

Beetel Teletech Limited (Erstwhile Brightstar Telecommunications India Limited)

September 25, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Short-term bank facilities	150.00	CARE A1+	Assigned

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The rating assigned to bank facilities of Beetel Teletech Limited (Beetel; erstwhile Brightstar Telecommunications India Limited) primarily reflects the strong parentage of Bharti Airtel Limited (BAL; rated 'CARE AAA; Stable/CARE A1+'), a leading telecom operator with robust financial flexibility and established market position. CARE Ratings Limited (CareEdge Ratings) anticipates Beetel to receive managerial, operational, and need-based financial support from BAL, reinforcing its operational and strategic alignment with the parent organisation.

The rating factors in Beetel's extensive pan-India distribution network, diversified product profile across Information and Communication Technology (ICT) segments, and its significant operational linkages with BAL, which position it as a strategic procurement and sourcing arm for the BAL and its affiliates. The rating also takes cognisance of presence of key managerial persons of BAL in the board of BTL. The company also benefits from improved revenue visibility, assured collections, and enhanced financial flexibility arising from its integration within the BAL. Ratings also take cognisance of Beetel's growth in scale of operations in FY25 (FY refers to April 01 to March 31) and expected improvement in profitability.

However, rating strengths are partially offset by the working capital intensive operations, leveraged capital structure, intense competition in the ICT distribution space, and inherent technology obsolescence risks, which constrain profitability.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Significant improvement in total operating income (TOI), profitability, and capital structure.

Negative factors

- Deterioration in the credit profile of ultimate parent, BAL, by one notch.
- Weakening of linkages with BAL.
- Dilution in shareholding by BAL below 51%.
- Significant decline in TOI and profitability, leading to a deterioration in interest coverage below 1.0x on a sustained basis.

Analytical approach: Standalone, considering operational, financial and managerial linkages with BAL, integral to the operations of Beetel.

Outlook: Stable

Beetel is expected to continue benefitting from its strong integration with BAL, leading to sustained revenue visibility.

Detailed description of key rating drivers:

Key strengths

Strong parentage of BAL

Beetel benefits from the strong operational, managerial, and financial support of its parent, BAL, which acquired a majority stake in the company in 2024 through its wholly owned subsidiary. BAL owns 97.10% stake in Beetel as on March 31, 2025, through its subsidiary, making Beetel its step-down subsidiary. BAL is one of India's leading telecom operators with a large scale of operations, healthy cash flow generation, robust market capitalisation, and strong financial flexibility.

BAL's acquisition of Beetel aims to strengthen its domestic manufacturing and product development capabilities, support the government's Make in India initiative and expand its enterprise solutions through Beetel's strong distribution network and original equipment manufacturer (OEM) partnerships. The strategic alignment is evident through BAL's operational control, common board representation and treasury oversight, which reinforce Beetel's integration within BAL and its affiliates. CareEdge Ratings expects Beetel will continue to derive sustained support from BAL, whenever required, in the near-to-medium-term.

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

Extensive distribution network with product diversification

Beetel has a well-established pan-India distribution network of distributors and retailer partners, supported by alliances with global OEMs. Historically synonymous with landline telephones, Beetel has diversified into IT peripherals, enterprise networking, AV systems, electronic security, and mobile accessories, reducing domain risk. The company currently operates across four segments – (i) Strategic sourcing for the Bharti group, (ii) Enterprise solutions, (iii) Landline phones, and (iv) Customer Premises Equipment (CPE) refurbishment and repair – providing a balanced revenue mix and wider market coverage.

Significant operational linkages with BAL

Beetel has strong operational linkages with BAL and functions as an extended supply-chain arm of the latter. The company was acquired in 2024 with the strategic intent of leveraging its distribution and service capabilities for BAL's fast-growing enterprise business.

This strategic realignment has materially strengthened Beetel's business profile, with revenue increasing by ~₹1,000 crore in FY25, largely driven by BAL's sourcing shift. BAL's share of revenue rose sharply to ~50% in FY25 (FY24: 7%; FY23: 40%) and is expected to expand further with new category additions, enterprise segment growth, and refurbishments. The increasing contribution from BAL provides stable revenue visibility, improved profitability prospects, and assured collections, supported by the parent's robust credit profile.

