

Kotak Nifty Smallcap 250 Index Fund

It Invests in Young Potential

NFO starts on 6th Jan 2025 and ends on 20th Jan 2025



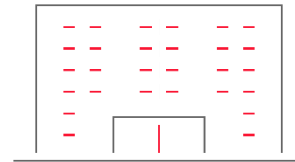
Decoding Market Capitalization



Large Caps

Top **100** companies by market capitalization In india

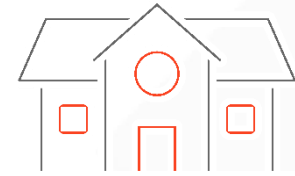
Above
₹ ~84,325 Crs



Mid Caps

101st to 250th companies by market capitalization

₹~27,564 to
₹~82,453 Crs

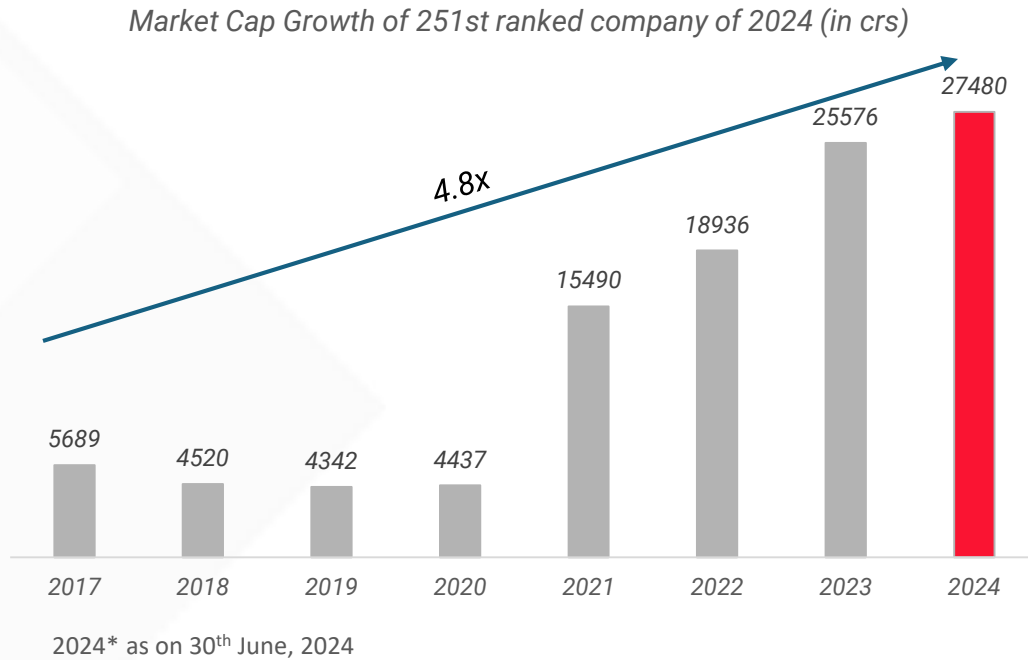


Small Caps

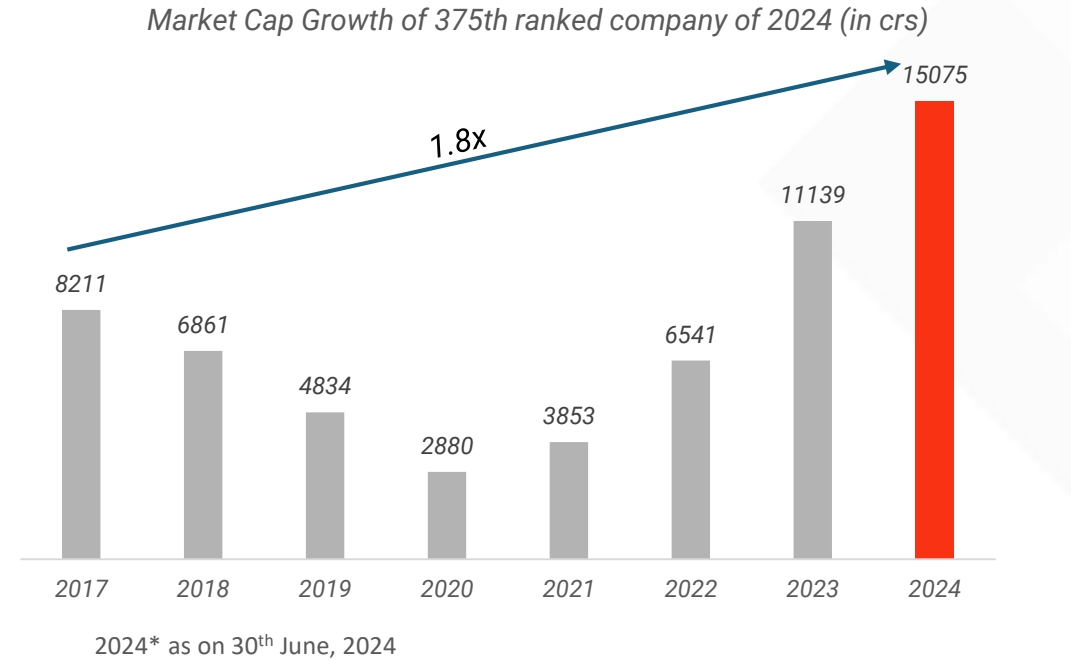
Beyond **250th** and lower companies

Below
₹~27,480 Crs

