



Press Release
SCONS INFRASTRUCTURE PRIVATE LIMITED
December 03, 2025
Rating Assigned

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
Bank Loan Ratings	37.50	ACUITE BBB- Stable Assigned	-
Bank Loan Ratings	104.50	-	ACUITE A3 Assigned
Total Outstanding Quantum (Rs. Cr)	142.00	-	-
Total Withdrawn Quantum (Rs. Cr)	0.00	-	-

Rating Rationale

Acuite has assigned the long-term rating of '**ACUITE BBB-**' (read as **ACUITE Triple B Minus**) and the short term rating of '**ACUITE A3**' (read as **ACUITE A Three**) on the Rs.142 Crore bank loan facilities of Scons Infrastructure Private Limited (SIPL). The outlook is '**Stable**'.

Rationale for Rating:

The rating factors the promoters' extensive experience of over a decade in the construction sector, established relationships with government clients, and a healthy order book ensuring medium-term revenue visibility. While revenues moderated in FY25 due to slower execution mainly due to delay in receiving LOAs, operating margins improved on account of reduced subcontracting, and liquidity remains adequate with steady accruals and moderate bank limit utilization. However, the rating is constrained by its moderate financial risk profile, high working capital intensity from elongated receivables and retention money, and the Company's presence in a highly fragmented and competitive civil construction industry.

About the Company

Delhi based Scons Infrastructure Private Limited (SIPL), incorporated in 2010, is engaged in civil construction activities including roads, bridges, ROBs, and buildings. The company benefits from the promoters' extensive experience of over a decade in the construction industry, which has enabled SIPL to establish strong relationships with reputed clients such as NHAI, MPRDC, NHIDCL, and Gawar Construction Ltd (GCL). SIPL's operations are geographically diversified across states like Madhya Pradesh, Maharashtra, Haryana, and Manipur.

Unsupported Rating

Not Applicable

Analytical Approach

Acuite has considered the standalone business and financial risk profile of Scons Infrastructure Private Limited (SIPL), to arrive at this rating.

Key Rating Drivers

Strengths

Extensive Experience of Promoters:

SIPL incorporated in 2010, is engaged in civil construction activities including roads, bridges, ROBs, and buildings. The company benefits from the promoters' extensive experience of over a decade in the construction industry, which has enabled SIPL to establish strong relationships with Govt clients such as NHAI, MPRDC, NHIDCL etc. SIPL's operations are geographically diversified across states like Madhya Pradesh, Maharashtra, Haryana, and Manipur. Acuité believes that the experience of the promoters in the construction business will likely benefit SIPL in its operational performance going forward.

Scale of Operations:

SIPL's operating performance in FY25 was reflected by decline in revenue to Rs.136.46 crore from Rs.203.99 crore in FY24, primarily due to delays in project execution following prolonged government approval processes for issuing Letters of Acceptance (LOAs). Despite securing L1 status in March 2024, the company began receiving LOAs only from June 2024, deferring project commencement and revenue realization. However, operating profitability improved, with EBITDA margin rising to 19.53% (FY25) from 15.29% (FY24), supported by a significant reduction in job work expenditure as SIPL transitioned to independent EPC execution. PAT margin has also marginally increased to 8.49% in FY 25 against 8.29% in FY 24, though depreciation and interest costs increased in FY 25 owing to asset additions of around Rs.35 crore in Q4 FY25 through equipment financing. The company currently owns 252 units of heavy machinery and other related equipment and further plans to add 150 more units by FY27, which may keep depreciation and interest costs elevated and profitability slightly volatile. Revenue visibility remains healthy, backed by an outstanding order book of Rs.873 crore as of October 2025 (OB/OI ratio of 6.41x) and healthy execution in FY26, with Rs.130 crore booked during the first seven months. Acuité believes SIPL's operating performance will improve over the medium term, supported by its unexecuted order book and visibility of revenue traction during 7MFY26, though higher depreciation and interest costs could marginally constrain margins.

Weaknesses

Intensive Working Capital Management:

SIPL's working capital management remained intensive in FY25, with GCA days increasing sharply to 232 days from 106 days in FY24, primarily due to elongated debtor days, inventory days, and higher other current assets. Debtor days rose to 42 days in FY25 (FY24: 3 days) driven by high year-end billing, though payments are generally received within 10 days of invoicing. Inventory days increased to 42 days in FY 25 (FY24: 1 day) owing to raw material purchases at year-end and WIPs. Other current assets expanded to Rs.59.52 crore in FY25 from Rs.41.60 crore in FY24, mainly on account of retention money and EMD deposits, with 5–10% typically retained until project completion. Meanwhile, creditor days rose to 120 days (FY24: 112 days), indicating the company's ability to stretch supplier payments. Acuité believes the working capital cycle can improve in the medium term through constant monitoring of collections and inventory management.

