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I. HIGHLIGHTS/SUMMARY OF THE SCHEME

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| Name of the Scheme | Kotak Equity Savings Fund |
| Type of scheme | Open ended equity scheme |
| Investment Objective | <p>The investment objective of the scheme is to generate capital appreciation and income by predominantly investing in arbitrage opportunities in the cash and derivatives segment of the equity market, and enhance returns with a moderate exposure in equity & equity related instruments.</p> <p>There is no assurance or guarantee that the investment objective of the scheme will be achieved.</p> |
| Liquidity | Open-ended. Purchases and redemptions at prices related to Applicable NAV, on each Business Day, commencing not later than 5 Business days from the date of allotment. |
| Benchmark | 75% of Nifty 50 Arbitrage Index & 25% in Nifty 50 |
| NAV Information | <p>The Mutual Fund shall update the Net asset value of the scheme on every Business day on AMFI's website www.amfiindia.com by 9.00 p.m.</p> <p>The NAVs shall also be updated on the website of the Mutual Fund assetmanagement.kotak.com 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 monthly portfolio of the Schemes shall be available in a user-friendly and downloadable format on the website viz. assetmanagement.kotak.com on or before the tenth day of succeeding month.</p> |
| Plans available | <p>There will be two plans under the Scheme namely, Regular Plan and Direct Plan.</p> <p>Regular Plan: This Plan is for investors who wish to route their investment through any distributor.</p> <p>Direct Plan: This Plan is only for investors who purchase /subscribe Units in a Scheme directly with the Fund and is not available for investors who route their investments through a Distributor.</p> <p>The portfolio of both plans will be unsegregated.</p> |
| Default Plan | <p>Investors subscribing under Direct Plan of the Scheme will have to indicate "Direct Plan" against the Scheme name in the application form e.g. "Kotak Equity Savings Fund – Direct Plan". Investors should also indicate "Direct" in the ARN column of the application form.</p> <p>If the application is received incomplete with respect to not selecting Regular/Direct Plan, the application will be processed as under:</p> |

| Scenario | Broker Code mentioned by the investor | Plan mentioned by the investor | Default Plan to be captured |
|----------|---------------------------------------|--------------------------------|-----------------------------|
| 1 | Not mentioned | Not mentioned | Direct Plan |
| 2 | Not mentioned | Direct | Direct Plan |
| 3 | Not mentioned | Regular | Direct Plan |
| 4 | Mentioned | Direct | Direct Plan |
| 5 | Direct | Not Mentioned | Direct Plan |
| 6 | Direct | Regular | Direct Plan |
| 7 | Mentioned | Regular | Regular Plan |
| 8 | Mentioned | Not Mentioned | Regular Plan |

In cases of wrong/ invalid/ incomplete ARN codes mentioned on the application form, the application shall be processed under Regular Plan. The AMC shall contact and obtain the correct ARN code within 30 calendar days of the receipt of the application form from the investor/ distributor. In case, the correct code is not received within 30 calendar days, the AMC shall reprocess the transaction under Direct Plan from the date of application without any exit load

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| Options available | <p>Growth and Dividend (Payout and Reinvestment). The NAVs of the above Options will be different and separately declared; the portfolio of investments remaining the same.</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> |
| Choice of Default Option | <p>If applicant does not indicate the choice of between growth and dividend option in the application form then the fund will accept it as an application for growth option under respective plan.</p> <p>If applicant does not indicate the choice of Option between Monthly Dividend Option or Quarterly Dividend Option in the application form then the fund will accept it as an application for Monthly Dividend Option under respective plan.</p> <p>If applicant does not indicate the choice of dividend sub-option between dividend payout and dividend reinvestment then the fund will accept it as an application for dividend reinvestment.</p> |
| Dividend Frequency and Record date | <p>Monthly Dividend (Payout and Reinvestment) Quarterly Dividend (Payout and Reinvestment)</p> <p>The record date for the monthly dividend option is 12th of every month</p> |

