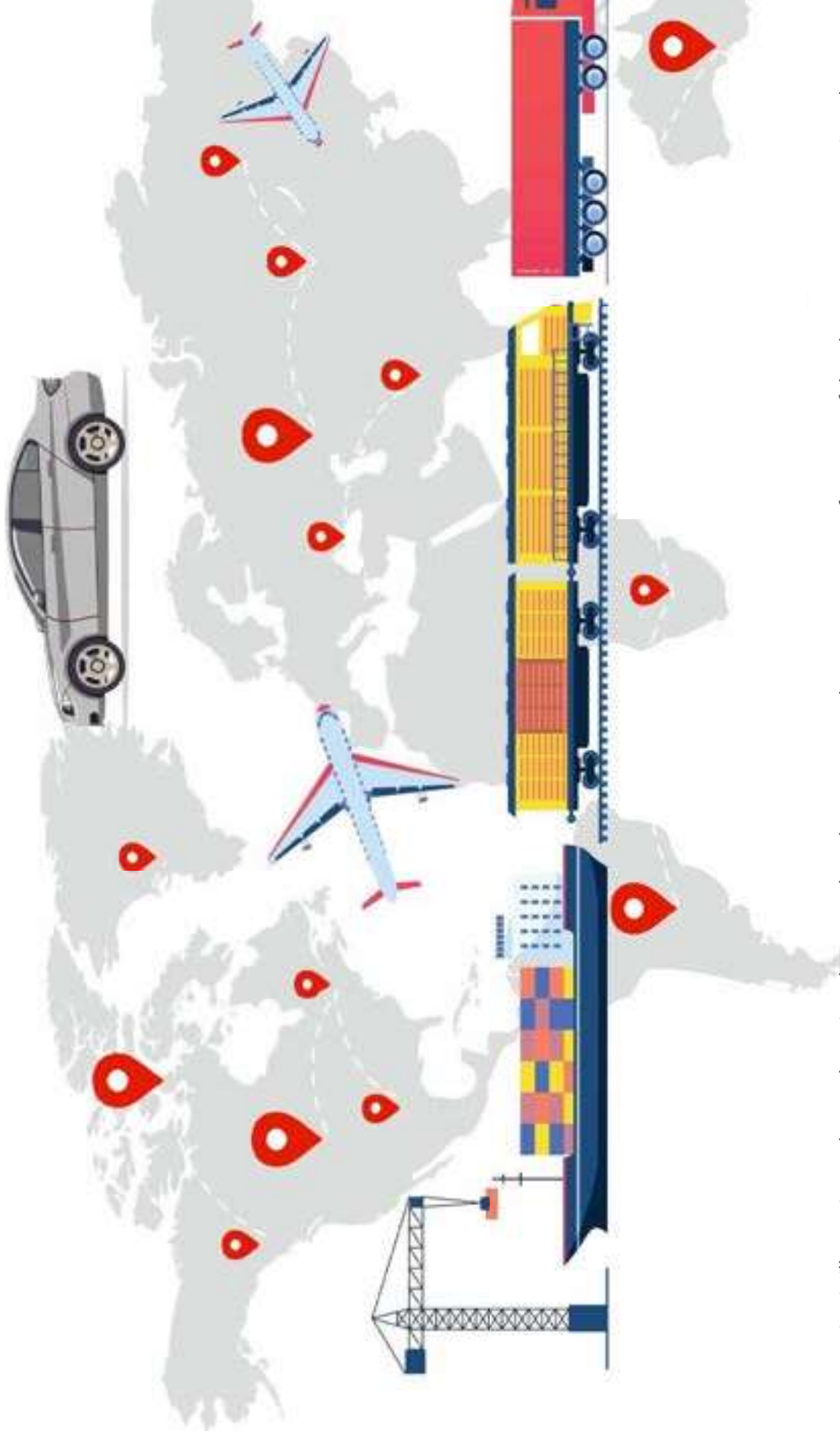


Introducing

Kotak Transportation and Logistics Fund

NFO Opens On: 25th November, 2024 | Closes On: 9th December, 2024

What's In The Theme?







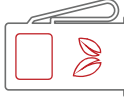


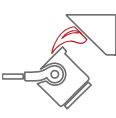



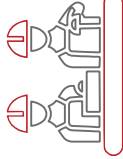

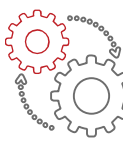
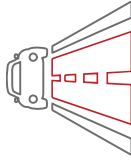

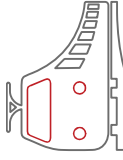

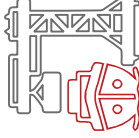

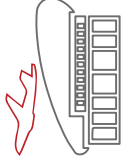



The above representation is illustrative and not exhaustive. there may be other segments that may or may not form part of the above segments mentioned.

The image is a vertical composition. The left half features a blue-toned globe of the Earth with a white grid overlay, set against a dark blue background with a subtle network pattern. The right half shows a vibrant, futuristic city street scene at sunset or sunrise. A large white truck is in the foreground, with other cars and buildings in the background. The sky is filled with colorful light trails and a bright sun, creating a sense of motion and modern technology.

Transportation & Logistics Theme

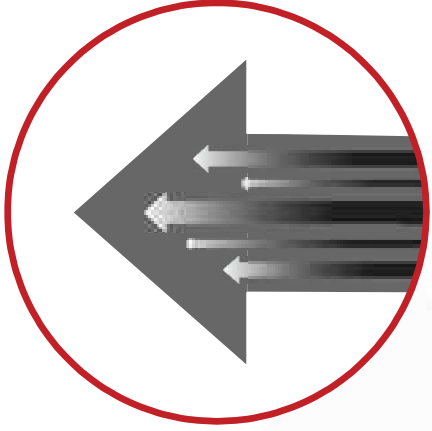
- *Changing Landscape*

Changing Landscape

Key Segments	Evolutions			
Automobile	 Diesel	  Petrol	  CNG	  Hybrid/EV
Auto Ancillary	 Casting/Forging	  Precision Engg.	  Assembly	  Mechanisation
Transport Means	 Roads	  Railways	  Ports	  Airports
Time	Months	 Weeks	 Days	 Hours

The above list is illustrative and not exhaustive. there may be other segments that may or may not form part of the above segments mentioned.

Drivers Of Change



**Rising
Aspirations**



Optimization



**Mega Growth
Opportunity**

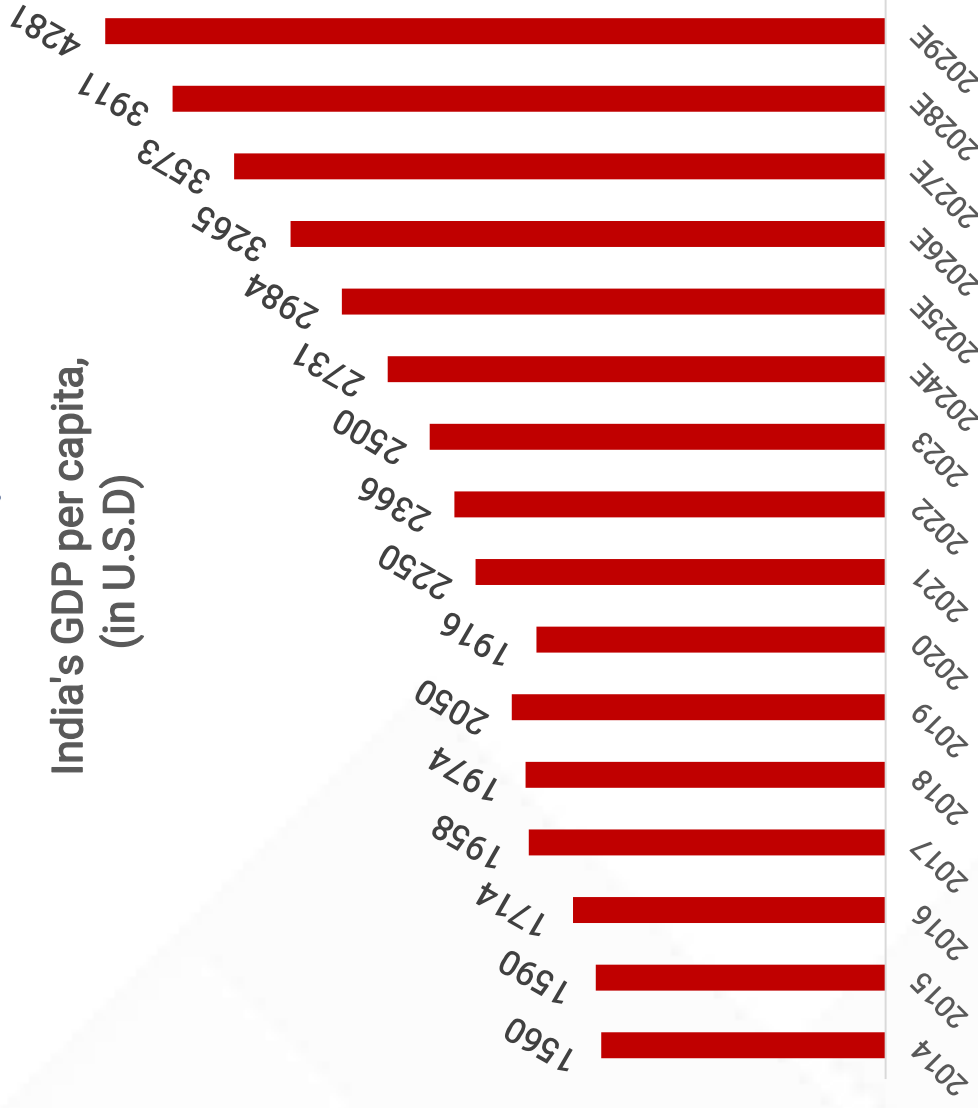
An aerial photograph of a parking lot filled with cars, viewed from a high angle. The cars are arranged in rows, and the scene is illuminated by bright sunlight, creating strong shadows. A prominent red banner is overlaid across the center of the image, containing the text "Rising Aspirations" in white, bold, sans-serif font.

