

UTI Mutual Fund

Dated:13th September 2019

Update on debt exposures of Reliance Business Broadcast News Holdings Limited (RBBNHL)

Company Description:

Reliance Business Broadcast News Holding Limited (RBBNHL) was incorporated in 2009 as UTV News Broadcasting Limited and was subsequently renamed Unilazer Media Limited in 2009 and the name was changed to the present name in 2015; RBBNHL is an investment holding company holding ~84% stake in Business Broadcast News Private Limited (BBNPL) which owns and operates the English Business News Television Channel named Business Television India- BTVI that delivers business and financial news to more than 30 million viewers in India. The majority stake in RBBNHL is held by Reliance ADAG Group through its various group companies.

Rating Updates:

CARE Ratings has downgraded the rating of RBBNHL to CARE D from CARE BBB- (CE) on 13th September 2019.

Rationale for Valuation

AMFI appointed valuation agencies have provided a standard haircut matrix for below investment grade securities based on the rating, industry, security and seniority. As per the external rating agencies matrix, the haircut applicable for RBBNHL's senior secured NCDs is 50% as it is rated D and classified by the external agencies as a Financial Institution.

The Existing exposure (as given in the annexure) is backed by the pledge of shares of Reliance Nippon Asset Management Company Limited (RNAM), which are to be acquired by Nippon Life Insurance(NLI) (as a part of its increase its shareholding in RNAM up to the maximum permissible limit of 75%) at the price equivalent to the open offer price. As the mechanism of payment and price calculations w.r.t the shares pledged to UTI MF is pre-decided, UTI MF is not exposed to any material price/ market risk and will be paid as soon as all approvals for NLI are in place. At present the securities are valued at 90% of the face value plus premium. Hence we feel that the current markdown to 90% of Face Value plus premium on these outstanding NCD's is fair, despite the adverse rating movements- given the certainty of payments in the short-term.

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

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Scheme Name	ISIN	Issuer	Rating	Price at which the security is valued (% of Face Value)	Price post haircut provided by valuation agencies (% of Face Value)	Impact in Rs. Crore	As % of AUM
UTI - Unit Linked Insurance Plan	INE333L07037	RELIANCE BUSINESS BROADCAST NEWS HOLDINGS LTD	CARE D	90.00%	50.00%	21.40	0.51%
UTI - FTIF SERIES XXVIII - PLAN X (1153 DAYS)	INE333L07037	RELIANCE BUSINESS BROADCAST NEWS HOLDINGS LTD	CARE D	90.00%	50.00%	2.04	1.50%
UTI - FTIF SERIES XXVIII - PLAN XIII (1134 DAYS)	INE333L07060	RELIANCE BUSINESS BROADCAST NEWS HOLDINGS LTD	CARE D	90.00%	50.00%	7.15	1.47%
UTI - FTIF SERIES XXVII - PLAN IX (1160 DAYS)	INE333L07037	RELIANCE BUSINESS BROADCAST NEWS HOLDINGS LTD	CARE D	90.00%	50.00%	0.80	1.79%
UTI - Fixed Term Income fund - Series XXIX - II (1118 DAYS)	INE333L07037	RELIANCE BUSINESS BROADCAST NEWS HOLDINGS LTD	CARE D	90.00%	50.00%	2.31	1.82%
UTI - FTIF SERIES XXVIII - PLAN II (1210 DAYS)	INE333L07037	RELIANCE BUSINESS BROADCAST NEWS HOLDINGS LTD	CARE D	90.00%	50.00%	1.02	1.51%
UTI - Retirement Benefit Pension Fund	INE333L07029	RELIANCE BUSINESS BROADCAST NEWS HOLDINGS LTD	CARE D	90.00%	50.00%	10.22	0.38%
UTI - FTIF SERIES XXVIII - PLAN I (1230 DAYS)	INE333L07060	RELIANCE BUSINESS BROADCAST NEWS HOLDINGS LTD	CARE D	90.00%	50.00%	2.86	1.80%
UTI - Retirement Benefit Pension Fund	INE333L07037	RELIANCE BUSINESS BROADCAST NEWS HOLDINGS LTD	CARE D	90.00%	50.00%	10.22	0.38%
UTI - FTIF SERIES XXVIII - PLAN V (1190 DAYS)	INE333L07060	RELIANCE BUSINESS BROADCAST NEWS HOLDINGS LTD	CARE D	90.00%	50.00%	0.61	1.74%



Haq, ek behtar zindagi ka.

UTI - Fixed Term Income fund - Series XXIX - I (1134 DAYS)	INE333L07060	RELIANCE BUSINESS BROADCAST NEWS HOLDINGS LTD	CARE D	90.00%	50.00%	2.66	1.73%
UTI - Ultra Short Term Fund	INE333L07029	RELIANCE BUSINESS BROADCAST NEWS HOLDINGS LTD	CARE D	90.00%	50.00%	30.66	1.08%
UTI - FTIF - Series XXVII - Plan VI (1113 Days)	INE333L07037	RELIANCE BUSINESS BROADCAST NEWS HOLDINGS LTD	CARE D	90.00%	50.00%	0.02	0.01%
UTI - FTIF SERIES XXVIII - PLAN VII (1169 DAYS)	INE333L07037	RELIANCE BUSINESS BROADCAST NEWS HOLDINGS LTD	CARE D	90.00%	50.00%	2.04	1.75%
UTI - FTIF SERIES XXVIII - PLAN III (1203 DAYS)	INE333L07037	RELIANCE BUSINESS BROADCAST NEWS HOLDINGS LTD	CARE D	90.00%	50.00%	1.02	1.50%