



RATING RATIONALE

20 September 2021

Reliance Commercial Finance Limited

Brickwork Ratings reaffirms the ratings for various debt instruments of Rs.2850 Crs of Reliance Commercial Finance Limited based on best available information, as the issuer did not cooperate.

Instruments**	Amount (Rs.Crs)		Tenure	Rating#	
	Previous	Present		Previous (Sep, 2020)	Present
Secured NCDs	2000.00	2000.00	Long Term	BWR D ISSUER NOT COOPERATING*	BWR D ISSUER NOT COOPERATING* Reaffirmed
Subordinated Debt	100.00	100.00	Long Term	BWR D ISSUER NOT COOPERATING*	BWR D ISSUER NOT COOPERATING* Reaffirmed
Market Linked Debentures (PP-MLDs)	50.00	50.00	Long Term	BWR PP-MLD D ISSUER NOT COOPERATING*	BWR PP-MLD D ISSUER NOT COOPERATING* Reaffirmed
Commercial Paper	700.00	700.00	Short Term	BWR D ISSUER NOT COOPERATING*	BWR D ISSUER NOT COOPERATING* Reaffirmed
Total	2850.00	2850.00	Rupees Two Thousand Eight Hundred Fifty Crores Only		

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

* Issuer did not cooperate, based on best available information.

**Details of NCD/Subordinated Debt/PPMLDs/Commercial Paper are provided in Annexure-I

RATING ACTION / OUTLOOK / NATURE OF NON-COOPERATION

Brickwork Ratings (BWR) reaffirms the ratings of various debt instruments of Reliance Commercial Finance Limited (RCFL or the company) at BWR D ISSUER NOT COOPERATING (INC) and BWR PP-MLD D ISSUER NOT COOPERATING (INC), as tabulated above. BWR has been seeking information from RCFL to review the ratings. However, despite repeated follow-ups, the company has not provided the requisite information for reviewing the ratings. In line with extant SEBI guidelines, BWR has reviewed the rating on the basis of the best available information.

The lender/investors may note to exercise due caution while using the above ratings, which mentions “ISSUER NOT COOPERATING” since the ratings lack any projections or forward-looking component as they have been arrived at based on the best available information about the company without any management interaction.



The ratings take into account the company's weak financial risk profile and continuous delays in the servicing of its debt repayment obligation.

LIMITATIONS OF THE RATING

Information availability risk is a key factor in the assessment of credit risk as generally, non-cooperation by the rated entities to provide required information for a review of the assigned rating may also be accompanied by financial stress.

COMPANY PROFILE: (As per information available with BWR)

Reliance Commercial Finance Limited (RCFL) is a wholly owned subsidiary of Reliance Capital Limited (Rcap). RCFL, formerly known as Reliance Gilts Limited, was incorporated on 17 August 2000 and subsequently in May 2009 was registered with the RBI as an NBFC without accepting public deposits. The commercial finance business of Rcap has been demerged into its wholly owned subsidiary RCFL with effect from 1 April 2016. RCFL is a public limited company and is engaged in lending activities and offers a wide range of products, which include SME loans, Microfinance, Loan Against Property (LAP), Infrastructure Finance, Agriculture Loans, Supply Chain Finance, Two-Wheeler Financing and Used car loans.

KEY FINANCIAL INDICATORS [AS AVAILABLE WITH BWR]

Key Financial Indicators	Units	FY20	FY21
Result Type		Audited	Audited
Total Income from Operations	Rs. Crs	865	535
Total Income (Net of Interest Expenses)	Rs. Crs	(367)	(596)
Profit/Loss After Tax	Rs. Crs	(1441)	(2665)
Networth	Rs. Crs	(635)	(3401)

NON-COOPERATION WITH PREVIOUS CREDIT RATING AGENCY (IF ANY): YES
(Detail below)

CARE Ratings – CARE D ISSUER NOT COOPERATING AND CARE PP-MLD D ISSUER NOT COOPERATING since 18th March 2021

ICRA Ratings – ICRA D ISSUER NOT COOPERATING since 19 Nov 2019 and reaffirmed on 18 Nov 2020



