MARUTI NANDAN TELECOMM LLP

August 06, 2026

Facilities/Instruments	Name of the Regulator[1]	Amount (₹ crore)	Rating[2]	Rating Action
Long Term / Short Term Bank Facilities	RBI	90.00	CARE BB+; Stable / CARE A4+	Rating removed from ISSUER NOT COOPERATING category and Upgraded from CARE BB-; Stable / CARE A4

Details of instruments/facilities in Annexure-1.

Ratings previously assigned to the bank facilities of Maruti Nandan Telecomm LLP (MNTL) were denoted as CARE BB-; Stable; ISSUER NOT COOPERATING/ CARE A4; ISSUER NOT COOPERATING; since, the company did not provide the requisite information for monitoring the ratings. Further, in line with the extant SEBI guidelines, CARE Ratings Limited (CARE Ratings) reviewed the ratings on the basis of the best available information. However, the company has now submitted the requisite information to monitor the ratings and CARE Ratings has carried out a full review of the ratings and the ratings stand at 'CARE BB+; Stable/ CARE A4+'.

Rationale and key rating drivers

The long and short term rating assigned to the bank facilities of Maruti Nandan Telecomm LLP (hereinafter referred to as MNTL) continues to remain constrained by weak financial risk profile marked by high overall gearing, low profitability margins, and demand linked to the fortunes of principal i.e. Apple Inc. Further, the ratings remain constrained owing to partnership nature of firm and MNTL's presence in a highly fragmented and competitive industry. The ratings, however, continue to draw comfort from experienced partners with long track record of operations, comfortable operating cycle and growing scale of operations.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Increase in scale of operations as marked by total operating income (TOI) of above ₹600.00 crore coupled with sustenance of healthy profitability margins as marked by Profit Before Interest, Lease Rental, Depreciation and Taxation (PBILDT) above 4.50% on sustained basis.
- Improvement in capital structure with overall gearing below 1.75x.

Negative factors

- Any significant deterioration in the capital structure of the firm as marked by overall gearing ratio of above 3.50x.
- Deterioration in profitability margins as marked by PBILDT margin below 2.00% on sustained basis.
- Elongation in the operating cycle of the firm beyond 90 days.

Analytical approach: Standalone

Outlook: Stable

The 'Stable' outlook reflects CareEdge Ratings expectation that MNTL is likely to sustain its operational performance in near mid-term considering its extensive partner's experience along with its established presence in consumer electronics industry.

Detailed description of key rating drivers

Key weaknesses

Leveraged capital structure and moderate debt coverage indicators

MNTL has a leveraged capital structure, as marked by overall gearing of 2.34x as on March 31, 2026. (PY: 2.73x) largely on account of increasing working capital borrowings, commensurate with its growing scale of operations. Debt coverage indicators stood moderate, marked by interest coverage and total debt to gross cash accrual (TDGCA) in FY26 at 2.16x (PY: 2.37x) and 6.91x (PY: 12.37x) as on March 31, 2026.

Low profitability margins

The profitability margins are low due to the trading nature of the business, where value addition is inherently low and the industry is highly competitive. During FY26 (FY refers to April 01 to March 31), the profit before interest, lease rentals, depreciation, and

[1]SEBI: 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

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

taxation (PBILDT) and profit after tax (PAT) margin of the firm stood low at 4.35% (PY: 4.55%) and 2.38% (PY: 1.25%), respectively.

Constitution of the entity being a limited liability partnership firm
MNTL's constitution as a limited liability partnership firm entails inherent risks, including the possibility of withdrawal of partners' capital in the event of personal contingencies and dissolution of the firm upon the death, retirement, or insolvency of partner(s). Moreover, partnership firms have restricted access to external borrowings as the creditworthiness of the partners is a key factor affecting the lending decision of lenders.

Highly competitive and fragmented nature of industry
MNTL operates in a highly fragmented and competitive industry, marked by the presence of numerous players in India and overseas. A considerable share of industry volumes is accounted for by small unorganised players, while large regional players continue to undertake capacity and network expansion. Low entry barriers, a large number of unorganised players, and low pricing power available to distributors make the industry highly competitive. Further, the growth of e-commerce in India is transforming business operations, with several players supplying mobile phones and electronic products of established brands through e-commerce platforms. There is also competition from local exclusive players as well as multi-brand outlets operating through offline channels.

