

Reliance Infrastructure Limited

January 23, 2020

Ratings

Facilities	Amount (Rs. crore)	Rating1	Rating Action
Fund-based – Long Term -Term Loan	1654.38	CARE D; ISSUER NOT COOPERATING*	Reaffirmed
Fund-based – Short Term -Term Loan	600.00	CARE D; ISSUER NOT COOPERATING*	Reaffirmed
Total	2254.38		
Non-Convertible Debentures	295.00	CARE D; ISSUER NOT COOPERATING*	Revised from CARE C; [Issuer not cooperating*]
Non-Convertible Debentures	600.00	CARE D; ISSUER NOT COOPERATING*	Revised from CARE C; [Issuer not cooperating*]

Details of instruments/facilities in Annexure-1

*Based on best available information

The revision in the rating assigned to the instruments of Reliance Infrastructure Limited (RInfra) takes into account delay in payment of interest/redemption on the Non-Convertible Debentures (NCDs) issue as informed by the Debenture Trustee. Further, CARE had, vide its press release dated January 9, 2019, placed the rating of RInfra under the 'Issuer Non-Cooperating' category as RInfra had failed to provide information for monitoring of the rating. 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.

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

Detailed Rationale & Key Rating Drivers

Key Rating Weaknesses

Delays in debt servicing obligations

The revision in the ratings assigned to bank facilities takes in to account ongoing delays in debt servicing. Further, there is delay in payment of interest/redemption on the Non-Convertible Debentures (NCDs) issue as informed by the Debenture Trustee.

Analytical approach: Standalone

Applicable Criteria

[CARE's Policy on Default Recognition](#)

[Policy in respect of Non-cooperation by issuer](#)

[Criteria for Short Term Instruments](#)

[Rating Methodology - Infrastructure Sector Ratings](#)

[Financial ratios – Non-Financial Sector](#)

About the Company

Reliance Infrastructure Limited (R-Infra) is the flagship company of the Reliance ADAG (controlled by Mr. Anil D Ambani). Reliance Infrastructure Ltd. is into developing projects through various Special Purpose Vehicles (SPVs) in sectors such as Power, Roads and Metro Rail in the Infrastructure space and the Defense sector. R-Infra through its SPV/Associates has presence in the power businesses. Also, R-Infra Ltd through its SPVs has executed a portfolio of infrastructure projects such as a metro rail project in Mumbai on build, own, operate and transfer (BOOT) basis; eleven road projects with total length of about 1,000 km on build, operate and transfer (BOT) basis. Reliance Infrastructure Ltd. also provides Engineering, Procurement and Construction (EPC) services for developing power and road projects.

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

*Issuer did not cooperate; Based on best available information

RInfra (Standalone)

Brief Financials (Rs. crore)	FY18 (A)#	FY19 (A)
Total operating income	3,216.3	3,581.4
PBILDT	2,078.8	2,396.1
PAT	1,664.4	-913.4
Overall gearing (times)	0.55	0.35
Interest coverage (times)	1.34	1.98

A: Audited / # Restated

Status of non-cooperation with previous CRA:

India Ratings & Research (PR dated June 21, 2019) - The issuer did not participate in the rating exercise despite continuous requests and follow-ups by the agency. Thus, the rating is based on the best available information. Therefore, investors and other users are advised to take appropriate caution while using the rating. The rating will now appear as 'IND D (ISSUER NOT COOPERATING)' on the agency's website. Brickwork Ratings (PR dated February 15, 2019) - BWR has moved the rating of Reliance Infrastructure Ltd. (R-Infra) to the "Issuer Not Cooperating; BWR C" category from "BWR C" due to non-submission of required information for the review even after consistent follow up with the company.

