



Kotak Debt Hybrid Fund

An open ended hybrid scheme investing
predominantly in debt instruments

31st March 2024



Kotak Debt Hybrid Fund

About Kotak Debt Hybrid Fund

1 The investment objective of the scheme is to enhance returns over a portfolio of debt instruments with a moderate exposure in equity and equity related instruments.

2 The scheme invests in a mix of high credit debt market across issuers and money market instruments at the shorter end of the yield curve thereby reducing the interest rate risk as also optimizing the carry yield on the portfolio.



3 The scheme also seeks to capitalize on trading opportunities available from time to time.

4 On the equity side the scheme seeks to enhance returns by maintaining a core and a dynamic portfolio where some portion is held for the longer term and the remaining is actively churned.

* The numbers are converted using the Rupee- USD reference rate published by the Reserve Bank of India as on the respective dates.

Debt Market Brief

- ▶ Headline CPI in February 2024 stood at 5.09% similar to January.
- ▶ Core Inflation dipped below 4% after a long time; however, RBI focus is on headline for the moment.
- ▶ It's important to note that core CPI averaged 4.8% yoy in the pre-pandemic period between FY18-FY20, when headline CPI averaged around 3.9% during the same period.
- ▶ Currently, core CPI is 140 bps lower than the pre-pandemic average, while real rates calculated in terms of core CPI is in excess of 300 bps.
- ▶ In the pre-pandemic period, real rates were about 100 bps with respect to core inflation.
- ▶ Increased interest by FIIs in Indian bond market to have positive influence on bond yields going forward.
- ▶ State Government finally completed the borrowing programme in the last fortnight of March.
- ▶ Situation in US is becoming increasingly volatile as Fed to cut rates by 75 bp this starting July and 75 bps cuts next year vs 100 bps earlier in CY 2025.
- ▶ Swap largely tracks UST which is not able to find any decisive move hence has become extremely range.
- ▶ We have reduced FRB position and moved to 15-30-year segment, however, so far the trade has not worked well but we are accumulating as planned across duration and hybrid strategies.
- ▶ RBI expected to move post Fed cut



Kotak Debt Hybrid Fund



▶ Portfolio Action

- ▶ We are likely to maintain the modified duration in the range of 5-7 years In April 2024.
- ▶ We are likely to be at the end of rate hiking cycle and rate cuts seem to be on the cards ahead both globally as well as India, we shall look to keep duration at optimal levels.

Particulars	31 Mar 2024	29 Feb 2024
Avg. Maturity (in yrs)	18.00	16.50
Modified Duration	6.59	6.37
Yield (in %)	7.55	7.56
Macaulay Duration	6.89	6.65

Risk Statistics[@]

Standard Deviation

0.50%

Average Maturity

18.00 Years

Portfolio Modified Duration

6.59 Years

YTM

7.55%

Macaulay Duration

6.89



Kotak Debt Hybrid Fund



Top 10 Companies as on 31st March, 2024

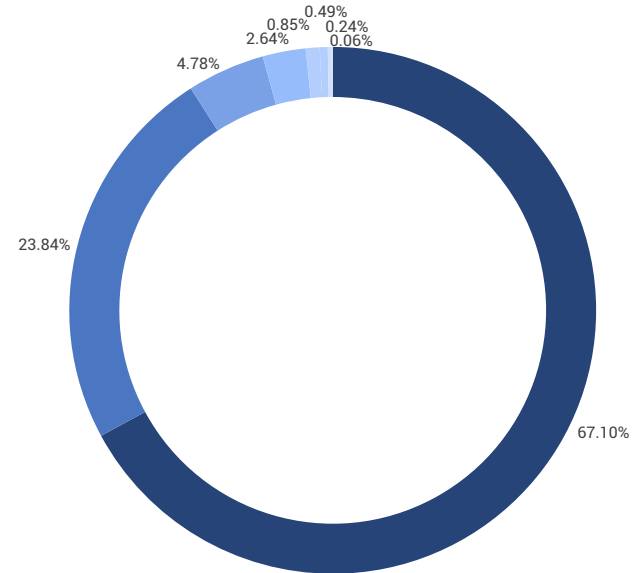
7.18% Central Government	SOV		30.59%
8.34% Central Government(*)	SOV		10.09%
7.25% Central Government	SOV		5.22%
HDFC Bank Ltd.	CRISIL AAA		4.29%
State Bank of India. (Basel III TIER I Bonds)	CRISIL AA+		3.49%
7.17% Central Government	SOV		2.50%
Small Industries Development Bank Of India	CRISIL AAA/ICRA AAA		1.94%
Maruti Suzuki India Limited	Automobiles		1.83%
7.45% Maharashtra State Govt-Maharashtra	SOV		1.72%
Power Finance Corporation Ltd.	Finance		1.53%