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| | <p>The record date for the quarterly dividend option is the 20th of March, June, September and December of every year</p> <p>If the Record date is not a Business Day, the immediately following Business Day will be the record date.</p> <p>It should be noted that dividend is not guaranteed, and will be only declared subject to availability and adequacy of distributable surplus, and at the discretion of the Trustees.</p> |
| SIP/SWP/STP/DTP/FSIP Facilities | Available |
| SIP/FSIP Frequency & Dates | 1 st , 7 th , 10 th , 14 th , 15 th , 21 st , 25 th , 28 th and 30 th of the Month/ Quarter |
| SWP/STP Frequency | Weekly (Only for STP), Monthly and Quarterly |
| SWP Dates | 1st, 7th, 14th, 21st and 25th |
| STP Dates | Any Business Day |
| SWP/STP | Fixed Sum or Entire Appreciation |
| Minimum Investment size | |
| Initial Purchase (Non- SIP) | Rs. 5000/- and in multiples of Rs 1 for purchases and for Re 0.01 for switches |
| Additional Purchase (Non-SIP) | Rs. 1000/- and in multiples of Rs 1 for purchases and for Re 0.01 for switches |
| SIP Purchase | Rs. 1000/- (Subject to a minimum of 6 SIP installments of Rs. 1000/- each) |
| Accepting of cash transactions | At present, applications for investing in scheme through cash are not accepted by Kotak AMC. The Asset Management Company is in process of implementing adequate systems and controls to accept Cash Investment in the Scheme. Information in this regard will be provided to Investors as and when the facility is made available. |
| Minimum Redemption Size | |
| In Rupees (Non- SWP/STP) | Rs. 1000/- |
| In Units (Non-SWP/STP) | 100 units |
| In Rupees (SWP/STP) | Rs. 1000/- / Entire Appreciation |
| Minimum balance to be maintained and consequences of non-maintenance. | If the holding is less than Rs. 1000 or 100 units, after processing the redemption request, the entire amount/units will be redeemed from the Scheme |
| Cheques/ Drafts to favour | <p>Direct Plan: Cheques should be drawn in favor of Kotak Equity Savings Fund – Direct Plan.</p> <p>Regular Plan: Cheques should be drawn in favor of Kotak Equity Savings Fund.</p> |
| Load Structure (During NFO and continuous offer) | <p>Entry Load: NIL</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 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> |

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| | <p>Exit load: For redemption / switch out of upto 10% of the initial investment amount (limit) purchased or switched in within 1 year from the date of allotment: Nil.</p> <p>If units redeemed or switched out are in excess of the limit within 1 year from the date of allotment: 1%</p> <p>If units are redeemed or switched out on or after 1 year from the date of allotment: NIL</p> <p>Any exit load charged (net off Service Tax, if any) shall be credited back to the Scheme.</p> <p>Units issued on reinvestment of dividends shall not be subject to entry and exit load.</p> |
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II. 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 Equity Savings Fund is only the name of the scheme, and 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.2,50,000 made by it towards setting up the Fund.
- The present scheme is not a guaranteed or assured return scheme.

SPECIFIC RISKS IN DEBT MARKETS AND CAPITAL MARKETS

Investments in Financial Instruments are faced with the following kinds of risks.

I. Risks associated with Capital Markets or Equity Markets

- **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.

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

a) Credit Risk:

Securities carry a Credit risk of repayment of principal or interest by the borrower. This risk depends on micro-economic factors such as financial soundness and ability of the borrower as also macro-economic factors such as Industry performance, Competition from Imports, Competitiveness of Exports, Input costs, Trade barriers, Favourability of Foreign Currency conversion rates, etc.

Credit risks of most issuers of Debt securities are rated by Independent and professionally run rating agencies. Ratings of Credit issued by these agencies typically range from "AAA" (read as "Triple A" denoting "Highest Safety") to "D" (denoting "Default"), with about 6 distinct ratings between the two extremes.

The highest credit rating (i.e. lowest credit risk) commands a low yield for the borrower. Conversely, the lowest credit rated borrower can raise funds at a relatively higher cost. On account of a higher credit risk for lower rated borrowers lenders prefer higher rated instruments further justifying the lower yields.

b) Price-Risk or Interest-Rate Risk:

From the perspective of coupon rates, Debt securities can be classified in two categories, i.e., Fixed Income bearing Securities and Floating Rate Securities. In Fixed Income Bearing Securities, the Coupon rate is determined at the time of investment and paid/received at the predetermined frequency. In the Floating Rate Securities, on the other hand, the coupon rate changes - 'floats' - with the underlying benchmark rate, e.g., MIBOR, 1 yr. Treasury Bill.