Rising Aspirations

High Per Capita GDP Could Lead To An Increase In Car Ownership

Increasing Per Capita GDP To Improve Lifestyle

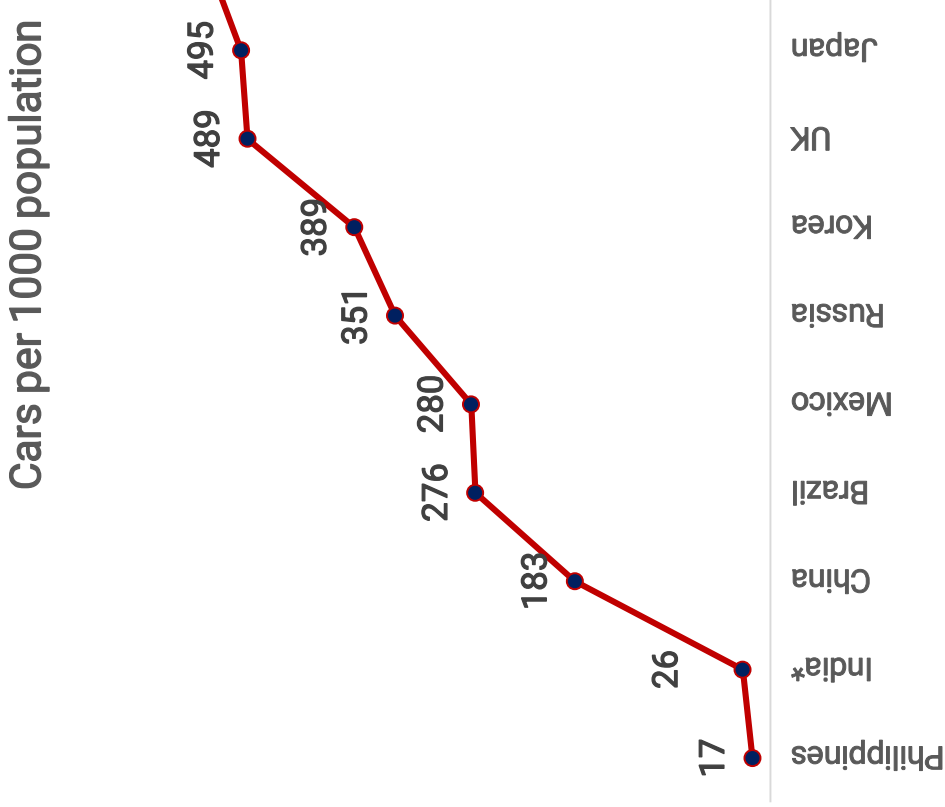
India's GDP per capita, (in U.S.D)



Source: IMF, Data as of Dec'23, latest available data.

India Still Underpenetrated In Cars

Cars per 1000 population



Note: Data for CY 2021, India Data for Fiscal 2024. Source: Hyundai Federation- World Road Statistics 2023, CRISIL MI&A, Data as on

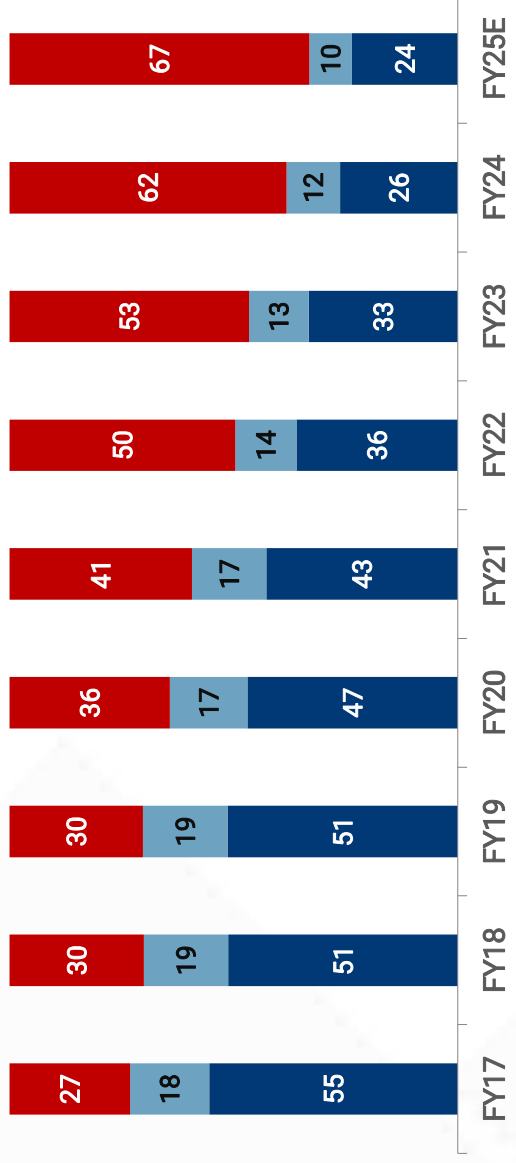
Premiumization In Play With Room For EV Penetration



Low EV Penetration In

35%

Share of Premium Passenger Vehicles Has Doubled in The Last Few Years



■ Entry+compact and sedan ■ Premium + compact and sedan ■ SUV+MUV

Source: JP Morgan & SIAM, Data as on Mar'24, latest available data.

9%

7%

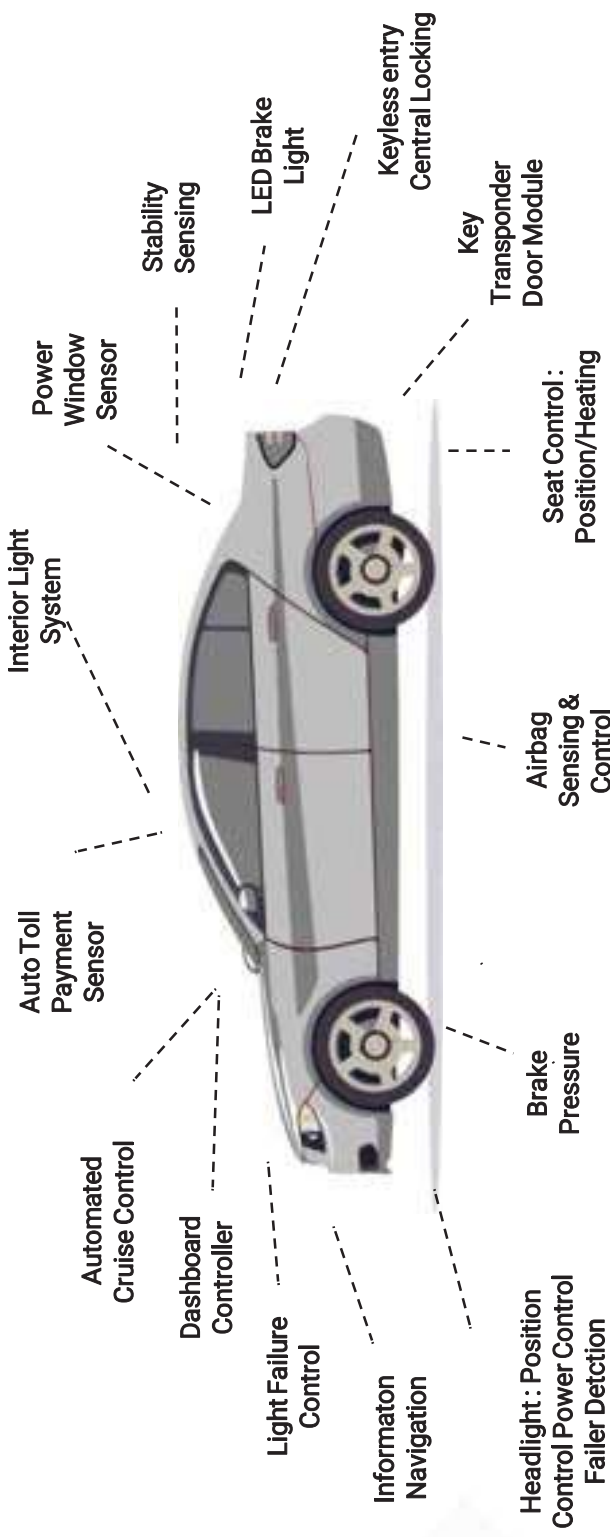
5%

China Vietnam Europe India

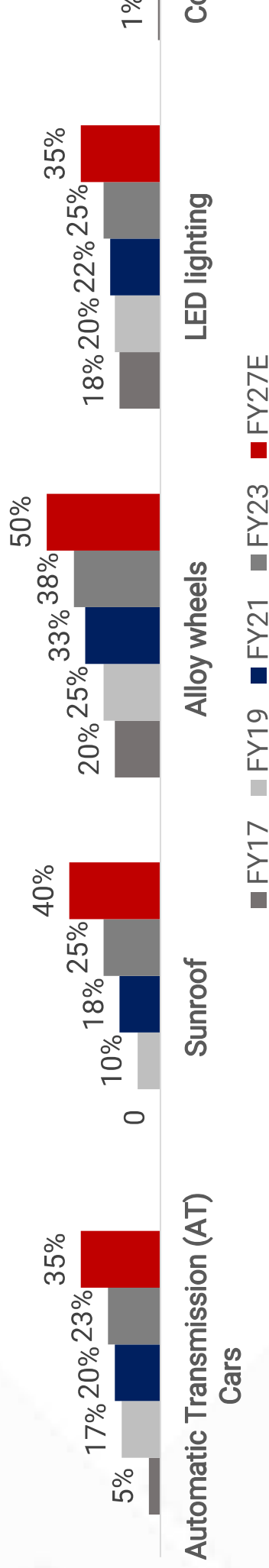
Source: International Energy Association (IEA), Data as on Dec, 2023. Singapore, Sri Lanka, Taiwan, Pakistan, Myanmar, Nepal & Mongolia

Content Per Car On The Rise Owing To Premiumization

With More Technology Added Onboard, More Parts Are Required Per Car



Increase In Adoption Of Premium Features

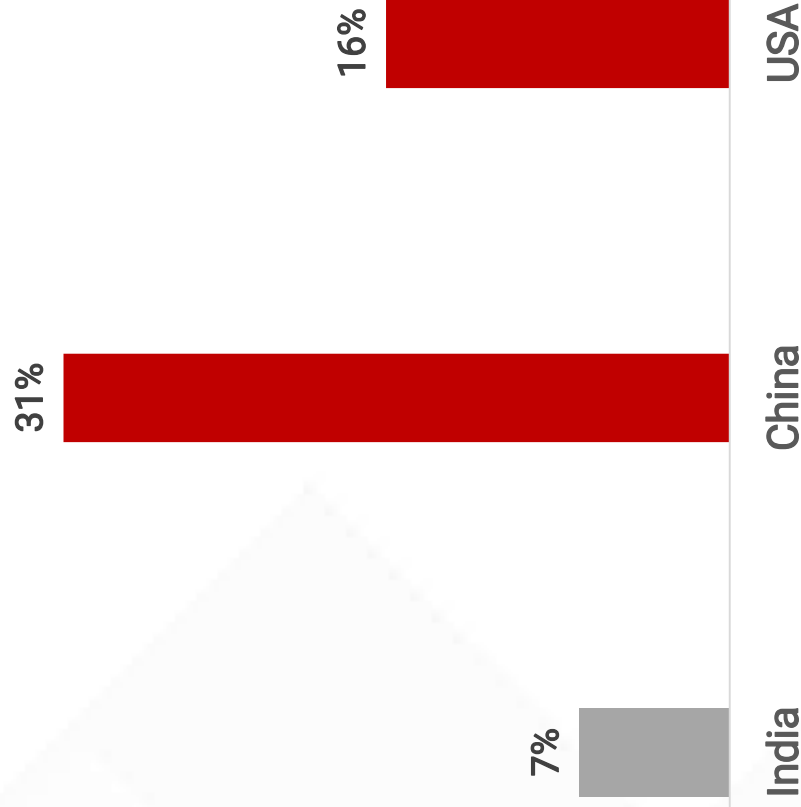


These images are used for illustration purpose only. Data Source: Elara Capital, Data as on Mar'23, latest available data.