Small Cap Companies: Market capitalization has increased substantially



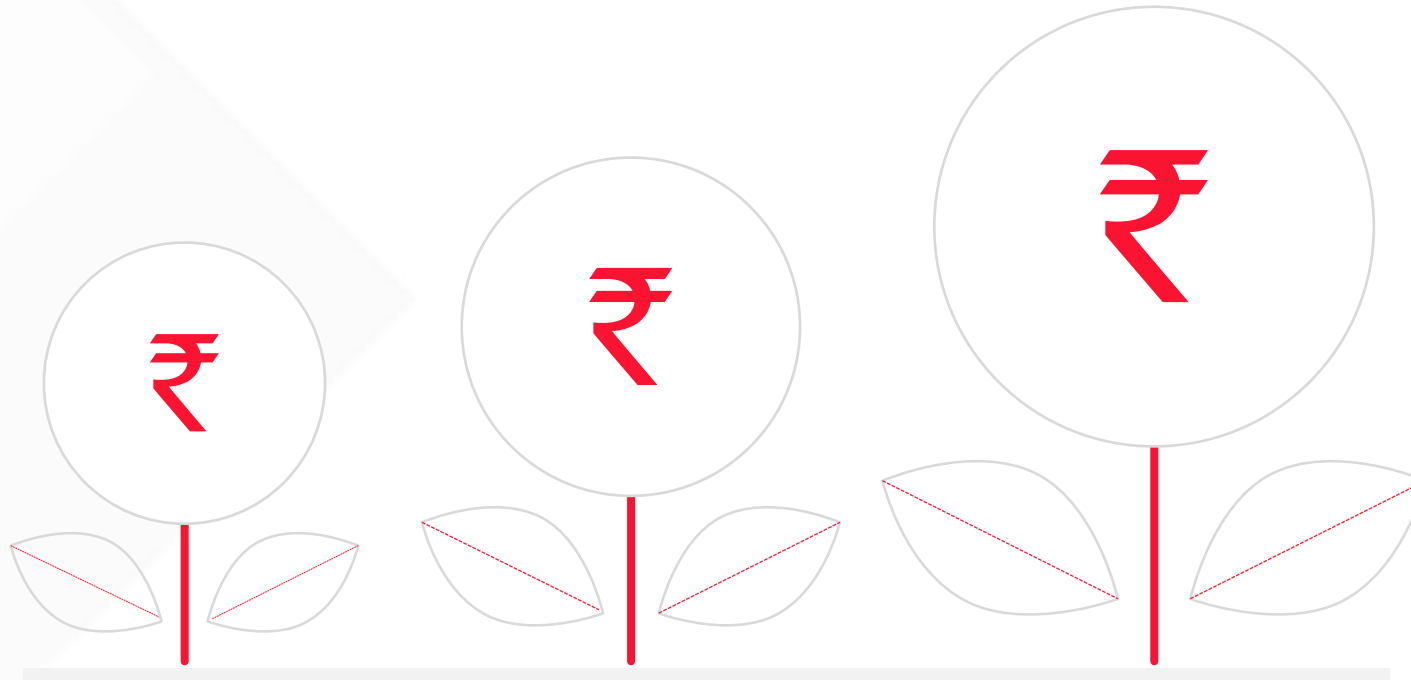
Market Capitalization Growth of Largest Company in Nifty 250 Small Cap Index



Market Capitalization Growth of Median Company in Nifty 250 Small Cap Index

Small Caps Transitioning into Mid Caps to take their place

Approximately 5% of the small-cap stocks excelled and transitioned into the mid-caps stocks semi-annually.



Time Period	Small → Mid	Time Period	Small → Mid
Jun 2018	12	Jun 2021	9
Dec 2018	12	Dec 2021	9
Jun 2019	14	Jun 2022	7
Dec 2019	13	Dec 2022	8
Jun 2020	8	Jun 2023	9
Dec 2020	10	Dec 2023	12
		Jun 2024	15

