

Introducing

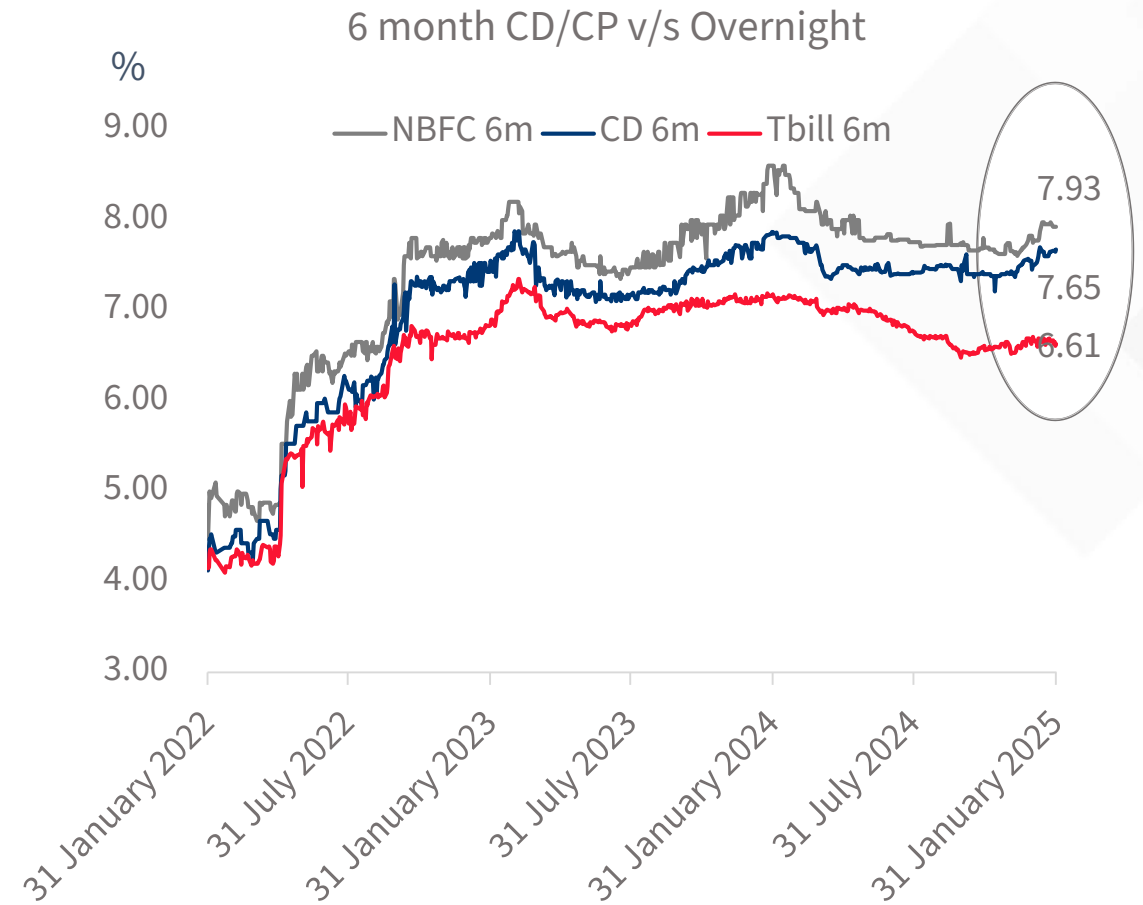
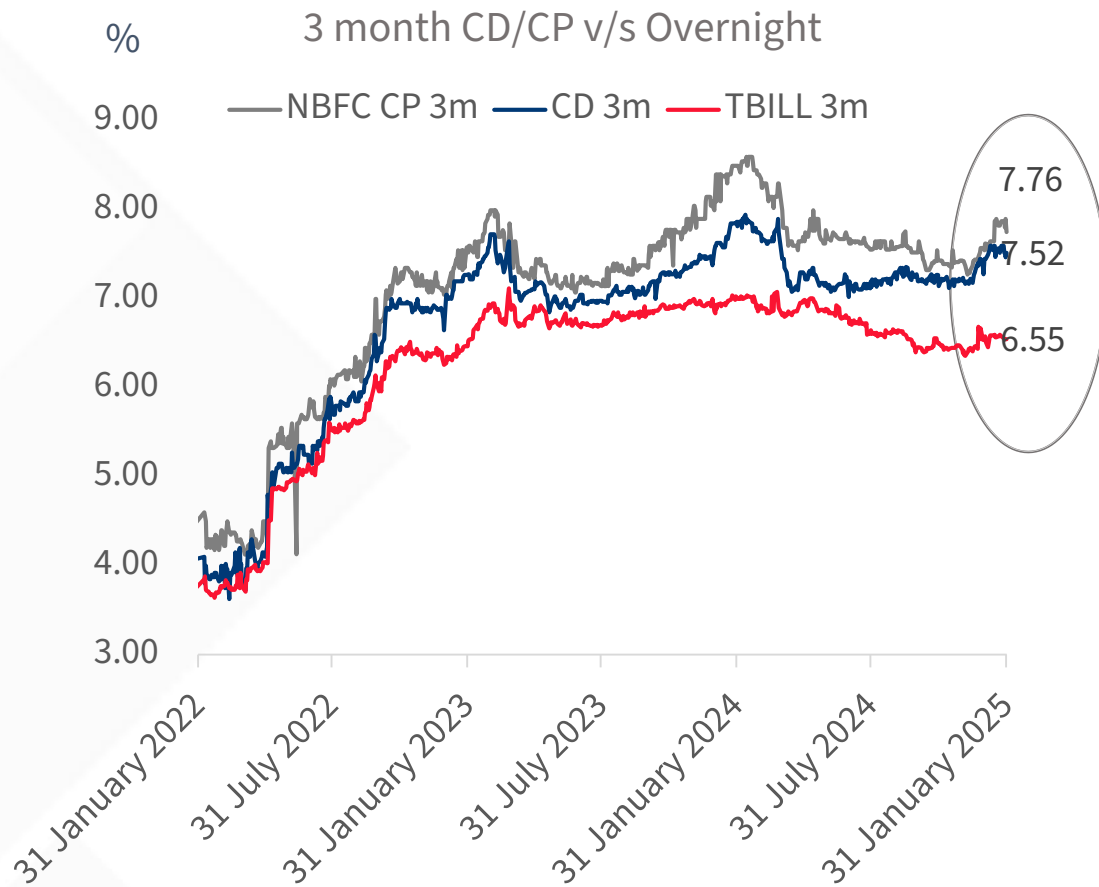
Kotak CRISIL-IBX Financial Services 3-6 Months Debt Index Fund