E-Commerce/Quick Commerce To Further Propel Sector Growth

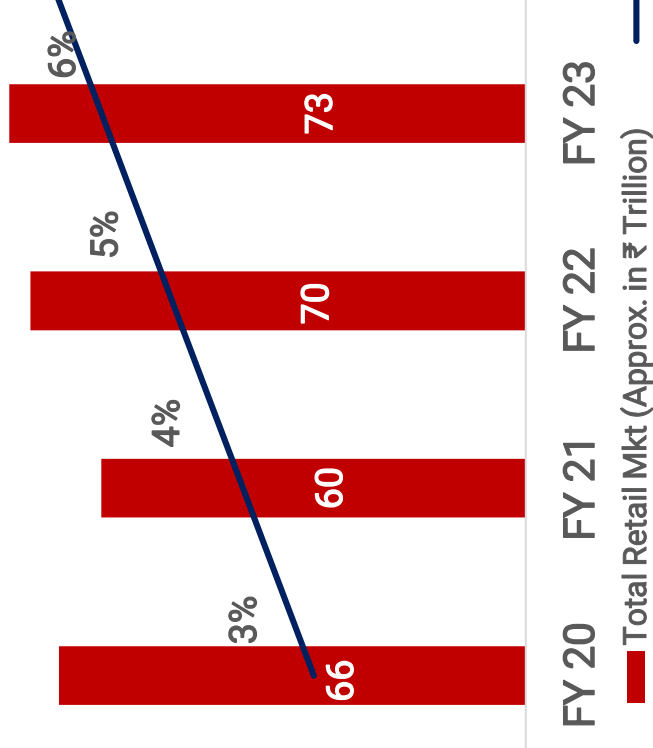
India E-Commerce In Nascent Stage

E-Commerce as a % of Total Retail Sales, FY2024



Estimated Online Channel Contribution from FY24 to FY29E At ~1%

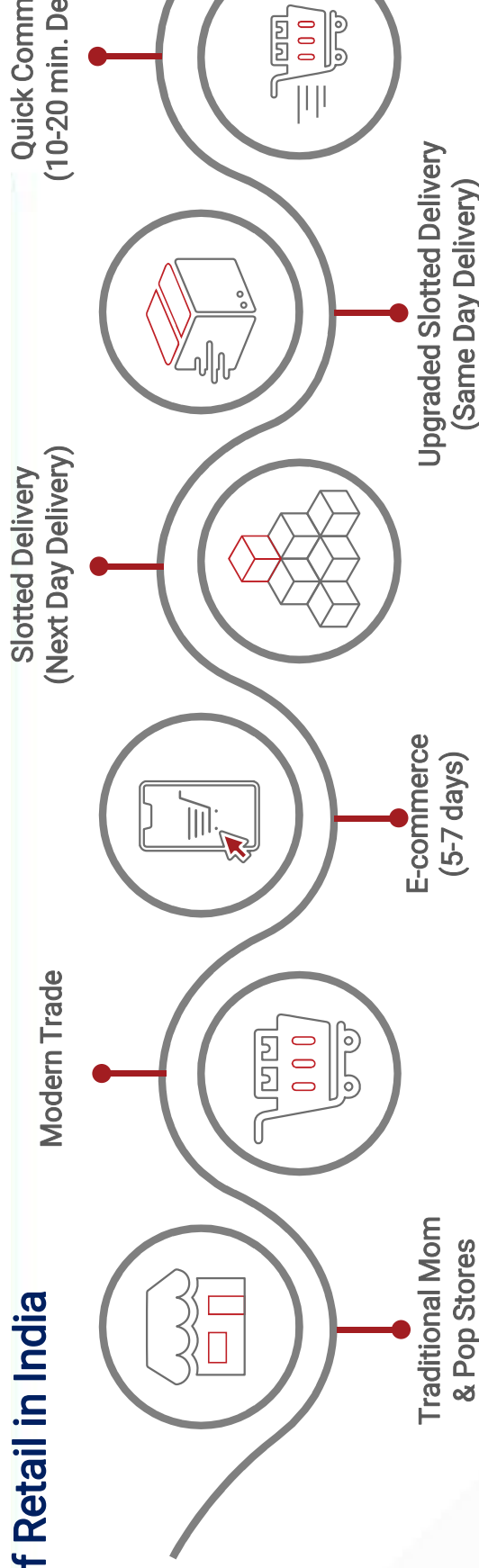
India Retail Market Share - E
(In Rs. Tn.)



Source: Redseer Research and Analysis, data as of Aug'24, latest available data. The stocks/sectors mentioned do not constitute any kind of recommendation purpose only. Kotak Mahindra Mutual Fund may or may not hold position in the mentioned stock(s)/sector(s).

Quick Commerce – A New Paradigm To Reach Consumer

Evolution of Retail in India



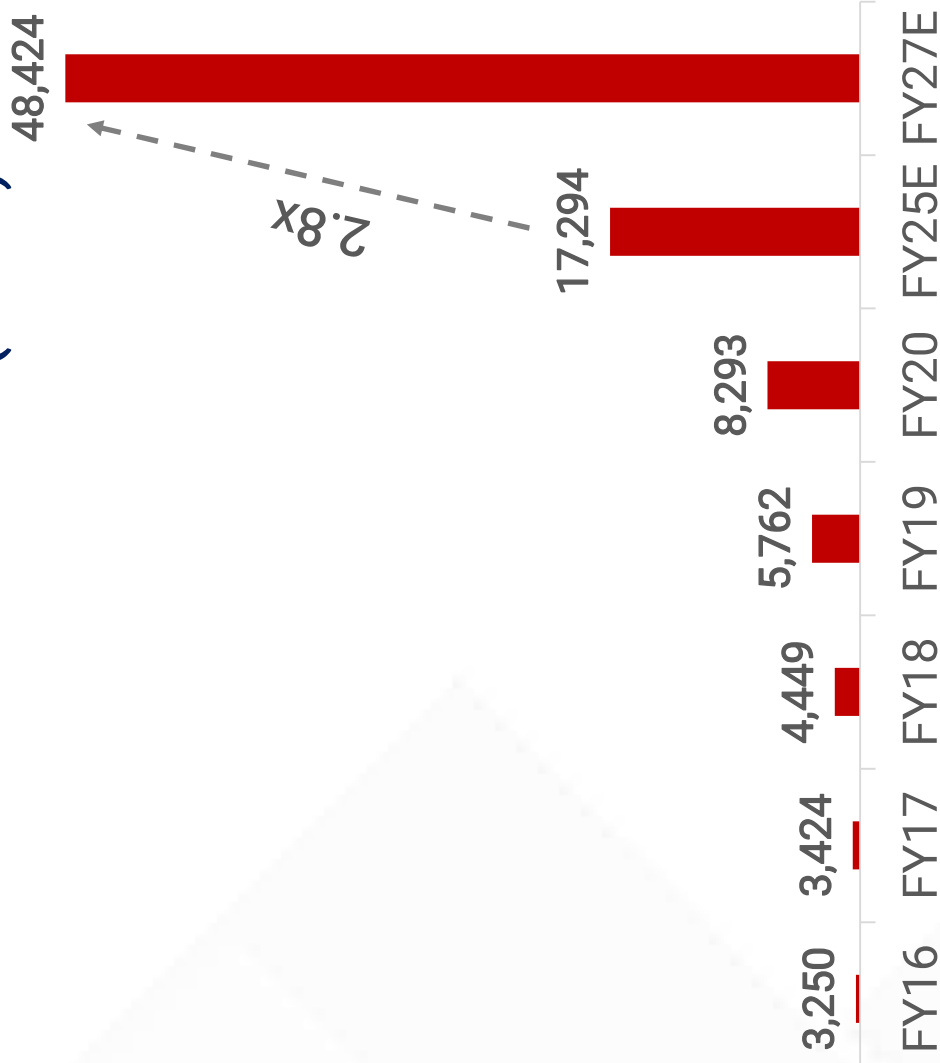
Quick Commerce Market To Grow More Than 10x

Quick Commerce Market	2018	2023	CAGR % (2018-23)	2028E
Market Size in INR Bn	1.6 – 2.4	~224	148-169%	2320-4240
Penetration in Total Retail (%)	0.003%	0.3%	-	2-3%
Penetration in Online Retail (%)	0.14%	4.8%	-	17-30%

Sources: Redseer Research and Analysis; Calculated at the selling price before cancellations and returns. GOV reported by quick commerce players are at MRP, which is typically selling price. Data as of Dec'23, latest available data

Consumption Is Another Key Driver Of Growth

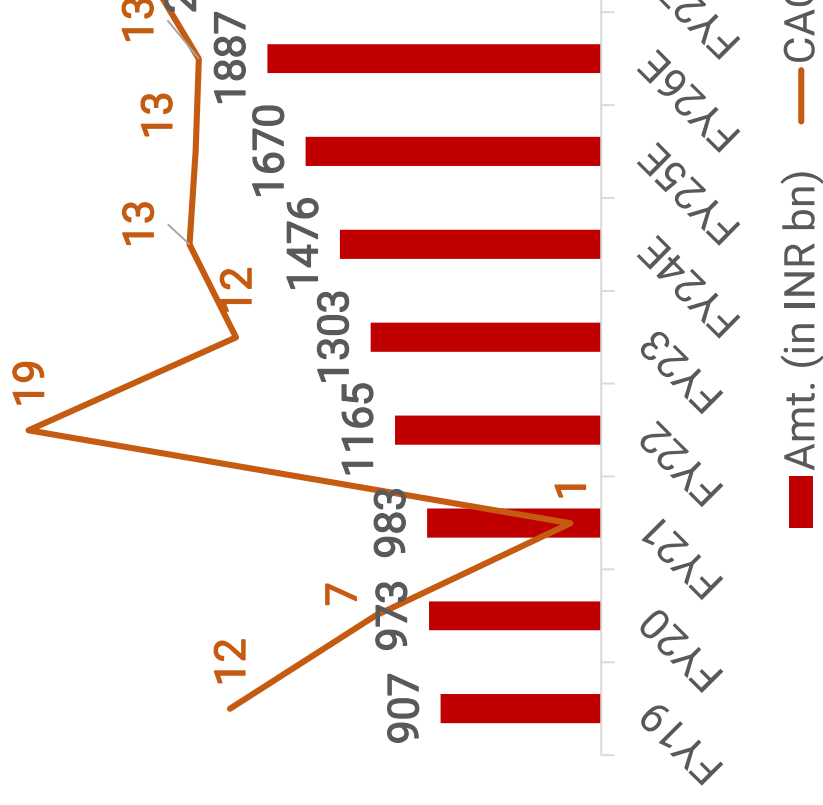
India – FMCG Market Size (INR Bn)



Source: Statista, Data as of July'24, latest available data.

