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CHD DEVELOPERS LIMITED | ANNUAL REPORT 2011-12

#### DISCLAIMER

In this annual report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – both written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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# Corporate information

#### **BOARD OF DIRECTORS**

Mr. R. K. MittalChairman-cum-Whole Time DirectorMr. Gaurav MittalManaging DirectorMr. M. P. GoelDirectorMr. Manav JainDirectorMr. Pran NathDirectorMr. M. S. KapurDirector

#### CHIEF FINANCIAL OFFICER

Mr. Sunil Jindal

# COMPANY SECRETARY CUM

COMPLIANCE OFFICER Ms. Ritu Goyal

#### **REGISTERED OFFICE**

SF-16-17, 1st floor, Madame Bhikaji Cama Bhawan, Bhikaji Cama Place, New Delhi -110066 Ph: No: 011-40100100 Fax: 011-40100190 Web: www.chddevelopers.com Email: investorservices@chddevelopers.com

#### **AUDITORS**

M/s Mohan & Mohan Chartered Accountants, 18A, IInd Floor, North Avenue Road, Punjabi Bagh (west), New Delhi-110026

#### **SUBSIDIARIES**

Divine Townships Private Limited Golden Infracon Private Limited Horizon Realtech Private Limited CHD Facility Management Private Limited CHD Retirement Townships Private Limited CHD Armaan Realtech Private Limited CHD Energy Private Limited CHD Hospitality Private Limited\* Empire Realtech Private Limited \*

# SUBSIDIARY OF CHD ARMAAN REALTECH PRIVATE LIMITED

CHD Blueberry Realtech Private Limited CHD Elite Realtech Private Limited \* Became a subsidiary after March 31,2012

#### PRINCIPAL BANKERS/ FINANCIAL INSTITUTIONS

Axis Bank Limited Bank of Baroda Kotak Mahindra Bank Ltd. HUDCO

#### **REGISTRAR & SHARE TRANSFER AGENTS**

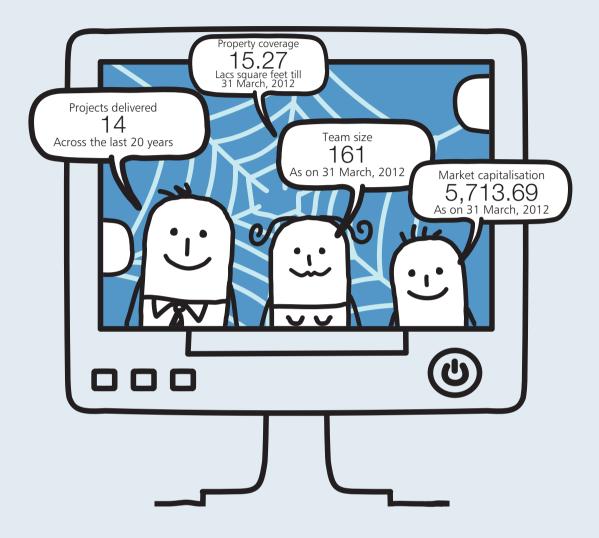
Skyline Financial Services Pvt. Ltd. D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110 020, Ph: 011-30857575 A multitude of reasons caused the balance sheets of most real estate developers to weaken in 2011-12.

Rising debt. Increased inventory. Input inflation. Slower offtake.

CHD Developers reported better numbers despite this challenging environment.

Strengthening revenues. Stabilising debt levels. Liquidating inventory. Reporting property appreciation. Delighting customers.

CHD countered this complex industry reality in a simple manner. Secrets of Simplicity.



CHD DEVELOPERS LIMITED IS AN ATTRACTIVE INSTANCE OF HOW A COMPANY CAN SUCCEED IN A CHALLENGING BUSINESS ENVIRONMENT.

Of how a real estate development company can grow and yet be significantly de-risked.

Of how a business can be solid and yet remain largely liquid.

Of how a complex business can be sustainably successful when run with simple clarity.

## Vision

To become the fastest growing profitable real-estate company while maintaining the highest standards of ethics

#### Legacy

The Company was founded by Mr. R. K Mittal in 1990 to create landmark standalone properties and townships in Northern India.

## Certification

The Company is certified for ISO 9001:2008.

