

May 10, 2016

Facilities	Amount (Rs. Crore)	Rating
PC/FDBP/FUDBP/FBP	4.00	SMERA A4 (Assigned)
Bank Guarantee	2.50	SMERA A4 (Assigned)

SMERA has assigned rating of '**SMERA A4**' (**read as SMERA A four**) to the Rs.6.50 crore short-term bank facilities of KGR Telelinks Private Limited (KGRT). The rating is constrained by KGRT's concentrated customer base, low operating margins, exposure to risks related to the mobile handset industry such as currency fluctuation and regulatory changes in the overseas market amongst others. However, the rating draws support from the KGRT's long track record of operations and promoters extensive industry experience.

Rating Sensitivity Factors

- Stable revenue profile
- Improvement in capital structure
- Future capex and its funding mix

About the Company

KGRT, incorporated in 2004 is engaged in the trading and export of mobile handsets and accessories to Dubai, Singapore and Hong Kong among others. The company also has distributorship rights of Micromax Mobiles for Goa.

For FY2014-15, KGRT reported profit after tax (PAT) of Rs.0.32 crore on operating income of Rs.59.51 crore as against PAT of Rs.0.66 crore on operating income of Rs.101.37 crore.

Contact List

Media/Business Development	Analytical Contact	Rating Desk
Suman M National Sales Head – Emerging Corporate Group Tel No: 022 67141151 Cell: 9892306888 Email: suman.m@smera.in	Vinay Chhawchharia Associate Vice President- Corporate Ratings Tel: +91-22-6714 1156 Email: vinay.chhawchharia@smera.in	Tel: +91-22-6714 1184 Email: ratingdesk@smera.in

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