

# Kotak Emerging Equity Fund

Mid cap fund - An open-ended equity scheme predominantly investing in mid cap stocks

30<sup>th</sup> November 2024



## Fund Facts

**Allotment Date:** 30 March 2007.

**Benchmark:** Nifty Midcap 150 TRI (Tier 1)  
Nifty Midcap 100 TRI (Tier 2)

**AUM:** ₹52,048.91 crs



## Fund Manager\*

Mr. Atul Bhole



## Minimum Investment Amount

**Initial & Additional Investment**  
₹100 and any amount thereafter

**Systematic Investment Plan (SIP)**  
₹100 and any amount thereafter

**Ideal Investments Horizon**  
5 Years & Above



## Risk Ratios

Standard Deviation <sup>\$</sup>	13.31%
Beta <sup>\$</sup>	0.80
Sharpe <sup>\$</sup>	1.14
Portfolio Turnover	46.17%
(P/E)	36.66
P/BV	5.63



## Total Expense Ratio\*\*

Regular Plan: 1.42%

Direct Plan: 0.36%



## About the Fund

- Identifies the hidden growth potential of mid-cap sized companies.
- The fund follows a bottom-up approach to stock selection, using the Business, Management, and Valuation (BMV) model.
- The focus is on investing in high-quality businesses led by strong management, achieving robust returns on capital, and available at reasonable valuations.



## Portfolio Action

- The fund strives to focus on bottom-up portfolio construction with overlay of macro trends & themes. Bottom-up focus is on companies with sound business model, opportunity size & growth visibility, low leverage, high return ratios & cash flows and competent managements with an eye on valuations
- Considering the valuations & very high expectations built in many domestic sectors, the fund has been gradually reducing exposure to capex related stocks from power, railway, industrial etc. however it remains overweight basis opportunity & strength of businesses. In the ongoing correction we are again relooking at selective opportunities belonging to power eco-system to add in the fund
- Fund continues to be OW on consumer discretionary stocks on bottom-up stock selection basis
- Now the fund is significantly over-weight on IT & chemicals while building positions in pharma & healthcare sector & have marginal underweight
- In Q2 FY25 many midcap companies have disappointed on growth in sales as well as profits significantly. Despite some correction, valuations remain on the higher side with earning estimate getting downgraded by 5-20% in many cases. We are looking at opportunities very selectively where businesses are strong & can see growth coming back in medium future.
- Consumer durables & discretionary, auto, IT & chemicals are overweight. Key underweight sectors are Financial Services, FMCG, metals, services and utilities.
- The fund has done well in past 6 months with deployment of cash and new as well as some of the earlier investee companies having done well
- The current allocation to midcaps (as defined by SEBI i.e. between 101-250th companies in terms of market cap) is around 71%. Large cap allocation is around 11% & small caps are around 14%.



## Market Cap<sup>^^</sup>

Month	Large (%)	Mid (%)	Small (%)	Debt & Money Market (%)
November-24	10.01	69.89	15.80	4.30
October-24	10.80	71.14	14.15	3.91
September-24	11.49	70.55	15.06	2.90
August-24	11.68	68.41	15.40	4.51
July-24	12.01	68.82	15.12	4.05
June-24	13.13	68.83	15.23	2.81



## Top 10 Stocks<sup>^^</sup>

Stocks	% to Net Assets	Stocks	% to Net Assets
Persistent Systems Limited	4.00%	Ipca Laboratories Ltd.	2.84%
Oracle Financial Services Software Ltd	3.67%	Coromandel International Ltd.	2.60%
Mphasis Ltd	3.33%	Supreme Industries Limited	2.31%
Fortis Healthcare India Ltd	3.13%	Dixon Technologies India Ltd.	2.29%
Oberoi Realty Ltd	3.09%	Solar Industries India Limited	2.27%

## Top 10 Sector^^

Sector	30th November 2024			31st October 2024			30th September 2024		
	Scheme	Benchmark	Ow/Uw	Scheme	Benchmark	Ow/Uw	Scheme	Benchmark	Ow/Uw
Information Technology	15.11	7.57	7.54	15.20	7.15	8.05	14.02	6.96	7.06
Capital Goods	13.36	14.69	-1.33	12.11	14.57	-2.46	11.96	15.23	-3.27
Automobile and Auto Components	10.77	7.78	3.00	11.38	8.18	3.20	11.37	8.23	3.14
Consumer Durables	10.71	4.13	6.58	10.87	3.90	6.97	11.10	3.91	7.19
Financial Services	10.67	20.33	-9.66	12.38	20.37	-8.00	13.36	19.17	-5.81
Chemicals	10.53	6.61	3.92	10.57	6.74	3.83	10.59	6.74	3.85
Healthcare	9.26	10.77	-1.52	10.10	11.03	-0.92	9.27	10.43	-1.15
Construction Materials	3.45	1.42	2.03	3.30	1.45	1.85	3.29	1.46	1.83
Realty	3.09	3.42	-0.34	3.12	3.36	-0.25	2.88	3.50	-0.63
Oil, Gas & Consumable Fuels	2.03	3.32	-1.30	2.03	3.40	-1.37	2.68	3.75	-1.07

