

Reliance Commercial Finance Limited

January 28, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long-term bank facilities	6,982.18	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Long-term instruments	600.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Market Linked Debentures	38.00	CARE PP-MLD D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Non-convertible debentures	1,000.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Non-convertible debentures	200.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Non-convertible debentures	200.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Tier II Bonds	81.00	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

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

Rationale and key rating drivers

CARE Ratings Limited (CARE Ratings) has been seeking information from Reliance Commercial Finance Limited (RCFL) to monitor the rating(s) vide e-mail communications/letters dated December 14, 2024, December 24, 2024, and January 03, 2025, and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring ratings. Aligned with the extant SEBI guidelines, CARE Ratings has reviewed the rating based on the best available information, which however, in CARE Ratings' opinion is not sufficient to arrive at a fair rating. RCFL has not paid the surveillance fees for the rating exercise as agreed to in its rating agreement. The rating on Reliance Commercial Finance Limited's long-term debt Programme and instruments continues to be denoted as CARE D/CARE PP-MLD D; ISSUER NOT COOPERATING*.

Analytical approach:

Standalone

Outlook: Not applicable

Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).

Detailed description of key rating drivers:

At the time of last rating on January 29, 2024, continuous delay in servicing of debt obligations considering stretched liquidity and delay in asset monetisation.

Key weaknesses

Ongoing Delays

Per financials as on December 31, 2024, implementation of resolution plan has been completed considering borrowers, However, charges created on the company's assets under Section 82 of Companies Act 2013 are yet to be satisfied in most cases.

Applicable criteria

[Definition of Default](#)
[Policy in respect of non-cooperation by issuers](#)
[Financial Ratios - Financial Sector](#)
[Non Banking Financial Companies](#)

¹Complete definition of ratings assigned are available at www.careedge.in and other CARE Ratings Limited's publications.

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Financial services	Financial services	Finance	Investment company

RCL's commercial finance business has been demerged into its wholly owned subsidiary RCFL on April 01, 2016. RCFL is involved in financing SME loans, structured finance, construction equipment loans, loan against property, MFI loans, infrastructure finance, construction finance, commercial vehicles and supply chain finance. RCFL has now entered a scheme of arrangement with Authum Investment and Infrastructure Limited (Current Holding Company), where the company's entire lending business (comprising all assets, liabilities, licences, rights, and employees among others) was transferred to the holding company on the appointed date (October 01, 2023). The company has applied for the surrender of certificate of registration on June 28, 2024, and is awaiting RBI's approval on this.

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)	March 31, 2024 (A)
Total operating income	196.20	164.65	178.86
PAT	-7,079.30	4,043.36	1,323.31
Interest coverage (times)	-5.31	16.83	32.71
Total Assets	10,508.48	3,096.56	265.79
Net NPA (%)	0.63	0.00	0.00
ROTA (%)	-65.85	59.44	78.71

A: Audited UA: Unaudited; Note: these are latest available financial results

Status of non-cooperation with previous CRA:

Per PR dated November 19, 2019, ICRA Ratings placed RCFL in the Issuer Not Cooperating category as the company did not submit No default statement. Ratings were reaffirmed and withdrawn, per PR dated November 27, 2024.

Per PR dated September 21, 2020, Brickwork Ratings placed RCFL in the Issuer Not Cooperating category as the company did not provide the relevant information for carrying out review. Ratings continue to be in Issuer Not Cooperating category, per PR dated November 15, 2024.

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	-	19-01-2028	6982.18	CARE D; ISSUER NOT COOPERATING*
Non-Convertible Debentures	INE126D07016	15-May-17	8.66%	14-May-27	25	CARE D; Issuer Not Cooperating
Non-Convertible Debentures	INE126D07024	16-May-17	8.52%	16-May-24	10	CARE D; Issuer Not Cooperating
Non-Convertible Debentures	INE126D07032	18-May-17	8.52%	17-May-24	6	CARE D; Issuer Not Cooperating
Non-Convertible Debentures	INE126D07040	23-May-17	8.66%	21-May-27	10	CARE D; Issuer Not Cooperating
Non-Convertible Debentures	INE126D07057	21-Aug-17	8.52%	21-Aug-24	38	CARE D; Issuer Not Cooperating
Non-Convertible Debentures	INE126D07065	13-Oct-17	9.03%	13-Oct-22	400	CARE D; Issuer Not Cooperating
Non-Convertible Debentures	INE126D07073	13-Oct-17	9.23%	13-Oct-27	500	CARE D; Issuer Not Cooperating
Non-Convertible Debentures (Proposed)	-	-	-	-	11	CARE D; Issuer Not Cooperating
Non-Convertible Debentures	INE126D07107	26-Feb-18	9.15%	19-Apr-19	200	CARE D; Issuer Not Cooperating
Subordinate Debt	INE126D08014	15-Sep-17	8.69%	20-Sep-27	20	CARE D; Issuer Not Cooperating
Subordinate Debt	INE126D08022	04-Oct-17	8.69%	06-Oct-27	2	CARE D; Issuer Not Cooperating
Subordinate Debt	INE126D08022	06-Oct-17	8.69%	06-Oct-27	2	CARE D; Issuer Not Cooperating
Subordinate Debt	INE126D08022	06-Oct-17	8.69%	06-Oct-27	8	CARE D; Issuer Not Cooperating
Subordinate Debt	INE126D08030	08-Nov-17	8.70%	31-Jul-25	5	CARE D; Issuer Not Cooperating
Subordinate Debt	INE126D08048	08-Nov-17	9.07%	08-Nov-27	6	CARE D; Issuer Not Cooperating
Subordinate Debt	INE126D08055	18-Jan-18	9.40%	19-Jan-28	17	CARE D; Issuer Not Cooperating

