

May 27, 2026

## Samsung Data Systems India Private Limited: [ICRA]AA+ (Stable); assigned

### Summary of rating action

Instrument*	Current rated amount (Rs. crore)	Rating action
Issuer Rating	0.00	[ICRA] AA+ (Stable); assigned
<b>Total</b>	<b>0.00</b>	

\*Instrument details are provided in Annexure II

### Rationale

The assigned rating factors in the strategic importance of Samsung Data Systems India Private Limited (SDS India) within the Samsung Group, which ensures stable business inflows and provides healthy revenue visibility. The company provides integrated logistics and IT services to Samsung Group entities, resulting in high revenue visibility and established client relationships, albeit leading to elevated customer concentration risk. The entity is promoted by Samsung SDS Co., Ltd., South Korea (Samsung SDS Korea), a listed company on the Korean Stock Exchange (Ticker: 018260: KRX), and a global provider of information technology (IT) and logistics services. The parent's service offerings include system integration (SI), cloud solutions, and IT outsourcing (ITO), with a strong focus on Samsung Group companies, along with technology-driven global logistics and supply chain management (SCM) consulting capabilities. The strong parent profile supports SDS India through continuous business sourcing, operational expertise, and technological backing, while also offering comfort regarding financial support, if required.

SDS India has a moderate scale (revenues of Rs. 2,437.9 crore in FY2026, as per provisional figures) yet a diversified operating profile, with revenues derived from both logistics services (~51%) and IT consultancy/services (~49%). This dual-segment presence lends stability to revenues across business cycles, supported by a mix of volume-driven logistics operations and relatively higher value-added IT services.

The company's financial risk profile remains strong, characterised by a debt-free capital structure, sizeable liquidity (cash reserves and liquid investments of Rs. 849.3 crore as of March 2026), and robust coverage metrics (TD/OPBDITA of 0.3x and DSCR of 6.6x in FY2026). Healthy accrual generation and limited capex requirements (primarily maintenance capex and IT-related investments) aid in comfortable internal funding of operations, reducing reliance on external borrowings (limited to only lease obligations). Cash flow generation has remained stable and adequate (net cash accruals of Rs. 200-250 crore p.a. during FY2023-FY2026), further strengthening its financial flexibility.

The credit profile is constrained by significant dependence on Samsung Group entities, which exposes the company to concentration risk and reduces diversification of its revenue base. Any change in group-level sourcing strategies or demand patterns could materially impact its business performance.

ICRA notes that the company has material contingent liabilities arising from indirect tax litigations, which, although largely contested, could result in potential cash outflow in case of adverse outcomes. Further, given its exposure to logistics operations, the entity remains susceptible to global supply-chain disruptions, geopolitical developments, and freight cost volatility, which may impact operating efficiency and margins.

The Stable outlook reflects ICRA's expectation that SDS India will continue to benefit from its parentage and strategic linkage with the Samsung Group, supporting steady revenue generation and cash flows over the medium term, helping the company maintain its credit profile.

## Key rating drivers and their description

### Credit strengths

**Access to operational and financial support from parent entity; strategic role within Samsung ecosystem ensures steady business inflow** – SDS India, a wholly-owned subsidiary of Samsung SDS Korea, derives significant strategic importance as an integrated logistics and IT solutions provider to Samsung Group entities. The entity supports supply chain and enterprise IT requirements across the Group’s India operations, resulting in stable demand visibility and recurring business flows. The strong parentage also provides operational and financial support in terms of business sourcing, technology support, and potential funding support in case of exigencies.

**Diversified revenue profile across logistics and IT services** – The company operates across two key segments— logistics services and IT/consultancy services — which together contribute meaningfully to the overall revenues. This dual-segment presence provides internal diversification, wherein logistics revenues are driven by volume throughput while IT services offer relatively higher margin (IT consultancy) and value-added streams. The integrated offering enhances client stickiness, particularly within the Samsung ecosystem, and supports stability in revenue generation across business cycles.

**Strong financial risk profile, marked by debt-free balance sheet and robust liquidity** – The entity’s financial profile is characterised by a debt-free capital structure, with no external borrowings and only limited lease liabilities. This results in nil gearing and strong solvency metrics, providing significant headroom to absorb shocks or fund expansion, if required. Additionally, the company maintains sizeable cash and bank balances (Rs. 849.7 crore as of March 31, 2026), leading to a strong liquidity position.

