



Press Release

Shalimar Corp Limited

March 15, 2024

Ratings:

Instrument / Facility	Amount (INR Crore)	Ratings	Rating Action	Complexity Indicator
Long Term Fund Based Bank Facilities – Term Loans	36.20	IVR BBB-/ INC Negative, (IVR Triple B Minus with Negative Outlook) *(Issuer Non-Cooperating Category)	Downgraded and moved to ISSUER NOT COOPERATING category	Simple
Long Term Fund Based Bank Facilities – GECL	6.67	IVR BBB-/ INC Negative, (IVR Triple B Minus with Negative Outlook) *(Issuer Non-Cooperating Category))	Downgraded and moved to ISSUER NOT COOPERATING category	Simple
Long Term Fund Based Bank Facilities – Cash Credit	50.00	IVR BBB-/ INC Negative, (IVR Triple B Minus with Negative Outlook) *(Issuer Non-Cooperating Category)	Downgraded and moved to ISSUER NOT COOPERATING category	Simple
Long Term Fund Based Bank Facilities – Overdraft	1.00	IVR BBB-/ INC Negative, (IVR Triple B Minus with Negative Outlook) *(Issuer Non-Cooperating Category)	Downgraded and moved to ISSUER NOT COOPERATING category	Simple
Short Term Non-Fund Based Bank Facilities – Bank Guarantee	175.00	IVR A3/INC (IVR A Three) *(Issuer Non-Cooperating Category)	Downgraded and moved to ISSUER NOT COOPERATING category	Simple
Total	268.87	(Rupees Two Hundred Sixty-Eight Crore and Eighty-Seven Lakh Only)		

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

Details of Facility are in Annexure 1

Detailed Rationale

Infomerics has downgraded the ratings of SCL due to lack of adequate information available.

Infomerics assesses whether the information available about the entity is commensurate with its rating and reviews the same as per its policy.



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The lenders, investors and other market participants are thus advised to exercise appropriate caution while using this rating as the rating may not adequately reflect the credit risk profile of the entity.

Non-cooperation by Issuer

Infomerics has been regularly following up with the SCL to provide the required data to monitor its assigned rating to the bank facilities, vide mail communications dated January 11 2024, January 15 2024, January 24 2024 January 25 2024, January 29 2024 January 30 2024, February 20 2024, February 26 2024, March 1 2024 and concurrently over several phone calls. However, despite repeated requests by Infomerics, the company's management has not submitted some of the essential details.

Availability of information is very critical in rating exercise. In the absence of the requisite information, in consonance with SEBI guidelines, Infomerics has to assign the rating based on the best available information. Accordingly, the ratings for the bank facilities of Shalimar Corp Limited aggregating Rs. 268.87 crore has been downgraded and moved to 'ISSUER NOT COOPERATING' to IVR BBB-/ Negative; ISSUER NOT COOPERATING / IVR A3; ISSUER NOT COOPERATING category by Infomerics.

Analytical Approach: Standalone

Applicable Criteria:

[Rating Methodology for Infrastructure Companies](#)

[Rating Methodology for Real Estate Companies](#)

[Financial Ratios & Interpretation \(Non-Financial Sector\)](#)

[Guidelines on what constitutes Non-Cooperation by clients](#)

[Criteria of Rating Outlook](#)

[Policy of default recognition](#)

About the Company

SCL, incorporated in 1988, is a real estate developer with primary operations in Lucknow, and has later started operations as a civil works contractor for government entities in 2009. Over



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the past 25 years, Company has completed a diverse portfolio of projects, including real estate, property management, and civil construction in the residential and commercial segment. Mr Sanjay Seth, Mr Masood Ahmed, and their associates have equal shares in SCL.

Financials: Standalone

For the year ended / As on	(Rs. crore)	
	31-Mar-2022 (Audited)	31-Mar-2023 (Provisional)
Total Operating Income	277.78	421.22
EBITDA	30.72	47.54
PAT	16.71	34.83
Total Debt	200.94	188.11
Adjusted Tangible Net worth	317.58	343.27
EBITDA Margin (%)	11.06	11.29
PAT Margin (%)	5.45	7.65
Overall Gearing Ratio (times)	0.46	0.43

* Classification as per Infomerics' standards

Status of non-cooperation with previous CRA: Nil

Any other information: None

Rating History for last three years:

