

Kotak Banking and Financial Services Fund

An open ended equity scheme investing in the Banking and Financial Services sectors

30th April 2025



Fund Facts

Allotment Date: 27 February 2023.

Benchmark: Nifty Financial Services TRI

AUM: ₹1,176.95 crs



Fund Manager*

Ms. Shibani Sircar Kurian &
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

5 Years & Above



Risk Ratios

§Standard Deviation	12.86%
§Beta	0.97
§Sharpe ^{##}	1.03
Portfolio Turnover	29.65%
^{^^} P/E	16.11
^{^^} P/BV	2.11



Total Expense Ratio**

Regular Plan: 2.16%

Direct Plan: 0.70%



About the Fund

- The fund predominantly invests in securities engaged in banking and financial services sectors.
- The Fund follows bottom-up approach of Business, Management and Valuation to identify companies within the banking and financial services sector showing growth at a reasonable price.
- The fund has flexibility to invest across all market capitalisation.



Portfolio Action

- Credit growth in the system has moderated to ~11% largely on the back of slower growth in unsecured retail loans and loans to NBFCs.
- On the other hand, the gap of Deposit growth with credit growth has narrowed.
- The recent measures announced by RBI to improve liquidity as well as policy rate cuts bodes well for the sector in the medium term.
- In this context, banks with higher CASA (low cost deposits), retail deposits are better placed. NIMs would likely face near term pressure before stabilising.
- The extant of the policy rate cuts in India would also have a bearing on NIMs given that most of the loans are floating in nature.
- The banking sector balance sheet remains strong with stress being restricted to pockets such as micro finance loans and segments of unsecured credit
- Valuations in the banking sector for the larger banks are still reasonable despite the improvement in fundamentals and ROEs (return on equity).
- Capital market plays have been impacted due to volatility in equity markets. However, we believe that asset management and wealth management companies have a long term runway for growth and profitability and valuations are reasonable.
- The fund is positive on large private sector banks and select PSU banks and NBFCs while remaining cautious on the MFI (microfinance) segment where there is an inch up of stress in terms of asset quality.
- Insurance as a sector is facing headwinds with frequent changes in the regulatory environment. The fund remains selective till clarity emerges on the same



Market Cap^{^^}

Month	Large (%)	Mid (%)	Small (%)	Debt & Money Market (%)
April-25	76.4	9.6	10.6	3.4
March-25	75.5	10.0	10.8	3.7
February-25	72.9	11.1	12.4	3.6
January-25	71.5	12.2	13.9	2.4
December-24	70.1	11.1	15.0	3.8
November-24	70.0	11.5	12.6	5.9



Top 10 Stocks^{^^}

Stocks	% to Net Assets	Stocks	% to Net Assets
HDFC Bank Ltd.	19.63%	Bajaj Finance Ltd.	6.21%
ICICI Bank Ltd.	19.48%	Power Finance Corporation Ltd.	3.83%
State Bank Of India	7.12%	Shriram Finance Ltd.	3.18%
Axis Bank Ltd.	7.05%	Poonawalla Fincorp Ltd.	2.37%
Kotak Mahindra Bank Ltd.	6.27%	ICICI Lombard General Insurance Company Ltd	2.14%

Sector Weights^^

Sector	30th April 2025			31st March 2025			28th February 2025		
	Scheme	Benchmark	Ow/Uw	Scheme	Benchmark	Ow/Uw	Scheme	Benchmark	Ow/Uw
Financial Services	96.57	100.00	-3.43	96.26	100.00	-3.74	96.03	100.00	-3.97
Not Classified	3.43		3.43	3.74		3.74	3.97		3.97

^^Source: <https://www.kotakmf.com/mutual-funds/equity-funds/kotak-banking-and-financial-services-fund/reg-g>

The stocks/sectors mentioned do not constitute any kind of recommendation and are for information purpose only.

Kotak Mahindra Mutual Fund may or may not hold position in the mentioned stock(s)/sector(s).

