

June 25, 2019

DSP Mutual Fund had an exposure of Rs. 150 crore to Commercial Papers issued by DHFL (DHFL CPs) with scheduled maturity on June 25, 2019.

Against this exposure, DHFL has made a part payment of Rs. 60 crore today (equivalent to 40% of outstanding exposure).

Subsequently, DHFL has released the attached public notice stating that the balance amount will be paid once the surplus cash flow position improves over the next couple of days.

On account of payments received today, the valuation of DHFL CPs held by schemes of DSP Mutual Fund (which were marked down by 100% on June 5, 2019) has been reinstated to the extent of 40% as mentioned below:

Scheme Name	Face Value (Rs. Cr)	Payment Received (Rs. Crore)	Valuation Impact*
<b>Commercial Papers</b>			
DSP Credit Risk Fund	38.00	15.20	0.44%
DSP Dual Advantage Fund Series 44-39m	0.60	0.24	0.40%
DSP Dual Advantage Fund Series 45-38m	0.25	0.10	0.15%
DSP Dual Advantage Fund Series 46-36m	2.50	1.00	1.84%
DSP FMP - Series 196 - 37m	6.40	2.56	0.94%
DSP Low Duration Fund	52.25	20.90	0.82%
DSP Strategic Bond Fund	50.00	20.00	2.36%
<b>Total</b>	<b>150.00</b>		

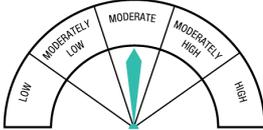
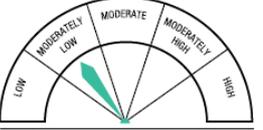
\*As on June 24, 2019  
Source: Internal.

On June 6, 2019 fresh lumpsum subscriptions in the open ended schemes, viz., DSP Credit Risk Fund, DSP Low Duration Fund and DSP Strategic Bond Fund were suspended, to protect the return profile of existing investors.

We continue with temporary suspension of subscriptions in the above mentioned schemes until further notice.

The suspension is only for lumpsum subscription and will not impact any subscription transactions pursuant to SIP, STP, Dividend Transfer Plan, Super SIP facilities (if applicable) registered prior to the effective date (June 6, 2019) and pursuant to the declaration of dividend under the dividend reinvestment option offered under the Schemes.

**Product Labeling**

<p><b>DSP Dual Advantage Fund – Series 44 - 39M</b> This close ended income Scheme is suitable for investor who are seeking*</p> <ul style="list-style-type: none"> <li>Income over long term investment horizon</li> <li>Investments primarily in debt securities with maturities upto 39 months, with balance exposure in equity and equity-related securities</li> </ul>	<p style="text-align: center;"><b>RISKOMETER</b></p>  <p style="text-align: center;">Investors understand that their principal will be at moderate risk</p>
<p><b>DSP Dual Advantage Fund – Series 45- 38M</b> This close ended income Scheme is suitable for investor who are seeking*</p> <ul style="list-style-type: none"> <li>Income over long term investment horizon</li> <li>Investments primarily in debt securities with maturities upto 38 months, with balance exposure in equity and equity-related securities</li> </ul>	
<p><b>DSP Dual Advantage Fund – Series 46- 36M</b> This close ended income Scheme is suitable for investor who are seeking*</p> <ul style="list-style-type: none"> <li>Income over long term investment horizon</li> <li>Investments primarily in debt securities with maturities upto 36 months, with balance exposure in equity and equity-related securities</li> </ul>	
<p><b>DSP FMP – Series 196 - 37M</b> This close ended income Scheme is suitable for investor who are seeking*</p> <ul style="list-style-type: none"> <li>Income over an investment horizon of approximately 37 months term</li> <li>Investments in money market and debt securities with maturities on or before the maturity of the Scheme</li> </ul>	
<p><b>DSP CREDIT RISK FUND</b> An open ended debt scheme predominantly investing in AA and below rated corporate bonds (excluding AA+ rated corporate bonds).</p> <p>This Scheme is suitable for investor who are seeking*</p> <ul style="list-style-type: none"> <li>Income over a medium-term to long term investment horizon</li> <li>Investment predominantly in corporate bonds which are AA and below rated instruments</li> </ul>	
<p><b>DSP STRATEGIC BOND FUND</b> An open ended dynamic debt scheme investing across duration</p> <p>This Open Ended Income Scheme is suitable for investors who are seeking*</p> <ul style="list-style-type: none"> <li>Income over a medium to long term investment horizon</li> <li>Investment in actively managed portfolio of money market and debt securities</li> </ul>	 <p style="text-align: center;">Investors understand that their principal will be at moderately low risk</p>

\*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.