(*) Fully or Party blocked against Interest Rate Swap (IRS)

Asset Allocation as on 31st March, 2024

Government Dated Securities		54.82%
Equities		23.84%
Debentures and Bonds		17.91%
TREP & Term Deposits & Rev.Repo		2.64%
Net Current Assets		0.49%
Alternative Investment Fund		0.24%
Infrastructure Investment Trusts		0.06%

Rating Profile as on 31st March, 2024



- AAA, SOV
- Equities
- AA+
- TREP & Term Deposits & Rev.Repo
- A+(CE)
- Net Current Assets
- AIF Units
- Construction

Kotak Debt Hybrid Fund



^^Kotak Debt Hybrid Fund *Performance (%) (as on 28th March, 2024)

	Scheme Returns (%) ^A	Crisil Hybrid 85+15 Conservative Index # (%)	Alpha	CRISIL 10 YR Gilt Index [#] (%)	Current Value of Standard Investment of ₹10000 in the Scheme (₹)	Benchmark # (₹)	Additional Benchmark ## (₹)
Since Inception	8.49	8.42	0.06	5.62	52,398	51,794	30,401
Last 1 Year	17.38	12.46	4.92	8.55	11,728	11,239	10,850
Last 3 Years	10.77	7.48	3.29	4.30	13,583	12,410	11,343
Last 5 Years	11.14	9.02	2.12	6.15	16,966	15,405	13,477

Kotak Debt Hybrid Fund - Growth (Erstwhile Kotak Monthly Income Plan), *Name of the Benchmark - CRISIL Hybrid 85+15 - Conservative Index, Scheme Inception date is 02/12/2003. Mr. Abhishek Bisen has been managing the fund since 01/04/2008. Mr. Devender Singhal has been managing the fund since 25/08/2015.

Different plans have different expense structure. The performance details provided herein are of regular plan. ^APast 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). N/A stands for data not available. Note: Point to Point (PTP) Returns in INR shows the value of ₹10,000/- investment made at inception. Source: ICRA MFI Explorer. Classification of schemes in short term & long term is based on the average maturity of the scheme. # Name of Scheme Benchmark. ## Name of Additional Benchmark. Please refer page no. 7 & 8 for top 3 and bottom 3 schemes managed by Mr. Abhishek Bisen & Mr. Devender Singhal. TRI - Total Return Index. In terms of SEBI circular dated January 4, 2018, the performance of the scheme is benchmarked to the Total Return variant (TRI) of the Benchmark Index instead of Price Return Variant (PRI). The debt component of the index is TRI since inception. For equity component of the index as TRI data is not available since inception of the scheme, benchmark performance is calculated using composite CAGR of S&P BSE 200 PRI values series is used till 31st July 2006 and TRI values is used since 1st Aug 2006. Alpha is difference of scheme return with benchmark return. The performance of the scheme is benchmarked to the Total Return variant (TRI) of the Benchmark. Alpha is difference of scheme return with benchmark return. We are comparing the performances of the funds with the total return index. ^^Kotak Monthly Income Plan is renamed as Kotak Debt Hybrid with effect from 25th May 2018. *With Effect from 25th May 2018, the Benchmark is changed to Crisil Hybrid 85+15-Conservative Index TRI. These materials are not intended for distribution to or use by any person in any jurisdiction where such distribution would be contrary to local law or regulation. The distribution of this document in certain jurisdictions may be restricted or totally prohibited and accordingly, persons who come into possession of this document are required to inform themselves about, and to observe, any such restrictions.

