

Scheme Facts

Structure

Mid Cap Fund - An open ended equity scheme predominantly investing in midcap stocks

Month end AUM* (as on 30th Apr 2019)

₹4,027.92 crs

Monthly Average AUM*

₹4,110.87 crs

NAV (as on 30th Apr 2019)

Growth ₹38.1190

Direct Growth ₹40.9750

Dividend ₹23.3910

Direct Dividend ₹27.2760

Launch Date

30th March 2007

Benchmark

Nifty Midcap 100

Min. Initial Inv.

₹5000

Additional Inv.

₹1000 & in multiples of ₹1

Standard Deviation[^]

15.05%

Beta[^]

0.78

Sharpe[^]

0.48

Portfolio Turnover

28.59%

*Source: MFI Explorer.

[^] as on 30th Apr, 2019. Source: ICRA MFI Explorer.

Market Cap[§] %

| | |
|-----------|-------|
| Large cap | 6.60 |
| Midcap | 73.25 |
| Small cap | 17.14 |
| Cash | 3.01 |

[§]The given market cap data is on the basis of new SEBI circular on scheme rationalisation wherein Stocks are categorised as per given AMFI list.

Source: Value Research definition.

Load Structure

Entry Load: Nil

Exit Load:

i) For redemptions / switch outs (including SIP/STP) within 1 year from the date of allotment of units, irrespective of the amount of investment: 1%

ii) For redemptions / switch outs (including SIP/STP) after 1 year from the date of allotment of units, irrespective of the amount of investment: NIL

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.

About Kotak Emerging Equity

- The investment objective of Kotak Emerging Equity is to generate long-term capital appreciation from a portfolio of equity and equity related securities, by investing predominantly in midcap companies.
- These companies are either at their nascent or developing stage and are under researched.
- Although relatively volatile in the short run, mid cap companies have the potential to deliver higher growth in the long term.

Equity Market Brief

- Indian equities have staged a decent rally from the lows in second half of 2018. While midcap and smallcaps are still down, Nifty is close to its all time highs. While markets may have risen due to FII flows lead by improving prospects of political stability, one needs to take cognizance that earnings growth now needs to deliver, especially in the context of elevated valuations. Also, incremental high frequency indicators of automotive, fmcg sales, NBFC liquidity issues, monsoon etc along with earnings delivery will take the center-stage once the dust settles down after elections.
- As we approach general elections, it is important to understand that all events create a level of uncertainty. While near term uncertainty induces volatility in asset prices, in the long run, wealth creation in equities is a function as how businesses can profitably grow over their cost of capital sustainably. Given the long-range of reforms introduced, we believe longer-term prospects of Indian equities is quite encouraging and we would advise investors to benefit from such induced volatility.
- Time in the market more important than timing the market - recently, markets volatility has moved up and investors can benefit from this volatility by focusing on disciplined investing and asset allocation.

Portfolio Action

- The portfolio continues to be pro-cyclical and tilted towards economic recovery. As a result we continue to be Overweight on sectors such as Financial Services, Industrial Manufacturing, Consumer Goods, Cement & Cement Products and Fertilizers and Pesticides.
- In the near term, valuations on mid-small cap space has corrected significantly and after being cautious for almost a year we think gradual allocation should be adopted in this space. We have stayed away from cyclicals (like metals) and continue the same stance even now. Sensex/Nifty has outperformed the broader indices over the past 15 months. The divergence of performance of Nifty and Mid-Small cap indices are at historical extremes and history suggest that after such a big divergence, next 12 months mid-small caps tend to outperform large caps.
- On the valuation front, now large caps and midcaps-small caps have come to parity. Nifty Midcap 100 and Nifty Small 100 indices are at level when Nifty was at 9000 levels. The carnage in mid-small cap stocks has been severe. Average Median correction from 52 week high by top 1000 companies has been around 20% plus.
- In the IT and pharma sector we continue to have stock specific approach and continue to have UW stance on both the sectors.
- During the month the broader allocation remains largely unchanged with marginal reduction in Industrial Manufacturing, construction and auto ancillaries.
- The current allocation to midcaps (as defined by SEBI i.e. between 101-250th companies in terms of market cap) is around 71%.

