



6th October, 2026

To,
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G Block,
Bandra - Kurla Complex, Bandra (E),
Mumbai - 400051.

SCRIP Code/ISIN : **HPTL / INE0VA601019**
Subject : **Intimation regarding Credit Rating of the Company**
Reference : **Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir/Madam,

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that CARE Ratings Limited, one of the Credit Rating Agency, has reviewed Credit ratings of the Company for bank facilities and upgraded the previous ratings. Details of the Credit ratings are as under:.

Facilities/Instruments	Amount (₹ crore)	Rating	Rating Action
Long Term Bank Facilities	99.50	CARE BBB +; Stable	Upgraded from CARE BBB-; Positive
Long Term / Short Term Bank Facilities	75.50	CARE BBB +; Stable / CARE A2	Upgraded from CARE BBB-; Positive / CARE A3

Copy of the aforesaid press release issued by CARE Ratings is enclosed herewith as **Annexure-1**.

Kindly take the same on your record and oblige.

Thanking you,

Yours faithfully,

For HP TELECOM INDIA LIMITED

Khushboo
Satishkumar
Modi
Date: 2026.10.06
10:34:41 +05'30'

KHUSHBOO MODI

Company Secretary and Compliance Officer
ACS No.: 57323

Encl: As above

HP TELECOM INDIA LIMITED

Registered Address: Plot No - 97, 1st Floor, Om Square, Near Ishwar Farm, BRTS Canal Road, Bhatar, Althan, Surat, Gujarat, India, 395017

CIN: L51395GJ2011PLC064616 **Ph:** 93274 81169 **E-mail:** cs@hvciipl.com **Website:** www.hptil.com

HP Telecom India Limited

October 05, 2026

Facilities/Instruments	Name of the Regulator ¹	Amount (₹ crore)	Rating ²	Rating Action
Long-term / Short-term bank facilities	RBI	75.50	CARE BBB+; Stable / CARE A2	Upgraded from CARE BBB-; Positive / CARE A3
Long-term bank facilities	RBI	99.50	CARE BBB+; Stable	Upgraded from CARE BBB-; Positive

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

Revision in ratings assigned to bank facilities of HP Telecom India Limited (HPTL) considers substantial growth in the scale of operations and gross cash accruals (GCA) supported by the continuous expansion of its geographically diversified distribution network. Ratings further continue to derive comfort from moderate capital structure and debt coverage indicators, adequate liquidity with efficient management of working capital requirement, experienced promoters, and its association with reputed brand "Apple".

However, ratings continue to remain constrained considering its limited bargaining power with the principal manufacturer, thin profitability margin inherent to distributorship business, HPTL's presence in fragmented and competitive industry, and technology obsolescence risk.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Substantial growth in scale of operations and profitability and improvement in capital structure marked by total outside liabilities to tangible net worth (TOL/TNW) below 1.5x on a sustained basis.

Negative factors

- Decline in total operating income (TOI) by 20% and/or profit before interest, lease rentals, depreciation and taxation (PBILDT) margin below 1.5%.
- Deterioration in capital structure marked by TOL/ TNW above 3x on a sustained basis.
- Any adverse material change in the terms / discontinuation of distribution rights with brand "Apple".

Analytical approach: Standalone

Outlook: Stable

CARE Ratings Limited (CareEdge Ratings) believes that the entity will sustain its overall financial risk profile with improvement in scale of operations and will continue to derive benefit from promoters' experience in trading industry.

Detailed description of key rating drivers

Key strengths

Substantial growth in scale of operations and GCA

HPTL's TOI grew significantly over the last four years, registering a compound annual growth rate (CAGR) of 69% ending FY26. It reported a TOI of ₹2,395.17 crore in FY26, reflecting 61% year-on-year growth led by increase in volumes with expansion into new distribution territories. The demand for Apple products is also increasing continuously with rising consumer spending power. In FY26, iPhone sales volume increased by 46% to 300,000 units, compared to 205,000 units in FY25. iPhones continued to be the primary revenue contributor, accounting for 83% of total sales in FY26 (FY25: 84%).

Going forward, the company expects revenue to reach ₹3,600-4,000 crore, supported by the launch of new iPhone models, expansion of its distribution network, and sustained growth in demand for Apple products.

In line with the increase in scale of operations, the company's GCA improved substantially to ₹25.56 crore in FY26 from ₹12.67 crore in FY25, reflecting stronger operating performance and cash generation.

¹SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority

²Complete definitions of the ratings assigned are available at www.careratings.com and in other CARE Ratings Limited's publications.

Moderate capital structure and debt coverage indicators

HPTL's capital structure remained moderate, as reflected in the overall gearing ratio of 1.70x as on March 31, 2026, compared to 1.76x as on March 31, 2025 driven by accretion of profits to reserves. TOL/TNW also remained moderate at 2.50x as on March 31, 2026 (2.60x as on March 31, 2025).

