

Kotak Credit Risk Fund

An open ended debt scheme predominantly investing in AA and below rated corporate bonds (Excluding AA+ rated corporate bonds). A relatively high interest rate risk and relatively high credit risk.

30th November 2024



Fund Facts

Allotment Date: 11th May, 2010.

Benchmark: CRISIL Credit Risk Debt B-II Index (Tier-1)

NIFTY Credit Risk Bond Index (Tier-2)

AUM: ₹749.62 crs

Exit Load: a) For redemption / switch out of upto 6% of the initial investment amount (limit) purchased or switched in within 1 year from the date of allotment: Nil. b) If units redeemed or switched out are in excess of the limit within 1 year from the date of allotment: 1% c) If units are redeemed or switched out on or after 1 year from the date of allotment: NIL



Fund Manager*

Mr. Deepak Agrawal & Mr. Sunit Garg



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 year & above



Risk Ratios^{\$}

Standard Deviation: 1.45%



Total Expense Ratio**

Regular Plan: 1.71%

Direct Plan: 0.79%



About Kotak Credit Risk Fund

- Generate income through investments in debt and money market securities across the yield curve, with a primary emphasis on AA-rated and lower-rated corporate securities.
- The scheme invests in higher accrual securities with a slightly elevated credit risk while maintaining reasonable liquidity.
- The scheme is suitable for investors with a time horizon 2 to 3 years and above



Portfolio Action

- We are maintaining the modified duration in the range of 1.5– 3.0 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.

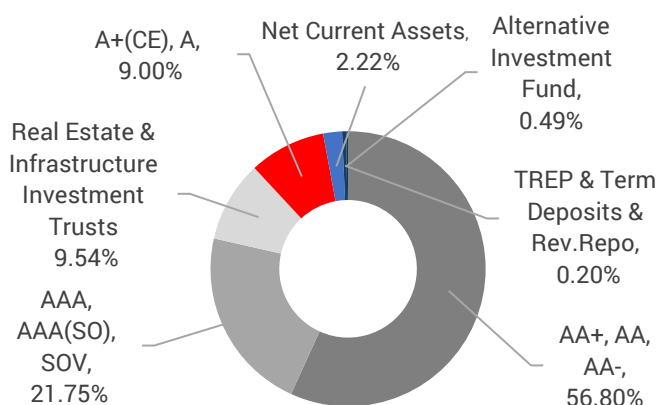


Debt Quants^{^^}

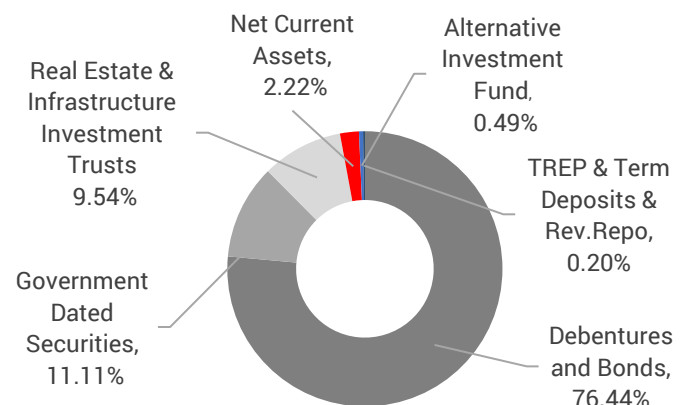
Particulars	30 th Nov 24	31 st Oct 24	30 th Sep 24
Avg. Maturity (in yrs)	3.06	3.05	3.12
Modified Duration	2.38	2.38	2.39
Macaulay Duration	2.52	2.52	2.55
Yield (in %)	8.51	8.36	8.52

*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	10.06%
Nirma Ltd.	9.38%
Tata Projects Ltd.	9.21%
Godrej Industries Ltd	6.72%
Aditya Birla Real Estate Ltd (^)	6.29%

Issuer/Instrument	% to Net Assets
Aditya Birla Renewables Limited	5.37%
Prestige Projects Pvt. Ltd	5.35%
Indostar Capital Finance Limited	5.33%
PTC Vajra Trust (Series A1) 20/02/2029 (Mat 20/02/2027)(Vajra Trust)	4.67%
Tata Power Company Ltd.	4.23%

Scheme Performance - Regular Plan Growth Option

May 11, 2010	Kotak Credit Risk Fund - Reg - Growth	(Tier 1) CRISIL Credit Risk Debt B-II Index#	Alpha (Tier 1)	(Tier 2)NIFTY Credit Risk Bond Index ##	Alpha (Tier 2)	CRISIL 10 Year Gilt ##	Kotak Credit Risk Fund - Reg - Growth (₹)	CRISIL Credit Risk Debt B-II Index # (₹)	NIFTY Credit Risk Bond Index # (₹)	CRISIL 10 Year Gilt ## (₹)
Since Inception	7.33%	8.55%	-1.23%	8.96%	-1.64%	6.46%	28,007	33,043	34,906	24,869
Last 1 Year	7.54%	8.23%	-0.68%	8.45%	-0.90%	10.39%	10,754	10,823	10,845	11,039
Last 3 Years	4.74%	7.02%	-2.28%	7.72%	-2.98%	5.56%	11,490	12,259	12,499	11,762
Last 5 Years	5.27%	7.61%	-2.34%	8.38%	-3.11%	5.48%	12,930	14,433	14,958	13,059