The deepening integration with BAL enhances Beetel's strategic importance, strengthens financial flexibility, mitigates counterparty risk, and supports the company's long-term business profile. The company also benefits from the Bharti group's financial flexibility. Going forward, Beetel's credit profile is expected to strengthen as group business continues to scale up, margins improve through exits from low-yield segments, and cash flow generation becomes more stable.

Key weaknesses

Working capital intensive operation

Beetel's operations remain inherently working capital intensive due to its trading-led business model, large inventory requirements and extended credit offered to customers. While this is partially offset by healthy credit terms from suppliers and adequate banking lines, the business model necessitates maintaining sufficient liquidity buffers. The increased business exposure to BAL and its affiliates partly reduces the counterparty risk. The company's working capital cycle, although lean, continues to expose it to inventory and receivables-related risks, which are common in the distribution industry.

Leveraged capital structure

Beetel's capital structure remained leveraged, marked by net debt/PBILDT at 6.19x in FY25, though improved compared to previous year. The interest coverage ratio, though having improved from below unity in FY24, continued to remain moderate at 1.16x in FY25.

High competition and technology risk

The ICT distribution industry is highly competitive and fragmented, with multiple OEM-backed distributors and trading entities competing aggressively, resulting in thin margins and limited pricing flexibility. Profitability depends on vendor relationships and the performance of OEMs operating in a rapidly evolving technology landscape, increasing the risk of obsolescence. Customer and vendor concentration, particularly with Bharti group entities, also heightens revenue dependency, although the group's strong credit profile mitigates counterparty risks to an extent.

Liquidity: Strong

Beetel's liquidity remains strong supported by unutilised bank lines with average working capital utilisation of ~56% for the trailing 12 months ended August 31, 2025, providing a cushion against short-term mismatches. The company had cash and cash equivalents of ₹9.9 crore as on March 31, 2025, and with no scheduled long-term debt repayments until FY30, its liquidity profile is expected to remain comfortable. Liquidity is further supported by Beetel's financial flexibility as part of BAL, providing access to funding at competitive rates and implicit backing for funding requirements.

Assumptions/Covenants: Not applicable

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

[Definition of Default](#)

[Factoring Linkages Parent Sub JV Group](#)
[Liquidity Analysis of Non-financial sector entities](#)
[Rating Outlook and Rating Watch](#)
[Manufacturing Companies](#)
[Financial Ratios – Non financial Sector](#)
[Service Sector Companies](#)
[Infrastructure Sector Ratings](#)
[Short Term Instruments](#)
[Wholesale Trading](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Telecommunication	Telecommunication	Telecom - Equipment and Accessories	Telecom - Equipment and Accessories

Incorporated in 1999 and headquartered in Gurugram, Beetel, is a technology integrator and distributor with over three decades of operations. The company was historically one of India's leading brands in landline telephones, manufacturing over 100 million units, before its manufacturing operations were transitioned to a joint venture with Dixon Technologies Limited (49% stake), Dixon Electro Appliances Private Limited.

Beetel has since diversified into IT peripherals, enterprise networking, unified communications, audio-visual systems and electronic security, supported by extensive distribution network of distributors and retailers across India and other countries, supported by alliances with global OEMs. In 2024, Bharti Airtel Services Limited (a 100% subsidiary of BAL) acquired a 97.10% stake in Beetel, making Beetel a step-down subsidiary of the BAL.

Brief Financials (₹ crore) - Standalone	March 31, 2024 (A)	March 31, 2025 (A)	Q1FY26 (UA)
Total operating income	978.82	2,081.94	370.60
PBILDT	18.82	32.31	3.93
PAT	-26.44	2.87	NA
Overall gearing (times)	NM	NM	NA
Interest coverage (times)	0.67	1.16	NA

A: Audited; UA: Unaudited; NM: Not meaningful; NA: Not available; Note: these are latest available financial results

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

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

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 and Rating Outlook
Fund-based/Non-fund-based-Short Term		-	-	-	150.00	CARE A1+

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 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based/Non-fund-based-Short Term	ST	150.00	CARE A1+				

ST: Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable**Annexure-4: Complexity level of instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based/Non-fund-based-Short Term	Simple

Annexure-5: Lender details

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

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.

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