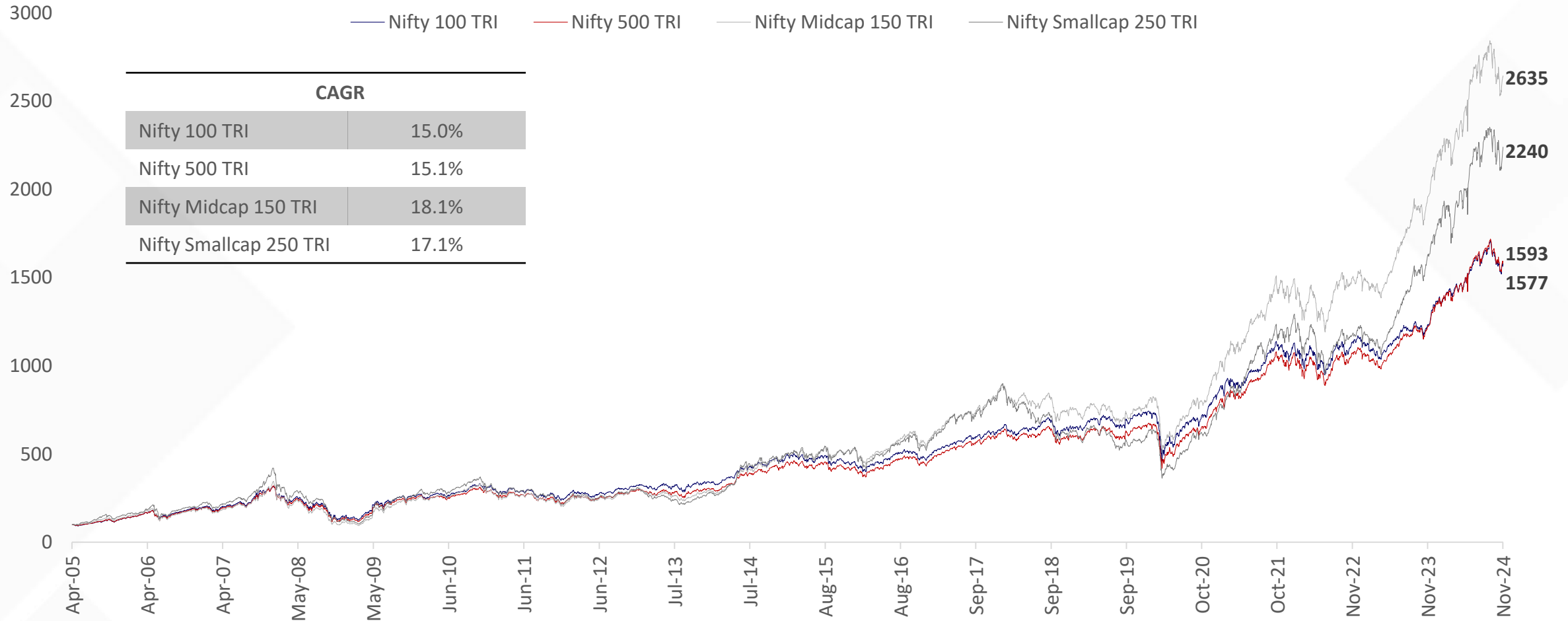
How is Nifty Smallcap 250 Index Derived?



NIFTY Smallcap 250 Index is Derived From the Universe of Nifty 500 Index

The Nifty Smallcap 250 Index tracks the performance of the 250 companies ranked 251 to 500 within the Nifty 500 Index. It aims to measure the performance of small market capitalization companies.

Growth of Rs 100 in Nifty SmallCap 250 TRI Vis-a-Vis Broader Indices



Source: Niftyindices.com. The data is since inception of Nifty Smallcap 250 TRI Index. Inception Date of Nifty Smallcap 250 TRI Index & Nifty Midcap 150 TRI Index is 1-Apr-2005, Nifty 500 TRI Index is 1-Jan-1995 & Nifty 100 TRI Index is 1-Jan-2003. Past performance may or may not be sustained in the future. The performance of the index shown does not in any manner indicate the performance of the Scheme. Kotak Mahindra Asset Management Company Limited (KMAMC) is not guaranteeing or promising any returns/futuristic returns.

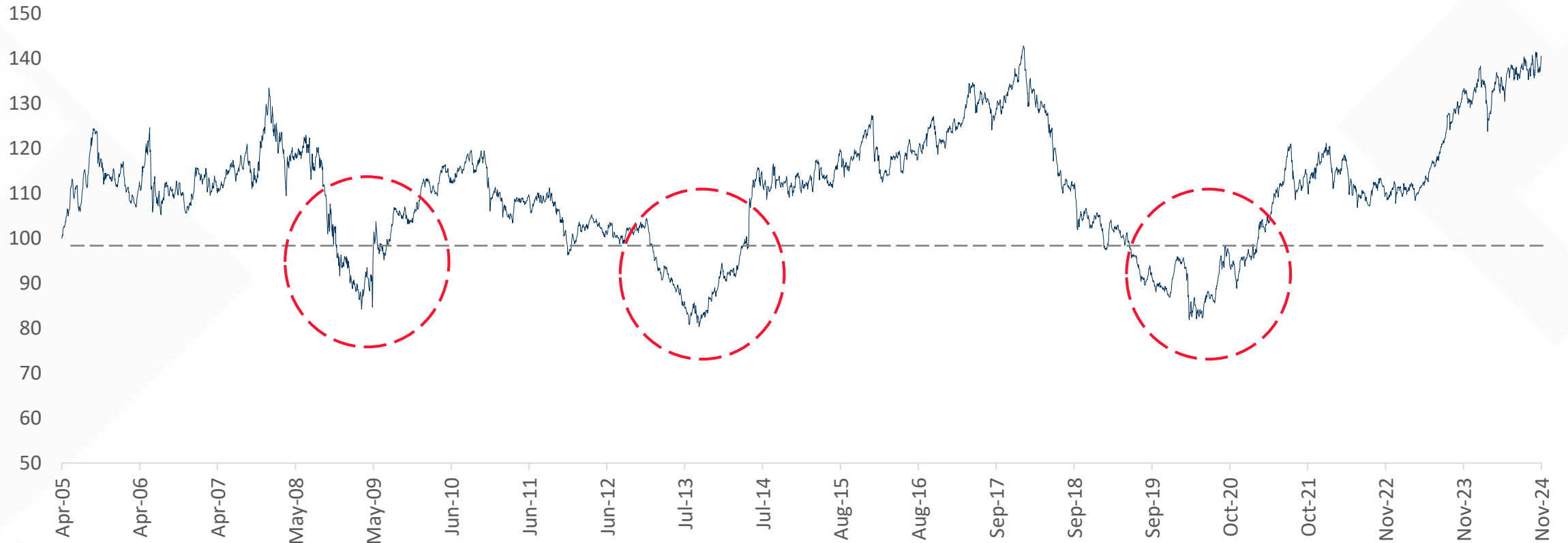
Outperformance seen by Smallcaps in Calendar Years

