

PDL/SEC/NSE/SEC/

August 8, 2017

Shri Vikram Limaye
The Managing Director & CEO
National Stock Exchange of India Limited
"Exchange Plaza"
Bandra-Kurla Complex, Bandra (E),
Mumbai – 400 051

Dear Sir,

Sub: Database of listed Shell Companies and SEBI Circular No. SEBI/HO/ISD/ISD/OW/P/2017/18183 dated 7th August, 2017.

This refers to Securities and Exchange Board of India (SEBI) Circular No. SEBI/HO/ISD/ISD/OW/P/2017/18183 dated 7th August, 2017 ("Order") on the subject cited above issued by SEBI to various stock exchanges, whereby our Company has been treated as a Shell Company. Our Company is shown at item No. 196 amongst the 331 "Shell Companies" listed therein. The Order has been passed by SEBI, ex-parte.

We are shocked to find our Company's name amongst the list of suspected "Shell Companies", as a result of which, our equity shares, having ISIN INE 561H01026 are being shifted to GSM VI on the Stock Exchanges. As a result, our securities may be traded only once a month on a trade to trade basis and SEBI has envisaged a "financial audit" thereby implicitly castigating us and tarnishing our reputation.

We are not a "Shell Company" by any stretch of imagination. We have about two lakh shareholders and our scrip is being actively traded in National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) and the average daily volume of trade in the last one month is approximately 11,03,000 at NSE and 2,39,000 at BSE. We are in compliance of all applicable regulations and have not received any notice of default in this regard.

The directions issued by SEBI in terms of the circular under reference are completely uncalled for and is without any basis. We have never ever indulged in any malpractices in the stock market.

The stock exchange has already placed our stock in the GSM Stage VI category, in order to give effect to the impugned directions issued by SEBI. Before placing our stocks in GSM Stage VI, the stock exchange ought to have initiated the process of verification of our credentials, which is the mandate of para (c) of the directions. Serious prejudice has been caused because of this to the Company and its shareholders. Such a drastic action, without verification and cause, by SEBI, is not only unwarranted but also a misplaced action.

It is public knowledge that our Company is one of the largest real estate development companies in Northern India and is involved in development and construction of real estate projects across several verticals in 41 cities across 15 states in India. The Company has so far completed 65 projects with 14,500 satisfied customers and is presently implementing 42 projects, which are in the process of being completed. It, therefore, came as a great shock for us to find our Company's name in the aforesaid list of "Shell Companies".

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



For your ready reference, the credentials of our Company which are to the Exchange's knowledge and part of the public record, are listed hereunder:

1. The Company was incorporated on 24th July, 1990 and registered with the Registrar of Companies, NCT of Delhi & Haryana.
2. The Company is having an eminent set of Independent Directors forming part of the Board of Directors.
3. The Company came out with an Initial Public Offer in the year 2006, which was oversubscribed by more than 56 times and the Company garnered about Rs. 1100 crores approx. with a very good participation by Foreign Investors. The Company presently has about 2 lacs equity shareholders.
4. Subsequently, the Company issued shares under the Qualified Institutional Placement (QIP) in the year 2009 and 2010 to qualified institutional investors.
5. The Company had paid dividends for the financial years 2006-07 and 2007-08 and there are no complaints pending relating to non-receipt of dividends by any of its shareholders. Further, there are no outstanding complaints pending under SCORES as on 30th June, 2017.
6. The Company has been regularly filing the requisite returns/forms under the Companies Act, 2013 with the Ministry of Corporate Affairs.
7. The Company's secretarial records are being regularly audited by M/s. Chandrasekaran Associates, Secretarial Auditors.
8. The Company had been availing the services of M/s. Deloitte Haskins & Sells as Statutory Auditors since the year 2005 and in order to comply with the rotation policy introduced by the Companies Act, 2013, the above Statutory Auditors were replaced by M/s. S N Dhawan & Co. LLP from the year 2016-17 onwards.
9. The Company is having several subsidiary companies.
10. The Company has already completed several real estate projects.
11. The Company has several ongoing projects.
12. The Company has over 22,745 customers, of whom, possession has already been handed over to 14,500 customers. The projects related to the remaining customers are at different stages of completion and possession is to be handed over to them soon on completion.
13. The Company has been availing financial assistance from Banks/ Financial Institutions/ NBFCs.

In view of the above, it is incomprehensible as to how and on what basis our Company has been named in the list of Shell Companies. The directions issued by SEBI are thus misconceived and there is no authenticity or credibility for any data based on which such an action would have been recommended. As stated earlier, this action has put a lot of our

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investors in difficulty, as our equity shares are widely held and actively traded on the stock exchanges.

Further, the aforesaid step has been taken by SEBI without affording us an opportunity of being heard and without even putting us to notice. Such a situation could have been avoided had we been given an opportunity and the aforesaid facts and documents were taken into consideration.

We would, therefore, call upon you to forthwith place the Shares of our Company back under normal trading. We shall be glad to provide you any further information and/or documentary evidence that you may require in this regard.

Thanking you,

Yours truly,
For Parsvnath Developers Limited



(V. Mohan)
Sr. Vice President (Legal) &
Company Secretary

