

## SCHEME INFORMATION DOCUMENT (SID)

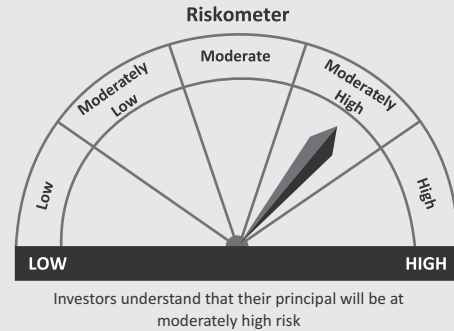
### KOTAK NIFTY ETF

{An Open Ended Equity Scheme}

Continuous Offer of units at applicable NAV

**Kotak Nifty ETF is suitable for investors who are seeking\***

- Long term capital growth
- Investment in stocks comprising the underlying index and endeavors to track the benchmark index



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

#### Scheme reopened on February 8, 2010

Name of Mutual Fund	<b>Kotak Mahindra Mutual Fund</b>
Name of Asset Management Company	<b>Kotak Mahindra Asset Management Company Ltd</b> CIN: U65991MH1994PLC080009
Name of Trustee Company	<b>Kotak Mahindra Trustee Company Ltd</b> CIN: U65990MH1995PLC090279
Registered Address of the Companies	<b>27 BKC, C-27, G Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051</b>
Corporate Office Address of Asset Management Company	<b>2nd Floor, 12-BKC, Plot No. C-12, G-Block, Bandra Kurla Complex, Bandra East, Mumbai - 400 051</b>
Website	<b>assetmanagement.kotak.com</b>

**The particulars of the Scheme have been prepared in accordance with the Securities and Exchange Board of India (Mutual Funds) Regulations 1996, (herein after referred to as SEBI (MF) Regulations) as amended till date, and filed with SEBI, along with a Due Diligence Certificate from the AMC. The units being offered for public subscription have not been approved or recommended by SEBI nor has SEBI certified the accuracy or adequacy of the Scheme Information Document.**

As required, a copy of this Scheme Information Document has been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter NSE/LIST/120679-P dated October 15, 2009 permission to the Mutual Fund to use the Exchange's name in this Scheme Information Documents as one of the stock exchange on which the Mutual Fund's unit are proposed to be listed subject to, the Mutual Fund fulfilling the various criteria for listing. Further, Scheme Information Document has been submitted to Bombay Stock Exchange of India Limited (hereinafter referred to as BSE). BSE has given vide its letter DCS/IPO/NP/MF-IP/703/2013-14 dated February 24, 2014 permission to the Mutual Fund to use the Exchange's name in this Scheme Information Documents as one of the stock exchange on which the Mutual Fund's unit are proposed to be listed subject to, the Mutual Fund fulfilling the various criteria for listing. The Exchange has scrutinized this Scheme Information Document for its limited internal purpose of declining on the matter of granting the aforesaid permission to the Mutual Fund. It is to be distinctly understood that the aforesaid permission given by the NSE and BSE should not in any way be deemed or construed that the Scheme Information Document has been cleared or approved by NSE and BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the content of this Scheme Information Document; nor does it warranty the Mutual Fund's units will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of the Mutual Fund, its sponsors, its management or any scheme of the Mutual Fund. Every person who desires to apply for or otherwise acquire any units of the Mutual Funds may do so pursuant to independent inquiry, investigation and the analysis and shall not have any claim against the Exchange whatsoever by the reason of any loss which may be suffered by such person consequent to or in connection with such subscription / acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

The Scheme Information Document sets forth concisely the information about the scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual Fund / Investor Service Centres/Website/Distributors or Brokers.

**The investors are advised to refer to the Statement of Additional Information (SAI) for details of Kotak Mahindra Mutual Fund, Tax and Legal issues and general information on [assetmanagement.kotak.com](http://assetmanagement.kotak.com).**

**SAI is incorporated by reference (is legally a part of the Scheme Information Document). For a free copy of the current SAI, please contact your nearest Investor Service Centre or log on to our website.**

**The Scheme Information Document should be read in conjunction with the SAI and not in isolation.**

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Pursuant to provisions of Rajiv Gandhi Equity Savings Scheme, 2012 (RGESS) notified by the Ministry of Finance, Government of India, vide notification no. 51/2012 [F.No. 142/35/2012-TPL] dated November 23, 2012, SEBI circular no CIR/MRD/DP/32/2012 dated December 6, 2012 and Mutual Fund notice dated January 11, 2013 Kotak Nifty ETF is an eligible scheme under Rajiv Gandhi Equity Savings Scheme, 2012 (RGESS)

### **ABOUT RAJIV GANDHI EQUITY SAVINGS SCHEME (RGESS)**

The Finance Act 2012 introduced a new section 80CCG on 'Deduction in respect of investment made under equity savings scheme' as notified by the Central Government to give tax benefits to 'New Retail Investors' who invest up to Rs. 50,000 and whose gross total annual income is less than or equal to Rs. 12 lakhs (w.e.f. from April 1, 2014 prior to that total income shall not exceed Rs. 10 lacs). Accordingly, the Ministry of Finance approved a new tax savings scheme called as Rajiv Gandhi Equity Savings Scheme, 2012 (RGESS) vide Notification no. 51/2012 F. No. 142/35/2012-TPL dated November 23, 2012.

Consequently, SEBI issued a Circular no. CIR/MRD/DP/32/2012 dated December 06, 2012 directed inter-alia Mutual Funds to take a note of RGESS notification and take necessary steps to implement the RGESS.

Salient features of the RGESS are as under:

1. RGESS is open to New Retail Investors, identified on the basis of their PAN. This includes those who have opened the Demat Account but have not made any transaction in equity and /or in derivatives till the date of notification of RGESS and all those account holders other than the first account holder who wish to open a fresh account.
2. The Depository shall certify the New Retail Investor status of the investor at the time of designating his demat account as demat account for the purpose of the Scheme.
3. The maximum Investment permissible for claiming deduction under RGESS is Rs. 50,000 and the investor would get a 50% deduction of the amount invested from the taxable income for that year.
4. Amongst the universe of Eligible Securities that a New Retail Investors need to invest, the Units of Exchange Traded Funds (ETFs) or Mutual Fund (MF) that have RGESS Eligible Securities as their underlying and are listed and traded in the stock exchanges and settled through a depository mechanism have also been brought under RGESS.
5. To benefit the investors, the investments are allowed to be made in installments in the year in which tax claims are made.
6. The Eligible Securities brought into the demat account, as declared or designated by the New Retail Investor, will automatically be subject to lock-in during its first year unless the New Retail Investor submits a declaration (within one month from the date of transaction) in the prescribed format to the Depository Participant indicating that such securities are not to be included within the above limit of investment for claiming tax deduction.
7. The total lock-in period for investments under the RGESS would be three years including an initial blanket lock-in period of one year, commencing from the date of last purchase of securities under RGESS.
8. After the first year, investors would be allowed to trade in the securities. Investors would, however, be required to maintain their level of investment during the next two years at the amount

for which they have claimed income tax benefit or at the value of the portfolio before initiating a sale transaction, whichever is less, for at least 270 days in a year.

9. The calculation of 270 days includes those days pursuant to the day on which the market value of the residual shares / Units has automatically touched the stipulated value after the date of debit.
10. The general principle under which trading is allowed is that whatever is the value of stocks / Units sold by the investor from the RGESS portfolio, RGESS compliant securities of at least the same value are credited back into the account subsequently. However, the investor is allowed to take benefits of the appreciation of his RGESS portfolio, provided its value, as on the previous day of trading, remains above the investment for which they have claimed income tax benefit.
11. The Depository Participant shall furnish an annual statement of the Eligible Securities invested in or traded through the demat account to the investor (demat account holder).
12. In case the investor fails to meet the conditions stipulated under RGESS and the provisions laid under Section 80CCG of the Income-tax Act, 1961, the tax benefit will be withdrawn.

For complete details, investors are requested to read section 80CCG of the Income-tax Act, 1961 and the notification on Rajiv Gandhi Equity Savings Scheme, 2012 issued by Ministry of Finance.

## 1. HIGHLIGHTS/SUMMARY OF THE SCHEME

<b>Name of Scheme</b>	Kotak Nifty ETF
<b>Type of Scheme</b>	An open ended Exchange Traded Fund
<b>Investment Objective</b>	<p>The investment objective of the scheme is to provide returns before expenses that closely correspond to the total returns of the Nifty 50 subject to tracking errors.</p> <p>However, there is no assurance or guarantee that the investment objective of the scheme will be achieved.</p>
<b>Liquidity</b>	<p>All investors including Authorised Participant(s), Large Investors and other investors may sell their units in the stock exchange(s) on which these units are listed on all the trading days of the stock exchange.</p> <p>Mutual fund will repurchase units from Authorised Participant(s) and Large Investors on any business day provided the value of units offered for repurchase is not less than creation unit size. The redemption consideration shall normally be the basket of securities represented by CNX Nifty in the same weightage as in the Index and cash component.</p>
<b>Benchmark</b>	Nifty 50
<b>NAV Information</b>	<p>Units of Kotak Nifty ETF are listed on NSE and BSE and all purchase and sale of units by investors other than Authorised Participants and Large Investors can be done on the stock exchange. The NAV has a reference value for investors and will be useful for Authorised Participants for offering quotes on the Stock Exchange.</p> <p>The Mutual Fund shall update the Net asset value of the scheme on every Business day on AMFI's website <a href="http://www.amfiindia.com">www.amfiindia.com</a> by 9.00 p.m.</p> <p>The NAVs shall also be updated on the website of the Mutual Fund <a href="http://assetmanagement.kotak.com">assetmanagement.kotak.com</a> and will be published in two newspapers having nationwide circulation on every business day.</p> <p>The AMC may also calculate intra-day indicative NAV (computed based on snapshot prices received from NSE) and will be updated during the market hours on its website <a href="http://assetmanagement.kotak.com">assetmanagement.kotak.com</a>. Intra-day indicative NAV will not have any bearing on the creation or redemption of units directly with the Fund by the AP/LI.</p> <p>Delay in uploading of NAV beyond 9.00 p.m. on every business day shall be explained in writing to AMFI. In case the NAVs are not available before the commencement of business hours on the following business day due to any reason, a press release for revised NAV shall be issued.</p> <p>The monthly portfolio of the Scheme shall be available in a user-friendly and downloadable format on the website viz. <a href="http://assetmanagement.kotak.com">assetmanagement.kotak.com</a>. on or before the tenth day of succeeding month.</p>
<b>Loads</b>	<p><b>Entry Load: NIL</b></p> <p>In terms of SEBI Circular No. SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009, no entry load will be charged on purchase / additional purchase / switch-in. The upfront commission, if any, on investment made by the</p>

	<p>investor shall be paid by the investor directly to the Distributor, based on his assessment of various factors including the service rendered by the Distributor.</p> <p><b>Exit Load:</b> Nil</p> <p>Units issued on reinvestment of dividends shall not be subject to entry and exit load.</p> <p>Any exit load charged (net off Service Tax, if any) shall be credited back to the Scheme.</p>
<b>Sale of Units by Mutual Fund</b>	<p>Ongoing basis:</p> <ul style="list-style-type: none"> <li>• Ongoing purchases directly from the Mutual Fund would be restricted to Authorized Participants provided the value of units to be purchased is in creation unit size. Authorised Participants may buy the units on any business day of the scheme directly from the Mutual Fund at applicable NAV, and transaction charges by depositing basket of securities comprising Nifty 50.</li> <li>• The units are listed on NSE and BSE to provide liquidity through secondary market. It may also list on any other exchanges subsequently. All categories of Investors may purchase the units through secondary market on any trading day.</li> <li>• The AMC will appoint Authorised Participant(s) to provide liquidity in secondary market on an ongoing basis. The Authorised Participant(s) would offer daily two-way quote in the market.</li> </ul>
<b>Face Value of Units</b>	<p>The face value of each unit will be Rs. 10 per unit. On allotment, value of each unit will be approximately equal to 1/10<sup>th</sup> of the value of CNX Nifty.</p>
<b>Creation unit size</b>	<p>Creation Unit is fixed number of units of the Scheme, which is exchanged for a basket of securities underlying the index called the Portfolio Deposit and a Cash Component equal to the value of 5,000 units of the Scheme.</p> <p>For redemption of units it is vice versa i.e. fixed number of units of Scheme are exchanged for Portfolio Deposit and Cash Component. The Portfolio Deposit and Cash Component will change from time to time.</p> <p>The creation unit size may be changed by the AMC at their discretion and the notice of the same shall be published on AMC's website.</p>
<b>Transaction handling charges</b>	<p>Transaction handling charges include brokerage, depository participant charges, uploading charges and such other charges that the mutual fund may have to incur in the course of accepting the portfolio deposit or for giving a portfolio of securities as consideration for a redemption request. Such transaction handling charges shall be recoverable from the transacting authorised participant or large investor.</p>
<b>Cost of trading on the stock exchange</b>	<p>Investor will have to bear the cost of brokerage and other applicable statutory levies for eg, Securities Transaction Tax, etc when the units are bought or sold on the stock exchange.</p>

## 2. INTRODUCTION

### A. Risk Factors

#### Standard Risk Factors:

- Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal.
- As the price / value / interest rates of the securities in which the scheme invests fluctuates, the value of your investment in the scheme may go up or down. The value of investments may be affected, inter-alia, by changes in the market, interest rates, changes in credit rating, trading volumes, settlement periods and transfer procedures; the NAV is also exposed to Price/Interest-Rate Risk and Credit Risk and may be affected inter-alia, by government policy, volatility and liquidity in the money markets and pressure on the exchange rate of the rupee
- Past performance of the Sponsor/AMC/Mutual Fund does not guarantee future performance of the scheme.
- Kotak Nifty ETF is name of the scheme does not in any manner indicate either the quality of the scheme or its future prospects and returns.
- The sponsor is not responsible or liable for any loss resulting from the operation of the scheme beyond the initial contribution of Rs.250,000 made by it towards setting up the Fund.
- The present scheme is not a guaranteed or assured return scheme.

#### Scheme Specific Risk Factors

The Scheme is subject to the principal risks described below. Some or all of these risks may adversely affect Scheme's NAV, trading price, yield, total return and/or its ability to meet its objectives.

- The NAV of the units is closely related to the value of stocks that form a part of the benchmark index. The value of this will react to stock market movements and may result in changes in the NAV of units under the scheme. There could also be movements in the scheme's NAV due to changes in interest rates, macro economic and political developments and over longer periods during market downturns
- Liquidity Risk: Trading in Kotak Nifty ETF may be halted due to market conditions or for reasons that in the view of the Exchange Authorities or SEBI, trading in Kotak Nifty ETF is not advisable. There could also be trading halts caused by extraordinary market volatility and pursuant to NSE/BSE and SEBI circuit filter rules. There can be no assurance that the requirements of the exchange necessary to maintain the listing of the Kotak Nifty ETF will continue to be met or will remain unchanged.
- Regulatory Risk: Any changes in trading regulations by the stock exchange (s) or SEBI may affect the ability of Authorised Participant to arbitrage resulting into wider premium/ discount to NAV.
- Market Risk: The market in general could under perform returns from the securities or other asset classes.
- The Scheme is a passively managed scheme and provides exposure to the benchmark and tracks its performance and yield as closely as possible to the bench mark index. The Schemes performance may be affected by a general price decline in the stock markets. The Scheme invests in the stocks comprising the index regardless of their investment merit. The Mutual Fund does not attempt to take defensive positions in declining markets.
- ETF being a passive investment tool does not carry risk of active fund management. An ETF will perform well when the index it tracks is making gains, but it may not perform well when that index is falling. An actively managed mutual fund manager, on the other hand, can tailor portfolio holdings which is beyond the mandate of an ETF.
- In the event of the scheme investing in more than 10% of the paid up capital of any company who's shares are included in the Nifty 50, the scheme attracts the provisions of SEBI Takeover Regulations and therefore may not be able to accept further subscriptions.



- The performance of the Nifty 50 will have a direct bearing on the performance of the scheme. Hence any composition change made by the index service provider in terms of weightage or stocks selection will have an impact on the scheme.
- Though Kotak Nifty ETF is listed on the stock exchange, there is no assurance that an active secondary market will develop or be maintained. For a retail investor in less than basket size, exchange quotes may not always be available.
- Since ETFs are passively managed, the risk associated with a particular ETF corresponds closely to the risk of the asset subclass the fund is tracking.
- Tracking error may have an impact on the performance of the scheme. However KMAMC will endeavour to keep the tracking error as low as possible.
- Investors may note that even though this is an open-ended scheme, they will have to buy or sell units of the scheme on the stock exchanges where these units are listed for liquidity at the market price, subject to the rules and regulations of the exchange. Buying and selling units on stock exchange requires the investor to engage the services of a broker and are subject to payment of margins as required by the stock exchange/broker, payment of brokerage, securities transactions tax and such other costs.
- The market price of ETF units, like any other listed security, is largely dependent on two factors, viz., (1) the intrinsic value of the unit (or NAV), and (2) demand and supply of units in the market. Sizeable demand or supply of the units in Exchange may lead to market price of the units to quote at premium or discount to NAV. However since the eligible investors can transact with the AMC for units beyond the creation unit size there should not be a significant variance from the NAV. Hence the price of ETF is less likely to hold significant variance (large premium or discount) from the latest declared NAV all the time.
- Capital Gains Impact: Investors who trade in Kotak Nifty ETF may be subject to Long Term Capital Gains or Short Term Capital Gains. Investors are requested to consult their tax / legal consultants before investing in the scheme.
- The units will be issued only in demat form through depositories. The records of the depository are final with respect to the number of units available to the credit of unit holder. Settlement of trades, repurchase of units by the mutual fund depends up on the confirmations to be received from depository (ies) on which the mutual fund has no control.

### **Risks associated with investments in Derivative Instruments**

As and when the Scheme trades in derivative market, there are risk factors and issues concerning the use of derivatives that the investors should understand.