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	ISIN No.	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan	-	-	-	-	1654.38	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Fund-based - ST-Term loan	-	-	-	-	600.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information
Debentures-Non Convertible Debentures	INE036A07518 INE036A07351	March 24, 2019 March 24, 2018	0%	March 24, 2020	295.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE C; ISSUER NOT COOPERATING* on the basis of best available information
Debentures-Non Convertible Debentures	INE036A07294	June 15, 2013	11.50%	January 21, 2022	600.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE C; ISSUER NOT COOPERATING* on the basis of 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 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (26-Nov-18) 2)CARE B (Under Credit watch with Developing Implications) (31-Jul-18) 3)CARE BBB+ (Under Credit watch with Developing Implications) (27-Jul-18)	1)CARE A- (Under Credit watch with Developing Implications) (02-Jan-18) 2)CARE A- (Under Credit watch with Negative Implications) (02-Sep-17) 3)CARE A+ (Under Credit watch with Developing Implications) (14-Apr-17)	1)CARE A+ (Under Credit Watch) (25-Oct-16)
2.	Debentures-Non Convertible Debentures	LT	600.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE C; ISSUER NOT COOPERATING* on the basis of best available information	1)CARE C; ISSUER NOT COOPERATING* (25-Jun-19)	1)CARE B; Stable; ISSUER NOT COOPERATING* (09-Jan-19) 2)CARE B; Stable (26-Nov-18) 3)CARE B (Under Credit watch with Developing Implications) (31-Jul-18) 4)CARE BBB+ (Under Credit watch with Developing Implications) (27-Jul-18)	1)CARE A- (Under Credit watch with Developing Implications) (02-Jan-18) 2)CARE A- (Under Credit watch with Negative Implications) (02-Sep-17) 3)CARE A+ (Under Credit watch with Developing Implications) (14-Apr-17)	1)CARE A+ (Under Credit Watch) (25-Oct-16)
3.	Commercial Paper-CP/STD	ST	-	-	-	-	1)Withdrawn (02-Sep-17) 2)CARE A1+ (Under Credit watch with Developing Implications) (14-Apr-17)	1)CARE A1+ (Under Credit Watch) (25-Oct-16)
4.	Fund-based - LT-Term Loan	LT	1654.38	CARE D; ISSUER NOT	1)CARE D; ISSUER NOT	1)CARE B; Stable; ISSUER NOT	1)CARE A- (Under Credit	1)CARE A+ (Under

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
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				COOPERATING* Issuer not cooperating; Based on best available information	COOPERATING* (25-Jun-19)	COOPERATING* (09-Jan-19) 2)CARE B; Stable (26-Nov-18) 3)CARE B (Under Credit watch with Developing Implications) (31-Jul-18) 4)CARE BBB+ (Under Credit watch with Developing Implications) (27-Jul-18)	watch with Developing Implications) (02-Jan-18) 2)CARE A- (Under Credit watch with Negative Implications) (02-Sep-17) 3)CARE A+ (Under Credit Watch) (14-Apr-17)	Credit Watch) (25-Oct-16)
5.	Fund-based - ST-Term loan	ST	600.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Based on best available information	1)CARE D; ISSUER NOT COOPERATING* (25-Jun-19)	1)CARE A4; ISSUER NOT COOPERATING* (09-Jan-19) 2)CARE A4 (26-Nov-18) 3)CARE A4 (Under Credit watch with Developing Implications) (31-Jul-18) 4)CARE A2 (Under Credit watch with Developing Implications) (27-Jul-18)	1)CARE A2+ (Under Credit watch with Developing Implications) (02-Jan-18) 2)CARE A2+ (Under Credit watch with Negative Implications) (02-Sep-17) 3)CARE A1+ (Under Credit watch with Developing Implications) (14-Apr-17)	1)CARE A1+ (Under Credit Watch) (25-Oct-16)
6.	Debentures-Non Convertible Debentures	LT	295.00	CARE D; ISSUER NOT COOPERATING* Issuer not cooperating; Revised from CARE C; ISSUER NOT COOPERATING* on the basis of best available information	1)CARE C; ISSUER NOT COOPERATING* (25-Jun-19)	1)CARE B; Stable; ISSUER NOT COOPERATING* (09-Jan-19) 2)CARE B; Stable (26-Nov-18) 3)CARE B (Under Credit watch with Developing Implications) (31-Jul-18) 4)CARE BBB+ (Under Credit watch with Developing Implications) (27-Jul-18)	1)CARE A- (Under Credit watch with Developing Implications) (02-Jan-18) 2)CARE A- (Under Credit watch with Negative Implications) (02-Sep-17) 3)CARE A+ (Under Credit watch with Developing Implications)	1)CARE A+ (Under Credit Watch) (25-Oct-16)

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
							(14-Apr-17)	

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. Investors/market intermediaries/regulators or others are welcome to write to 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.

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