Fixed Income Securities (such as Government Securities, bonds, debentures and money market instruments) where a fixed return is offered, run price-risk. Generally, when interest rates rise, prices of fixed income securities fall and when interest rates drop, the prices increase. The extent of fall or rise in the prices is a function of the existing coupon, the payment-frequency of such coupon, days to maturity and the increase or decrease in the level of interest rates. The prices of Government Securities (existing and new) will be influenced only by movement in interest rates in the financial system. Whereas, in the case of corporate or institutional fixed income securities, such as bonds or debentures, prices are influenced not only by the change in interest rates but also by credit rating of the security and liquidity thereof. However, debt securities in the scheme are intended to be held till maturity. For such securities held till maturity, there will not be any interest rate risk at the end of the tenure.

Floating rate securities issued by a government (coupon linked to treasury bill benchmark or a real return inflation linked bond) have the least sensitivity to interest rate movements, as compared to other securities. The Government of India has already issued a few such securities and the Investment Manager believes that such securities may become available in future as well. These securities can play an important role in minimizing interest rate risk on a portfolio.

c) Risk of Rating Migration:

The following table illustrates the impact of change of rating (credit worthiness) on the price of a hypothetical AA rated security with a maturity period of 3 years, a coupon of 10.00% p.a. and a

market value of Rs. 100. If it is downgraded to A category, which commands a market yield of, say, 11.00% p.a., its market value would drop to Rs. 97.53 (i.e. 2.47%) If the security is up-graded to AAA category which commands a market yield of, say, 9.00% p.a. its market value would increase to Rs102.51 (i.e. by 2.51%). The figures shown in the table are only indicative and are intended to demonstrate how the price of a security can be affected by change in credit rating.

| Rating | Yield (% p.a.) | Market Value (Rs.) |
|--------------------|-----------------------|---------------------------|
| AA | 10.00 | 100.00 |
| If upgraded to AAA | 9.00 | 102.51 |
| If downgraded to A | 11.00 | 97.53 |

d) Basis Risk:

During the life of floating rate security or a swap the underlying benchmark index may become less active and may not capture the actual movement in the interest rates or at times the benchmark may cease to exist. These types of events may result in loss of value in the portfolio. Where swaps are used to hedge an underlying fixed income security, basis risk could arise when the fixed income yield curve moves differently from that of the swap benchmark curve.

e) Spread Risk:

In a floating rate security the coupon is expressed in terms of a spread or mark up over the benchmark rate. However depending upon the market conditions the spreads may move adversely or favourably leading to fluctuation in NAV.

f) Reinvestment Risk:

Investments in fixed income securities may carry reinvestment risk as interest rates prevailing on the interest or maturity due dates may differ from the original coupon of the bond. Consequently the proceeds may get invested at a lower rate.

g) Liquidity Risk:

The corporate debt market is relatively illiquid vis-a- vis the government securities market. There could therefore be difficulties in exiting from corporate bonds in times of uncertainties. Liquidity in a scheme therefore may suffer. Even though the Government Securities market is more liquid compared to that of other debt instruments, on occasions, there could be difficulties in transacting in the market due to extreme volatility or unusual constriction in market volumes or on occasions when an unusually large transaction has to be put through. 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 (SAI).

III. Risk Associated with Investment in Derivatives Market

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 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 risks associated with the use of derivatives are different from or possibly greater than, the risks associated with investing directly in securities and other traditional investment.

The risks associated with the use of derivatives are different from or possibly greater than the risks associated with investing directly in securities and other traditional investments. There are certain risks inherent in derivatives. These are:

