

## Reliance Big Entertainment Private Limited

October 16, 2020

### Rating

Facilities	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Bank Facilities-Fund Based – LT-Cash Credit	80.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	<b>Issuer not cooperating; Based on best available information</b>
Long Term Bank Facilities-Working Capital Loan	50.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	<b>Issuer not cooperating; Revised from CARE C; Stable; ISSUER NOT COOPERATING* (Single C; Outlook: Stable ISSUER NOT COOPERATING*) on the basis of best available information</b>
Long term Bank Facilities	300.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	<b>Issuer not cooperating; Revised from CARE C; Stable; ISSUER NOT COOPERATING* (Single C; Outlook: Stable ISSUER NOT COOPERATING*) on the basis of best available information</b>
Short Term Bank Facilities – 1	100.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	<b>Issuer not cooperating; Revised from CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*) on the basis of best available information</b>
Short Term Bank Facilities – 2	50.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	<b>Issuer not cooperating; Revised from CARE A4; ISSUER NOT COOPERATING* (A Four ISSUER NOT COOPERATING*) on the basis of best available information</b>
<b>Total</b>	<b>580.00 (Rupees Five Hundred Eighty crore only)</b>		

*Details of facilities in Annexure-1*

### Detailed Rationale & Key Rating Drivers

CARE has been seeking information from RBEPL to monitor the rating(s) vide e-mail communications dated October 12, 2020, October 07, 2020, October 06, 2020, October 05, 2020, October 01, 2020, September 30, 2020, September 16, 2020, September 04, 2020, September 02, 2020, August 31, 2020, August 14, 2020, August 7, 2020, August 05, 2020, August 03, 2020, July 31, 2020, July 16, 2020, July 07, 2020, July 03, 2020, July 01, 2020, June 30, 2020, June 15, 2020, June 05, 2020, June 03, 2020, May 30, 2020, May 14, 2020, May 08, 2020, May 06, 2020, May 04, 2020, May 01, 2020, April 16, 2020, April 07, 2020, April 03, 2020 and April 01, 2020 and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring

<sup>1</sup>Complete definitions of the ratings assigned are available at [www.careratings.com](http://www.careratings.com) and in other CARE publications

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

the ratings. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating. Further, RBEPL has not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. The rating on RBEPL's bank facilities will now be denoted as **CARE D; ISSUER NOT COOPERATING\***.

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

The ratings have been revised on account of ongoing delay in servicing debt obligations owing to stretched liquidity position of RBEPL.

#### Detailed description of the key rating drivers

At the time of last rating on September 30, 2019, the following were the rating strengths and weaknesses:

#### Key Rating Weakness

##### Weakening of the credit profile of the credit enhancement provider

RCL's credit profile had weakened on account of delays in debt servicing. Accordingly the ratings assigned to RBEPL had been revised.

#### Analytical approach: Standalone

#### Applicable criteria

[Policy in respect of non-cooperation by issuer](#)  
[Rating Outlook and Credit Watch](#)  
[CARE's Policy on Default Recognition](#)  
[Rating Methodology: Notching by factoring linkages in Ratings](#)  
[Rating Methodology: Service Sector Companies](#)  
[Liquidity Analysis of Non-Financial Sector Entities](#)  
[Financial ratios – Non-Financial Sector](#)

#### About the Company

Reliance Big Entertainment Pvt. Ltd. (RBEPL), incorporated in 2006, is one of the media and entertainment companies of the Reliance Anil Dhirubhai Ambani Group (R-ADAG). R-ADAG has interests in telecommunications, energy, financial services, infrastructure and media and entertainment. In media and entertainment industry, the R-ADAG has presence in various verticals through following main companies such as Reliance Media works, Reliance Broadcast Networks Ltd. etc. and their subsidiaries/joint ventures (JVs).

Brief Financials (Rs. crore)*	FY17 (A)	FY18 (A)
Total operating income	113.71	274.88
PBILDT	14.94	-220.50
PAT	-547.75	-865.22
Overall gearing (times)	NM	NM
Interest coverage (times)	NM	NM

A: Audited

NM: Not Meaningful

Note: Financials are classified as per CARE Standards

**Status of non-cooperation with previous CRA:** Brickworks Ratings (BWR) had moved ratings of RBEPL to non-cooperation vide press release dated July 01, 2019 due to non-submission of required information/Statements by the Issuer/Company for carrying out the review of the rating. BWR has maintained the non-cooperation status on RBEPL vide PR dated July 22, 2019.

