

**Notice-cum-addendum to the Statement of Additional Information (SAI) /
Key Information Memorandum (KIM) of the Schemes of
Kotak Mahindra Mutual Fund ("the Fund")**

**Uniform Know Your Customers ("KYC") requirements for the Securities Market with effect from
January 01, 2012.**

Pursuant to SEBI Circular No. MIRSD/ Cir-26/ 2011 dated December 23, 2011, SEBI (KYC Registration Agency) Regulations, 2011 and SEBI Circular No. MIRSD/SE/Cir-21/2011 dated October 5, 2011, regarding uniformity in the Know Your Customer (KYC) process in the securities market and development of a mechanism for centralization of the KYC records to avoid duplication of KYC Process across the intermediaries in the securities market, with effect from January 1, 2012 (the "Effective Date"), the following changes have been made to SAI/KIM of all the Schemes of Kotak Mahindra Mutual Fund.

1. SEBI has introduced a common KYC Application Form for all the SEBI registered intermediaries viz. Mutual Funds, Portfolio Managers, etc. New Investors are therefore requested to use the common KYC Application Form and carry out the KYC process including In-Person Verification (IPV) with mutual funds. The KYC Application Forms are also available on our website mutualfund.kotak.com. The list of documents required to complete the KYC Process is given in the application form.
2. The Mutual Fund shall perform the initial KYC of its new investors and may undertake enhanced KYC measures commensurate with the risk profile of its investors. The Mutual Fund shall upload the details of the investors on the system of the KYC Registration Agency (KRA). KRA shall send a letter to the investor within 10 working days of the receipt of the initial/updated KYC documents from the Mutual Fund, confirming the details thereof. Once the investor has done KYC with a SEBI registered intermediary, the investor need not undergo the same process again with another intermediary including mutual funds.
3. It is mandatory for intermediaries including mutual funds to carry out In-Person Verification (IPV) of its new investors from the Effective Date. The IPV carried out by any SEBI registered intermediary can be relied upon by the Mutual Fund. Kotak Mahindra Asset Management Limited and NISM/AMFI certified distributors who are KYD compliant are authorized to undertake the IPV for Mutual Fund investors. Further, in case of any applications received directly (i.e. without being routed through the distributors) from the investors, the Mutual Fund may rely upon the IPV (on the KYC Application Form) performed by the scheduled commercial banks.
4. Existing KYC compliant investors of the Mutual Fund can continue to invest as per the current practice. This addendum shall form an integral part of the SAI / KIM of Scheme(s) of the Fund as amended from time to time.

Investors are requested to contact any of the Investor Service Centres (ISCs) of the Fund for further details.

**For Kotak Mahindra Asset Management Company Limited
Investment Manager – Kotak Mahindra Mutual Fund**

**Mumbai
January 2, 2012**

**Sd/-
Sandesh Kirkire
Chief Executive Officer**

Any queries / clarifications in this regard may be addressed to:

Kotak Mahindra Asset Management Company Limited

(Investment Manager for Kotak Mahindra Mutual Fund)

6th Floor, Kotak Towers, Building No. 21, Infinity Park, Off: Western Express Highway

Goregaon - Mulund Link Road, Malad (East), Mumbai 400097

Phone Number: 66056825 • Email: mutual@kotak.com

Risk Factors: Mutual Fund and securities investments are subject to market risks and there is no assurance or guarantee that the objective(s) of the Scheme(s) would be achieved. As with any securities investment, the NAV of the Units issued under the Schemes can go up and down depending on the factors and forces affecting the securities markets. Past performance of the Sponsor/AMC/Fund or that of existing schemes of the Fund do not indicate the future performance of the Schemes. **Statutory Details:** Kotak Mahindra Mutual Fund is a Trust (Indian Trust Act, 1882). **Investment Manager:** Kotak Mahindra Asset Management Company Ltd. **Sponsor:** Kotak Mahindra Bank Ltd. (liability Rs. Nil). **Trustee:** Kotak Mahindra Trustee Company Ltd. **Please read the Scheme Information Document (SID) and Statement of Additional Information (SAI) of the schemes carefully before investing. SID & SAI available on mutualfund.kotak.com**