DHFL
Changing Rules Changing Lives

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DHFL/CSD/2018-19/1346

Date: 06 February 2019

The Manager Listing Department BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai- 400 001 Fax no. 2272 2082 / 3132/ 3121	The Manager Listing Department National Stock Exchange of India Limited, 'Exchange Plaza', C-1, Block G, Bandra- Kurla Complex, Bandra (East), Mumbai- 400 051. Fax No. 26598237 / 38
Scrip Code : 511072	**DHFL**

Re: Reply to clarification sought under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) 2015 ("SEBI Listing Regulations")

Dear Sir/Madam,

This is with reference to the email dated 6th February, 2019 received from NSE with regard to clarity for reason of downgrading of credit ratings of the Company and further to our letters dated 4th February, 2019. In this connection, please find below the reasons in brief given by credit rating agencies for downgrading of credit ratings:

1. CARE Ratings Ltd.: Due to moderation in financial flexibility of the Company as evidenced by sharp reduction in its share price and significant rise in bond spreads aggravated by media news.
2. Brickwork Ratings India Private Limited: Sharp widening of credit spreads and sharp fall in share price post certain negative media reports. Further, the rating downgrade by one notch factors in fall in disbursements and decrease in profitability of the Company during Q3FY19, and an expectation of a continued slowdown in growth and pressure on profitability.
3. CRISL Ltd.: Significant impact on business growth due to recent prolonged challenges faced by the Company in raising funds.
4. ICRA Ltd.: Significant decline reported by the Company in its disbursements in Q3 FY2019 amid tightening liquidity for the Company and also decrease in market capitalisation of the Company after its results for quarter ended 31st December, 2018 and some negative media publications.

You are requested to take note of the same in your records.

Thanking you,
Yours sincerely,
for **Dewan Housing Finance Corporation Limited**

Niti Arya
Company Secretary
FCS No. - 5586

Dewan Housing Finance Corporation Ltd. ★ Mumbai