Reaffirmation	BWR D /Continues to be in ISSUER NOT COOPERATING* category /Reaffirmed	BWR D /Continues to be in ISSUER NOT COOPERATING* category /Reaffirmed	BWR D ISSUER NOT COOPERATING* /Reaffirmed
3	Market Linked Debentures (PP-MLDs)	Long Term	50.00	BWR PP- MLD D /Continues to be in ISSUER NOT COOPERATING* category/Reaffirmation	BWR PP MLD D /Continues to be in ISSUER NOT COOPERATING* category /Reaffirmed	BWR PP MLD D /Continues to be in ISSUER NOT COOPERATING* category /Reaffirmed	BWR PP-MLD D ISSUER NOT COOPERATING* /Reaffirmed
4	Commercial Paper	Short Term	700.00	BWR D /Continues to be in ISSUER NOT COOPERATING* category /Reaffirmation	BWR D /Continues to be in ISSUER NOT COOPERATING* category /Reaffirmed	BWR D /Continues to be in ISSUER NOT COOPERATING* category /Reaffirmed	BWR D ISSUER NOT COOPERATING* /Reaffirmed
	Total		2850.00		Rupees Two Thousand Eight Hundred Fifty Crores Only		

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

**Reference to Applicable Criteria:**

- **General Criteria**
- **Banks & Financial Institutions**
- **Approach to Financial Ratio**
- **Policy on Issuer Non-Cooperation**
- **Default Recognition and Post-Default Curing Period**

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**Reliance Commercial Finance Limited**

**ANNEXURE I**

**Details of Bank Loan Facilities rated by BWR**

Sr. No.	Name of the Bank/Lender	Type of Facilities	Long Term (Rs.Crs.)	Short Term (Rs.Crs.)	Total (Rs.Crs.)	Complexity of the Instrument*
NA	NA	NA	NA	NA	NA	NA

\*For more information, visit [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf)

**ANNEXURE II**

**INSTRUMENT (NCD/Bonds/CP/FDs) DETAILS**

Sr. No	Instrument	Issue Date	Amount (Rs. in Crs)	Coupon rate	Maturity Date	ISIN Particulars	Complexity of the instrument*
1	Secured NCDs	15-05-2017	25	8.66%	14-05-2027	INE126D07016@	Complex
2	Secured NCDs	16-05-2017	10	8.52%	16-05-2024	INE126D07024@	Complex
3	Secured NCDs	18-05-2017	6	8.52%	17-05-2024	INE126D07032@	Complex
4	Secured NCDs	23-05-2017	10	8.66%	21-05-2027	INE126D07040@	Complex

5	Secured NCDs	13-10-2017	400	9.03%	13-10-2022	INE126D07065@	Complex
6	Secured NCDs	21-08-2017	38	8.52%	21-08-2024	INE126D07057@	Complex
7	Secured NCDs	04-04-2018	500	9.50%	05-04-2023	INE126D07123@	Complex
8	Subordinated NCDs	15-09-2017	20	8.69%	20-09-2027	INE126D08014@	Complex
9	Subordinated NCDs	04-10-2017	2	8.69%	06-10-2027	INE126D08022@	Complex
10	Subordinated NCDs	06-10-2017	2	8.69%	06-10-2027	INE126D08022@	Complex
11	Subordinated NCDs	06-10-2017	8	8.69%	06-10-2027	INE126D08022@	Complex
12	Subordinated NCDs	08-11-2017	5	8.70%	31-07-2025	INE126D08030@	Complex
13	Subordinated NCDs	08-11-2017	6	9.07%	08-11-2027	INE126D08048@	Complex
14	Subordinated NCDs	18-01-2018	17	9.40%	19-01-2028	INE126D08055@	Complex
15	Subordinated NCDs	18-01-2018	10	9.40%	19-01-2028	INE126D08055@	Complex
16	Subordinated NCDs	18-01-2018	4	9.40%	19-01-2028	INE126D08055@	Complex
17	Subordinated NCDs	18-01-2018	2	9.40%	19-01-2028	INE126D08055@	Complex
18	Subordinated NCDs	02-02-2018	3	9.40%	02-02-2028	INE126D08063@	Complex
19	Subordinated NCDs	02-02-2018	2	9.40%	02-02-2028	INE126D08063@	Complex
20	Market Linked Debentures	28-09-2018	13.4	Market Linked	23-10-2020	INE126D07149@	Complex
21	Market Linked Debentures	01-10-2018	4.05	Market Linked	28-02-2022	INE126D07164@	Complex
22	Market Linked Debentures	09-10-2018	4	Market Linked	02-12-2019	INE126D07156@	Complex

23	Market Linked Debentures	30-10-2018	2	Market Linked	28-02-2022	INE126D07164@	Complex
24	Market Linked Debentures	06-11-2018	3.8	Market Linked	02-12-2019	INE126D07156@	Complex
25	Commercial Paper	19-09-2018	640	10.50%	16-09-2019	INE126D14384@	Simple
26	Secured NCDs	13-10-2017	500	9.23%	13-10-2027	INE126D07073	Complex
27	Secured NCDs	25-04-2018	15.2	9.10%	28-03-2022	INE126D07131	Complex
28	Secured NCDs	25-04-2018	15.2	9.10%	28-03-2023	INE126D07131	Complex
29	Secured NCDs	25-04-2018	15.2	9.10%	28-03-2024	INE126D07131	Complex
30	Secured NCDs	25-04-2018	15.2	9.10%	28-03-2025	INE126D07131	Complex
31	Unutilised - Secured NCDs	-	450.2	-	-	-	Complex
32	Unutilised - Subordinated NCDs	-	19	-	-	-	Complex
33	Unutilised - Market Linked Debentures	-	22.75	-	-	-	Complex
34	Unutilised Commercial Paper	-	60	-	-	-	Simple
	Total		2850	Rupees Two Thousand Eight Hundred Fifty Crores Only			

\*For more information, visit [www.brickworkratings.com/download/ComplexityLevels.pdf](http://www.brickworkratings.com/download/ComplexityLevels.pdf)

@ Instruments amounting to Rs.1737.25 crs were redeemed as per resolution plan. DT confirmation awaited.

### ANNEXURE III List of entities consolidated

Name of Entity	% ownership	Extent of consolidation	Rationale for consolidation
NA	NA	NA	NA



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