

## **Parsvnath Developers Ltd.**



**Built-Up For Performance...**

Analyst Name : Vrajesh Mehta

e-mail id: [vmehta@ffsil.com](mailto:vmehta@ffsil.com)

# Parsvnath Developers Ltd.

**CMP : Rs. 127**

**BUY**

**Target : Rs. 170**

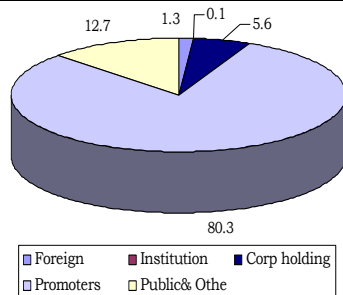
### Key Data

BSE	532780
NSE	PARSVNATH
Reuters	PARV.BO
Bloomberg	PARSV IN
Industry	Real Estate
Mar Cap (Rs.mn)	23925.3
Equity (Rs.mn)	1985.5
Face Value (Rs.)	10
52 Wk H/L (Rs)	151/31
Sensex	16601.2
Nifty	4952.3

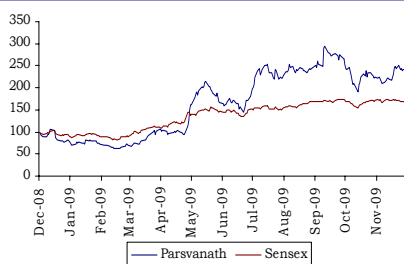
### Share Holding Pattern for Last 3 Quarters

Particulars	Sep09	Jun09	Mar09
Foreign	1.3	0.8	1.0
Institution	0.1	0.2	0.4
Corp hold	5.6	4.9	4.8
Promoters	80.3	80.3	80.1
Public& Oth	12.7	13.9	13.8
Total	100.0	100.0	100.0

### Shareholding Pattern as on 30<sup>th</sup> Sept 09(%)



### Chart



Analyst Name : Vrajesh Mehta  
 Email: vmehta@ffsil.com  
 Ph No : 022-22077931 Extn: 435

We initiate coverage on Parsvnath Developers Limited (PDL) with a buy rating with a target price of Rs 170, implying potential upside of 33.9 percent. With real estate expected to pick up we believe the company would deliver ~ 24.3 mn sq ft of saleable area in the next two years resulting in handsome earnings.

**Low cost land bank:** The company currently has a land bank of ~193.7 mn sq ft across 47 cities. It's average cost is ~Rs.221 per sq ft. Excluding SEZ land of ~86.3 mn sq ft the average cost works out to Rs. ~368 per sq ft for its ~107.4 mn sq ft land bank. Of this accumulated unpaid land bank is ~Rs. 6,830.0 mn which would be paid off within five years.

**Revenue visibility with better margins:** PDL currently has 57 ongoing projects spread over ~79.9 mn sq ft which are under various levels of completion (construction of ~17.7 mn sq ft is already completed). Revenues are expected from these projects and sale of plots in the next two years. Margins would improve as revenues would be booked from sale of commercial projects (in addition to sale of residential projects and sale of plots) as compared to sale of low margin affordable housing projects in previous quarters.

**Debt reduction:** PDL as on 30<sup>th</sup> September 2009 has a net debt of Rs. 17,292.4 mn (debt equity ratio of 0.8x). The company is expected to repay debt from funds raised and from internal accruals. We expect the company to reduce its net debt by ~35.4 percent to Rs. 11,172.8 mn in FY10 and further by ~42.4 percent to Rs. 6,441.0 mn in FY11. The net debt to equity is expected to improve to 0.4x in FY10 and 0.2x in FY11.

**Funds already in place for debt repayment and working capital:** The company has raised ~Rs.3,585.4 mn by way of QIP and private equity placement. It had issued 13.9 mn shares at a price of Rs.121.3 by way of QIP to raise Rs. 1,685.4 mn in October 2009. It has also raised Rs. 1,900.0 mn by selling stake in its project to private equity players. PDL is expected to raise additional funds of ~Rs. 3,000.0 mn by way of private equity funding on its Delhi Metro Rail Corporation (DMRC) project and premium residential projects.

**Valuation:** At current market price of Rs. 127 the company is currently trading at a 48.7 percent discount on its NAV of Rs. 188.9, 15.7x on its FY10E EPS of Rs. 8.0 and 8.8x on FY11E EPS of Rs. 14.2. We have given a 10 percent discount to its NAV to arrive at a target price of Rs. 170, implying an upside potential of 33.9 percent.

Period	Net sales (Rs mn)	PAT (Rs .mn)	EPS (Rs)	EPS Growth (%)	P/E	ROE (%)	ROCE (%)
FY09	6,984	1,128	6.1	-73	20.8	5.6	4.9
FY10E	6,947	1,583	8.0	30	15.9	6.3	4.6
FY11E	12,134	2,816	14.2	78	9.0	9.7	9.2
FY12E	19,658	4,889	24.6	74	5.2	14.8	15.1

Source: Fortune Research, Company

(Figures on consolidated basis)

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## Investment rationale

### Low cost land bank

Average cost of land bank is ~Rs.221 per sq ft

PDL has a land bank of ~193.7 mn sq ft spread over 47 cities and 16 states. The average cost of land bank is ~Rs.221 per sq ft which is comparatively lower. Excluding SEZ land the average cost works out to Rs. ~368 per sq ft for its ~107.4 mn sq ft land bank. The low cost land bank gives a competitive advantage in pricing its product and also a positive impact on profit margin. It has unpaid land bank of ~Rs. 6,800.0 mn which we expect the company to pay in next five years.

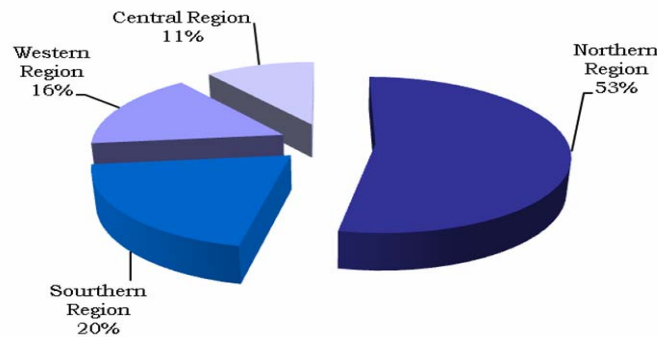
### Geographic distribution of land bank

PDL has major exposure to northern region which contributes to ~112.5 mn sq ft from its total land bank of ~193.7 mn sq ft.

### Region wise allocation of land bank (%):

#### Geographical distribution

Region wise	Area (mn sq ft)
Northern Region	102.9
Sourthern Region	38.7
Western Region	31.1
Central Region	20.7
Total Area	193.4



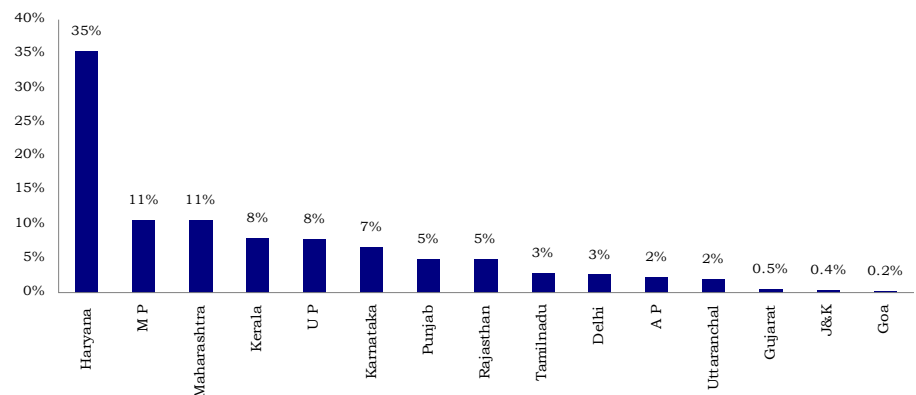
#### Land Bank in mn sq ft

States	Mn Sq ft
Haryana	68.3
Madhya Pradesh	20.7
Maharashtra	20.6
Kerala	15.5
Uttar Pradesh.	15.2
Karnataka	13.0
Punjab	9.7
Rajasthan	9.6
Tamilnadu	5.3
Delhi	5.0
Andra Pradesh	4.5
Uttaranchal	3.9
Gujarat	0.9
J&K	0.8
Goa	0.3
<b>Total Area</b>	<b>193.4</b>

Source: Fortune Research, Company

PDL has a quality land bank mainly situated in major congested metro and tier-I cities like Ahmedabad, Lucknow, Gurgoan, Mysore, Cochin, Hyderabad, Amritsar, Chandigard, Ghaziabad, Noida, etc. Due to congestion and constant immigration these cities are less impacted by slow down compared to the other cities.