Scheme Inception date is 11/05/2010. Mr. Deepak Agrawal has been managing the fund since 12/04/2010 & Mr. Sunit Garg 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 Credit Risk Fund - Dir - Growth	(Tier 1) CRISIL Credit Risk Debt B-II Index#	Alpha (Tier 1)	(Tier 2)NIFTY Credit Risk Bond Index ##	Alpha (Tier 2)	CRISIL 10 Year Gilt ##	Kotak Credit Risk Fund - Dir - Growth (₹)	CRISIL Credit Risk Debt B-II Index # (₹)	NIFTY Credit Risk Bond Index # (₹)	CRISIL 10 Year Gilt ## (₹)
Since Inception	8.19%	8.63%	-0.45%	8.92%	-0.74%	6.57%	25,540	26,823	27,686	21,338
Last 1 Year	8.55%	8.23%	0.33%	8.45%	0.11%	10.39%	10,855	10,823	10,845	11,039
Last 3 Years	5.75%	7.02%	-1.28%	7.72%	-1.97%	5.56%	11,825	12,259	12,499	11,762
Last 5 Years	6.30%	7.61%	-1.30%	8.38%	-2.08%	5.48%	13,578	14,433	14,958	13,059

Scheme Inception date is 11/05/2010. Scheme Inception date for Direct Plan Growth Option is 01/01/2013. Mr. Deepak Agrawal has been managing the fund since 12/04/2010 & Mr. Sunit Garg 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 (₹)	17,50,000	12,00,000	8,40,000	6,00,000	3,60,000	1,20,000
Total Value as on 29 November 2024 (₹)	29,55,384	16,40,494	10,29,460	6,90,459	3,96,100	1,24,174
Scheme Returns (%)	6.84	6.09	5.73	5.56	6.32	6.56
CRISIL Credit Risk Debt B-II Index Returns (%)	8.40	7.89	7.75	7.44	7.91	8.46
Alpha*	-1.55	-1.79	-2.02	-1.88	-1.60	-1.90
CRISIL Credit Risk Debt B-II Index (₹)#	33,46,076	18,01,735	11,06,339	7,23,684	4,05,592	1,25,370
NIFTY Credit Risk Bond Index Returns (%)	8.79	8.41	8.38	8.19	8.36	8.16
Alpha*	-1.94	-2.32	-2.65	-2.62	-2.04	-1.61
NIFTY Credit Risk Bond Index (₹)#	34,53,196	18,52,157	11,31,472	7,37,349	4,08,244	1,25,184
CRISIL 10 Year Gilt Index (₹)^	28,91,197	16,54,454	10,51,520	6,99,947	4,06,861	1,26,204
CRISIL 10 Year Gilt Index Returns (%)	6.57	6.26	6.32	6.11	8.13	9.79

Scheme Inception : - May 11, 2010. 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 (₹)	22,78,041	17,32,903	10,67,742	7,08,287	4,02,067	1,24,805
Scheme Returns (%)	7.52	7.14	6.75	6.58	7.32	7.56
CRISIL Credit Risk Debt B-II Index Returns (%)	8.13	7.89	7.75	7.44	7.91	8.46
Alpha*	-0.61	-0.74	-1.00	-0.86	-0.59	-0.90
CRISIL Credit Risk Debt B-II Index (₹)#	23,68,639	18,01,735	11,06,339	7,23,684	4,05,592	1,25,370
NIFTY Credit Risk Bond Index Returns (%)	8.58	8.41	8.38	8.19	8.36	8.16
Alpha*	-1.07	-1.27	-1.63	-1.61	-1.03	-0.60
NIFTY Credit Risk Bond Index (₹)#	24,38,812	18,52,157	11,31,472	7,37,349	4,08,244	1,25,184
CRISIL 10 Year Gilt Index (₹)^	21,33,202	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 04, 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. 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 CREDIT RISK FUND

An open ended debt scheme predominantly investing in AA and below rated corporate bonds (Excluding AA+ rated corporate bonds). A relatively high interest rate risk and relatively high credit risk.

This product is suitable for investors who are seeking:*

- Income over a medium term investment horizon
- Investment predominantly in AA and below rated corporate bonds (Excluding AA+ rated corporate 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)	Moderate (Class B)	Relatively High (Class C)
Relatively low			
Moderate			
Relatively High			C-III

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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.