November 29, 2021

Reliance Home Finance Limited: Continues to remain under issuer not cooperating category

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Commercial Paper Programme	1,200.00	1,200.00	[ICRA]D; ISSUER NOT COOPERATING; Rating continues to remain under 'Issuer Not Cooperating' category
Total	**1,200.00**	**1,200.00**	

**Instrument details are provided in Annexure-1*

Rationale

ICRA has retained the ratings for the Commercial Paper programme of Reliance Home Finance Limited in the 'ISSUER NOT COOPERATING' category. The rating is denoted as [ICRA]D; ISSUER NOT COOPERATING".

ICRA has been trying to seek information from the entity so as to monitor its performance, but despite repeated requests by ICRA, the entity's management has remained non-cooperative. The current rating action has been taken by ICRA basis best available/dated/ limited information on the issuers' performance. Accordingly, the lenders, investors and other market participants are advised to exercise appropriate caution while sing this rating as the rating may not adequately reflect the credit risk profile of the entity. The rating action has been taken in accordance with ICRA's policy in respect of non-cooperation by a rated entity available at www.icra.in.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities: **Click here**. ICRA is unable to provide the latest information because of non-cooperation by the entity

Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	Policy in respect of non-cooperation by the rated entity Policy on Default Recognition Non-Banking Finance Companies (NBFCs)
Parent/Group Support	Not Applicable
Consolidation/Standalone	Standalone

About the company

Reliance Home Finance Limited (RHFL) is a subsidiary of Reliance Capital Limited (RCL) and was incorporated in FY2009. RHFL is registered as a Housing Finance Company with National Housing Bank and is engaged in mortgaged based lending operations. RHFL was listed on the stock exchanges in India in the second half of September 2017 after it was hived off from RCL, basis which RCL's stake in the entity reduced to ~47.9%. While the overall promoter holding in the entity reduced to ~49.6% as on March 31, 2021 from 74.9% as on March 31, 2019. The Company ceased to be a subsidiary of RCL with effect from March 05, 2020 and the company is now an associate of RCL.

Key financial indicators (audited)

FOR THE PERIOD / YEAR ENDED	FY2019	FY2020	FY2021
Net Interest Income	602	207	(427)
Profit / (Loss) after tax	67	(375)	(1,520)
Total Assets	18,125	15,729	14,898
Net worth	1,842	1,467	(53)
Gearing (Reported)	8.78	9.12	-247.4
Capital Adequacy Ratio	15.45%	13.00%	-13.91%
Gross NPA (%)	0.65%	42.68%	77.48%
Net NPA (%)	0.49%	40.25%	72.30%

Source: Company, ICRA Research; All ratios as per ICRA calculations; Amount in Rs. crore

Status of non-cooperation with previous CRA:

CRA	Status	Date of Release
Brickwork Ratings	BWR D ISSUER NOT COOPERATING	September 20, 2021
CARE Ratings	CARE D; ISSUER NOT COOPERATING	March 18, 2021

Any other information: None

Rating history for last three years

	Instrument	Current Rating (FY2022)				Chronology of Rating History for the Past 3 Years					
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating in FY2022	Date & Rating in FY2021	Date & Rating in FY2020			Date & Rating in FY2019	
					Nov 29, 2021	Nov 18, 2020	Nov 19, 2019	May 03, 2019	April 26, 2019	Mar 29, 2019	March 05, 2019
1	Commercial Paper Programme	Short Term	1,200.00	1,134.00	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D ISSUER NOT COOPERATING due to Non-Submission of NDS	[ICRA]D	[ICRA]A4@; on watch with negative implications	[ICRA]A2@; on watch with negative implications	[ICRA]A1@; on watch with negative implications

Complexity level of the rated instrument

Instrument	Complexity Indicator
Commercial Paper Programme	Very 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 are available on ICRA's website: Click Here

Annexure-1: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
INE217K14DQ4	Commercial Paper Programme	November 22, 2018	9.75%	February 20, 2019	200.00	[ICRA]D; ISSUER NOT COOPERATING
INE217K14DR2	Commercial Paper Programme	December 24, 2018	9.75%	February 1, 2019	245.00	[ICRA]D; ISSUER NOT COOPERATING
INE217K14DS0	Commercial Paper Programme	January 3, 2019	10.50%	June 28, 2019	200.00	[ICRA]D; ISSUER NOT COOPERATING
INE217K14DU6	Commercial Paper Programme	January 24, 2019	9.50%	March 22, 2019	120.00	[ICRA]D; ISSUER NOT COOPERATING
INE217K14DV4	Commercial Paper Programme	February 1, 2019	9.75%	March 18, 2019	245.00	[ICRA]D; ISSUER NOT COOPERATING
INE217K14EA6	Commercial Paper Programme	April 16, 2019	9.30%	April 13, 2020	44.00	[ICRA]D; ISSUER NOT COOPERATING
INE217K14DZ5	Commercial Paper Programme	April 16, 2019	9.30%	February 14, 2020	41.00	[ICRA]D; ISSUER NOT COOPERATING
INE217K14DY8	Commercial Paper Programme	April 16, 2019	9.30%	December 16, 2019	39.00	[ICRA]D; ISSUER NOT COOPERATING
Not Yet Placed	Commercial Paper Programme	NA	NA	NA	66.00	[ICRA]D; ISSUER NOT COOPERATING

Source: *Company*

Annexure-2: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
NA	NA	NA

ANALYST CONTACTS

Karthik Srinivasan
+91 22 6114 3444
karthiks@icraindia.com

Sahil Udani
+91 22 6114 3429
sahil.udani@icraindia.com

Mayank Chheda
+91 22 6114 3413
mayank.chheda@icraindia.com

Jui Kulkarni
+91 6114 3427
Jui.kulkarni@icraindia.com

RELATIONSHIP CONTACT

L. Shivakumar
+91 22 6114 3406
shivakumar@icraindia.com

MEDIA AND PUBLIC RELATIONS CONTACT

Ms. Naznin Prodhani
Tel: +91 124 4545 860
communications@icraindia.com

Helpline for business queries

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

info@icraindia.com

About ICRA Limited:

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Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit www.icra.in

ICRA Limited

Registered Office

B-710, Statesman House, 148, Barakhamba Road, New Delhi-110001
Tel: +91 11 23357940-45

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