

PUBLIC NOTICE

Re: Deutsche Postbank Home Finance Ltd.(DPHFL) – Various series of Bonds & debenture issued by DPHFL- Sale of 100% of the issued and outstanding equity shares of DPHFL by it's Holding Company Deutsche Postbank AG to Dewan Housing Finance Corporation Ltd. and consequent withdrawal of Letters of Comfort issued by Deutsche Postbank AG and Downgrading Rating by CARE.

NOTICE is hereby given to all the holders of various series of Bonds and Non-Convertible Debentures (NCDs) issued by DPHFL with a view to inform and report to them that Deutsche Postbank AG as holder of 100% issued and outstanding equity shares of DPHFL has entered into a share purchase agreement dated the 1st December, 2010 with a group of purchasers led by Dewan Housing Finance Corporation Ltd. and consequently Deutsche Postbank AG vide its Letter dated the 25th March, 2011 **has withdrawn its Letters of Comfort dated the 15th September, 2008, 28th September, 2008 and 25th October, 2010 which inter-alia stated as under:-**

- i) the letters of comfort may be disclosed to the investor of Long Term Debt under CARE rating with regard to Debt Program of "BHW Home Finance Limited" now known as "Deutsche Postbank Home Finance Ltd."
- ii) Deutsche Postbank Home Finance Limited in India is indirectly a wholly owned subsidiary of Deutsche postbank AG, Germany. Consequently Deutsche Postbank AG is indirectly the legal and beneficial owners of the paid-up share capital of "Deutsche Postbank Home Finance Limited" and will maintain it at the existing level during the currency of debt programme rated by CARE.

- iii) Deutsche Postbank AG will ensure that their indirect subsidiary "Deutsche Postbank Home Finance Limited" conducts its business in conformity with the provisions of the law of India.
- iv) Deutsche Postbank AG will further continue to supervise ""Deutsche Postbank Home Finance Limited" in serving all its stakeholders and in particular, its lenders and debt holders and all its present and future debt in full and on a timely basis till maturity. "Deutsche Postbank A G shall endeavour to ensure that ""Deutsche Postbank Home Finance Limited" honours its obligations towards the repayment of the debt rated by CARE

2. Consequent upon withdrawal of above Letters of Comfort by Deutsche Postbank AG, CARE , the Credit Rating Agency vide its letter dated the 28th March, 2011 has downgraded the Ratings of DPHFL from `CARE AAA(SO) [Triple A (Structured Obligation)]' to CARE AA+(Double A Plus).

3. We IDBI Trusteeship Services Ltd., as Trustees, vide our letter No. 8383/ Deutsche Postbank/2011 dated the 26th March, 2011 addressed to Deutsche Postbank AG and copy marked to DPHFL and CARE ; has not agreed to the said withdrawal of Letters of Comfort and informed Deutsche Postbank AG that they would continue to remain liable under the said Letters of Comfort during the currency of debt program rated by CARE.

4. All the bondholders/Debenture holders of DPHFL are requested to take note of the above developments and give their feedback to us by way of letters etc. and or by email at response@idbitrustee.co.in and itsl@idbitrustee.co.in.

(Authorised Signatory)

IDBI Trusteeship Services Ltd.

Asian Building, 17,R.Kamani Marg,

Ballard Estate, Mumbai 400 001