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 invest in the mentioned stock(s)/sector(s).

India – Consumer Durables Market Size (INR Bn)

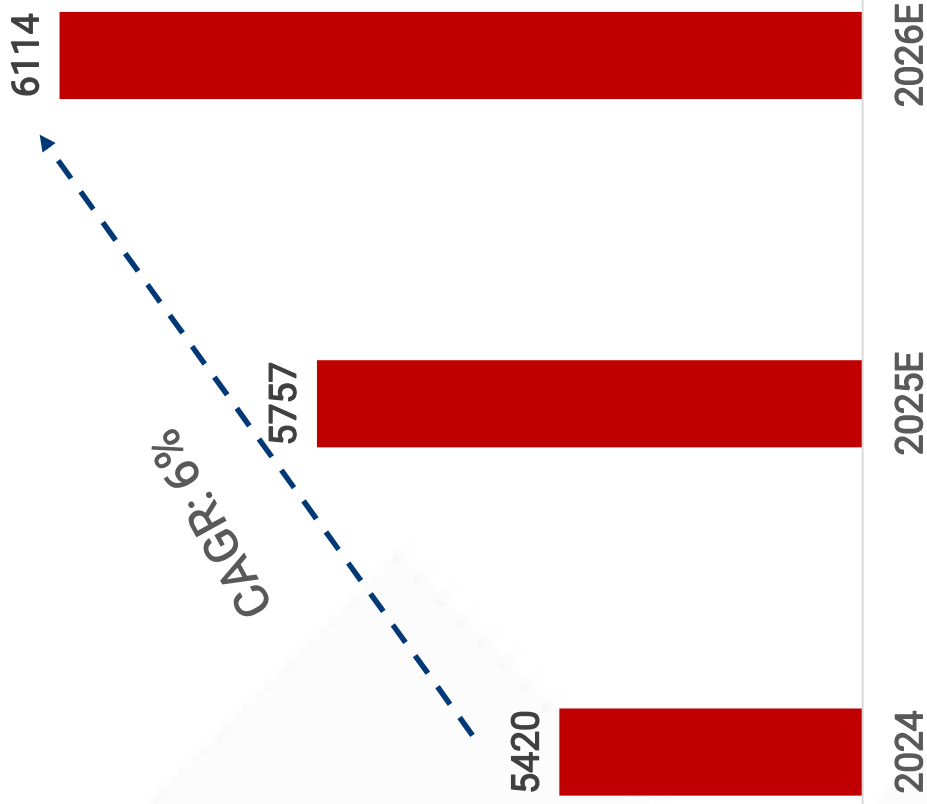


Source: Epack Durables DRHP, Data as of Aug'23, latest available data.

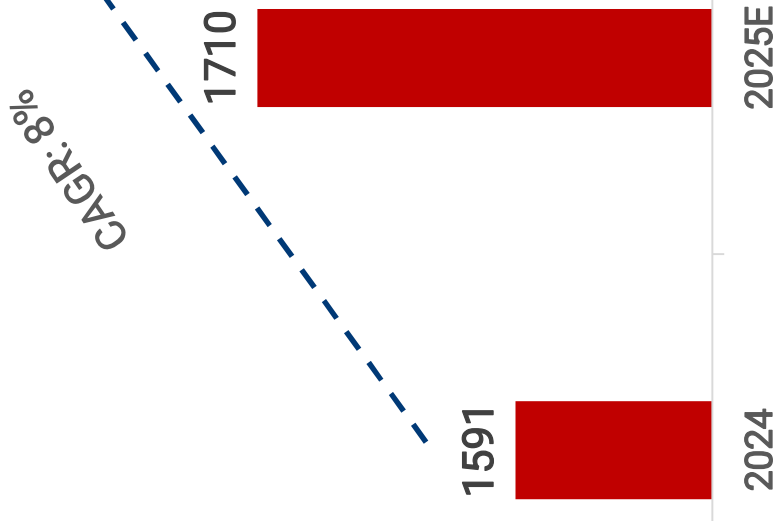
The stocks/sectors mentioned do not constitute any kind of recommendation and are for information purpose only. Kotak Mahindra Mutual Fund may or may not invest in the mentioned stock(s)/sector(s).

Freight Tonnage Growth To Mirror Consumption Growth

Road freight (In Mn Ton)

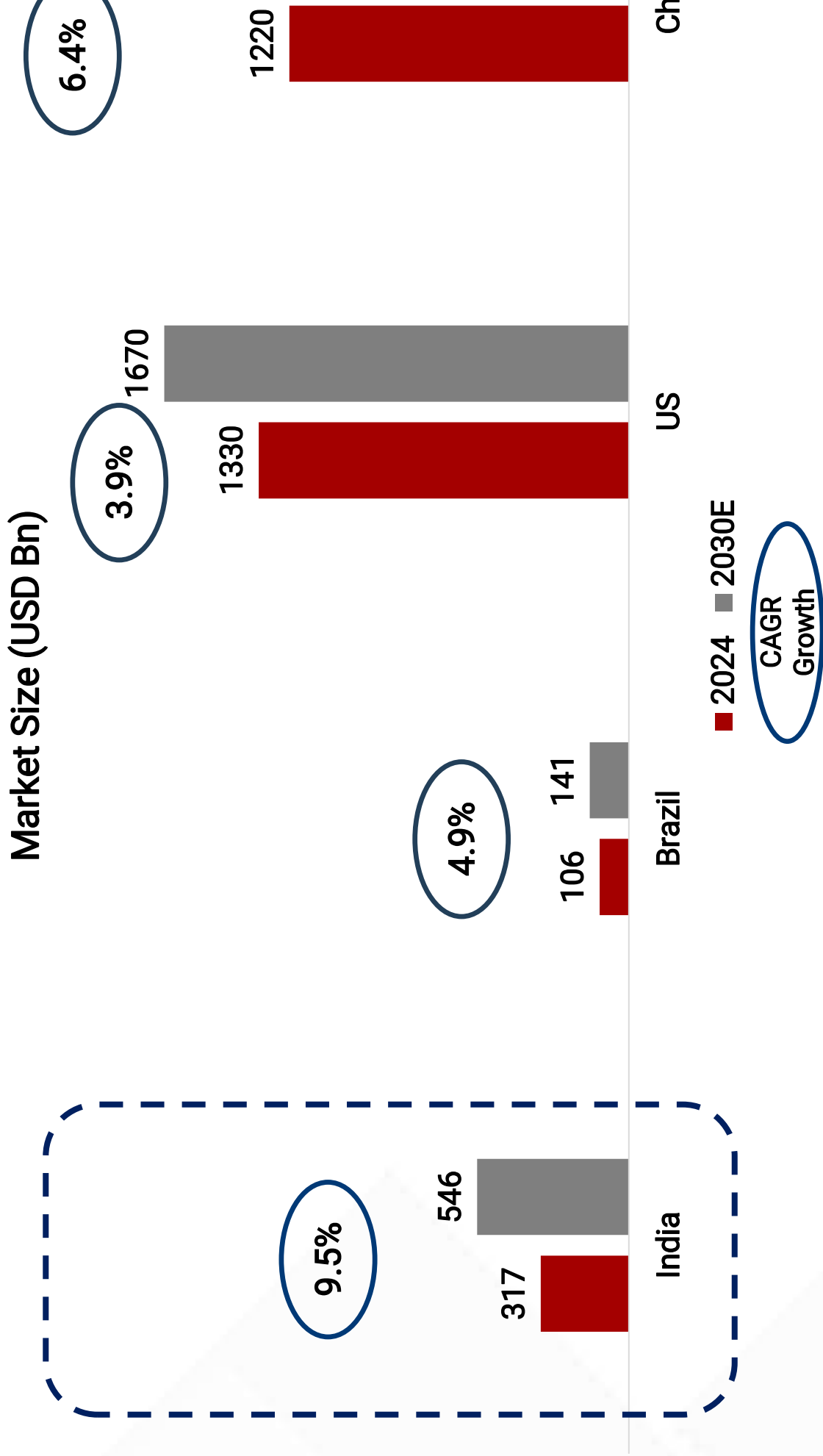


Rail freight (In Mn T)



Source:- Kotak Institutional Equities. Data as on Mar'24, Latest available data.

India Set To Become Fastest Growing Logistics Market



Source: Mordor Intelligence, Data as on Mar'24, latest available data.



Optimization

India's Cost Of Logistics Is Amongst The Highest

Parameters	US	China	U
GDP	USD 21 trn	USD 14.7 trn	U
Logistics Market Spend	USD 1.6 trn	USD 2.2 trn	U
Total Logistics Spend as % of GDP	8%	15%	

Source: CLSA, IBEF, Department of Commerce. June 2023, latest available data.