Derivative products are specialized instrument that require investment technique and risk analysis different from those associated with stocks. The use of derivative requires an understanding not only of the underlying instrument but also of the derivative itself. Derivative requires the maintenance of adequate controls to monitor the transactions entered into, the ability to assess the risk that a derivative adds to the portfolio and the ability to forecast price. There is a possibility that loss may be sustained by the portfolio as a result of the failure of another party (usually referred as the “Counter party”) to comply with the terms of the derivative contract. Other risks in using derivative include the risk of mispricing or improper valuation of derivative and the inability of derivative to correlate perfectly with underlying assets, rates and indices. Thus, derivatives are highly leveraged instruments. The risk of loss associated with futures contracts is potentially unlimited due to the low margin deposits required and the extremely high degree of leverage involved in futures pricing. As a result, a relatively small price movement in a futures contract may result in an immediate and substantial loss or gain. There may be a cost attached to selling or buying futures or other derivative instrument. Further there could be an element of settlement risk, which could be different from the risk in settling underlying securities. The possible lack of a liquid secondary market for a futures contract or listed option may result in inability to close futures or listed option positions prior to their maturity date.

Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of such strategies depends upon the ability of the Fund Manager to identify such opportunities. Identification and execution of the strategies to be pursued by the Fund Manager involve uncertainty and decision of the Fund Manager may not always be profitable. No assurance can be given that the Fund Manager will be able to identify or execute such strategies.

The risk associated with the use of derivatives are different from or possibility greater than the risks associated with investing directly in securities and other traditional investments.

### **Risks associated with Capital Markets or Equity Markets (i.e. Markets in which Equity Shares or Equity oriented instruments are issued and traded)**

- **Price fluctuations and Volatility:**

Mutual Funds, like securities investments, are subject to market and other risks and there can be neither a guarantee against loss resulting from an investment in the Scheme nor any assurance that the objective of the Scheme will be achieved. The NAV of the Units issued under the Scheme can go up or down because of various factors that affect the capital market in general, such as, but not limited to, changes in interest rates, government policy and volatility in the capital markets. Pressure on the exchange rate of the Rupee may also affect security prices.

- **Concentration / Sector Risk:**

When a Mutual Fund Scheme, by mandate, restricts its investments only to a particular sector; there arises a risk called concentration risk. If the sector, for any reason, fails to perform, the portfolio value will plummet and the Investment Manager will not be able to diversify the investment in any other sector. Investments under this scheme will be in a portfolio of diversified equity or equity related stocks spanning across a few selected sectors. Hence the concentration risks could be high.

- **Liquidity Risks:**

Liquidity in Equity investments may be affected by trading volumes, settlement periods and transfer procedures. These factors may also affect the Scheme's ability to make intended purchases/sales, cause potential losses to the Scheme and result in the Scheme missing certain investment opportunities. These factors can also affect the time taken by KMMF for redemption of Units, which could be significant in the event of receipt of a very large number of redemption requests or very large value redemption requests. In view of this, redemption may be limited or suspended after approval from the Boards of Directors of the AMC and the Trustee, under certain circumstances as described in the Statement of Additional Information.

### **Risks associated with Debt / Money Markets (i.e. Markets in which Interest bearing Securities or Discounted Instruments are traded)**

Kotak Nifty ETF invests not less than 90% its corpus in the securities representing Nifty 50 index. As this scheme endeavors to earn returns that closely correspond to the total returns represented by Nifty 50 index. The scheme will have insignificant cash or debt/ market investments. Therefore, the scheme is not significantly susceptible to risks associated with debt/money markets.

#### **B. Requirement of Minimum Investors in the Scheme**

The requirement of minimum number of investors in the scheme is not applicable to Kotak Nifty ETF.

### C. Special Considerations

- Prospective investors should review/study SAI along with SID carefully and in its entirety and shall not construe the contents hereof or regard the summaries contained herein as advice relating to legal, taxation, or financial/investment matters and are advised to consult their own professional advisor(s) as to the legal or any other requirements or restrictions relating to the subscriptions, gifting, acquisition, holding, disposal (sale, transfer, switch or redemption or conversion into money) of units and to the treatment of income (if any), capitalization, capital gains, any distribution, and other tax consequences relevant to their subscription, acquisition, holding, capitalization, disposal (sale, transfer, switch or redemption or conversion into money) of units within their jurisdiction/nationality, residence, domicile etc. or under the laws of any jurisdiction to which they or any managed Funds to be used to purchase/gift units are subject, and also to determine possible legal, tax, financial or other consequences of subscribing/gifting to, purchasing or holding units before making an application for units.
- Neither this SID and SAI, nor the units have been registered in any jurisdiction. The distribution of this SID in certain jurisdictions may be restricted or subject to registration and accordingly, any person who gets possession of this SID is required to inform themselves about, and to observe, any such restrictions. It is the responsibility of any persons in possession of this SID and any persons wishing to apply for units pursuant to this SID to inform themselves of and to observe, all applicable laws and Regulations of such relevant jurisdiction. Any changes in SEBI/NSE/BSE/RBI regulations and other applicable laws/regulations could have an effect on such investments and valuation thereof.
- Kotak Mahindra Mutual Fund/AMC has not authorised any person to give any information or make any representations, either oral or written, not stated in this SID in connection with issue of units under the Schemes. Prospective investors are advised not to rely upon any information or representations not incorporated in the SAI and SID as the same have not been authorised by the Fund or the AMC. Any purchase or redemption made by any person on the basis of statements or representations which are not contained in this SID or which are not consistent with the information contained herein shall be solely at the risk of the investor. The investor is requested to check the credentials of the individual, firm or other entity he/she is entrusting his/her application form and payment to, for any transaction with the Fund. The Fund shall not be responsible for any acts done by the intermediaries representing or purportedly representing such investor.
- If the units are held by any person in breach of the Regulations, law or requirements of any governmental, statutory authority including, without limitation, Exchange Control Regulations, the Fund may mandatorily redeem all the units of any Unit holder where the units are held by a Unit holder in breach of the same. The Trustee may further mandatorily redeem units of any Unit holder in the event it is found that the Unit holder has submitted information either in the application or otherwise that is false, misleading or incomplete.
- If a Unit holder makes a redemption request immediately after purchase of units, the Fund shall have a right to withhold the redemption request till sufficient time has elapsed to ensure that the amount remitted by the Unit holder (for purchase of units) is realized and the proceeds have been credited to the Scheme's Account. However, this is only applicable if the value of redemption is such that some or all of the freshly purchased units may have to be redeemed to effect the full redemption.
- In terms of the Prevention of Money Laundering Act, 2002 ("PMLA") the rules issued there under and the guidelines/circulars issued by SEBI regarding the Anti Money Laundering (AML) Laws, all intermediaries, including mutual funds, are required to formulate and implement a client identification programme, and to verify and maintain the record of identity and address(es) of investors.

- If after due diligence, the AMC believes that any transaction is suspicious in nature as regards money laundering, the AMC shall report any such suspicious transactions to competent authorities under PMLA and rules/guidelines issued thereunder by SEBI and/or RBI, furnish any such information in connection therewith to such authorities and take any other actions as may be required for the purposes of fulfilling its obligations under PMLA and rules/guidelines issued thereunder by SEBI and/or RBI without obtaining the prior approval of the investor/Unit holder/any other person.

**As per the RGESS guidelines, the Depositories will be required to certify the 'New Retail Investor' status of the investors at the time of designating his/her demat account as demat account for the purpose of RGESS. The Depositories will be also required to ensure the enforcement of the lock-in on Units under the Scheme**

### **1. Requirement of Demat account for investing in the scheme**

The applicant under the Scheme will be required to have a beneficiary account with a Depository Participant of NSDL/CDSL and will be required to indicate in the application the Depository Participants (DP's) name, DP ID Number and the beneficiary account number of the applicant.

### **2. Procedure for Purchase/Redemption of Units directly from the Fund:**

Only Authorised Participants can purchase or redeem unit directly from the Fund as per the procedure given below:

#### **a. Creation/Redemption of units in Creation Unit Size by Exchanging Portfolio Deposit**

The Fund creates / redeems the scheme units in large size known as "Creation Unit". The value of the "Creation Unit" is 5000 units of the Scheme or in multiple thereof called as the "Portfolio Deposit" and a "Cash Component" which will be exchanged for corresponding number of units. The Portfolio Deposit and Cash Component may change from time to time and will be announced by Fund on its website. Portfolio deposit shall be made into a pre-designated depository account.

#### **b. Procedure for Creating Scheme's units in Creation Unit Size**

AP may deposit requisite basket of securities comprising Nifty 50 constituting the Portfolio Deposit and Cash component. The requisite securities constituting the Portfolio Deposit have to be transferred to the designated depository account of the scheme while the Cash Component has to be paid to the AMC by way of a cheque or pay order or demand draft. The AMC will have the corresponding number of units credited to the depository account of the AP.

The Portfolio Deposit and Cash Component for the Scheme may change from time to time due to change in NAV.

#### **c. Procedure for Redeeming Scheme's units in Creation Unit Size**

AP may submit Redemption request transaction form prescribed by the AMC enclosed with redemption request slip used in the depository system duly acknowledged by the depository participant with which AP has a depository account.

The Portfolio Deposit and Cash Component for the Scheme may change from time to time due to change in NAV.

**d. Redemption method:**

- Unitholder (large investor or authorized participant) may submit to any of the offices of AMC Redemption request Form enclosed with a copy of redemption request duly acknowledged by the depository participant.
- The depository participant will process the request and forward the same to Registrar to the Scheme in the normal course.
- The time taken for confirmation of repurchase of units is dependent upon the timelines and procedures of depositories.
- Redemption proceeds in the form of Portfolio of securities will be transferred to the demat account of the unit holder within three days of confirmation with the depository records.

**e. Buying /Selling through the Stock Exchange**

Buying / Selling units on the stock exchange is just like buying / selling any other normal listed securities. If an investor has bought units, an investor has to pay the purchase amount to the broker / sub-broker such that the amount paid is realised before the funds pay-in day of the settlement cycle on the exchange. If an investor has sold units, an investor has to deliver the units to the broker/sub-broker before the securities pay-in day of the settlement cycle on the exchange. The units (in case of units bought) and the funds (in the case of units sold) are paid out to the broker on the payout day of the settlement cycle on the exchange. The trading member would pay the money or deliver the units to the investor in accordance with time prescribed by the stock exchange regulations.

If an investor has bought units, he should give standing instructions for 'Delivery-In' to his/her DP for accepting units in his/her beneficiary account. An investor should give the details of his/her beneficiary account and the DP-ID of his/her DP to his/her trading member. The trading member will transfer the units directly to his/her beneficiary account on receipt of the same from exchange's clearing corporation.

An investor who has sold units should instruct his/her Depository Participant (DP) to give 'Delivery Out' instructions to transfer the units from his/her trading member through whom he/she have sold the units. The details of the pool A/c of his/her trading member to which the units are to be transferred, unit quantity etc. should be mentioned in the delivery out instructions given by him/her to the DP. The instructions should be given well before the prescribed securities pay-in day. SEBI has advised that the delivery out instructions should be given atleast 24 hours prior to the cut off time for the prescribed securities pay in to avoid any rejection of instructions due to data entry errors, network problems, etc.

IISL do not guarantee the accuracy and/or the completeness of the Nifty 50 Index or any data included therein and they shall have no liability for any errors, omissions, or interruptions therein. IISL makes any warranty, express or implied, as to results to be obtained by Kotak Mahindra Asset Management Company Limited owners of the Kotak Nifty ETF, or any other person or entity from the use of the Nifty 50 Index or any data included therein. IISL make no express or implied warranties, and expressly disclaim all warranties of merchantability or fitness for a particular purpose or use with respect to the Nifty 50 Index or any data included therein. Without limiting any of the foregoing, IISL and S&P expressly disclaim any and all liability for any damages or losses arising out of or related to the Kotak Nifty ETF, including any and all direct, special, punitive, indirect, or consequential damages (including lost profits), even if notified of the possibility of such damages.

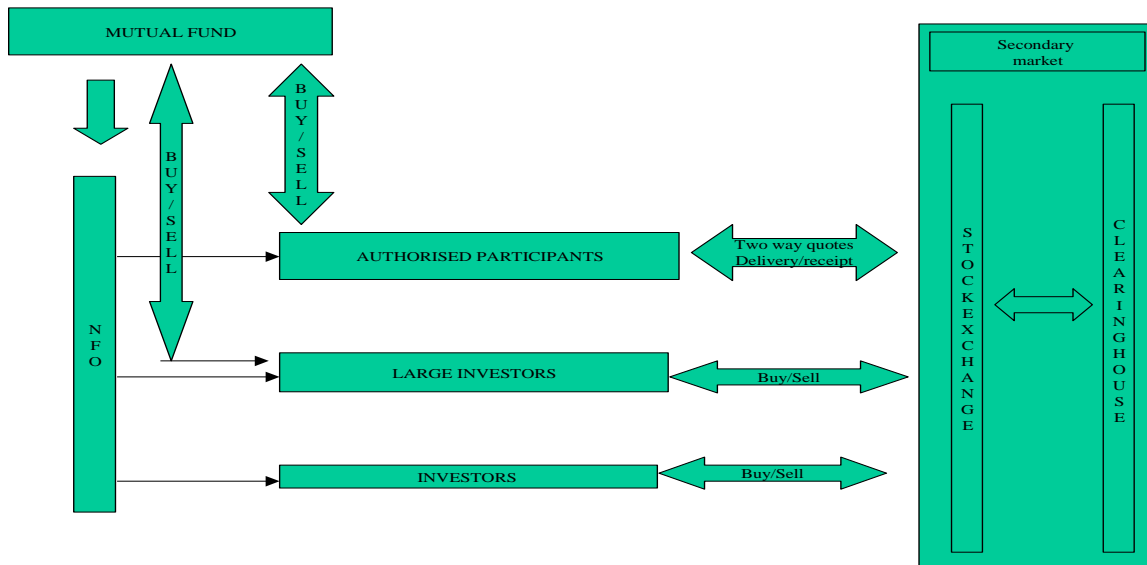
The above procedure relating to purchase and sale of units by different types of investors/participants in the scheme is tabulated for easy reference

Type of investor and transaction details	Sale of units by Mutual Fund	Redemption of units by unit holders
<b>During Continuous offer</b>  Authorized Participants  Large Investor  Other investors	Any business day in creation unit* size at applicable NAV and transaction handling charges.  Any business day in creation unit* size at applicable NAV and transaction handling charges.  Only through stock exchange	Any business day in creation unit* size  Any business day in creation unit* size  Only through stock exchange
<b>Allotment Price during NFO</b>	Once the Scheme reopens, issue and redemption of units will be limited to applicable NAV.	
<b>Role of Authorised participants</b>	Gives two way quotes in the secondary market. Stands as a seller for a buy order.	Gives two-way quotes in the secondary market. Stands as a buyer against a sell order.
<b>Role of large investor</b>	Only an investor – no other role in the scheme operations.	

**\* Creation unit**

Each creation unit consists of 5,000 units of Kotak Nifty ETF.

Each unit of Kotak Nifty ETF will be approximately equal to 1/10<sup>th</sup> of the value of the Nifty 50.



**Example for Calculation of the allotment price and the units receivable by the investor on allotment**

<b>Security</b>	<b>Quantity as on June 19, 2017</b>	<b>Price as on June 19, 2017</b>	<b>Value as on June 19, 2017</b>	<b>Weight</b>
Aurobindo Pharma Ltd.	37	655.40	24249.8	0.51
ACC Ltd.	11	1641.60	18057.6	0.38
Asian Paints Ltd.	59	1154.15	68094.85	1.43
Bharti Infratel Ltd.	93	376.55	35019.15	0.73
Bharti Airtel Ltd.	176	367.50	64680	1.33
Bajaj Auto Ltd.	18	2827.75	50899.5	1.06
Bank Of Baroda	126	168.05	21174.3	0.44
Bharat Petroleum Corporation Ltd.	69	667.15	46033.35	0.96
Cipla Ltd.	67	539.75	36163.25	0.75
Coal India Ltd.	174	253.95	44187.3	0.91
Dr Reddys Laboratories Ltd	16	2657.45	42519.2	0.88
Eicher Motors Ltd	2	28445.20	56890.4	1.04
GAIL (India) Ltd.	86	380.65	32735.9	0.67
Ambuja Cements Ltd	98	237.80	23304.4	0.48
HCL Technologies Ltd.	76	842.50	64030	1.32
HDFC Bank Ltd.	270	1692.90	457083	9.44
HDFC Ltd.	212	1654.20	350690.4	7.23
Hero MotoCorp Ltd.	17	3825.45	65032.65	1.37
Hindalco Industries Ltd	194	200.85	38964.9	0.81
Hindustan Unilever Ltd.	95	1095.65	104086.8	2.15
Indiabulls Housing Finance Ltd.	43	1129.45	48566.35	1.00
ICICI Bank Ltd.	776	320.60	248785.6	5.14
IndusInd Bank Ltd.	67	1511.35	101260.5	2.09
Infosys Ltd.	266	929.85	247340.1	5.11
Indian Oil Corporation Ltd	136	407.20	55379.2	1.14
ITC Ltd.	1133	310.90	352249.7	7.27
Kotak Mahindra Bank Ltd.	162	987.55	159983.1	3.30
Larsen And Toubro Ltd.	109	1755.80	191382.2	3.97
Lupin Ltd.	32	1131.70	36214.4	0.75
Mahindra & Mahindra Ltd.	62	1388.25	86071.5	1.78
Maruti Suzuki India Limited	18	7249.25	130486.5	2.65
Bosch Limited	1	25056.35	25056.35	0.63
Adani Port and Special Economic Zone Limited	108	373.80	40370.4	0.83
National Thermal Power Corporation Limited	330	160.95	53113.5	1.10
Oil & Natural Gas Corporation Ltd.	376	166.05	62434.8	1.29
Power Grid Corporation Of India Ltd	293	212.40	62233.2	1.28
Reliance Industries Ltd.	221	1409.25	311444.3	6.43

State Bank Of India	422	288.85	121894.7	2.51
Vedanta Ltd.	248	241.90	59991.2	1.24
Sun Pharmaceuticals Industries Ltd.	147	524.85	77152.95	1.59
Tech Mahindra Ltd.	83	389.45	32324.35	0.67
Tata Consultancy Services Ltd.	71	2431.70	172650.7	3.56
Tata Motors Ltd.	250	452.35	113087.5	2.34
Tata Steel Limited.	89	519.55	46239.95	0.96
Tata Motors Ltd - DVR	68	282.80	19230.4	0.40
Tata Power Co. Ltd.	241	78.05	18810.05	0.39
Ultratech Cement Ltd.	14	4097.55	57365.7	1.18
Axis Bank Ltd	227	520.15	118074.1	2.43
Wipro Ltd.	169	254.55	43018.95	0.89
Yes Bank Ltd	49	1430.95	70116.55	1.44
Zee Entertainment Enterprises Ltd	73	509.10	37164.3	0.77

Amount collected (Rupees)	A	1,000,000,000.00
Cost per unit (Allotment Price)	B	514.2200
Actual Inv in stocks say	C	992,434,757.00
Balance cash for expenses say	D = (A-C)	75,65,243.00
Units allotted say	E = (A/B)	1,944,692.9330
NAV	F = (A/E)	514.2200
Portfolio Value	G = C/E	510.3298
Cash Component	H = F-G	3.8902

The number of units cannot be fractional and will be rounded off to the earlier decimal but this will be done investor wise and not just at the scheme level.