Consequent to increase in profitability, debt protection metrics improved, though continued to remain at moderate levels. The total debt to PBILDT ratio improved to 3.87x in FY26 from 5.07x in FY25. Interest coverage ratio also strengthened to 3.28x in FY26 from 2.49x in FY25, supported by improved operating profitability and higher cash accruals.

Experienced promoters

HPTL is promoted and managed by Vijay L Yadav and Seema V Yadav, both having over a decade of experience in the telecom sector, specifically in wholesale distribution. Together, they oversee HPTL's overall business operations. Promoters are also engaged in the distribution of Realme and Jio phones through their group company, HV Connecting Infra (India) Private Limited (HTIPL; rated 'CARE BB+; Stable / CARE A4+'). The promoters are supported by family, who are actively involved in the business, and a team of experienced and professional personnel overseeing key functional areas.

Association with reputed Brand "Apple"

HPTL is a zonal distributor of Apple products, such as iPhone, iPad, AirPods, Apple Watch, and mobile accessories. Apple's India business continued to witness strong growth in FY26, supported by rising premium smartphone adoption, deeper retail penetration, and increasing consumer preference for the Apple ecosystem. Apple's India revenue is estimated to registering growth of over 10% in FY26 compared to ~US\$ 9 billion in FY25. iPhone shipments in India increased by ~24% year-on-year to ~14 million units in FY26. Apple's presence in the Indian smartphone market continued to improve, with its market share reaching ~9%-10% in FY26. However, adverse material change in the terms / discontinuation of agreement may impact HPTL's overall operations.

Geographically expanded wide distribution network

HPTL's sales are geographically diversified across Gujarat, Madhya Pradesh, Chhattisgarh, Delhi, and Uttar Pradesh. Among these markets, Gujarat and Madhya Pradesh together accounted for 68% of the company's TOI in FY26, compared to 75% in FY25, indicating gradual diversification of the revenue base. The company witnessed significant growth in sales from Uttar Pradesh, Madhya Pradesh, and Chhattisgarh in FY26, supported by the expansion of its distribution network and increased demand for Apple products in these territories. HPTL also benefits from its long-standing relationships with regional distributors and channel partners, which have contributed to stable business generation and strengthened its market presence across its operating regions.

Efficient management of working capital cycle

HPTL's operations are inherently working capital intensive in nature, given its trading business model, where a significant portion of funds is tied up in inventory and receivables. Despite the nature of the business, the company's working capital management remains efficient, as reflected in its lean average working capital cycle of 17 days in FY26, compared to 16 days in FY25.

The company primarily relies on working capital borrowings to fund its operational requirements. However, the short working capital cycle, supported by efficient inventory turnover and timely collection of receivables, helps contain funding requirements and supports liquidity.

Key weaknesses

Thin profitability margins

Profitability margins continued to remain modest, reflecting the inherently thin-margin nature of the trading and distribution business. The PBILDT margin increased marginally to 1.86% in FY26 from 1.76% in FY25. However, consequent to significant scale-up in operations, absolute PBILDT increased to ₹44.46 crore in FY26 from ₹26.22 crore in FY25. Consequently, profit after tax (PAT) also witnessed healthy growth, over doubling to ₹25.49 crore in FY26 against ₹12.58 crore in FY25. Going forward, profitability is expected to increase in absolute terms considering continued growth in business volumes, margins are likely to remain range-bound owing to the nature of the business.

Limited bargaining power with Principal

HPTL's business profile remains constrained by the inherently low-margin nature of the distribution business. As a distributor, the company has limited bargaining power against its principal, given Apple's strong market position and brand strength. The need to remain competitive and expand market share necessitates offering incentives, discounts, and favourable commercial terms to channel partners, which exerts pressure on the company's profitability margins.

Presence in fragmented and competitive nature of industry

The consumer durable electronics industry is characterised by intense competition, with a strong emphasis on price sensitivity and value. Presence of domestic and foreign players contribute to a fragmented market, leading to stiff price competition. To gain a larger market share, electronic companies in India are implementing strategies, including bundled offers, discounts, and aggressive pricing. Highly competitive environment and price-focused initiatives have made it challenging for businesses to maintain healthy profit margins.

Technology obsolescence risk

Technological obsolescence is an inherent risk in technology-related business and applies to the consumer durables electronics distribution business. The company continues to remain exposed to the risk associated with inventory holding and stock liquidation, which could have an adverse impact on its profitability in case the company being unable to liquidate the inventory. However, post launch of iPhone's new series, old series sold by the company on discounted price will be reimbursed by the principal suppliers, Redington Limited and Ingram Micro India Private Limited, in line with policy of Apple.