- a) **Basis Risk** – This risk arises when the derivative instrument used to hedge the underlying asset does not match the movement of the underlying being hedged for e.g. mismatch between the maturity date of the futures and the actual selling date of the asset.
- b) **Limitations on upside:** Derivatives when used as hedging tool can also limit the profits from a genuine investment transaction.
- c) **Liquidity risk** pertains to how saleable a security is in the market. All securities/instruments irrespective of whether they are equity, bonds or derivatives may be exposed to liquidity risk (when the sellers outnumber buyers) which may impact returns while exiting opportunities.
- d) In case of investments in index futures, the risk would be the same as in the case of investments in a portfolio of shares representing an index. The extent of loss is the same as in the underlying stocks. In case futures are used for hedging a portfolio of stocks, which is different from the index stocks, the extent of loss could be more or less depending on the coefficient of variation of such portfolio with respect to the index; such coefficient is known as Beta.
- e) The risk (loss) for an options buyer is limited to the premium paid, while the risk (loss) of an options writer is unlimited, the latter's gains being limited to the premiums earned. However, in the case of KMMF, all option positions will have underlying assets and therefore all losses due to price-movement beyond the strike price will actually be an opportunity loss. The writer of a put option bears a risk of loss if the value of the underlying asset declines below the exercise price. The writer of a call option bears a risk of loss if the value of the underlying asset increases above the exercise price.
- f) The risk related to hedging for use of derivatives, (apart from the derivatives risk mentioned above) is that event of risk, which we were anticipating and hedged our position to mitigate it, does not happen. In such case, the cost incurred in hedging the position would be a avoidable charge to the scheme net assets.
- g) **Credit Risk** – The credit risk in derivative transaction is the risk that the counter party will default on its obligations and is generally low, as there is no exchange of principal amounts in a derivative transaction
- h) **Interest Rate Risk** – interest rate is one of the variables while valuing derivatives such as futures & options. For example, with everything remaining constant, when interest rates increase, the price of Call option would increase. Thus, fluctuations in interest rates would result in volatility in the valuation of derivatives.
- i) **Model Risk** - A variety of models can be used to value options. Hence, the risk to the fund is that the fund manager buys a particular option using a particular valuation model (on the basis of which the option seems to be fairly priced or cheap) but the market is valuing it using another valuation model and according to which the option may be expensive.

IV. Risk associated with Securities Lending:

In the case of securities lending the additional risk is that there can be temporary illiquidity of the securities that are lent out and the Fund may not be able to sell such lent-out securities, resulting in an opportunity loss. In case of a default by counterparty, the loss to the Fund can be equivalent to the securities lent.

Key Scheme specific Risks

- In case of a large redemption, the scheme may need to reverse the spot-futures transaction before the date of futures settlement. This eventuality may lead to the basis risk.
- While reversing the spot-futures transaction on the Futures & Options settlement day on Exchanges, there could be a risk of volume-weighted-average-price of the market being different from the price at which the actual reversal is processed. This may result in basis risk.
- Since the scheme would also invest in equity & equity related instruments there would be moderate to high risk on account of price fluctuations & volatility.
- Liquidity risk is moderate as the liquidity in some midcap stocks is low and may impact the scheme if there is a sudden large redemption.
- Since investments would be made in equity based derivatives such as options & futures, the risks associated with such derivatives would also be applicable.
- Since some portion of the portfolio may be invested in debt & money market securities, there would be moderate credit risk and moderate to low interest rate / price risk.

Risk factors associated with REITS/InvITs:

- **Market Risk** – Units of REITS & InvITs are subject to market and other risks. The value of these units 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
- **Liquidity Risk** - Liquidity in units of REITs & InvITs 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 Kotak Mahindra Mutual Fund 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. REITs and InvITs currently only have a nascent primary market. As such, in absence of the secondary market, the invested units cannot be redeemed except where the issuer is offering a buyback or delisting the units.
- **Re-investment Risk** – Investments in REITs & InvITs may carry reinvestment risk as there could be repatriation of funds by the Trusts in form of buyback of units or dividend pay-outs, etc. Consequently the proceeds may get invested at a lower rate
- **Performance Risk** - InvITs and REITS carry a performance risk by way of repayment of principal or of interest by the borrower. REITs & InvITs are likely to have volatile cash flows as the repayment dates would not necessarily be pre scheduled.

The above are some of the common risks associated with investments in REITs & InvITs. There can be no assurance that a Scheme's investment objectives will be achieved, or that there will be no loss of capital.