Suppose an investor invests (in Rupees)	A	20,000.00
Cost per unit (Allotment Price)	B	514.2200
Units allotted rounded off	C = A/B	38.00
Value of units allotted	D = B*C	19540.36
Balance fractional units refunded to investor (Rs)	E = A-D	459.64

#### D. Definitions

In this SID, the following words and expressions shall have the meaning specified below, unless the context otherwise requires:

<b>Applicable NAV</b>	Unless stated otherwise in this document, 'Applicable NAV' is the Net Asset Value at the close of a Working/Business Day as of which the purchase or redemption is sought by an investor and determined by the Fund.
<b>Asset Management Company or AMC or Investment Manager or KMAMC</b>	Kotak Mahindra Asset Management Company Limited, the Asset Management Company incorporated under the Companies Act, 1956, and authorised by SEBI to act as Investment Manager to the Schemes of Kotak Mahindra Mutual Fund.
<b>Authorised Participant</b>	Member of the Stock Exchanges having trading terminals on which the units of the scheme are listed and appointed by the AMC to give two way quotes on the stock exchanges and who deal in creation unit size for the



	purpose of purchase and sale of units directly from the AMC
<b>Business day</b>	<p>A day other than:</p> <p>(i) Saturday and Sunday</p> <p>(ii) A day on which banks in Mumbai including the Reserve Bank of India are closed for business or clearing</p> <p>(iii) A day on which the National Stock Exchange or Bombay Stock Exchange is closed</p> <p>(iv) A day on which NSDL and/or CDSL is closed for the purpose of transfer of securities between depository (demat) accounts.</p> <p>(v) A day on which Purchase and Redemption of units is suspended by the AMC</p> <p>Additionally, the day when banks in any location where the AMC's Investor service centers are located, are closed due to local holiday, such days will be treated as non-business days at such centers for the purpose of accepting subscriptions.</p> <p>However if the Investor service center in such local holidays, only redemption and switch request will be accepted at those centers provided it is a business day for the scheme.</p> <p>The AMC reserves the right to change the definition of Business Day.</p> <p>The AMC reserves the right to declare any day as a Business Day or otherwise at any or all Investor Service Centres.</p>
<b>Cash Component</b>	Cash component represents the difference between the applicable net asset value of a creation unit and the market value of the Portfolio deposit.
<b>Custodian</b>	Standard Chartered Bank and Deutsche Bank, acting as Custodians to the Scheme, or any other Custodian appointed by the Trustee.
<b>Creation Unit</b>	<p>Creation Unit is fixed number of units of the Scheme, which is exchanged for a basket of securities underlying the index called the Portfolio Deposit and a Cash Component equal to the value of 5,000 units of the Scheme or cash equal to the value of 5,000 units of the scheme.</p> <p>For redemption of units it is vice versa i.e. fixed number of units of Scheme are exchanged for Portfolio Deposit and Cash Component or cash equal to the value of 5,000 units of the scheme.</p> <p>The Portfolio Deposit and Cash Component will change from time</p> <p>Each creation unit consists of 5,000 units of Kotak Nifty ETF. Each unit of Kotak Nifty ETF will be approximately equal to 1/10<sup>th</sup> of the value of the Nifty 50.</p> <p>The creation unit size may be changed by the AMC at their discretion and the notice of the same shall be published on AMC's internet site.</p>
<b>Creation date</b>	Creation date is the date on which units are allotted against a creation unit transaction.

<b>Depository</b>	A depository as defined in the Depositories Act, 1996 (22 of 1996) and includes National Securities Depository Ltd (NSDL) and Central Depository Services Ltd (CDSL).
<b>Exit Load</b>	The charge that is paid by a Unitholder when he redeems Units from the Scheme.
<b>Exchange Traded Funds (ETF)</b>	Exchange Traded Funds are passively managed funds tracking a benchmark index and reflect the performance of that index. They have the flexibility of trading on stock exchanges like a share and offer the best features of open and close end funds.
<b>Large Investors</b>	For the purpose of Purchase and Redemption of units under Kotak Nifty ETF, "Large Investors" would mean investors who deal in creation unit size, other than Authorised Participants.
<b>FII</b>	Foreign Institutional Investors, registered with SEBI under Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995.
<b>Gilts/Government Securities</b>	Securities created and issued by the Central Government and/or State Government.
<b>IMA</b>	Investment Management Agreement dated 20th May 1996, entered into between the Fund (acting through the Trustee) and the AMC and as amended up to date, or as may be amended from time to time.
<b>Investor Service Centres or ISCs</b>	Designated branches of the AMC / other offices as may be designated by the AMC from time to time.
<b>Kotak Nifty ETF</b>	An open-ended Exchange Traded Fund
<b>Kotak Bank/ Sponsor</b>	Kotak Mahindra Bank Limited.
<b>KMMF/Fund/ Mutual Fund</b>	Kotak Mahindra Mutual Fund, a trust set up under the provisions of The Indian Trusts Act, 1882.
<b>KMTCL/Trustee</b>	Kotak Mahindra Trustee Company Limited, a company set up under the Companies Act, 1956, and authorized by SEBI to act as the Trustee for the Schemes of Kotak Mahindra Mutual Fund.
<b>Mutual Fund Regulations</b>	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended up to date, and such other regulations as may be in force from time to time.
<b>NAV</b>	Net Asset Value of the Units of the Scheme (including the options thereunder) as calculated in the manner provided in this SID or as may be prescribed by Regulations from time to time. The NAV is computed upto four decimal places.
<b>NRI</b>	Non-Resident Indian and Person of Indian Origin as defined in Foreign Exchange Management Act, 1999.
<b>Portfolio deposit</b>	Portfolio Deposit consists of pre-defined basket of securities that represent the underlying index and announced by AMC from time to time.
<b>Purchase Price</b>	Purchase Price, to an investor, of Units of the Scheme shall be as explained elsewhere in the SID
<b>Redemption Price</b>	Redemption Price to an investor of Units of the Scheme as explained elsewhere in the SID
<b>Registrar</b>	Computer Age Management Services Private Limited ('CAMS'), acting as Registrar to the Scheme including the services relating to providing interface with depository system, or any other Registrar appointed by the AMC.
<b>Repo</b>	Sale of securities with simultaneous agreement to repurchase them at a later date.

<b>Reserve Bank of India/RBI</b>	Reserve Bank of India, established under the Reserve Bank of India Act, 1934.
<b>Reverse Repo</b>	Purchase of securities with a simultaneous agreement to sell them at a later date.
<b>"Rajiv Gandhi Equity Savings Scheme, 2012 or "RGESS"</b>	The Rajiv Gandhi Equity Savings Scheme, 2012, as notified by the Central Government vide notification no. 51/2012 dated November 23, 2012, including any amendment/notification issued there under from time to time.
<b>Risk – Free</b>	Absence of credit risks i.e. no risk of default on payment of principal and interest.
<b>Scheme</b>	Kotak Nifty ETF.
<b>SEBI</b>	The Securities and Exchange Board of India.
<b>Scheme Information Document (SID)</b>	This document issued by Kotak Mahindra Mutual Fund, offering for subscription of Units of the Scheme..
<b>Statement of Additional Information (SAI)</b>	It contains details of Kotak Mahindra Mutual Fund, its constitution, and certain tax, legal and general information. It is incorporated by reference (is legally a part of the Scheme Information Document)
<b>Tracking Error</b>	Means the extent to which the NAV of the fund moves in a manner inconsistent with the movements of the benchmark index on any given day or over any given period of time due to any cause or reason whatsoever including but not limited to expenditure incurred by the scheme, dividend payouts if any, whole cash not invested at all times as it may keep a portion of funds in cash to meet redemption etc.
<b>Transaction cost</b>	Charges payable to Custodian / Depository Participants, and any incidental expenses relating to conversion of basket of securities into units or units into basket of securities consequent upon purchase or redemption.
<b>Trust Deed</b>	The Trust Deed entered into on 20th May, 1996 between the Sponsor and the Trustee, as amended up to date, or as may be amended from time to time.
<b>Trust Fund</b>	The corpus of the Trust, Unit capital and all property belonging to and/or vested in the Trustee.
<b>Unit</b>	The interest of the investors in any of the Schemes, which consists of each Unit representing one undivided share in the assets of the Scheme.
<b>Unitholder</b>	A person who holds Unit(s) under the Scheme.
<b>Words and Expressions used in this Scheme Information Document and not defined</b>	Same meaning as in Trust Deed.

## **DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY**

It is confirmed that:

- (i) the Scheme Information Document forwarded to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- (ii) all legal requirements connected with the launching of the scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- (iii) the disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the proposed scheme.
- (iv) the intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.

**For Kotak Mahindra Asset Management Company Limited  
Asset Management Company for Kotak Mahindra Mutual Fund**

**Place: Mumbai**  
**Date: June 26, 2017**

**Jolly Bhatt**  
**Compliance Officer and Company Secretary**

### 3. INFORMATION ABOUT THE SCHEME

#### Kotak Nifty ETF

##### A. Type of the scheme:

An open ended exchange traded fund

##### B. What is the investment objective of the scheme?

The investment objective of the scheme is to provide returns before expenses that closely correspond to the total returns of the Nifty 50 subject to tracking errors.

However, there is no assurance that the investment objective of the Scheme will be achieved.

##### Tracking Error

Tracking error means the extent to which the NAV of the fund moves in a manner inconsistent with the movements of the benchmark index on any given day or over any given period of time due to any cause or reason whatsoever including but not limited to expenditure incurred by the scheme, dividend payouts if any, whole cash not invested at all times as it may keep a portion of funds in cash to meet redemption etc. However the Fund will endeavor to limit the tracking error within 5% limits.

Tracking error could be the result of a variety of factors including but not limited to:

- Delay in the purchase or sale of stocks within the benchmark due to
  - Illiquidity in the stock,
  - Delay in realisation of sale proceeds,
- The scheme may buy or sell the stocks comprising the index at different points of time during the trading session at the then prevailing prices which may not correspond to its closing prices.
- The potential for trades to fail, which may result in the Scheme not having acquired the stocks at a price necessary to track the benchmark price.
- The holding of a cash position and accrued income prior to distribution of income and payment of accrued expenses.
- Disinvestments to meet redemptions, recurring expenses, dividend payouts etc.
- Execution of large buy / sell orders
- Transaction cost and recurring expenses
- Delay in realisation of Unit holders' funds
- Levy of margins by exchanges

##### C. How will the scheme allocate its assets?

The asset allocation under the Scheme, under normal circumstances, is as follows:

<b>Investments</b>	<b>Indicative Allocation (% to net assets)</b>	<b>Risk Profile</b>
Stocks comprising Nifty 50*	90% to 100%	Medium to High
Debt and money market instruments	0% to 10%	Low

\* Exposure to equity derivatives of the index itself or its constituent stocks may be undertaken when equity shares are unavailable, insufficient or for rebalancing in case of corporate actions for a temporary period. The gross position to such derivatives will be restricted to 10% of net assets of the scheme.

## **Portfolio rebalancing**

Kotak Nifty ETF is a passively managed exchange traded open-ended index scheme, therefore change in investment pattern is normally not foreseen. However for short durations part of the corpus may be pending for deployment, in cases of extreme market conditions, special events or corporate events, like declaration of dividend by the companies comprising the index.

### **D. Where will the scheme invest**

The Fund would invest in stocks comprising the underlying index and endeavor to track the benchmark index. The Fund may also invest in debt and money market instruments, in compliance with Regulations to meet liquidity and expense requirements.

### **Stated below are the key features of other ETF schemes of Kotak Mutual Fund.**

1. Kotak Sensex ETF – Kotak Sensex ETF is the only exchange traded fund offered by Kotak Mutual Fund which seeks to provide returns before expenses that closely correspond to the total returns of the S & P BSE SENSEX subject to tracking errors.
2. Kotak PSU Bank ETF – Kotak PSU Bank ETF is the only exchange traded fund offered by Kotak Mutual Fund which seeks to provide returns before expenses that closely correspond to the total returns of the Nifty PSU Bank Index subject to tracking errors.
3. Kotak Banking ETF - is the only exchange traded fund at Kotak Mutual Fund which seeks to provide returns before expenses that closely correspond to the total returns of the Nifty Bank Index subject to tracking errors.
4. Kotak Gold ETF - Kotak Gold ETF is the only exchange traded fund offered by Kotak Mutual Fund which seeks to generate returns that are in line with the returns on investment in physical gold.
5. Kotak NV 20 ETF - Kotak NV 20 ETF is the only exchange traded Fund offered by Kotak Mutual Fund which aims to provide returns that closely correspond to the total returns of stocks as represented by Nifty 50 Value 20 Index.

### **E. What are the investment strategies?**

The Fund would invest in stocks comprising the underlying index and endeavor to track the benchmark index. The Fund may also invest in debt and money market instruments, in compliance with Regulations to meet liquidity and expense requirements. Kotak Nifty ETF endeavours to invest in stocks forming part of the underlying in the same ratio as per the index to the extent possible and to that extent follows a passive investment strategy, except to the extent of meeting liquidity and expense requirements. Events like the constituent stocks becoming illiquid in cash market, the exchange changing the constituents, a large dividend going ex but lag in its receipts, etc tend to increase the tracking error. In such events, it may be more prudent for the fund to take exposure through derivatives of the index itself or its constituent stocks in order to minimize the long term tracking error.

## **Risk Mitigation**

### **1. Risk mitigation measures for volatility and portfolio concentration:**

ETF being a passive investment carries lesser risk as compared to active fund management. The portfolio follows the index and therefore the level of stock concentration in the portfolio and its volatility would be the same as that of the index, subject to tracking error. Thus there is no additional element of volatility or stock concentration on account of fund manager decisions.

### **2. Risk mitigation measures for managing liquidity**

As per data from NSE more than half of market liquidity remains in the index. Therefore the scheme does not envisage liquidity issues. The scheme may take exposure to equity derivatives of the index itself or its constituent stocks, when equity shares are unavailable, insufficient or for rebalancing in case of corporate actions for a temporary period.

## **Investments in Derivative Instruments**

As part of the Fund Management process, the Scheme, may use derivative instruments such as index futures and options, stock futures and options contracts, warrants, convertible securities, swap agreements or any other derivative instruments that are permissible or may be permissible in future under applicable regulations and such investments shall be in accordance with the investment objective of the Scheme.

Index futures/options are meant to be an efficient way of buying/selling an index compared to buying/selling a portfolio of physical shares representing an index for ease of execution and settlement. Index futures/options can be an efficient way of achieving the Schemes' investment objective. Notwithstanding the pricing, they can help in reducing the Tracking Error in the Schemes. Index futures/options may avoid the need for trading in individual components of the index, which may not be possible at times, keeping in mind the circuit filter system and the liquidity in some of the individual stocks. Index futures/options can also be helpful in reducing the transaction costs and the processing costs on account of ease of execution of one trade compared to several trades of shares comprising the Underlying Index and will be easy to settle compared to physical portfolio of shares representing the Underlying Index. In case of investments in index futures/options, the risk/reward would be the same as investments in portfolio of shares representing an index. However, there may be a cost attached to buying an index future/option. Further there could be an element of settlement risk, which could be different from the risk in settling physical shares. This settlement risk is likely to be minimized if the exchange acts as the clearing corporation and the counter party, as is the practice in the developed markets. The Scheme will not maintain any leveraged or trading positions.

## **Purpose of investment in derivatives**

- a. The Scheme shall fully cover its positions in the derivatives market by holding underlying securities/cash or cash equivalents/option and/or obligation for acquiring underlying assets to honour the obligations contracted in the derivatives market.
- b. Separate records shall be maintained for holding the cash and cash equivalents/securities for this purpose.
- c. The securities held would be marked to market by the AMC to ensure full coverage of investments made in derivative products at all time.

## Limits for investment in derivatives instruments

In accordance with SEBI circulars nos. DNP/29/2005 dated September 14, 2005, DNP/30/2006 dated January 20, 2006 and SEBI/DNP/31/2006 dated September 22, 2006, the following conditions shall apply to the Scheme's participation in the derivatives market. The investment restrictions applicable to the Scheme's participation in the derivatives market will be as prescribed or varied by SEBI or by the Trustees (subject to SEBI requirements) from time to time.

### i. Position limit for the Mutual Fund in equity index options contracts

- a. The Mutual Fund position limit in all equity index options contracts on a particular underlying index shall be Rs. 500 crore or 15% of the total open interest of the market in equity index option contracts, whichever is higher, per Stock Exchange.
- b. This limit would be applicable on open positions in all options contracts on a particular underlying index.

### ii. Position limit for the Mutual Fund in equity index futures contracts:

- a. The Mutual Fund position limit in all equity index futures contracts on a particular underlying index shall be Rs. 500 crore or 15% of the total open interest in the market in equity index futures contracts, whichever is higher, per Stock Exchange.
- b. This limit would be applicable on open positions in all futures contracts on a particular underlying index.

### iii. Additional position limit for hedging

In addition to the position limits at point (i) and (ii) above, Mutual Fund may take exposure in equity index derivatives subject to the following limits:

- a. Short positions in index derivatives (short futures, short calls and long puts) shall not exceed (in notional value) the Mutual Fund's holding of stocks.
- b. Long positions in index derivatives (long futures, long calls and short puts) shall not exceed (in notional value) the Mutual Fund's holding of cash, government securities, T-Bills and similar instruments.

### iv. Position limit for the Mutual Fund for stock based derivative contracts

The combined futures and options position limit shall be 20% of applicable MWPL

### v. Position limit for the Scheme

The position limits for the Scheme and disclosure requirements are as follows—

- a. For stock option and stock futures contracts, the gross open position across all derivative contracts on a particular underlying stock of a scheme of the Mutual Fund shall not exceed the higher of:  
  
1% of the free float market capitalisation (in terms of number of shares).  
*Or*  
5% of the open interest in the derivative contracts on a particular underlying stock (in terms of number of contracts).
- b. This position limit shall be applicable on the combined position in all derivative contracts on an underlying stock at a Stock Exchange.
- c. For index based contracts, the Mutual Fund shall disclose the total open interest held by its scheme or all schemes put together in a particular underlying index, if such open interest



equals to or exceeds 15% of the open interest of all derivative contracts on that underlying index.