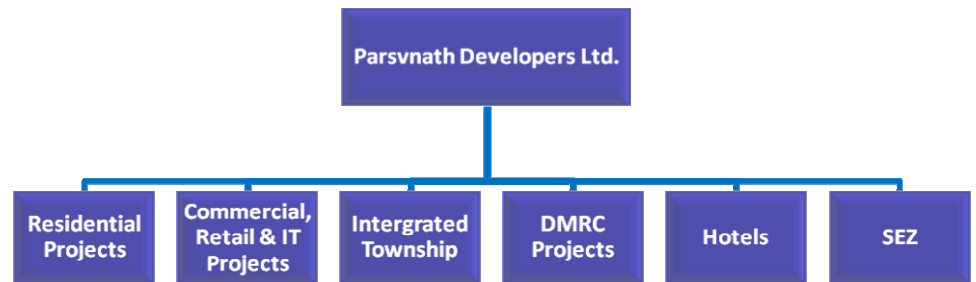
### State wise land bank (%)



Source: Fortune Research, Company



**Business model**



Source: Fortune Research, Company

*8 ongoing projects accumulating ~7.1 mn sq ft under 80IB*

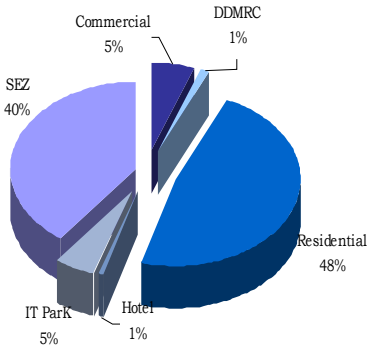
PDL operates in both the major verticals of real estate sector i.e residential and commercial verticals. It has a strong product mix in residential segment. It had started focusing on mid income and affordable housing segment before downturn. This helped it to avail tax benefits under 80 IB for its 8 ongoing projects. Currently it has started launching premium residential projects on city centric land bank with an aggressive construction schedule to generate higher revenues.

During slowdown PDL entered into low margin business like contractual construction and DMRC projects. Contractual projects require less working capital for operations and DMRC projects generate regular cash flow in the form of rentals, which can be used to fund ongoing construction activities.

With improvement of change in economic scenario becoming visible PDL has started construction of hotels and also plans to undertake construction of IT parks by FY12. Operations in multi segments of real estate sector have helped PDL to de-leverage its portfolio risk.

PDL is currently focusing on delivery of its ongoing residential projects, where the demand is robust. It has a good portfolio mix of affordable and premium residential apartments. However the company has postponed its SEZ development plans as it could deliver better returns in future and plans to take operations only after FY13. As SEZs require huge working capital and has a longer gestation period, it is focusing on faster execution of residential and commercial projects to monetize its ongoing projects. It has also started selling plots in its integrated township projects as it requires minimum construction and is easier to sell.

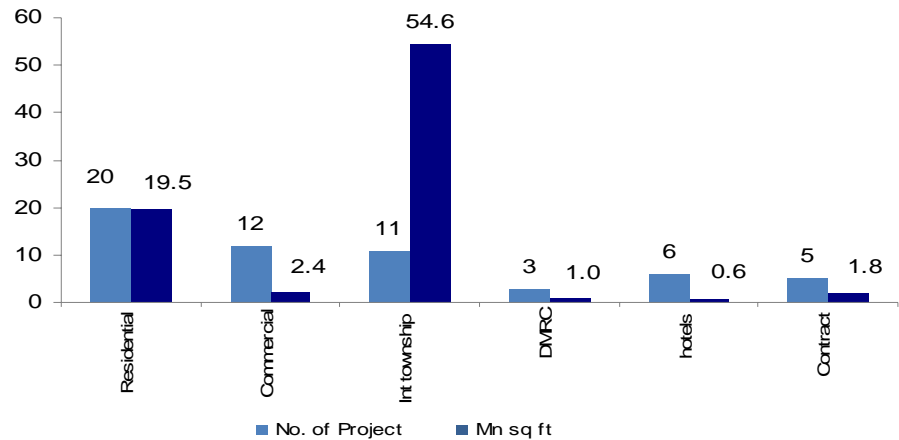




**Revenue visibility seen from ongoing projects**

The company has 57 on-going projects aggregating ~79.9 mn sq ft. From these projects it is mainly concentrating on timely execution of 20 residential projects aggregating ~19.5 mn sq ft. It is also trying to complete 6 ongoing DMRC projects as revenues would start flowing in the form of leased rentals. PDL is currently focusing on a faster delivery schedule for its ongoing 57 projects. It aggressively plans to deliver ~24.3 mn sq ft in the next 2 years.

**Segmental break up of 57 ongoing projects**



Source: Fortune Research, Company

Of these 57 ongoing projects it has identified 33 projects on which faster execution would help the company to generate revenues of better margin. The realizations are expected to be better compared to other projects as these are city centric projects totaling ~44.3 mn sq ft. From its two premium residential project (La Tropicana and Exotica - Gurgaon) it has raised Rs. 1,900 mn in H1FY10 by way of private equity placements and is trying to get private equity funding for its Privilege project at Noida, Exotica project at Gaziabad and one of these DMRC project.



**Thirty - three fast track projects**

Ongoing Projects	Area Under Construction	Construction Completed	% of project completed
Integrated township - 8 projects (plots sale)	23.3	7.0	30.0
Hotels - 4 projects	0.3	0.1	52.7
Residential - 17 projects	20.2	5.8	28.9
Commercial - 4 malls	0.6	0.4	67.8
	<b>44.3</b>	<b>13.4</b>	<b>30.2</b>

Source: Fortune Research, Company

Going by the current pace of execution we expect the company to fully develop its current land bank size of ~110 mn sq ft (excluding land under SEZs) within eight years.

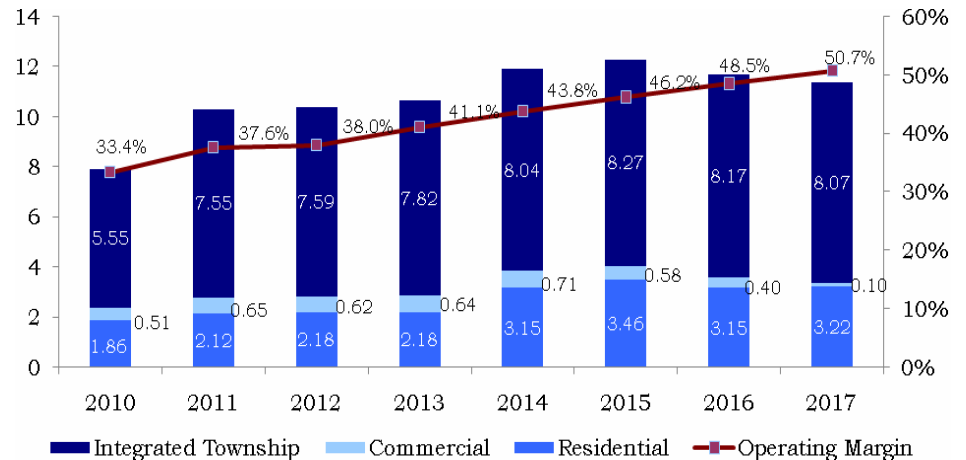


PDL currently would be focusing on development of residential projects, which would be delivered in the next two years. Secondly, it has started selling plots in integrated township projects as it requires minimal construction and would be useful in generating funds for development of residential and commercial properties in the township.

In FY10 and FY11 we expect majority of revenues coming from residential and sale of plot in townships. The company is also developing commercial properties which would be delivered by the end of FY11 and mid FY12. During this period we expect demand for commercial properties to recover. Going forward we expect the operating margins to improve and sustain as revenues would be booked from sequential sale of plots, ongoing residential and commercial projects.



**Segment wise break-up (mn sq ft) and operating margin (%)**



Source: Fortune Research, Company

**Residential project**

*20 ongoing projects aggregating ~19.5 mn sq ft*

*Raised private equity placement of Rs. 1,900 mn in two projects*

*6 residential projects under 80 IB*

*Future 8 projects of ~8.4 mn sq ft in process*

PDL is currently focusing on completion of its ongoing affordable housing projects where demand is higher but margins are lower compared to other segments. It has a significant number of these projects and has also started construction of premium housing from last quarter. PDL currently has 20 residential projects aggregating to ~19.5 mn sq ft out of which ~33.9 percent is already constructed.

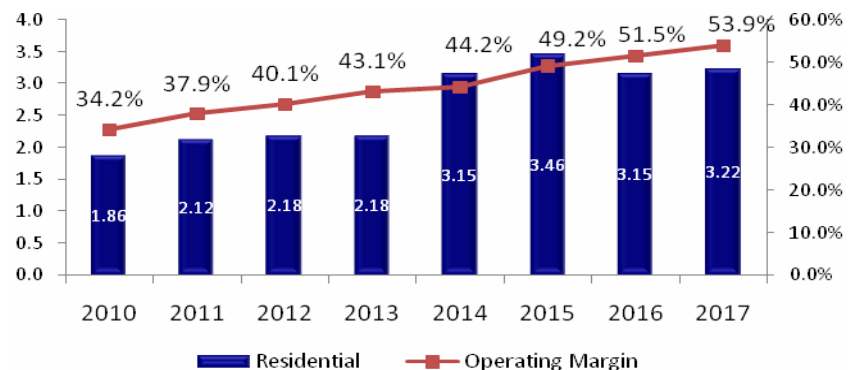
PDL has sold 22 percent stake in its LA Tropicana project in Delhi to Red Fort Capital for a consideration of Rs. 1,150 mn. This is a premium residential project having a saleable area of ~1.9 mn sq ft, is expected to be completed by FY13. Construction on project has started from previous quarter. Saleable area is competitively priced at ~Rs.4,500 per sq ft and we expect the company to generate total net cash flows of ~Rs. 8,571 mn. In another project – Exotica, the company has sold 50 percent stake for Rs. 750 mn which is located in Gurgaon. This project is also competitively priced at ~Rs. 6,000 per sq ft and has a total saleable area of ~0.36 mn sq ft. going forward it is also trying to get private equity funding for its another premium residential project, Privilege at Noida having a saleable area of 1.1 mn sq ft and Exotica at Gaziabad.