### Credit challenges

**High dependence on Samsung Group entities, leading to customer concentration risk** – A significant portion of the entity’s revenues and receivables is derived from Samsung Group companies. While this supports business stability, it also results in high customer concentration, exposing the company to risks arising from any changes in group-level procurement strategies, demand patterns, or geographic allocation of activities. Limited presence of third-party clients constrains revenue diversification and independent scalability.

**Exposure to global logistics risks including geopolitical disruptions and freight cost volatility** – Given its involvement in logistics operations, the entity remains exposed to macro-level risks such as geopolitical tensions, supply-chain disruptions, and volatility in freight and fuel costs. These factors can impact both operational efficiency and cost structures, particularly in international logistics segments. While a part of these risks is mitigated through contract structures, sustained volatility could put pressure on margins and execution timelines.

### Liquidity position: Strong

SDS India’s liquidity position remains Strong, characterised by expected cash flow from operations of Rs. 150-200 crore in FY2027. Against this, the company has nil repayment obligation and capex requirements of Rs. 90-100 crore p.a. Further, the company has cash/bank balances and liquid investments to the tune of Rs. 849.3 crore as of March 2026 at a standalone level.

### Rating sensitivities

**Positive factors** – The rating could be upgraded in case of a meaningful scale-up in earnings while maintaining strong credit metrics, along with meaningful diversification in the customer profile beyond Samsung Group entities on a sustained basis.

**Negative factors** – The rating could witness a downward revision in case of any material weakening in the credit profile of the parent entity or business linkages with Samsung Group entities. Further, any adverse outcome in litigations or any capex resulting in sizeable cash outflows, or sustained pressure on margins due to logistics-related risks, could impact the credit profile.

## Analytical approach

Analytical approach	Comments
Applicable rating methodologies	<a href="#">Corporate Credit Rating Methodology</a> <a href="#">IT - Software &amp; Services</a>
Parent/Group support	Parent entity: Samsung SDS Co. Ltd.  The rating factors in the very high likelihood of its parent entity extending financial support to SDS India due to its strategic importance and close business linkages. ICRA expects the parent entity to remain willing to extend financial support to SDS India, driven by the need to protect their reputation from the consequences of a Group entity's distress.
Consolidation/Standalone	Standalone

## About the company

Samsung Data Systems India Pvt. Ltd. (SDS India) is the Indian subsidiary of Samsung SDS Co., Ltd., South Korea, which functions as the IT services and digital transformation arm of the Samsung Group. The parent entity, Samsung SDS Co. Ltd., is a globally established provider of enterprise IT solutions and logistics platforms, with a strong presence across multiple geographies.

SDS India primarily operates as an offshore delivery and technology support centre, catering to both, Samsung Group companies (anchor clients constituting a bulk of the revenues,) and select third-party global clients.

## Key financial indicators (audited)

SDS India (Standalone)	FY2024	FY2025	FY2026*
Operating income	2,112.8	2,513.8	2,437.9
PAT	140.6	169.1	177.8
OPBDIT/OI	10.8%	11.2%	11.1%
PAT/OI	6.7%	6.7%	7.3%
Total outside liabilities/Tangible net worth (times)	0.7	0.7	0.5
Total debt/OPBDIT (times)	0.3	0.2	0.3
Interest coverage (times)	66.5	33.4	25.6

Source: Company, ICRA Research; \* Provisional numbers; All ratios as per ICRA's calculations; Amount in Rs. crore

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation

**Status of non-cooperation with previous CRA: Not applicable**

**Any other information: None**

## Rating history for past three years

Current rating (FY2027)			Chronology of rating history for the past 3 years						
Instrument	Type	Amount rated (Rs. crore)	FY2026		FY2025		FY2024		
			Date	Rating	Date	Rating	Date	Rating	
<b>Issuer Rating</b>	Long Term	0.00	May 27, 2026	[ICRA] AA+ (Stable)	-	-	-	-	-