Top 10 Sectors as on 30th Apr, 2019

| Sector | % Weight | | Underweight / overweight against benchmark | Previous Month (Portfolio % Weight) | Change in portfolio from previous month |
|--------------------------|-----------|--------------------------------|--|-------------------------------------|---|
| | Portfolio | Benchmark Nifty Midcap 100 TRI | | | |
| Financial Services | 20.20 | 31.86 | -11.66 | 19.86 | 0.34 |
| Industrial Manufacturing | 15.39 | 5.25 | 10.14 | 15.24 | 0.15 |
| Consumer Goods | 11.72 | 15.92 | -4.20 | 11.55 | 0.17 |
| Cement & Cement Products | 6.20 | 1.56 | 4.64 | 5.95 | 0.25 |
| Fertilisers & Pesticides | 6.06 | 1.74 | 4.31 | 5.67 | 0.39 |
| Pharma | 5.72 | 7.10 | -1.37 | 5.13 | 0.60 |
| Chemicals | 5.48 | 1.52 | 3.96 | 5.14 | 0.34 |
| Automobile | 5.45 | 7.52 | -2.07 | 5.71 | -0.26 |
| Metals | 4.70 | 1.68 | 3.02 | 4.56 | 0.14 |
| Textiles | 4.64 | 1.06 | 3.58 | 4.39 | 0.25 |

About Kotak Mutual Fund

Kotak Mahindra Asset Management Company Limited (KMAMC) is a wholly owned subsidiary of Kotak Mahindra Bank Limited (KMBL). KMBL has over two decades of experience in financial services. KMBL has a market capitalization of ₹2645.58 bn (as on, 30th April, 2019). KMAMC is the Asset Manager for Kotak Mahindra Mutual Fund (KMMF). It started operations in December 1998. KMMF offers schemes catering to investors with varying risk - return profiles and was the first fund house in the country to launch a dedicated gilt scheme. KMAMC manages assets worth ₹153537.99 cr as on 30th April, 2019.

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

To know more

Call : 1800-222-626 (Toll Free), Mumbai 61152100, Delhi 66306900 / 02, Chennai 28221333 / 45038171, Kolkata 64509802 / 03, Pune 64013395 / 96, Ahmedabad 26779888, Bangalore 66128050 / 51, Hyderabad 66178140/41.

Visit - assetmanagement.kotak.com

Email - mutual@kotak.com

Disclaimer

Kotak Emerging Equity Mid Cap Fund - An open ended equity scheme predominantly investing in mid cap stocks. **Investment Objective:** The investment objective of the scheme is to generate long-term capital appreciation from a portfolio of equity and equity related securities, by investing predominantly in mid and small cap companies.

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 mutualfund.kotak.com

Dividend History

| Date | CUM Dividend NAV | Dividend (₹ per unit) |
|-----------|------------------|-----------------------|
| Mar-23-18 | 26.153 | 2.67 |
| May-26-17 | 26.010 | 1.59 |
| May-27-16 | 21.196 | 1.30 |
| Apr-28-15 | 21.499 | 2.10 |
| May-02-14 | 13.073 | 0.50 |
| May-02-13 | 11.491 | 0.50 |
| Apr-29-11 | 10.573 | 0.75 |

Top 10 Companies as on 30th Apr, 2019

| Company Name | Industry | Weightage (%) | Return (%) |
|------------------------------------|--------------------------|---------------|------------|
| The Ramco Cements Ltd | Cement | 3.64% | |
| P I Industries Ltd | Pesticides | 3.43% | |
| AU Small Finance Bank Ltd. | Banks | 3.27% | |
| Schaeffler India Ltd | Industrial Products | 3.20% | |
| Supreme Industries Limited | Industrial Products | 3.07% | |
| RBL Bank Ltd | Banks | 3.01% | |
| Atul Ltd. | Chemicals | 2.98% | |
| Thermax Ltd. | Industrial Capital Goods | 2.79% | |
| Bharat Financial Inclusion Limited | Finance | 2.63% | |
| Coromandel International Ltd. | Fertilisers | 2.62% | |