We expect the selling prices to improve by at least ~10-15 percent by next year in cities where PDL operates due to congestion and demand improvement for residential apartments in these cities. It has 7 residential projects under section 80 IB constituting ~4.8 mn sq ft expected to be completed by FY13. Under section 80IB of Income Tax Act these projects are exempted from tax generated from revenues of the project. (Under section 80 IB - the housing project should be approved by the local authority before March 31, 2007. Secondly, tax incentive is available only if the unit size is less than 1,000 sq ft for Delhi and Mumbai, and less than 1,500 sq ft for tier I and tier II cities whereas the plotted area of construction should be more than 1 acre)

The company is also expected to launch 8 new projects in cities like Pune, Delhi, Jammu, Ghaziabad, etc going forward aggregating ~12.5 mn sq ft. We expect all residential projects of PDL to be completed by FY17. We expect profit margins to improve in residential segment by at least by 10 percent on y-o-y basis. Major revenue booking is expected to happen in FY11 and FY12 as majority of its projects would complete threshold limit of 30 percent for revenue recognition.



**Residential development (mn sq ft) & operating margin (%)**



Source: Fortune Research, Company



**Commercial projects**

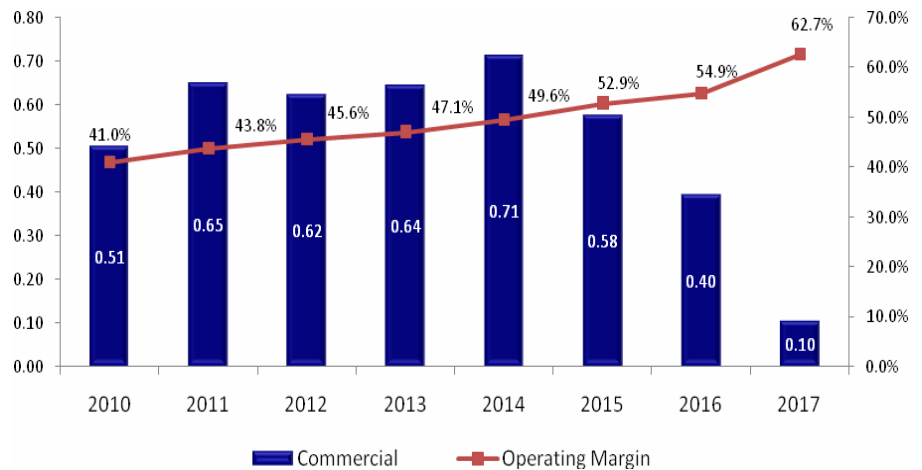
With revival in the economy in offing demand for commercial properties is expected to pick up by end FY11. It is currently working on its ongoing commercial projects on a slow pace and expects it to be delivered by FY12. The company is considering risk of cancellations and is therefore moving slow on construction activity. PDL has a cautious view on commercial spaces and hence construction linked to payment schedule, so that development can be constructed from advances and the company is able to fund its ongoing construction activity. We expect the company to sell its commercial spaces instead of leasing it due to occupancy risks. In the mean time PDL is focus on completion of residential projects.

*Ongoing 12 projects totaling ~2.36 mn sq ft*

*8 Future projects accumulating ~2.5 mn sq ft In pipeline*

Currently the company has 11 ongoing projects totaling to ~2.36 mn sq ft out of which ~32.6 percent is already completed. We expect the company to concentrate on these projects whereas new commercial projects are expected to be launched by PDL in FY12.

**Commercial development (mn sq ft) & operating margin (%)**



Source: Fortune Research, Company



**Integrated townships**

11 ongoing projects aggregating ~54.6 mn sq ft

2 housing projects under 80 IB aggregating ~2.3 mn sq ft

Future plans for 5 township aggregating ~15.3 mn sq ft in process

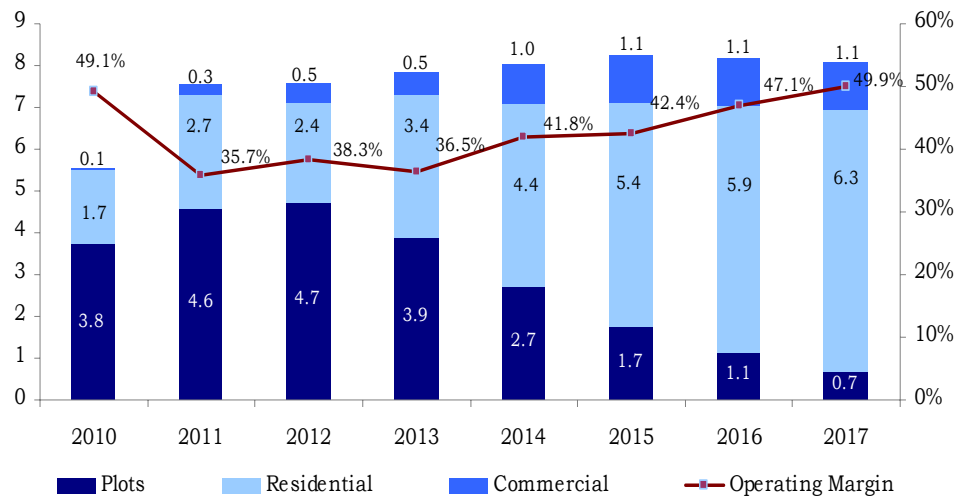
We expect major revenues to come from PDL's integrated township projects. It has strategically planned for construction and selling of units on a segmental basis. PDL commences operation by selling plots in township projects, which would generate enough cash flows to commence residential projects and finally take up commercial project once residential apartments are in middle phase of construction. This strategy would lead to a better demand, higher margins for its residential and commercial projects and ensure regular cash flow.

PDL is currently working on 11 integrated township projects aggregating ~54.0 mn sq ft. In Q2FY10 the company launched 5 new projects comprising of sale of plots and residential projects. It also has two group housing projects under 80 IB in Rajpura and Lucknow. This would help it to generate better profit margins. We expect the company to book more sales in plot segment in the initial phase of launches from FY10 to FY12. The company is also expected to raise Rs. 1,500 mn by way of private equity placement for its ongoing group housing project in townships. We expected launches in remaining 5 townships by the end of FY11.

Integrated township normally takes longer duration for completion and majority of revenues are expected from township projects from FY11 onwards. We expect all townships to be delivered by FY17.



**Integrated township development (mn sq ft) & operating margin (%)**



Source: Fortune Research, Company

The margins from integrated townships are expected to be lower than main stream margins in residential and commercial segments mainly due to lower access to public amenities and lower occupancy ratios during the initial period of launch. We also expect PDL to book revenues from residential segments from FY11 whereas commercial segments from township would be contribute from FY12.

**DMRC projects**

**7 Completed DMRC projects. 6 more under construction**

PDL has entered into various agreements with Delhi Metro Rail Corporation (DMRC) on BOT basis for construction of malls in and around the station area. The main feature of these projects is that cost is recovered in an average time frame of 3-4 years with the remaining period generating profits. Secondly footfalls in these malls are high as they are located in and around station areas resulting into better rentals and higher occupancy. By entering into these projects PDL has ensured steady source of funds that would aid its ongoing projects.

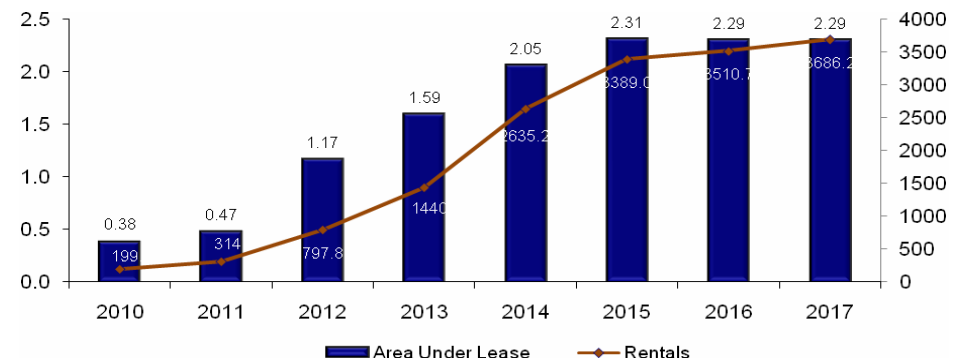
The company has already constructed 7 DMRC malls. The aggregate space currently available in these malls is ~0.9 mn sq ft, out of which ~32.4 percent is already leased in FY09. We expect leaseable area to increase by ~40.6 percent in FY10 and further by ~50.3 percent in FY11.

**Private equity placement of ~ Rs. 2,500 mn expected**

PDL has currently started construction of another 6 DMRC projects which are expected to be completed by FY12. The total leaseable space after completion of all 13 DMRC projects would be ~2.2 mn sq ft resulting into revenues of ~Rs. 797.8 mn, expected to increase with leaseable area. The company is trying for private equity placement of ~Rs. 1,500 mn for its Bhaiveer DMRC project that has a leaseable area of ~0.28 mn sq ft and higher rentals are expected due to its strategic location.



**Expected area under lease and revenue**



Source: Fortune Research, Company



*Plans for 4 IT projects aggregating ~10.6 mn sq ft*



### IT parks

We expect PDL to undertake construction of IT parks at strategic location in Tamil Nadu, Kerala and Haryana. As recruitment is expected to increase day by day IT companies would require huge space for their operations. It has started construction on Gurgaon IT park, which has a saleable area of ~0.7 mn sq ft. We expect the demand for IT parks to increase by FY12 and expect the company to soon start construction on 3 IT parks in Kerala, Haryana and Tamil Nadu having saleable area of ~9.8 mn sq ft. All IT parks are expected to be delivered by FY16.

*5 Contractual project aggregating total value of Rs. 3,119.8 mn*

### Contractual projects

PDL has 5 contractual projects under its belt aggregating Rs. 3,119.8 mn. These projects are expected to be completed by FY11 and have low EBIDTA margin of ~12-15 percent. PDL had mainly entered into contractual projects in mid 2008 when demand for residential and commercial space had collapsed, mainly to support its topline. We do not expect PDL to undertake any such projects (of lower margin) in near future as it has better options and would mainly concentrate on its ongoing projects having better operating margins.