OW – Overweight, UW – Underweight

What In and What's Out: April 2025\$

New Entry	Complete Exit
Indusind Bank Ltd.	Can Fin Homes Ltd
SBI Cards & Payment Services Pvt. Ltd.	LIC Housing Finance Ltd.
Ujjivan Small Finance Bank Ltd.	Dam Capital Advisors Limited
-	360 One Wam Ltd.
-	Mahindra & Mahindra Financial Services Ltd.

Scheme Performance - Regular Plan Growth Option

As on 30th April 2025	Kotak Banking and Financial Services Fund - Reg - Growth	Nifty Financial Services TRI #	ALPHA	Nifty 50 TRI ##	Kotak Banking and Financial Services Fund - Reg - Growth (₹)	Nifty Financial Services TRI # (₹)	Nifty 50 TRI ## (₹)
Since Inception	19.77%	19.79%	-0.02%	18.01%	14,799	14,804	14,330
Last 1 Year	12.36%	20.77%	-8.41%	9.01%	11,236	12,077	10,901

Scheme Inception date is 27/2/2023. Ms. Shibani Sircar Kurian & Mr. Abhishek Bisen have been managing the fund since 27/2/2023. Different plans have different expense structure. **The performance details provided herein are of Regular Plan - Growth Option.** 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

As on 30th April 2025	Kotak Banking and Financial Services Fund - Dir - Growth	Nifty Financial Services TRI #	ALPHA	Nifty 50 TRI ##	Kotak Banking and Financial Services Fund - Dir - Growth (₹)	Nifty Financial Services TRI # (₹)	Nifty 50 TRI ## (₹)
Since Inception	21.70%	19.79%	1.91%	18.01%	15,322	14,804	14,330
Last 1 Year	14.09%	20.77%	-6.68%	9.01%	11,409	12,077	10,901

Scheme Inception date is 27/2/2023. Ms. Shibani Sircar Kurian & Mr. Abhishek Bisen have been managing the fund since 27/2/2023. Different plans have different expense structure. **The performance details provided herein are of Direct Plan - Growth Option.** 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	1 Year
Total amount invested (₹)	2,70,000	1,20,000
Total Value as on 30th April 2025 (₹)	3,22,221	1,26,941
Scheme Returns (%)	16.04	11.02
Nifty Financial Services (TRI) Returns (%)	19.91	22.45
Alpha*	-3.87	-11.44
Nifty Financial Services (TRI) (₹)#	3,35,463	1,33,931
Nifty 50 (TRI) (₹)^	3,13,556	1,22,955
Nifty 50 (TRI) Returns (%)	13.46	4.65

Scheme Inception : - February 27, 2023. The returns are calculated by XIRR approach assuming investment of Rs.10,000/- on the 1st working day of every month. Since Inception returns are assumed to be starting from the inception date of the Scheme and calculated accordingly. 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. **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. *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV.

Disclosures:

*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 April 2025.


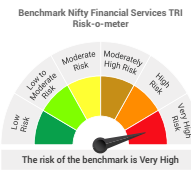
##Risk Rate assumed to be 6.00% (FBIL Overnight MIBOR rate as on 30th April 2025)

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

https://www.kotakmf.com/documents/Funds_Managed_by_Fund_Managers_Direct_Plan%20V3

https://www.kotakmf.com/documents/Funds_Managed_by_Fund_Managers_Reg_Plan%20V3

Riskometer

 <p>Scheme Risk-o-meter</p> <p>The risk of the scheme is Very High</p>	 <p>Benchmark Nifty Financial Services TRI Risk-o-meter</p> <p>The risk of the benchmark is Very High</p>	<p>KOTAK BANKING & FINANCIAL SERVICES FUND</p> <p>An open ended equity scheme investing in the Banking and Financial Services sectors</p> <p>This product is suitable for investors who are seeking:*</p> <ul style="list-style-type: none"> • Long term capital growth. • Investment in portfolio of predominantly equity & equity related securities of companies engaged in Banking & Financial Services <p>*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.</p>
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For latest Riskometer, investors may refer to an addendum issued or updated on website at www.kotakmf.com

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

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