



Reliance Media & Entertainment Fund
An Open Ended Media & Entertainment Sector Scheme

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Positioning of the Fund

A sector specific fund which focuses on investing in companies related to media & entertainment sector.

Investment Philosophy

- ❑ Reliance Media & Entertainment Fund continues to straddle all important segments of the Media Space, be it distribution, content, Broadcasting, Internet, print, etc.
- ❑ Given the scalable nature of the industry, rising income levels and monetization of customers driven by DTH and CAS, the sector offers good growth potential for long term investors.
- ❑ New segments of the industry like Internet, Radio, Out-of-home, etc are increasing the number of players in the industry and hence expanding the investible universe.

Risk Profile

A Moderate Multi cap Oriented Fund

Dividend History

Dividend History				
Date	Rate (Re/ Unit)	% (per unit)	Cum Dividend NAV	*EX Dividend NAV
29/12/2005	1.00	10.00	15.3538	14.5695
29/01/2007	2.50	25.00	23.2086	20.2771
28/03/2008	1.50	15.00	23.3321	21.6013
18/09/2009	1.50	15.00	18.4531	17.3196
25/02/2011	2.50	25.00	18.0010	15.3930

Past performance may or may not be sustained in the future; "Pursuant to the payment of Dividend, the NAV will fall to the extent of payout and statutory levy, if any" Dividend distribution is subject to availability & adequacy of distributable surplus. The Mutual Fund is not assuring that it will make periodical dividend distributions, though it has every intention of doing so. After the payment of dividend, the per unit NAV falls to the extent of the dividend payout and distribution taxes, if any. Performance of dividend plan/option would be net of applicable statutory levy, if any. * NAV on the 1st transaction day after Record Date, which includes the mark to market impact also.**Face Value of Rs.10**

Sector View & Outlook

The Indian media sector is set to witness robust growth in coming years which is evident from strong trends in ad spends as well as subscriber additions across all segments (Broadcasting, Print, Outdoor, internet etc).

The advertising revenues for the full year FY11 were very strong on the back of economic recovery and low base of FY10. H1FY12 started on a strong footing however due to weak economic conditions H2FY12 is expected to witness some slow down in the ad revenue growth

The print media is also witnessing decent growth and is expected to grow at a CAGR of 10% (CY10-CY14) at an aggregate level (*Source FICCI-KPMG*)

DTH subscriptions in the country have been on a rise with ~900k additions every month, this translates in to over one crore additions per annum, by FY12 end India is expected to have 38 mn DTH subscribers (India may overtake USA as the largest DTH market). * *Source IDFC SSKI*

New media like internet etc are also picking up very well with CAGR ad growth of 35% over last three years, although a nascent market the growth potential is huge. (*Source IAMAI*)

The regulatory regime also has been very favorable recent example is TRAI proposal to increase FDI limits in the broadcasting sector to 74%

The biggest positive for the sector is the proposed mandatory digitization this move will be extremely positive for cable and DTH companies as well as broadcasters in the longer term

These proposals are favorable for the industry as they will ensure capital inflows (necessary for digital up gradation and are likely to enhance revenues for the organized players as declared subscribers will increase).

Overall the Indian media sector is poised for a structural growth over next few years, as the operating leverage of these companies is very high and the profitability is expected to rise significantly as the investment phase is nearing end.

Portfolio & Scheme Features As on 31st December, 2011

Asset Allocation as on 31st December, 2011	
Equities	92.71 %
Preference Shares, Cash & Other Receivables	7.29 %
Benchmark	S&P CNX Media & Entertainment Index
Fund Manager	Sailesh Raj Bhan
Quarterly AAUM as on 31st December, 2011	Rs 63 Crs

Change in Portfolio (Top Ten Holdings) of Reliance Media & Entertainment Fund		
Top Ten Holdings		
Holdings	Weightage %	
	Dec-11	Nov-11
Equities-		
Zee Entertainment Enterprises Ltd	13.18	12.95
Hinduja Ventures Ltd	11.64	11.76
Sun TV Network Ltd	9.44	8.46
Dish TV India Ltd	9.11	8.11
Hathway Cable And Datacom Ltd	9.05	9.12
PVR Ltd	8.86	8.63
HT Media Ltd	8.50	6.89
Jagran Prakashan Ltd	8.37	8.42
Balaji Telefilms Ltd	7.38	7.09
Hindustan Media Ventures Ltd	7.19	6.23

Investment Objective	The primary investment objective of the Scheme is to generate consistent returns by investing in equity / equity related or fixed income securities of media & entertainment and other associated companies.
Inception Date	7 th Oct 2004
Minimum Investment	Rs. 5000 per plan per option & in multiples of Re 1 thereafter
Load Structure	Entry Load* : Not Applicable
	Exit Load: (w.e.f from 24th Aug 2009)
	1% if redeemed or switched out on or before completion of 1 year from the date of allotment of units
	Nil if redeemed or switched out after completion of 1 year from the date of allotment of units
	*In terms of SEBI circular no. SEBI/IMD/CIR No.4/ 168230/09 dated June 30, 2009, no entry load will be charged by the Scheme to the investor effective August 1, 2009. Upfront commission shall be paid directly by the investor to the AMFI registered Distributors based on the investors' assessment of various factors including the service rendered by the distributor

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Statutory Details: Reliance Mutual Fund has been constituted as a trust in accordance with the provisions of the Indian Trusts Act, 1882. **Sponsor:** Reliance Capital Limited. **Trustee:** Reliance Capital Trustee Co. Limited. **Investment Manager:** Reliance Capital Asset Management Limited (Registered Office of Trustee & Investment Manager: 'H' Block, 1st Floor, Dhirubhai Ambani Knowledge City, Koparkhairne, Navi Mumbai - 400 710, Maharashtra. . The Sponsor, the Trustee and the Investment Manager are incorporated under the Companies Act 1956. The Sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond their initial contribution of Rs.1 lakh towards the setting up of the Mutual Fund and such other accretions and additions to the corpus.

Investment Objective: The primary investment objective of the Scheme is to generate consistent returns by investing in equity / equity related or fixed income securities of media & entertainment and other associated companies **Terms of Issue:** The Scheme will offer for Subscription/ Switch-in and Redemption / Switch-out of Units on every Business Day on an ongoing basis..

Mutual Funds and securities investments are subject to market risks and there is no assurance or guarantee that the objectives of the Scheme will be achieved. As with any investment in securities, the NAV of the Units issued under the Scheme can go up or down depending on the factors and forces affecting the capital markets. Reliance Media & Entertainment Fund is only the name of the Scheme and does not in any manner indicate either the quality of the Scheme, its future prospects or returns. Past performance of the Sponsor/AMC/Mutual Fund is not indicative of the future performance of the Scheme. The Mutual Fund is not guaranteeing or assuring any dividend. The Mutual Fund is also not assuring that it will make periodical dividend distributions, though it has every intention of doing so. All dividend distributions are subject to the availability of the distributable surplus in the Scheme. For details of scheme features apart from those mentioned above and scheme specific risk factors, please refer to the provisions of the Scheme Information Document. Scheme Information Document and KIM cum application form is available at all the DISCs/ Distributors of RMF/www.reliancemutual.com. **Please read the Scheme Information Document & Statement of Additional Information carefully before investing.**

ICRA Mutual Fund Awards