

Update on rating downgrade and valuation of exposure to Simplex Infrastructures Limited



26th November 2019

HDFC Credit Risk Debt Fund has debt exposure of Rs.124.11 Crs to Secured Non-Convertible Debentures ('NCDs') issued by Simplex Infrastructures Limited ("the Company") as on November 25, 2019. The Company was established in 1924 and is one of the leading construction companies in India, which has the Mundhra family of Kolkata as its promoters. It is primarily engaged in Engineering Procurement Construction (EPC) contracts and turnkey projects related to civil construction across various sectors. The Company has reported Revenues of Rs.2485 Crs., EBITDA of Rs.330 Crs. and PAT of Rs.28 Crs. for six month ended September 2019.

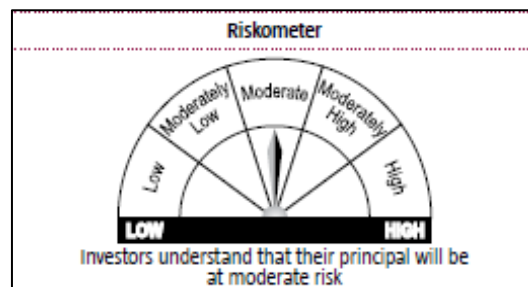
CARE Ratings has downgraded the rating of the NCDs issued by Simplex Infrastructures Limited on November 25, 2019 from CARE BBB to CARE BB+. The ratings continue to be on negative outlook. Consequent to this downgrade, HDFC Credit Risk Debt Fund has valued the exposure to the Company (as shown below), in accordance with the applicable SEBI Regulations and Circulars on valuation of such securities:

Scheme Name	Market Value of exposure to Simplex Infrastructures Ltd. as on 25.11.2019 (Rs. in crores)	Market Value of exposure to Simplex Infrastructures Ltd. as on 26.11.2019 (Rs. in crores)	As on 26.11.2019 (% of AUM)
HDFC Credit Risk Debt Fund	124.11	106.25	0.73%

We will continue to monitor the developments around the Company and keep investors informed about the same.

This product is suitable for investors who are seeking ~

- income over short to medium term
- to generate income/capital appreciation by investing predominantly in AA and below rated corporate debt (excluding AA+ rated corporate bonds)



~ Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.