Government Initiatives To Aid Faster Movement & Lower Costs Of Transportation

Aim to bring down Transportation Cost as % of GDP from 13-14% to 8-10% by 2030

National Logistics Policy : Digitization of Logistics

+

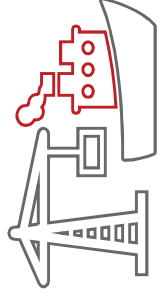
ULIP : Unified Logistics Interface Platform

+

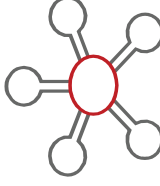
GATI Shakti : National Master Plan for Multi-modal Connectivity



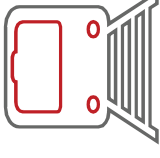
- Bharatmala



- Sagarmala



- Multi Modal Logistics Park
- GATI Shakti Multi Modal Cargo Terminal Policy



- Dedicated Freight Corridor
- National Rail Plan
- 100% Rail electrification

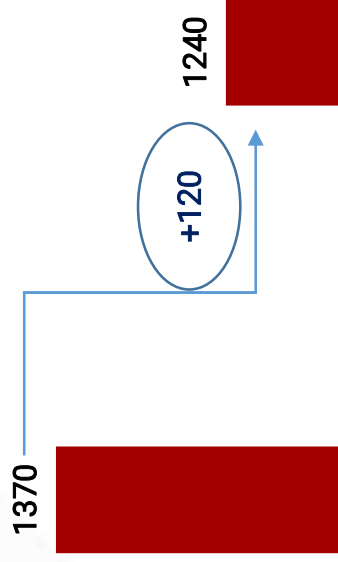
Source: EY, Data as of Apr'23, latest available data.

Large Scale Push From The Govt Improving The Efficiency

Before Bharatmala	After Bharatmala
6 Corridors	50 Corridors
40% freight on National Highways	70-80% freight on National Highways
~300 districts connected by 4+ Lane Highways	~550 districts connected by 4+ Lane Highways

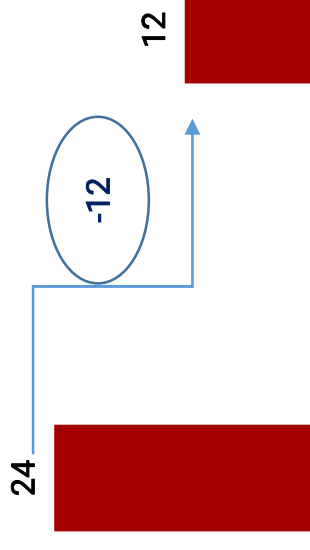
Ongoing Delhi-Mumbai expressway:

Distance Reduction (in km)



Existing alignment along NH 48 Delhi Mumbai Expressway

Time Reduction (In hrs)



Existing alignment along NH 48 Delhi Mumbai Expressway

Creation Of This Scale Of Infrastructure To Benefit Logistics & Allied Industries

Source: Ministry of Road Transport and Highways, data as of Oct'17, latest available data.

Multi Modal Logistics Park (MMLP): Heart Of The Logistics Chain

MMLPs to be set up at 35 prime strategic locations, at a total capital cost of INR 500Bn, to enable Freight Movement across Multiple Modes



Image Sources: nhlm.org; Ministry of Road Transport & Highways, Data source : pib.gov.in, data as of Dec'21, latest available data. This image is for pictorial only.

Long Runway For Growth In Aviation Market As Well

2000

2023

Scheduled airlines: distance flown (in million kms)	199 Kms	928 Kms
Number of aircrafts (scheduled Indian operators)	225	771
Freight Handled ('000 tonnes)	703	3,365
Number of operational airports	50	153
Passenger traffic (million)	71	181



Source: IBEF Report, May 2024; CRISIL Ratings' webinar on the airline industry (Feb '2024) ; As per the latest data available. The stocks/sectors mentioned do not constitute a recommendation and are for information purpose only. Kotak Mahindra Mutual Fund may or may not hold position in the mentioned stock(s)/sector(s).

PLI Scheme For Auto/ EVs/ Cell Manufacturing

- PLI scheme for Automobiles and Auto Components, pegged at ₹ 259.38Bn, mainly focusing on **Battery Electric Vehicles, Hydrogen Fuel Cell Vehicles, Advanced Automotive Technology components. Drone PLI scheme will be allocated to Drone PLI**
- **Eligibility Criteria**

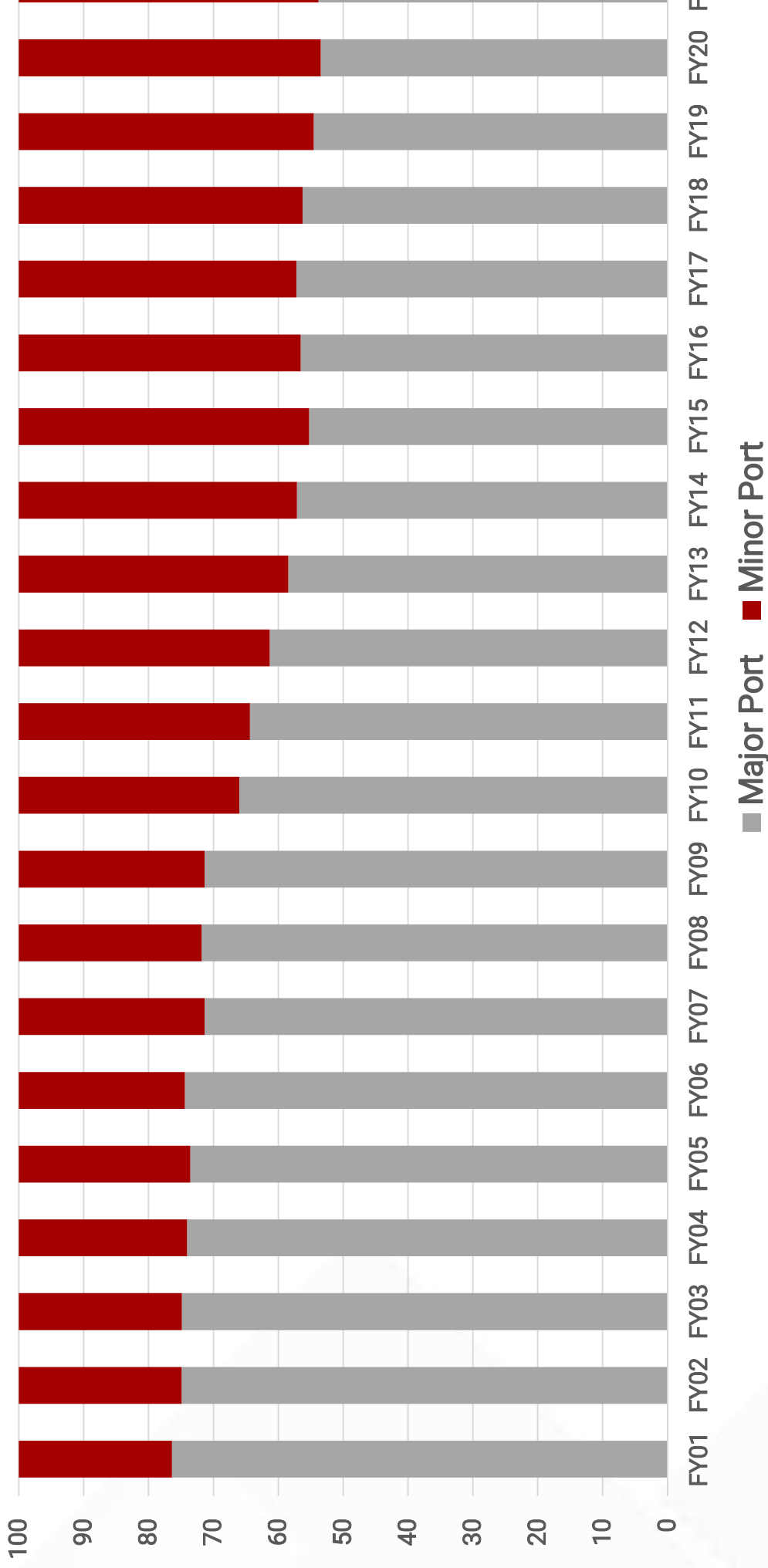
For existing auto companies		For new non-automotive companies	
Eligibility Criteria	Auto OEM (10 cos)	Eligibility Criteria	New Non-automotive companies
Global Group Revenue	Min INR 100bn	Global Net Worth	Min INR 100bn
Investment	Global investment in Fixed Assets of INR 30bn	Committed investment in India over 5 year period	As per Ministry of Investment
	Min INR 5bn		
	Global investment in Fixed Assets of INR 1.5bn		

- The PLI scheme is approved for achieving overall manufacturing capacity of 50 GWh of ACC and 5 GWh of **cell** scheme outlay of INR 181bn.[^]

Source: Spark Capital, latest available data. ^ pib.gov.in, data as on Jul'22, latest available data. PLI stands for Production Linked Incentive Scheme, OEM stands for Original Equipment Manufacturers, ACC stands for Advance Chemistry Cells. *The incentive is spread over three financial years commencing from 2021-22. # The incentive pay out is from May-21.

Efficient Private Sector Ports Has Gained Market Share

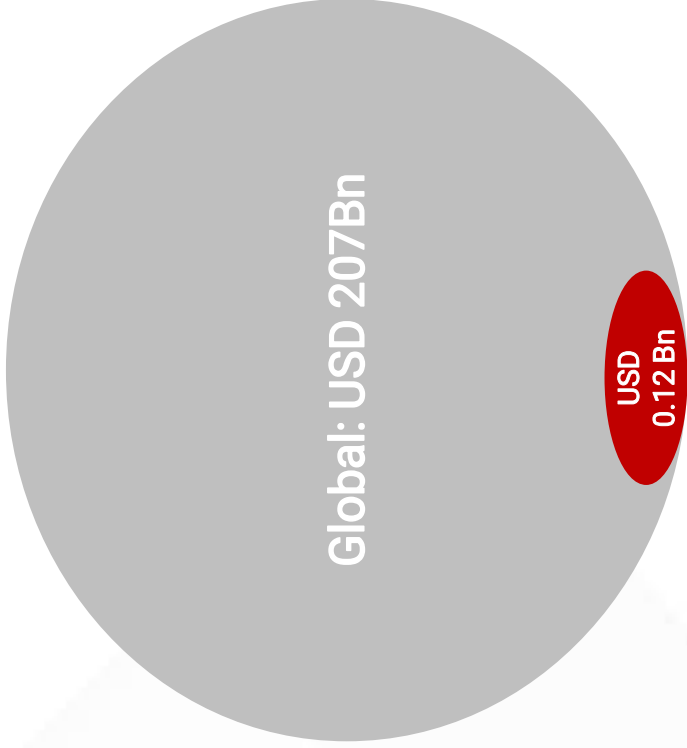
Volume growth in minor ports has been 2x compared to major ports due to efficiency gains & privatisation



Source: Indian Port Association, latest available data. Data as on Mar'24, latest available data.

