

Kotak Banking and PSU Debt Fund

An open ended debt scheme predominantly investing in Debt instruments of banks, Public Sector Undertakings, Public Financial Institutions and Municipal Bonds. A relatively high interest rate risk and moderate credit risk.

30th November 2024



Fund Facts

Allotment Date: 29th December, 1998.

Benchmark: CRISIL Banking & PSU Debt A-II Index

AUM: ₹5,678.58 crs

Exit Load: Nil (applicable for all plans)



Fund Manager*

Mr. Deepak Agrawal & Mr. Abhishek Bisen



Minimum Investment Amount

Initial & Additional Investment
₹100 and any amount thereafter

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

Ideal Investments Horizon
2-3 years



Risk Ratios^{\$}

Standard Deviation: 0.72%



Total Expense Ratio**

Regular Plan: 0.75%
Direct Plan: 0.39%



About Kotak Banking & PSU Debt Fund

- Kotak Banking and PSU Debt Fund is an Open Ended Debt Scheme.
- The investment objective of the scheme is to generate income by predominantly investing in debt & money market securities issued by Banks & PSUs and Reverse repos in such securities, sovereign securities issued by the Central Government and State Governments, and / or any security unconditionally guaranteed by the Govt. of India.



Portfolio Action

- We are maintaining modified duration in the range of 3–5 years.
- U.S. Fed reduced interest rates by 75 bps since September 2024. Fed's dot plot now signals another 25 bps cut in December 2024, with a total of 100 bps in CY2024, and a further 100 bps by CY2025, representing a total reduction of 200 bps from the peak.
- In its recent policy, RBI kept the repo rate and stance unchanged. However, to address the recent liquidity crunch, it announced a 50 bps cut in the CRR in two tranches, which is expected to inject ₹1.16 lakh crore into the banking system.
- We expect a gradual rate-cutting cycle to commence in February 2025, with expectations of a 50 bps cut spread over the rate-cutting cycle.



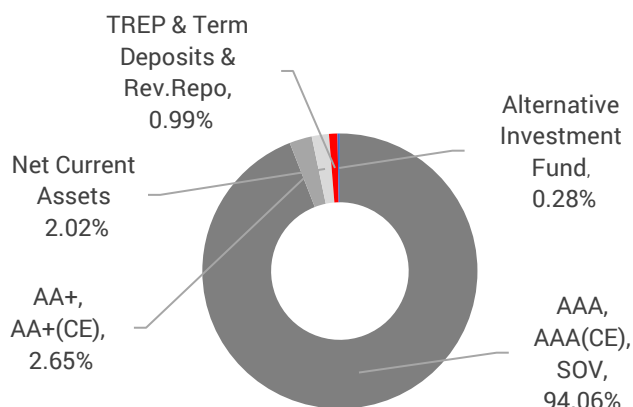
Debt Quants^{^^}

Particulars	30 th Nov 24	31 st Oct 24	30 th Sep 24
Avg. Maturity (in yrs)	5.82	5.30	5.69
Modified Duration	3.78	3.43	3.76
Macauley Duration	4.00	3.64	3.98
Yield (in %)	7.39	7.36	7.37

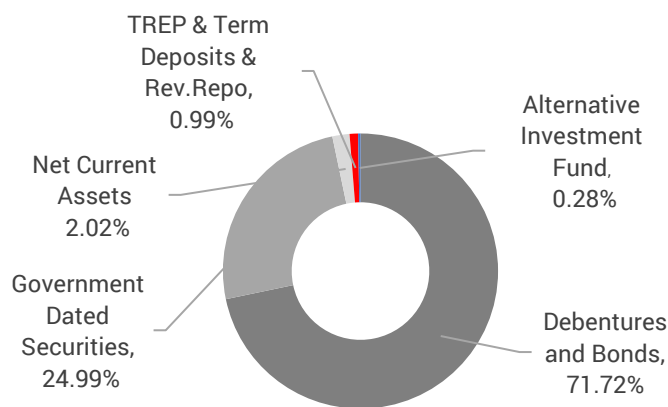
*in case of semi annual YTM, it will be annualized.



Rating Profile^{^^}



Portfolio Allocation^{^^}



Top 10 Holdings^{^^}

Issuer/Instrument	% to Net Assets
7.18% Central Government(^)	10.00%
REC Ltd	9.77%
NABARD	8.08%
Small Industries Development Bank Of India	7.08%
7.10% Central Government(^)	6.30%

Issuer/Instrument	% to Net Assets
Power Finance Corporation Ltd.	5.90%
DME Development Limited (^)	5.59%
National Housing Bank	4.86%
Power Grid Corporation Of India Ltd.(^)	4.69%
7.93% Central Government(^)	4.25%

Scheme Performance - Regular Plan Growth Option

Dec 29, 1998	Kotak Banking and PSU Debt Fund- Reg - Growth	CRISIL Banking & PSU Debt A-II Index #	Alpha	CRISIL 10 Year Gilt ##	Kotak Banking and PSU Debt Fund - Reg - Growth (₹)	CRISIL Banking & PSU Debt A-II Index # (₹)	CRISIL 10 Year Gilt ## (₹)
Since Inception	7.31%	NA	NA	NA	62,275	NA	NA
Last 1 Year	8.21%	7.71%	0.50%	10.39%	10,821	10,771	11,039
Last 3 Years	6.04%	5.88%	0.16%	5.56%	11,923	11,871	11,762
Last 5 Years	6.45%	6.33%	0.12%	5.48%	13,676	13,598	13,059

Scheme Inception date is 29/12/1998. Mr. Deepak Agrawal has been managing the fund since 01/08/2008 & Mr. Abhishek Bisen has been managing the fund since 01/11/2022. 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. Alpha is difference of scheme return with benchmark return.