➤ Kotak Debt Hybrid Fund (SIP Performance) (as on 28th March, 2024)

Systematic Investment Plan (SIP) If you had invested Rs 10,000 every month

Monthly SIP of Rs 10000	Since Inception	10 years	7 years	5 years	3 years	1 year
Total amount invested (Rs)	24,40,000	12,00,000	8,40,000	6,00,000	3,60,000	1,20,000
Total Value as on Mar 28, 2024 (Rs)	67,48,711	20,27,029	12,31,035	8,03,231	4,26,753	1,30,376
Scheme Returns (%)	9.11	10.13	10.76	11.66	11.44	16.71
CRISIL Hybrid 85+15 - Conservative Index Returns (%)	8.74	8.78	8.66	8.58	8.58	12.36
Alpha*	0.37	1.35	2.10	3.08	2.86	4.35
CRISIL Hybrid 85+15 - Conservative Index (Rs)#	64,56,301	18,87,428	11,42,277	7,44,109	4,09,348	1,27,724
CRISIL 10 Year Gilt Index (Rs) ^A	48,21,645	16,33,181	10,24,875	6,83,054	3,94,261	1,25,315
CRISIL 10 Year Gilt Index Returns (%)	6.25	6.02	5.61	5.15	6.03	8.46

Scheme Inception :- December 02, 2003. The returns are calculated by XIRR approach assuming investment of Rs. 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.

Kotak Debt Hybrid Fund

Top 3 Funds Managed by Mr. Abhishek Bisen

Scheme Name	Benchmark Name	Last 1 yr		Last 3 yr		Last 5 yr		Since Inception	
		Scheme	Benchmark	Scheme	Benchmark	Scheme	Benchmark	Scheme	Benchmark
Kotak Nifty Alpha 50 ETF	Nifty Alpha 50 TRI	80.91%	83.58%	NA	NA	NA	NA	14.92%	18.00%
Kotak Multicap Fund- Growth	Nifty 500 Multicap 50:25:25 TRI	61.88%	47.88%	NA	NA	NA	NA	21.66%	16.02%
Kotak Nifty Midcap 50 ETF	Nifty Midcap 50 TRI	61.12%	61.49%	NA	NA	NA	NA	26.22%	26.90%

Mr. Abhishek Bisen manages 43 funds of Kotak Mutual fund.

Kotak Nifty Alpha 50 ETF - *Name of the Benchmark- Nifty Alpha 50 TRI, Scheme Inception date is 22/12/2021. Mr. Devender Singhal, Mr. Satish Dondapati & Mr. Abhishek Bisen has been managing the fund since 22/12/2021.

Kotak Multicap Fund - Growth, *Name of the Benchmark- Nifty 500 Multicap 50:25:25 TRI, Scheme Inception date is 29/09/2021. Mr. Harsha Upadhyaya, Mr. Devender Singhal & Mr. Abhishek Bisen has been managing the fund since 29/09/2021.

Kotak Nifty Midcap 50 ETF - *Name of the Benchmark- Nifty Midcap 50 TRI, Scheme Inception date is 28/1/2022. Mr. Devender Singhal, Mr. Satish Dondapati & Mr. Abhishek Bisen has been managing the fund since 28/1/2022.

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). N.A stands for data not available. Source: ICRA MFI Explorer.

TRI – Total Return Index. With effect from 1st February 2018, we are comparing the performances of the funds with the total return variant of the benchmark instead of the price return variant.

