CARE has reaffirmed the credit quality ratings assigned to Kotak Liquid Fund and Kotak Overnight Fund. The funds are managed by Kotak Mahindra Asset Management Company Limited (Kotak AMC).

Details of instruments/facilities in Annexure-1

Analytical Approach: Assessment of Underlying Credit Quality of the Debt Schemes

Applicable Criteria:
CARE’s Fund Credit Quality Rating Criteria

About the Fund:
Kotak Liquid Fund:
The investment objective of the Scheme is to provide reasonable returns and high level of liquidity by investing in debt instruments such as bonds, debentures and Government Securities; and money market instruments such as treasury bills, commercial paper, certificate of deposit, including repos in permitted securities of different maturities, so as to spread the risk across different kinds of issuers in the debt markets. The Scheme may invest in call money/term money market in terms of RBI guidelines in this respect. Subject to the maximum amount permitted from time to time, the Scheme may invest in offshore securities in the manner allowed by SEBI / RBI, provided such investments are in conformity with the investment objective of the Scheme and the prevailing guidelines and Regulations. To reduce the risk of the portfolio, the Scheme may also use various derivative and hedging products from time to time, in the manner permitted by SEBI. There is no assurance that the investment objective of the Schemes will be realized. The fund’s asset under management stood at about Rs.30,282.61 crore as on May 30, 2021.

Kotak Overnight Fund:
Kotak Overnight Fund is an Open Ended Debt Scheme launched by Kotak Mahindra AMC in January 2019. The investment objective of the scheme is to generate returns by investing in Debt and Money Market Instruments with overnight maturity. However, the fund provides no assurance that the investment objective of the scheme will be achieved. The fund’s assets under management (AUM) stood at Rs.7,313.37 crore as on May 31, 2021.

Profile of Mutual Fund & AMC
Kotak Mahindra AMC, which is a wholly owned subsidiary of Kotak Mahindra Bank Limited (KMBL), is the Investment Manager to Kotak Mahindra Mutual Fund. In February 2003, Kotak Mahindra Finance Ltd. (KMFL), Kotak Mahindra group’s

1 Complete definitions of the ratings assigned are available at www.careratings.com
flagship company, received banking license from the Reserve Bank of India (RBI), becoming the first non-banking finance company in India to convert into a bank. Kotak Mahindra Group is one of India's leading financial services conglomerates. Kotak Mahindra AMC started operations in December 1998 and has approximately 21 Lac investors in various schemes. The mutual fund 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 investing only in government securities. The company is present in 82 cities and has 86 branches. Kotak Mahindra Mutual Fund has Average Assets Under Management (AAUM) for quarter ended March 31, 2021 of Rs.2,33,780.35 crores.

**Status of non-cooperation with previous CRA:** Not Applicable

**Any other information:** Not Applicable

**Rating History for last three years:** Please refer Annexure-2

**Annexure-1: Details of Instruments/Facilities**

<table>
<thead>
<tr>
<th>Name of the Instrument</th>
<th>Date of Issuance</th>
<th>Coupon Rate</th>
<th>Maturity Rate</th>
<th>Size of the Issue (Rs. Crore)</th>
<th>Rating assigned along with Rating Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kotak Liquid Fund</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>CARE A1+ mfs [A One Plus mfs]</td>
</tr>
<tr>
<td>Kotak Overnight Fund</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>CARE A1+ mfs [A One Plus mfs]</td>
</tr>
</tbody>
</table>

**Annexure-2: Rating History of last three years**

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Name of the Instrument</th>
<th>Current Ratings</th>
<th>Rating history</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Type</td>
<td>Amount o/s (Rs. crore)</td>
<td>Date(s) &amp; Rating(s) assigned in 2021-2022</td>
</tr>
<tr>
<td>1.</td>
<td>Kotak Overnight Fund</td>
<td>Open Ended Debt Scheme</td>
<td>-</td>
</tr>
<tr>
<td>2.</td>
<td>Kotak Liquid Fund</td>
<td>Open Ended Liquid Scheme</td>
<td>-</td>
</tr>
</tbody>
</table>

**Annexure 3: Complexity Level of various instruments rated for this company**

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Name of the Instrument</th>
<th>Complexity Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Credit Quality Rating</td>
<td>Simple</td>
</tr>
</tbody>
</table>

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.
Contact us

Media Contact
Name - Mr. Mradul Mishra
Contact no. – +91-22-6837 4424
Email ID – mradul.mishra@careratings.com

Analyst Contact 1
Name - Mr. Himanshu Shethia
Contact no.- +91-99872 61161
Email ID – himanshu.shethia@careratings.com

Analyst Contact 2
Name - Mr. Sanjay Kumar Agarwal
Contact no. – +91-22-6754 3500 / 582
Email ID – sanjay.agarwal@careratings.com

Business Development Contact
Name: Mr. Ankur Sachdeva
Contact no. : +91-22-6754 3495
Email ID – ankur.sachdeva@careratings.com

About CARE Ratings:
CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

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