Key strengths

Growing scale of operations
The firm's scale of operations is on a growing trajectory in the previous five fiscal years ended FY26 (April 01, 2025 to March 31, 2026). The total operating income (TOI) grew to ₹473.56 crore in FY26 (PY: ₹424.18 crore). The growth in scale is underpinned by an increase in sales volume of premium smartphones (iPhone) and other electronic products (such as MacBook, iPad, watches, among others). However, since MNTL derives the majority of its revenue from the sale of Apple products (~80% in FY26), its sales are directly linked to the acceptability of products, new product launches, and penetration of the principal (Apple Inc.)'s products in India. During FY26, the firm has expanded its client base by onboarding few institutional clients which accounted for ~30% of the total revenue of the year.

Comfortable operating cycle
MNTL's operating cycle stood comfortable at 61 days in FY26 (PY: 52 days). The firm is required to maintain adequate inventory of traded goods across a wide product portfolio to cater immediate demand from customers, resulting in an average inventory holding period of ~50 days in FY26 (PY: 58 days). Since the firm operates retail stores, sales are made to customers on a "Cash and Carry" basis. Further, there is supplier concentration risk, as it procures Apple products largely from two approved vendors resulting in the average creditors' period of ~5 days in FY26 (PY: 9 days).

Experienced partners with long-standing relationship with principal, Apple Inc.
Established in 2017, MNTL is managed by partners, Anu Agarwal and Mudit Agarwal. They are postgraduates, having over a decade of experience in the consumer electronics industry through their association with MNTL and other group entities engaged in a similar line of business. They are well supported by a team of experienced professionals managing the day-to-day operations of the firm. The firm has been in this business for nearly a decade and thus has a long-standing association with its principal, Apple Inc. It is Apple's premium reseller in Tier-I and metro cities and an authorised reseller in Tier-II and Tier-III cities, having a strong presence in Northern India. It operates 23 Apple retail stores in Uttar Pradesh, Delhi-NCR, Uttarakhand, Kashmir, Kolkata (West Bengal), Bengaluru (Karnataka), and Vadodara (Gujarat).

Liquidity: Stretched

Liquidity of the firm remains stretched marked by high utilization of its working capital limits which remained almost ~88% utilized for the past 12 month's period ending June 30, 2026. The firm has free cash and bank balance of ₹8.80 crore as on March 31, 2026. During FY27, the firm plans to incur capex of ~Rs. 10-12 crore for 10 store expansions, including 3-4 for Dyson and the rest balance for Apple, which will be funded from internal accruals.

Applicable criteria

Definition of Default
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Financial Ratios – Non financial Sector
Retail
Service Sector Companies
Short Term Instruments

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Consumer Services	Retailing	Diversified Retail

Established in 2017, MNTL trades in the Apple's products (such as iPhone, MacBook, iPad, watches, accessories, etc.). It is an Apple's premium reseller in Tier-I/ metro cities and an authorized reseller in Tier-II and Tier-III cities. MNTL has presence in Northern India and operates 23 retail stores located in the states of Uttar Pradesh, Delhi-NCR, Uttarakhand, Kashmir, Calcutta, Bangalore. Vadodara. 16 stores cater to Apple related products and Mac and the balance stores related to Dyson for electronics.

Brief Financials (₹ crore)	March 31, 2025 (A)	March 31, 2026 (UA)
Total operating income	424.18	473.56
PBILDT*	19.31	20.60
Profit after tax (PAT)	5.30	11.26
Overall gearing (x)	2.73	2.34
Interest coverage (x)	2.37	2.16

A: Audited; UA: Unaudited; Note: these are latest available financial results
*PBILDT: Profit before interest, lease rentals, depreciation and tax

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 (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
LT/ST Fund-based/Non-fund-based-CC/WCDL/OD/LC/BG	RBI	Simple	-		-	-	90.00	CARE BB+; Stable / CARE A4+

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	90.00	CARE BB+; Stable / CARE A4+	-	1)CARE BB-; Stable / CARE A4; ISSUER NOT COOPERATING* (09-Mar-26)	1)CARE BB; Stable / CARE A4 (31-Mar-25)	-

*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:
Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com