

PDL/SEC./SE/2016-17/

May 27, 2016

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

Dear Sirs,

Scrip Code: PARSVNATH-EQ

Sub: Clarification – Announcement submitted by Company dated May 24, 2016 and news article which appeared in Economic Times on May 26, 2016 titled "Parsvnath Offers Exits to Red Fort, Proprium for Rs 500 cr."

This has reference to your e-mail of 26th May, 2016, seeking clarification on the submission made by the Company on May 24, 2016 and regarding the news article which appeared in Economic Times on May 26, 2016 titled "Parsvnath Offers Exits to Red Fort, Proprium for Rs 500 cr."

We wish to clarify that the aforesaid submission was made by the Company in terms of **Clause 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**, informing the Stock Exchange that pursuant to Security Purchase Agreement dated May 23, 2016 (SPA), the Company has acquired 12,25,000 Class B Shares and 1,54,17,500 Fully Convertible Debentures (Securities) of Parsvnath Estate Developers Private Limited (PEDPL), a subsidiary company and SPV implementing the project for development of an office complex on a plot of land admeasuring 15,583.83 sq. mtrs. situated at Bhai Veer Singh Marg, New Delhi from City Centre Monuments, Mauritius, consequent upon which PEDPL has become wholly owned subsidiary of the Company.

We further wish to state that City Centre Monuments, Mauritius is one of the entities of Red Fort Capital Funds (now Rising Straits Capital) who was holding aforementioned securities in PEDPL which has been acquired by the Company pursuant to the SPA as mentioned above. Further, Proprium Finance Coopertief U.A., Netherlands was holding 210 Non-convertible Debentures of Rs. 1,00,00,000 each which have been redeemed by PEDPL with upto date interest thereon.

Further, we are attaching a Response Sheet giving therein the point-wise replies to your various queries.

Trust you will find the above in order.

Thanking you,

Yours faithfully,
For Parsvnath Developers Limited

(V. Mohan)
Compliance Officer &
Company Secretary



Encl: Response Sheet

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

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Response Sheet

S. No.	Queries Raised	Company's Response
1	Name of the target entity, details in brief such as size, turnover etc.	Parsvnath Estate Developers Private Limited (PEDPL). PEDPL is engaged in the business of construction and development of an office/commercial complex on a plot of land taken on concession basis from Delhi Metro Rail Corporation Ltd admeasuring 15,583.83 sq. mtrs. situated at Bhai Veer Singh Marg, New Delhi. The turnover of PEDPL for the financial year ended 2015-16 was Rs. 4393.71 lacs.
2	Whether the acquisition would fall within related party transactions and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length"	The acquisition would not fall within related party transaction as the promoter/promoter group/group companies have no direct interest in the entity being acquired.
3	Industry to which the entity being acquired belongs	Development and construction of commercial real estate project.
4	Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	The business is in line with the main business of the Company. However, the project was being implemented through the target entity, being a subsidiary of the Company and a SPV for implementing the said project.
5	Brief details of any governmental or regulatory approvals required for the acquisition	None
6	Indicative time period for completion of the acquisition	Already completed.
7	Cost of acquisition or the price at which the shares are acquired	The cost of acquisition of equity shares is: Rs. 9.91 per equity shares and Rs. 99.13 per FCD.
8	Nature of consideration - whether cash consideration or share swap and details of the same	Cash.
9	Percentage of shareholding / control acquired and / or number of shares acquired	24.5% - No. of Shares 1,225,000 Equity Shares
10	Brief background about the entity acquired in terms of products/line of business acquired	The entity is a subsidiary of the Company and a SPV for implementing the development and construction of an office/commercial complex on the land admeasuring 15,583.83 sq. mtrs. situated at Bhai Veer Singh Marg, New Delhi taken on concession basis from Delhi Metro Rail Corporation Ltd.

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11	Date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief).	The entity was incorporated on 24 th July, 2007 with the name Farhat Developers Pvt Ltd and the name was changed to Parsvnath Estate Developers Pvt Ltd. on 22 nd November, 2010. The total revenue during the financial years 2013-14, 2014-15 and 2015-16 are Rs. 0.54 lacs, Rs. 851.73 lacs and Rs. 4393.71 lacs respectively.
12	Whether such event/negotiations/article stated in published news were taking place? If so, you are advised to provide the said information along with the sequence of events in chronological order and the material impact of this article on the Company.	Only informal talks were on for availing loan from an NBFC Company by the entity and upon its finalisation, the NCD held by Proprium Cooperatief U.A. Netherlands aggregating to Rs. 210 Crores in the Company were redeemed with uptodate interest on 20th May, 2016. Subsequently, in the late evening on 23rd May, 2016, a Security Purchase Agreement was executed with the the private equity investors viz., City Centre Monuments, Mauritius, an entity belonging to the Red Fort Capital Funds (now Rising Straits Capital) and the securities acquisition was completed on 24th May, 2016. We are of the opinion that there will be no material impact of this article on the Company.
13	Whether company are aware of any information that has not been announced to the Exchanges under clause 36 of the Listing Agreement. If so, you are advised to provide the said information and the reasons for not disclosing the same to the Exchange earlier as required under regulation 30 of the Listing regulations.	The necessary information under Regulation 30 was sent immediately on 24th May, 2016. Other than this, according to us, there were no other information which was required to be disclosed.

For Parsvnath Developers Limited

(V. Mohan)
Compliance Officer &
Company Secretary



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