^^Source: <https://www.kotakmf.com/mutual-funds/equity-funds/kotak-emerging-equity-fund/reg-g>

OW – Overweight, UW – Underweight

## What In and What's Out: November 2024\$

New Entry	Complete Exit
GE T&D India Ltd.	Alkem Laboratories Ltd.
NTPC Green Energy Ltd.	Cummins India Ltd.
Zomato Ltd.	HDFC Bank Ltd.
	SKF India Ltd.

## Scheme Performance - Regular Plan Growth Option

March 30, 2007	Kotak Emerging Equity Fund - Reg - Growth	Nifty Midcap 150 TRI # (Tier 1)	ALPHA (Tier 1)	Nifty Midcap 100 TRI # (Tier 2)	ALPHA (Tier 2)	Nifty 50 TRI ##	Kotak Emerging Equity Fund - Reg - Growth (₹)	Nifty Midcap 150 TRI # (₹) (Tier 1)	Nifty Midcap 100 TRI # (₹) (Tier 2)	Nifty 50 TRI ## (₹)
Since Inception	15.75%	16.68%	-0.93%	16.22%	-0.47%	12.31%	1,32,703	1,52,899	1,42,557	77,898
Last 1 Year	38.45%	31.68%	6.77%	32.12%	6.32%	21.27%	13,845	13,168	13,212	12,127
Last 3 Years	23.17%	23.91%	-0.73%	24.81%	-1.64%	13.76%	18,687	19,023	19,443	14,723
Last 5 Years	26.97%	28.00%	-1.03%	27.79%	-0.82%	16.21%	33,040	34,409	34,129	21,208

Scheme Inception date is 30/03/2007. Mr. Atul Bhole has been managing the fund since 22/01/2024. Different plans have different expense structure. The performance details provided herein are of regular plan Past performance may or may not be sustained in future. All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns >= 1 year: CAGR (Compounded Annualised Growth Rate). Note: Point to Point (PTP) Returns in INR shows the value of 10,000/- investment made at inception. Source: ICRA MFI Explorer.# Name of Scheme Benchmark. ## Name of Additional Benchmark. TRI - Total Return Index, In terms of para 6.14 of SEBI Master circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, the performance of the scheme is benchmarked to the Total Return variant (TRI) of the Benchmark Index instead of Price Return Variant (PRI). Alpha is difference of scheme return with benchmark return.

### Scheme Performance - Direct Plan Growth Option

January 01, 2013	Kotak Emerging Equity Fund - Dir - Growth	Nifty Midcap 150 TRI # (Tier 1)	ALPHA (Tier 1)	Nifty Midcap 100 TRI # (Tier 2)	ALPHA (Tier 2)	Nifty 50 TRI ##	Kotak Emerging Equity Fund - Dir - Growth (₹)	Nifty Midcap 150 TRI # (Tier 1) (₹)	Nifty Midcap 100 TRI # (Tier 2) (₹)	Nifty 50 TRI ## (₹)
Since Inception	22.26%	19.95%	2.31%	18.30%	3.95%	13.84%	1,09,684	87,377	74,134	46,895
Last 1 Year	39.96%	31.68%	8.28%	32.12%	7.84%	21.27%	13,996	13,168	13,212	12,127
Last 3 Years	24.62%	23.91%	0.71%	24.81%	-0.19%	13.76%	19,354	19,023	19,443	14,723
Last 5 Years	28.51%	28.00%	0.51%	27.79%	0.72%	16.21%	35,100	34,409	34,129	21,208

Scheme Inception date is 30/03/2007. Scheme Inception date for Direct Plan Growth Option is 01/01/2013. Mr. Atul Bhole has been managing the fund since 22/1/2024. Different plans have different expense structure. The performance details provided herein are of direct plan Past performance may or may not be sustained in future. All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns >= 1 year: CAGR (Compounded Annualised Growth Rate). Note: Point to Point (PTP) Returns in INR shows the value of 10,000/- investment made at inception. Source: ICRA MFI Explorer. # Name of Scheme Benchmark. ## Name of Additional Benchmark. TRI - Total Return Index, In terms of para 6.14 of SEBI Master circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, the performance of the scheme is benchmarked to the Total Return variant (TRI) of the Benchmark Index instead of Price Return Variant (PRI). Alpha is difference of scheme return with benchmark return.