B. Requirement of Minimum Investors in the Scheme

The Scheme/Plan shall have a minimum of 20 investors and no single investor shall account for more than 25% of the corpus of the Scheme/Plan(s). However, if such limit is breached during the NFO of the Scheme, the Fund will endeavour to ensure that within a period of three months or the end of the succeeding calendar quarter from the close of the NFO of the Scheme, whichever is earlier, the Scheme complies with these two conditions. In case the Scheme / Plan(s) does not have a minimum of 20 investors in the stipulated period, the provisions of Regulation 39(2)(c) of the SEBI (MF) Regulations would become applicable automatically without any reference from SEBI and accordingly the Scheme / Plan(s) shall be wound up and the units would be redeemed at applicable NAV. The two conditions mentioned above shall also be complied within each subsequent calendar quarter thereafter, on an average basis, as specified by SEBI. If there is a breach of the 25% limit by any investor over the quarter, a rebalancing period of one month would be allowed and thereafter the investor who is in breach of the rule shall be given 15 days notice to redeem his exposure over the 25 % limit. Failure on the part of the said investor to redeem his exposure over the 25 % limit within the aforesaid 15 days would lead to automatic redemption by the Mutual Fund on the applicable Net Asset Value on the 15th day of the notice period. The Fund shall adhere to the requirements prescribed by SEBI from time to time in this regard.

C. Definitions

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

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| Applicable NAV | Unless stated otherwise in the SID, 'Applicable NAV' is the Net Asset Value at the close of a Business Day as of which the purchase or redemption is sought by an investor and determined by the Fund. |
| Asset Management Company or AMC or Investment Manager | 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. |
| Business Day | <p>A day other than: Saturday and Sunday, A day on which Purchase and Redemption is suspended by the AMC, Banks are closed in India a day on which both the National Stock Exchange and the Bombay Stock Exchange are closed.</p> <p>Additionally, the days when the banks in any location where the AMC's Investor service center 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. However if the Investor service center in such location is open on 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. The AMC reserves the right to declare any day as a Business Day or otherwise at any or all ISCs.</p> |
| Custodian | Deutsche Bank AG, and Standard Chartered Bank acting as Custodian to the Scheme, or any other Custodian appointed by the Trustee. |
| Consolidated Account Statement(CAS) | An account statement containing details relating to: (a) all the transactions (which includes purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan and systematic transfer plan) carried out by the investor across all schemes of all mutual funds during a specified period; (b) holding at the end of the specified period; and (c) transaction charges, if any, deducted from the investment amount to be paid to the distributor. |
| Depository | 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). |
| Entry Load | The charge that is paid by an Investor when he invests an amount in the Scheme. |
| Exit Load | The charge that is paid by a Unitholder when he redeems Units from the Scheme. |
| FII | Foreign Institutional Investors, registered with SEBI under Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995. |
| Gilts / Government Securities / G.Secs | Securities created and issued by the Central Government and / or State Government. |
| IMA | Investment Management Agreement dated 20th May 1996, entered into |

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| | 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. |
| Investor Service Centres or ISCs | Designated branches of the AMC / other offices as may be designated by the AMC from time to time. |
| Kotak Equity Savings Fund | An open ended equity scheme. |
| Kotak Bank / Sponsor | Kotak Mahindra Bank Limited. |
| KMMF / Fund / Mutual Fund | Kotak Mahindra Mutual Fund, a trust set up under the provisions of The Indian Trusts Act, 1882. |
| KMTCL / Trustee | Kotak Mahindra Trustee Company Limited, a company set up under the Companies Act, 1956, and approved by SEBI to act as the Trustee for the Schemes of Kotak Mahindra Mutual Fund. |
| Money Market Instruments | Includes commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity upto one year, call or notice money, certificate of deposit, usance bills, and any other like instruments as specified by the Reserve Bank of India from time to time. |
| MIBOR | The Mumbai Interbank Offered Rate published once every day by the National Stock Exchange and published twice every day by Reuters, as specifically applied to each contract. |
| Mutual Fund Regulations / Regulations | 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. |
| NAV | 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 will be computed up to four decimal places. |
| NRI | Non-Resident Indian and Person of Indian Origin as defined in Foreign Exchange Management Act, 1999. |
| Purchase Price | Purchase Price, to an investor, of Units under the Scheme (including Options thereunder) computed in the manner indicated elsewhere in this SID. |
| Redemption Price | Redemption Price to an investor of Units under the Scheme (including Options thereunder) computed in the manner indicated elsewhere in this SID. |
| Registrar | Computer Age Management Services Private Limited ('CAMS'), acting as Registrar to the Scheme, or any other Registrar appointed by the AMC. |
| Repo | Sale of securities with simultaneous agreement to repurchase them at a later date. |
| Reserve Bank of India / RBI | Reserve Bank of India, established under the Reserve Bank of India Act, 1934. |
| Reverse Repo | Purchase of securities with a simultaneous agreement to sell them at a later date. |
| Scheme | Kotak Equity Savings Fund All references to the Scheme would deem to include options thereunder unless specifically mentioned. |
| Standard Information Document (SID) | This document issued by Kotak Mahindra Mutual Fund, offering for subscription of Units of the Scheme. |
| Statement of Additional Information (SAI) | 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) |