An open ended Constant Maturity Index Fund tracking the CRISIL-IBX Financial Services 3-6 Months Debt Index. A relatively low interest rate risk and relatively low credit risk

NFO Opens On 21st February, 2025 & Closes On 5th March, 2025

Steep Yield Curve : 3m/6m Curve Shows Potential

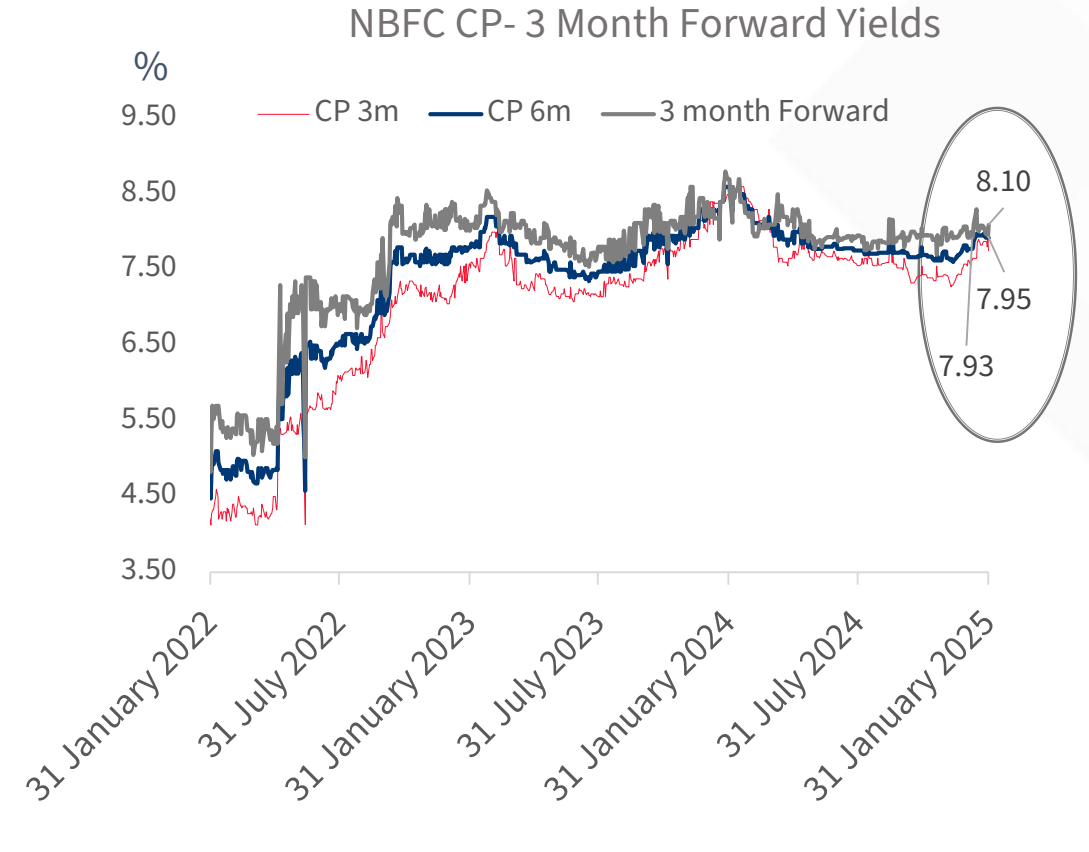
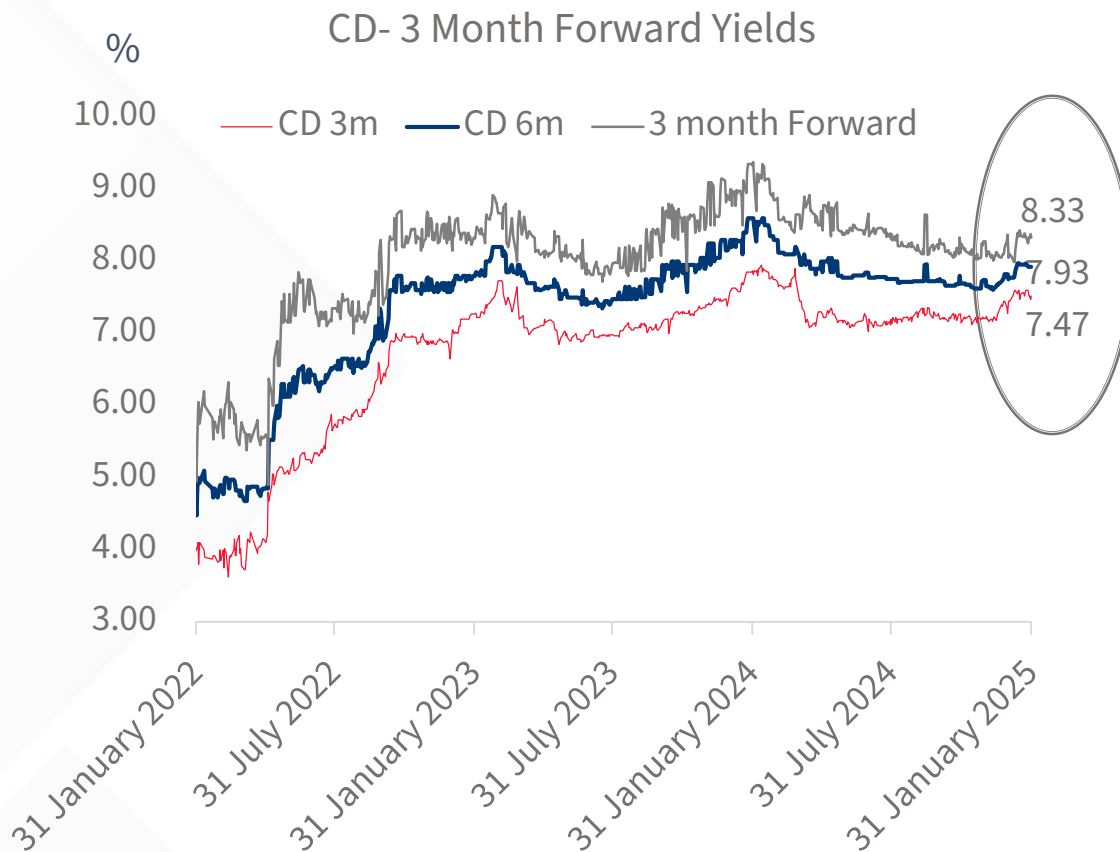
Yields For 'Overnight To 6-month' Categories



