

Kotak Bond Short Term Fund

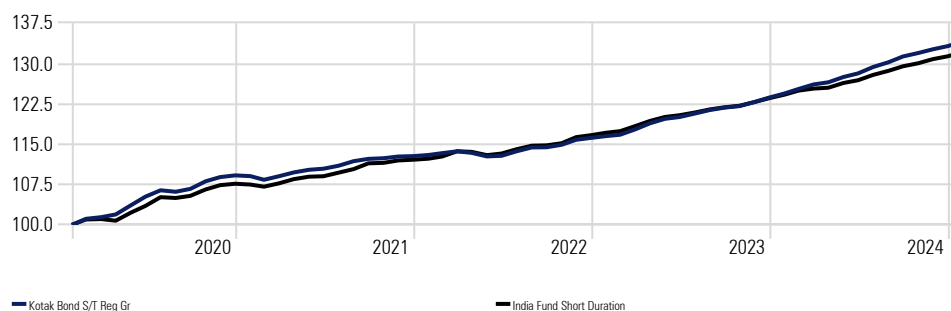


Key Information

Morningstar Category	India Fund Short Duration
Fund Size (INR bn)	169.8
Inception Date	5/2/2002
Annual Report Net Expense Ratio	1.17
Morningstar Rating Overall	★★★★
Manager Name	Multiple
Minimum Investment	100
Morningstar Medalist Rating	Neutral

Investment Growth

Time Period: 2/1/2020 to 1/31/2025



Investment Strategy

Portfolio manager and CIO-fixed income Deepak Agrawal, with two decades of experience, has managed this fund since March 2007, demonstrating strong credit selection expertise. Abhishek Bisen, another senior manager in the team, and head of fixed income, is named a co-portfolio manager here. He primarily focuses on formulating the duration strategy and overseeing allocations in government bonds. Over the years, the firm has worked towards strengthening the team by promoting senior resources to key positions, as well as by onboarding experienced resources.

The fund follows a research-driven investment process, with a strong emphasis on safety and liquidity. It focuses on taking measured duration bets while maintaining a high-quality credit portfolio. The manager identifies duration opportunities by incorporating macroeconomic insights to align the portfolio with evolving market conditions. The team conducts rigorous credit research process incorporating both qualitative as well as quantitative factors. On the qualitative front, the team lays enhanced focus on business strength, management, and corporate governance standards. This is then followed by rigorous quantitative analysis, considering key financial metrics such as leverage, coverage, and solvency ratios.

The fund maintains portfolio duration between 1.0 and 3.0 years, in strict adherence to its investment mandate. It primarily invests in corporate bonds, government securities, state development loans and money-market instruments, ensuring a well-balanced and risk-conscious portfolio. The fund maintains 75%–80% exposure to AAA rated corporate bonds, favoring public sector units, and high-quality private issuers with strong parentage. The fund avoids lower-rated credit bets, focusing on high-quality securities to mitigate risk. While the manager is willing to take tactical duration calls, most of the portfolio is held until maturity, ensuring predictability and stability.

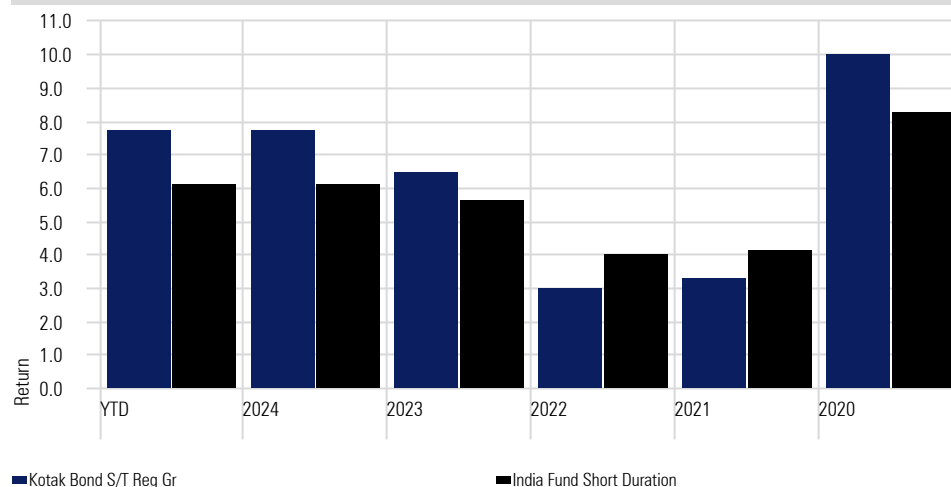
The effective execution of this strategy has resulted in consistent year-over-year performance throughout the manager's tenure.

Trailing Returns

Data Point: Return

	YTD	1 Year	3 Years	5 Years	10 Years
Kotak Bond S/T Reg Gr	7.74	7.74	5.71	6.06	6.92
India Fund Short Duration	6.11	6.11	5.26	5.62	5.65

Returns



Morningstar Style Box - Kotak Bond S/T Reg Gr

Morningstar Fixed Income Style Box™			Fixed-Income Stats	
	Ltd	Mod	Ext	
High Med Low	High			Average Eff Duration Survey
				Average Eff Maturity Survey
				Average Coupon
				Average Price

Top Holdings - Kotak Bond S/T Reg Gr

Portfolio Date: 1/31/2025

	Position Market Value (bn)	Portfolio Weighting %
7.18% Govt Stock 2033	17.1	10.05
7.32% Govt Stock 2030	12.5	7.37
7.93% Govt Stock 2033	11.1	6.53
7.1% Govt Stock 2034	9.5	5.58
National Bank For Agriculture And Rural Development	5.4	3.17
LIC Housing Finance Ltd	5.0	2.92
Bajaj Finance Limited	4.9	2.87
LIC Housing Finance Limited	4.7	2.79
National Bank For Agriculture And Rural Development	4.2	2.50
Small Industries Development Bank Of India	4.0	2.37