

Press Release

United Telelinks Bangalore Limited

October 12, 2022



Rating Downgraded and Issuer not co-operating

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	249.00	-	ACUITE A4+ Downgraded Issuer not co-operating*
Bank Loan Ratings	51.00	ACUITE BB+ Downgraded Issuer not co-operating*	-
Total Outstanding Quantum (Rs. Cr)	300.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has downgraded the long-term rating to '**ACUITE BB+**' (read as **ACUITE double B plus**) from '**ACUITE BBB+**' (read as **ACUITE triple B plus**) and short term rating to '**ACUITE A4+**' (read as **ACUITE A four plus**) from '**ACUITE A2+**' (read as **ACUITE A two plus**) on the Rs.300 crore bank facilities of United Telelinks Bangalore Limited. This rating is now an indicative rating and is based on the best available information. The rating has been downgraded on account of information risk.

About the Company

United Telelinks Bangalore Limited (UTBL) is promoted by Mr. Sudhir Hasija who has an experience of over two decades in electronic industry and is engaged in manufacturing and trading of mobile phones. The company was established in 1994 and based out of Bangalore. The company manufactures mobiles under its brand name 'Karbonn' from its manufacturing facility located at Tirupati, Andhra Pradesh and has an installed capacity of 350,000 mobiles per month.

The company is also engaged in distribution of mobile brands such as Vivo, Huawei, Realme, HP among others.

Non-cooperation by the issuer/borrower

Acuite has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer / borrower failed to submit such information before the due date. Acuite believes that information risk is a critical component in such ratings, and noncooperation by the issuer along with an unwillingness to provide information could be a sign of potential deterioration in its overall credit quality. This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Limitation regarding information availability

The rating is based on information available from sources other than the issuer / borrower (in the absence of information provided by the issuer / borrower). Acuite endeavored to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit

rating is based.

Rating Sensitivities

"No information provided by the issuer / available for Acuite to comment upon."

Material Covenants

None.

Liquidity Position

"No information provided by the issuer / available for Acuite to comment upon."

Outlook

Not Applicable.

Other Factors affecting Rating

None

Key Financials

The issuer has not provided with the latest financial statement to comment upon

Status of non-cooperation with previous CRA

None

Any other information

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups

Applicable Criteria

- Application Of Financial Ratios And Adjustments: <https://www.acuite.in/view-rating-criteria-53.htm>
- Default Recognition: <https://www.acuite.in/view-rating-criteria-52.htm>
- Manufacturing Entities: <https://www.acuite.in/view-rating-criteria-59.htm>

Note on Complexity Levels of the Rated Instrument

<https://www.acuite.in/view-rating-criteria-55.htm>

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
20 Jul 2021	Letter of Credit	Short Term	60.00	ACUITE A2+ (Reaffirmed)
	Proposed Cash Credit	Long Term	50.00	ACUITE BBB+ Stable (Assigned)
	Letter of Credit	Short Term	74.00	ACUITE A2+ (Reaffirmed)
	Cash Credit	Long Term	1.00	ACUITE BBB+ Stable (Assigned)
	Proposed Bank Facility	Short Term	115.00	ACUITE A2+ (Reaffirmed)
18 Mar 2020	Letter of Credit	Short Term	135.00	ACUITE A2+ (Assigned)
	Proposed Bank Facility	Short Term	115.00	ACUITE A2+ (Assigned)
	Letter of Credit	Short Term	50.00	ACUITE A2+ (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Rating
Indusind Bank Ltd	Not Applicable	Cash Credit	Not Applicable	Not Applicable	Not Applicable	1.00	ACUITE BB+ Downgraded Issuer not co-operating*
Indusind Bank Ltd	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	74.00	ACUITE A4+ Downgraded Issuer not co-operating*
IDBI Bank Ltd.	Not Applicable	Letter of Credit	Not Applicable	Not Applicable	Not Applicable	60.00	ACUITE A4+ Downgraded Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Cash Credit	Not Applicable	Not Applicable	Not Applicable	50.00	ACUITE BB+ Downgraded Issuer not co-operating*
Not Applicable	Not Applicable	Proposed Short Term Bank Facility	Not Applicable	Not Applicable	Not Applicable	115.00	ACUITE A4+ Downgraded Issuer not co-operating*

Contacts

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About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

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