Data as on 31st January'25. Source: Bloomberg. This is just a representation of the yield scenario examples for understanding the concept. Past performance may or may not be sustained in future. This should not be taken as an indication of the returns that maybe generated by the fund and the securities bought by the fund may or may not be held till their respective maturities.

The Strategy Provides Roll Down Benefit

- The fund aims to leverage the **roll-down strategy** of the index, to lock in potential gains by holding 6-month securities until they reach 3 months & selling them again to buy 6-month assets.
- This has the potential to positively impact both portfolio returns and YTM simultaneously



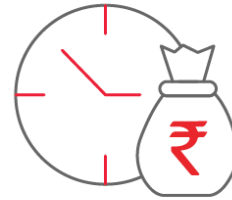


What is a Constant
Maturity Index Fund?

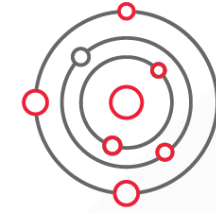
Salient Features



Open-ended structure – No lock-in period & Investors can invest till maturity



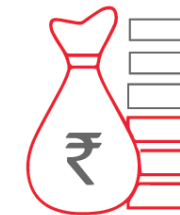
Fixed Duration– Maintains a constant maturity profile, offering consistent exposure to a specific duration



Known Universe – Replication of Publicly available Debt Index



Investment in a **Diversified** Portfolio



Single Issuer weights **capped at 15% for AAA rated securities** as per circular & rating is defined. Since it's a sectoral index sector caps are not applicable.

Key Reasons For Investing



BROADLY IN LINE WITH INDEX

Expected to have Portfolio Aggregates in line with the underlying Index



ROLLDOWN

Uses a roll-down strategy to benefit from the demand for 3-month securities



LIQUIDITY MANAGEMENT

Open-ended structure allows flexible entry and exit without penalties



DURATION

Invests in CPs, CDs, and bonds with 3-6 months duration for short-term exposure

Constant Maturity Index Funds vs Other options

Parameters	Constant Maturity Index Fund	Open ended Debt funds
Liquidity	√	√
Sector Limit	-	√
Rating Flexibility	-	√
Entry/Exit load	-	√

Who Should Invest?

Investors seeking



Low Cost

(Relatively lower expense ratio being a Passively managed fund)



Fixed Income

(Constant maturity which aims to generate potential returns in line with the underlying benchmark)



