

# Kotak Credit Risk

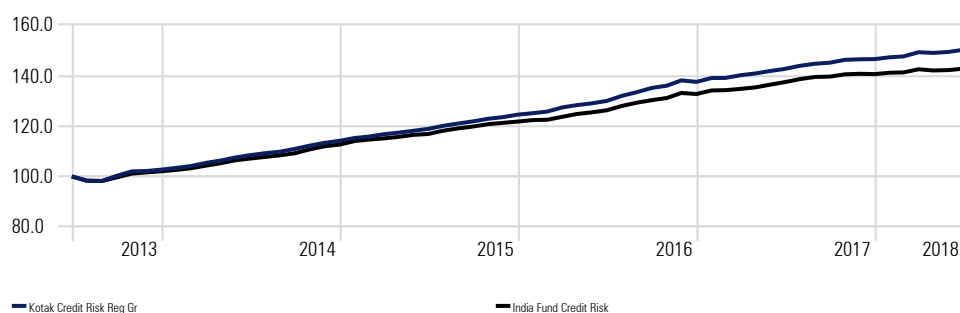


## Key Information

Morningstar Category	India Fund Credit Risk
Fund Size (INR bn)	52.2
Inception Date	5/11/2010
Annual Report Net Expense Ratio	1.80
Morningstar Rating Overall	★★★★
Manager Name	Deepak Agrawal
Minimum Investment	5,000
Morningstar Analyst Rating	Bronze

## Investment Growth

Time Period: 7/1/2013 to 6/30/2018



## Investment Strategy

The fund is managed by Deepak Agrawal and he has been with the fund house for 15 years. Deepak has co-managed this fund since May 2010 and took over as the lead manager in July 2015. The Fixed Income team is headed by Lakshmi Iyer and her presence and contribution towards the overall strategy formation is a big positive.

While the fund invests in high yielding bonds, it is less volatile relative to its peers through its conservative approach. The investment process is highly research-oriented, with economic, credit and liquidity analysis used to determine the fund strategy. The manager typically looks for corporate bonds that provide attractive yields, and which in his view offer adequate comfort on the credit quality of the instruments. He conducts rigorous qualitative and quantitative research to establish whether prospective investments have the competitive, financial and strategic advantage to deliver on that potential. The manager avoids duration bets and typically maintains the average maturity in the range of 1.5 to 2.5 years.

It is a well-diversified fund with around 60-70 securities and each security's limit is capped at 5%. The fund has typically maintained 30-40% AAA, 40-60% in AA and 10-30% in A rated instruments. But going forward under the new mandate the manager will maintain at least 65% in below AA+ rated securities. To maintain portfolio liquidity, the manager ensures that at least 35% assets are in below 1 year maturity instruments, generating higher yield. Given that the fund is more focused towards safety and liquidity, they do not compromise heavily on the quality of the portfolio to generate higher yields.

The fund is a great option for investors looking to enhance portfolio yields without taking on too much credit risk.

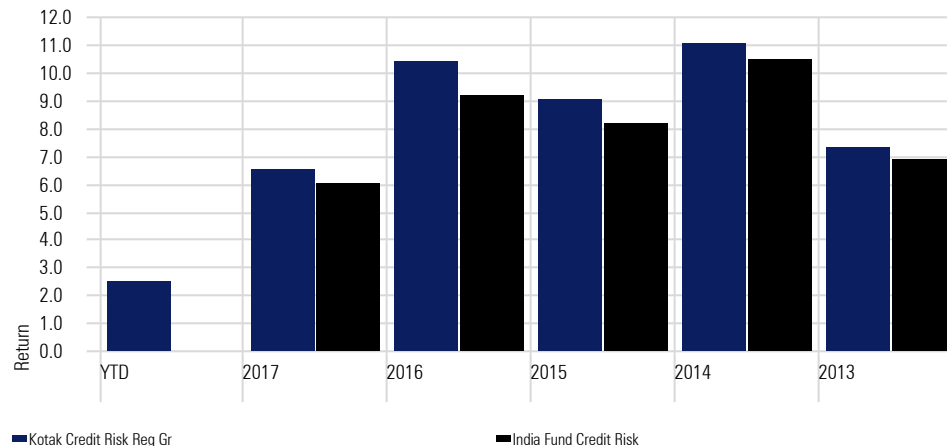
## Trailing Returns

Data Point: Return Calculation Benchmark: None

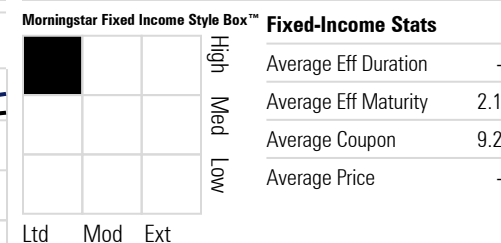
	YTD	1 Year	3 Years	5 Years	10 Years
Kotak Credit Risk Reg Gr	2.50	5.28	8.11	8.47	—
India Fund Credit Risk	—	—	—	—	—

## Returns

Calculation Benchmark: None



## Morningstar Style Box - Kotak Credit Risk Reg Gr



## Kotak Credit Risk Reg Gr - Top Holdings

Portfolio Date: 5/31/2018

	Position Market Value (bn)	Portfolio Weighting %
Suhani Trading And Investment Consultants Private Limited	2.0	3.79
Reliance Jio Infocomm Limited	1.6	3.12
Muthoot Finance Limited	1.5	2.92
Punjab and Sind Bank	1.4	2.69
Andhra Bank	1.4	2.68
Manav Investment and Trading Company Limited	1.2	2.31
India Infoline Housing Finance Limited	1.2	2.30
Andhra Bank	1.1	2.11
Sarvoday Advisory Services Private Limited	1.0	1.98
Sarvoday Advisory Services Private Limited	1.0	1.98