Return Period	Nifty 100 TRI	Nifty 500 TRI	Nifty Midcap 150 TRI	Nifty Smallcap 250 TRI
2005	38.12	38.46	43.36	55.76
2006	40.24	36.16	28.49	32.85
2007	59.07	64.14	77.61	96.71
2008	-52.98	-56.44	-64.84	-68.48
2009	84.88	90.96	113.87	117.37
2010	19.28	15.27	20.07	17.63
2011	-24.93	-26.4	-31.01	-35.07
2012	32.3	33.27	46.38	40.13
2013	7.89	4.82	-1.28	-6.44
2014	34.88	39.3	62.67	71.66
2015	-1.26	0.22	9.7	11.27
2016	5.01	5.12	6.53	1.39
2017	32.88	37.65	55.73	58.47
2018	2.55	-2.13	-12.56	-26.02
2019	11.83	8.97	0.62	-7.26
2020	16.03	17.84	25.49	26.38
2021	26.45	31.6	48.16	63.34
2022	4.94	4.25	3.91	-2.64
2023	21.24	26.91	44.61	49.09
2024*	18.28	21.31	28.92	31.45

Out of 20 calendar years, Nifty Smallcap 250 TRI has outperformed 10 times which is the highest than other indices

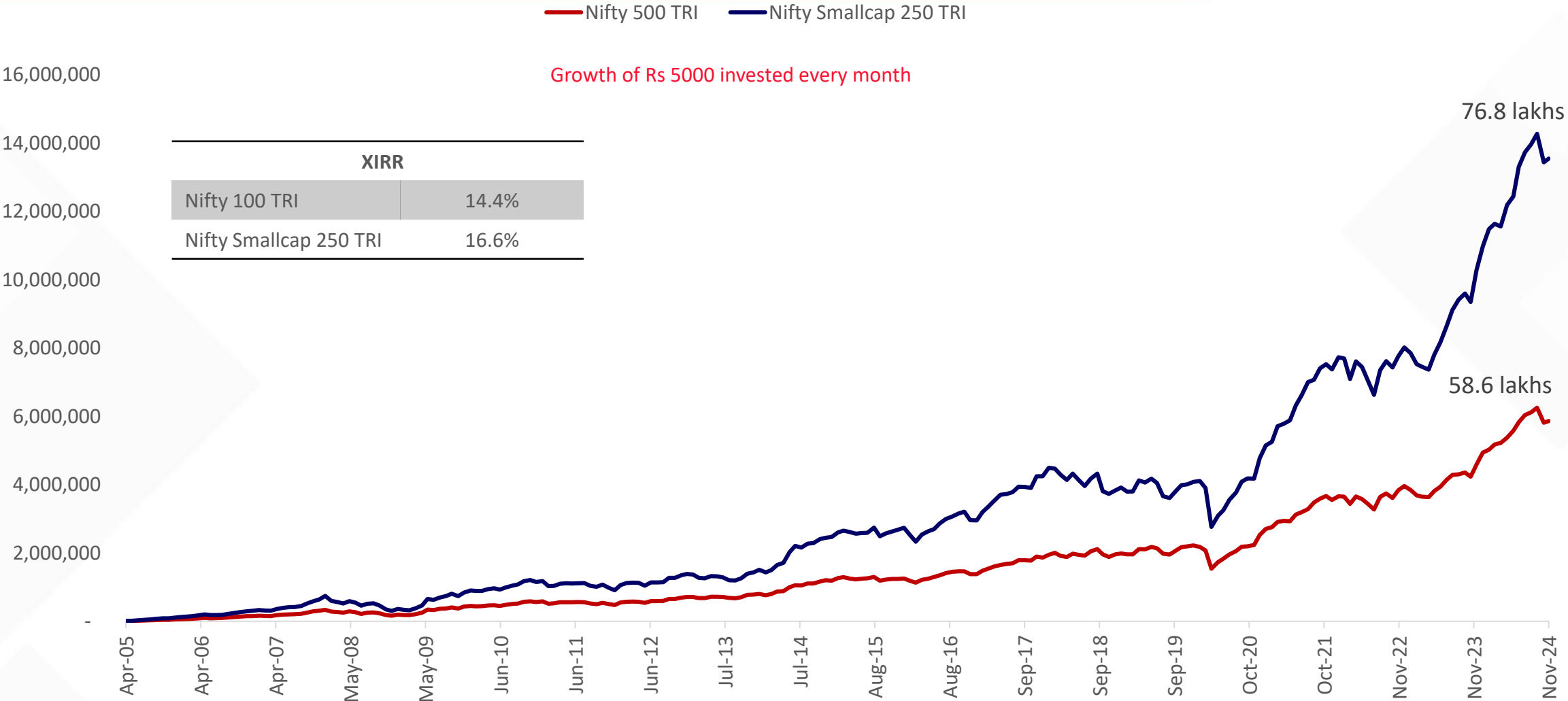
Outperformance of Nifty SmallCap 250 TRI Index Vis-a-Vis Nifty 500 TRI Index