**Any other information:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

**Annexure-1: Details of Instruments/Facilities**

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit	-	-	-	40.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - ST-Term loan	-	-	Repayment date for the short term loan is not provided by RBEPL	50.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan	-	-	January, 2022	300.00	CARE D; ISSUER NOT COOPERATING*
Term Loan-Short Term	-	-	Repayment date for the short term loan is not provided by RBEPL	100.00	CARE D; ISSUER NOT COOPERATING*
Fund-based-Long Term	-	-	-	50.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit	-	-	-	40.00	CARE D; ISSUER NOT COOPERATING*

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

**Annexure-2: Rating History of last three years**

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018
1.	Fund-based - LT-Cash Credit	LT	40.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (30-Sep-19) 2)CARE D (12-Jul-19)	1)CARE BB; Stable (14-Mar-19) 2)CARE BB; Stable (16-Jan-19) 3)CARE BBB-; Stable (05-Apr-18)	1)CARE BBB-; Stable (14-Apr-17)
2.	Fund-based - ST-Term loan	ST	50.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (30-Sep-19) 2)CARE A4+ (CE) (29-Aug-19) 3)CARE A3+	1)CARE A1 (Under Credit watch with Developing Implications) (14-Mar-19) 2)CARE A1+	1)CARE A1+ (SO) (Under Credit watch with Developing Implications) (05-Jan-18) 2)CARE A1+

						(CE) (Under Credit watch with Negative Implications) (12-Jul-19) 4)CARE A3+ (SO) (Under Credit watch with Developing Implications) (27-May-19) 5)CARE A2+ (SO) (Under Credit watch with Developing Implications) (25-Apr-19)	(SO) (Under Credit watch with Developing Implications) (26-Oct-18)	(SO) (Under Credit watch with Developing Implications) (25-Jul-17) 3)CARE A1+ (SO) (14-Apr-17)
3.	Fund-based - LT-Term Loan	LT	300.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE C; Stable; ISSUER NOT COOPERATING* (30-Sep-19) 2)CARE C; Stable (12-Jul-19) 3)CARE BB; Stable (30-Apr-19)	1)CARE BBB (SO); Negative (14-Mar-19) 2)CARE A- (SO); Stable (26-Oct-18) 3)CARE A+ (SO); Stable (05-Apr-18)	1)CARE A+ (SO); Stable (14-Apr-17)
4.	Term Loan-Short Term	ST	100.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE A4; ISSUER NOT COOPERATING* (30-Sep-19) 2)CARE A4 (29-Aug-19) 3)CARE A3 (CE) (Under Credit watch with Negative Implications) (12-Jul-19) 4)CARE A3 (SO) (Under Credit watch with Developing Implications) (27-May-19) 5)CARE A2 (Under Credit watch with Developing	1)CARE A2+ (Under Credit watch with Developing Implications) (14-Mar-19) 2)CARE A1+ (SO) (Under Credit watch with Developing Implications) (26-Oct-18)	-

						Implications) (25-Apr-19)		
5.	Fund-based-Long Term	LT	50.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE C; Stable; ISSUER NOT COOPERATING* (30-Sep-19) 2)CARE C; Stable (12-Jul-19) 3)CARE BB; Stable (30-Apr-19)	1)CARE BBB (SO); Negative (14-Mar-19) 2)Provisional CARE A-(SO); Stable (26-Oct-18)	-
6.	Fund-based - LT-Cash Credit	LT	40.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (30-Sep-19) 2)CARE D (12-Jul-19)	-	-

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

**Complexity level of various instruments rated for this Company**

Sr. No.	Name of the Instrument	Complexity Level
1.	Fund-based - LT-Cash Credit	Simple
2.	Fund-based - LT-Term Loan	Simple
3.	Fund-based - ST-Term loan	Simple
4.	Fund-based-Long Term	Simple
5.	Term Loan-Short Term	Simple

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at [www.careratings.com](http://www.careratings.com). Investors/market intermediaries/regulators or others are welcome to write to [care@careratings.com](mailto:care@careratings.com) for any clarifications.

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### About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

#### Disclaimer

CARE's ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE's ratings do not convey suitability or price for the investor. CARE's ratings do not constitute an audit on the rated entity. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE or its subsidiaries/associates may also have other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is, inter-alia, based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors. CARE is not responsible for any errors and states that it has no financial liability whatsoever to the users of CARE's rating. Our ratings do not factor in any rating related trigger clauses as per the terms of the facility/instrument, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and if triggered, the ratings may see volatility and sharp downgrades.

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