



Update on Essel Group Announces Stake Sale in ZEEL

We are glad to share that as we have been guiding, more resolutions of credit cases are underway. Post recent positive news on Jharkhand Road Projects & Implementation Company Limited (JRPICL), we have another key resolution - **Essel Group announcing Stake Sale in ZEEL**, and we expect further good news in following months.

As per press release dated 31st July 2019, Essel Group announced that Invesco Oppenheimer Developing Markets Fund (as a financial investor) has agreed to make an additional investment in ZEE Entertainment Enterprises Ltd. (ZEEL). The Fund has agreed to buy ~11% stake in ZEEL from its promoters, for a total consideration value of up to Rs. 4,224 Crore. The Fund has been a financial investor in Zee Entertainment Enterprises Ltd. since 2002 and will now go to ~18% of Zee shareholding. The management of Essel Group has also reiterated its commitment to repay all debts within committed timelines while making this announcement yesterday evening.

To recap, ABSL MF holds below mentioned securities (entities of Essel Group) in few of the debt schemes. Please refer table below for details of the exposures.

- Spirit Infrapower & Multiventures Private Limited (Share Backed) – LAS secured against a combination of listed Zee Entertainment Ltd shares and unlisted shares of the infrastructure holding company of the Essel Group, Essel Infrastructure Limited
- Adilink Infra & Multitrading Private Limited (Road asset backed) – Exposure is primarily secured against their road assets and the road holding company of Essel Infrastructure.
- Essel Lucknow Raebareli Toli Roads Private Limited (NHAI Annuity) – This exposure is backed by cash flows of contracted, fixed annuity payments from NHAI

From our point of view, the value of underlying assets in our portfolios are intact and our portfolios continue to have sufficient amount of security through a combination of shares & additional value of assets that we hold as securities. We remain positive that the strategic sale of other assets & companies (non core assets like roads, transmission etc) will be completed in a time bound manner (expected to be completed by Sep 30, 2019) and promoters will repay their debt as per commitment in the Lender's Agreement.

We would also like to point out that our ABSL Credit Risk Fund [CRF], ABSL Medium Term Plan [MTP] & ABSL Dynamic Bond Fund [DBF] are likely to be some of the largest beneficiaries of this development. We expect that the impact of these positive developments will flow to the respective funds within the next couple of months as the documentation pertaining to the deals get concluded with fund transfers being completed. Please refer below annexure for current exposure to Essel group companies.

Disclaimer: The statements contained herein are based on our current views and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. The above has been prepared on the basis of information which is already available in publicly accessible media. The sector(s)/stock(s)/issuer(s) mentioned above do not constitute any research report/recommendation of the same. Aditya Birla Sun Life AMC Ltd /Aditya Birla Sun Life Mutual Fund is not guaranteeing any returns on investments made in the Scheme(s).

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



ANNEXURE

Details as on 31st July 2019

Issuer Name	Scheme Name	Total Market Value (Rs. Cr)
Sprit Infrapower & Multiventures Private Limited	ABSL CREDIT RISK FUND	397
	ABSL DYNAMIC BOND FUND	362
	ABSL FIXED TERM PLAN - SERIES OW (1245 DAYS)	8
	ABSL FIXED TERM PLAN - SERIES PM (1141 DAYS)	4
	ABSL FIXED TERM PLAN - SERIES PN (1135 DAYS)	5
	ABSL FIXED TERM PLAN - SERIES QQ(1100 DAYS)	8
	ABSL FIXED TERM PLAN - SERIES QW(1099 DAYS)	8
	ABSL MEDIUM TERM PLAN	634
	Total	1426
Adilink Infra & Multitrading Private Limited	ABSL CREDIT RISK FUND	311
	ABSL DYNAMIC BOND FUND	235
	ABSL MEDIUM TERM PLAN	612
	Total	1158
Essel Lucknow Raebareli Toll Roads Limited	ABSL EQUITY HYBRID '95 FUND	79
	ABSL FIXED TERM PLAN - SERIES OF (1151 DAYS)	7
	ABSL FIXED TERM PLAN - SERIES OJ (1136 DAYS)	12
	ABSL FIXED TERM PLAN - SERIES OW (1245 DAYS)	5
	ABSL FIXED TERM PLAN - SERIES PM (1141 DAYS)	4
	ABSL FIXED TERM PLAN - SERIES PN (1135 DAYS)	5
	ABSL FIXED TERM PLAN - SERIES QC (1116 DAYS)	7
	ABSL FIXED TERM PLAN - SERIES RX(1200 DAYS)	2
	ABSL REGULAR SAVINGS FUND	20
	ABSL SHORT TERM OPPORTUNITIES FUND	83
	Total	223

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