Bottom 3 Funds Managed by Mr. Abhishek Bisen

Scheme Name	Benchmark Name	Last 1 yr		Last 3 yr		Last 5 yr		Since Inception	
		Scheme	Benchmark	Scheme	Benchmark	Scheme	Benchmark	Scheme	Benchmark
Kotak Nifty 1D Rate Liquid ETF	Nifty 1D Rate Index	6.54%	6.84%	NA	NA	NA	NA	6.48%	6.80%
Kotak Silver ETF	Price of silver	3.41%	3.73%	NA	NA	NA	NA	8.41%	7.62%
Kotak Silver ETF Fund of Fund - Growth	Price of silver	1.65%	3.73%	NA	NA	NA	NA	1.65%	3.73%

Mr. Abhishek Bisen manages 43 funds of Kotak Mutual fund.

Kotak Nifty 1D Rate Liquid ETF - *Name of the Benchmark- Nifty 1D Rate Index, Scheme Inception date is 24/1/2023. Mr. Abhishek Bisen & Mr. Satish Dondapati have been managing the fund since 24/1/2023.

Kotak Silver ETF - *Name of the Benchmark- Price of silver, Scheme Inception date is 09/12/2022. Mr. Jeetu Valechha Sonar & Mr. Abhishek Bisen have been managing the fund since 09/12/2022.

Kotak Silver ETF Fund of Fund - Growth - *Name of the Benchmark- Price of silver, Scheme Inception date is 31/3/2023. Mr. Jeetu Valechha Sonar & Mr. Abhishek Bisen have been managing the fund since 31/3/2023

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). N.A stands for data not available. Source: ICRA MFI Explorer.

TRI – Total Return Index. With effect from 1st February 2018, we are comparing the performances of the funds with the total return variant of the benchmark instead of the price return variant.

Kotak Debt Hybrid Fund

▶ Top 3 Funds Managed by Mr. Devender Singhal

Scheme Name	Benchmark Name	Last 1 yr		Last 3 yr		Last 5 yr		Since Inception	
		Scheme	Benchmark	Scheme	Benchmark	Scheme	Benchmark	Scheme	Benchmark
Kotak Nifty PSU Bank ETF	Nifty PSU Bank TRI	89.57%	90.63%	48.94%	49.87%	15.99%	16.75%	5.45%	6.88%
Kotak Nifty Alpha 50 ETF	Nifty Alpha 50 TRI	80.91%	83.58%	NA	NA	NA	NA	14.92%	18.00%
Kotak Multicap Fund- Growth	Nifty 500 Multicap 50:25:25 TRI	61.88%	47.88%	NA	NA	NA	NA	21.66%	16.02%

Mr. Devender Singhal manages 23 funds of Kotak Mutual fund.

Kotak Nifty PSU Bank ETF, *Name of the Benchmark - Nifty PSU Bank TRI, Scheme Inception date is 08/11/2007. Mr. Devender Singhal & Mr. Satish Dondapati has been managing the fund since 09/05/2019.

Kotak Nifty Alpha 50 ETF - *Name of the Benchmark - Nifty Alpha 50 TRI, Scheme Inception date is 22/12/2021. Mr. Devender Singhal, Mr. Satish Dondapati & Mr. Abhishek Bisen has been managing the fund since 22/12/2021.

Kotak Multicap Fund - Growth, *Name of the Benchmark - Nifty 500 Multicap 50:25:25 TRI, Scheme Inception date is 29/09/2021. Mr. Harsha Upadhyaya, Mr. Devender Singhal & Mr. Abhishek Bisen has been managing the fund since 29/09/2021.

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). N.A stands for data not available. Source: ICRA MFI Explorer.

TRI - Total Return Index. With effect from 1st February 2018, we are comparing the performances of the funds with the total return variant of the benchmark instead of the price return variant.