Shipping Industry In India Still At A Nascent Stage

Shipbuilding Market in 2023



Source: Business Standard, Data as on Dec'23, latest available data

Container Procurement

Container Procurement Size Annually		India Market Share
India	10,000 to 30,000	>1%
China	2.5 to 3Mn	

Source: GTRI report, Data as on Dec'23, latest available data

Indian F
World F
of C

1.

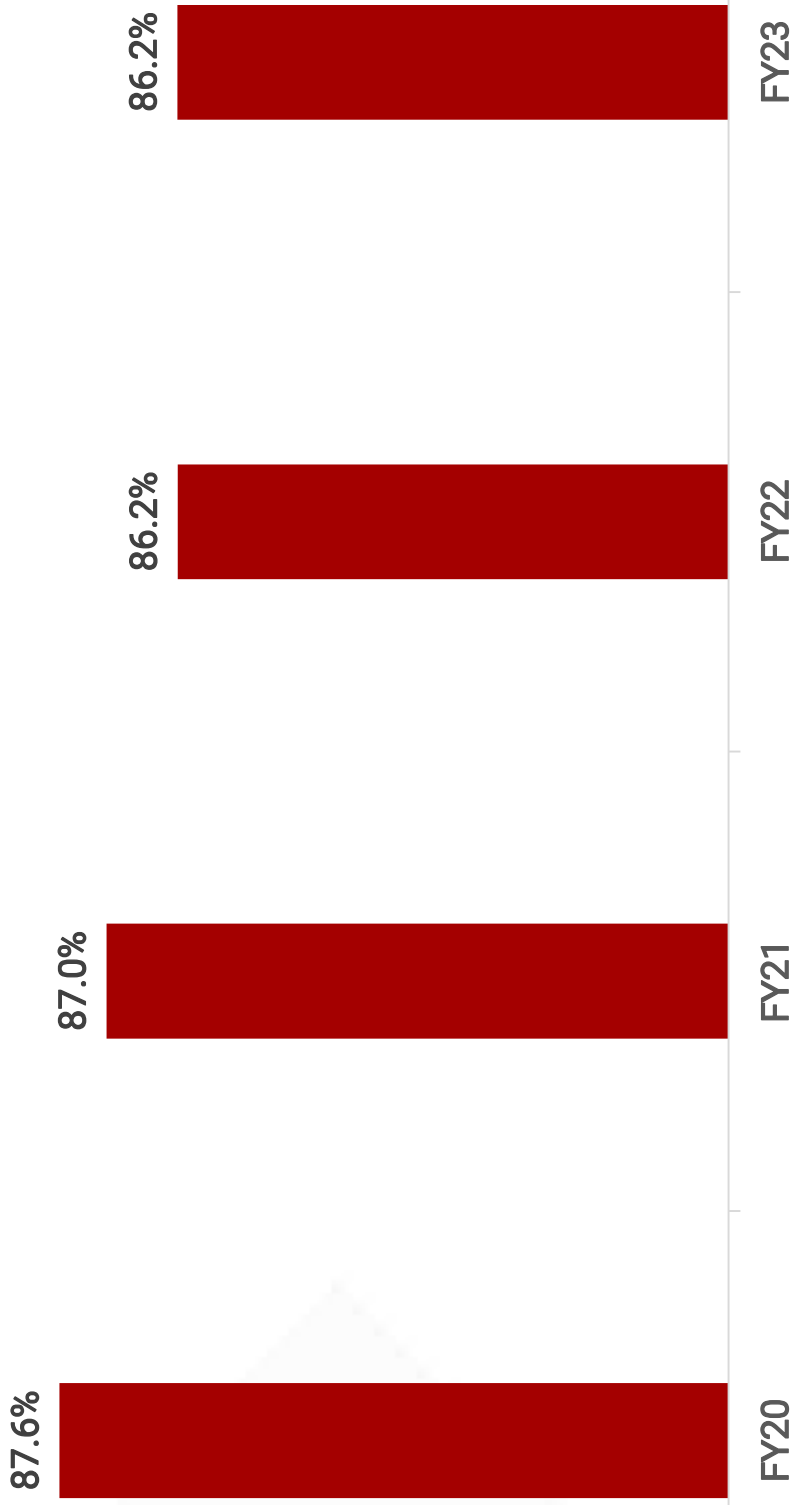
Source: PIB, D
latest availabl

Mega Growth Opportunity In The Space



T&L Theme Provides Best Proxy To Domestic Growth Story

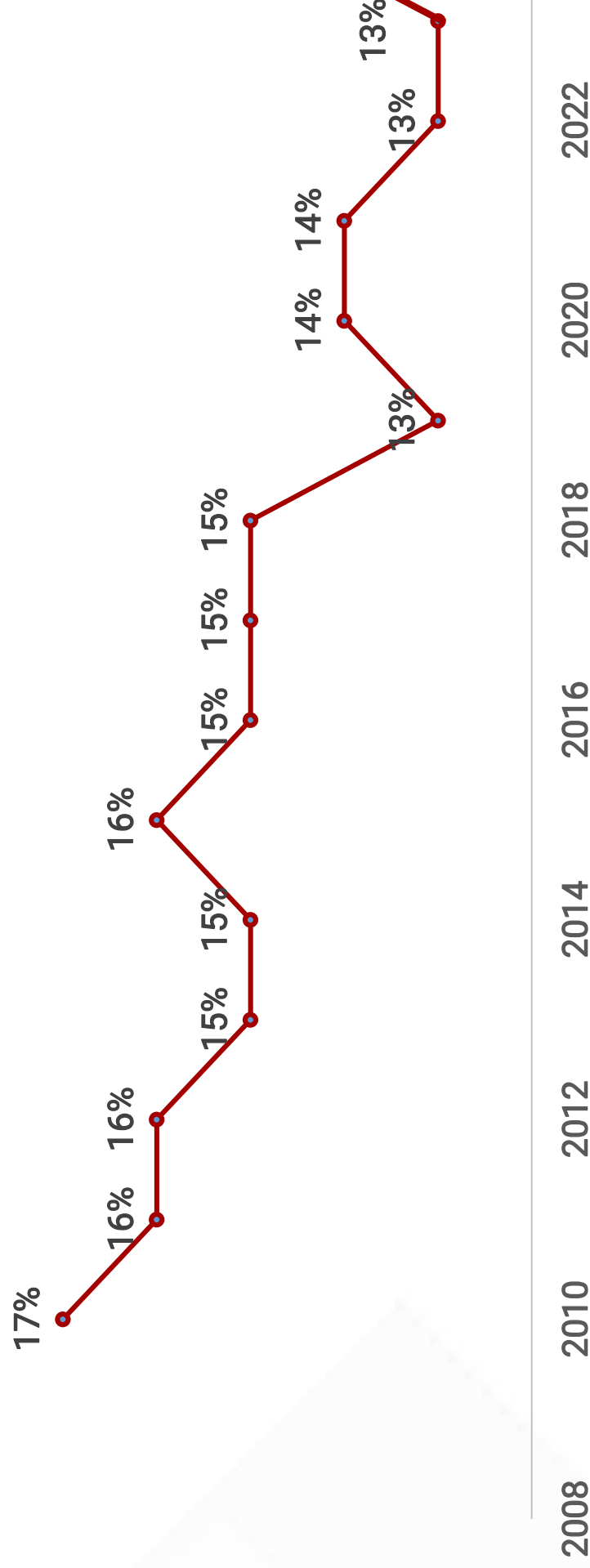
Domestic Sales as % of Total Sales



Source: KMAMC, Data as on Mar'24. latest available data. Internal, Basic Industry considered are: Shipping, Castings & Forgings, Auto Components & Equipment, Commercial Vehicles, 2/3 Wheelers, Abrasives & Bearings, Ship Building & Allied Services, Airline & Trading - Auto Components the industries considered are not exhaustive. there may be other industries that may or may not have been considered in the above calculations.

Manufacturing To Be Key Catalyst For GDP Growth In Future

Manufacturing sector's share of GDP in India

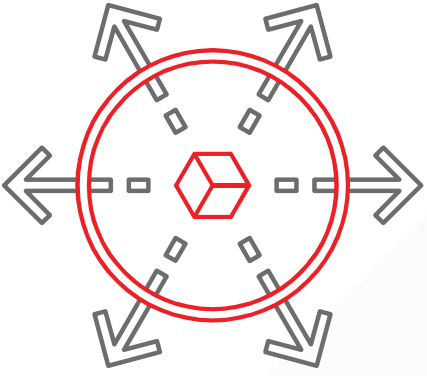


Source: Statista, Dec 2023, latest available data.

India's manufacturing sector to reach \$1.66 trillion by FY34 with GDP share at 21%

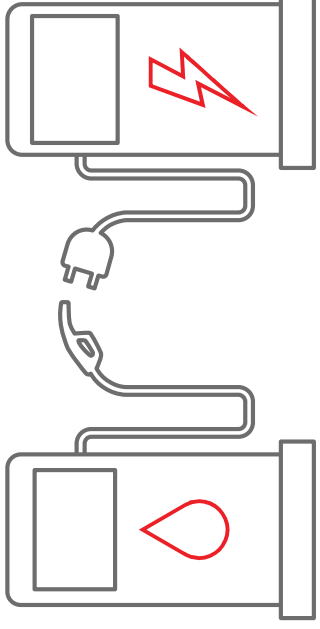
Source: Zee business, data as of June'24, latest available data. The stocks/sectors mentioned do not constitute any kind of recommendation and are for Kotak Mahindra Mutual Fund may or may not hold position in the mentioned stock(s)/sector(s).