As and when SEBI notifies amended limits in position limits for exchange traded derivative contracts in future, the aforesaid position limits, to the extent relevant, shall be read as if they were substituted with the SEBI amended limits.

As per SEBI circular no. Cir / IMD / DF / 11 / 2010 dated August 18, 2010 on “Review of norms for investment and disclosure by Mutual Funds in derivatives”, the limits for exposure towards derivatives are as under:

1. The cumulative gross exposure through equity, debt and derivative positions should not exceed 100% of the net assets of the scheme.
2. Mutual Funds shall not write options or purchase instruments with embedded written options.
3. The total exposure related to option premium paid must not exceed 20% of the net assets of the scheme.
4. Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure.
5. Exposure due to hedging positions may not be included in the above mentioned limits subject to the following :-
  - a. Hedging positions are the derivative positions that reduce possible losses on an existing position in securities and till the existing position remains.
  - b. Hedging positions cannot be taken for existing derivative positions. Exposure due to such positions shall have to be added and treated under limits mentioned in Point 1.
  - c. Any derivative instrument used to hedge has the same underlying security as the existing position being hedged.
  - d. The quantity of underlying associated with the derivative position taken for hedging purposes does not exceed the quantity of the existing position against which hedge has been taken.
6. Mutual Funds may enter into plain vanilla interest rate swaps for hedging purposes. The counter party in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the scheme.
7. Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point 1.

### **Portfolio Turnover**

Portfolio Turnover is defined as the aggregate of purchases and sales as a percentage of the corpus during the specified period of time.

Portfolio Turnover is a term used to measure the volume of trading that occurs in a Scheme's portfolio during a given time period. Kotak Nifty ETF is a passively managed exchange traded open-ended index scheme. It is therefore expected that there would be a number of subscriptions and redemptions on a daily basis through Authorised participants and Large Investors. Generally, turnover will depend upon the extent of purchase and redemption of units and the need to rebalance the portfolio on account of change in the composition, if any, and corporate actions of securities included in Nifty.

### **Portfolio Turnover Ratio: 16.81**

## F. Fundamental attributes

Following are the fundamental attributes of the scheme, in terms of Regulation 18 (15A) of SEBI (MF) Regulations:

1. Type of the scheme: As mentioned under the heading “Type of the Scheme”
2. Investment Objective: As mentioned under the heading “Investment Objective”
3. Investment Pattern: As mentioned under the heading “How will the scheme allocate its assets”
4. Terms of Issue:
  - a. Liquidity provisions such as listing, repurchase, redemption. Investors may refer Chapter IV for detailed information on listing, repurchase and redemption.
  - b. Aggregate fees and expenses charged to the scheme. Investors may refer Chapter V on fees and expenses charged to the scheme.
  - c. Any safety net or guarantee provided – Not Applicable

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the Trustees shall ensure that no change in the fundamental attributes of the Scheme(s) and the Plan(s) / Option(s) thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme(s) and the Plan(s) / Option(s) thereunder and affect the interests of Unitholders is carried out unless:

- A written communication about the proposed change is sent to each Unitholder and an advertisement is given in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated; and
- The Unitholders are given an option for a period of 30 days to exit at the prevailing Net Asset Value without any exit load

## G. How will the scheme benchmark its performance?

The performance of Kotak Nifty ETF is benchmarked against the Nifty 50 Index

The Trustee reserves right to change benchmark in future for measuring performance of the scheme.

## H. Who manages the scheme?

Name	Age	Qualification	Business Experience	Schemes Managed
Mr. Deepak Gupta	35 Years	Graduate in Commerce from Mumbai University. He is a qualified Chartered Accountant. He is a qualified Chartered Accountant. Deepak is also a Cost Accountant and has cleared the CFA (US, AIMR) Level III.	Mr. Deepak Gupta has 12 years of experience in the mutual fund industry and 10 years of experience in fund management related areas.	<ul style="list-style-type: none"><li>• Kotak Multi Asset Allocation Fund</li><li>• Kotak Asset Allocator Fund</li><li>• Kotak Sensex ETF</li><li>• Kotak PSU Bank ETF</li><li>• Kotak Nifty ETF</li><li>• Kotak Banking ETF</li><li>• Kotak NV 20 ETF</li><li>• Kotak Global Emerging Market Fund (Dedicated fund manager for overseas investment)</li><li>• Kotak World Gold Fund (Dedicated Fund Manager for overseas investment)</li></ul>

				<ul style="list-style-type: none"> <li>• Kotak US Equity Fund (Dedicated Fund Manager for overseas investment)</li> <li>• Kotak Equity Savings Fund</li> <li>• Kotak Capital Protection Oriented Scheme Series 1, Series 2, Series 3 and Series 4</li> <li>• Kotak Classic Equity</li> <li>• Kotak Equity Arbitrage Fund</li> </ul>
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The Scheme has been managed by Mr. Deepak Gupta since February 24, 2011.

### **I. What are the investment restrictions?**

The following investment limitations and other restrictions, inter-alia, as contained in the Trust Deed and the Regulations apply to the Scheme:

1. The Fund shall buy and sell securities only against deliveries. In no case shall the Fund engage in short selling, carry forward transactions or Badla financing. Provided that the Fund may enter into derivatives transactions for the purpose of hedging and portfolio balancing in accordance with the guidelines issued by SEBI.
2. A scheme may invest in another scheme, under the same AMC or any other mutual fund provided that the aggregate inter-scheme investments made by all schemes under the same AMC or any other mutual fund shall not exceed 5% of the net assets of the Fund or any other limit as prescribed by the Regulations from time to time. The AMC is not permitted by the Regulations to charge any investment management and advisory services fee on such investments.
3. Pending deployment of the corpus of the Scheme in securities in terms of investment objective, the Fund can invest the corpus of the Scheme in short term deposits of scheduled commercial banks as per the guidelines given in SEBI Circular no. SEBI/IMD/CIR No. 1/91171/07 dated April 16, 2007 and June 23, 2008. The AMC shall not charge any investment management and advisory fees for parking of funds in such short term deposits of scheduled commercial banks for the scheme.
4. The Scheme shall not make any investment in:
  - a) any unlisted security of an associate or group company of the Sponsor; or
  - b) any security issued by way of private placement by any associate or group company of the Sponsor; or
  - c) the listed securities of group companies of the Sponsor in excess of 25% of its net assets.
5. The Scheme shall not invest in any Fund of Funds Scheme.
6. The Scheme shall not invest more than 10% of its Net Assets in unrated debt instruments issued by a single issuer and the total investment in such instruments shall not exceed 25 % of the Net Assets of the scheme. All such investments shall be as per the parameters approved by the Boards of the Trustee and the AMC.
7. The Scheme shall not invest more than 10% of its NAV in debt instruments comprising money market instruments and non-money market instruments issued by a single issuer which are rated not below investment grade by a credit rating agency authorised to carry out such activity under the Act. Such investment limit may be extended to 12% of the NAV of the scheme with the

prior approval of the Board of Trustees and the Board of directors of the asset management company:

Provided that such limit shall not be applicable for investments in Government Securities, treasury bills and collateralized borrowing and lending obligations:

Provided further that investment within such limit can be made in mortgaged backed securitized debt which are rated not below investment grade by a credit rating agency registered with the Board.

8. Debentures, irrespective of any residual maturity period (above or below one year), shall attract the investment restrictions as applicable for debt instruments as specified under Clause 1 and 1 A of Seventh Schedule to the Regulations.
9. Investments of the Scheme, together with the investments of other schemes of the Fund in share capital of any company shall not exceed 10% of that company's paid-up capital carrying voting rights.  
For the purpose of determining the above limit, gross long position, which will be a combination of positions of the underlying securities and stock derivatives, will be considered.
10. The Scheme shall not invest more than 10% of its Net Assets in the equity or equity related instruments of any company.  
Provided that the limit of 10% shall not be applicable for investments in case of index fund or sector or industry specific scheme.
11. The Scheme can invest a maximum of 5% of the net assets in unlisted equity and equity related instruments.
12. The mutual fund shall get the securities purchased / transferred in the name of the fund on account of the concerned scheme, where investments are intended to be of long term nature.

Modifications, if any, in the Investment Restrictions on account of amendments to the Regulations shall supercede/override the provisions of the Trust Deed.

All investment restrictions shall be applicable at the time of making investment.

#### **Investments by the AMC in the Fund**

The AMC reserves the right to invest its own funds in the Scheme as may be decided by the AMC from time to time, the AMC is not permitted to charge any investment management and advisory services fee on its own investment in the Scheme.

Aggregate Investment by Fund Manager in Kotak Nifty ETF is Nil.

Aggregate Investment by the Kotak AMC'S Board of Directors in Kotak Nifty ETF is Nil.

Aggregate Investment by Key Managerial Person of Kotak AMC in Kotak Nifty ETF is Nil.

## Scheme's Portfolio Holdings and Sector wise fund allocation (As on May 31, 2017) –

### (1) Top 10 holdings by issuer

<b>Top 10 Holdings Issuer Wise</b>	<b>Percentage to Net Assets</b>
Infosys Ltd.	8.34
HDFC Bank Ltd.	7.90
ITC Ltd.	6.61
HDFC Ltd.	6.54
Reliance Industries Ltd.	5.29
ICICI Bank Ltd.	4.76
Tata Consultancy Services Ltd.	4.57
Larsen and Toubro Ltd.	4.04
Tata Motors Ltd.	3.50
AXIS Bank Ltd.	2.88

Link to the Scheme's latest monthly portfolio holding: <http://www.assetmanagement.kotak.com>

### (2) Fund allocation Sector wise

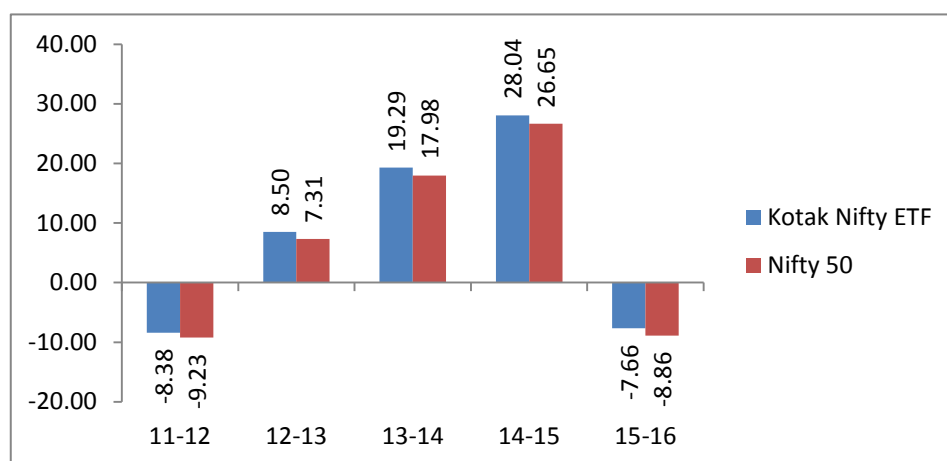
<b>Sector</b>	<b>Percentage to Net Assets</b>
Financial Services	34.42
Energy	13.28
Information Technology	12.09
Automobile	11.37
Consumer Goods	10.85
Pharma	4.30
Construction	3.99
Metals	3.91
Cement & Cement Products	2.08
Telecom	2.06
Media & Entertainment	0.78
Services	0.76
Net Current Assets	0.12

## J. How has the scheme performed?

### Performance of the scheme as on May 31, 2017

Compounded Annualised Growth Returns (%)	Kotak Nifty ETF	Nifty 50
Last 1 Year	19.13%	17.91%
Last 3 Years	11.26%	9.97%
Last 5 Years	15.60%	14.33%
Since Inception	11.22%	10.10%

### Absolute Returns (%) for each financial year for the last 5 years:



Past performance may or may not be sustained in future.

### 3. UNITS AND OFFER

This section provides details you need to know for investing in the scheme.

#### A. Ongoing Offer Details

<p><b>Ongoing Offer Period</b></p> <p>This is the date from which the scheme reopened for subscriptions/redemptions after the closure of the NFO period.</p>	<p>The Ongoing Offer of the Scheme commenced from February 8, 2010.</p>																			
<p><b>Ongoing price for subscription (purchase)/switch-in</b></p> <p>This is the price you need to pay for purchase/switch-in.</p>	<ul style="list-style-type: none"> <li>Ongoing purchases directly from the Mutual Fund would be restricted to Authorized Participants provided the value of units to be purchased is in creation unit size. Authorised Participants may buy the units on any business day of the scheme directly from the Mutual Fund at applicable NAV, and transaction charges by depositing basket of securities comprising Nifty 50.</li> </ul> <p><b>NAV for continuous offer</b></p> <table border="1" data-bbox="520 972 1369 1256"> <tr> <td>Value of portfolio deposit (basket of securities) in creation unit size</td> <td>1</td> <td>3048345.85</td> </tr> <tr> <td>Price of 1 unit portfolio creation</td> <td>2</td> <td>609.669</td> </tr> <tr> <td>Cash Component (say)</td> <td>3</td> <td>1,000.00</td> </tr> <tr> <td>Net Assets</td> <td>4=(1+3)</td> <td>3048445.85</td> </tr> <tr> <td>No.of units in creation unit</td> <td>5</td> <td>5,000.00</td> </tr> <tr> <td><b>NAV per unit</b></td> <td><b>6=(4/5)</b></td> <td><b>609.869</b></td> </tr> </table> <p>Note</p> <p>In addition to the NAV, any person transacting with the fund will have to transaction charges - brokerage, STT, NSDL charges etc. Transaction charges payable by the investor is per creation request and w determined by the AMC at the time of transaction</p> <p>The above creation unit is for 5,000 units of Kotak Nifty ETF which is minimum lots size for creation</p> <ul style="list-style-type: none"> <li>The units are listed on NSE and BSE to provide liquidity through secondary market. It may also list on any other exchanges subsequently. All categories of Investors may purchase the units through secondary market on any trading day.</li> <li>The AMC will appoint Authorised Participant(s) to provide liquidity in secondary market on an ongoing basis. The Authorised Participant(s) would offer daily two-way quote in the market.</li> </ul>		Value of portfolio deposit (basket of securities) in creation unit size	1	3048345.85	Price of 1 unit portfolio creation	2	609.669	Cash Component (say)	3	1,000.00	Net Assets	4=(1+3)	3048445.85	No.of units in creation unit	5	5,000.00	<b>NAV per unit</b>	<b>6=(4/5)</b>	<b>609.869</b>
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No.of units in creation unit	5	5,000.00																		
<b>NAV per unit</b>	<b>6=(4/5)</b>	<b>609.869</b>																		
<p><b>Ongoing price for redemption (sale) /switch outs (to other schemes/plans of the Mutual Fund) by</b></p>	<p>Authorised Participant and Large Investor can redeem units directly with the fund at Applicable NAV based prices, subject to applicable exit load; if any.</p> <p>There is no exit load. However transaction charges payable to</p>																			

<p><b>investors.</b></p> <p>This is the price you will receive for redemptions/switch outs.</p>	<p>Custodian/Depository Participants, and other incidental charges relating to conversion of units into basket of securities may be deducted from redemption proceeds. The charges will be notified on <a href="http://assetmanagement.kotak.com">assetmanagement.kotak.com</a> from time to time.</p> <p>Investors other than AP and LI may redeem units at the listed price plus transaction handling charges on stock exchange.</p> <p>As required under the Regulations, the Fund will ensure that the Redemption Price is not lower than 93% of the NAV and the Purchase Price is not higher than 107% of the NAV, provided that the difference between the Redemption Price and Purchase Price of the Units shall not exceed the permissible limit of 7% of the Purchase Price, as provided for under the Regulations.</p>
<p><b>Cut off timing for subscriptions/redemptions/ switches</b></p> <p>This is the time before which your application (complete in all respects) should reach the official points of acceptance.</p>	<p>Ongoing purchases directly from the Mutual Fund would be restricted to Authorized Participants. Authorized Participants may buy the units on any business day for the scheme directly from the Mutual Fund at applicable NAV in creation unit size. Every creation unit shall have total monetary value in Rupee terms equivalent to that day's portfolio deposit and cash component.</p>
<p><b>Where can the applications for purchase/redemption switches be submitted?</b></p>	<p>Applications can be made either by way of a "Regular Application or Transaction slip" along with a cheque/DD. The Fund may introduce other newer methods of application which will be notified as and when introduced. Investors should complete the Application Form and deliver it along with a cheque/draft (i.e. in case of "Regular Application") at any of the official points of acceptance of transactions listed below:</p> <ol style="list-style-type: none"> <li>1. At the Official points of acceptance of transactions as given on the back cover of this document.</li> <li>2. For investments through switch transactions, transaction slip with application forms can be submitted at the AMC branches, CAMS Investor Service Centres and branches, given in the last page</li> </ol> <p>If depository account details furnished in the application form are invalid or not confirmed in the depository system, the application may be rejected.</p> <p>Notwithstanding any of the above conditions, any application may be accepted or rejected at the sole and absolute discretion of the Trustee.</p>
<p><b>Who can invest</b></p> <p>This is an indicative list and you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.</p>	<p>The following are eligible to apply for purchase of the Units:</p> <ul style="list-style-type: none"> <li>• Resident Indian Adult Individuals, either singly or jointly (not exceeding three).</li> <li>• Parents/Lawful guardians on behalf of Minors.</li> <li>• Companies, corporate bodies, registered in India.</li> <li>• Registered Societies and Co-operative Societies authorised to invest in such Units.</li> <li>• Public sector undertakings, public/Statutory corporations subject to general or specific permissions granted to them by the</li> </ul>



Central/State governments from time to time.