### Portfolio

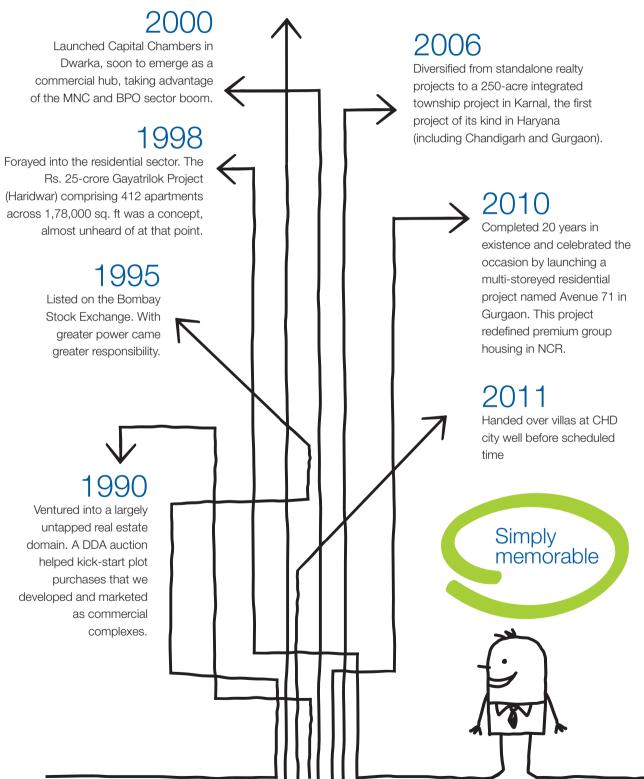
The Company's portfolio comprises residential, commercial, recreational, educational and retail properties. During 2011-12, the Company derived 100 % of its revenues in existence from residential projects.

#### Presence

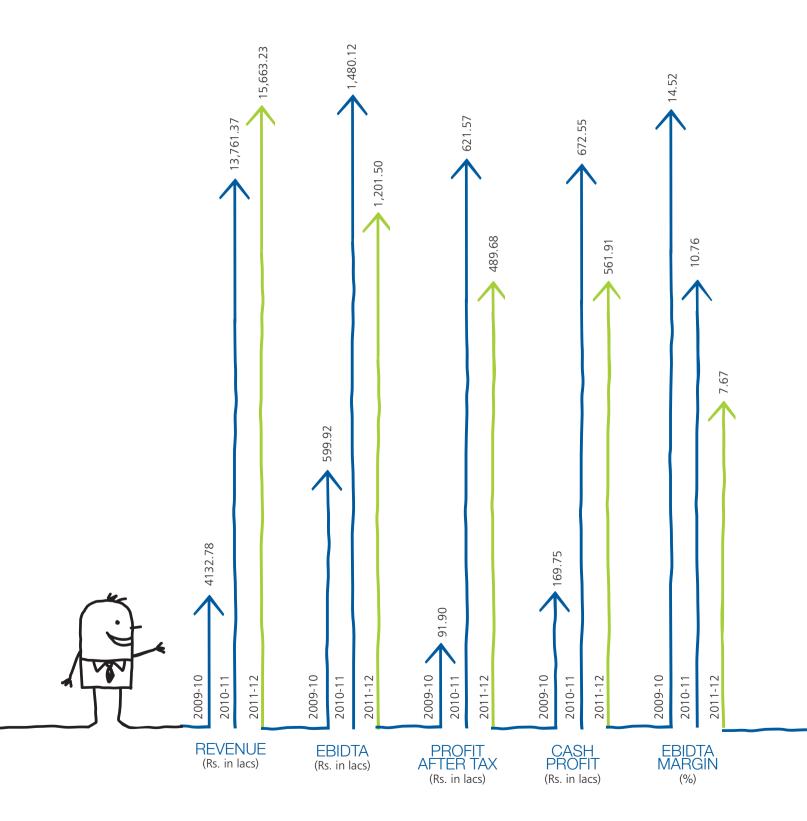
The Company is headquartered in New Delhi with four site offices.