Kotak Emerging Equity*Performance (%) as on 30th April, 2019

| Date | Scheme Returns (%) ^ | Nifty Midcap 100 TRI ⁵ # (%) [*] | Nifty 50 TRI ## (%) [*] | Current Value of Standard Investment of ₹ 10000 in the | | |
|------|----------------------|--|----------------------------------|--|-----------------|-----------------------------|
| | | | | Scheme (₹) | Benchmark # (₹) | Additional Benchmark ## (₹) |

Kotak Emerging Equity Fund

| Period | Scheme Returns (%) | Nifty Midcap 100 TRI (%) | Nifty 50 TRI (%) | Scheme Value (₹) | Benchmark Value (₹) | Additional Benchmark Value (₹) |
|-----------------|--------------------|--------------------------|------------------|------------------|---------------------|--------------------------------|
| Since Inception | 11.70 | 12.66 | 11.03 | 38,119 | 42,256 | 35,430 |
| Last 1 Year | -8.19 | -12.72 | 10.84 | 9,181 | 8,728 | 11,084 |
| Last 3 Years | 13.00 | 11.13 | 15.91 | 14,435 | 13,730 | 15,580 |
| Last 5 Years | 21.13 | 16.12 | 13.32 | 26,095 | 21,123 | 18,693 |

Scheme Inception date is 30/03/2007. Mr. Pankaj Tibrewal has been managing the fund since 27/05/2010.

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

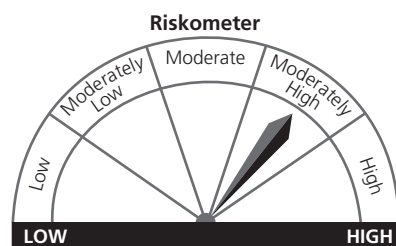
^Past performance may or may not be sustained in future. *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns > = 1 year: CAGR (Compounded Annualised Growth Rate). N.A stands for data not available. Note: Point to Point (PTP) Returns in INR shows the value of ₹10,000/- investment made at inception. Source: ICRA MFI Explorer. # Name of Scheme Benchmark. ## Name of Additional Benchmark. Please refer page no. 3 for other schemes managed by Mr. Pankaj Tibrewal.

*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.

⁵With Effect from 25th May 2018, the Benchmark is changed to Nifty Midcap 100 TRI.

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Investors understand that their principal will be at moderately high risk

This product is suitable for investors who are seeking*:

- Long term capital growth
- Investment in equity & equity related securities predominantly in midcap companies

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

Other Funds Managed by Mr. Pankaj Tibrewal

| Period | 1 year | | 3 years | | 5 years | | Since Inception | |
|-------------------------------|---------------------------------|-------------------------------------|---------------------------------|-------------------------------------|---------------------------------|-------------------------------------|---------------------------------|-------------------------------------|
| | Scheme Returns (%) [^] | Benchmark Returns (%) ^{^*} | Scheme Returns (%) [^] | Benchmark Returns (%) ^{^*} | Scheme Returns (%) [^] | Benchmark Returns (%) ^{^*} | Scheme Returns (%) [^] | Benchmark Returns (%) ^{^*} |
| Kotak Equity Hybrid - Growth | 0.55 | 10.07 | 10.09 | 13.33 | NA | NA | 7.76 | 9.00 |
| Kotak Small Cap Fund - Growth | -14.77 | -26.03 | 9.68 | 4.52 | 17.47 | 9.54 | 14.75 | NA |

Mr. Pankaj Tibrewal manages 3 funds of Kotak Mutual fund.

Kotak Equity Hybrid - Growth (Erstwhile Kotak Balance), *Name of the Benchmark - NIFTY 50 Hybrid Composite Debt 70:30 Index, Scheme Inception date is 05/11/2014. Mr. Pankaj Tibrewal has been managing the fund since 25/08/2015. Mr. Abhishek Bisen has been managing the fund since 15/04/2008.

Kotak Smallcap Fund - Growth (Erstwhile Kotak Midcap), *Name of the Benchmark - NIFTY Smallcap 50 TRI, Scheme Inception date is 24/02/2005. Mr. Pankaj Tibrewal has been managing the fund since 21/01/2010.

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.

As TRI data is not available since inception of the scheme, benchmark performance is calculated using composite CAGR of S&P BSE Sensex PRI values from 29th Dec 1998 to 31st May 2007 and TRI Values since 31st May 2007.