- Religious and Charitable Trusts under the provisions of 11(5) of the Income Tax Act, 1961 read with Rule 17C of the Income Tax Rules, 1962.
- Trustees of private trusts authorised to invest in mutual fund schemes under their trust deeds.
- Partner(s) of Partnership Firms.
- Association of Persons or Body of Individuals, whether incorporated or not.
- Hindu Undivided Families (HUFs).
- Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions and Investment Institutions.
- Non-Resident Indians/Persons of Indian origin resident abroad (NRIs) on full repatriation or non-repatriation basis.
- Other Mutual Funds registered with SEBI.
- Foreign Institutional Investors (FIIs) or sub-accounts of FII's registered with SEBI.
- International Multilateral Agencies approved by the Government of India.
- Army/Navy/Air Force, Para-Military Units and other eligible institutions.
- Scientific and Industrial Research Organizations.
- Provident/Pension/Gratuity and such other Funds as and when permitted to invest.
- Public Financial Institution as defined under the Companies Act 2013.
- Foreign Portfolio Investor
- Universities and Educational Institutions.
- Other schemes of Kotak Mahindra Mutual Fund may, subject to the conditions and limits prescribed in the SEBI Regulations and/or by the Trustee, AMC or Sponsor, subscribe to the Units under the Scheme.

The list given above is indicative and the applicable law, if any, shall supersede the list.

Acceptance of Subscriptions from U.S. Persons and Residents of Canada w.e.f. November 17, 2016 :-

The Scheme shall not accept subscriptions from U.S. Persons and Residents of Canada, except where transaction request received from Non – resident Indian (NRIs) / Persons of Indian Origin (PIO) who at the time of investment are present in India and submit physical transaction request along with such declarations / documents as may be prescribed by Kotak Mahindra Asset Management Company Ltd and Kotak Mahindra Trustee Company Ltd.

The AMC shall accept such investments subject to the applicable laws and such other terms and conditions as may be notified by the AMC/ Trustee Company. The investor shall be responsible for complying with all the applicable laws for such investments.

	<p>The AMC reserves the right to put the transaction request on hold/reject the transaction request, or reverse the units allotted, as the case may be, as and when identified by the AMC, which are not in compliance with the terms and conditions notified in this regard.</p> <p>The Trustee/AMC reserves the right to change/modify the provisions mentioned above at a later date.</p>
<p><b>How to Apply</b></p>	<p><b>For Authorised Participants &amp; Large Participants</b></p> <p>Application form and Key Information Memorandum may be obtained from the offices of AMC or Investor Services Centers of the Registrar or distributors or downloaded from <a href="http://assetmanagement.kotak.com">assetmanagement.kotak.com</a>. Investors are also advised to refer to Statement of Additional Information before submitting the application form.</p> <p><b>Purchase from Stock Exchanges (applicable for Authorised Participants, Large Investors and other investor)</b></p> <p>An investor can buy units of the Scheme on a continuous basis on the National Stock Exchange and other recognised stock exchanges where the Scheme units are listed and traded like any other publicly traded securities at prices which may be close to the actual NAV of the Scheme. However there would be cost of brokerage and other transactions costs (like STT) payable to broker or sub-broker of the exchange.</p> <p>Any application may be accepted or rejected at the sole and absolute discretion of the Trustee.</p> <p>All cheques and drafts should be crossed "Account Payee Only" and drawn in favour of “Kotak Nifty ETF”.</p> <p>Please refer to the SAI and Application form for the instructions.</p>
<p><b>Non acceptance of Third Party Cheques</b></p>	<p>Third Party Cheques will not be accepted by the Scheme.</p> <p><b>Definition of Third Party Cheques</b></p> <ul style="list-style-type: none"> <li>• Where payment is made through instruments issued from an account other than that of the beneficiary investor, the same is referred to as Third-Party payment.</li> <li>• In case of a payment from a joint bank account, the first holder of the mutual fund folio has to be one of the joint holders of the bank account from which payment is made. If this criterion is not fulfilled, then this is also construed to be a third party payment.</li> </ul> <p>However, afore-mentioned clause of investment with Third-Party Payment shall not be applicable for the below mentioned exceptional cases.</p> <ol style="list-style-type: none"> <li>1. Payment by Parents/Grand-Parents/related persons on behalf of a minor in consideration of natural love and affection or as gift for a value not exceeding Rs.50,000/- (each regular purchase or per SIP installment)</li> <li>2. Payment by Employer on behalf of employee under Systematic Investment Plans or lump sum / one-time subscription,</li> </ol>

	<p>through Payroll deductions. Asset management companies should exercise extra due diligence in terms of ensuring the authenticity of such arrangements from a fraud prevention and KYC perspectives.</p> <p>3. Custodian on behalf of an FII or a client.</p> <p>For pre funded instruments such as DD/Pay order it is the onus of the investor to provided adequate supporting documents to prove that such instruments are issued by debiting the first holders account.</p> <p>Kotak Mahindra Asset Management Co. Ltd. / Trustee retains the sole and absolute discretion to reject/ not process application and refund subscription money if the subscription does not comply with the specified provisions of Payment Instruments.</p>
<b>Minimum amount for purchase/redemption/s witches</b>	<p><b>Minimum Purchase Amount:</b></p> <ul style="list-style-type: none"> <li>• Ongoing purchases directly from the Mutual Fund would be restricted to Authorized Participants provided the value of units to be purchased is in creation unit size. Authorised Participants may buy the units on any business day of the scheme directly from the Mutual Fund by paying applicable transaction handling charges and cash component in cash and by depositing basket of securities comprising Nifty 50. Units may be allotted only realization of cheque where the full consideration for creation unit is paid by cheque and at the value at which the underlying stocks for the creation unit is purchased against that purchase request.</li> <li>• The units would be listed on NSE and BSE to provide liquidity through secondary market. All categories of Investors may purchase the units through secondary market on any trading day.</li> <li>• The AMC will appoint Authorised Participant(s) to provide liquidity in secondary market on an ongoing basis. The Authorised Participant(s) would offer daily two-way quote in the market.</li> </ul> <p><b>Minimum Redemption Amount:</b></p> <p>All investors including Authorised Participants, Large Investors and other investors may sell their units in the stock exchange(s) on which these units are listed on all trading days of the stock exchange</p> <p>Mutual Fund will repurchase units from Authorised participants on any business day in creation size units. In certain circumstances, the AMC may allow Large investors to sell units in creation unit size directly to the AMC at applicable NAV and other transaction handling charges.</p>
<b>Minimum balance to be maintained and consequences of non maintenance</b>	Not Applicable
<b>Special Products available</b>	No Special Products are available under the scheme
<b>Accounts Statements</b>	<p>The depository participant with whom the unitholder has a depository account will send a statement of transactions in accordance with the byelaws of the depository which will contain the details of transaction of units</p> <p>Allotment of units and dispatch of Allotment Advice to FIIs will be</p>

	<p>subject to RBI approval, if required</p> <p>Units allotted under this scheme are transferable subject to the provisions of the Depositories Act, SEBI (Depository and Depository Participant) Regulations, 1996 and other applicable provisions. Note: The fund house may not furnish separate accounts statement to the unitholders since the statement of accounts furnished by depository participant will contain the details of transactions in these units.</p>
<b>Dividend</b>	<p>The dividend warrants shall be dispatched to the unitholders within 30 days of the date of declaration of the dividend.</p> <p>Trustees may declare dividend subject to availability and adequacy of distributable surplus. If and when dividends are declared, dividends will be distributed to all unit holders registered on the registers of the depositories on the record date.</p>
<b>Dividend Policy</b>	<p>Trustees may declare dividend subject to availability and adequacy of distributable surplus. If and when dividends are declared, dividends will be distributed to all unit holders registered on the registers of the depositories on the record date.</p> <p>Investors are requested to note that, where the actual amount of dividend payout is less than Rs. 500/-, then such dividend will be compulsorily reinvested.</p>
<b>Redemption</b>	<p>Redemption proceeds in the form of basket of securities included in the Nifty 50 in the same proportion will be credited to the designated DP account of the AP/LI. Any fractions in the number of securities transferable to AP/LI will be rounded off to the lower integer and the value of the fractions will be added to the cash component payable. The cash component of the proceeds at the applicable NAV will be paid by way of cheque or direct credit as described in the next paragraph.</p> <p>Payment of proceeds in cash: AMC at its discretion may accept the request of AP/LI for payment of redemption proceeds in cash. If accepted, redemption proceeds will be paid by cheques, marked "Account Payee only" and drawn in the name of the sole holder/first-named holder (as determined by the records of the Registrar). The Bank Name and No., as specified in the Registrar's records, will be mentioned in the cheque, which will be payable at the city of the bank branch of the Unitholder. If the Unitholder resides in any other city, he will be paid by a Demand Draft payable at the city of his bank branch.</p> <p>Redemption cheques will generally be sent to the Unitholder's address, (or, if there is more than one joint holder, the address of the first-named holder) when the unit balance is confirmed with the records of the depository, not later than 10 (Ten) Working Days from the date of redemption.</p> <p>Redemption proceeds may also be paid to the Unitholder in any other manner like through ECS, direct credit, RTGS, demand draft, etc as the AMC may decide, from time to time, for the smooth and the efficient functioning of the Scheme.</p> <p>Note: The mutual fund will rely on the address and the bank account</p>

	details recorded in the depository system. Any changes to the address and bank account details can be made only through the depository system.
<b>Delay in payment of redemption / repurchase / dividend proceeds</b>	The Asset Management Company shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum).
<b>Unclaimed Redemption/Dividend Amount</b>	In accordance with No SEBI/HO/IMD/DF2/CIR/P/2016/37 dated February 25, 2016, the unclaimed Redemption amount and Dividend amount may be deployed by the Mutual Fund in call money market or money market Instruments as well as in a separate plan or liquid scheme/money market mutual fund scheme floated by mutual funds. Investors who claim these amounts during a period of three years from the due date shall be paid initial unclaimed amount along with the income earned on its deployment. Investors who claim these amount after 3 years, shall be paid initial unclaimed amount along with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education. AMC shall play a proactive role in tracing the rightful owner of the unclaimed amounts considering the steps suggested by regulator vide the referred circular. Further, AMC shall not charge any exit load in this plan and TER (Total Expense Ratio) of such plan shall be capped at 50 bps.
<b>Bank A/c Details</b>	As per the directives issued by SEBI it is mandatory for an investor to declare his/her bank account number. To safeguard the interest of Unitholders from loss or theft of their refund orders/redemption cheques, investors are requested to provide their bank details in the Application Form.  In case an existing Unitholder is submitting a request for Change in his Bank Details, he needs to submit a copy of cancelled cheque leaf of the new bank account or Bank statement of the new bank account attested by his banker with seal & signature of banker or letter from the Banker of the investor. In absence of the same, the request for Change in Bank Mandate is liable to be rejected.
<b>The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same.</b>	Not Applicable
<b>Restrictions, if any, on the right to freely retain or dispose of units being offered</b>	Units which are held in demat form shall be freely transferable under the depository system.
<b>Listing</b>	The units of the Scheme are listed on NSE and BSE on allotment under intimation to SEBI. It may also list on any other exchanges subsequently.  AMC has proposed to engage AP for creating liquidity for ETFs in the stock exchange so that retail investors (investors other than AP and

	<p>Large Investors) are able to buy or redeem units on the stock exchange using the services of a stockbroker.</p>
<b>Transaction Charges</b>	<p>Pursuant to SEBI Circular No. Cir/ IMD/ DF/13/ 2011 dated August 22, 2011, transaction charge per subscription of Rs. 10,000/- and above be allowed to be paid to the distributors of the Kotak Mahindra Mutual Fund products. The transaction charge shall be subject to the following:</p> <ol style="list-style-type: none"> <li>a. For existing investors (across mutual funds), the distributor shall be paid Rs. 100/- as transaction charge per subscription of Rs.10,000/- &amp; above.</li> <li>b. For first time investors, (across Mutual Funds), the distributor may be paid Rs. 150/- as transaction charge for subscription of Rs.10,000/- &amp; above.</li> <li>c. The transaction charge shall be deducted by Kotak AMC from the subscription amount &amp; paid to the distributor (will be subject to statutory levies, as applicable) &amp; the balance amount shall be invested.</li> <li>d. In case of Systematic Investment Plan(s), the transaction charge shall be applicable only if the total commitment through SIPs amounts to Rs.10,000/- &amp; above. In such cases the transaction charge shall be recovered in first 3/4 successful installments.</li> </ol> <p>Identification of investors as "first time" or "existing" will be based on Permanent Account Number (PAN) at the First/ Sole Applicant/ Guardian level. Hence, Unit holders are urged to ensure that their PAN / KYC is updated with the Fund. Unit holders may approach any of the Official Points of Acceptances of the Fund i.e. Investor Service Centres (ISCs) of the Fund/ offices of our Registrar and Transfer Agent, M/s. Computer Age Management Services Pvt. Ltd in this regard.</p> <p>The statement of accounts shall clearly state that the net investment as gross subscription less transaction charge and give the number of units allotted against the net investment.</p> <p><b>Transaction charges shall not be deducted/applicable for:</b></p> <ol style="list-style-type: none"> <li>1. Transaction other than purchases/subscriptions such as Switch/Systematic Transfer Plan (STP)/ Dividend Transfer Plan (DTP),etc.;</li> <li>2. Purchases/Subscriptions made directly with the Fund without any ARN code.</li> <li>3. Transactions carried out through the stock exchange platforms.</li> </ol> <p><b>In accordance with the SEBI circular no. SEBI/IMD/CIR No. 4/ 168230/09, dated June 30, 2009, upfront commission to distributors shall be paid by the investor directly to the distributor by a separate cheque based on his assessment of various factors including the service rendered by the distributor. Further as per circular dated September 13, 2012, distributors shall now have the option to either opt in or opt out of charging transaction charge based on the type of product.</b></p>

<p><b>MF utility services for Investors</b></p>	<p>Kotak Mahindra Asset Management Company Ltd (“the AMC”) has entered into an Agreement with MF Utilities India Private Limited (“MFUI”), a “Category II – Registrar to an Issue” under SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, for usage of MF Utility (“MFU”) - a shared services initiative of various Asset Management Companies, which acts as a transaction aggregation portal for transacting in multiple Schemes of various Mutual Funds with a single form and a single payment instrument.</p> <p>Accordingly, all financial and non-financial transactions pertaining to Schemes of Kotak Mahindra Mutual Fund can be done through MFU either electronically on <a href="http://www.mfuonline.com">www.mfuonline.com</a> as and when such a facility is made available by MFUI or physically through the authorized Points of Service (“POS”) of MFUI with effect from the respective dates as published on MFUI website against the POS locations. The list of POS of MFUI is published on the website of MFUI at <a href="http://www.mfuindia.com">www.mfuindia.com</a> as may be updated from time to time. The Online Transaction Portal of MFU i.e. <a href="http://www.mfuonline.com">www.mfuonline.com</a> and the POS locations of MFUI will be in addition to the existing Official Points of Acceptance (“OPA”) of the AMC.</p> <p>The uniform cut-off time as prescribed by SEBI and as mentioned in the SID / KIM of respective schemes shall be applicable for applications received on the portal of MFUI i.e. <a href="http://www.mfuonline.com">www.mfuonline.com</a>. However, investors should note that transactions on the MFUI portal shall be subject to the eligibility of the investors, any terms &amp; conditions as stipulated by MFUI / Mutual Fund / the AMC from time to time and any law for the time being in force.</p> <p>Investors are requested to note that, MFUI will allot a Common Account Number (“CAN”), a single reference number for all investments in the Mutual Fund industry, for transacting in multiple Schemes of various Mutual Funds through MFU and to map existing folios, if any. Investors can create a CAN by submitting the CAN Registration Form (CRF) and necessary documents at the MFUI POS. The AMC and / or its Registrar and Transfer Agent (RTA) shall provide necessary details to MFUI as may be needed for providing the required services to investors / distributors through MFU. Investors are requested to visit the websites of MFUI or the AMC to download the relevant forms</p>
<p><b>Central KYC (CKYC)</b></p>	<p>The Government of India has authorized the Central Registry of Securitization and Asset Reconstruction and Security interest of India (CERSAI, an independent body), to perform the function of Central KYC Records Registry including receiving, storing, safeguarding and retrieving KYC records in digital form.</p> <p>Accordingly, in line with SEBI circular nos. CIR/MIRSD/66/2016 dated July 21, 2016 and CIR/MIRSD/120/2016 dated November 10, 2016 on Operationalization of Central KYC (CKYC), read with AMFI Best Practice Guidelines circular no. 68/2016-17 dated December 22, 2016, new individual investors investing into the Fund are requested to note the following changes, with effect from February 1, 2017.</p>

	<p>1. New individual investors who have never done KYC under KRA (KYC Registration Agency) regime and whose KYC is not registered or verified in the KRA system, will be required to fill the new CKYC form while investing with the Fund.</p> <p>2. If any new individual investor uses the old KRA KYC form which does not have all the information needed for registration with CKYC, such investor will be required to either fill the new CKYC form or provide the missing/additional information using the Supplementary CKYC form.</p> <p>Investors who have already completed CKYC and have a KYC Identification Number (KIN) from the CKYC Registry can invest in schemes of the Fund quoting their 14 digit KIN in the application form. Further, in case the investor's PAN is not updated in CKYC system, a self-certified copy of PAN Card will need to be provided.</p>
<p><b>Foreign Account Tax Compliance</b></p>	<p>FATCA is an acronym for Foreign Account Tax Compliance Act ("FATCA"), a United States Federal law to increase compliance by US taxpayers and is intended to bolster efforts to prevent tax evasion by the US taxpayers with offshore investments. The Government of India and the United States of America (US) have reached an agreement in substance on the terms of an Inter- Governmental Agreement (IGA) and India is now treated as having an IGA in effect from April 11, 2014. The AMC/Fund is classified as a 'Foreign Financial Institution' (Investment Entity as per Annexure 1(i)) under the FATCA provisions. In accordance with FATCA provisions, the AMC/Mutual Fund will be required to undertake due diligence process and identify US reportable accounts and collect such information/documentary evidences of the US and/or non-US status of its investors/Unit holders and disclose such information (through its agents or service providers) as far as may be legally permitted about the holdings, investment returns and/or to US Internal Revenue Service (IRS) or the Indian Tax Authorities, as the case may be for the purpose of onward transmission to the IRS pursuant to the new reporting regime under FATCA.</p>