Scheme Performance - Direct Plan Growth Option

Jan 01, 2013	Kotak Banking and PSU Debt Fund - Dir - Growth	CRISIL Banking & PSU Debt A-II Index #	Alpha	CRISIL 10 Year Gilt ##	Kotak Banking and PSU Debt Fund - Dir - Growth (₹)	CRISIL Banking & PSU Debt A-II Index # (₹)	CRISIL 10 Year Gilt ## (₹)
Since Inception	8.19%	7.83%	0.36%	6.57%	25,562	24,562	21,338
Last 1 Year	8.64%	7.71%	0.93%	10.39%	10,864	10,771	11,039
Last 3 Years	6.48%	5.88%	0.60%	5.56%	12,073	11,871	11,762
Last 5 Years	6.89%	6.33%	0.55%	5.48%	13,956	13,598	13,059

Scheme Inception date is 29/12/1998. Scheme Inception date for Direct Plan Growth Option is 01/01/2013. Mr. Deepak Agrawal has been managing the fund since 01/08/2008 & Mr. Abhishek Bisen has been managing the fund since 01/11/2022. 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. 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 (₹)	31,20,000	12,00,000	8,40,000	6,00,000	3,60,000	1,20,000
Total Value as on 29 November 2024 (₹)	87,52,233	17,26,641	10,69,960	7,05,140	4,01,138	1,25,199
Scheme Returns (%)	7.15	7.07	6.81	6.40	7.17	8.19
CRISIL Banking & PSU Debt A-II Index Returns (%)	NA	6.93	6.61	6.25	6.94	7.58
Alpha*	NA	0.14	0.20	0.16	0.23	0.61
CRISIL Banking & PSU Debt A-II Index (₹)#	NA	17,14,015	10,62,302	7,02,378	3,99,764	1,24,817
CRISIL 10 Year Gilt Index (₹)^	NA	16,54,454	10,51,520	6,99,947	4,06,861	1,26,204
CRISIL 10 Year Gilt Index Returns (%)	NA	6.26	6.32	6.11	8.13	9.79

Scheme Inception : - December 29, 1998. 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. # Benchmark ; ^ Additional Benchmark. 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

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 29 November 2024 (₹)	23,05,341	17,64,870	10,86,492	7,12,920	4,03,767	1,25,456
Scheme Returns (%)	7.70	7.49	7.24	6.84	7.61	8.60
CRISIL Banking & PSU Debt A-II Index Returns (%)	7.26	6.93	6.61	6.25	6.94	7.58
Alpha*	0.45	0.56	0.63	0.59	0.67	1.02
CRISIL Banking & PSU Debt A-II Index (₹)#	22,40,540	17,14,015	10,62,302	7,02,378	3,99,764	1,24,817
CRISIL 10 Year Gilt Index (₹)^	21,33,298	16,54,454	10,51,520	6,99,947	4,06,861	1,26,204
CRISIL 10 Year Gilt Index Returns (%)	6.48	6.26	6.32	6.11	8.13	9.79

Scheme Inception : - January 02, 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. # Benchmark ; ^ Additional Benchmark. Alpha is difference of scheme return with benchmark return. (^) Fully or Party blocked against Interest Rate Swap (IRS). Hedging Position through Interest Rate Swaps as on 30 Nov 2024 is 2.82% of the net assets. Source: ICRA MFI Explorer.

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

https://kotakmf.com/documents/Funds_Managed_by_Fund%20Managers_Direct_Plan

***As per para 1.9 of SEBI Master circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024. The first tier benchmark is reflective of the category of the scheme and the second tier benchmark is demonstrative of the investment style / strategy of the Fund Manager within the category.

§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

 	KOTAK BANKING AND PSU DEBT FUND An open ended debt scheme predominantly investing in Debt instruments of banks, Public Sector Undertakings, Public Financial Institutions and Municipal Bonds. A relatively high interest rate risk and moderate credit risk.			
	This product is suitable for investors who are seeking:* <ul style="list-style-type: none"> Income over a short to medium term investment horizon. Investment in debt & money market securities of PSUs, Banks, Public Financial Institutions, government securities, and Municipal Bonds. 			
	*Investors should consult their financial advisors if in doubt about whether the product is suitable for them. The above riskometer is based on the scheme portfolio as on 30th November 2024. An addendum may be issued or updated on the website for new riskometer.			
	Credit Risk → Interest Rate Risk ↓	Relatively low (Class A) Relatively low Moderate Relatively High	Moderate (Class B) B-III	Relatively High (Class C)

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Past performance may or may not be sustained in future. For detailed portfolio and related disclosures for the scheme please refer our website <https://www.kotakmf.com/Information/forms-and-downloads>. The portfolio and its composition is subject to change and the same position may or may not be sustained in future. The fund manager may make the changes, as per different market conditions and in the best interest of the investors. To view the latest complete performance details of the Scheme kindly refer to the factsheet on our website <https://www.kotakmf.com/Information/forms-and-downloads>.

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

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.