### Hotels

PDL has expanded its operations to include hotel segment in order to diversify its service offerings. It has ambitious plans to set up 18 hotels that would contribute to a total of ~2,500 rooms. We expect construction period of these hotels to spread over a period from four to five years. Hotels have longer gestation period and demand for hotel rooms is likely to increase gradually. All these hotels would be owned by PDL but operations would be managed by leading hotel chains.

It has entered into MOU with Fortune Park, an ITC Welcome Group company, to manage its hotels on a sharing basis. It has also entered into a joint venture with Royal Orchid Hotel Private Ltd of Bangalore to develop a new range of hotels and service apartments across India. Under this joint venture PDL is expected to construct 10 hotels across India whereas Royal Orchid Hotel would look after management of these hotels.

We expect PDL hotels at Shirdi and Mohali to be operational by FY12 whereas another 4 hotels (Goa, Ahmedabad, Hyderabad and Lucknow) would be operational in FY13 while the rest hotels by FY18.

*7 SEZ's aggregating ~76.6 mn sq ft*



### SEZs

PDL has 4 notified SEZs at Indore, Gurgaon, Dehradun and Nanded. The first three are IT SEZs whereas the later one is a pharma SEZ. It has also formally approved SEZ at Kochin and Hyderabad for IT and biotechnology respectively. It also has other seven SEZs under principal approval and awaits approval status. SEZs contribute ~76.6 mn sq ft from total land bank of PDL.

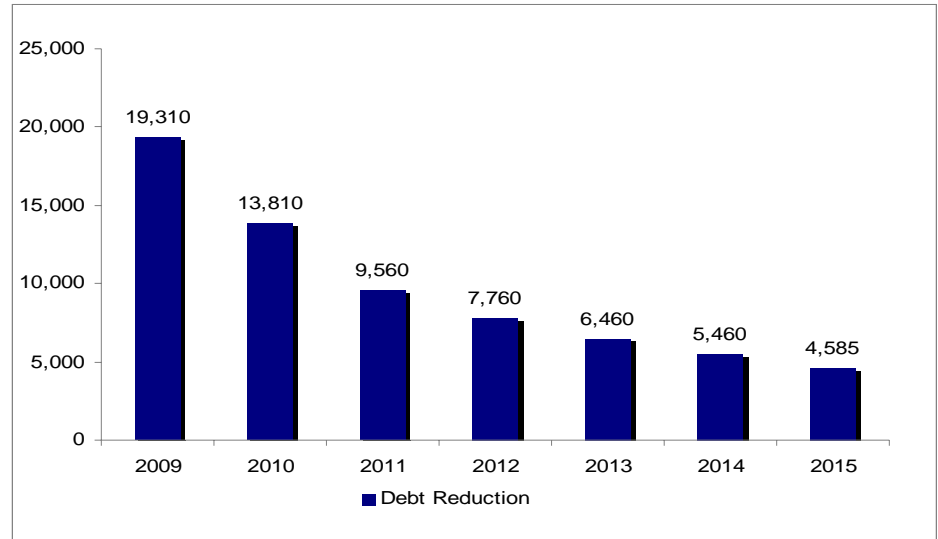
We do not expect PDL to start construction of SEZs before FY14 as they require huge capital for development and take longer duration for completion. We expect PDL to concentrate on residential, commercial and integrated townships segments.



### Debt reduction

PDL has a debt of ~Rs. 1,9376.2 mn as on 31<sup>st</sup> March 2009 which makes its balance sheet highly leveraged. PDL is determined to reduce debt from its internal accruals and additional fund raised by way of QIP and private equity ventures (Rs. 3,585.4 mn). We expect the debt to reduce by ~28.5 percent in FY10 whereas it would further reduce by ~30.8 percent in FY11 and ~18.8 percent in FY12.

### Reduction in debt



*D/E to reduce from 0.8x in FY10 to 0.5x in FY10 which would be further reduced to 0.2x in FY11 and 0.1x in FY12*

Source: Fortune Research, Company

We expect debt to equity to reduce from 0.8x in FY09 to 0.5x in FY10 which would be further reduced to 0.2x in FY11 and 0.1x in FY12.

### Funds already in place for debt repayment and working capital

PDL has already raised ~Rs.3,585.4 mn by a mix of QIP and private equity placement. It had issued 13.9 mn shares at a price of Rs.121.25 to QIP holders to raise Rs. 1,685.4 mn (USD 35 mn) in October 09. Major investors in QIP were Fidelity and DSP Merrill Lynch.

*Fund raised totaling Rs. 3,585.4 mn*

The company raised Rs. 1,900 mn via stake sale in two projects through the private equity route. It sold 22 percent stake in its project Parsvnath La Tropicana (a premium residential project in Civil Lines in Delhi) to Red Fort Capital for Rs.1,150 mn. In another transaction it sold 50 percent stake in Parsvnath Exotica (Phase-II) Gurgoan for a consideration of Rs. 750 mn to Sun Apollo, an international real estate fund. These projects are under its fully owned subsidiary.

PDL is expected to raise additional ~Rs. 3,000 mn by private equity placement for its DMRC project and group housing project.

The company also received refund of Rs. 2,260 mn from government as they were not able to provide possession of land. It has also sold a plot in Punjab for Rs. 190 mn in Q2FY10. On consolidating, it has accumulated Rs. 6,035.4 mn in first half of the year that help the company in construction activities and repaying debt.

## Financial Highlights

### Quarterly Performance

*Improvement witnessed in financial performance of the company*

*OPM improved 1,170 bps y-o-y to 31.0 percent v/s 19.3 percent and NPM improved 2,680 bps y-o-y and 2,470 bps q-o-q to 36.8 percent*

In Q2FY10 net sales were down 22.6 percent y-o-y at Rs. 1,684.7 mn compared to Rs.2,175.6 mn in Q2FY09 but improved 48.1 percent q-o-q from Rs. 2,175.6 mn showing signs of improvement in financial performance of the company. The company has sold 816 units aggregating ~1.9 mn sq ft whereas launched 6 new projects comprising of ~3.2 mn sq ft in Q2FY10. In coming quarters PDL plans to hand over 1,459 units comprising ~3.6 mn sq ft and launch 5 new projects totaling ~10.6 mn sq ft.

Q2FY10 operating margin has improved 1,170 bps y-o-y to 31.0 percent compared to 19.3 percent in Q2FY09. This was achieved due to lower construction and employee costs down 32.7 percent and 33.1 percent respectively. The net profit margin also improved 2,680 bps y-o-y and 2,470 bps q-o-q to 36.8 percent in Q2FY10 mainly due to rise in other income from interest on deposit and rentals from DMRC projects aggregating to Rs. 58.8 mn and sale of assets aggregating to Rs. 264.1 mn

### Half Yearly Performance

*OPM improved 2,050 bps to 33.8 percent v/s 28.0 percent in H1FY09 whereas NPM improved 1,060 bps to 26.9 percent v/s 16.2 percent in H1FY09.*

In H1FY10 net sales were down 52.2 percent to Rs. 2,822 mn compared to Rs. 5,904 mn in the H1FY09 as construction activity was sluggish at the end of FY09 resulting into lower sales in the first two quarters. In coming quarters we expect revenues to be booked from ongoing projects and sale of plots in integrated township.

However operating profit margin has improved 2,050 bps to 33.8 percent compared to 28.0 percent in H1FY09 due to lower construction and employee costs by 59.0 percent and 33.6 percent respectively. Revival in residential spaces and appreciation witnessed in selling price by 10-15 percent has also helped. The net profit margin improved 1,060 bps 26.9 percent from 16.2 percent in the corresponding period mainly due to other income as discussed earlier.

## Result Analysis Table

Consolidated (Rs. in mn)	Q2FY10	Q2FY09	Y-o-Y (%)	Q1FY10	Q-o-Q (%)	H1FY10	H1FY09	% chg
Net Sales	1,684.7	2,175.6	-22.6	1,137.3	48.1	2,822.0	5,904.0	-52.2
Other operating income	46.0	39.1	17.7	15.7	192.8	61.7	74.9	-17.7
<b>Total Income</b>	<b>1,730.7</b>	<b>2,214.7</b>	<b>-21.9</b>	<b>1,153.0</b>	<b>50.1</b>	<b>2,883.7</b>	<b>5,978.9</b>	<b>-51.8</b>
<b>Expenditure</b>	<b>1,208.6</b>	<b>1,795.6</b>	<b>-32.7</b>	<b>721.9</b>	<b>67.4</b>	<b>1,930.5</b>	<b>4,323.9</b>	<b>-55.4</b>
Cost of construction	1,016.3	1,510.2	-32.7	548.9	85.2	1,565.2	3,814.9	-59.0
Employees cost	80.6	120.5	-33.1	81.7	-1.3	162.3	244.3	-33.6
Other expenditure	111.6	164.9	-32.3	91.4	22.2	203.0	264.6	-23.3
<b>EBIDTA</b>	<b>522.1</b>	<b>419.0</b>	<b>24.6</b>	<b>431.1</b>	<b>21.1</b>	<b>953.2</b>	<b>1,655.0</b>	<b>-42.4</b>
OPM (%)	31.0	19.3	11.7	37.9	-6.9	33.8	28.0	20.5
Depreciation	54.0	69.8	-22.6	52.9	2.1	106.9	127.4	-16.1
Other income	277.0	48.9	466.1	33.7	722.1	310.7	92.2	237.0
<b>EBIT</b>	<b>745.1</b>	<b>398.2</b>	<b>87.1</b>	<b>411.9</b>	<b>80.9</b>	<b>1,156.9</b>	<b>1,619.8</b>	<b>-28.6</b>
Interest	185.8	186.3	-0.3	190.5	-2.5	376.3	360.3	4.4
<i>Interest coverage ratio (x)</i>	4.0	2.1		2.2		3.1	4.5	
<b>EBT</b>	<b>559.3</b>	<b>212.0</b>	<b>163.9</b>	<b>221.4</b>	<b>152.7</b>	<b>780.7</b>	<b>1,259.5</b>	<b>-38.0</b>
Tax	(60.8)	(6.7)	805.7	83.3	-173.0	22.5	301.2	-92.5
<b>Net Profit</b>	<b>620.1</b>	<b>218.7</b>	<b>183.6</b>	<b>138.1</b>	<b>348.9</b>	<b>758.2</b>	<b>958.2</b>	<b>-20.9</b>
NPM (%)	36.8	10.1	26.8	12.1	24.7	26.9	16.2	10.6
Minority interest	5.8	(0.4)	-1512.2	0.0		5.8	(0.5)	-1303.3
<b>Adjusted Net Profit</b>	<b>614.3</b>	<b>219.1</b>	<b>180.4</b>	<b>138.1</b>	<b>344.8</b>	<b>752.4</b>	<b>958.7</b>	<b>-21.5</b>
<b>Equity capital</b>	<b>1,847.0</b>	<b>1,847.0</b>		<b>1,847.0</b>		<b>1,847.0</b>	<b>1,847.0</b>	
Face value (in Rs)	10.0	10.0		10.0		10.0	10.0	
<b>EPS</b>	<b>3.3</b>	<b>1.2</b>		<b>0.7</b>		<b>4.1</b>	<b>5.2</b>	