## B. Periodic Disclosures

<p><b>Net Asset Value</b></p> <p>This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.</p>	<p>The Kotak Nifty ETF units will be initially listed on NSE and all purchase and sale of units by investors other than Authorised Participants and Large Investors will be done on the stock exchange. The NAV has a reference value for investors and will be useful for Authorised Participants for offering quotes on the Stock Exchange.</p> <p>The Mutual Fund shall update the Net asset value of the scheme on every Business day on AMFI's website <a href="http://www.amfiindia.com">www.amfiindia.com</a> by 9.00 p.m.</p> <p>The NAVs shall also be updated on the website of the Mutual Fund <a href="http://assetmanagement.kotak.com">assetmanagement.kotak.com</a> and will be published in two newspapers having nationwide circulation on every business day.</p> <p>Delay in uploading of NAV beyond 9.00 p.m. on every business day shall be explained in writing to AMFI. In case the NAVs are not available before the commencement of business hours on the following business day due to any reason, a press release for revised NAV shall be issued.</p> <p>The AMC may also calculate intra-day indicative NAV (computed based on snapshot prices received from NSE) and will be updated during the market hours on its website <a href="http://assetmanagement.kotak.com">assetmanagement.kotak.com</a>. Intra-day indicative NAV will not have any bearing on the creation or redemption of units directly with the Fund by the AP/LI.</p>
<p><b>Half yearly Disclosures: Portfolio / Financial Results</b></p> <p>This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p>	<p>A complete statement of the portfolio of the Scheme will either be sent to all Unitholders, or published by way of an advertisement, before the expiry of one month from the close of each half year, that is the 31<sup>st</sup> of March and the 30<sup>th</sup> of September, in one English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated. The same will also be posted on the website <a href="http://assetmanagement.kotak.com">assetmanagement.kotak.com</a></p>
<p><b>Half Yearly Results</b></p>	<p>The soft copy of unaudited financial results shall within one month from the close of each half year i.e. 31<sup>st</sup> of March and the 30<sup>th</sup> of September, be hosted on the website <a href="http://assetmanagement.kotak.com">assetmanagement.kotak.com</a> and will be sent to AMFI for posting on its website <a href="http://www.amfiindia.com">www.amfiindia.com</a> .</p> <p>Also an advertisement of hosting of the unaudited results shall be published in one English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated.</p>
<p><b>Annual Report</b></p>	<p>Pursuant to SEBI Circular No. Cir/IMD/DF/16/2011 dated September 8, 2011, Annual report or Abridged Summary will be available on <a href="http://assetmanagement.kotak.com">assetmanagement.kotak.com</a> and shall be sent by way of email to the investor's registered email address or Physical copies (If investor's</p>

	email address is not registered), not later than four months after the close of each financial year (March 31).The unit holders may request for a physical copy of scheme annual reports or abridged summary by writing to the Kotak Mahindra Asset Management Company Ltd./Investor Service Centre / Registrar & Transfer Agents. The unit holder can get physical copies of the above mentioned reports at the registered offices at all time. The annual report shall be displayed on <a href="http://assetmanagement.kotak.com">assetmanagement.kotak.com</a> .																						
<b>Associate Transactions</b>	Please refer to Statement of Additional Information (SAI).																						
<b>Taxation:</b> The information is provided for general information purposes only. However, in view of the individual nature of tax implications, each investor is advised to consult his or her own tax adviser with respect to the specific tax implications arising out of his or her participation in the scheme.  (Equity schemes)	<table border="1"> <thead> <tr> <th colspan="4"><b>Applicable tax rates (Refer Notes) based on prevailing tax laws</b></th> </tr> <tr> <th rowspan="2"></th> <th colspan="2"><b>Unit holder</b></th> <th rowspan="2"><b>Mutual Fund</b></th> </tr> <tr> <th>Resident</th> <th>FII</th> </tr> </thead> <tbody> <tr> <td>Tax on Dividend</td> <td>NIL (Section 115R)</td> <td>NIL (Section 115R)</td> <td>NIL</td> </tr> <tr> <td>Short Term Capital Gain (refer note 1)</td> <td>15%</td> <td>15%</td> <td>NIL</td> </tr> <tr> <td>Long Term Capital Gain</td> <td>NIL</td> <td>NIL</td> <td>NIL</td> </tr> </tbody> </table> <p>Note (1) : The above rates would be increased by a surcharge of :</p> <p>(a) In case of resident domestic corporate unit holders:</p> <ul style="list-style-type: none"> <li>- 7% where the total income exceeds Rs.10,000,000 but less than / equal to Rs. 100,000,000 or</li> <li>- 12% where the total income exceeds Rs.100,000,000</li> </ul> <p>(b) In case of FII holders and Foreign Companies:</p> <ul style="list-style-type: none"> <li>- 2% where the total income exceeds Rs.10,000,000 but less than / equal to Rs. 100,000,000 or</li> <li>- 5% where the total income exceeds Rs.100,000,000</li> </ul> <p>(c) In case of resident and non-resident non-corporate unit holders being individual, HUF, AOP, BOI and artificial juridical person:</p> <ul style="list-style-type: none"> <li>- 10% where the total income exceeds Rs. 5,000,000 but less than / equal to Rs. 10,000,000</li> <li>- 15% where the total income exceeds Rs. 10,000,000</li> </ul> <p>(d) In case of non-corporate unit holders being partnership firms covered under Indian Partnership Act, 1932 / Limited liability partnership covered under Limited Liability Partnership Act, 2008:</p> <ul style="list-style-type: none"> <li>- 12% where the total income exceeds Rs.10,000,000</li> </ul> <p>Further, an additional surcharge of 3% (Education cess of 2% and Secondary &amp; Higher education Cess of 1%) would be charged on the</p>	<b>Applicable tax rates (Refer Notes) based on prevailing tax laws</b>					<b>Unit holder</b>		<b>Mutual Fund</b>	Resident	FII	Tax on Dividend	NIL (Section 115R)	NIL (Section 115R)	NIL	Short Term Capital Gain (refer note 1)	15%	15%	NIL	Long Term Capital Gain	NIL	NIL	NIL
<b>Applicable tax rates (Refer Notes) based on prevailing tax laws</b>																							
	<b>Unit holder</b>		<b>Mutual Fund</b>																				
	Resident	FII																					
Tax on Dividend	NIL (Section 115R)	NIL (Section 115R)	NIL																				
Short Term Capital Gain (refer note 1)	15%	15%	NIL																				
Long Term Capital Gain	NIL	NIL	NIL																				

	<p>amount of tax inclusive of surcharge for all unit holders.</p> <p>Under section 10(23D) of the Income tax Act, 1961, income earned by a Mutual Fund registered with SEBI is exempt from income tax.</p> <p>Since, the scheme in this SID, qualify as an equity oriented fund, Securities Transaction tax is payable by the unit holders on redemption / repurchase of units by the Fund at 0.001% of sale/redemption value</p> <p><b>For further details on taxation please refer to the clause on taxation in the SAI</b></p>
<b>Investor services</b>	<p>Ms. Sushma Mata Kotak Mahindra Asset Management Company Limited 6<sup>th</sup> Floor, Kotak Towers, Building No.21, Infinity Park, Off: Western Express Highway Goregaon - Mulund Link Road, Malad (East), Mumbai 400097 Phone Number: 66056765 Fax: 6708 2213 e-mail: <a href="mailto:mutual@kotak.com">mutual@kotak.com</a></p>

### C. Computation of NAV

The NAV of the Units of the Scheme will be computed by dividing the net assets of the Scheme by the number of Units outstanding on the valuation date.

The Fund shall value its investments according to the valuation norms, as specified in the Eighth Schedule of the Regulations, or such guidelines / recommendations as may be specified by SEBI from time to time.

**The broad valuation norms are detailed in the Statement of Additional Information.** NAV of Units under the Scheme will be calculated as shown below:

$$\text{NAV} = \frac{\text{Market or Fair Value of Scheme's investments} + \text{Current assets including Accrued Income} - \text{Current Liabilities and provisions including accrued expenses}}{\text{No. of Units outstanding under the Scheme/Option.}}$$

NAV for the Scheme and the repurchase prices of the Units will be calculated and announced at the close of each Business Day. The NAV shall be computed upto four decimals.

The AMC may also calculate intra-day indicative NAV and publish the same on its website [assetmanagement.kotak.com](http://assetmanagement.kotak.com). Intra-day NAV will not have any bearing on the creation or redemption of units directly with the Fund by the AP/LI.

### 3. FEES AND EXPENSES

This section outlines the expenses that will be charged to the schemes.

#### A. New Fund Offer (NFO) Expenses

These expenses are incurred for the purpose of various activities related to the NFO like sales and distribution fees paid marketing and advertising, registrar expenses, printing and stationary, bank charges etc.

The AMC shall bear the sales, marketing and such other expenses connected with sales and distribution of scheme during the new fund offer.

This is an ongoing scheme on the date of updating this document

#### B. Total Expense Ratio (TER)

Total Expense Ratio is the total of ongoing fees and operating expenses charged to the scheme, expressed as a percentage of the scheme's daily net assets.

These fees and expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, brokerage/commission, marketing and selling costs etc.

The maximum TER shall not exceed 1.50% of daily Net Assets.

#### **Total Expense Ratio for the schemes**

The AMC has estimated the above given recurring expenses, for each scheme. Total expense ratio of each Scheme (including investment and advisory fees) will be subject to the maximum limits (as a percentage of Daily Net Assets of the Scheme) as per Regulation 52(6) & (6A), as amended from time to time, with no sub-limit on investment and advisory fees.

<b>Expenses Structure</b>	<b>% of daily Net Assets</b>
Investment Management and Advisory Fees	Upto 1.50%
Trustee fee	
Audit fees	
Custodian fees	
RTA Fees	
Marketing & Selling expense incl. agent commission	
Cost related to investor communications	
Cost of fund transfer from location to location	
Cost of providing account statements and dividend redemption cheques and warrants	
Costs of statutory Advertisements	
Cost towards investor education & awareness (at least 2 bps)	
Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades resp.	
Service tax on expenses other than investment and advisory fees	

Service tax on brokerage and transaction cost	
Other Expenses	
<b>Maximum total expense ratio (TER) permissible under Regulation 52 (6)(c) (i) and (6) (a)</b>	<b>Upto 1.50%</b>
Additional expenses under regulation 52 (6A) (c)	Upto 0.20%
Additional expenses for gross new inflows from specified cities	Upto 0.30%

**Illustration of impact of expense ratio on scheme return:**

Assumed 1 year Simple Average Return of the Scheme before expenses	15%
Assumed Average TER Expense of the scheme for the year (%)	2%
Average Return after charging the expense	13%

Illustration is given to understand the impact of expense ratio on a scheme return and this should not be construed as an indicative return of the scheme.

**Additional expenses which may be charged to the Schemes:**

The following additional expenses may be charged to the Schemes under Regulation 52 (6A), namely-

- Brokerage and transaction costs (including service tax) which are incurred for the purpose of execution of trade and is included in the cost of investment, not exceeding 0.12 per cent in case of cash market transactions and 0.05 per cent in case of derivatives transactions. Any payment towards brokerage and transaction cost, over and above the said 12 bps and 5bps for cash market transactions and derivatives transactions respectively may be charged to the scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under regulation 52. Any expenditure in excess of the said prescribed limit (including brokerage and transaction cost, if any) shall be borne by the AMC.
- Expenses not exceeding of 0.30 % of daily net assets, if the new inflows from beyond top 15 cities are at least:
  - (i) 30 % of gross new inflows in the scheme; or
  - (ii) 15 % of the average assets under management (year to date) of the scheme; whichever is higher.

Provided that if inflows from such cities is less than the higher of sub-clause (i) or sub- clause (ii), such expenses on daily net assets of the scheme shall be charged on proportionate basis.  
 Provided further that expenses charged under this clause shall be utilized for distribution expenses incurred for bringing inflows from such cities.  
 Provided further that amount incurred as expense on account of inflows from such cities shall be credited back to the scheme in case the said inflows are redeemed within a period of one year from the date of investment.
- Additional expenses upto 0.20% of daily net assets of the schemes, incurred towards different heads mentioned under Regulation 52 (2) and 52 (4).

### **Service Tax:**

Service Tax on investment and advisory fees may be charged to the scheme in addition to the maximum limit of TER as prescribed in Regulation 52(6)(c). Service tax on other than investment and advisory fees, if any, shall be borne by the scheme within the maximum limit of TER as per Regulation 52.

The estimates are based on an amount of Rs. 100 crores for the Scheme and will change to the extent assets are lower or higher.

The aforesaid estimates are made in good faith by the Investment Manager and are subject to change inter se among the various heads of expenses and between the Plans. It may also be noted that the total expenses of the Plans will also be subject to change within the overall limits of expenses under Regulation 52. Actual expenses under any head and / or the total expenses may be more or less than the estimates. The Investment Manager retains the right to charge the actual expenses to the Fund, however the expenses charged will not exceed the statutory limit prescribed by the Regulations. Any expenditure in excess of the limits specified in Regulation 52 shall be borne by the AMC. The differential portion of expenses if any, post charging of actual expenses will be adjusted in the investment management fee charged by the investment manager. There will be no sub limit on management fee, and it shall be within the overall TER specified above.

For the actual current expenses being charged, the investor may refer to the website of the mutual fund.

### **C. Load structure**

Load is an amount which is paid by the investor to subscribe to the units or to redeem the units from the scheme. This amount is used by the AMC to pay commissions to the distributor and to take care of other marketing and selling expenses. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of [assetmanagement.kotak.com](http://assetmanagement.kotak.com) or may call at 1800-22-2626 or your distributor.

#### **Entry Load: NIL**

In terms of SEBI Circular No. SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009, no entry load will be charged on purchase / additional purchase / switch-in. The upfront commission, if any, on investment made by the investor shall be paid by the investor directly to the Distributor, based on his assessment of various factors including the service rendered by the Distributor.

#### **Exit Load: Nil**

Any exit load charged (net off Service Tax, if any) shall be credited back to the Scheme.

Units issued on reinvestment of dividends shall not be subject to entry and exit load.

The Trustee reserves the right to change the load structure of the Scheme on a prospective basis. Should the Trustee, on any date, decide to change the load structure, it will be on a prospective basis and investments made by Unitholders prior to such date will continue to attract the loads applicable prior to such change.

Investors may obtain information on loads on any Business Day by calling the office of the AMC or any of the Investor Service Centers. Information on applicability of loads will also be provided in the Account Statement.

The investor is requested to check the prevailing load structure of the scheme before investing.

For any change in load structure AMC will issue an addendum and display it on the website/Investor Service Centres.

Any imposition or enhancement in load shall be applicable on a prospective basis. The addendum detailing the changes may be attached to Scheme Information Documents and key information memorandum. The addendum may be circulated to all the distributors/brokers so that the same can be attached to all Scheme Information Documents and key information memoranda already in stock. Arrangements may be made to display the addendum in the Scheme Information Document in the form of a notice in all the investor service centres and distributors/brokers office. The introduction of the exit load/ CDSC alongwith the details may be stamped in the acknowledgement slip issued to the investors on submission of the application form and may also be disclosed in the statement of accounts issued after the introduction of such load/CDSC. A public notice shall be given in respect of such changes in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of region where the Head Office of the Mutual Fund is situated. In case of changes in load structure the addendum carrying the latest applicable load structure shall be attached to SID already in stock till it is updated.

#### 4. RIGHTS OF UNITHOLDERS

Please refer to SAI for details.

#### 5. PENALTIES, PENDING LITIGATION OR PROCEEDINGS, FINDINGS OF INSPECTIONS OR INVESTIGATIONS FOR WHICH ACTION MAY HAVE BEEN TAKEN OR IS IN THE PROCESS OF BEING TAKEN BY ANY REGULATORY AUTHORITY

SEBI Requirements	Response
<p>Details of all monetary penalties imposed and/ or action taken during the last three years or pending with any financial regulatory body or governmental authority, against Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company; for irregularities or for violations in the financial services sector, or for defaults with respect to shareholders or debenture holders and depositors, or for economic offences, or for violation of securities law.</p>	<ul style="list-style-type: none"><li>• During the financial year 2013-14, RBI has imposed a penalty of Rs 3.50 lacs for bouncing of SGL deal in Kotak Bond and Kotak Gilt Investment scheme. The same has been borne by KMAMC. The amount of penalty has been paid on November 12, 2013.</li><li>• RBI has imposed a penalty of Rs. 15 lakhs in April 2011, in respect of foreign exchange derivative transactions done by KMBL with certain corporate during the period 2007-08. The amount of penalty has been paid on May 5, 2011.</li><li>• RBI on the basis of the scrutiny carried out, had levied a penalty on KMBL a sum of Rs. 1.501 crores on account of non-adherence to certain aspects of KYC and AML guidelines. KMBL has taken necessary corrective steps in this respect. The amount of penalty has been paid July 25, 2013.</li><li>• RBI has imposed a penalty of Rs. 10 lakh on Kotak Bank in July 2014 in the matter of loan and current accounts scrutiny of Deccan Chronicle Holding Ltd. The amount of penalty has been paid on August 5, 2014.</li><li>• There was an instance of bouncing of SGL on April 13, 2016 for Rs. 9141.25 lacs due to non-updating of security sold in CROMS system. Bank had explained to RBI the circumstances leading to the shortfall. RBI, after perusing the explanation given by the Bank imposed a penalty of Rs.5 lacs on KMBL vide its letter dated May 12, 2016.</li><li>• In a solitary case Bank had obtained RBI approval for netting off transactions relating import/export of services and settle the net amount of the receivables/payables with the</li></ul>



	<p>overseas counterparty on behalf of the client subject to adhering to certain terms and conditions as prescribed which inter-alia included a condition that the Bank as an AD should report the transactions on gross basis in R Returns. The Bank had adhered to all conditions of the approval except that the reporting of the transaction was inadvertently done on net basis instead of gross basis. The said deviation was a pure operational error RBI vide its letter dated April 13, 2017 imposed a penalty of Rs.10000/- on Kotak Mahindra Bank in exercise of powers conferred under Section 11 (3) of FEMA 1999. Post identification of the issue Bank has put in adequate control measures to ensure that such instances do not recur in future.</p>
<p>Details of all enforcement actions taken by SEBI in the last three years and/ or pending with SEBI for the violation of SEBI Act, 1992 and Rules and Regulations framed there under including debarment and/ or suspension and/ or cancellation and/ or imposition of monetary penalty/adjudication/enquiry proceedings, if any, to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel (especially the fund managers) of the AMC and Trustee Company were/ are a party</p>	NIL
<p>Any pending material civil or criminal litigation incidental to the business of the Mutual Fund to which the Sponsor(s) and/ or the AMC and/ or the Board of Trustees /Trustee Company and/ or any of the directors and/ or key personnel are a party</p>	NIL
<p>Any deficiency in the systems and operations of the Sponsor(s) and/ or the AMC and/ or the Board of Trustees/Trustee Company which SEBI has specifically advised to be disclosed in the SID, or which has been notified by any other regulatory agency</p>	NIL

**Notwithstanding anything contained in this Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.**

Note: The Scheme under this Scheme Information Document was approved by the Trustee at their meeting held on March 26, 2008.

