

Kotak Infrastructure & Economic Reform Fund

An open ended equity scheme following Infrastructure & Economic Reform theme



Why Infrastructure and Economic Reform Fund?

Kotak Infrastructure & Economic Reforms Fund (Kotak Infra) is a true-to-label infrastructure fund, investing in opportunities arising from the domestic growth of Indian infrastructure creation.

We believe the Indian Infrastructure to be extensive. The last decade has proven to be a decade where the corporate sector has recalibrated and de-leveraged its balance sheets. The outlook for the coming years looks very positive indeed.



Why Kotak Infrastructure Fund?

The Indian infrastructure opportunity is large and has 4 engines



Government spending with Central Budget continues to drive its program on capital expenditure, programs such as **gas distributions, Har Ghar Nal, affordable housing, clean energy, transportation & logistics** are the government program's foundation, aligning with such businesses is expected to be beneficial.



Private sector spending has been very weak for the last decade. In India, the corporate sector has also been saddled with massive de-leveraging. Now India Inc. has one of the best balance sheets, as demand normalizes, we may see hints of Capital Expenditure. We have witnessed Capital Expenditure in sectors like Chemicals, Cement, Pharmaceuticals and Auto Ancillary. The government has focused on incentivizing new Capital Expenditure and on lowering interest rates.



Housing – Affordable housing has moved up quite significantly. Covid19 has brought two fundamental changes – one is the Work From Home concept, which means most households are looking for a slightly more prominent place, and secondly, home improvement has picked up in a big way. Families also need income security, and when economic activity normalizes, we believe households may choose to buy bigger homes.



Public-Private Partnership - There may be growing budget, low-interest rates and a higher savings pool. Corporate India Balance Sheets is in much better shape than the last 4-5 years of de-leveraging. We see an excellent robust revival of infrastructure spending.



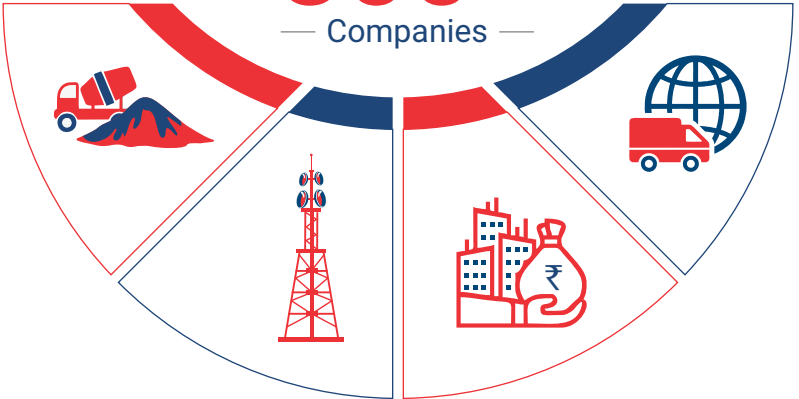
What is Infrastructure Fund?

The Kotak infra universe comprises 300+ companies like cement, capital goods, mining, utilities, telecom, home building, logistics, etc. From these 300+ companies, about 30-40 are selected to create a portfolio. The key themes are