High Quality

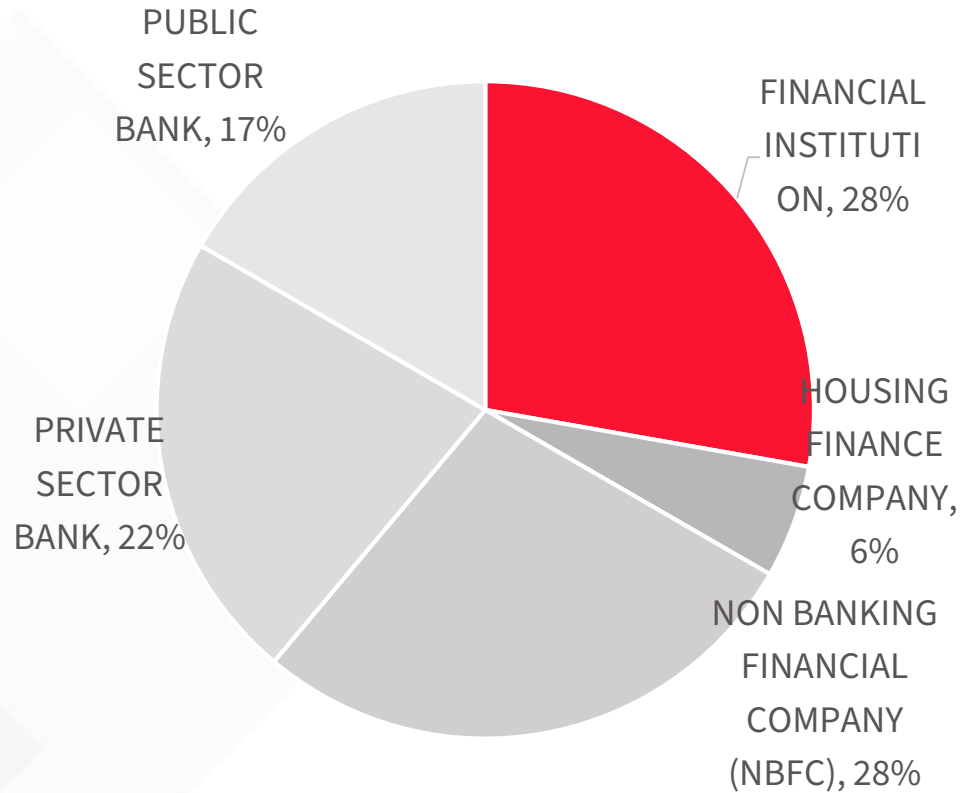
(The fund constitutes of AAA rated instruments, that follow closely on the heels of Central Govt. issued Gilts)



About The Underlying Index & Fund

Constituents Of CRISIL-IBX Financial Services 3-6 Months Debt Index

Sector-wise Breakup



100% Financial Services
45% AAA Bonds, 44%CD & 11% CP

Issuer	Basic Industry	Weightage	Rating
Kotak Mahindra Prime Ltd.	NON BANKING FINANCIAL COMPANY (NBFC)	5.56%	AAA
Sundaram Finance Ltd.	NON BANKING FINANCIAL COMPANY (NBFC)	5.55%	AAA
Small Industries Development Bank Of India	FINANCIAL INSTITUTION	5.55%	AAA
Rural Electrification Corporation Ltd.	FINANCIAL INSTITUTION	5.56%	AAA
Punjab National Bank	PUBLIC SECTOR BANK	5.56%	AAA
Power Finance Corporation Ltd.	FINANCIAL INSTITUTION	5.55%	AAA
National Bank for Agriculture & Rural Development	FINANCIAL INSTITUTION	5.55%	AAA
Mahindra & Mahindra Financial Services Ltd.	NON BANKING FINANCIAL COMPANY (NBFC)	5.56%	AAA
LIC Housing Finance Ltd.	HOUSING FINANCE COMPANY	5.56%	AAA
Axis Bank Ltd.	PRIVATE SECTOR BANK	5.56%	AAA
Kotak Mahindra Bank Ltd.	PRIVATE SECTOR BANK	5.55%	AAA
ICICI Bank Ltd.	PRIVATE SECTOR BANK	5.55%	AAA
HDFC Bank Ltd.	PRIVATE SECTOR BANK	5.55%	AAA
HDB Financial Services Ltd.	NON BANKING FINANCIAL COMPANY (NBFC)	5.56%	AAA
Export Import Bank Of India	FINANCIAL INSTITUTION	5.56%	AAA
Canara Bank	PUBLIC SECTOR BANK	5.56%	AAA
Bank of Baroda	PUBLIC SECTOR BANK	5.55%	AAA
Bajaj Finance Ltd.	NON BANKING FINANCIAL COMPANY (NBFC)	5.56%	AAA

YTM: 7.71%

Source: CRISIL. Index constituents & YTM as on 2nd Feb'25. Ratings given are Long term.