### Valuation

We believe PDL is well placed in current market scenario as it has a low cost land bank, visibility on its ~78.99 mn sq ft ongoing projects and future plans for the remaining land bank. Currently company is trading at a steep discount of 48.7 percent on its NAV of Rs. 188.6. This discount should reduce as it has proper plans for utilizing its land bank, debt reduction plans and has shown shien capabilities to raise funds via private equity placement making the stock attractive at current levels. On conservative basis we have given a 10 percent discount on its NAV of Rs. 188.6 to arrive at a price target of Rs. 170 per share, implying an upside potential of 33.9 percent on CMP of Rs.127.

We initiate coverage on Parsvnath Developers Ltd. with a **BUY** rating on NAV based target price of Rs.170. PDL is a prominent player in the real estate industry and has presence in all segments across India.

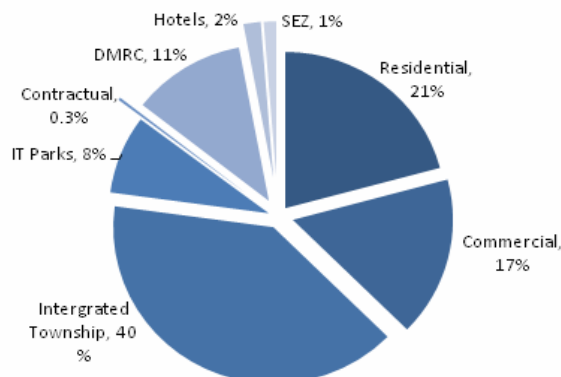
### NAV Calculation

Target price of Rs. 170

Particulars	Rs mn	per share
Residential	15,014.5	75.6
Commercial	11,888.4	59.9
Integrated Township	28,648.9	144.3
IT Parks	5,841.4	29.4
Contractual	199.3	1.0
DMRC	8,259.8	41.6
Hotels	1,249.2	6.3
SEZ	906.0	4.6
<b>Gross Asset Value</b>	<b>72,007.4</b>	<b>362.7</b>
Less : Tax	16,489.7	83.0
Less : Debt*	13,810.3	69.6
Add : Cash*	2,637.5	13.3
Less : Unpaid Land Bank	6,830.0	34.4
<b>NAV</b>	<b>37,514.9</b>	<b>188.9</b>
<b>Discount to NAV</b>	<b>10.0%</b>	<b>18.9</b>
<b>Target Price</b>	<b>33,763.5</b>	<b>170.0</b>

(\* FY10 estimated)

### Segment-wise contribution to gross asset value



Source: Fortune Research, Company



**Sensitivity analysis of NAV and WACC**

	NAV Discount (%)					
	0%	5%	10%	15%	20%	
WACC %	<b>13.6%</b>	239.1	227.1	215.2	203.2	191.2
	<b>14.6%</b>	221.1	210.0	199.0	187.9	176.9
	<b>16.6%</b>	188.9	179.4	170.0	160.5	151.1
	<b>17.6%</b>	175.5	166.8	158.0	149.2	140.4
	<b>18.6%</b>	162.6	154.5	146.3	138.2	130.1

**Assumptions for valuation**

- We expect PDL to fully develop its current land bank size of ~110 mn sq ft (excluding land under SEZs) within eight years on conservative basis.
- Cost of debt is 14 percent per annum whereas 20 percent market return is considered to arrive at a WACC of 16.6 percent
- WACC of 16.6 percent is used to discount cash flows from all segments
- Discount of 10 percent is given to NAV to PDL on conservative basis as PDL has ~53 percent of its land bank in northern region and on probability of further delay in execution of projects, delay in repayment of unpaid land bank and debt repayment.
- **Valuation for residential segment**
  - Selling price is expected to increase by 10 percent on y-o-y basis
  - Cost of construction to increase by 5 percent on y-o-y basis
  - Delay in construction activity of 10 percent is considered on project-wise basis
- **Valuation for commercial segment and IT parks**
  - Selling price is expected to increase by 5 percent from end of FY11 till FY13 after that we expect 10 percent rise in selling price.
  - Cost of construction to increase by 5 percent on y-o-y basis
  - We expect PDL to sell its commercial properties instead of leasing.
  - Delay in construction activity of 20 percent is considered on project-wise basis
- **Valuation for integrated township segment**
  - Selling price is expected to increase by 10 percent on y-o-y basis
  - Cost of construction to increase by 5 percent on y-o-y basis
  - Delay in construction activity of 25 percent is considered on township and project-wise basis.

- **Valuation for DMRC segment**
  - Bidding cost and construction cost has been capitalized
  - Leased rentals are expected to rise by 5 percent on y-o-y basis
  - Maintenance cost of 15 percent of leased rentals is considered
  - Starting with lower level occupancy to a maximum occupancy of 90 percent
  
- **Valuation of hotels segment**

We expect construction of hotel would take a longer gestation period. PDL's first hotel would be operational by FY12 whereas remaining hotel would be operational by FY18. Secondly, there is a lot of ambiguity on revenues sharing model once these are constructed and we are not sure on the viability of the hotel business scenario at this point of time. Therefore we value the hotel business on 1x on equity investment (land cost of acquisition).
  
- **Valuation of SEZ**

SEZ operations as of now seem unviable. Currently we expect PDL to concentrate of construction on residential, commercial, integrated township and DMRC projects. Secondly PDL would start construction of SEZ business once there is shortfall for commercial properties which is not expected till FY13. Hence we value the SEZ segment on 1x on equity investment (land cost of acquisition)

### Company background

*Pan-India presence spread over 47 cities and 16 states*

*Development of residential, commercial, DMRC projects, hotels, SEZs, & third party construction*

**Parsvnath developers limited (PDL)** is one of India's leading real estate developers with pan-India presence spread over 47 cities and 16 states, across key verticals in the real estate sector. The company has a developable area of over 193.4 mn sq. ft. and has started development & construction of 57 projects on ~79.88 mn sq.ft. The company is aggressively working on ~44.25 mn sq. ft. out of which ~37 mn sq. ft. is already pre booked and is moving ahead towards its objective of handing over approximately ~28.7 million sq. ft. within the next 24 months.

The key business segments include development of residential, commercial (office, retail & IT parks), DMRC projects (BOT basis), hotels, SEZs, IT parks & third party construction with a strong project execution capability with high experienced in-house construction and procurement teams. PDL is an ISO 9001, 14001 and OHSAS 18001 certified company.

### Subsidiaries of PDL and there operations

PDL has fifteen subsidiaries in various segments to undertake construction work. It has recently sold 22 percent stake in its subsidiary, Parsvnath Landmark Developers Pvt Ltd, to Red Fort Capital for its LA Tropicana project for Rs. 1150 mn and in another transaction sold 50 percent stake in its Exotica project to Sun Apollo Real Estate Advisors Pvt. Ltd for Rs. 750 mn. This project is under its subsidiary, Hessa Realtors Pvt. Ltd.

