

PDL/SEC./SE/2017-18/

August 19, 2017

National Stock Exchange of India Ltd.
"Exchange Plaza"
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400 051

BSE Limited
Phiroze Jeejeebhoy Tower
Dalal Street,
Mumbai – 400 001

Scrip Code: PARSVNATH - EQ (NSE): 532780 (BSE)

Sub: Update on Rating Rationale by CRISIL

Dear Sirs,

In furtherance to our letter dated August 16, 2017, please find enclosed herewith a copy of Credit Bulletin published by CRISIL, which is self- explanatory.

This is for your information and records.

Thanking you,

Yours faithfully,
For Parsvnath Developers Limited



(V. Mohan)
Company Secretary &
Compliance Officer

Enclosed : As above

Parsvnath Developers Limited

CIN: L45201DL1990PLC040945

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Ratings

Credit bulletin
August 18, 2017 | Mumbai

Rating on Parsvnath Developers Ltd unaffected by recent announcement pertaining to shell companies

CRISIL's rating of 'CRISIL D' on the long-term bank facilities of Parsvnath Developers Ltd (PDL) remains unaffected by the recent announcement pertaining to shell companies.

The rating action follows PDL being listed as one of the 331 suspected shell companies in Securities and Exchange Board of India's (SEBI's) notification dated August 7, 2017, to the stock exchanges. SEBI's notification directed the exchanges to put significant restrictions on trading of shares of these listed entities by shifting the securities to GSM VI category, and initiate measures for verification of credentials and fundamentals of these companies. PDL appealed against SEBI's notification to Securities Appellate Tribunal (SAT) and on August 11, 2017, SAT restored trading in PDL's equity shares to the normal trading segment of stock exchanges.

The rating continues to reflect delays in debt servicing on account of stretched liquidity and exposure to cyclicity inherent in the real estate sector. However, it benefits from the extensive experience of promoters in the real estate industry.

Analytical approach: For arriving at the rating, CRISIL has combined the business and financial risk profiles of PDL, and its subsidiaries and associates (based on the consolidated financials published by PDL); this now includes Farhad Realtors Pvt Ltd, which has become a wholly owned subsidiary of PDL (in July 2017) from an associate company earlier. All these companies, collectively referred to as PDL, are managed by the same promoters, and have fungible cash flow.

For accessing the **previous rating rationale**, Please use the following link:

Company Name	Link to Rating Rationale
Parsvnath Developers Limited	Click here

Note on complexity levels of the rated instrument:

CRISIL complexity levels are assigned to various types of financial instruments. The CRISIL complexity levels are available on www.crisil.com/complexity-levels. Users are advised to refer to the CRISIL complexity levels for instruments that they consider for investment. Users may also call the Customer Service Helpdesk with queries on specific instruments.

Links to related criteria

[CRISIL's Bank Loan Ratings - process, scale and default recognition](#)

[CRISIL's Rating criteria for Real Estate Developers](#)

[The Infrastructure Sector Its Unique Rating Drivers](#)

[CRISIL's Bank Loan Ratings](#)

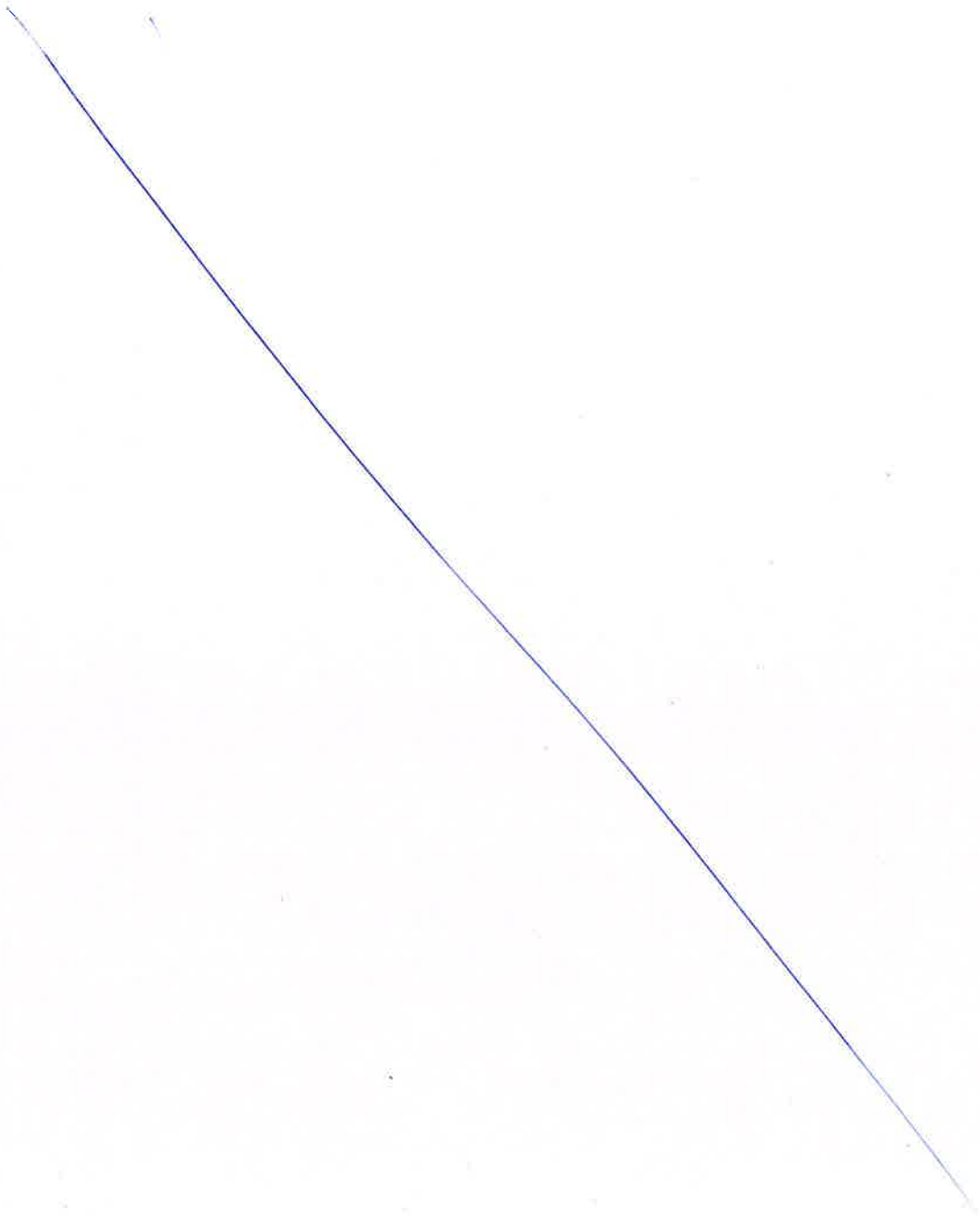
For further information contact:

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Last updated: April 2016

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