Issuers mentioned above are for illustrative purposes only. This should not be treated as a recommendation to trade in securities issued by the above mentioned issuers

the above portfolio composition and statistics pertain to CRISIL-IBX Financial Services 3-6 Months Debt Index. 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). The portfolio and its composition is subject to change and the same position may or may not be sustained in future. Basic Industry classification is as defined by CRISIL



CRISIL-IBX Financial Services 3-6 Months Debt Index is a constant maturity index that **seeks to track the performance of Commercial Papers (CPs), Certificates of Deposit (CDs) & corporate bond securities** maturing within **3-6 months** from the date of inclusion in the index.



The index will have securities maturing in the 3-6 months maturity at inception and securities will be reviewed on a set frequency to maintain the steady maturity profile of the index.



Asset Allocation: **CPs, CDs & Bonds- 100%**



Issuers in the financial services sector with long term conservative rating of AAA with a minimum amount outstanding of Rs. 1500 crores and having securities (CPs, CDs & Bonds) with residual maturity of 3-6 months.

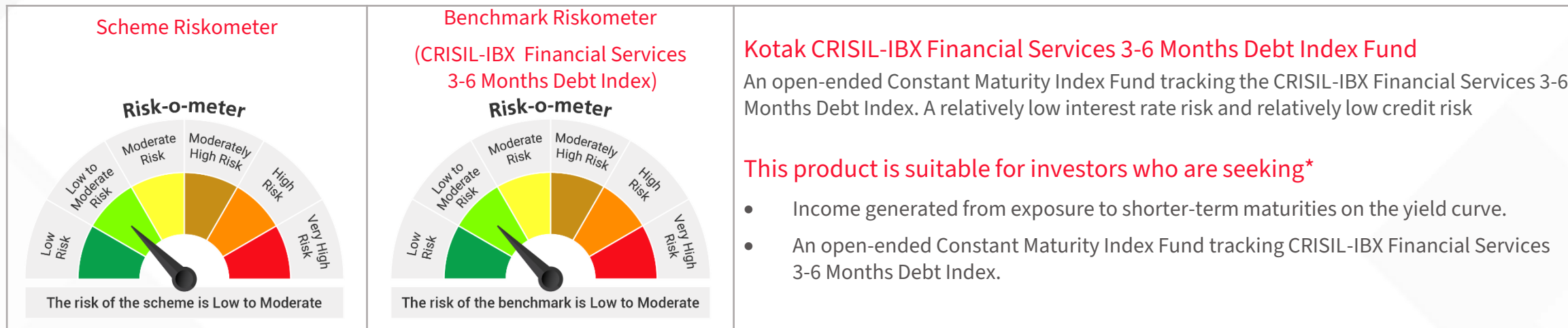


Index **rebalancing and reconstitution** to be done on a **Quarterly basis** (January, April, July, October)

Kotak CRISIL-IBX Financial Services 3-6 Months Debt Index Fund



Name of the Scheme	Kotak CRISIL-IBX Financial Services 3-6 Months Debt Index Fund
Benchmark	CRISIL-IBX Financial Services 3-6 Months Debt Index
Fund Manager(s)	Mr. Manu Sharma
Minimum Amount for Application in the NFO of scheme	Minimum Investment : Initial Purchase (Non-SIP): Rs.100/- and any amount thereafter Additional Purchase Amount (Non-SIP): Rs.100/- and any amount thereafter SIP Purchase : Rs.100/- and any amount thereafter
Exit load	Nil



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

(The product labelling assigned during the New Fund Offer is based on internal assessment of the Scheme Characteristics or model portfolio and the same may vary post NFO when actual investments are made)

Potential Risk Class Matrix

<p>Credit Risk →</p> <p>Interest Rate Risk ↓</p>	<p>Relatively Low (Class A)</p>	<p>Moderate (Class B)</p>	<p>Relatively High (Class C)</p>
<p>Relatively Low</p>	<p>A-I</p>		
<p>Moderate</p>			
<p>Relatively High</p>			

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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.



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