*Subsidiaries of PDL*

Subsidiary Company	Sector	Holding of PDL (%)
Parsvnath SEZ Limited	SEZ projects	95
Parsvnath Film City Limited	Film city & allied works	100
Parsvnath Hotels Limited	Hotel	100
Parsvnath Retail Limited	Retail	100
PDL Assets Limited	Asset management	100
Parsvnath Telecom Pvt. Ltd.	Telecommunication	100
Parsvnath Landmark Developers Pvt Ltd	Real estate	78
Parsvnath Developers Pte Ltd.	Real estate	100
Jarul Promoters & Developers Pvt Ltd	Real estate	100
Baasima Buildcon Pvt Ltd	Real estate	100
Parsvnath Developers (SBBT) Pvt Ltd	Real estate	100
Parsvnath Developers (GMBT) Pvt Ltd	Real estate	100
Parsvnath Royal Orchid Hotels Pvt. Ltd.	Hotels	70
Primetime Realtors Pvt. Ltd.	Real estate	100
Hessa Realtors Pvt. Ltd.	Real estate	100

Source: Fortune Research, Company

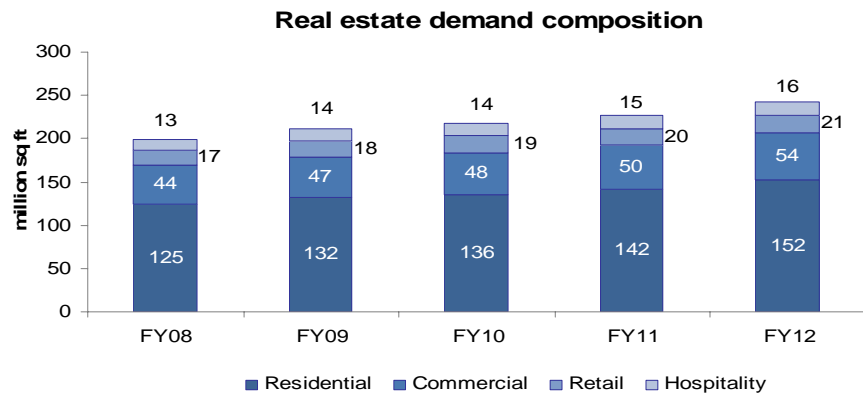
**Sector overview**

*Real estate contributes 5 percent to GDP*

Real estate is one of the fastest growing sectors in the country and touching new heights. It has become second largest employer after agriculture in India and it contributes 5 percent to country's GDP and expected to rise 6 percent in next five years. The boom in real estate sector is spread across different parts of the country like Mumbai, Delhi, Kolkata, Chennai, Hyderabad and Gurgaon in all segments such as residential, retail, healthcare and commercial developments. Sector has been booming due to strong interest from foreign investors and NRI's that has pushed Indian real estate to new limits.

With signs of revival of demand in real estate and housing sectors backed by spurred price corrections, new launches, lowering of interest rates, increase in sales inquiries and affordable housing, the demand for investment in infrastructure, housing, retail, IT, ITES and telecom sector is bound to happen going forward.

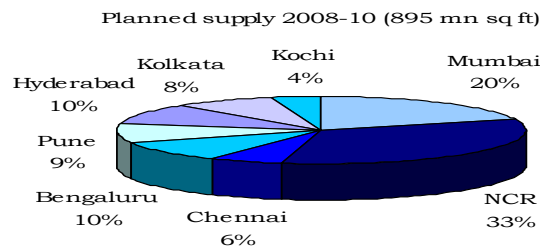
According to reliable estimates for next five years demand for various real estate segments is expected to pan out as shown below:



Source: Cushman & Wakefield, Economic Survey 2007 – 08, RBI

*Residential sector expected to grow 18-19 percent up to 2010*

Residential sector is expected to grow 18-19 percent up to 2010, according to India Brand Equity Foundation (IBEF) report, driven by rapid urbanization coupled with increased per capita income and increased penetration of mortgage finance. Currently there is a shortage of more than 25mn housing units in middle and low income groups, according to Eleventh five year plan (2007-12).



Source : Crisil, Fortune Research



*Commercial sector expected to grow at a CAGR of 20-22 percent*

Commercial sector is expected to grow at a CAGR of 20-22 percent over next five years with IT/ITeS sector alone expected to require in excess of 250 mn sq ft of commercial office space by 2012-13. Lot of other spaces in this segment like airports, convention centers, higher educational institutions, R&D labs, SEZs, sports centers, etc are In pipeline. The organized retail sector share is expected to grow 10.4 percent of the overall retail market by 2012 against present 5 percent as per a KPMG. By 2012, 323 ms sq ft of new retail space will be required. If we are considering space for opening offices, most viable options are available in Mumbai, Delhi, Gurgoan, Lucknow, Hyderabad and Bangalore. Number of malls in India is also expected to increase from 105 in 2006 to 412 in 2010. Therefore we have a positive outlook on real estate sector.

**Financials (Consolidated)**
**(Figures in Mn)**

Income statement	FY08	FY09	FY10E	FY11E	FY12E	Balance Sheet	FY08	FY09	FY10E	FY11E	FY12E
Net Sales	17,713.3	6,984.0	6,947.3	12,133.8	19,658.0	Share Capital	1,847.0	1,847.0	1,985.6	1,985.6	1,985.6
Other Op. Inc.	-	122.3	126.7	127.4	137.6	Reserves	17,050.0	18,200.0	23,276.5	27,098.6	31,129.9
<b>Total Income</b>	<b>17,713.3</b>	<b>7,106.3</b>	<b>7,074.0</b>	<b>12,261.2</b>	<b>19,795.6</b>	<b>Networth</b>	<b>18,897.0</b>	<b>20,047.0</b>	<b>25,262.1</b>	<b>29,084.1</b>	<b>33,115.4</b>
<b>Expenditure</b>	<b>11,568.7</b>	<b>4,907.4</b>	<b>4,977.3</b>	<b>8,415.6</b>	<b>13,312.3</b>	Min. Int	13.9	13.2	13.2	13.2	13.2
Cost of Const	10,762.2	3,998.2	4,045.0	7,408.5	12,191.8	Sec Loans	17,226.7	19,073.6	13,119.8	9,082.3	7,372.3
Employees Cost	410.5	428.7	435.8	485.4	530.8	Unsec. Loans	978.5	236.7	690.5	478.0	388.0
Other Exp	396.1	480.6	496.5	521.8	589.7	<b>Total Debt</b>	<b>18,205.2</b>	<b>19,310.3</b>	<b>13,810.3</b>	<b>9,560.3</b>	<b>7,760.3</b>
<b>EBIDTA</b>	<b>6,144.5</b>	<b>2,198.9</b>	<b>2,096.7</b>	<b>3,845.6</b>	<b>6,483.3</b>	<b>Total Liab</b>	<b>37,116.1</b>	<b>39,370.5</b>	<b>39,085.5</b>	<b>38,657.7</b>	<b>40,888.0</b>
OPM (%)	34.7	31.5	29.4	31.7	33.0	Gross Block	1,654.5	2,021.7	2,163.2	2,314.6	2,476.7
Depreciation	239.1	281.2	285.5	305.5	326.9	Less: Acc Dep	456.8	735.4	1,021.0	1,326.5	1,653.4
Other Income	658.0	185.8	810.7	622.6	678.2	<b>Net Block</b>	<b>1,197.7</b>	<b>1,286.3</b>	<b>1,142.2</b>	<b>988.1</b>	<b>823.2</b>
<b>EBIT</b>	<b>6,563.4</b>	<b>2,103.5</b>	<b>2,621.8</b>	<b>4,162.6</b>	<b>6,834.6</b>	Capital WIP	1,437.3	2,236.2	2,417.5	2,550.5	2,690.7
Interest	391.2	734.0	497.2	382.4	271.6	Pre-op Exp	13.7	55.3	55.3	55.3	55.3
Int. Cov. Ratio x	16.8	2.9	5.3	10.9	25.2	Investments	144.2	295.5	295.5	295.5	295.5
<b>EBT</b>	<b>6,172.2</b>	<b>1,369.5</b>	<b>2,124.6</b>	<b>3,780.2</b>	<b>6,563.0</b>	<b>Current Assets</b>					
Tax	1,928.5	241.3	541.8	964.0	1,673.6	Inventories	22,610.8	24,574.2	31,124.2	32,094.5	37,944.8
<b>Net Profit</b>	<b>4,243.7</b>	<b>1,128.2</b>	<b>1,582.9</b>	<b>2,816.3</b>	<b>4,889.4</b>	Sundry Debtors	12,813.9	11,466.0	13,251.2	14,865.5	23,161.0
NPM (%)	24.0	16.2	22.2	23.2	24.9	Cash and Bank	4,228.4	2,709.6	2,637.5	3,119.3	2,625.2
Min. Int.	-0.2	-0.9				Loans & Adv	7,477.2	7,061.2	7,280.3	9,829.0	11,044.0
<b>Adj. Net Profit</b>	<b>4,243.9</b>	<b>1,129.1</b>	<b>1,582.9</b>	<b>2,816.3</b>	<b>4,889.4</b>	<b>Curr. Liab &amp; Prov</b>					
<b>Equity Capital</b>	<b>1,847.0</b>	<b>1,847.0</b>	<b>1,985.6</b>	<b>1,985.6</b>	<b>1,985.6</b>	Current Liabilities	11,641.3	10,070.8	18,889.0	24,694.5	36,941.4
Face Value (in Rs)	10.0	10.0	10.0	10.0	10.0	Provisions	1,175.3	291.6	277.8	494.3	858.1
EPS	23.0	6.1	8.0	14.2	24.6	Total Current Liab.	12,816.6	10,362.4	19,166.7	25,188.8	37,799.5
						<b>Net Current Assets</b>	<b>34,313.7</b>	<b>35,448.6</b>	<b>35,126.4</b>	<b>34,719.6</b>	<b>36,975.5</b>
						<b>Net Deferred Tax</b>	<b>9.5</b>	<b>48.6</b>	<b>48.7</b>	<b>48.7</b>	<b>48.7</b>
						<b>Total Assets</b>	<b>37,116.1</b>	<b>39,370.5</b>	<b>39,085.5</b>	<b>38,657.7</b>	<b>40,889.0</b>