		Current Ratings (Year 2023-24)			Rating History for the past 3 years		
Sr. No.	Name of Instrument / Facilities	Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2019-20
Press Release Date					January 13,2023	Oct 14, 2021	
1.	Term Loans	Long Term	36.20	IVR BBB-/ Negative Outlook; *ISSUER NOT COOPERATING	IVR BBB / Stable	IVR BBB / Stable	--
2.	GECL	Long Term	6.67	IVR BBB-/ Negative Outlook; *ISSUER NOT COOPERATING	IVR BBB / Stable	IVR BBB / Stable	--



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		Current Ratings (Year 2023-24)			Rating History for the past 3 years		
Sr. No.	Name of Instrument / Facilities	Type	Amount outstanding (Rs. Crore)	Rating	Date(s) & Rating(s) assigned in 2022-23	Date(s) & Rating(s) assigned in 2021-22	Date(s) & Rating(s) assigned in 2019-20
Press Release Date					January 13,2023	Oct 14, 2021	
3.	Cash Credit	Long Term	50.00	IVR BBB-/ Negative Outlook; *ISSUER NOT COOPERATING	IVR BBB / Stable	IVR BBB / Stable	--
4.	Overdraft	Long Term	1.00	IVR BBB-/ Negative Outlook; *ISSUER NOT COOPERATING	IVR BBB / Stable	IVR BBB / Stable	--
5.	Bank Guarantee	Short Term	175.00	IVR A 3 *ISSUER NOT COOPERATING	IVR A3+	IVR BBB / Stable	--

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

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About Infomerics:

Infomerics Valuation and Rating Private Ltd (Infomerics) was founded in the year 1986 by a team of highly experienced finance professionals for research and risk evaluation. Infomerics commenced its activities as External Credit Assessment Institution after obtaining registration from Securities Exchange Board of India (SEBI) and accreditation from Reserve Bank of India (RBI).

Adhering to best international practices and maintaining high degree of ethics, the team of analysts at Infomerics deliver quality credit ratings. Infomerics evaluates wide range of debt instruments which helps corporates access to financial markets and provides investors credit ratings backed by in-depth research. The transparent, robust, and credible ratings have gained the confidence of investors and the banks.

Infomerics has a pan India presence with Head Office in Delhi and Corporate Office at Mumbai, with branches in major cities and representatives in several locations.

Infomerics also has international presence with credit rating operations in Nepal through its JV subsidiary.

For more information visit www.infomerics.com

Disclaimer: Infomerics ratings are based on information provided by the issuer on an 'as is where is' basis. Infomerics credit ratings are an opinion on the credit risk of the issue / issuer and not a recommendation to buy, hold or sell securities. Infomerics reserves the right to change or withdraw the credit ratings at any point in time. Infomerics ratings are opinions on financial statements based on information provided by the management and information obtained from sources believed by it to be accurate and reliable. The credit quality ratings are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. We, however, do not guarantee the accuracy, adequacy or completeness of any information, which we accepted and presumed to be free from misstatement, whether due to error or fraud. We are not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by us have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns/Association of Persons (AOPs), the rating assigned by Infomerics is based on the capital deployed by the partners/proprietor/ AOPs and the financial strength of the firm at present. The rating may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor/ AOPs in addition to the financial performance and other relevant factors.



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Annexure 1: Details of Instruments / Facilities

Name of Facility	Date of Issuance	Coupon Rate/ IRR	Maturity Date	Size of Facility (Rs. Crore)	Rating Assigned/ Outlook
Long Term-Term Loan	–	–	FY25	11.36	IVR BBB-/ Negative Outlook; ISSUER NOT COOPERATING*
Long Term-Term Loan	–	–	FY26	24.84	IVR BBB-/ Negative Outlook; ISSUER NOT COOPERATING*
Long Term-GECL	–	–	–	6.67	IVR BBB-/ Negative Outlook; ISSUER NOT COOPERATING*
Long Term-Cash Credit	–	–	–	50.00	IVR BBB-/ Negative Outlook; ISSUER NOT COOPERATING*
Long Term-Overdraft	--	--	--	1.00	IVR BBB-/ Negative Outlook; ISSUER NOT COOPERATING*
Short Term-Bank Guarantee	--	--	--	175.00	IVR A3 ISSUER NOT COOPERATING*

* Issuer did not cooperate; based on best available information

Annexure 2: List of companies considered for consolidated analysis: Not Applicable

Annexure 3: Facility wise lender details: Not Available.

Annexure 4: Detailed explanation of covenants of the rated instrument/facilities: Not Applicable

Note on complexity levels of the rated instrument: Infomerics has classified instruments rated by it on the basis of complexity and a note thereon is available at www.infomerics.com.