

Date: 13.03.2025

To,  
Manager - Listing Compliance  
National Stock Exchange of India Limited  
'Exchange Plaza'. C-1, Block G,  
Bandra Kurla Complex, Bandra (E),  
Mumbai - 400 051  
Symbol: LANCORHOL

To,  
Corporate Relationship Department,  
BSE Limited,  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai - 532370.  
Scrip Code : 509048

Dear Sir/Madam,

**Sub: Intimation under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulations, 2015, we wish to inform you the following:

The Company's credit rating has been upgraded and CARE has assigned the following credit rating to the Company which was notified and published in [www.careedge.in](http://www.careedge.in) on 12<sup>th</sup> March, 2025.

S.No	Particulars	Rating
1	Long Term Bank Facilities	CARE BB; Stable (Double B, outlook: Stable)
2	Short Term Bank Facilities	CARE A4+ (Single A four plus)

Request you to kindly take the same on record as required under the provisions of the above captioned Regulation.

This is for your information.

Thanking You,

Yours Faithfully,

For **LANCOR HOLDINGS LIMITED**

**KAUSHANI CHATTERJEE**  
**COMPANY SECRETARY & COMPLIANCE OFFICER**

**Lancor Holdings Limited**

VTN Square, 2nd Floor, No.58, (Old No.104) G.N. Chetty Road,  
T. Nagar, Chennai - 600017 +91 44 28345880-83 | [www.lancor.in](http://www.lancor.in)  
CIN:- L65921TN1985PLC049092 GSTIN:- 33AAACD2547C1ZA

## Lancor Holdings Limited

March 12, 2025

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	19.51 (Reduced from 28.38)	CARE BB; Stable	Upgraded from CARE B+; Stable
Short Term Bank Facilities	5.00	CARE A4+	Upgraded from CARE A4
Long Term Bank Facilities	-	-	Withdrawn

Details of instruments/facilities in Annexure-1.

### Rationale and key rating drivers

The revision in the ratings assigned to the bank facilities of Lancor Holdings Limited (LHL) factors in the improvement in capital structure resulting from preferential allotment of equity in June 2024 and debt reduction over the period and improved sales momentum on the back of settlement of legal dispute on its ongoing projects. The rating remains constrained by project implementation risk associated with the ongoing/new projects, inherent cyclicity and intense competition in the real estate industry along with geographical concentration risk as the LHL's projects are primarily limited only to Chennai region. The ratings derive comfort from the long-standing experience of the promoters in the real estate industry.

CARE Ratings Limited (CARE Ratings) has withdrawn the long-term rating assigned to the term loan facility of the company as it has repaid the aforementioned facility in full and there is no amount outstanding under the loan as on date as per the no due confirmation from the lender.

### Rating sensitivities: Factors likely to lead to rating actions

#### Positive factors

- Successful completion of the ongoing projects without any timeline extension and cost escalation.
- Sustained average collection above ₹250 crores per annum.

#### Negative factors

- Any large delays in the scheduled completion and slowdown in sales momentum of the ongoing projects

### Analytical approach: Standalone

#### Outlook: Stable

CARE Ratings believes that the operations of the company will continue to remain stable in the medium-term deriving benefit from the long-standing experience of the promoters in the real estate industry.

### Detailed description of key rating drivers:

#### Key weaknesses

#### Project Implementation Risk

Company has resolved a dispute over its ongoing project in Sriperumbudur (Harmonia, Temple town, Town & Country) in June 2024, gaining full ownership. Company has also obtained long pending approval for one of its key projects during the year which improved the construction momentum. These resolutions helped the company to bolster the sales velocity. Company has surpassed its FY24 TOI in 9MFY25. All ongoing projects have shown substantial development, indicating improved implementation. Signature projects like Lumina (H2 & ABC) and Infinys phase II apartments are in the final stages of construction.

<sup>1</sup>Complete definition of ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Limited's publications.

Company is currently executing about ten apartment/villa projects and one land project with a combined saleable area of 7.55 lakh square feet (lsf) of which the land projects form 32% of the total saleable area. As on December 30, 2024, against the estimated project cost of ₹294.23 Cr, the company has already incurred cost of ₹202.92 Cr. The remaining cost to be incurred in the on-going projects is ₹91.31 crore which is expected to be met through the customer advances receivables from already sold units, which stood at ₹61.16 crore as on December 2024 end and rest through fresh sales from ongoing project. Given the dependence on customer advances, moderation in sales booking and collections in the ongoing projects is likely to impact the construction progress. The company frequently enters into joint development agreements with partners, which can create dependencies. These dependencies pose risks, as disagreements with partners could significantly impact construction progress and expected collections, potentially leading to slowdowns.

### **Projects with High Geographic Concentration Risk**

The company's near-term focus is heavily concentrated in Sriperumbudur, with one major plotted development project and two villa projects in the same location. Over the next two to three years, most upcoming projects will be launched in this area, with a few involving joint development partners. This high concentration poses some risk, as a significant portion of collections will come from the Sriperumbudur site. However, the site's high growth potential and proximity to a developing area are expected to moderately mitigate these collection risks.

### **Exposure to inherent risks and cyclicity in the real estate industry**

The real estate market is inherently cyclical, leading to fluctuations in sales and realizations, which can result in volatile cash inflows. Meanwhile, outflows, such as construction cost and debt repayments, remain relatively fixed. A downturn in demand could further reduce collections and cash flow, exacerbating financial pressures.

### **Key strengths**

#### **Comfortable capital structure**

Company has reduced its debt level over the past few years from ₹206 crores in March 21 to ₹97 crores in March 24. Overall gearing has improved from 1.45x as of March 21 to 0.71x as of March 24. In June 2024, company has made a preferential issue of equity for ₹55 crores further strengthening the net worth position. Overall gearing as of September 2024 improved to 0.63x with total debt of ₹126.66 crores. While the company has plans to avail term loan around ₹50 crores for the upcoming projects capital structure is expected to remain comfortable below 1x in the near term.