### SIP Performance - Regular Plan Growth Option

Monthly SIP of Rs 10,000	Since Inception	10 Years	7 Years	5 Years	3 Years	1 Year
Total amount invested (₹)	21,30,000	12,00,000	8,40,000	6,00,000	3,60,000	1,20,000
Total Value as on November 29, 2024 (₹)	1,53,19,223	37,33,695	20,82,375	12,49,520	5,55,869	1,39,173
<b>Scheme Returns (%)</b>	<b>19.48</b>	<b>21.50</b>	<b>25.52</b>	<b>29.87</b>	<b>30.41</b>	<b>31.11</b>
Nifty Midcap 150 (TRI) Returns (%)	19.00	21.78	25.75	30.76	30.36	16.92
Alpha*	0.48	-0.28	-0.23	-0.88	0.04	14.19
Nifty Midcap 150 (TRI) (₹)#	1,45,48,210	37,90,394	20,99,078	12,75,824	5,55,565	1,30,619
Nifty Midcap 100 (TRI) Returns (%)	18.16	20.90	25.62	31.47	31.30	16.84
Alpha*	1.32	0.61	-0.10	-1.60	-0.90	14.27
Nifty Midcap 100 (TRI) Returns (₹)#	1,32,80,177	36,13,398	20,89,370	12,97,510	5,62,541	1,30,571
Nifty 50 (TRI) (₹)^	79,46,062	26,35,374	15,07,642	9,41,394	4,59,236	1,26,203
Nifty 50 (TRI) Returns (%)	13.36	15.04	16.42	18.08	16.50	9.79

Scheme Inception : - March 30, 2007. The returns are calculated by XIRR approach assuming investment of ₹10,000/- on the 1st working day of every month. XIRR helps in calculating return on investments given an initial and final value and a series of cash inflows and outflows and taking the time of investment into consideration. Since inception returns are assumed to be starting from the beginning of the subsequent month from the date of inception. The SIP Performance is for Regular Plan – Growth Option Different plans have different expense structure.

# Benchmark; ^ Additional Benchmark. TRI – Total Return Index, In terms of para 6.14 of SEBI Master circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, the performance of the scheme is benchmarked to the Total Return variant (TRI) of the Benchmark Index instead of Price Return Variant (PRI). Alpha is difference of scheme return with benchmark return.

Disclosures: To Know More about Fund Managers Top 3 & Bottom 3 scheme performance,

[https://kotakmf.com/documents/Funds\\_Managed\\_by\\_Fund\\_Managers\\_Regular\\_Plan](https://kotakmf.com/documents/Funds_Managed_by_Fund_Managers_Regular_Plan)

## SIP Performance - Direct Plan Growth Option

Monthly SIP of Rs 10,000	Since Inception	10 Years	7 Years	5 Years	3 Years	1 Year
Total amount invested (₹)	14,30,000	12,00,000	8,40,000	6,00,000	3,60,000	1,20,000
Total Value as on November 29, 2024 (₹)	65,94,622	40,31,435	21,91,475	12,95,627	5,66,567	1,39,892
<b>Scheme Returns (%)</b>	<b>23.67</b>	<b>22.92</b>	<b>26.97</b>	<b>31.41</b>	<b>31.84</b>	<b>32.34</b>
Nifty Midcap 150 (TRI) Returns (%)	21.71	21.78	25.75	30.75	30.35	16.72
Alpha*	1.96	1.14	1.22	0.66	1.50	15.62
Nifty Midcap 150 (TRI) (₹)#	57,85,391	37,90,265	20,98,950	12,75,696	5,55,437	1,30,491
Nifty Midcap 100 (TRI) Returns (%)	20.51	20.90	25.62	31.47	31.29	16.63
Alpha*	3.16	2.02	1.35	-0.06	0.56	15.71
Nifty Midcap 100 (TRI) Returns (₹)#	53,39,496	36,13,266	20,89,237	12,97,377	5,62,408	1,30,438
Nifty 50 (TRI) (₹)^	36,26,252	26,35,378	15,07,646	9,41,398	4,59,240	1,26,207
Nifty 50 (TRI) Returns (%)	14.68	15.04	16.42	18.08	16.50	9.80

Scheme Inception : - January 03, 2013. The returns are calculated by XIRR approach assuming investment of ₹10,000/- on the 1st working day of every month. XIRR helps in calculating return on investments given an initial and final value and a series of cash inflows and outflows and taking the time of investment into consideration. Since inception returns are assumed to be starting from the beginning of the subsequent month from the date of inception. The SIP Performance is for Regular Plan – Growth Option Different plans have different expense structure.

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\*All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Source: ICRA MFI Explorer. \*\*\*As per para 1.9 of of SEBI Master circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024

§Source: ICRAMFI Explorer. Standard Deviation is calculated on Annualized basis using 3 years history of monthly returns.

\*\*Total Expense Ratio includes applicable B30 fee and GST as on 30th November 2024.

## Riskometer



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Investors may consult their financial expert before making any investment decision.

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