▶ Bottom 3 Funds Managed by Mr. Devender Singhal

Scheme Name	Benchmark Name	Last 1 yr		Last 3 yr		Last 5 yr		Since Inception	
		Scheme	Benchmark	Scheme	Benchmark	Scheme	Benchmark	Scheme	Benchmark
Kotak Nifty IT ETF	Nifty IT TRI	23.89%	24.06%	12.51%	12.69%	NA	NA	12.91%	13.14%
Kotak Equity Savings Fund - Growth	Nifty Equity Savings Index	19.91%	15.49%	11.86%	9.53%	10.57%	9.66%	9.43%	9.07%
Kotak Nifty Bank ETF	Nifty Bank TRI	16.87%	17.12%	12.76%	13.05%	9.11%	9.68%	10.83%	11.23%

Mr. Devender Singhal manages 23 funds of Kotak Mutual fund.

Kotak Nifty IT ETF, *Name of the Benchmark - Nifty IT TRI, Scheme Inception date is 02/03/2021. Mr. Devender Singhal & Mr. Satish Dondapati has been managing the fund since 02/03/2021.

Kotak Equity Savings Fund - Growth, *Name of the Benchmark - Nifty Equity Savings Index, Scheme Inception date is 13/10/2014. Mr. Devender Singhal has been managing the fund since 01/04/2021. Mr. Abhishek Bisen has been managing the fund since 17/09/2014. Mr. Hiten Shah has been managing the fund since 03/10/2019.

Kotak Nifty Bank ETF, *Name of the Benchmark - Nifty Bank TRI, Scheme Inception date is 10/12/2014. Mr. Devender Singhal & Mr. Satish Dondapati has been managing the fund since 09/05/2019

Different plans have different expense structure. The performance details provided herein are of regular plan

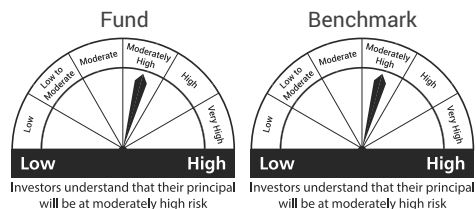
*Past performance may or may not be sustained in future. *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns >= 1 year: CAGR (Compounded Annualised Growth Rate). N.A stands for data not available. Source: ICRA MFI Explorer.

TRI - Total Return Index. With effect from 1st February 2018, we are comparing the performances of the funds with the total return variant of the benchmark instead of the price return variant.

Kotak Debt Hybrid Fund



Riskometer



This product is suitable for investors who are seeking*:

- ▶ Income & capital growth over a long term horizon
- ▶ Investment in a portfolio of debt instruments with a moderate exposure in equity & equity related Instruments.

*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.

Scheme Facts

AUM* (as on 28th March, 2024):

Month end AUM	: ₹2,330.73 crs
Monthly Average AUM	: ₹2,318.99 crs
Benchmark:	CRISIL Hybrid 85+15 - Conservative Index
Launch Date :	02 nd December, 2003

*Source: MFI Explorer.

NAV (as on 28th March, 2024):

Growth	₹52.3978
Direct Growth	₹59.5619
Monthly Dividend	₹12.7897
Direct Monthly Dividend	₹13.8424

Investment Amount :

Minimum Investment: ₹100/- and any amount thereafter
Additional Investment: ₹100/- and any amount thereafter

Structure : An open ended hybrid scheme investing predominantly in debt instruments

Load Structure :

Entry Load: Nil

Exit Load: i) For redemption / switch out of upto 8% of the initial investment amount (limit) purchased or switched or switched in within 6 months from the date of allotment: Nil.

ii) If units redeemed or switched out are in excess of the limit within 6 months from the date of allotment: 1%

iii) If units redeemed or switched out on or after 6 months from the date of allotment: Nil

iv) Any exit load charged (net off Goods and Services Tax, if any) shall be credited back to the respective Scheme. Units issued on reinvestment of dividends shall not be subject to entry and exit load.

Disclaimer

Kotak Debt Hybrid Fund An open ended hybrid scheme investing predominantly in debt instruments.

Investment Objective: To enhance returns over a portfolio of Debt Instruments with a moderate exposure in Equity and Equity related Instruments.

Mutual Fund investments are subject to market risks, read all scheme related documents carefully. Scheme Information Document (SID) and Statement of Additional Information (SAI) available on kotakmf.com