

August 04, 2023

Skylark Infra Engineering Private Limited (erstwhile Skylark Securitas Private Limited): Ratings withdrawn

Summary of rating action

Instrument*	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long-term Fund-based – Cash credit	90.75	90.75	[ICRA]BBB+(Positive); Withdrawn
Short-term – Non-fund based – Bank guarantee	201.00	201.00	[ICRA]A2; Withdrawn
Total	291.75	291.75	

*Instrument details are provided in Annexure I

Rationale

ICRA has withdrawn the rating assigned to the bank facilities of Skylark Infra Engineering Private Limited (erstwhile Skylark Securitas Private Limited) at the request of the company and based on the No Objection Certificate (NOC) received from the bankers, and in accordance with ICRA's policy on withdrawal of credit ratings. However, ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed.

The key rating drivers, liquidity position and rating sensitivities have not been captured as the rated instruments are being withdrawn. The previous detailed rating rationale is available at the following link: [Click here.](#)

Analytical approach

Analytical Approach	Comments
Applicable rating methodologies	Corporate Credit Rating Methodology Policy on Withdrawal of Credit Ratings Rating Methodology for Construction Entities.
Parent/Group support	Not Applicable
Consolidation/Standalone	Standalone

About the company

Established in 2000 by Major (Dr.) T. C. Rao, the Skylark Group started by providing human resource, security services and advisory services. At present, the company is into toll management and EPC contracting business, apart from providing security services, highways O&M and toll collection services. It has an experience of managing over 300 toll plazas across the country. Over the past two years, the company has increased its focus on construction of roads, bridges, flyover, underpass, etc, while the toll collection continues to remain the key segment accounting for about three-fourth of its total revenues.

Key financial indicators (Audited)

	FY2021	FY2022	9M FY2023 (Provisional)
Operating Income (Rs. crore)	649.77	1212.67	1307.75
PAT (Rs. crore)	23.16	40.41	58.69
OPBDITA/OI	8.04%	7.66%	8.56%
PAT/OI	3.56%	3.33%	4.49%
Total Outside Liabilities/Tangible Net Worth (times)	1.50	1.60	0.80
Total Debt/OPBDITA (times)	2.85	2.08	1.51
Interest Coverage (times)	4.24	4.52	6.51

PAT: Profit after tax; OPBDIT: Operating profit before depreciation, interest, taxes and amortisation; Amount in Rs. crore

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

SN	Instrument	Current Rating (FY2024)			Chronology of Rating History for the Past 3 Years				
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs. crore)	Date & Rating in	Date & Rating in	Date & Rating in	Date & Rating in FY2021	
					Aug 04, 2023	Apr 05, 2023	Mar 09, 2022	Jan 27, 2021	Dec 23, 2020
1	Fund-based limits – Cash credit	Long-term	90.75	-	[ICRA]BBB+(Positive); Withdrawn	[ICRA]BBB+ (Positive)	[ICRA]BBB+ (Stable)	[ICRA]BBB (Positive)	[ICRA]BBB (Positive)
2	Non-fund based facilities – Bank guarantee	Short Term	201.00	-	[ICRA]A2; Withdrawn	[ICRA]A2	[ICRA]A2	[ICRA]A3+	[ICRA]A3+

Complexity level of the rated instruments

Instrument	Complexity Indicator
Long-term – Fund-based – Cash credit	Simple
Short-term – Non-fund based – Bank guarantee	Very Simple

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 I: Instrument details

ISIN	Instrument Name	Date of Issuance	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
NA	Long-term – Fund-based – Cash credit	NA	NA	NA	90.75	[ICRA]BBB+(Positive); Withdrawn
NA	Short-term – Non-fund based facilities – Bank guarantee	NA	NA	NA	201.00	[ICRA]A2; Withdrawn

Source: Company

[Please click here to view details of lender-wise facilities rated by ICRA](#)

Annexure II: List of entities considered for consolidated analysis: Not Applicable

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