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Subordinate Debt	INE126D08055	18-Jan-18	9.40%	19-Jan-28	10	CARE D; Issuer Not Cooperating
Subordinate Debt	INE126D08055	18-Jan-18	9.40%	19-Jan-28	4	CARE D; Issuer Not Cooperating
Subordinate Debt	INE126D08055	18-Jan-18	9.40%	19-Jan-28	2	CARE D; Issuer Not Cooperating
Subordinate Debt	INE126D08063	02-Feb-18	9.40%	02-Feb-28	3	CARE D; Issuer Not Cooperating
Subordinate Debt	INE126D08063	02-Feb-18	9.40%	02-Feb-28	2	CARE D; Issuer Not Cooperating
Principal Protected Market Linked Debenture	INE126D07149	23-Jul-18	Market Linked	23-Oct-20	6	CARE PP- MLD D; Issuer Not Cooperating
Principal Protected Market Linked Debenture	INE126D07156	30-Jul-18	Market Linked	02-Dec-19	6	CARE PP- MLD D; Issuer Not Cooperating
Principal Protected Market Linked Debenture	INE126D07156	16-Aug-18	Market Linked	02-Dec-19	2.8	CARE PP- MLD D; Issuer Not Cooperating
Principal Protected Market Linked Debenture	INE126D07149	29-Aug-18	Market Linked	23-Oct-20	5.9	CARE PP- MLD D; Issuer Not Cooperating
Principal Protected Market Linked Debenture	INE126D07164	30-Aug-18	Market Linked	28-Feb-22	9.32	CARE PP- MLD D; Issuer Not Cooperating
Principal Protected Market Linked Debenture	INE126D07156	07-Sep-18	Market Linked	02-Dec-19	7.5	CARE PP- MLD D; Issuer Not Cooperating
Principal Protected Market Linked Debenture (Proposed)	-	-	-	-	0.48	CARE PP- MLD D; Issuer Not Cooperating
Long Term debt programme- NCD	INE126D07123	04-Apr-18	9.50%	05-Apr-23	500	CARE D; Issuer Not Cooperating
Long Term debt programme- NCD	INE126D07131	25-Apr-18	9.10%	28-Mar-22	15.2	CARE D; Issuer Not Cooperating
Long Term debt	INE126D07131	25-Apr-18	9.10%	28-Mar-23	15.2	CARE D; Issuer Not Cooperating

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
programme-NCD						
Long Term debt programme-NCD	INE126D07131	25-Apr-18	9.10%	28-Mar-24	15.2	CARE D; Issuer Not Cooperating
Long Term debt programme-NCD	INE126D07131	25-Apr-18	9.10%	28-Mar-25	15.2	CARE D; Issuer Not Cooperating
Long Term debt programme (Proposed)	-	-	-	-	39.2	CARE D; Issuer Not Cooperating
Non-Convertible Debentures	INE540B08101	02-Feb-17	11.50%	10-Oct-19	200	CARE D; Issuer Not Cooperating

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

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Fund-based - LT-Term Loan	LT	6982.18	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (02-Mar-23)	1)CARE D; ISSUER NOT COOPERATING* (07-Mar-22)	1)CARE D; ISSUER NOT COOPERATING* (18-Mar-21)
2	Debentures-Market Linked Debentures	LT	38.00	CARE PP-MLD D; ISSUER NOT COOPERATING*	-	1)CARE PP-MLD D; ISSUER NOT COOPERATING* (02-Mar-23)	1)CARE PP-MLD D; ISSUER NOT COOPERATING* (07-Mar-22)	1)CARE PP-MLD D; ISSUER NOT COOPERATING* (18-Mar-21)
3	Bonds-Tier II Bonds	LT	81.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (02-Mar-23)	1)CARE D; ISSUER NOT COOPERATING* (07-Mar-22)	1)CARE D; ISSUER NOT COOPERATING* (18-Mar-21)
4	Debentures-Non-convertible debentures	LT	1000.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (02-Mar-23)	1)CARE D; ISSUER NOT COOPERATING* (07-Mar-22)	1)CARE D; ISSUER NOT COOPERATING* (18-Mar-21)

5	Debt	LT	600.00	CARE D; ISSUER NOT COOPERATIN G*	-	1)CARE D; ISSUER NOT COOPERATIN G* (02-Mar-23)	1)CARE D; ISSUER NOT COOPERATIN G* (07-Mar-22)	1)CARE D; ISSUER NOT COOPERATIN G* (18-Mar-21)
6	Debentures-Non-convertible debentures	LT	200.00	CARE D; ISSUER NOT COOPERATIN G*	-	1)CARE D; ISSUER NOT COOPERATIN G* (02-Mar-23)	1)CARE D; ISSUER NOT COOPERATIN G* (07-Mar-22)	1)CARE D; ISSUER NOT COOPERATIN G* (18-Mar-21)
7	Debentures-Non-convertible debentures	LT	200.00	CARE D; ISSUER NOT COOPERATIN G*	-	1)CARE D; ISSUER NOT COOPERATIN G* (02-Mar-23)	1)CARE D; ISSUER NOT COOPERATIN G* (07-Mar-22)	1)CARE D; ISSUER NOT COOPERATIN G* (18-Mar-21)

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

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Bonds-Tier II Bonds	Complex
2	Debentures-Market Linked Debentures	Highly Complex
3	Debentures-Non-convertible debentures	Simple
4	Debt	Simple
5	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here](#)

Note on complexity levels of rated instruments: CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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About us:

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