# 2004

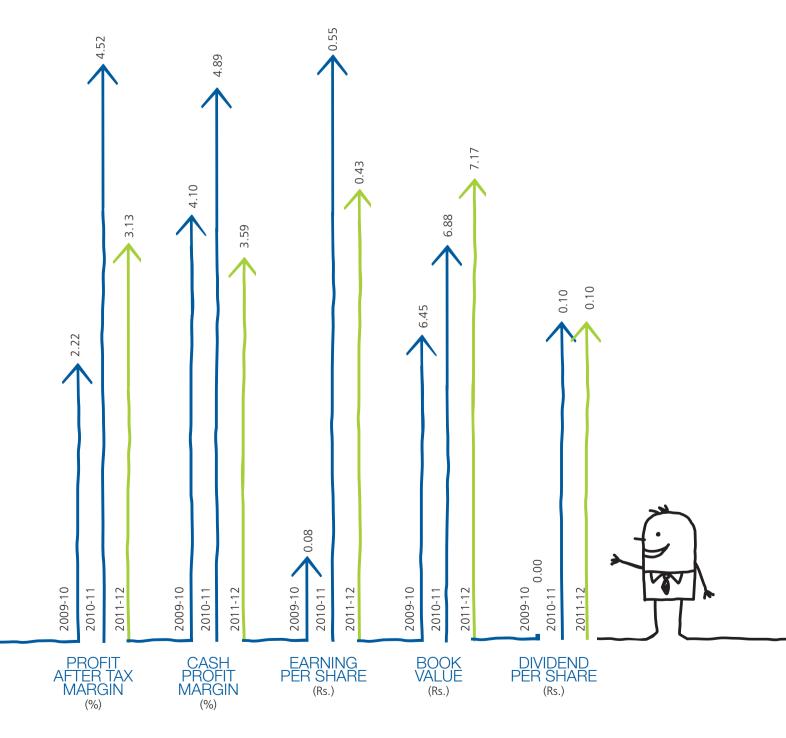
Embarked on the Rs. 45-crore Sri Krishnalok Project (Vrindavan) comprising 216 apartments across 3,20,000 sq. ft and a commercial area of 1,00,000 sq. ft firmly introducing the group housing concept in a Tier-III city. Established CHD Developers Ltd as a renowned real estate developer in North India.



# Simply credible



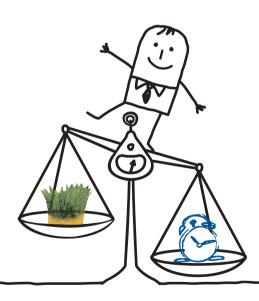
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A bird in hand is better than two in the bush.



## IN THE REAL ESTATE DEVELOPMENT BUSINESS, ONE HAS TO DECIDE WHETHER ONE IS A BANKER OR A CONVERTOR.

Early in our existence, we developed a simple clarity on this subject. If we strengthened our project management capability and completed projects with speed, more people would be willing to buy from us, helping us liquidate apartment inventory faster than the industry average and enabling us to stay liquid across market cycles.

At CHD Developers, we took this simply clarity ahead in the last few years: we continued to invest in accelerating construction as opposed to investing aggressively in fresh land bank investments. This made it possible for us to catalyse revenue inflow through periodic installments and make fresh sales as the project kept getting progressively completed. This approach helped us conserve financial resources that would otherwise have been invested in land banks for liquidation into the long term.

This is what we have to show for our simple approach:

We increased the structural work completion in our showpiece Avenue 71 residential apartment project in Gurgaon from no towers at the start of 2011-12 to five (out of 18) towers by the close of the financial year; project construction progressed from 4 % to 57 % during the course of the year

We accelerated the development of our CHD City, Karnal project from 123 acres at the start of 2011-12 to 147 acres (out of 250 available acres) by the end of the financial year; project progress accelerated from 20 % to 25 % during the course of the year

The Millennium School was functional in CHD City, Karnal from April 2011

Majority of the outstanding work has been done at the 200-bed CHD City, Karnal hospital to make it functional by end of 2012

Construction of a food court – CHD 'Dana Paani' at the CHD City, Karnal will commence from August 2012 so that it is commissioned from April 2013

This timely phased construction increased our total collection from Rs. 132 crore in 2010-11 to Rs. 151 crore in 2011-12 despite a challenging business environment.

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The percentage of our Avenue 71 stock that was successfully marketed in just four months of 2011-12 under the subvention scheme in association with HDFC Bank with a revenue generation of around Rs. 100 crore.