### Annexure I: Disclosure pursuant to the SEBI Circular SEBI/HO/DDHS/DDHS-PoD-2/I/4685/2026 dated February 10,2026

ICRA rated Instruments fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Instrument	FSR
1	Listed/Proposed to be listed Bonds/Debentures/Preference Shares (all securities)	SEBI
2	Unlisted/Proposed to be unlisted Bonds/Debentures/ Preference share (all securities)	MCA
3	Listed PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	SEBI
4	Listed PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	SEBI
5	Unlisted PTCs / Securitisation Notes (originated by entities regulated by RBI) (*)	RBI
6	Listed Commercial Paper and NCDs with original maturity less than 1 year	RBI
7	Unlisted Commercial Paper and NCDs with original maturity less than 1 year	RBI
8	Loan Facilities (Fund/Non-Fund Based) from Bank / NBFCs/ NHB/ FIs (\$)	RBI
9	External Commercial Borrowings/Loans from overseas branches of Indian Banks/other similar borrowings	RBI
10	Certificates of Deposit	RBI
11	Fixed Deposits raised by NBFCs, Banks, HFCs, FIs	RBI
12	Fixed Deposits raised by corporates other than NBFCs, Banks, HFCs, FIs	MCA
13	Inter Corporate Deposits/Loans extended by Corporates	MCA
14	Listed Security Receipts	SEBI
15	Unlisted Security Receipts	RBI
16	Unlisted PTCs / Securitisation Notes (originated by entities not regulated by RBI) (*)	Investor-side Regulator such as IRDAI, PFRDA (%)

(\*) Includes securitisation transactions involving assignee payout, acquirer's payout.

(\$) Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

(%) These ratings were assigned prior to the introduction of SEBI CRA Circular dated Feb 10, 2026 and accordingly, investor side FSRs have been mentioned.

Other Activities offered by ICRA fall under regulatory purview of various Financial Sector Regulators (FSR) as under:

Sr. No.	Activity Name	FSR
1	Credit Ratings for Capital Protection Oriented Schemes (by Mutual Funds and AIFs)	SEBI
2	Credit quality ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
3	Independent Credit Evaluation (ICE)	RBI
4	Expected Loss Ratings (For Loan Facilities [Fund/Non-Fund based] from Banks/NBFCs/NHB/FIs)	RBI
5	Expected Loss Ratings (Listed / Proposed to be listed Bonds / Debentures / Preference Shares (all securities))	SEBI
6	Expected Loss Ratings (Unlisted / Proposed to be unlisted Bonds/ Debentures / Preference Shares (all securities))	MCA
7	Credit Rating of Borrowing programme	(@)

8	Issuer Ratings	(#)
9	Monitoring Agency	SEBI
10	Research activities, incidental to rating such as research for Economy & Industries (permitted by SEBI vide SEBI Master Circular for CRAs)	NA

(@) The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), etc. The regulator of the instrument can only be determined upon issuance. Accordingly, ICRA shall capture the rated quantum details along with names of respective FSR in the press release(s) after the issuance(s) of the instruments.

(#) Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

**Disclosure:** SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

### Complexity level of the rated instruments

Instrument	Complexity indicator
Issuer Rating	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: [Click here](#)

### Annexure II: Instrument details

ISIN	Instrument name	Date of issuance	Coupon rate	Maturity	Amount rated (Rs. crore)	Current rating and outlook
NA	Issuer Rating	NA	NA	NA	NA	[ICRA]AA+ (Stable)

Source: Company

### Annexure III: List of entities considered for consolidated analysis – Not Applicable

## ANALYST CONTACTS

**Jitin Makkar**

+91 124 4545 368

[jitinm@icraindia.com](mailto:jitinm@icraindia.com)

**Srikumar Krishnamurthy**

+91 44 4596 4318

[ksrikumar@icraindia.com](mailto:ksrikumar@icraindia.com)

**Rohan Kanwar Gupta**

+91 124 4545 808

[rohan.kanwar@icraindia.com](mailto:rohan.kanwar@icraindia.com)

**Shaurya Gupta**

+91 124 4545 869

[shaurya.gupta@icraindia.com](mailto:shaurya.gupta@icraindia.com)

## RELATIONSHIP CONTACT

**L. Shivakumar**

+91 22 6114 3406

[shivakumar@icraindia.com](mailto:shivakumar@icraindia.com)

## MEDIA AND PUBLIC RELATIONS CONTACT

**Ms. Naznin Prodhani**

Tel: +91 124 4545 860

[communications@icraindia.com](mailto:communications@icraindia.com)

## HELPLINE FOR BUSINESS QUERIES

+91-9354738909 (open Monday to Friday, from 9:30 am to 6 pm)

[info@icraindia.com](mailto:info@icraindia.com)

## ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

For more information, visit [www.icra.in](http://www.icra.in)

## ICRA Limited



### Registered Office

B-710, Statesman House, 148 Barakhamba Road, New Delhi-110001

Tel: +91 11 23357940-45



### Branches



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