Ratios	FY08	FY09	FY10E	FY11E	FY12E	Cash flow	FY08	FY09	FY10E	FY11E	FY12E
<b>Basic (Rs)</b>						Profit before tax	6172.2	1369.5	2124.6	3780.2	6563.0
EPS	23.0	6.1	8.0	14.2	24.6	Depreciation	239.1	281.2	285.5	305.5	326.9
Growth (%)	45.2	-73.4	30.4	77.9	73.6	Interest expense	1970.7	2637.2	1933.4	1338.4	1086.4
Cash EPS	24.3	7.6	9.4	15.7	26.3	Other Items	-521.6	-203.0	0.0	0.0	0.0
Book value	102.3	108.5	127.2	146.5	166.8	<b>Op. prof t before WC</b>	<b>7860.5</b>	<b>4084.8</b>	<b>4343.6</b>	<b>5424.2</b>	<b>7976.3</b>
DPS	3.0	0.0	1.2	2.1	3.7	(Inc./Dec. in Debtors	-7235.1	1347.9	-1785.2	-1614.3	-8295.5
Payout (%)	12.4	0.0	12.7	13.5	14.1	(Inc./Dec. in L & A	-321.4	399.8	-219.1	-2548.7	-1215.0
<b>Valuation (x)</b>						(Inc./Dec. in Inv.	-6172.4	-1963.4	-6550.0	-970.4	-5850.3
P/E	5.5	20.8	15.9	9.0	5.2	Inc./Dec. in Curr Liab	2817.8	-1553.1	8804.3	6022.0	12610.8
Cash P/E	5.2	16.6	13.5	8.1	4.8	<b>Cash gen. from op.</b>	<b>-3050.5</b>	<b>2316.0</b>	<b>4593.7</b>	<b>6312.8</b>	<b>5226.3</b>
Price/Book value	1.2	1.2	1.0	0.9	0.8	Direct taxes paid	-1655.7	-500.5	-541.8	-964.0	-1673.6
EV/Sales	2.1	5.7	5.2	2.6	1.5	<b>Net cash from op. act.</b>	<b>-4706.3</b>	<b>1815.5</b>	<b>4052.0</b>	<b>5348.9</b>	<b>3552.8</b>
EV/EBITDA	6.1	18.2	17.4	8.2	4.7	Purchase of fixed assets	-1849.2	-1216.7	-141.5	-151.4	-162.0
Dividend yield (%)	2.4	0.0	0.9	1.7	2.9	Other Items	965.2	60.0	0.0	0.0	0.0
<b>Profit ratios (%)</b>						<b>Net cash from Inv. Act.</b>	<b>-884.0</b>	<b>-1156.7</b>	<b>-141.5</b>	<b>-151.4</b>	<b>-162.0</b>
RoE	22.5	5.6	6.3	9.7	14.8	Dividend paid	-540.2	-648.3	-277.8	-494.3	-858.1
RoCE	15.9	4.9	4.6	9.2	15.1	Interest paid	-1985.4	-2422.8	-1933.4	-1338.4	-1086.4
<b>Leverage ratio</b>						Other Items	-519.7	-1493.2	3910.0	1500.0	0.0
Debt/Equity (x)	1.0	1.0	0.5	0.3	0.2	Inc./Dec. in sec. term loans	5195.5	4127.4	-5953.8	-4037.5	-1710.0
Net Debt / Equity (x)	0.7	0.8	0.4	0.2	0.2	Inc./Dec. in WC loans	1232.4	-998.2	-181.3	-133.0	-140.3
						Inc./Dec. in unsec. loans	978.5	-742.7	453.8	-212.5	-90.0
						<b>Net cash from Fin. Act.</b>	<b>4361.2</b>	<b>-2177.7</b>	<b>-3982.6</b>	<b>-4715.7</b>	<b>-3884.8</b>
						Inc./Dec. in cash	-1229.1	-1519.0	-72.1	481.8	-494.1
						Cash at beg. of the year	5457.5	4228.4	2709.5	2637.4	3119.2
						Cash at end of the year	4228.4	2709.5	2637.4	3119.2	2625.1

**Annexure**
**Description of ongoing and future residential projects**


Sr No.	Project Name	City	State	Mn sq ft	Status
1	Parsv. Panorama	Noida	U. P.	0.7	Ongoing
2	Parsv. Palacia	Noida	U. P.	0.6	Ongoing
3	Parsv. Residency	Moradabad	U. P.	0.1	Ongoing
4	Parsv. Pratibha	Moradabad	U. P.	1.1	Ongoing
5	Parsv. Privilege	Greater Noida	U. P.	1.1	Ongoing
6	Parsvnath Planet	Lucknow	U. P.	0.5	Ongoing
7	Parsv. Premium	Pune	Maharashtra	0.2	In pipeline
8	Parsv. Paramount	Delhi		0.3	In pipeline
9	Parsv. Elegance	Moradabad	U. P.	0.7	Ongoing
10	Parsv. Exotica	Gurgoan	Haryana	0.2	Ongoing
11	Parsv. Pleasant	Rewari	Haryana	0.6	Ongoing
12	Parsv. Regalia	Ghaziabad	U. P.	0.9	Ongoing
13	Parsv. Exotica	Ghaziabad	U. P.	0.3	In pipeline
14	Parsv. Sterling	Ghaziabad	U. P.	0.0	Ongoing
15	Parsv. Royale	Panchkula	Haryana	0.9	Ongoing
16	Parsv. Pristine - I	Sonepat	Haryana	0.2	Ongoing
17	Parsv. Pristine - II	Sonepat	Haryana	0.0	Ongoing
18	Kundli Group Hou	Kundli	Haryana	0.7	Ongoing
19	Panchvati II	Agra	U. P.	0.2	Ongoing
20	Royal Villas		Goa	0.7	In pipeline
21	Parsv. Prom.	Bhiwad	Rajasthan	0.6	Ongoing
22	Unnamed	Khekhra	U. P.	0.1	Ongoing
23	Unnamed	Panipat	Haryana	1.1	In pipeline
24	LA-Tropicana	Delhi		1.1	In pipeline
25	Passion II	Jammu	J&K	0.5	Ongoing
26	Pragati	Dharuhera	Haryana	0.2	In pipeline
27	Bantra	Jammu	J&K	0.3	In pipeline
28	Unnamed	Jamnagar	Gujarat	0.7	Ongoing
Total residential space				28.1	

Source: Fortune Research, Company

**Description of ongoing and future commercial projects**


Sr. No.	Project Name	City	State	Mn sq ft	Status
1	Parsvnath Sqaure	Moradabad	U. P.	0.0	Ongoing
2	Parsvnath City Centre	Bhiwadi	Rajasthan	0.2	Ongoing
3	Mall Matrix	Mohali	Punjab	0.2	Ongoing
5	Parsvnath Sqaure	Moradabad	U. P.	0.0	Ongoing
6	Parsvnath City Centre	Moradabad	U. P.	0.2	Ongoing
7	Eleganza	Dehradun	UP	0.1	Ongoing
8	Parsvnath Mall	Noida	U. P.	0.1	In pipeline
9	The Mall	Amritsar	Punjab	0.0	Ongoing
10	Project Galleria	Ahmedabad	Gujarat	0.1	Ongoing
11	City Centre	Ahmedabad	Gujarat	0.1	In pipeline
12	City Centre	Kukatpally	AP	0.4	Ongoing
13	Patto Plaza	Panjim	Goa	0.5	In pipeline
14	Kurla Bus Depot	Mumbai	Maha.	0.3	In pipeline
15	Rohini	Delhi	Delhi	0.4	Ongoing
16	Greater Noida Mall	Greater Noida	U. P.	0.3	In pipeline
17	Jam Nagar	Jam Nagar	Gujarat	0.4	In pipeline
18	KG Marg	Delhi	Delhi	0.1	In pipeline
19	Sonipat City Centre	Sonepat	Haryana	0.2	In pipeline
Total commercial space				4.4	