Barring short term setbacks(circled) Nifty Smallcap 250 TRI Index has outperformed Nifty 500 TRI Index **80 times** since its inception



Ratio of Nifty SmallCap 250 TRI / Nifty 100 TRI Daily performance

SIP Journey in Nifty Smallcap 250 Index



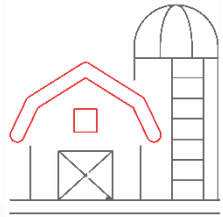
Source: Niftyindices.com. The data is since inception of Nifty Smallcap 250 TRI Index. Inception Date of Nifty Smallcap 250 TRI Index is 1-Apr-2005 & Nifty 500 TRI Index is 1-Jan-1995. Past performance may or may not be sustained in the future. The performance of the index shown does not in any manner indicate the performance of the Scheme. Kotak Mahindra Asset Management Company Limited (KMAMC) is not guaranteeing or promising any returns/futuristic returns.

Higher Exposure to Emerging Sectors Compared to Broader Indices

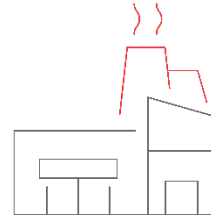
Sectors	Nifty Small Cap 250 TRI	Nifty Midcap 150 TRI	Nifty 100 TRI
Financial Services	20.6	20.3	32.6
Capital Goods	13.2	14.7	2.5
Healthcare	12.8	10.8	4.2
Chemicals	7.0	6.6	0.4
Consumer Durables	6.6	4.1	2.2
Information Technology	5.0	7.6	11.6
Construction	4.7	1.1	3.3
Fast Moving Consumer Goods	4.3	4.1	8.0
Automobile and Auto Components	4.2	7.8	7.1
Consumer Services	3.6	3.9	3.5
Services	3.3	2.3	1.2
Realty	2.6	3.4	0.7
Oil, Gas & Consumable Fuels	2.1	3.3	9.4
Metals & Mining	2.0	2.8	3.6
Telecommunication	1.7	2.8	3.3
Media, Entertainment & Publication	1.7	0.2	
Construction Materials	1.5	1.4	2.2
Power	1.0	1.3	4.4
Textiles	0.8	1.1	
Forest Materials	0.7		
Diversified	0.4	0.5	
	100.0	100.0	100.0

Source: Niftyindices.com., Data as on 29th Nov, 2024. The above portfolio composition and statistics pertain to Nifty Smallcap 250 TRI Index, Nifty Midcap 150 TRI Index & Nifty 100 TRI 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.

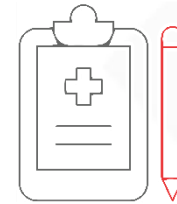
Some emerging themes are captured in Nifty Smallcap 250 Index



