

Ace Brain Systems And Software Private Limited

March 17, 2026

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	18.00 (Enhanced from 6.50)	CARE BB; Stable	Rating removed from ISSUER NOT COOPERATING category and Reclassified ST facilities to LT and Stable outlook assigned
Long Term / Short Term Bank Facilities	10.00 (Enhanced from 1.00)	CARE BB; Stable / CARE A4	Rating removed from ISSUER NOT COOPERATING category and LT rating and Stable outlook assigned and ST rating reaffirmed
Long Term / Short Term Bank Facilities	2.00 (Enhanced from 1.00)	CARE BB; Stable / CARE A4	Rating removed from ISSUER NOT COOPERATING category and LT rating upgraded from CARE B; Stable outlook assigned and ST rating assigned

Details of instruments/facilities in Annexure-1.

In the absence of requisite information, in line with the extant SEBI guidelines, CARE Ratings Limited (CareEdge Ratings) had placed the ratings of bank facilities of Ace Brain Systems And Software Private Limited (ABSSPL) into 'ISSUER NOT COOPERATING'. However, the entity has now submitted the requisite information. CareEdge 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

Ratings assigned to the bank facilities of ABSSPL remain constrained considering its moderate and fluctuating scale of operations, moderate profitability and modest net worth base. The ratings further remain constrained due to the tender-driven and competitive nature of the business. The ratings, however, derive strength from its long track record of operation and experienced and qualified promoters and comfortable capital structure and debt coverage indicators.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Significant improvement in total operating income (TOI) while maintaining profit before interest, lease rentals, depreciation and taxation (PBILDT) margin of 5-6% on sustained basis.
- Significant improvement in net worth base.

Negative factors

- Decline in total operating income below ₹100 crore on sustained basis.
- Elongation in operating cycle above 100 days on sustained basis.

Analytical approach: Standalone

Outlook: Stable

'Stable' outlook reflects CareEdge Ratings' expectation that ABSSPL will continue to benefit from promoter's extensive experience.

Detailed description of key rating drivers:

Key weaknesses

Moderate and fluctuating scale of operations despite long track record coupled with moderate profitability

Despite having long track record, ABSSPL's scale of operations marked by total operating income (TOI) has remained moderate and fluctuating for past five years from ₹25.78 crore in FY21 (refers to period April 1 to March 31) to ₹134.66 crore in FY25 depending on tenders floated by various government departments and success rate of the company. Further, during 11MFY26 (refers to period April 1 to February 28) ABSSPL reported a TOI of ₹262.38 crore, supported by execution of a large order for the Government of Tamil Nadu.

ABSSPL's profitability, marked by profit before interest, lease rentals, depreciation, and taxation (PBILDT) margin remained moderate in the range of 2-6% over past five years ending FY25. PBILDT margin stood at 3.11% in FY25, compared to 5.96% in FY24.

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

Modest net worth base

Although the company's capital structure remained comfortable, its net worth base continued to be relatively modest, standing at ₹21.73 crore as on March 31, 2025, compared to ₹23.30 crore as on March 31, 2024. The company also completed share buyback activity during FY25, resulting in cash outflow of ~₹7 crore.

Tender-driven and competitive nature of the IT infrastructure industry

ABSSPL is engaged in the installation of IT infrastructure solutions, including hardware and software, for applications such as data centres, enterprise IT systems, and security infrastructure, primarily for government entities. The contracts are typically awarded through tenders issued by Central and State Government departments, wherein bidders compete on both technical qualifications and pricing, with the contract generally awarded to the lowest eligible bidder. The company faces competition from several industry participants and their channel partners offering similar solutions. Furthermore, given the relatively low entry barriers in the industry, participants remain exposed to intense competition, which may exert pressure on pricing and profitability.

Key strengths**Long track record of operation and experienced and qualified promoters**

With an established presence of over two decades in the industry, ABSSPL has developed long-standing relationships with its customers, and suppliers. The company is promoted by Yogesh Godbole, a qualified computer engineer with more than two decades of experience in the industry looks after overall operations of the company.

Comfortable capital structure and debt coverage indicators

Capital structure of the company remained comfortable over past five years ending FY25 supported by minimal reliance on long-term external debt along with marginal utilization of the working capital limit. The company primarily utilizes the non-fund-based limits for its operations. Debt coverage indicators also stood comfortable marked by interest coverage ratio (PBILDT/Interest) ratio of 32.52x as on March 31, 2025 (PY: 42.51x).

