

PDL/SEC./SE/2018-19/

June 30, 2018

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: Re-affirmation of Brickwork Rating for the Non-Convertible Debentures of Parsvnath Rail Land Project Private Limited, a subsidiary company of the Company


Dear Sirs,

In terms of Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby informed that Brickwork has re-affirmed the rating "BWR B (Reaffirmation) (Credit Watch with Positive Implications) (Reaffirmation)", assigned to Rs.360 Crores Non-Convertible Debentures (Series A) and Rs.244.39 Crores Non-Convertible Debentures (Series B) of Parsvnath Rail Land Project Private Limited, a subsidiary company of the Company.

A copy of Rating Rationale issued by Brickwork is attached herewith, 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

Corporate Office: 6th Floor, Arunachal Building, 19, Barakhamba Road, New Delhi-110001, Ph. : 011-43686600, 43684800, Fax : 011-23315400

Registered Office: Parsvnath Tower, Near Shahdara Metro Station, Shahdara, Delhi - 110032, Ph. : 011-43050100, 43010500, Fax : 011-43050473

E-mail : mail@parsvnath.com, Visit us at: www.parsvnath.com

Rating Rationale

Parsvnath Rail Land Projects Pvt. Ltd.

29 June 2018

Brickwork Ratings reaffirms Rating for the Non-Convertible Debentures/Bonds Issue of Rs. 360.00 Crs and Rs. 244.39 Crs of Parsvnath Rail Land Projects Pvt Ltd (PRLPPL)

Particulars

Instrument	Issue Date DD.MM.YY	Amount (Rs. Cr)	Coupon (p.a.)	Maturity Date DD.MM.YY	ISIN Particulars	Previous Rating Feb 2018	Rating*
NCD Series A	20.12.2012	360.00	15%	18.12.2022	INE187007031	BWR B (Reaffirmation) (Credit Watch with Positive Implications)	BWR B (Reaffirmation) (Credit Watch with Positive Implications) (Reaffirmation)
NCD Series B	21.08.2013	244.39	15%	20.08.2023	INE187007049		

*Please refer to BWR website www.brickworkratings.com/ for definition of the ratings

Rating Reaffirmed (Rating under Credit Watch with positive implications)

Rating Action:

The reaffirmation of the ratings reflects the decision of arbitration proceedings which came again in favor of Parsvnath Rail Land Projects P Ltd (RLPPL) on 03 April 2018 against the appeal filed by Rail Land Development Authority (RLDA) before Hon'ble High Court of Delhi. As per the orders, RLDA need to make the payment of Rs. 1034.53 Crs to the Company along with an interest rate of 4 percent per annum from July 15, 2015.

Presently, the Company has filed for execution petition for the enforcement of Arbitral Award which is already passed for registration and is likely to be listed for hearing shortly. The rating assigned, also derives comfort from the fact that no interest liability accrued on the secured NCD issues till date.

Rating Outlook:

BWR retains the outlook to "under credit watch with positive implications" considering Hon'ble Arbitral Tribunal and Hon'ble High Court of Delhi's judgements in PRLPPL's favor. The rating outlook may be revised to 'Negative' if RLDA fails to make payment as per the order which would adversely affect the servicing of the secured NCD's.

BWR has taken note of the agreement between the issuer and the investor about non-accrual of interest on the rated instrument till the sales target is achieved. In view of developments indicated above, there is no coupon servicing obligation for the issuer.

About the Company

PRLPPL is a joint venture (JV) between Parsvnath Developers Ltd (PDL) & Red Fort Capital Group. Incorporated on November 11, 2011, PRLPPL has been created as a Special Purpose Vehicle (SPV) with the objective to develop the railway land area located at Sarai Rohilla – Kishanganj, between Rani Jhansi Road and DCM Road, Delhi.

PDL was selected as the preferred bidder for grant of lease to develop land parcel of 37.72 acres in Sarai Rohilla, Delhi, auctioned by Rail Land Development Authority (RLDA) vide its 'Letter of Acceptance' (LOA) dated November 26, 2010. In order to comply with RLDA's directions, PDL incorporated a new SPV i.e. Parsvnath Rail Land Project Pvt. Ltd. (PRLPPL) to implement the project which had received approval from RLDA.

The selected bidder was required to make payment of Rs.1651.51 Crs towards Lease Premium to RLDA in six instalments. Till date, the company has paid three instalments amounting to Rs. 1166.00 Crs (including interest amount). PRLPPL has utilized the proceeds of NCD issues to meet installment of Lease Premium to RLDA and other project expenses.

Company Financial Performance

No revenues were reported till date because the project was not yet implemented. The total TNW of the company stood at Rs. 18.42 Crs in FY18.

Rating History for the last three years (including withdrawn/suspended ratings)

Sl. No.	Instrument	Current Rating (June 2018)			Rating History		
		Tenure	Amount (Rs Crs)	Rating	Feb 2018	Feb 2017	Feb 2016
1.	NCD Series A	10 years	360.00	BWR B (Reaffirmation) (Credit watch with Positive Implications)	BWR B (Reaffirmation) (Credit watch with Positive Implications)	BWR B (Reaffirmation) (Credit watch with Developing Implications)	BWR B (Stable)
2.	NCD Series B	10 years	244.39				

Status of non-cooperation with previous CRA (if applicable) - Not Applicable

Any other information: Not Applicable

Hyperlink/Reference to applicable Criteria

- General Criteria
- Services Sector
- Approach to Financial Ratios



For any other criteria to be hyperlinks from website to be taken

Analytical Contacts	Media
Ashwini Mital Senior General Manager	media@brickworkratings.com
analyst@brickworkratings.com	Relationship Contact
	bd@brickworkratings.com
Phone: 1-860-425-2742	

For print and digital media

The Rating Rationale is sent to you for the sole purpose of dissemination through your print, digital or electronic media. While it may be used by you acknowledging credit to BWR, please do not change the wordings in the rationale to avoid conveying a meaning different from what was intended by BWR. BWR alone has the sole right of sharing (both direct and indirect) its rationales for consideration or otherwise through any print or electronic or digital media.

Note on complexity levels of the rated instrument:

BWR complexity levels are meant for educating investors. The BWR complexity levels are available at www.brickworkratings.com/download/ComplexityLevels.pdf Investors queries can be sent to info@brickworkratings.com.

About Brickwork Ratings

Brickwork Ratings (BWR), a SEBI registered Credit Rating Agency, has also been accredited by RBI and empaneled by NSIC, offers Bank Loan, NCD, Commercial Paper, MSME ratings and grading services. NABARD has empaneled Brickwork for MFI and NGO grading. BWR is accredited by IREDA & the Ministry of New and Renewable Energy (MNRE), Government of India. Brickwork Ratings has Canara Bank, a Nationalized Bank, as its promoter and strategic partner.

BWR has its corporate office in Bengaluru and a country-wide presence with its offices in Ahmedabad, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations. BWR has rated debt instruments/bonds/bank loans, securitized paper of over ₹ 9,30,000 Cr. In addition, BWR has rated about 5000 MSMEs. Also, Fixed Deposits and Commercial Papers etc. worth over ₹19,700 Cr have been rated. Brickwork has a major presence in rating of nearly 100 cities.

DISCLAIMER

Brickwork Ratings (BWR) has assigned the rating based on the information obtained from the issuer and other reliable sources, which are deemed to be accurate. BWR has taken considerable steps to avoid any data distortion; however, it does not examine the precision or completeness of the information obtained. And hence, the information in this report is presented "as is" without any express or implied warranty of any kind. BWR does not make any representation in respect to the truth or accuracy of any such information. The rating assigned by BWR should be treated as an opinion rather than a recommendation to buy, sell or hold the rated instrument and BWR shall not be liable for any losses incurred by users from any use of this report or its contents. BWR has the right to change, suspend or withdraw the ratings at any time for any reasons