**Consumption & Rural
Revival**



**Capex Cycle
Revival**

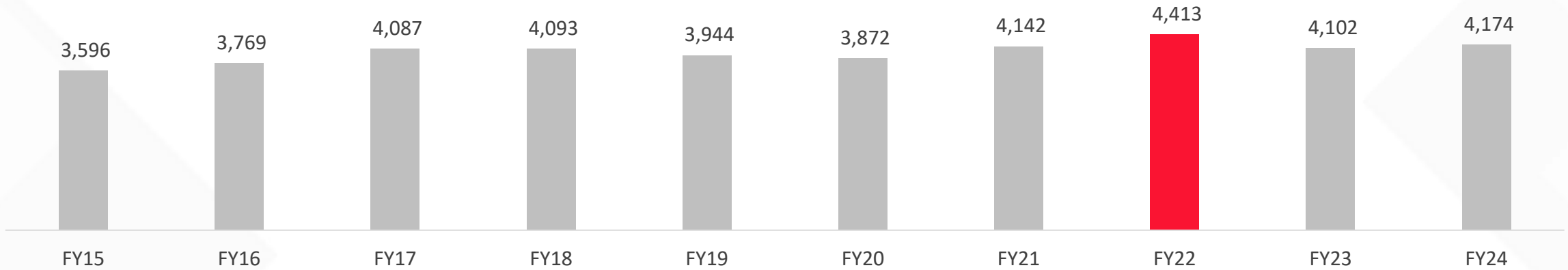


**Healthcare
opportunities**

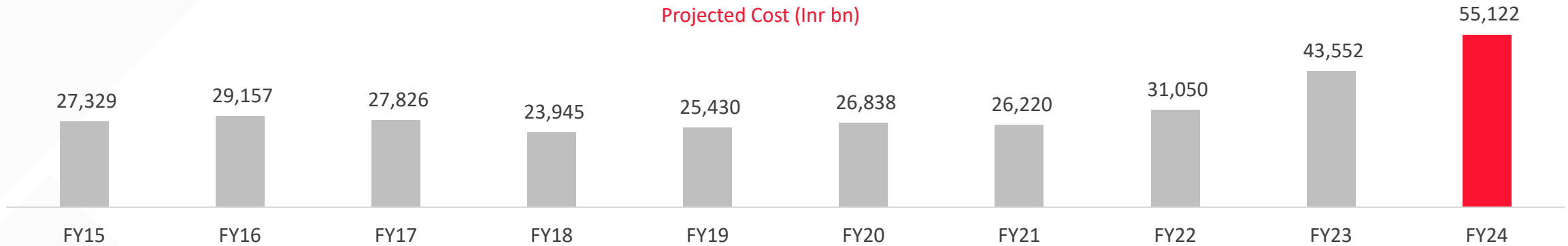
Capex Cycle Revival

India Is At The Cusp Of A Multi-year Capex Cycle

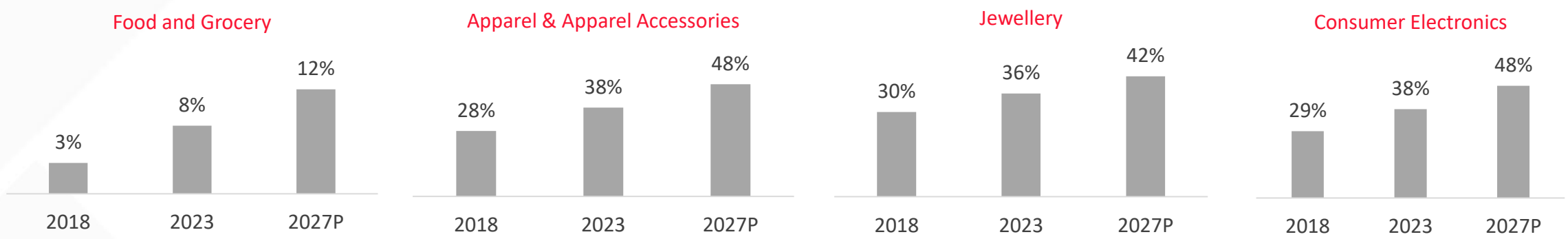
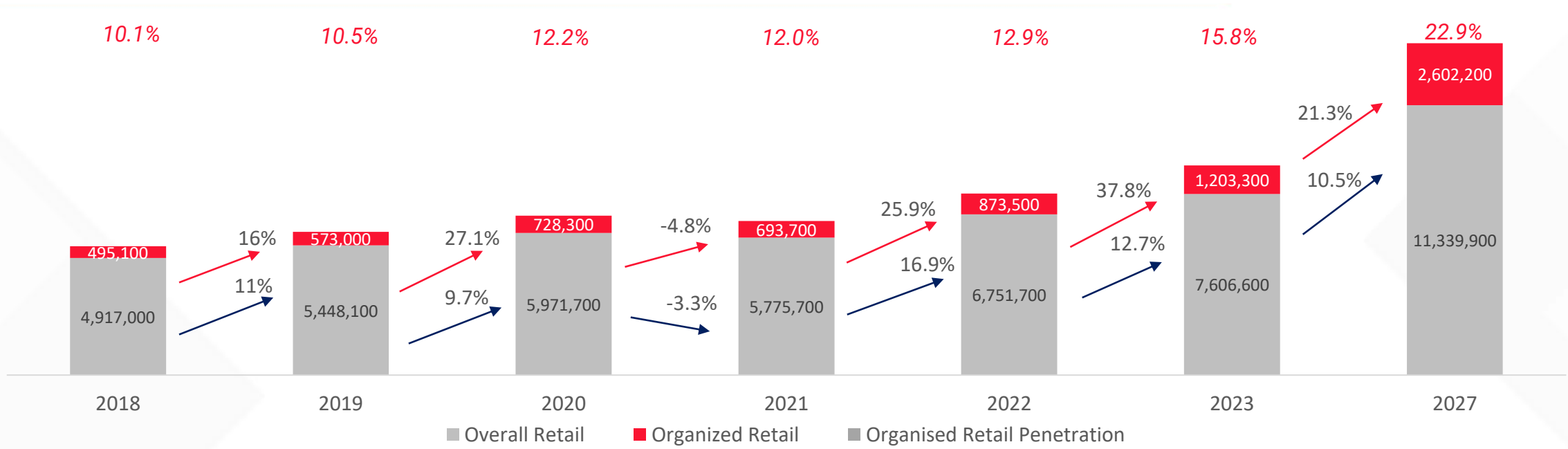
Project Numbers



Projected Cost (Inr bn)



Consumption & Rural Revival Unorganized To Organized

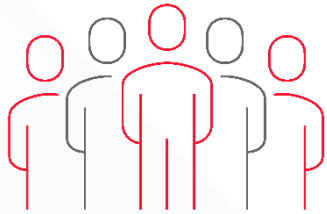


Source(s): Technopak Analysis Industry Report, KAMAMC Research, The sector(s)/stock(s)/ mentioned in this document do not constitute any research report/recommendation of the same and the scheme(s)/ Fund may or may not have any future position in these sector(s)/stock(s). Past performance may or may not be sustained in future.