Kotak Infra Comprises

300+

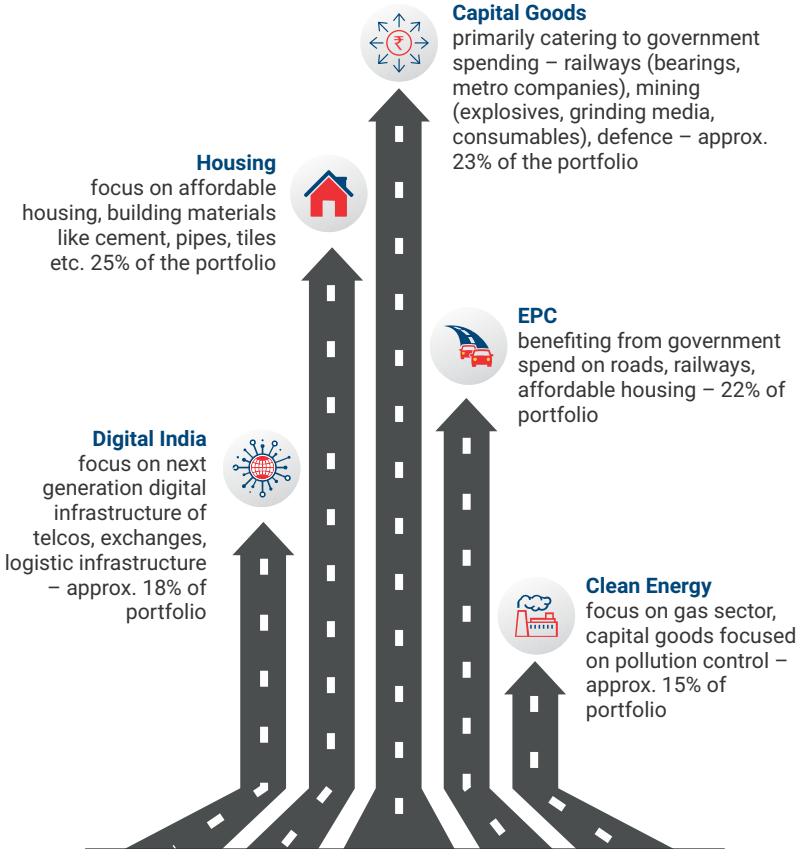
— Companies —



Data as on Feb 26, 2021



Where are we Invested in the Fund?



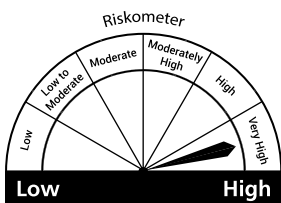
The above positions are as on Feb 26, 2021. This view may change based on evolving information and concurrent analysis. This is a brief gist of Fund Managers view, and a more comprehensive and nuanced position is undertaken.

Disclaimer: It is the prerogative of the fund manager to ascertain whether any security provides investment benefit to the fund and is in keeping with the larger investment goal, strategy and the investment & operational mandate of the fund. As such the fund manager may or may not choose to invest in a particular scrip. The portfolio construction is the purview of the Fund Manager and may change from time to time. This marketing material is only an educational material to understand the behaviour of model under volatile market conditions. This marketing material should in no manner be considered as future strategy of Kotak Infrastructure and Economic Reform Fund. Fund Manager in the interest of the investor and to achieve investment objective can use its discretion to construct the portfolio which could be independent of model.



Fund Facts

Investment Objective	The investment objective of the Scheme is to generate long-term capital appreciation from a diversified portfolio of predominantly equity and equity-related securities of companies involved in economic development of India as a result of potential investments in infrastructure and unfolding economic reforms. However, there is no assurance that the objective of the scheme will be realized.
Type of Scheme	An open ended equity scheme following Infrastructure & Economic Reform theme
Fund Manager	Mr. Harish Krishnan
Allotment date	February 25, 2008
Benchmark	India Infrastructure Index TRI- customised index prepared by IISL
Plans Available	There will be two plans under the scheme namely Regular and Direct Plan Options: Dividend Payout, Dividend Reinvestment & Growth (applicable for all plans)
Minimum Initial Investment	
Initial Investment	Rs.5000 and in multiple of Rs.1 for purchase and for Rs.0.01 for switches
Additional Investment	Rs.1000 & in multiples of Rs.1
Load Structure	
Entry Load	: Nil. (applicable for all plans)
Exit Load	: a) For redemption/switch out of upto 10% of the initial investment amount (limit purchased or switched in within 1 year from the date of allotment: Nil. b) If units redeemed or switched out are in excess of the limit within 1 year from the date of allotment: 1% c) If units are redeemed or switched out on or after 1 year from the date of allotment: NIL



Investors understand that their principal will be at high risk

KOTAK INFRASTRUCTURE & ECONOMIC REFORM FUND (An open ended equity scheme following Infrastructure & Economic Reform theme)

This Product is suitable for investors who are seeking*

1. Long term capital growth
2. Long term capital appreciation by investing in equity and equity related instruments of companies contributing to infrastructure and economic development of India

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

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MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY