

PDL/SEC./SE/2019-20/

June 19, 2019

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 Ratings India Pvt. Ltd. (Brickwork) has re-affirmed the rating "BWR B" with change in outlook to 'Credit Watch with Developing Implications', assigned to Rs.360 Crores Secured Non-Convertible Debentures (Series A) and Rs.244.39 Crores Secured 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





Rating Rationale

Parsvnath Rail Land Project Pvt. Ltd.

19 June 2019

Brickwork Ratings reaffirms ratings with change in outlook for the Secured NCD Series A of ₹ 360 Crores and Secured NCD Series B of ₹ 244.39 Crores of Parsvnath Rail Land Project Pvt. Ltd. ('PRLPPL' or 'the Company')

Particulars

Instrument	Issue Date DD.MM.YY	Amt (Rs. Cr)	Coupon (p.a.)	Maturity Date DD.MM.YY	ISIN Particulars	Previous Rating June 2018	Rating*
NCD Series A	20.12.2012	360.00	15%	18.12.2022	INE187O07031	BWR B (Pronounced as BWR Single B) (Reaffirmation) (Credit Watch with Positive Implications)	BWR B (Pronounced as BWR Single B) (Credit Watch with Developing Implications) (Reaffirmation)
NCD Series B	21.08.2013	244.39	15%	20.08.2023	INE187O07049		

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

Rating: Reaffirmed at BWR B with change in outlook to Rating under Credit Watch with Developing Implications

Presently, Railway Land Development Authority (RLDA) had filed Special Leave Petition (SLP) which is likely to be listed for hearing on 09 July 2019. Meanwhile, the Hon'ble Delhi High Court had directed RLDA via order dated 22 May 2019 to deposit around Rs. 1192 Crores within a period of 8 weeks from the said order date. Since the previous court orders came in favor of PRLPPL, it expects that SLP also is likely to be in its favor and thus will be able to recover its dues over the medium term.

BWR also notes that PRLPPL had also availed a corporate loan of Rs. 75 Cr from IL&FS which was recalled on 24 October 2018 by its new board. PRLPPL has requested IL&FS for the repayment of the said loan in installments which is yet to be approved by the IL&FS management.

BWR has revised the outlook to "Credit watch with developing implications" considering that the proceedings against RLDA are still pending and which is likely to be concluded over the medium term, and the proposal for reschedulement of loans is yet to be approved by the IL&FS board.





The rating also factors in 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 the 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 tangible net worth of the company stood at Rs. 18.43 Crs in FY18.

Rating History for the last three years

S No.	Instrument	Current Rating (June 2019)			Rating History		
		Tenure	Amt (Rs Cr)	Rating	29 June 2018	28 Feb 2018	23 Feb 2017
1.	NCD Series A	10 years	360.00	BWR B (BWR Single B) (Reaffirmation) (Credit watch with developing Implications)	BWR B (BWR Single B) (Reaffirmation) (Credit watch with Positive Implications)	BWR B (BWR Single B) (Reaffirmation) (Credit watch with Positive Implications)	BWR B (BWR Single B) (Reaffirmation) (Credit watch with Developing Implications)
2.	NCD Series B	10 years	244.39				
Total			604.39	INR Six hundred and Four crores and Thirty Nine lakhs only.			





Status of non-cooperation with previous CRA - N.A.
Any other information: N.A.

Hyperlink/Reference to applicable Criteria

- **General Criteria**
- **Approach to Financial Ratios**

Analytical Contacts	Investor Contacts
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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, 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 leading public sector 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, Hyderabad, Kolkata, Mumbai and New Delhi along with representatives in 150+ locations.





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.