Liquidity: Adequate

ABSSPL's liquidity remains adequate marked by sufficient cash accruals against no long-term debt obligations and lower utilization of fund-based working capital limits. Utilisation of non-fund-based working capital limits remained at 78.97% for the past twelve months ended February 28, 2026. Operating cycle was negative in FY24 and FY25, resulting from extended credit period from suppliers. Consequently, current ratio stood at 0.91x as on March 31, 2025. Cashflow from operations remained negative in FY25 (₹67.33 crore in FY24). ABSSPL had a free cash and bank balance of ₹1.03 crore as on March 31, 2025.

Assumptions/Covenants: Not applicable

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

Applicable criteria

[Definition of Default](#)

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

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Service Sector Companies](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Information Technology	Information Technology	IT - Hardware	Computers Hardware & Equipments

Established in 1998, Pune based Ace Brain Systems and Software Private Limited (ABSSPL), is promoted by Yogesh Godbole. ABSSPL is an IT infrastructure and systems integration company providing hardware, cloud, networking, and data-centre solutions. It executes turnkey-based projects from designing to installation per customer's requirement. The company delivers comprehensive IT hardware and software solutions, including servers, storage systems, networking setups, desktops, laptops, printing and imaging systems, and virtualization-based deployments, catering to a wide range of enterprise and government clients. ABSSPL is an ISO 9000, ISO 20000, ISO 27000, & CMM Level 3 certified company, primarily engaged in supply of IT products such as desktops, printers, laptops and other hardware products.

Brief Financials (₹ crore)	March 31, 2024 (A)	March 31, 2025 (A)	11MFY26 (UA)
Total operating income	220.37	134.66	262.38
PBILDT*	13.13	4.18	13.27
Profit after tax (PAT)	10.36	5.56	9.88
Overall gearing (x)	0.00	0.00	NA
Interest coverage (x)	42.51	32.51	NM

A: Audited UA: Unaudited; NA: Not available; NM: Not meaningful; 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

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-LT/ST		-	-	-	2.00	CARE BB; Stable / CARE A4
Fund-based/Non-fund-based-LT/ST		-	-	-	10.00	CARE BB; Stable / CARE A4
Non-fund-based - LT-Bank Guarantee		-	-	-	18.00	CARE BB; Stable

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			Date(s) and Rating(s) assigned in 2022-2023
		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	
1	Non-fund-based - LT-Bank Guarantee	LT	18.00	CARE BB; Stable	1)CARE A4; ISSUER NOT COOPERATING* (28-May-25)	1)CARE A4; ISSUER NOT COOPERATING* (24-May-24)	1)CARE A4; ISSUER NOT COOPERATING* (10-Apr-23)	-
2	Fund-based/Non-fund-based-LT/ST	LT/ST	2.00	CARE BB; Stable / CARE A4	1)CARE B; ISSUER NOT COOPERATING* (28-May-25)	1)CARE B+; ISSUER NOT COOPERATING* (24-May-24)	1)CARE B+; ISSUER NOT COOPERATING* (10-Apr-23)	-
3	Fund-based/Non-fund-based-LT/ST	LT/ST	10.00	CARE BB; Stable / CARE A4	1)CARE A4; ISSUER NOT COOPERATING* (28-May-25)	1)CARE A4; ISSUER NOT COOPERATING* (24-May-24)	1)CARE A4; ISSUER NOT COOPERATING* (10-Apr-23)	-

*Issuer did not cooperate; based on best available information.

LT: Long term; LT/ST: Long term/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-LT/ST	Simple
2	Non-fund-based - LT-Bank Guarantee	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.

Contact us

<p>Media Contact</p> <p>Mradul Mishra Director CARE Ratings Limited Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in</p> <p>Relationship Contact</p> <p>Ankur Sachdeva Senior Director CARE Ratings Limited Phone: +91-22-6754 3444 E-mail: Ankur.sachdeva@careedge.in</p>	<p>Analytical Contacts</p> <p>Akhil Goyal Director CARE Ratings Limited Phone: +91-22-6754 3590 E-mail: akhil.goyal@careedge.in</p> <p>Ashish Kashalkar Associate Director CARE Ratings Limited Phone: +91-20-4000 9009 E-mail: Ashish.Kashalkar@careedge.in</p> <p>Yash Bhide Rating Analyst CARE Ratings Limited E-mail: Yash.bhide@careedge.in</p>
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