#### **Long standing experience of the promoter and established track record of operations**

LHL was incorporated in the year 1985 and has over 30 years of operations in the Chennai market. LHL is promoted by Mr. R.V Sekhar who has more than 40 years of experience spanning FMCG, IT & Real estate. LHL's board consists of seven other members which includes one non-executive chairman, four independent directors and two non-independent directors. Mr. R.V Sekhar (Chartered Accountant) is Managing director of the company. LHL has so far completed around 78 projects involving a saleable area of 53.67 lsf which includes few major projects in Chennai.

#### **Liquidity: Stretched**

The liquidity profile of the company is stretched with moderate cash and bank balance of ₹6.32 Cr held as on Sep 30, 2024. The collection for the period between April 24 to December 24 was moderate at ₹126.85 Cr. The company had committed receivable of only ₹61.16 Cr as against the total debt outstanding of ₹88.09 Cr and the pending construction cost of ₹91.31 Cr as on December 31, 2024.

## Applicable criteria

[Definition of Default](#)

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

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[Withdrawal Policy](#)

[Rating methodology for Real estate sector](#)

[Short Term Instruments](#)

## About the company and industry

### Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer Discretionary	Realty	Realty	Residential, Commercial Projects

Incorporated in the year 1985, Lancor Holdings Limited (LHL) is promoted by Mr. R V Sekhar and is engaged primarily in development of residential real estate projects in Chennai, Tamil Nadu. LHL has also developed a few commercial properties in the past. The company has completed 78 projects with an area of 53.67 Lsft since inception.

Brief Financials (₹ crore)	March 31, 2023 (A)	March 31, 2024 (A)	9MFY25 (UA)
Total operating income	114.19	137.57	138.88
PBILDT	21.66	24.22	29.04
PAT	-0.30	6.76	8.25
Overall gearing (times)	0.85	0.71	NA
Interest coverage (times)	1.08	1.84	2.06

A: Audited UA: Unaudited; NA; Not Available; Note: these are latest available financial results

**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 - LT-Working Capital Limits		-	-	-	0.00	Withdrawn
Fund-based - ST-Bank Overdraft		-	-	-	5.00	CARE A4+
Term Loan-Long Term		-	-	December 2026	15.62	CARE BB; Stable
Term Loan-Long Term		-	-	July 2028	3.89	CARE BB; Stable

## 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 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Term Loan-Long Term	LT	3.89	CARE BB; Stable	-	1)CARE B+; Stable (03-Jan-24) 2)CARE D (12-Sep-23) 3)CARE BB; Stable (05-Apr-23)	1)CARE B+; Stable (15-Jul-22) 2)CARE D (06-Apr-22)	-
2	Fund-based - LT-Working Capital Limits	LT	-	-	-	1)CARE B+; Stable (03-Jan-24) 2)CARE C (12-Sep-23) 3)CARE BB; Stable (05-Apr-23)	1)CARE B+; Stable (15-Jul-22) 2)CARE D (06-Apr-22)	-
3	Fund-based - ST-Bank Overdraft	ST	5.00	CARE A4+	-	1)CARE A4 (03-Jan-24) 2)CARE A4 (12-Sep-23) 3)CARE A4 (05-Apr-23)	1)CARE A4 (15-Jul-22) 2)CARE D (06-Apr-22)	-
4	Term Loan-Long Term	LT	15.62	CARE BB; Stable	-	1)CARE B+; Stable (03-Jan-24) 2)CARE C (12-Sep-23)	-	-

LT: Long term; ST: 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 - LT-Working Capital Limits	Simple
2	Fund-based - ST-Bank Overdraft	Simple
3	Term Loan-Long Term	Simple

**Annexure-5: Lender details**

To view the lender wise details of bank facilities please [click here](#)

**Note on complexity levels of rated instruments:** CARE 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><b>Media Contact</b></p> <p>Mradul Mishra Director <b>CARE Ratings Limited</b> Phone: +91-22-6754 3596 E-mail: <a href="mailto:mradul.mishra@careedge.in">mradul.mishra@careedge.in</a></p> <p><b>Relationship Contact</b></p> <p>Ankur Sachdeva Senior Director <b>CARE Ratings Limited</b> Phone: +91-22-6754 3444 E-mail: <a href="mailto:Ankur.sachdeva@careedge.in">Ankur.sachdeva@careedge.in</a></p>	<p><b>Analytical Contacts</b></p> <p>Sandeep P Director <b>CARE Ratings Limited</b> Phone: 044-2850 1002 E-mail: <a href="mailto:sandeep.prem@careedge.in">sandeep.prem@careedge.in</a></p> <p>Ratheesh Kumar Associate Director <b>CARE Ratings Limited</b> Phone: 044-2850 1020 E-mail: <a href="mailto:ratheesh.kumar@careedge.in">ratheesh.kumar@careedge.in</a></p> <p>Bhuvaneshwaran Balamurugan Analyst <b>CARE Ratings Limited</b> E-mail: <a href="mailto:Bhuvaneshwaran.b@careedge.in">Bhuvaneshwaran.b@careedge.in</a></p>
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

### About us:

Established in 1993, CARE 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 RBI. With an equitable position in the Indian capital market, CARE 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, CARE 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. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

### Disclaimer:

The ratings issued by CARE Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE Ratings is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. CARE Ratings is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CARE Ratings. The ratings of CARE Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades.

**For detailed Rationale Report and subscription information,  
please visit [www.careedge.in](http://www.careedge.in)**