

## Ortel Communications Limited

November 25, 2022

### Ratings

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	39.98	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Short Term Bank Facilities	20.00	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>59.98</b> <b>(₹ Fifty-Nine Crore and Ninety-Eight Lakhs Only)</b>		

Details of instruments/facilities in Annexure-1.

### Detailed rationale and key rating drivers

CARE had, vide its press release dated September 08, 2021, continued the ratings of Ortel Communications Limited (OCL) under the 'issuer non-cooperating' category as OCL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. OCL continues to be non-cooperative despite repeated requests for submission of information through phone calls and a letter/email dated August 14, 2022, among others. 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.

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

### Detailed description of the key rating drivers

At the time of last rating on September 08, 2021, the following were the rating strengths and weaknesses:

#### Key Rating Weaknesses:

**Delays in debt servicing:** There are delays in debt servicing by OCL. The company is under Corporate Insolvency Resolution Process (CIRP) and its affairs are being managed by the Resolution Professional appointed by the National Company Law tribunal (NCLT).

It incurred loss of Rs.21.96 crore in FY21 (refers to the period April 1 to March 31) and loss of Rs.9.31 crore in Q1FY22.

**Analytical approach:** Standalone

### Applicable criteria

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

[Policy on default recognition](#)

[Financial Ratios – Non financial Sector](#)

[Rating Outlook and Credit Watch](#)

[Short Term Instruments](#)

### About the company

OCL was incorporated on June 2, 1995, promoted by the Bhubaneswar-based Mr. Bajjayant Panda and family. OCL is a regional cable and broadband service provider. The company provides services in the state of Odisha, Chhattisgarh, Andhra Pradesh, Telangana, Madhya Pradesh and West Bengal.

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

\*Issuer did not cooperate. Based on best available information.

Brief Financials (₹ crore)	March 31, 2020 (A)	March 31, 2021 (A)	Q1FY22 (UA)
Total operating income	87.17	67.97	10.47
PBILDT	-10.84	0.93	3.12
PAT	-34.85	-21.96	-9.31
Overall gearing (times)	NM	NM	NA
Interest coverage (times)	NM	NM	NM

A: Audited, UA: Unaudited, NA: Not Available, NM: Not Meaningful

**Status of non-cooperation with previous CRA:** Not applicable

**Any other information:** Not applicable

**Rating history for the last three years:** Please refer Annexure-2

**Covenants of the rated instruments/facilities:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various instruments rated for this company:** Annexure-4

#### Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Fund-based - LT-Term Loan		-	-	November 2021	32.00	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	January 2022	7.98	CARE D; ISSUER NOT COOPERATING*
Fund-based - ST-Bank Overdraft		-	-	-	20.00	CARE D; ISSUER NOT COOPERATING*

\*Issuer did not cooperate. Based on best available information.

#### Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	32.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (08-Sep-21)	1)CARE D; ISSUER NOT COOPERATING* (15-Jun-20)	-
2	Fund-based - ST-Bank Overdraft	ST	20.00	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (08-Sep-21)	1)CARE D; ISSUER NOT COOPERATING* (15-Jun-20)	-
3	Fund-based - LT-Term Loan	LT	7.98	CARE D; ISSUER NOT COOPERATING*	-	1)CARE D; ISSUER NOT COOPERATING* (08-Sep-21)	1)CARE D; ISSUER NOT COOPERATING* (15-Jun-20)	-

\*Long term/Short term.

\*Issuer did not cooperate. Based on best available information.

**Annexure-3: Detailed explanation of the covenants of the rated instruments/facilities: NA**

#### Annexure-4: Complexity level of various instruments rated for this company

Sr. No.	Name of Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Fund-based - ST-Bank Overdraft	Simple

**Annexure-5: Bank lender details for this company**

To view the lender wise details of bank facilities please [click here](#)

**Note on complexity levels of the rated instruments:** CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

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