

CHD Developers Limited

April 25, 2022

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	235.30	CARE D; ISSUER NOT COOPERATING* (Single D ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
Total Bank Facilities	235.30 (Rs. Two Hundred Thirty-Five Crore and Thirty Lakhs Only)		
Fixed Deposit	38.15	CARE D (FD); ISSUER NOT COOPERATING* [Single D (Fixed Deposit) ISSUER NOT COOPERATING*]	Rating continues to remain under ISSUER NOT COOPERATING category
Fixed Deposit	7.37	CARE D (FD); ISSUER NOT COOPERATING* [Single D (Fixed Deposit) ISSUER NOT COOPERATING*]	Rating continues to remain under ISSUER NOT COOPERATING category
Total Medium Term Instruments	45.52 (Rs. Forty-Five Crore and Fifty-Two Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & 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 April 18, 2022, April 13, 2022, April 12, 2022. 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.

Detailed description of the key rating drivers

Key Rating Weaknesses

Delays in servicing of debt obligations:

There have been delays in debt servicing towards bankers as well as to the FD holders by CHD Developers on account of stretched liquidity position of the company.

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.

¹Complete definition of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications

Applicable Criteria:

[Criteria on assigning 'outlook' and 'credit watch' to Credit Ratings](#)

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

[CARE's Policy on Default Recognition](#)

[Financial ratios – Non-Financial Sector](#)

[Rating Methodology: Factoring Linkages in Ratings](#)

[CARE's methodology for Real Estate Sector](#)

About the Company

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 lsf.

Rs. Crore

Brief Financials	FY18(A)	FY19(A)	FY20 (A)	FY21 (A)	FY22(P)
Total operating income	149.99	152.85	NA	NA	NA
PBILD	12.80	14.81	NA	NA	NA
PAT	1.24	0.53	NA	NA	NA
Overall gearing (times)	1.28	1.61	NA	NA	NA
Interest coverage (times)	1.33	1.24	NA	NA	NA

A: Audited; P: Provisional

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History (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 for this company: Annexure 4

Annexure-1: Details of Instruments / Facilities

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Term Loan		-	-	March 2025	190.00	CARE D; ISSUER NOT COOPERATING*
Non-fund-based - LT-Bank Guarantee		-	-	-	45.30	CARE D; ISSUER NOT COOPERATING*
Fixed Deposit		-	-	-	7.37	CARE D (FD); ISSUER NOT COOPERATING*
Fixed Deposit		-	-	-	38.15	CARE D (FD); ISSUER NOT COOPERATING*

*Issuer did not cooperate; Based on best available information

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2022-2023	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	190.00	CARE D; ISSUER NOT COOPERATING *	-	-	1)CARE D; ISSUER NOT COOPERATING * (03-Feb-21)	1)CARE D; ISSUER NOT COOPERATING * (04-Dec-19) 2)CARE BB+; Stable (10-Jul-19)
2	Fixed Deposit	LT	38.15	CARE D (FD); ISSUER NOT COOPERATING *	-	-	1)CARE D (FD); ISSUER NOT COOPERATING * (03-Feb-21)	1)CARE D (FD); ISSUER NOT COOPERATING * (04-Dec-19) 2)CARE BB+ (FD); Stable (10-Jul-19)
3	Non-fund-based - LT-Bank Guarantee	LT	45.30	CARE D; ISSUER NOT COOPERATING *	-	-	1)CARE D; ISSUER NOT COOPERATING * (03-Feb-21)	1)CARE D; ISSUER NOT COOPERATING * (04-Dec-19) 2)CARE BB+; Stable (10-Jul-19)
4	Fixed Deposit	-	-	-	-	-	-	1)CARE BB+ (FD); Stable (10-Jul-19)
5	Fixed Deposit	LT	7.37	CARE D (FD); ISSUER NOT COOPERATING *	-	-	1)CARE D (FD); ISSUER NOT COOPERATING * (03-Feb-21)	1)CARE D (FD); ISSUER NOT COOPERATING * (04-Dec-19) 2)CARE BB+ (FD); Stable (10-Jul-19)

* Long Term / Short Term

Annexure-3: Detailed explanation of covenants of the rated instrument / facilities: Not Applicable**Annexure 4: Complexity level of various instruments rated for this company**

Sr. No	Name of instrument	Complexity level
1	Fixed Deposit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - LT-Bank Guarantee	Simple

Annexure 5: Bank Lender Details for this CompanyTo view the lender wise details of bank facilities please [click here](#)

Note on complexity levels of the rated instrument: CARE Ratings Ltd. 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 for any clarifications.

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About CARE Ratings Limited:

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