Auto Ancillary: Make In India For India & World



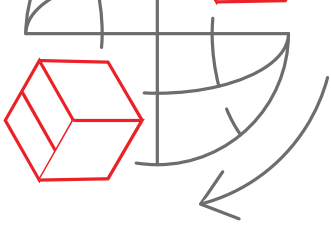
Product Diversification

Strategic partnerships for automotive electronics expertise to bring in diversification synergy



ICE to EV

Push for EVs fuels growth in local component manufacturing



Export

Export hub due to component manufacturing in China+1

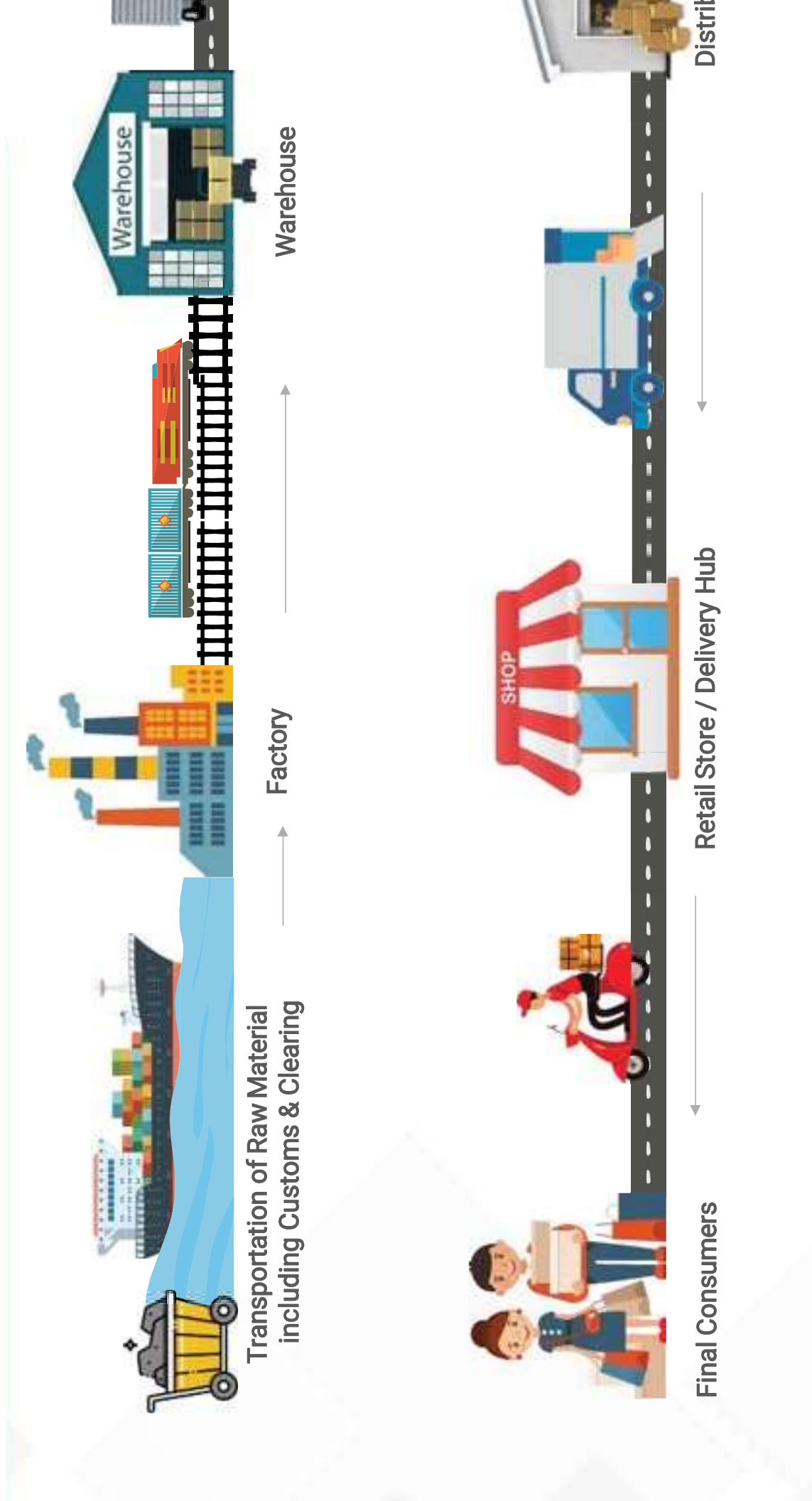
Auto component industry's 10-year growth driven by strong domestic sales, after rising exports

Limited Large Players In Logistics Space

FY24	Top Container Transport Company	2 nd Largest Container Transport Company
Infrastructure		
No. of Terminals	66	5+1 (WIP)
No. of Trains	380	34
Containers	44,492	Negligible
Rail Container Volume handled (originating) in TEU		
Total	25,27,193	3,68,070
Domestic	4,63,542	0
Export-Import	20,63,651	3,68,070
Financials FY24 (INR Mn)		
Revenue	86,325	15,361
EBITDA	19,296	3,796
PAT	12,379	2,562

Source: Philip Capital, Company Report, Data as on 31st March, 2024; TEU - Twenty-foot Equivalent Unit. *No of times is calculated by dividing, where numerator is Container Transport Company and denominator is corresponding value for 2nd Largest Container Transport Company.

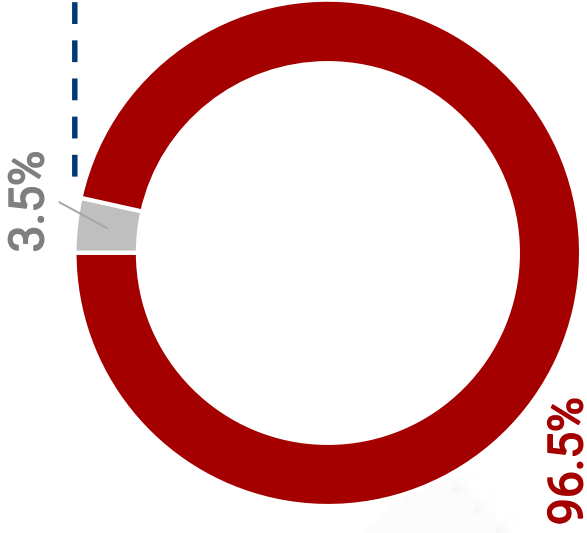
Integrated Logistics Solution Provider Will Become Most Prominent



The above representation is illustrative and not exhaustive. there may be other segments that may or may not form part of the above segments mentioned

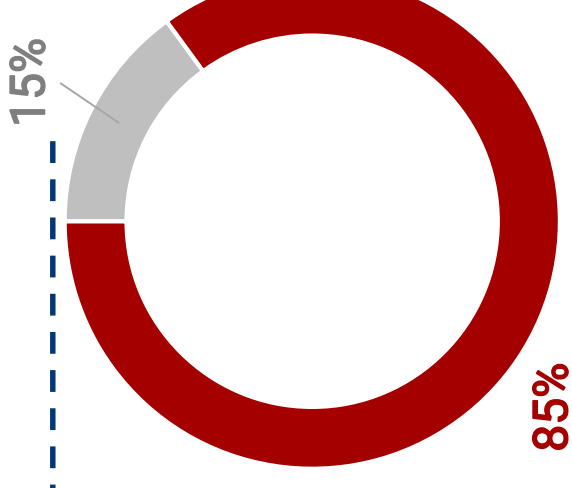
Logistics Space Is Highly Unorganized

Logistics Market* - FY20



■ Organised ■ Unorganised

Logistics Market* - FY24



■ Organised ■ Unorganised

CAGR Growth: 35%

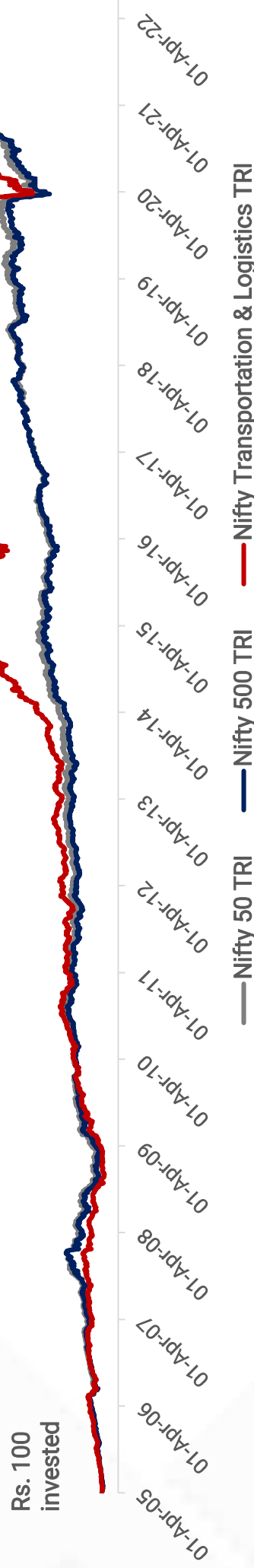
- Ability of organized players to offer integrated services, network & scale-driven efficiencies
- Shift in delivery mechanism, high technology dependency to drive market share gain for organized players

Source: Redseer report; *includes road transportation and warehousing and supply chain services only, data as of Aug'24, latest available data.

Benchmark Has Outperformed Broad Based Indices

Time Period	Nifty 50 TRI	Nifty 500 TRI	Nifty Transportation & Logistics TRI
1 Year	28.3%	36.2%	51.0%
3 Year	12.4%	15.7%	28.3%
5 Year	16.6%	19.8%	26.2%
10 Year	12.6%	14.2%	14.7%
Since Inception	15.4%	15.6%	19.1%

Data as on 31st Oct, 2024. Inception date of Nifty Transportation & Logistics TRI: 1st Apr, 2005, same is used for Since Inception calculations.



Source: MFI, NSE. Data as on 31st Oct'24. The performance of the index shown does not in any manner indicate the performance of the Scheme. Past performance sustained in future. Kotak Mahindra Asset Management Company Limited ("KMAMC") is not guaranteeing or promising, or forecasting any returns.