Moderate Financial Risk profile:

SIPL's financial risk profile improved in FY25 with tangible net worth rising to Rs.60.68 crore from Rs.34.23 crore in FY24, supported by a quasi-equity infusion of Rs.14.87 crore and healthy internal accruals. Total borrowings increased to Rs.72.94 crore from Rs.40.59 crore in FY24 due to equipment financing; however, gearing remained stable at 1.20 times (1.19 times in FY24). Debt protection metrics were stable, with Interest Coverage Ratio at 5.42 times and DSCR at 1.60 times in FY25. TOL/TNW improved to 1.92 times in FY 25 from 2.54 times in FY 24, while Debt/EBITDA and NCA/TD stood at 2.69 times and 0.25 times respectively in FY25 compared to 1.29 times and 0.56 times in FY24. Acuité believes the financial risk profile will remain moderate over the medium term, given the likelihood of additional long-term borrowings for planned equipment purchases.

Rating Sensitivities

1. Timely execution and securing new orders
2. Sustain improvement in revenues and profitability
3. Changes in financial risk profile and working capital management

Liquidity Position **Adequate**

Liquidity remains adequate, supported by net cash accruals of Rs.18.13 crore against long-term debt obligations of Rs.9.49 crore in FY 2025. The current ratio stood at 0.97 times as on FY 2025, with cash and bank balance of Rs.1.91 crore. Fund-based limit utilization averaged 80.88%, while non-fund-based utilization was 50.25% for the six months ended September 2025. Acuité believes liquidity to remain adequate over the medium term, driven by steady cash accruals against long term debt repayment, moderate bank limit utilisation albeit low current ratio and debt funded capex plans.

Outlook: Stable

Other Factors affecting Rating

None.

Key Financials

Particulars	Unit	FY 25 (Actual)	FY 24 (Actual)
Operating Income	Rs. Cr.	136.46	203.99
PAT	Rs. Cr.	11.58	16.91
PAT Margin	(%)	8.49	8.29
Total Debt/Tangible Net Worth	Times	1.20	1.19
PBDIT/Interest	Times	5.42	11.00

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

None.

Any other information

None

Applicable Criteria

- Default Recognition :- <https://www.acuite.in/view-rating-criteria-52.htm>
- Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-51.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, Acuite 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 :

Not Applicable

Annexure - Details of instruments rated

Lender's Name	ISIN	Facilities	Date Of Issuance	Coupon Rate	Maturity Date	Quantum (Rs. Cr.)	Complexity Level	Rating
KOTAK MAHINDRA BANK LIMITED	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	30.00	Simple	ACUITE A3 Assigned
AXIS BANK LIMITED	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	22.50	Simple	ACUITE A3 Assigned
H D F C Bank Limited	Not avl. / Not appl.	Bank Guarantee (BLR)	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	52.00	Simple	ACUITE A3 Assigned
KOTAK MAHINDRA BANK LIMITED	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	5.00	Simple	ACUITE BBB- Stable Assigned
AXIS BANK LIMITED	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	7.50	Simple	ACUITE BBB- Stable Assigned
H D F C Bank Limited	Not avl. / Not appl.	Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	10.00	Simple	ACUITE BBB- Stable Assigned
Not Applicable	Not avl. / Not appl.	Proposed Cash Credit	Not avl. / Not appl.	Not avl. / Not appl.	Not avl. / Not appl.	15.00	Simple	ACUITE BBB- Stable Assigned

Contacts

Mohit Jain Chief Analytical Officer-Rating Operations	Contact details exclusively for investors and lenders
Shreya Banerjee Analyst-Analytical Operations	Mob: +91 8591310146 Email ID: analyticalsupport@acuite.in

About Acuité Ratings & Research

Acuité is a full-service Credit Rating Agency registered with the Securities & Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI) for Bank Loan Ratings under BASEL-II norms in the year 2012. Acuité has assigned ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Kanjurmarg, Mumbai.

Disclaimer: An Acuité rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy, sell or hold any security. Ratings assigned by Acuité are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuité, in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuité is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind, arising from the use of its ratings. Ratings assigned by Acuité are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuité. Please visit <https://www.acuite.in/faqs.htm> to refer FAQs on Credit Rating.

Note: None of the Directors on the Board of Acuité Ratings & Research Limited are members of any rating committee and therefore do not participate in discussions regarding the rating of any entity.