Healthcare opportunities

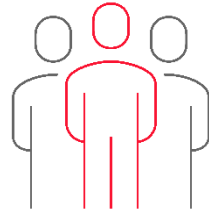
World Is Aging Driving Rapid Increase In Medical Spending

Population Age 65 years and Above



2021

1 in 10 people world were aged 65 or above

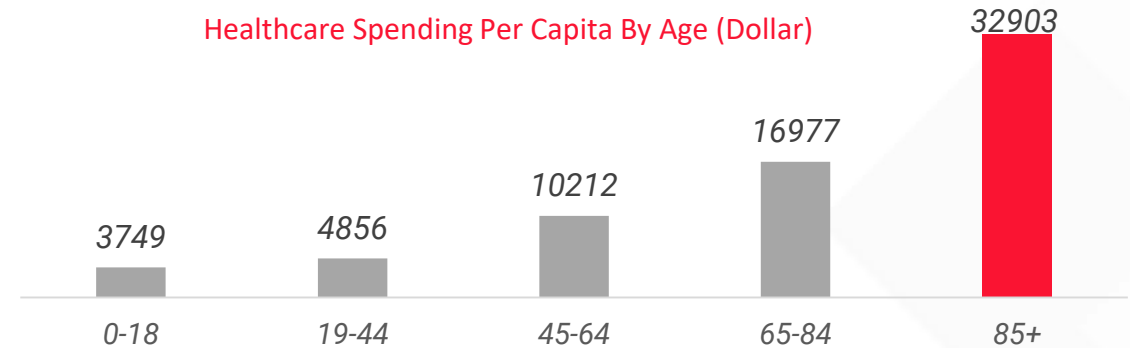


Projection 2030

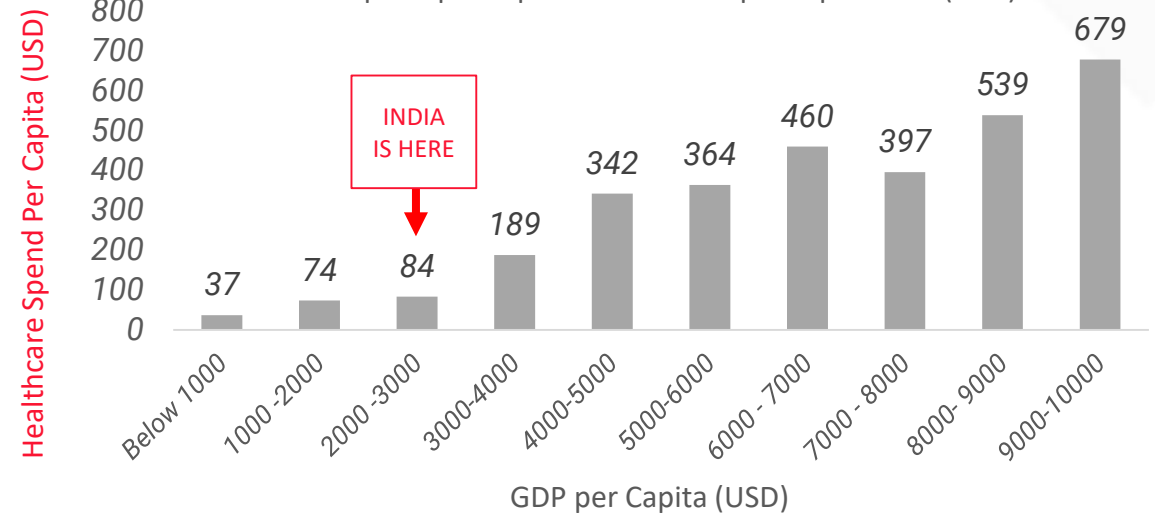
1 in 6 people (Age 65+) globally.

Medical Spending Increases Rapidly with Age

Healthcare Spending Per Capita By Age (Dollar)



Healthcare Spend per capita rises as GDP per capita rises (USD)



About Nifty Smallcap 250 Index

The Nifty Smallcap 250 Index consists of 250 companies ranked 251-500 from the Nifty 500 Index. This index intends to measure the performance of small market capitalization companies.

To be considered for inclusion in Nifty Smallcap 250 index, companies must form part of Nifty 500 Index, but should not be forming part of Nifty 100 Index and Nifty Midcap 150 Index.