Liquidity: Adequate

HPTL's liquidity position remained adequate, supported by healthy GCA, moderate utilisation of working capital limits, a comfortable operating cycle, and substantial free cash and bank balances, including liquid investments.

The company reported GCA of ₹25.56 crore in FY26, which adequately cover its projected annual debt repayment obligations of ₹4-5 crore. The average utilisation of fund-based working capital limits remained moderate at 55%-60% in the 12 months ended August 2026. However, utilisation levels reached near-full capacity in peak demand periods, reflecting the seasonal nature of the business. The current ratio remained stable at 1.23x as on March 31, 2026, against 1.22x as on March 31, 2025. The company's liquidity was bolstered by free cash and bank balances, including liquid investments, of ₹72.97 crore as on March 31, 2026, significantly higher than ₹35.88 crore as on March 31, 2025. The cash flow position also improved materially, with cash flow from operations turning positive at ₹18.85 crore in FY26, compared to a negative operating cash flow of ₹45.89 crore in FY25, driven by improved profitability and better working capital management.

Applicable criteria

[Definition of Default](#)

[Liquidity Analysis of Non-financial sector entities](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

[Wholesale Trading](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Services	Services	Commercial services & supplies	Trading & distributors

Surat (Gujarat)-based HPTL was incorporated in March 2011 as a private limited company by Vijay L. Yadav and Seema V. Yadav. Subsequently, the company was converted into a public limited entity and was listed on the National Stock Exchange (NSE) in February 2024. HPTL operates as an authorised zonal distributor of Apple products and is also a dealer of Nothing smartphones and related accessories. The company has an extensive distribution network comprising over 3,000 distributors across Gujarat, Madhya Pradesh, Chhattisgarh, Western Uttar Pradesh, and Delhi. Its operations are managed through its head office in Surat, Gujarat, supported by five branch offices in Vadodara, Rajkot, Ahmedabad, Madhya Pradesh, and Chhattisgarh.

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (A)
Total operating income	1,486.74*	2,395.17
PBILDT	26.22	44.46
Profit after tax (PAT)	12.58	25.49
Overall gearing (x)	1.76	1.70
Interest coverage (x)	2.49	3.28

A: Audited; UA: Unaudited; Note: these are latest available financial results; *FY25 TOI has been revised from previous press release, in line with the notes to accounts of FY26 audited financial statements for analytical consistency.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

For complexity level of instruments rated refer to Annexure-1

Lender details: Annexure-4

Disclosure on facilities/instruments and name of the regulators:

A list of facilities / instruments falling under the purview of various financial sector regulators (FSRs) along with the names of respective FSRs has been duly disclosed by CareEdge Ratings on its website. A link to the same has been provided below for ready reference:

https://www.careratings.com/activities_and_regulators

Note: For facilities or instruments falling under the purview of FSRs other than Securities and Exchange Board of India (SEBI), the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Annexure-1: Details of instruments/facilities

Name of the Instrument	Name of the Regulator	Complexity Level	ISIN	Date of Issuance	Coupon Rate (%)	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Working Capital Limits	RBI	Simple	-		-	-	99.50	CARE BBB+; Stable
LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	RBI	Simple	-		-	-	75.50	CARE BBB+; Stable / CARE A2

Annexure-2: Rating history for 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 2026-2027	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024
1	LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	LT/ST	75.50	CARE BBB+; Stable / CARE A2	-	1)CARE BBB-; Positive / CARE A3 (25-Mar-26) 2)CARE BBB-; Stable / CARE A3 (03-Oct-25)	1)CARE BB+; Stable / CARE A4+ (02-Dec-24) 2)CARE BB; Stable / CARE A4+; ISSUER NOT COOPERATING* (14-Oct-24)	1)CARE BB; Stable / CARE A4+ (26-Jul-23)
2	Fund-based - LT-Term Loan	LT	-	-	-	-	1)Withdrawn (02-Dec-24) 2)CARE BB; Stable; ISSUER NOT COOPERATING* (14-Oct-24)	1)CARE BB; Stable (26-Jul-23)
3	Fund-based - LT-Stand by Limits	LT	-	-	-	-	1)Withdrawn (02-Dec-24) 2)CARE BB; Stable; ISSUER NOT COOPERATING* (14-Oct-24)	1)CARE BB; Stable (26-Jul-23)
4	Fund-based - LT-Working Capital Limits	LT	99.50	CARE BBB+; Stable	-	1)CARE BBB-; Positive (25-Mar-26) 2)CARE BBB-; Stable (03-Oct-25)	1)CARE BB+; Stable (02-Dec-24)	-

*Issuer did not cooperate; based on best available information.; LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Lender details

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

Annexure-5: List of entities consolidated: Not applicable

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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About us:

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