Source: Fortune Research, Company



**Description of ongoing and future township projects**

Sr No.	Project Name	City	State	Segment	Mn sq ft	Status
1.1	Parsvnath City	Sonepat	Haryana	Plot	4.9	Ongoing
1.2	Parsvnath City	Sonepat	Haryana	Houses	2.6	Ongoing
1.3	Parsvnath City	Sonepat	Haryana	Group Housing	5.5	Ongoing
1.4	Parsvnath City	Sonepat	Haryana	Commercial Mall	0.8	Ongoing
2.1	King City	Rajpura	Punjab	Plot	1.8	Ongoing
2.2	King City	Rajpura	Punjab	Houses	0.2	Ongoing
2.3	King City	Rajpura	Punjab	Group Housing	0.8	Ongoing
2.4	King City	Rajpura	Punjab	Commercial Mall	0.5	Ongoing
3.1	Jodhpur Township	Jodhpur	Rajasthan	Plot	1.7	Ongoing
3.2	Jodhpur Township	Jodhpur	Rajasthan	Villas / Houses	1.1	Ongoing
3.3	Jodhpur Township	Jodhpur	Rajasthan	Commercial Mall	0.4	Ongoing
3.4	Jodhpur Township	Jodhpur	Rajasthan	Hotel - I	0.3	Ongoing
3.5	Jodhpur Township	Jodhpur	Rajasthan	Hotel - II	0.3	Ongoing
4.1	Parsvnath Green	Patiala, Dera Bassi	Punjab	Plot	0.7	Ongoing
4.2	Parsvnath Green	Patiala, Dera Bassi	Punjab	Houses	0.6	Ongoing
4.3	Parsvnath Green	Patiala, Dera Bassi	Punjab	Group Housing	0.3	Ongoing
4.4	Parsvnath Green	Patiala, Dera Bassi	Punjab	Commercial Mall	0.2	Ongoing
5.1	Parsvnath Narayan City	Jaipur	Rajasthan	Plot	2.0	Ongoing
5.2	Parsvnath Narayan City	Jaipur	Rajasthan	Houses	1.0	Ongoing
5.3	Parsvnath Narayan City	Jaipur	Rajasthan	Group Housing	1.3	Ongoing
5.4	Parsvnath Narayan City	Jaipur	Rajasthan	Commercial Mall	0.5	Ongoing
6.1	Parsvnath City	Rohtak	Haryana	Plot	2.0	In pipeline
6.2	Parsvnath City	Rohtak	Haryana	Houses	1.7	In pipeline
6.3	Parsvnath City	Rohtak	Haryana	Group Housing	1.0	In pipeline
6.4	Parsvnath City	Rohtak	Haryana	Commercial Mall	0.5	In pipeline
7.1	Parsvnath City	Dharuhera, Rewari	Haryana	Plot	1.7	In pipeline
7.2	Parsvnath City	Dharuhera, Rewari	Haryana	Houses	0.8	In pipeline
7.3	Parsvnath City	Dharuhera, Rewari	Haryana	Commercial Mall	0.4	In pipeline
8.1	Parsvnath City	Saharanpur	U. P.	Plot	1.3	In pipeline
8.2	Parsvnath City	Saharanpur	U. P.	Houses	1.1	In pipeline
8.3	Parsvnath City	Saharanpur	U. P.	Group Housing	0.6	In pipeline
8.4	Parsvnath City	Saharanpur	U. P.	Commercial Mall	0.3	In pipeline
9.1	Unnamed	Indore	M.P.	Plot	1.9	Ongoing
9.2	Unnamed	Indore	M.P.	Houses	1.3	Ongoing
9.3	Unnamed	Indore	M.P.	Group Housing	1.7	Ongoing
9.4	Unnamed	Indore	M.P.	Commercial Mall	0.5	Ongoing
9.5	Unnamed	Indore	M.P.	Commercial Mall	0.1	Ongoing
10.1	Unnamed	Lucknow	U. P.	Houses	1.3	Ongoing
10.2	Unnamed	Lucknow	U. P.	Group Housing	0.3	Ongoing
10.3	Unnamed	Lucknow	U. P.	Commercial Mall	0.1	Ongoing
10.4	Unnamed	Lucknow	U. P.	Hotel	0.1	In pipeline
11.1	Ujjain Project	Ujjain	M.P.	Plot	1.5	Ongoing
11.2	Ujjain Project	Ujjain	M.P.	Houses	0.6	Ongoing
11.3	Ujjain Project	Ujjain	M.P.	Group Housing	0.5	Ongoing



11.4	Ujjain Project	Ujjain	M.P.	Commercial Mall	0.1	Ongoing
11.5	Ujjain Project	Ujjain	M.P.	Hotel	0.1	Ongoing
12.1	Parsvnath City	Sonepat	Haryana	Plot	4.2	Ongoing
13.1	Township	Chandigarh	Punjab	Group Houses	3.6	Ongoing
13.2	Township	Chandigarh	Punjab	Commercial Mall	0.3	Ongoing
13.3	Township Chandigarh	Chandigarh	Punjab	Hotel :-	0.3	Ongoing
14.1	Parsvnath City	Kurukshetra	Haryana	Plot	0.4	In pipeline
14.2	Parsvnath City	Kurukshetra	Haryana	Houses	0.2	In pipeline
14.3	Parsvnath City	Kurukshetra	Haryana	Group Housing	0.3	In pipeline
14.4	Parsvnath City	Kurukshetra	Haryana	Commercial Mall	0.3	In pipeline
15.1	Parsvnath City	Karnal	Haryana	Plot	2.6	In pipeline
15.2	Parsvnath City	Karnal	Haryana	Houses	1.3	In pipeline
15.3	Parsvnath City	Karnal	Haryana	Group Housing	1.6	In pipeline
15.4	Parsvnath City	Karnal	Haryana	Commercial Mall	0.2	In pipeline
16.1	Parsvnath City	Panipat	Haryana	Plot	3.6	Ongoing
16.2	Parsvnath City	Panipat	Haryana	Group Housing	2.8	Ongoing
16.3	Parsvnath City	Panipat	Haryana	Commercial Mall	0.4	Ongoing
Total Integrated township space					69.9	

Source: Fortune Research, Company

### Completed and ongoing DMRC projects



Sl.No.	Name of the Project	Leasable Area	Status
1	Inderlok Station Box	0.1	Completed
2	Inderlok Annexe	0.1	Completed
3	Seelampur Metro Station	0.0	Completed
4	Tis-Hazari Metro Station	0.0	Completed
5	Shahdara Metro Station	0.1	Completed
6	Pratap Nagar Metro Station	0.0	Completed
7	Seelampur Metro Station (Part	0.6	Completed
8	Bhaiwir Singh Marg	0.3	Under Construction
9	Kashmere Gare Metro Station	0.1	Under Construction
10	Welcome Metro Station	0.4	Under Construction
11	Azadpur Metro Station	0.2	Under Construction
	Azadpur Metro Station (Part B)	0.1	Under Construction
12	Akshardham Metro Station	0.2	Under Construction
	Akshardham Metro Station (Part B)	0.1	Under Construction
13	Wazirpur Metro Station	0.3	Under Construction
Total		2.5	

Source : Fortune research



### Description of ongoing and future IT parks

Sr. No	City	State	Project Status	Mn sq ft
1	Gurgaon	Haryana	Ongoing	0.7
2	Chennai	Tamil Nadu	In pipeline	5.3
3	Pallccad	Kerala	In pipeline	3.1
4	Gurgaon	Haryana	In pipeline	1.3
Total IT park space				<b>10.5</b>

Source: Fortune Research, Company

### Ongoing construction of contractual projects



Sr. No	Location	Contract Value	Saleable Area (Mn.Sq. ft.)
1	Foot wear design project, Bareilly	470.7	0.28
2	Buddha Smriti Udyaan Project, Patna	1255.3	0.29
3	Sai Ashram Project, Shirdi	900.9	0.90
4	DMRC Complex, Dhaula Kuan, New Delhi	294.2	0.19
5	Staff Quarters at Mundka, New Delhi	198.7	0.13
<b>Total</b>		<b>3119.8</b>	<b>1.79</b>

Source: Fortune Research, Company

### Planned construction of hotels city-wise



Sr. No.	Location	Rooms	Category
1	Chandigarh, IT Park	100	5 Star
2	Jodhpur -I	200	5 Star
3	Cochin -I, Airport	225	5 Star
4	Cochin -II, Sea Front	200	5 Star
5	Hyderabad	186	5 Star
6	Ahmedabad	152	5 Star
7	Indore	110	5 Star
8	Mohali	105	4 Star
9	Lucknow	110	4 Star
10	Jodhpur - II	150	3 Star
11	Shirdi	58	3 Star
12	Ujjain	110	3 Star
13	Goa	125	4 Star
14	Bhiwadi	84	Serviced Apartments
15	Gurgaon (SEZ)	150-200	Premium Business Serv. Apart.
16	Dehradun (SEZ)	75-100	Business Serviced Apartments
17	Indore (SEZ)	120-150	Business Serviced Apartments
18	Kochi (SEZ)	150-170	Business Serviced Apartments

Source: Fortune Research, Company


**SEZs**

Sr. No.	Location	Sector	Land Status	Mn sq ft
<b>Notified</b>				
1	Indore	IT/ITES	Acquired	12.35
2	Gurgaon	IT/ITES	Acquired	11.60
3	Dehradun	IT/ITES	Acquired	3.80
4	Nanded, Maharashtra	Pharma	Acquired	19.68
	Total (A)			47.43
<b>Formal Approval</b>				
5	Kochi	IT/ITES	Acquired	12.17
6	Hyderabad	Biotechnology	Acquired	3.99
	Total (B)			16.16
<b>Awaiting Govt. Approvals</b>				
7	Mysore	IT/ITES	Acquired	13.05
	Total (C)			13.05
	Total (A+B+C)			76.64

Source: Fortune Research, Company

**Fortune Group : Research, Sales & Dealing Team**

Research	Sector		
<b>Alok B Agarwal</b>	<b>Head – Institutional Research , Advisory</b>	<a href="mailto:alok.agarwal@ffsil.com">alok.agarwal@ffsil.com</a>	<b>+9122-40273400</b>
Monami Manna	Oil & Gas, Power	monami@ffsil.com	<b>+9122-22077931 – 400</b>
Deepti Singh	FMCG, Retail	deeptisingh@ffsil.com	+9122-22077931 – 443
Viral Shah	Construction & Power	viral@ffsil.com	+9122-22077931 – 425
Vrajesh Mehta	Cement, Real Estate	vmehta@ffsil.com	+9122-22077931 – 431
Bhawna Verma	Pharmaceutical	bhawna@ffsil.com	+9122-22077931 – 435
Kishore Parashar	Associate	kishorep@ffsil.com	+9122-22077931 – 454
Namita S Pai	Shipping, Sugar, Midcaps	namita@ffsil.com	+9122-22077931 – 427
Kevin Trindade	IT & Telecom	kevin@ffsil.com	+9122-22077931 – 447
Shilpa Baikar	Production	shilpab@ffsil.com	+9122-22077931 – 421
<b>Institutional Sales Dealing</b>			
<b>Vijay Dugad</b>	<b>Head – Institutional Sales &amp; Dealing</b>	<a href="mailto:vijay.dugad@ffsil.com">vijay.dugad@ffsil.com</a>	<b>+9122-22079065</b>
Sanjay Makhija	V.P. - Institutional Sales	smakhija@ffsil.com	<b>+9122-2207931– 479/448</b>
Sanjay Acharva	Dealer	sacharva@ffsil.com	+9122-22006732 – 414
Dharmil Talati	Dealer	dharmilt@ffsil.com	+9122-22077931 – 466
			+9122-66332742 – 426

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Address :- K.K. Chambers, 2nd Floor, Sir P.T. Marg, Fort, Mumbai :- 400001