

## Lancor Holdings Limited

March 31, 2026

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	19.51	CARE BB; Stable; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category
Short Term Bank Facilities	5.00	CARE A4+; ISSUER NOT COOPERATING*	Rating moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

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

### Rationale and key rating drivers

CARE Ratings Ltd. (CareEdge Ratings) has been seeking information from Lancor Holdings Limited (LHL) to monitor the rating vide e-mail communications dated March 16, 2026, March 03, 2026, February 26, 2026, among others and numerous phone calls. However, despite our repeated requests, the company has not provided the requisite information for monitoring the ratings.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating. The rating on Lancor Holdings Limited bank facilities will now be denoted as **CARE BB; Stable; ISSUER NOT COOPERATING /CARE A4+; ISSUER NOT COOPERATING\***.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

The ratings have been revised on account of non-availability of requisite information due to non-cooperation by Lancor Holdings Limited with CareEdge Rating's efforts to undertake a review of the outstanding ratings as CARE views information availability risk as key factor in its assessment of credit risk profile.

The rating assigned to the bank facilities of LHL continues to remain 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.

**Analytical approach:** Standalone

**Outlook:** Stable

### Detailed description of key rating drivers:

At the time of last rating on March 12, 2025, the following were the rating strengths and weaknesses (updated for the information available from stock exchange).

#### 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. Company is currently executing about ten apartment/villa projects and one land project with a combined saleable area of 7.55 lakh square feet (1sf) 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

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

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 cyclical 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 ₹136 crores in March 25. Overall gearing has improved from 1.45x as of March 21 to 0.68x as of March 25. The company has made a preferential issue of equity for ₹55 crores in June 2024 and issue of warrant for ₹10 cr. in April 2025 further strengthening the net worth position.

#### 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.

### Applicable criteria

[Definition of Default](#)

[Information Adequacy Risk and Issuer Non-Cooperation](#)

[Rating Outlook and Rating Watch](#)

[Financial Ratios – Non financial Sector](#)

[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, 2024 (A)	March 31, 2025 (A)	9MFY26 (UA)
Total operating income	137.57	184.48	108.87
PBILDT*	24.22	34.51	15.10
Profit after tax (PAT)	6.76	9.21	-2.35
Overall gearing (x)	0.71	0.68	NA
Interest coverage (x)	1.84	1.80	1.00

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

\*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 - ST-Bank Overdraft		-	-	-	5.00	CARE A4+; ISSUER NOT COOPERATING*
Term Loan-Long Term		-	-	December 2026	15.62	CARE BB; Stable; ISSUER NOT COOPERATING*
Term Loan-Long Term		-	-	July 2028	3.89	CARE BB; Stable; ISSUER NOT COOPERATING*

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

#### 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 2025-2026	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
1	Term Loan-Long Term	LT	3.89	CARE BB; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB; Stable (12-Mar-25)	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)Withdrawn (12-Mar-25)	1)CARE B+; Stable	1)CARE B+; Stable

							(03-Jan-24) 2)CARE C (12-Sep-23) 3)CARE BB; Stable (05-Apr-23)	(15-Jul-22) 2)CARE D (06-Apr-22)
3	Fund-based - ST-Bank Overdraft	ST	5.00	CARE A4+; ISSUER NOT COOPERATING *	-	1)CARE A4+ (12-Mar-25)	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; ISSUER NOT COOPERATING *	-	1)CARE BB; Stable (12-Mar-25)	1)CARE B+; Stable (03-Jan-24) 2)CARE C (12-Sep-23)	-

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

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 - ST-Bank Overdraft	Simple
2	Term Loan-Long Term	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.

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