RATING HISTORY FOR THE PREVIOUS THREE YEARS[including withdrawal & suspended]

S. No	Name of Instrument (NCD/Bank Loan /Non-Fund Based facilitates/ Commercial Paper etc.)	Current Rating (FY22)			Chronology of Rating History for the past 3 years (Rating Assigned and Press Release date) along with outlook/ Watch, if applicable			
		Type (Long Term/ Short Term)	Amount Outstanding (Rs. Crs)	Rating	Date(s)& Rating(S) assigned in year T-1 (FY21)	Date(s) & Rating(s) assigned in Year T-2 (FY20)	Dates(s) & Rating assigned in in in T-3 (FY19)	Date(s) & Rating(s) assigned in Year T (FY18)
1	Secured NCDs	Long Term	2000.00	BWR D INC (Reaffirmed)	BWR D INC (21 Sep 2020) (Reaffirmed and moved to INC)	BWR D (18 Sep 2019) (Downgraded and removed from CWNI) BWR C (29 Apr 2019) (CWNI) (Downgraded) BWR A+ (19 Apr 2019) (CWNI) (Downgraded and moved to CWNI)	BWR AA (Stable) (15 Feb 2019) (Downgraded) BWR AA+ (Stable) (28 Sep 2018) (Reaffirmed) BWR AA+ (Stable) (14 May 2018) (Reaffirmed and Assigned)	BWR AA+ (Stable) (31 Mar 2018) (Reaffirmed and Assigned) BWR AA+ (Stable) (26 Oct 2017) (Reaffirmed) BWR AA+ (Stable) (8 May 2017) (Assigned)
2	Subordinated Debt		100.00	BWR D INC (Reaffirmed)	BWR D INC (21 Sep 2020) (Reaffirmed and moved to INC)	BWR D (18 Sep 2019) (Downgraded and removed from CWNI) BWR C (29 Apr 2019) (CWNI) (Downgraded) BWR A+ (19 Apr 2019) (CWNI) (Downgraded and moved to CWNI)	BWR AA (Stable) (15 Feb 2019) (Downgraded) BWR AA+ (Stable) (28 Sep 2018) (Reaffirmed) BWR AA+ (Stable) (14 May 2018) (Reaffirmed)	BWR AA+ (Stable) (31 Mar 2018) (Reaffirmed) BWR AA+ (Stable) (26 Oct 2017) (Reaffirmed) BWR AA+ (Stable) (8 May 2017) (Assigned)
3	Commercial Paper	Short Term	700.00	BWR D INC (Reaffirmed)	BWR D INC (21 Sep 2020) (Reaffirmed and moved to INC)	BWR D (18 Sep 2019) (Downgraded) BWR A4 (29 Apr	BWR A1+ (15 Feb 2019) (Reaffirmed) BWR A1+ (28 Sep 2018) (Reaffirmed)	BWR A1+ (31 Mar 2018) (Reaffirmed) BWR A1+ (26 Oct 2017) (Assigned)

						2019) (Downgraded) BWR A1+ (19 Apr 2019) (Reaffirmed)	BWR A1+ (14 May 2018) (Reaffirmed)	
4	PP-MLDs	Long Term	50.00	BWR PP- MLD D INC (Reaffirmed)	BWR PP- MLD D INC (21 Sep 2020) (Reaffirmed and moved to INC)	BWR PP-MLD D (18 Sep 2019) (Downgrade d and removed from CWNI) BWR PP-MLD C (29 Apr 2019) (CWNI) (Downgrade d) BWR A+ (19 Apr 2019) (CWNI) (Downgrade d and moved to CWNI)	BWR PP MLD AA (Stable) (15 Feb 2019) (Downgraded) BWR PP-MLD AA+ (Stable) (28 Sep 2018) (Assigned)	-
Total			2850.00	Rupees Two Thousand Eight Hundred Fifty Crores Only				

COMPLEXITY LEVELS OF THE INSTRUMENTS

Secured NCDs	Complex
Subordinated Debt	Complex
Market Linked Debentures	Complex
Commercial Papers	Simple