**Disclaimers:** In this material DSP Investment Managers Pvt. Ltd. (the AMC) has used information that is publicly available, including information developed in-house. Information gathered and used in this material is believed to be from reliable sources. The AMC however does not warrant the accuracy, reasonableness and / or completeness of any information. The data/statistics are given to explain general market trends in the securities market, it should not be construed as any research report/research recommendation. We have included statements / opinions / recommendations in this document, which contain words, or phrases such as "will", "expect", "should", "believe" and similar expressions or variations of such expressions that are "forward looking statements". Actual results may differ materially from those suggested by the forward looking statements due to risk or uncertainties associated with our expectations with respect to, but not limited to, exposure to market risks, general economic and political conditions in India and other countries globally, which have an impact on our services and / or investments, the monetary and interest policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices etc.

**Mutual Fund investments are subject to market risks, read all scheme related documents carefully.**

DHFL/CSD/2019-20/1565  
Date : 25 June 2019

The Manager Listing Department BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai- 400 001	The Manager Listing Department National Stock Exchange of India Limited, 'Exchange Plaza', C-1, Block G, Bandra- Kurla Complex, Bandra (East), Mumbai- 400 051.
<b>Scrip Code : 511072</b>	<b>Scrip Code : DHFL</b>

Dear Sir/Madam,

In terms of SEBI Circular No. CIR/CFD /CMD/93/2017 dated 4<sup>th</sup> August 2017 with regard to payment towards maturity of commercial papers, we hereby submit the following details:

Sl. No.	Type of disclosure	Details
1.	Name of the Listed entity	Dewan Housing Finance Corporation Limited
2.	Date of making the disclosure	June 25, 2019
3.	Nature of obligation / Type of instrument (Listed debt securities, MTNs, FCCBs etc. with ISIN as applicable)	ISIN No. INE202B14NG5 (Commercial paper)
4	Number of investors in the security as on date of default	12 Investors under the aforesaid ISIN.
5	Date of default	June 25, 2019
6	Details of the obligation (tenure, coupon, secured/unsecured etc.)	Unsecured commercial paper
7	Current default amount (Amount in Rs. crore)	Out of the aggregate amount of Rs. 375 crore, Rs. 150 crores i.e. 40% has been paid on a proportionate basis and the balance amount of Rs. 225 crore shall be paid in next couple of days.
8	Gross Principal amount on which the default above has occurred (Rs. in	Rs. 225 Crore ( face value)

	Crore)	
9	Total amount of securities issued (Rs. in Crore)	Rs. 375 Crore (face value) under the aforesaid ISIN
10	Any other details	Nil

The details in this respect are also being made available on the website of the Company.

We wish to further state that since September 2018, the Company has met liability obligations of more than Rs. 41,000 crore. Without any recourse to fresh debt funding, a situation exacerbated by multiple rating downgrades, the Company met all its financial obligations through a combination of internal accruals, sell down of its loan assets and monetisation of non-core assets.

Pursuant to the downgrade by rating agencies expecting a default for the Commercial Papers (CP) much before they had fallen due, the mutual funds had already taken a 100% markdown on their CP investments. However, even post these downgrades, the Company continued to meet its obligations of CP holders and made good a total of Rs. 375 crore of CPs before today. The Company has continued to meet all its obligations on time. The Company has made proportionate payment towards maturity of the aforesaid Commercial Papers of aggregate value of Rs. 375 crore i.e. 40% of the total amount and the balance of Rs. 225 crore will be paid once the surplus cash flow position improves over the next couple of days. The Company is already in the process of selling down its loan assets including wholesale project loans to make good all its obligations and maintain its 100% commitment to all its creditors as it has done since the liquidity crisis started in September 2018. The Company does not differentiate between secured and unsecured creditors and will continue to uphold its standing as one of the leading Housing Finance Companies of the country.

Kindly acknowledge receipt and take the same on your records.

Thanking you,  
Yours sincerely,

**For Dewan Housing Finance Corporation Ltd.**



**Kapil Wadhawan**  
**Chairman and Managing Director**  
**DIN: 00028528**