Press Release
SCS TECH INDIA PRIVATE LIMITED
October 15, 2025
Rating Reaffirmed & Withdrawn

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	5.00	ACUITE BB | Reaffirmed & Withdrawn	-
Bank Loan Ratings	30.00	-	ACUITE A4+ | Reaffirmed & Withdrawn
Total Outstanding Quantum (Rs. Cr)	0.00	-	-
Total Withdrawn Quantum (Rs. Cr)	35.00	-	-

Rating Rationale

Acuite has reaffirmed and withdrawn the long-term rating of **'ACUITE BB' (read as ACUITE double B)** and the short term rating of **'ACUITE A4+' (read as ACUITE A four plus)** on the Rs. 35.00 Cr. bank loan facilities of SCS Tech India Private Limited (STIPL). The withdrawal is in accordance with Acuite's policy on withdrawal of ratings as applicable to the respective facility / instrument. The rating is being withdrawn on account of request received from the company, and NOC (No Objection Certificate) received from the banker.

Rationale for Rating Reaffirmation
The rating reaffirmation takes into account the moderate financial risk profile of the company and established track record of operations with an experienced management. The rating remains constrained due to modest scale, working capital intensive operations and intensive competition in the sector.

About the Company

Incorporated in 2010 by Mr. Sujit Patel, SCS Tech India Private Limited (STIPL) is engaged in providing IT infrastructure based solutions viz. disaster management solutions (comprising vehicle tracking system with complete in-built customized software to handle various command & control system, geographic information system trackers, servers, networking, storages, CCTV cameras, etc.) and smart city solutions (comprising installation of various networking solutions, fibre optics, IS & GPS solutions, etc.) The company is headquartered in Mumbai.

Unsupported Rating
Not Applicable

Analytical Approach

Acuité has considered the standalone business and financial risk profiles of SCS Tech India Private Limited to arrive at the rating.

Key Rating Drivers

Strengths

Established track record of operations and experienced management

SCS Tech India Private Limited was incorporated in 2010 and has an established track record of 15 years. The company's promoters Mr. Sujit Dharamdas Patel and Mrs. Roxan Sujit Patel possess industry experience of more than ten years. The experience of the promoters has helped the group to maintain a longstanding relationship with its customers and suppliers. STIPL serves a reputed client base across various central and state government departments.

Moderate financial risk profile

The networth of the company improved from Rs. 34.52 Cr. on March 31, 2024 due to accretion of profit and stood at Rs. 44.44 Cr. on March 31, 2025 (Prov.). Further, the gearing moderated marginally on account of increase in the debt levels, however, it continues to remain below unity. The debt protection metrics also stood comfortable with interest coverage ratio (ICR) at 4.84 times and debt service coverage ratio (DSCR) at 3.60 times in FY2025 (Prov.).

Weaknesses

Modest scale of operations

The revenue of the company increase by ~67 percent, however remain modest at Rs.104.87 Cr. in FY2025 (Prov.) (Rs. 62.84 Cr. in FY2024). The growth is primarily driven by increased order execution and billings during the year. Further, the EBITDA margin declined significantly to 10.10 percent in FY2025 (Prov.) as against 20.01 percent in FY2024. The reduced margins is a result of high capex billings during FY2025 which typically have lower margins than opex billings. Further, the company has generated an operating revenue of Rs. 60.00 Cr. till October 08, 2025.

Working capital intensive operations

The operations of the company are working capital intensive, as evident from gross current assets (GCA) of 436 days on March 31, 2025 (Prov.) (414 days in PY). The GCA are mainly driven by debtor days, which stood at 427 days in FY2025 (Prov.). The company has recorded more than 50 percent of its revenue in the month of March, which has led to elongated receivable cycle on year end. Therefore, the average bank limit utilization for fund based limits stood at ~95 percent for the last six months ended March 2025.

Highly competitive and fragmented industry

The company operates in a highly competitive IT market with many small, medium and large players offering IT infrastructure solutions and services. Further, government contracts are awarded through competitive bidding, which may affect the profitability margins owing to increased industry competition.

Rating Sensitivities

Not Applicable

Liquidity Position

Adequate

The liquidity position of the company is supported by the generation of sufficient net cash accruals (NCAs) of Rs. 10.33 Cr. against maturing repayment obligations of Rs. 0.11 Cr. in FY2025 (Prov.). Further, the current ratio stood healthy at 1.66 times on March 31, 2025 (Prov.). The average fund based utilisation stood at ~95 percent and non fund based utilisation stood at ~51 percent for the last six months ended March 2025. The company had an unencumbered cash and bank balance of Rs. 0.10 Cr. on March 31, 2025 (Prov.).

Outlook: Not Applicable

Other Factors affecting Rating

None

Key Financials

Particulars	Unit	FY 25 (Provisional)	FY 24 (Actual)
Operating Income	Rs. Cr.	104.87	62.84
PAT	Rs. Cr.	9.90	6.93
PAT Margin	(%)	9.44	11.03
Total Debt/Tangible Net Worth	Times	0.64	0.32
PBDIT/Interest	Times	4.84	4.54

Status of non-cooperation with previous CRA (if applicable)

Not Applicable

Any other information

None

Applicable Criteria

• Default Recognition :- https://www.acuite.in/view-rating-criteria-52.htm
• Service Sector: https://www.acuite.in/view-rating-criteria-50.htm
• Application Of Financial Ratios And Adjustments: https://www.acuite.in/view-rating-criteria-53.htm

Note on complexity levels of the rated instrument

In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

Rating History

Date	Name of Instruments/Facilities	Term	Amount (Rs. Cr)	Rating/Outlook
08 May 2025	Bank Guarantee (BLR)	Short Term	30.00	ACUITE A4+ (Reaffirmed & Issuer not co-operating*)
	Secured Overdraft	Long Term	5.00	ACUITE BB (Downgraded & Issuer not co-operating* from ACUITE BB+ | Stable)
16 Feb 2024	Bank Guarantee (BLR)	Short Term	30.00	ACUITE A4+ (Assigned)
	Secured Overdraft	Long Term	5.00	ACUITE BB+ | Stable (Assigned)

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
Canara Bank	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	30.00	Simple	ACUITE A4+ | Reaffirmed & Withdrawn
Canara Bank	Not avl. / Not appl.	Secured Overdraft	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE BB | Reaffirmed & Withdrawn

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About Acuité Ratings & Research
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