

## CHD Developers Limited

July 19, 2023

Facilities/Instruments	Amount (₹ crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	235.30	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Fixed Deposit	38.15	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under ISSUER NOT COOPERATING category
Fixed Deposit	7.37	CARE D; ISSUER NOT COOPERATING*	Rating continues to remain under 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 had, vide its press release dated December 04, 2019 placed the ratings of CHD Developers Limited (CDL) under the 'issuer non-cooperating' category as CDL had failed to provide information for monitoring of the rating. CDL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated May 18, 2023, May 28, 2023 and July 07, 2023. In line with the extant SEBI guidelines, CARE has reviewed the rating on the basis of the best available information which however, in CARE's opinion is not sufficient to arrive at a fair rating. Further all bankers could not be contacted.

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

The rating has been assigned by taking into account non-availability of information and no due-diligence conducted due to non-cooperation by CDL with CARE'S efforts to undertake a review of the rating outstanding. CARE views information availability risk as a key factor in its assessment of credit risk. Further, the ratings continue to remain constrained owing by delays in servicing of debt obligations.

### Analytical approach: Consolidated

For arriving at the ratings, CARE has combined the business and financial risk profiles of CHD Developers Limited and its nine subsidiaries namely, CHD Facility Management Pvt. Ltd., CHD Infra Projects Pvt. Ltd., CHD Blueberry Realtech Pvt. Ltd., CHD Elite Realtech Pvt. Ltd., Delight Spirits Pvt. Ltd., International Infratech Pvt. Ltd., Empire Realtech Pvt. Ltd., CHD Hospitality Pvt. Ltd. and Golden Infracon Pvt. Ltd. All the entities have a common management team and are in the same line of business.

### Detailed description of the key rating drivers:

#### Key weaknesses

**Delays in servicing of debt obligations:** There are continuous delays in the debt obligations and As per MCA and annual report for FY22, the company is in under Corporate Insolvency Resolution Process under NCLT.

#### Applicable criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Consolidation](#)

[Factoring Linkages Parent Sub JV Group](#)

[Financial Ratios – Non financial Sector](#)

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

[Rating Outlook and Credit Watch](#)

[Rating methodology for Real estate sector](#)

### About the company and industry

#### Industry classification

Macro Economic Indicator	Sector	Industry	Basic Industry
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<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

Consumer Discretionary	Realty	Realty	Residential, Commercial Projects
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CHD Developers Limited (CHD) incorporated in 1990, is promoted by Mr. Rajinder Kumar Mittal (Chairman), having more than three decades of experience in the real estate industry. CHD is listed on Bombay Stock Exchange (BSE) since 1995. The company is engaged in development of real estate (residential and commercial) in the National Capital Region (NCR) including Karnal, Gurgaon and Sohna (Haryana). The company has long-standing presence and established brand in Gurgaon and Karnal. In the past, the company has completed several residential and commercial real estate projects with total saleable area of 54.92 Isf.

Brief Financials (₹ crore)	March 31, 2020 (A)	March 31, 2021 (A)	March 31, 2022 (A)
Total operating income	43.49	4.34	0.84
PBILDT	-24.90	-6.33	-7.15
PAT	-30.40	-7.35	-48.82
Overall gearing (times)	2.03	2.53	4.57
Interest coverage (times)	-5.83	Not meaningful	Not meaningful

A: Audited UA: Unaudited; Note: 'the above results are latest financial results available'

**Status of non-cooperation with previous CRA:** NA

**Any other information:** NA

**Rating history for last three years:** Please refer Annexure-2

**Covenants of rated instrument / facility:** Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

**Complexity level of various 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 along with Rating Outlook
Fixed Deposit		-	-	-	38.15	CARE D; ISSUER NOT COOPERATING*
Fixed Deposit		-	-	-	7.37	CARE D; ISSUER NOT COOPERATING*
Fund-based - LT-Term Loan		-	-	31/03/2025	190.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - LT-Bank Guarantee		-	-	-	45.30	CARE D; ISSUER NOT COOPERATING*

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

**Annexure-2: Rating history for the 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 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Fund-based - LT-Term Loan	LT	190.00	CARE D; ISSUER NOT COOPERATING *	-	1)CARE D; ISSUER NOT COOPERATING * (25-Apr-22)	-	1)CARE D; ISSUER NOT COOPERATING * (03-Feb-21)
2	Fixed Deposit	LT	38.15	CARE D; ISSUER NOT COOPERATING *	-	1)CARE D; ISSUER NOT COOPERATING * (22-Jun-22) 2)CARE D (FD); ISSUER NOT COOPERATING * (25-Apr-22)	-	1)CARE D (FD); ISSUER NOT COOPERATING * (03-Feb-21)
3	Non-fund-based - LT-Bank Guarantee	LT	45.30	CARE D; ISSUER NOT COOPERATING *	-	1)CARE D; ISSUER NOT COOPERATING * (25-Apr-22)	-	1)CARE D; ISSUER NOT COOPERATING * (03-Feb-21)
4	Fixed Deposit	LT	7.37	CARE D; ISSUER NOT COOPERATING *	-	1)CARE D; ISSUER NOT COOPERATING * (22-Jun-22) 2)CARE D (FD); ISSUER NOT COOPERATING * (25-Apr-22)	-	1)CARE D (FD); ISSUER NOT COOPERATING * (03-Feb-21)

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

\*Long term/Short term.

**Annexure-3: Detailed explanation of covenants of the rated instruments/facilities: NA**
**Annexure-4: Complexity level of the various instruments rated**

Sr. No.	Name of the Instrument	Complexity Level
1	Fixed Deposit	Simple
2	Fund-based - LT-Term Loan	Simple

3	Non-fund-based - LT-Bank Guarantee	Simple
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### Annexure-5: Lender details

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

**Note on the complexity levels of the rated instruments:** CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to [care@careedge.in](mailto:care@careedge.in) for any clarifications.

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#### About us:

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