Sector Representation

Sector	Weight (%)
Financial Services	20.6
Capital Goods	13.2
Healthcare	12.8
Chemicals	7.0
Consumer Durables	6.6
Information Technology	5.0
Construction	4.7
Fast Moving Consumer Goods	4.3
Automobile and Auto Components	4.2
Consumer Services	3.6
Services	3.3
Realty	2.6
Oil, Gas & Consumable Fuels	2.1
Metals & Mining	2.0
Telecommunication	1.7
Media, Entertainment & Publication	1.7
Construction Materials	1.5
Power	1.0
Textiles	0.8
Forest Materials	0.7
Diversified	0.4
Grand Total	100.0

Fundamentals

P/E	P/B	Dividend Yield
34.11	4.13	0.88

Top Constituents By Weightage

Company's Name	Weight (%)
MULTI COMMODITY EXCHANGE OF INDIA LTD.	1.64
CENTRAL DEPOSITORY SERVICES (INDIA) LTD.	1.52
CROMPTON GREAVES CONSUMER ELECTRICALS LTD.	1.37
BLUE STAR LTD.	1.25
COMPUTER AGE MANAGEMENT SERVICES LTD.	1.23
GLENMARK PHARMACEUTICALS LTD.	1.20
LAURUS LABS LTD.	1.16
NATIONAL ALUMINIUM CO. LTD.	1.13
360 ONE WAM LTD.	1.13
RADICO KHAITAN LTD.	1.00

Source: NSE. Data as on 29th Nov, 2024. Sector Classification has been considered for Sector Constituents. The portfolio and its composition is subject to change and the same position may or may not be sustained in future. The stocks/sectors mentioned do not constitute any kind of recommendation and are for information purpose only. The above Sector representation, fundamentals and constituents pertain to Nifty SmallCap 250 Index. Kotak Mahindra Mutual Fund may or may not hold position in the mentioned stock(s)/sector(s). The performance of the index shown does not in any manner indicate the performance of the scheme. Kotak Mahindra Asset Management Company Limited (KMAMC) is not guaranteeing or promising any returns/futuristic returns. For detailed methodology, please refer www.niftyindices.com and the Scheme Information Document (SID) at <https://www.kotakmf.com/Information/forms-and-downloads>

Presenting Kotak Nifty Smallcap 250 Index

Constituents selected from the Universe of Nifty 500 Index



Well Rounded exposure on 21 sectors



Weighing Based on Free Float Market Capitalization



Relatively Low Cost when compared to actively managed Smallcap Funds



Rebalancing of Index every 6 months



Index Suitable for Systematic Investing

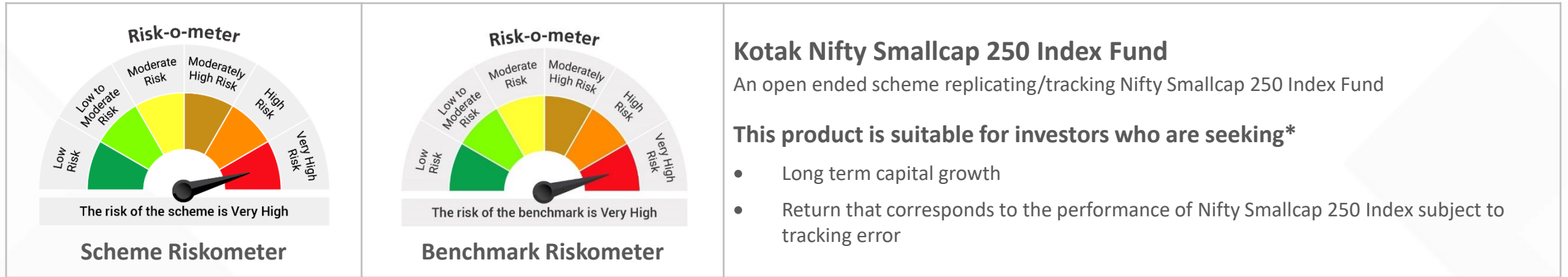


About Kotak Nifty Smallcap 250 Index Fund



Name of the Scheme	Kotak Nifty Smallcap 250 Index Fund
Category of Scheme	Others - Index Fund
Type of scheme	An open ended scheme replicating/tracking the Nifty Smallcap 250 Index
Investment Objective	The investment objective of the scheme is to provide returns that, before expenses, corresponding to the total returns of the securities as represented by the underlying index, subject to tracking errors. However, there is no guarantee or assurance that the investment objective of the scheme will be achieved
Benchmark	Nifty Smallcap 250 Index (Total Return Index)
Minimum Amount for Application in the NFO of scheme	Rs. 100/- and any amount thereafter^
Fund Manager(s)	Mr. Devender Singhal, Mr. Satish Dondapati and Mr. Abhishek Bisen

[^]Please refer to the Scheme Information Document (SID) of the scheme for complete details about minimum application amount for ongoing purchase. For detailed Asset allocation, please refer to Scheme Information Document (SID)



*Investors should consult their financial advisors 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 the model portfolio and same may vary post NFO when actual investments are made)

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Past performance may or may not be sustained in future. For more details visit www.kotakmf.com. For detailed portfolio and related disclosures for the scheme(s) 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. To view the latest complete performance details of the Scheme(s) kindly refer to the factsheet on our website <https://www.kotakmf.com/Information/forms-and-downloads>.

Investors may consult their financial expert before making any investment decision.

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

Thank You

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