## OFFICIAL COLLECTION CENTRES

### I. KMAMC AUTHORISED COLLECTION CENTRES

**Agra:** S-8, 2nd Floor, Maruti Plaza, Agra – 282002. **Ahmedabad:** 9,10,11 - 2nd Floor, Siddhi Vinayak complex, Shivranjani Cross Roads, Satellite, Ahmedabad - 380015. **Ajmer:** 1st Floor, India Heights, Kutchary Road, India Motor Circle, Ajmer – 305001. **Aligarh:** 1st Floor, C1, Omeshwar Plaza, Plot No.3/243, Laxmi Bai Marg, Marris Road, Aligarh - 202001. **Allahabad:** Upper Ground Floor, Vashistha Vinayak Tower, 38/1 Tashkant Marg, Civil Lines, Allahabad - 211003. **Ambala:** 5397-5398, First Floor, Punjabi Mohalla, Nicholson Road, Above Haryana Beauty Parlour Ambala Cantt – 133001 **Amritsar:** 2nd Floor, SCO-32, Pal Plaza, Distt. Shopping Complex, Block-B, Ranjit Avenue, Amritsar – 143001 **Anand:** 302, Madhav Complex, Anand Grid Road, B/S Sanket Complex, Anand - 388001. **Aurangabad:** 3rd Floor, Kandi Towers, CTS No. 12995, Above Kotak Mahindra Bank, Jalna Road, Aurangabad - 431001. **Bangalore:** Ground & 4th Floor, Kotak House, 22, M.G. Road, Bangalore 560001. **Bareilly:** 1st Floor, 167-A, Civil Lines, Station Road, Above Syndicate Bank, Bareilly - 243001. **Bathinda:** VD Complex 2928, E/45, Bibiwala Road, Bathinda - 151005. **Bhavnagar:** 303, 3rd Floor, "Krishna Darshan", Parimal Chock, Waghawadi Road, Bhavnagar - 364002 **Bhilai:** Shop No. 22, Commercial Complex, Nehru Nagar (E) Bhilai – 490006. **Bhopal:** 2nd Floor, Office No.SB-21, Mansarovar Complex, Hoshangabad Road, Bhopal - 462011. **Bhubaneswar:** 2nd Floor, Building No.24, SCR Janpath, Bapujinagar, Bhubaneswar - 751001. **Bhuj:** Ramyakala Shop no 4, Ground Floor, Nr Dr.Mahadev Patel Hospital, Hospital Road, Bhuj Kutch - 370001. **Calicut:** PARCO Complex, 5th Floor, Near ICICI Bank Ltd, Kallai Road, Calicut - 673012. **Chandigarh:** Sco No 2475- 2476, 1st Floor, Sector 22 C, Chandigarh -160022. **Chennai:** No. 1-E, 1st Floor, Eldorado Building, 112, Nungambakkam High Road, Chennai - 600034. **Cochin:** Door No.65/877, 1st Floor, Chammany Complex, Kaloorkadavanthara Road, Cochin – 682017 **Coimbatore:** S. S. Complex, 554B/1, 2nd Floor, D.B. Road, R S Puram, Coimbatore - 641002. **Cuttack:** 3rd Floor, City Mart, Above Vishal, Mega Mart, Bajrakbati Road, Cuttack-753001 **Dehradun:** 9A & B, 1st Floor, India Trade Centre, 97 Rajpur Road, Dehradun - 248001. **Dhanbad:** Room No-418, Sriram Plaza, Bank More, Dhanbad - 826001. **Durgapur:** 2nd Floor, Amantran, Urbashi Commercial Place, Bengal Ambuja, City Centre, Durgapur - 713216. **Goa:** 3rd Floor, Mathias Plaza, 18th June Road, Panjim, Goa - 403001. **gorakpur:** Office no 4, 2nd Floor, Cross Road, A. D. Chowk, Bank Road, Gorakhpur - 273001. **Guntur:** 2nd Floor, Platini Plaza, 8<sup>th</sup> Line Main Road, Arundalpet, Guntur - 522002. **Gurgaon:** 2nd Floor, SCO-14, Sector No 14, Gurgaon - 122001. **Guwahati:** 5th Floor, Amaze Shopping Mall (Above Vishal Mega Mart) A.T.Road, Guwahati - 781001. **Hubli:** 1st Floor, Kundgol Complex, Court Circle, Hubli - 580029. **Hyderabad:** No.304, 3rd Floor, Jade Arcade, Paradise Circle, M.G. Road, Hyderabad - 500003. **Indore:** 2nd Floor, Starlite Tower, 29/1, Y.N. Road, Indore – 452001. **Jaipur:** 202, Mall-21, Opp. Raj Mandir Cinema, Bhagwandas Road, Jaipur - 302001. **Jalandhar:** Office No.9, 3rd Floor, City Square Building, Eh-197, Civil Lines, Jalandhar - 144001 **Jalgaon:** Ground Floor Panna House Jai Nagar opp. Omkeshwar Jalgaon- 425002. **Jammu:** Shop No.21, Ground Floor, A-2 South Block, Bahu Plaza, Jammu - 180001. **Jamnagar:** 107, 1st Floor, Madhav Darshan, Opp. Cricket Bungalow, Jamnagar - 361001. **Jamshedpur:** 2nd Floor, Bharat Business Centre, Rear Wing, Ram Mandir Area, Bistupur, Jamshedpur – 831001 **Jodhpur:** 117, 1st Floor, Modi Arcade, Near Bombay Motor Circle, Chopasani Road, Jodhpur - 342001. **Kanpur:** Room No. 107, 1st Floor, Ratan Squire, 14/144 Chundi Ganj, Kanpur - 208001. **Kolhapur:** Office No.6, 1st Floor, Vasant Prabha Chambers, Sykes Extension, Near Parikh Pool, Railway Gate, Kolhapur-416001 **Kolkata:** 3rd Floor, The Millennium, 235/2A, A. J. C. Bose Road, Kolkata – 700020. **Kottayam:** 3rd Floor, Pulimootil Arcade, K K Road, Kanjikuzhy, Kottayam – 686004. **Lucknow:** Arvans Business Park, 90 MG Road, Lucknow - 226 001. **Ludhiana:** SCO 16-17, 3rd Floor, Fortune Chambers, Opp: Ludhiana Stock Exchange, Feroze Gandhi Market, Ludhiana – 141001 **Mangalore:** D. No. 5-4-169/21, 3rd Floor, Lalbagh Towers, Ballalbhag Circle, Near Kalyan Jewellers, M. G. Road, Mangalore – 575003. **Meerut:** Shop No. G-5, Ground Floor, Star Palace Bacchhapark, Opp Rama Plaza Meerut - 250001 **Moradabad:** Above Krishna Investment Consultant, Near Raj Mahal Hotel, Near Civil Lines, Moradabad - 244001. **Mumbai:** 6th Floor, Kotak Infinity, Building No. 21, Infinity Park, Off Western Express Highway, Gen. A K Vaidya Marg, Malad (E), Mumbai - 400097. **Mumbai (Nariman Point):** 2nd Floor, Bakhtawar, 229 Nariman Point, Mumbai - 400021. **Mumbai (Thane):** Ground Floor, Shop No.2, Ram Rao Sahani Sadan, Kaka Sohni Path, Thane (W) - 400602. **Mysore:** Prashanth Plaza, 5th Cross, 4th Main Road, Saraswathipuram, Mysore - 570009. **Nagpur:** 302, 3rd Floor, Shalwak Manor, East High Court Road, Opposite Dr. Jay Deshmukh's Hospital, Ramdaspeth, Nagpur - 440011. **Nashik:** Shop no.6, Ground Floor, Krishnaratra, Opp. Hotel Potoba, New Pandit Colony, Nashik - 422002. **New Delhi:** Kotak Mahindra Asset Management Co. Ltd., Unit No. 9A & 9C, 9th Floor, Vandana Building, Tolstoy Marg, Connaught Place, New Delhi – 110001. **Panipat:** Jawa Complex, Lower Ground Floor, Near Vijaya Bank, Opp: Bathak Chowk, G.T. Road, Panipat – 132103. **Patiala:** Ground Floor, Sethi Complex, Opp: Polo Ground, Near Modi College Chowk, Lower Mall, Patiala – 147001. **Patna:** 204 Shyam Centre, Besides Republic Hotel, Exhibition Road, Patna - 800001. **Pondicherry:** 1st Floor, No.114-116, Jayalakshmi Complex, Thiruvalluvar Salai, Pillaithottam, Pondicherry - 605013. **Pune:** Office No.202 & 202-A, 2nd Floor, Signature Building, Opp: Golwilkar Laboratory, Bhamburda, Bhandrakar Road, Pune 411 004. **Raipur:** Office No.T-15, 3rd Floor, Raheja Tower, Jail Road, Raipur – 492001 **Rajkot:** Star Plaza, 4th Floor, Office No – 429, Nr. Phulchhab Chowk, Rajkot – 360001. **Ranchi:** 3rd Floor, Satya Ganga, Lalji Hirji Road, Main Road, Ranchi – 834001. **Rourkela:** 2nd Floor, Plot No 304, Holding No 72, Opp Old Court, Main Road, Uditnagar, Above Yes Bank & Corporation Bank, Rourkela - 769012. **Salem:** 213, 2nd Floor, Kandaswara Shopping Mall, Saradha Collage Main Road, Salem - 636016. **Shimla:** Bhagra Nivas, Near Lift Road, The Mall Shimla - 171001. **Siliguri:** Lower Ground Floor, Nanak Complex, Sevoke Road, Siliguri - 734001. **Srinagar:** C/O Cureinm Medicate, Zaindar Mohalla, Habba Kadal, Srinagar - 190001. **Surat:** M-7, Mezzanine floor, Jolly Plaza, Near Athwa Arcade, Athwa Gate, Surat - 395001. **Trichy:** 1st Floor, Vignesh Aradhana, No. 16, Shop no.4, Shastrri Road, Thennur, Trichy - 620017. **Trichur:** 2nd Floor, Trichur Trade Center, Kuruppam Road, Trichur – 680001. **Trivandrum:** S.1. White Heaven, Vellayambalam, Trivandrum - 695010. **Udaipur:** C/o. Kotak Securities, 1st Floor, Moomal Tower, Above IDBI Bank, 222/16, Saheli Marg, Saheli Nagar, Udaipur - 313001. **Vadodara:** 1st Floor, 137, Siddharth Complex, R. C. Dutt Road, Alkapuri, Vadodara - 390007. **Vapi:** Office No.10, 1st Floor, Sahara Market, Vapi-Silvassa Road, Vapi - 396191. **Varanasi:** Shop No.61, 62, 66, 1st Floor, Kuber Commercial Complex, D-58/2, Rathayatra Crossing, Varanasi – 221010. **Vijayawada:** 2nd Floor, Soma Shankar Nilayam, 40-1-29, Above Kuttans Show Room, Near Fortune Murali Park, M G Road, Vijayawada - 520010. **Visakhapatnam:** 1st floor, Door No. 47-10-10, Rednam Regency, 2nd lane Dwaraka Nagar, Visakhapatnam - 530016.

### II. COMPUTER AGE MANAGEMENT SERVICES PRIVATE LIMITED (CAMS) - INVESTOR SERVICE CENTRES

**Ahmedabad:** 111-113, 1st Floor, Devpath Building, Off C G Road, Behind Lal Bungalow, Ellis Bridge, Ahmedabad - 380006. **Bangalore:** Trade Centre, 1st Floor, 45, Dikensen Road. (Next to Manipal Centre), Bangalore - 560042. **Bhubaneswar:** 3rd Floor, Plot No - 111, Varaha Complex Building, Station Square, Kharvel Nagar, Unit 3, Bhubaneswar - 751001. **Chandigarh:** Deepak Tower, SCO 154-155, 1st Floor, Sector 17-C, Chandigarh - 160017. **Chennai:** Ground Floor No.178/10, Kodambakkam High Road, Opp. Hotel Palmgrove, Nungambakkam, Chennai - 600034. **Cochin:** 1st Floor, K C Centre, Door No. 42/227-B, Chittoor Road, Opp. North Town Police Station, Kacheripady, Cochin - 682018. **Coimbatore:** Ground Floor, Old No. 66 New No. 86, Lokamanya Street (West), R.S.Puram, Coimbatore - 641002. **Durgapur:** 3rd Floor, City Plaza Building, City Centre, Durgapur - 713 216. **Goa:** B-301, Reliance Trade Centre, opp. Grace Nursing Home, near Cafe Tato, V.V. Road (Varde Valaulikar), Margoa, Goa 403 601. **Hyderabad:** 208, 2nd Floor, Jade Arcade, Paradise Circle, Secunderabad - 500003. **Indore:** 101, Shalimar Corporate Centre, 8-B, South tukogunj, Opp. Greenpark, Indore - 452001. **Jaipur:** R-7, Yudhisthir Marg, C-Scheme, Behind Ashok Nagar Police Station, 63/2, The Mall, Jaipur - 302001. **Kanpur:** 1st Floor 106 to 108, CITY CENTRE Phase - II, Kanpur - 208001. **Kolkata:** Saket Building, 44 Park Street, 2nd Floor, Kolkata – 700016. **Lucknow:** Off No 4, 1st Floor, Centre Court Building, 3/c, 5 - Park Road, Hazratganj, Lucknow - 226001. **Ludhiana:** U/ GF, Prince Market, Green Field, Near Traffic Lights, Sarabha Nagar Pulli, Pakhowal Road, Ludhiana - 141002. **Madurai:** 86/71A, Tamilsangam Road, Madurai - 625001. **Mangalore:** No. G 4 & G 5, Inland Monarch, Opp. Karnataka Bank, Kadri Main Road, Kadri, Mangalore - 575003. **Mumbai:** Rajabhadur Compound, Ground Floor, Opp Allahabad Bank, Behind ICICI Bank, 30, Mumbai Samachar Marg, Fort, Mumbai - 400023. **Nagpur:** 145 Lendra, New Ramdaspeth, Nagpur - 440010. **New Delhi:** 7-E, 4th Floor, Deen Dayal Research Institute Building, Swami Ram Tirath Nagar, Near Videocon Tower, Jhandewalan Extension, New Delhi – 110055. **Patna:** G-3, Ground Floor, Om Vihar Complex, Near Saket Tower, SP Verma Road, Patna - 800001. **Pune:** Nirmiti Eminence, Off No. 6, 1st Floor, Opp Abhishek Hotel Mehendale Garage Road, Erandawane, Pune - 411004. **Surat:** Plot No.629, 2nd Floor, Office No.2-C/2-D, Mansukhlal Tower, Beside Seventh Day Hospital, Opp.Dhiraj Sons, Athwalines, Surat - 395001. **Vadodara:** 103 Aries Complex, BPC Road, Off R.C. Dutt Road, Alkapuri, Vadodara - 390007. **Vijayawada:** 40-1-68, Rao & Ratnam Complex, Near Chennupati Petrol Pump, M.G Road, Labbipet, Vijayawada - 520010. **Visakhapatnam:** Door No 48-3-2, Flat No 2, 1st Floor, Sidhi Plaza, Near Visakha Library, Srinagar, Visakhapatnam- 530 016

