July 27, 2023

Reliance Communications Limited: Continues to remain under issuer Non-Cooperating category

Summary of rating action

Instrument^	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Short Term-Fund Based-Cash Credit	3365.00	3365.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Non-convertible Debenture (NCD) Programme	5000.00	5000.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Fund Based-Term Loan	8658.00	8658.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Non-Fund Based-Others	6582.00	6582.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Short Term-Unallocated	3949.00	3949.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Unallocated	12876.00	12876.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Commercial Paper	2000.00	2000.00	[ICRA]D; ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Total	**42430.00**	**42430.00**	

**Issuer did not cooperate; based on best available information.*
^Instrument details are provided in Annexure-1

Rationale

ICRA has kept the Long-Term and Short-Term rating of Reliance Communications Limited in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]D/[ICRA]D; ISSUER NOT COOPERATING".

ICRA has been trying to seek information from the entity so as to monitor its performance. Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. 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 using 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 Corporate Credit Rating Methodology Policy on default recognition Rating Methodology for Mobile Service Provider
Parent/Group Support	NA
Consolidation/Standalone	Standalone

About the company

The company had been operating as an integrated telecommunications service provider, however on January 31, 2018, it shut down its wireless retail operations. Now its continuing operations comprise Business to Business (B2B) focused businesses, including Indian and Global Enterprise, Internet Data Centers, and private submarine cable network. However, currently the company is under Corporate Insolvency Resolution Process pursuant to the provisions of the Insolvency and Bankruptcy Code, 2016. Its affairs, business and assets are being managed by the Interim Resolution Professional, Mr. Pardeep Kumar Sethi appointed by Hon'ble National Company Law Tribunal, Mumbai Bench, Mumbai, vide order dated 18th May 2018.

Key financial indicators:

Standalone	FY 2022	FY 2023
Operating Income (Rs. crore)	345	340
PAT (Rs. crore)	-262	-10561
OPBDITA/OI (%)	-25.2%	-18.8%
PAT/OI (%)	-75.9%	-3106.2%
Total Outside Liabilities/Tangible Net Worth (times)	-2.02	-1.75
Total Debt/OPBDITA (times)	-459.01	-623.97
Interest Coverage (times)	-	-

Source: Company

Status of non-cooperation with previous CRA:

CRA	Status	Date of Release
CARE	[CARE]D /[CARE]D; ISSUER NOT COOPERATING	February 27, 2023

Any other information: None

Rating history for past three years

	Instrument	Current Rating (FY2024)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY 2023	Date & Rating in FY 2022	Date & Rating in FY 2021
					July 27, 2023	August 10, 2022	August 12, 2021	13 August, 2020
1	Fund Based-Cash Credit	Short Term	3365.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING
2	Non-convertible Debenture (NCD) Programme	Long Term	5000.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING
3	Fund Based-Term Loan	Long Term	8658.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING
4	Non-Fund Based-Others	Long Term	6582.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING
5	Unallocated	Short Term	3949.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING
6	Unallocated	Long Term	12876.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING
7	Commercial Paper	Short Term	2000.00	-	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING	[ICRA]D; ISSUER NOT COOPERATING

Complexity level of the rated instrument

Instrument	Complexity Indicator
Short Term-Fund-Based-Cash Credit	Simple
Non-convertible Debenture (NCD) Programme	Simple
Long Term-Fund-Based-Term Loan	Simple
Long Term-Non-Fund-Based-Others	Very Simple
Short Term-Unallocated	NA
Long Term-Unallocated	NA
Commercial Paper	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, is available on ICRA's website: Click Here

Annexure-1: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Fund Based-Cash Credit	-	-	-	3365.00	[ICRA]D; ISSUER NOT COOPERATING
INE330H07015	Non-convertible Debenture (NCD) Programme	March 2009	11.20%	March 2019	3000.00	[ICRA]D; ISSUER NOT COOPERATING
INE330H07064	Non-convertible Debenture (NCD) Programme	Feb 2012	11.25%	Feb 2019	2000.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Fund Based-Term Loan	-	-	-	8658.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Non-Fund Based-Others	-	-	-	6582.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	3949.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	12876.00	[ICRA]D; ISSUER NOT COOPERATING
NA	Commercial Paper*	-	-	-	2000.00	[ICRA]D; ISSUER NOT COOPERATING

*Not Placed

Source: Reliance Communications Limited

Annexure-2: List of entities considered for consolidated analysis: Not Applicable

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

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

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