

# Update: Recovery of dues on Commercial Papers (CPs) issued by Dewan Housing Finance Corporation Limited (DHFL)

September 9, 2019

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

The company had made part payments of Rs. 60 crore on June 25, 2019 and Rs. 15 crore on June 28, 2019. Which means, cumulatively, DHFL had paid Rs. 75 crore (equivalent to 50% of the total exposure) till June 28, 2019.

Over the past two months we have been engaged with the issuer for the pending recoveries.

On September 7, 2019, the company has paid the balance amount of Rs. 75 crore; resulting in complete recovery for the CPs held by various schemes of DSP Mutual Fund.

We thank you for your patience through this phase and assure you of our continued efforts to meet investor expectations.

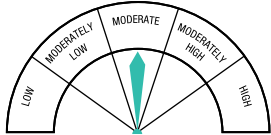
Based on the above, the positive impact on the net assets of the following schemes are as mentioned below:

Scheme Name	Face Value (Rs. Crore)	Payment Received on Sep 7, 2019 (Rs. crore)	Valuation Impact*
DSP Strategic Bond Fund	50.00	25.00	<b>+2.73%</b>
DSP Credit Risk Fund	38.00	19.00	<b>+0.92%</b>
DSP Low Duration Fund	52.25	26.125	<b>+1.16%</b>
DSP Dual Advantage Fund Series 45-38M <sup>#</sup>	0.25	0.125	<b>+0.19%</b>
DSP Dual Advantage Fund Series 44-39M <sup>#</sup>	0.60	0.30	<b>+0.49%</b>
DSP Dual Advantage Fund Series 46-36M <sup>#</sup>	2.50	1.25	<b>+2.22%</b>
DSP FMP - Series 196 - 37M <sup>#</sup>	6.40	3.20	<b>+1.15%</b>

\* For open ended schemes, as on Sep 06, 2019

<sup>#</sup>These schemes have matured, hence AUM as on maturity date has been considered for impact computation

**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><b>DSP LOW DURATION FUND</b> An open ended low duration debt scheme investing in debt and money market securities such that the Macaulay duration of the portfolio is between 6 months and 12 months (please refer page no. 20 under the section “Where will the Scheme invest” for details on Macaulay’s Duration)</p> <p>This Scheme is suitable for investors who are seeking*</p> <ul style="list-style-type: none"> <li>Income over a short-term investment horizon.</li> <li>Investments in 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.

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