### III. COMPUTER AGE MANAGEMENT SERVICES PRIVATE LIMITED (CAMS) - TRANSACTION POINT

**Agartala:** Advisor Chowmuhani, (Ground Floor), Krishnanagar, Agartala - 799001. **Agra:** No.8, 2nd Floor, Maruti Tower, Sanjay Place, Agra - 282002. **Ahmednagar:** B, 1+3, Krishna Enclave Complex, Near Hotel Natraj, Nagar-Aurangabad Road, Ahmednagar - 414001. **Ajmer:** AMC No. 423/30, New Church Brahampuri, Opp T B Hospital, Jaipur Road, Ajmer - 305001. **Akola:** Opp. RLT Science College, Civil Lines, Akola - 444001. **Aligarh:** City Enclave, Opp. Kumar Nursing Home, Ramghat Road, Aligarh - 202001. **Allahabad:** 30/2, A&B, Civil Lines Station, Besides Vishal Mega Mart, Strachey Road, Allahabad - 211001. **Alleppey:** Doctor's Tower Building, Door No. 14/2562, 1st Floor, North of Iorn Bridge, Near Hotel Arcadia Regency, Allppey - 688 001. **Alwar:** 256A, Scheme No 1, Arya Nagar, Alwar - 301001. **Amaravati:** 81, Gulsham Tower, 2nd Floor, Near Panchsheel Talkies, Amaravati - 444601. **Ambala:** Opposite PEER, Bal Bhawan Road, Ambala - 134003. **Amritsar:** SCO - 18J, 'C' BLOCK RANJIT AVENUE, Amritsar - 140001. **Anand:** 101, A P Tower, Behind Sardhar Gunj, Next to Nathwani Chambers, Anand - 388001. **Anantapur:** 15-570-33, I Floor Pallavi Towers, Subash Road, Opp:Canara Bank Anantapur - 515 001 Andhra Pradesh. **Ankleshwar:** G-34, Ravi Complex, Valia Char Rasta, G I D C, Bharuch, Ankleshwar - 393002. **Asansol:** Block - G, 1st Floor, P C Chatterjee Market Complex, Rambandhu Talab, P O Ushagram, Asansol - 713303. **Aurangabad:** Office No. 1, 1st Floor, Amodi Complex, Juna Bazar, Aurangabad - 431001. **Balassore:** B C Sen Road, Balassore - 756001. **Bareilly:** F-62-63, Butler Plaza, Civil Lines, Bareilly - 243001. **Basti:** Office No. 3, 1st Floor, Jamia Shopping Complex, (Opposite Pandey School), Station Road, (Uttar Pradesh), Basti - 272002. **Belgaum:** 1st Floor, 221/2A/1B, Vaccine Depot Road, Near 2nd Railway gate, Tilakwadi, Belgaum - 590006. **Bellary:** No 60/5 Mullangi Compound, Gandhinagar Main Road (Old Gopalswamy Road), Bellary - 583101. **Berhampur:** 1st Floor, Stairs of Aaroon Printers, Gandhi Nagar Main Road, Ganjam Dt Orissa, Berhampur - 760001. **Bhagalpur:** Krishna, 1st Floor, Near Mahadev Cinema, Dr R P Road, Bhagalpur - 812002. **Bharuch** (Parent: Ankleshwar TP): F-108, Rangoli Complex, Station Road, Bharuch - 392001. **Bhatinda:** 2907 GH, GT Road, Near Zila Parishad, Bhatinda - 151001. **Bhavnagar:** 305-306, Sterling Point, Waghawadi Road, OPP HDFC Bank, Bhavnagar - 364002. **Bhilai:** Shop No. 117, Ground Floor, Kicharia Complex, Opposite IDBI Bank, Nehru Nagar Square, Bhilai - 490020. **Bhilwara:** Indraprastha Tower, 2nd Floor, Shyam Ki Sabji Mandi Near Mukulji Garden, Bhilwara - 311001. **Bhopal:** Plot No.13, Major Shopping Center, Zone-I, M P Nagar, Bhopal - 462011. **Bhuj:** Data Solution, Office No. 17, 1st Floor, Municipal Building, Opp Hotel Prince, Station Road, Bhuj-Kutch - 370001. **Bhusawal** (Parent: Jalgaon TP): 3, Adelade Apartment, Christian Mohala, Behind Gulshan-E-Iran Hotel, Amardeep Talkies Road, Bhusawal - 425201. **Bikaner:** F 4/5, Bothra Complex, Modern Market, Bikaner - 334001. **Bilaspur:** 2nd Floor, Gwalani Chambers, St Xavier School Road, In Front of CIT (Income Tax) Office, Vyapar Vihar, Bilaspur – 495001. **Bokaro:** Mazzanine Floor, F-4, City Centre, Sector-4, Bokaro Steel City Bokaro - 827004. **Burdwan:** 399, G T Road, Basement of Talk of the Town, Burdwan - 713101. **C.R.Avenue** (Parent: Kolkata ISC): 33, C R Avenue, 2nd Floor, Room No.13, Kolkata - 700012. **Calicut:** 29/97G, 2nd Floor, Gulf Air Building, Mavoor Road, Arayidathupalam, Calicut - 673016. **Chandrapur:** Opp Mustafa Decor, Near Bangalore Bakery, Kasturba Road, Chandrapur - 442 402 Maharashtra. **Chennai:** Ground Floor, 148 Old Mahabalipuram Road, Okkiyam, Thuraipakkam, Chennai - 600097. **Chhindwara:** Shop No. 01 Near Puja Lawn, Prarasia Road, Chhindwara – 480001. **Chittorgarh:** 3 Ashok Nagar, Near Heera Vatika, Chittorgarh - 312001. **Cuttack:** Near Indian Overseas Bank, Cantonment Road, Mata Math, Cuttack - 753001. **Darbhangha:** Shahi Complex, 1st Floor, Near R B Memorial Hospital, V I P Road, Benta, Laheriasarai, Darbhanga 846001. **Davengere:** 13, 1st Floor, Akkamahadevi Samaj Complex, Church Road, P J Extension, Davengere - 577002. **Dehradun:** 204/121, Nari Shilp Mandir Marg, Old Connaught Place, Dehradun - 248001. **Deoghar:** S S M Jalan Road, Ground Floor, Opp Hotel Ashoke, Caster Town, Deoghar - 814112. **Dhanbad:** Urmila Towers, Room No. 111, 1st Floor, Bank More, Dhanbad - 826001. **Dharmapuri:** 16A/63A,

### III. COMPUTER AGE MANAGEMENT SERVICES PRIVATE LIMITED (CAMS) - TRANSACTION POINT (Cont.)

Pidamaneri Road, Near Indoor Stadium, Dharmapuri - 636701. **Dhule**: H No. 1793 / A, J B Road, Near Tower Garden, Dhule - 424001. **Erode**: 197, Seshaiyer Complex, Agraharam Street, Erode - 638001. **Faizabad**: Amar Deep Building, 3/20/14, 2nd Floor, Niyawan, Faizabad-224001 **Faridabad**: B-49, 1st Floor, Nehru Ground, Behind Anupam Sweet House, NIT, Faridabad - 121001. **Gandhidham**: S-7, Ratnakala Arcade, Plot No. 231, Ward - 12/B, Gandhidham - 370201. **Ghaziabad**: 113/6, 1st Floor, Navyug Market, Ghaziabad - 201001. **Gondal**: A/177 Kailash Complex Opp. Khedut Decor GONDAL - 360311. **Gorakhpur**: Shop No. 3, 2nd Floor, Cross Road, A.D. Chowk, Bank Road, Gorakhpur - 273001. **Gulbarga**: Pal Complex, 1st Floor, Opp City Bus Stop, Super Market, Gulbarga - 585101. **Guntur**: Door No 5-38-44, 5/1 BRODIPET, Near Ravi Sankar Hotel, Guntur - 522002. **Gurgaon**: SCO - 17, 3rd Floor, Sector-14, Gurgaon - 122001. **Guwahati**: A K Azad Road, Rehabari, Guwahati - 781008. **Gwalior**: G-6, Global Apartment Phase - II, Opposite Income Tax Office, Kailash Vihar City Centre, Gwalior - 474011. **Haldia**: 1st Floor, New Market Complex, Durgachak Post Office, Purba Medinipur District, Haldia - 721602. **Haldwani**: Durga City Centre, Nainital Road, Haldwani - 263139. **Hazaribagh**: Municipal Market, Annada Chowk, Hazaribagh - 825301. **Himmatnagar**: D-78, 1st Floor, New Durga Bazar, Near Railway Crossing, Himmatnagar - 383001. **Hisar**: 12, Opp Bank of Baroda, Red Square Market, Hisar - 125001. **Hoshiarpur**: Near Archies Gallery, Shimla Pahari Chowk, Hoshiarpur - 146001. **Hosur**: No.9/2, 1st Floor, Attibele Road, HCF Post, Behind RTO office, Mathigiri, Hosur - 635 110. **Hubli**: 206 & 207, 1st Floor, A-Block, Kundagol Complex, Opp Court, Club road, Hubli - 580029. **Jabalpur**: 8, Ground Floor, Datt Towers, Behind Commercial Automobiles, Napier Town, Jabalpur - 482001. **Jalandhar**: 367/8, Central Town, Opp. Gurudwara Diwan Asthan, Jalandhar - 144001. **Jalgaon**: Rustomji Infotech Services, 70, Navipeth, Opp old Bus Stand, Jalgaon - 425001. **Jalna**: (Parent ISC - Aurangabad) : Shop No. 11, 1st Floor, Ashoka Plaza, Opp Magistic Talkies, Subhash Road, Jalna - 431203. **Jamnagar**: 207, Manek Centre, P N Marg, Jamnagar - 361001. **Jamshedpur**: Millennium Tower, Room No. 15, 1st Floor, R - Road, Bistupur, Jamshedpur - 831001. **Jhansi**: Babu Lal Karkhana Compound, Opp SBI Credit Branch, Gwalior Road, Jhansi - 284001. **Jodhpur**: 1/5, Nirmal Tower, 1st Chopasani Road, Jodhpur - 342003. **Jammu**: JRDS Heights, Lane Opp. S&S Computers, Near RBI Building, Sector 14, Nanak Nagar Jammu - 180004. **Junagadh**: Circle Chowk, Near Choksi Bazar Kaman, Gujarat Junagadh - 362001. **Kadapa**: Door No.: 21/598, Palempapaiah Street, Near Ganjikunta Pandurangiah Dental Clinic, 7 Road Circle, Kadapa - 516001. **Kakinada**: No.33-1, 44 Sri Sathya Complex, Main Road, Kakinada - 533 001. **Kalyani**: A - 1/50, Block - A, Dist Nadia Kalyani - 741235. **Kannur**: Room No. 14/435, Casa Marina Shopping Centre, Talap, Kannur - 670004. **Karimnagar**: H No. 7-1-257, Upstairs S B H, Mangammthota, Karimnagar - 505001. **Karnal**: (Parent :Panipat TP) : 7, 1st Floor, Opp Bata Showroom, Kunjapura Road, Karnal - 132001. **Karur**: 126 GVP Towers, Kovai Road, Basement of Axis Bank, Karur - 639002. **Katni**: NH 7, Near LIC, Jabalpur Road, Bargawan, Katni - 483501. **Kestopur**: S. D. Tower, Sreeparna Apartment, AA-101, Prafulla Kannan (West) Shop No - 1M, Block - C (Ground Floor), Kestopur, - 700101. **Khammam**: 1st Floor, Shop No 11 - 2 - 31/3, Philips Complex, Balajinagar, Wyr Road, Near Baburao Petrol Bunk, Khammam - 507001. **Kharagpur**: Shivhare Niketan, H No 291/1, Ward No 15, Opposite UCO Bank, Kharagpur - 721301. **Kolhapur**: AMD Sofex Office No.7, 3rd Floor, Ayodhya Towers, Station Road, Kolhapur - 416001. **Kollam**: Kochupilamoodu Junction, Near VLC, Beach Road, Kollam - 691001. **Kota**: B-33, Kalyan Bhawan, Triangle Part, Vallabh Nagar, Kota - 324007. **Kottayam**: Building No: KMC IX / 1331 A, Opp.: Malayala Manorama, Railway Station Road, Thekkumkattil Building Kottayam - 686 001. **Kumbakonam**: Jailani Complex, 47, Mutt Street, Kumbakonam - 612001. **Kurnool**: H.No.43/8, Upstairs, Uppini Arcade, N R Peta, Kurnool - 518004. **Malda**: Daxhinapan Abasan, Opp Lane of Hotel Kalinga, S M Pally, Malda - 732101. **Manipal**: Basement floor, Academy Tower, Opposite Corporation Bank, Manipal - 576104. **Mapusa**: (Parent ISC : Goa) : Office No.CF-8, 1st Floor, Business Point, Above Bicholim Urban Co-op Bank, Angod, Mapusa - 403507. **Margao**: Virginkar Chambers, 1st Floor, Near Kamath Milan Hotel, New Market, Near Lily Garments, Old Station Road, Margao - 403601. **Mathura**: 159/160, Vikas Bazar, Mathura - 281001. **Meerut**: 108, 1st Floor, Shivam Plaza, Opp Evanes Cinema, Hapur Road, Meerut - 250002. **Mehsana**: 1st Floor, Subhadra Complex, Urban Bank Road, Mehsana - 384002. **Moga**: Gandhi Road, Opp Union Bank of India, Moga - 142001. **Moradabad**: H 21-22, 1st Floor, Ram Ganga Vihar Shopping Complex, Opposite Sale Tax Office, Moradabad - 244001. **Mumbai (Andheri)**: CTS No 411, Citipoint, Gundivali, Teli Gali, Above C.T. Chatwani Hall, Andheri (East) Mumbai - 400 069. **Muzzafarpur**: Brahman Toli, Durga Asthan Gola Road, Muzaffarpur - 842001. **Mysore**: No.1, 1st Floor, CH.26 7th Main, 5th Cross, (Above Trishakthi Medicals), Saraswati Puram, Mysore - 570009. **Nadiad**: F 142, First Floor, Gantakaran Complex, Gunj Bazar, Nadiad - 387001. **Nalgonda**: Adj. to Maisaiah Statue, Clock Tower Center, Bus Stand Road, Nalgonda - 508001. **Nashik**: Ruturang Bungalow, 2 Godavari Colony, Behind Big Bazar, Near Boys Town School, Off College Road, Nashik - 422005. **Navsari**: Dinesh Vasani & Associates, 103 - Harekrishna Complex, above IDBI Bank, Near Vasant Talkies, Chinnabai Road, Navasari - 396445. **Nellore**: 97/56, 1st Floor, Immadisetty Towers, Ranganayakulapet Road, Santhapet, Nellore - 524001. **Noida**: C-81, 1st Floor, Sector No 2, Noida - 201301. **Palakkad**: 10 / 688, Sreedevi Residency, Mettupalayam Street, Palakkad - 678001. **Palanpur**: Jyotindra Industries Compound, Near Vinayak Party Plot, Deesa Road, Palanpur - 385001. **Panipat**: 83, Devi Lal Shopping Complex, Opp ABN Amro Bank, G T Road, Panipat - 132103. **Patiala**: 35, New Lal Bagh Colony, Patiala - 147001. **Pondicherry**: S-8, 100, Jawaharal Nehru Street, (New Complex, Opp. Indian Coffee House), Pondicherry - 605001. **Raibareli**: 17, Anand Nagar Complex, Raibareli - 229001. **Raipur**: HIG, C-23, Sector - 1, Devendra Nagar, Raipur - 492004. **Rajahmundry**: Cabin 101, D No. 7-27-4, 1st Floor, Krishna Complex, Baruvuri Street, T Nagar, Rajahmundry - 533101. **Rajkot**: Office 207 - 210, Everest Building, Harihar Chowk, Opp Shastri Maidan Limda Chowk Rajkot - 360001. **Ranchi**: 4, HB Road, No: 206, 2nd Floor Shri Lok Complex, Ranchi - 834 001. **Ratlam**: Dafria & Co., 18, Ram Bagh, Near Scholar's School, Ratlam - 457001. **Ratnagiri**: Kohinoor Complex, Near Natya Theatre, Nachane Road, Ratnagiri - 415639. **Rohtak**: 205, 2nd Floor, Bldg. No. 2, Munjal Complex, Delhi Road, Rohtak - 124001. **Roorkee**: 22 Civil Lines, Ground Floor, Hotel Krish Residence Roorkee - 247667. **Rourkela**: 1st Floor, Mangal Bhawan, Phase II, Power House Road, Rourkela - 769001. **Sagar**: Opp. Somani Automobiles, Bhagwanganj, Sagar - 470002. **Saharanpur**: 1st Floor, Krishna Complex, Opp. Hath Gate, Court Road, Saharanpur - 247001. **Salem**: No. 2, 1st Floor, Vivekananda Street, New Fairlands, Salem - 636016. **Sambalpur**: C/o Raj Tibrewal & Associates, Opp. Town High School, Sansarak, Sambalpur - 768001. **Sangli**: Jiveshwar Krupa Bldg, Shop. NO.2, Ground Floor, Tilak Chowk, Harbhat Road, Sangli - 416416. **Satara**: 117 / A / 3 / 22, Shukrawar Peth, Sargam Apartment, Satara - 415002. **Shahjahanpur**: Bijlipura, Near Old Distt Hospital, Shahjahanpur - 242001. **Shimla**: 1st Floor, Opp Panchayat Bhawan Main Gate, Bus Stand, Shimla - 171001. **Shimoga**: Nethravathi, Near Gutti Nursing Home, Kuvempu Road, Shimoga - 577201. **Siliguri**: 17B Swamiji Sarani, Siliguri - 734001. **Sirsa**: Gali No 1, Old Court Road, Near Railway Station Crossing, Sirsa - 125055. **Solan**: 1st Floor, Above Sharma General Store, Near Sanki Rest house, The Mall, Solan - 173212. **Solapur**: Flat No 109, 1st Floor, A Wing, Kalyani Tower, 126 Siddheshwar Peth, Near Pangal High School, Solapur - 413001. **Sriganganagar**: 18 L Block, Sri Ganganagar - 335001. **Srikakulam**: Door No 4-4-96, First Floor, Vijaya Ganapathi Temple Back Side, Nanubala Street, Srikakulam - 532001. **Sultanpur**: 967, Civil Lines, Near Pant Stadium, Sultanpur - 228001. **Surat**: Plot No.629, 2nd Floor, Office No.2-C/2-D, Mansukhlal Tower, Beside Seventh Day Hospital, Opp.Dhiraj Sons, Athwalines, Surat - 395001. **Surendranagar**: 2 M I Park, Near Commerce College, Wadhwan City, Surendranagar - 363035. **Thane**: 3rd Floor, Nalanda Chambers, "B" Wing, Gokhale Road, Near Hanuman Temple, Naupada, Thane (West) - 400 602. **Thiruppur**: 1(1), Binny Compound, 2nd Street, Kumaran Road, Thiruppur - 641601. **Thiruvalla**: 24/590-14, C.V.P Parliament Square Building, Cross Junction, Thiruvalla - 689101. **Tinsukia**: Sanairan Lohia Road, 1st Floor, Tinsukia - 786125. **Tirunelveli**: 1st Floor, Mano Prema Complex, 182 / 6, S N High Road, Tirunelveli - 627001. **Tirupathi**: Shop No : 6, Door No: 19-10-8, (Opp to Passport Office), AIR Bypass Road, Tirupathi - 517501. **Trichur**: Room No. 26 & 27, Dee Pee Plaza, Kokkalai, Trichur - 680001. **Trichy**: No 8, 1st Floor, 8th Cross West Extn, Thillainagar, Trichy - 620018. **Trivandrum**: R S Complex, Opposite of LIC Building, Pattom PO, Trivandrum - 695004. **Tuticorn**: 1 - A / 25, 1st Floor, Eagle Book Centre Complex, Chidambaram Nagar Main, Palayamkottai Road, Tuticorn - 628008. **Udaipur**: 32 Ahinsapuri, Fatehpura Circle, Udaipur - 313004. **Ujjain**: 123, 1st Floor, Siddhi Vinayaka Trade Centre, Saheed Park, (Madhya Pradesh), Ujjain - 456010. **Unjha**: (Parent: Mehsana): 10/11, Maruti Complex, Opp. B R Marbles, Highway Road, Mehsana, Unjha - 384170. **Valsad**: Gita Niwas, 3rd Floor, Opp. Head Post Office, Halar Cross Lane, Valsad - 396001. **Vapi**: 208, 2nd Floor HEENA ARCADE, Opp. Tirupati Tower, Near G.I.D.C. Char Rasta, Vapi - 396195. **Varanasi**: Office no 1, Second floor, Bhawani Market, Building No. D-58/2-A 1, Rathayatra, Beside Kuber Complex, Varanasi - 221010. **Vellore**: No.1, Officer's Line, 2nd Floor, MNR Arcade, Opp. ICICI Bank, Krishna Nagar, Vellore - 632001. **Warangal**: A. B. K Mall, Near Old Bus Depot road, F-7, 1st Floor, Ramnagar, Hanamkonda, Warangal - 506001. **Yamuna Nagar**: 124-B/R Model Town, Yamunanagar - 135001. **Yavatmal**: Pushpam, Tilakwadi, Opp Dr Shrotri Hospital, Yavatmal - 445001.