

Creation of segregated portfolio in UTI Credit Risk Fund

This is in continuation to our earlier communication regarding proposal of creation of segregated portfolio in UTI Credit Risk Fund. As mentioned earlier, UTI Mutual Fund had proposed to create segregated portfolio in respect of Altico Capital India Ltd. in UTI Credit Risk Fund effective from September 13, 2019 due to downgrade of this security to “B” i.e. below investment grade by CARE Ratings Ltd. As of 12th September 2019, UTI Credit Risk Fund has an exposure of Rs. 201.82 crores. (including accrued interest of Rs. 1.68 crores) in debt security viz. SBI1YRMCLR+2.58% ALTICO CAP-16/08/21 (INE587O07230) of Altico Capital India Ltd, amounting to 5.85% of AUM.

The Board of Trustees of UTI Mutual Fund have approved the creation of segregated portfolio in UTI Credit Risk Fund. Investors are hereby informed that with effect from September 13, 2019 securities of Altico Capital India Ltd. will be segregated from total portfolio in the captioned scheme.

Impact on the Investors

- Upon recovery of money from Altico Capital India Ltd in the segregated portfolio, whether partial or full, it will be distributed to the investors in proportion to their holding in the segregated portfolio.
- Existing investors in the scheme, as on the day of creation of segregated portfolio, shall be allotted equal number of units in the segregated portfolio as held in the main portfolio. No subscription and redemption will be allowed in the segregated portfolio of the captioned schemes.
- Investors redeeming their units will get redemption proceeds based on the NAV of main portfolio and will continue to hold the units of segregated portfolio.
- Investors subscribing to the scheme will be allotted units only in the main portfolio based on its NAV.
- AMC will enable listing of units of segregated portfolio on the recognized stock exchange within 10 working days of creation of segregated portfolio and enable transfer of such units on receipt of transfer requests.
- AMC will disclose separate NAVs of segregated and main portfolios from September 13, 2019 i.e. the date of creation of segregated portfolio.
- A statement of account indicating the units held by the investors in the segregated portfolio along with the NAV of both segregated portfolio and the main portfolio as on the day of the credit event shall be communicated to the investors within 5 working days of creation of the segregated portfolio.

About UTI Mutual Fund

UTI Mutual Fund is a SEBI registered mutual fund whose Sponsors are State Bank of India, Punjab National Bank, Bank of Baroda and Life Insurance Corporation of India.

UTI Mutual Fund is one of the largest mutual funds in India with investor accounts of over 1 crore under its 182 domestic schemes / plans as on August 31, 2019.

Mumbai
September 13, 2019

Registered Office: UTI Tower, 'Gn' Block, Bandra - Kurla Complex, Bandra (E), Mumbai - 400 051. Phone : 022-66786666. For more information please contact the nearest UTI Financial Centre or your AMFI/NISM certified UTI Mutual Fund independent Financial Advisor (IFA) for a copy of Statement of Additional Information, Scheme Information Document and Key Information Memorandum cum Application Form. **Mutual Fund Investments are subject to market risks, read all scheme related documents carefully**