For more information, visit

www.brickworkratings.com/download/ComplexityLevels.pdf

Hyperlink/Reference to applicable Criteria

- [General Criteria](#)
- [Bank and Financial Institution](#)

Analytical Contacts



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Reliance Commercial Finance Limited

ANNEXURE I Details of Bank Loan Facilities rated by BWR : NA

ANNEXURE II INSTRUMENT (NCD/Bonds/CP/FDs) DETAILS

Instrument	Issue Date	Amount (Rs. in Crs)	Coupon	Maturity Date	ISIN
Secured NCDs	15-05-2017	25.00	8.66%	14-05-2027	INE126D07016
Secured NCDs	16-05-2017	10.00	8.52%	16-05-2024	INE126D07024
Secured NCDs	18-05-2017	6.00	8.52%	17-05-2024	INE126D07032
Secured NCDs	23-05-2017	10.00	8.66%	21-05-2027	INE126D07040
Secured NCDs	21-08-2017	38.00	8.52%	21-08-2024	INE126D07057
Secured NCDs	13-10-2017	400.00	9.03%	13-10-2022	INE126D07065
Secured NCDs	13-10-2017	500.00	9.23%	13-10-2027	INE126D07073
Secured NCDs	04-04-2018	500.00	9.50%	05-04-2023	INE126D07123
Secured NCDs	25-04-2018	15.20	9.10%	28-03-2022	INE126D07131
Secured NCDs	25-04-2018	15.20	9.10%	28-03-2023	INE126D07131
Secured NCDs	25-04-2018	15.20	9.10%	28-03-2024	INE126D07131
Secured NCDs	25-04-2018	15.20	9.10%	28-03-2025	INE126D07131
Unutilised - Secured NCDs	-	450.20	-	-	-
Subordinated NCDs	15-09-2017	20.00	8.69%	20-09-2027	INE126D08014
Subordinated NCDs	04-10-2017	2.00	8.69%	06-10-2027	INE126D08022
Subordinated NCDs	06-10-2017	2.00	8.69%	06-10-2027	INE126D08022
Subordinated NCDs	06-10-2017	8.00	8.69%	06-10-2027	INE126D08022
Subordinated NCDs	08-11-2017	5.00	8.70%	31-07-2025	INE126D08030
Subordinated NCDs	08-11-2017	6.00	9.07%	08-11-2027	INE126D08048
Subordinated NCDs	18-01-2018	17.00	9.40%	19-01-2028	INE126D08055
Subordinated NCDs	18-01-2018	10.00	9.40%	19-01-2028	INE126D08055
Subordinated NCDs	18-01-2018	4.00	9.40%	19-01-2028	INE126D08055
Subordinated NCDs	18-01-2018	2.00	9.40%	19-01-2028	INE126D08055
Subordinated NCDs	02-02-2018	3.00	9.40%	02-02-2028	INE126D08063
Subordinated NCDs	02-02-2018	2.00	9.40%	02-02-2028	INE126D08063
Unutilised - Subordinated NCDs	-	19.00	-	-	-
Market Linked Debentures	28-09-2018	13.40	Market Linked	23-10-2020	INE126D07149
Market Linked Debentures	01-10-2018	4.05	Market Linked	28-02-2022	INE126D07164
Market Linked Debentures	09-10-2018	4.00	Market Linked	02-12-2019	INE126D07156
Market Linked Debentures	30-10-2018	2.00	Market Linked	28-02-2022	INE126D07164
Market Linked Debentures	06-11-2018	3.80	Market Linked	02-12-2019	INE126D07156
Unutilised - Market Linked Debentures	-	22.75	-	-	-



Commercial Paper	19-09-2018	640.00	10.50%	16-09-2019	INE126D14384
Unutilised Commercial Paper	-	60.00	-	-	-
Total		2850.00		Rupees Two Thousand Eight Hundred Fifty Crores Only	

ANNEXURE III

List of entities consolidated : NA

For print and digital media

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