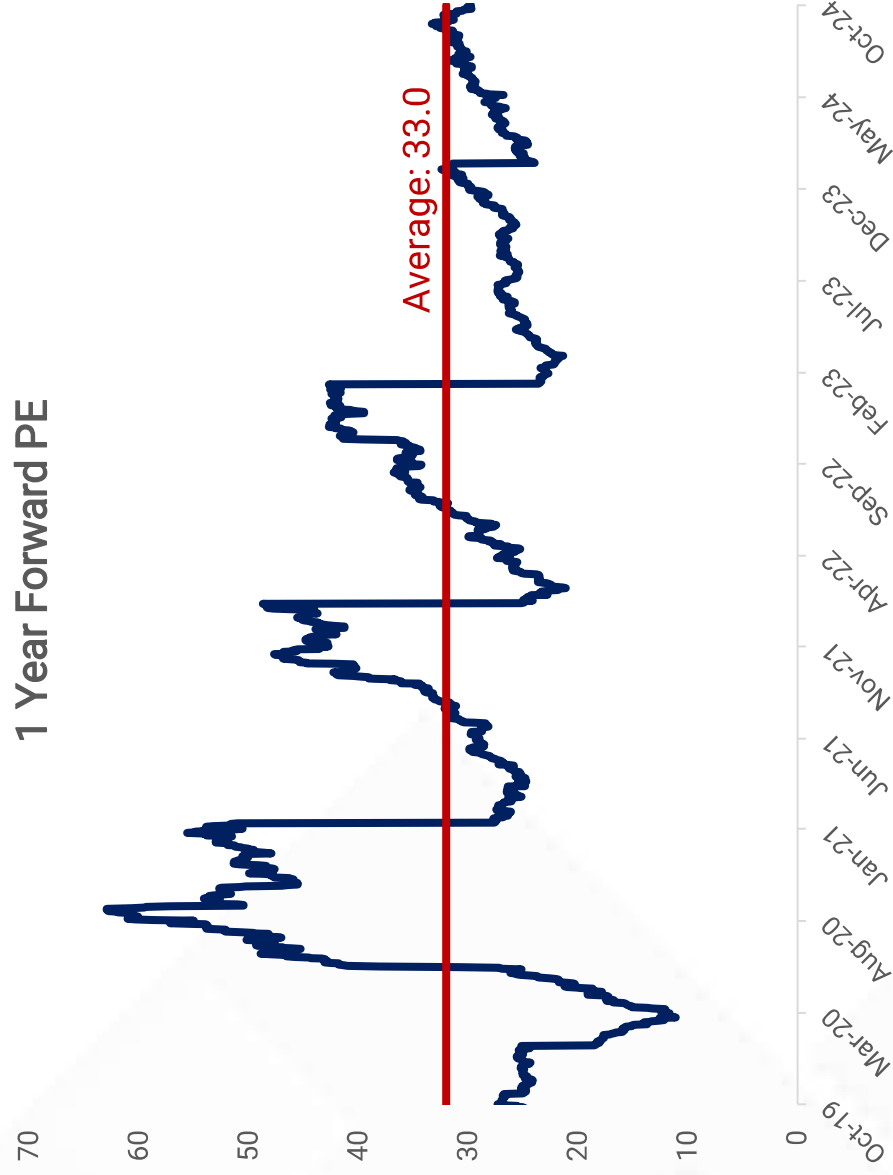
Index Returns Have Shown “High Resilience”

Calander Year	Nifty 50 TRI	Nifty 500 TRI	Nifty Transportation & Logistics TRI
YTD 2024 - Oct	13%	18%	29%
2023	21%	27%	47%
2022	6%	4%	12%
2021	26%	32%	32%
2020	16%	18%	16%
2019	13%	9%	-7%
2018	5%	-2%	-19%
2017	30%	38%	38%
2016	4%	5%	10%
2015	-3%	0%	1%
Since Inception	15%	16%	19%

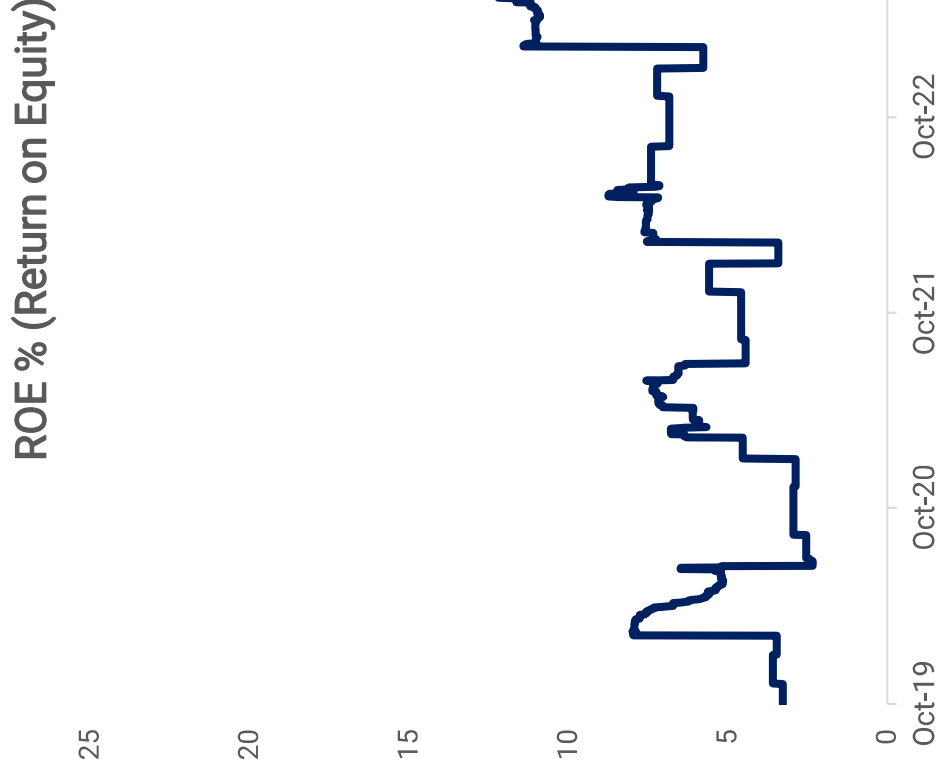
Source: NSE, Data as on 31st Oct'24. Inception date of Nifty Transportation & Logistics TRI: 1st Apr, 2005, same is used for Since Inception calculations. Index shown does not in any manner indicate the performance of the Scheme. Past performance may or may not be sustained in future. Kotak Mahindra Mutual Fund Company Limited (“KMAMC”) is not guaranteeing or promising, or forecasting any returns.

Favorable Valuation and Return On Equity

Valuation Close to 5 Year Average



Increasing ROE in last 5 Y



Source: Bloomberg. Past Performance is not a guarantee for future return. Data as on 31st Oct'24. The performance of the index shown does not in any way guarantee or promise the performance of the Scheme. Kotak Mahindra Asset Management Company Limited (KMAMC) is not guaranteeing or promising any returns/futuristic

Theme Stock Universe: Market Cap & Sectors

Market Cap		No. of stocks
Large		10
Mid		26
Small		278
Sectors		No. of stocks
Automobile and Auto Components		96
Capital Goods		87
Construction		69
Services		49
Consumer Services		13

Growing Stock Universe By ~ 44% In Last 5 Years

Year	2019	2024
No. of listed stocks in this theme	217	314

Source: AMFI Categorization, data as of Oct'24 & Jun'19, As per para 2.7 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 2024. The stocks/sectors mentioned do not constitute any kind of recommendation and are for information purpose only. Kotak Mahindra Mutual Fund is not guaranteeing or promising, or forecasting the performance of the mentioned stock(s)/sector(s). Kotak Mahindra Asset Management Company Limited ("KMAMC") is not guaranteeing or promising, or forecasting the performance of the mentioned stock(s)/sector(s). Mid Cap: 101st -250th company in terms of full market capitalization. Small cap: 251st company onwards in terms of full market capitalization.



Introducing

Kotak Transportation & Logistics Fund

An open-ended equity scheme following Transportation & Logistics theme

NFO Opens On: 25th November, 2024 | Closes On: 9th December, 2024

Investment Approach

Kotak Transportation & Logistics Fund

Bottom-Up Approach

Identify Companies With BMV Approach From A Selected Sector

Stock Selection

Selection Of Companies Showing Growth At Reasonable Price

No Cap On Market Cap

Flexibility To Buy Across All Market Cap Segments

Participation In Growth Potential

Investment In The Potential Growth Story Of Transportation & Logistics Sector

Investment Universe

Suitable To Be S In-house

About The Fund Manager



Mr. Nalin Bhatt – Fund Manager

- Over 20 years of Experience spread across Equity Res Fund Management
- With Kotak AMC from Feb'2016
- CA and B.Com
- Sector Managed: Auto, Infrastructure, Aviation and Re



Salient Features

Feature Description	Feature Description												
Name Of The Scheme	Kotak Transportation & Logistics Fund												
Type of Scheme	An open-ended equity scheme following Transportation & Logistics theme												
Category	Equity Schemes – Thematic Fund												
Investment Objective	The investment objective of the scheme is to generate long-term capital appreciation from a portfolio that is invested in equity and equity related securities of companies engaged in transportation & logistics and related activities. However, there is no assurance that the objective of the scheme will be achieved.												
Benchmark Index	Nifty Transportation & Logistics Total Return Index (TRI)												
Asset Allocation*	<table border="1"> <thead> <tr> <th>Instruments</th> <th>Indicative allocation</th> </tr> <tr> <th></th> <th>Minimum</th> </tr> </thead> <tbody> <tr> <td>Equity and Equity Related Securities of companies engaged in Transportation & Logistics and related activities</td> <td>80</td> </tr> <tr> <td>Equity and Equity Related securities of companies other than those engaged in Transportation & Logistics related activities</td> <td>0</td> </tr> <tr> <td>Debt and Money Market Securities</td> <td>0</td> </tr> <tr> <td>Units of REITs & InvITs</td> <td>0</td> </tr> </tbody> </table>	Instruments	Indicative allocation		Minimum	Equity and Equity Related Securities of companies engaged in Transportation & Logistics and related activities	80	Equity and Equity Related securities of companies other than those engaged in Transportation & Logistics related activities	0	Debt and Money Market Securities	0	Units of REITs & InvITs	0
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Debt and Money Market Securities	0												
Units of REITs & InvITs	0												
Fund Manager (s)	Mr. Nalin Bhatt will be fund manager for Equity. Mr. Abhishek Bisen will be the Fund Manager for debt investment of t Khanna (Dedicated Fund Manager for investment in foreign securities)												
Exit Load	<ul style="list-style-type: none"> For redemption / switch out within 30 days from the date of allotment: 1% If units are redeemed or switched out on or after 30 days from the date of allotment: NIL 												
Minimum Purchase Amount	Initial Purchase (Non-SIP)- Rs. 100/- and any amount thereafter Additional Purchase (Non-SIP)- Rs. 100/- and any amount thereafter SIP Purchase- Rs. 100/- and any amount thereafter												

*For detailed asset allocation and scheme information, please refer the scheme information document (SID)

Disclaimers and Disclosures

Riskometer

<p>Scheme Risk-o-meter</p>  <p>Investors understand that their principal will be at Very High Risk</p>	<p>Benchmark (Nifty Transportation & Logistics Total Return Index (TRI))</p>  <p>Investors understand that their principal will be at Very High Risk</p>	<p>KOTAK TRANSPORTATION & LOGISTICS</p> <p>An open-ended equity scheme following Transportation & Logistics theme</p> <p>This product is suitable for investors who are seeking*</p> <ul style="list-style-type: none">• Long term capital growth.• Investment in portfolio of predominantly equity & equity of companies engaged in Transportation & Logistics a
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*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 modifications may vary post NFO when actual investments are made)

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Mutual Fund

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