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| SEBI | The Securities and Exchange Board of India. |
| Transaction Points | Centres designated by the Registrar, to accept investor transactions and scan them for handling by the nearest ISC. |
| Trust Deed | 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. |
| Trust Fund | The corpus of the Trust, Unit capital and all property belonging to and/or vested in the Trustee. |
| Unit | The interest of the investors in the Scheme, which consists of each Unit representing one undivided share in the assets of the Scheme. |
| Unitholder | A person who holds Unit(s) of the Scheme |
| Valuation Day | Business Day of the Scheme. |
| Words and Expressions used in this SID and not defined | Same meaning as in Trust Deed. |

D. Special Consideration

E. SPECIAL CONSIDERATION:

- i) 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.
- ii) 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/RBI regulations and other applicable laws/regulations could have an effect on such investments and valuation thereof.
- iii) 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.

- iv) 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.
- v) 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.
- vi) 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.
- vii) 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.
- viii) **Purchase/ Redemption of units of schemes of Kotak Mahindra Mutual Fund through Stock Exchange Infrastructure**

Kotak Mahindra Asset Management Company Limited (KMAMC) offers an alternate transaction platform to facilitate purchase/redemption of units in Demat form of certain schemes of Kotak Mahindra Mutual Fund on Mutual Fund Service System (MFSS) of the National Stock Exchange India Limited (NSE) and on the BSE Stock Exchange Platform for Allotment and Repurchase of Mutual Funds (BSE StAR MF System) of the Bombay Stock Exchange (BSE). KMAMC has entered into an arrangement with NSE & BSE for facilitating transactions in select Kotak Mahindra Mutual Fund schemes through the stock exchange brokers who are AMFI Certified.

- Unit holders, both existing and new, having a demat account can only participate through this facility. However, switch transactions, SWP, STP are currently not available under this facility. Switch Transactions are permitted only BSE StarMF platform.
- MFSS and BSE StAR MF are electronic platforms introduced by National Stock Exchange (NSE) & Bombay Stock Exchange (BSE) respectively for transacting in units of mutual funds. The units of eligible Schemes are not listed on NSE & BSE and the same cannot be traded on the Stock Exchange like shares. The window for purchase/redemption of units on MFSS and BSE StAR MF will be available between 9:00 a.m. and 3:00 p.m. or such other timings as may be intimated by the exchanges. The applicability of NAV will be subject to guidelines issued by SEBI on Uniform cut-off timings for applicability of NAV of Mutual Fund Scheme(s)/Plan(s). Currently, the cut-off time is 3:00 p.m. for Non-Liquid Schemes.

Eligible Participants

- All trading members of NSE & BSE who are registered with AMFI as Mutual Fund Advisors and also registered with NSE & BSE as Participants will be eligible to offer this facility to investors.
- The eligible AMFI Certified Stock Exchange brokers will be considered as official point of acceptance of Kotak Mahindra Mutual Fund in accordance with provisions of SEBI circular no SEBI/IMD/Cir No. 11/78450/06 dated October 11, 2006.

Eligible Investors

- Investors having a demat account with any of the depositories and who have completed the prescribed formalities of their respective brokers.

How to Purchase/Redeem**Purchase**

- The investor is required to place an order for purchase of units (subject to applicable limits prescribed by BSE/NSE) with the AMFI certified stock exchange brokers.
- The investors should provide their Depository Account details to the AMFI Certified Stock exchange brokers.
- The broker shall enter the purchase order in the Stock Exchange System and an order confirmation slip will be issued to investor. This slip will be considered as time stamping acknowledgement.
- The investor will transfer the funds to the AMFI certified stock exchange brokers.
- Allotment details will be provided by the AMFI certified stock exchange brokers to the investor.
- Allotted units will be settled through clearing house and the units will be credited to investor's account by the broker
- Demat statement issued by the depositories will reflect the units.

Redemption

- The investor who chooses the depository mode is required to place an order in unit terms only for redemption, (subject to applicable limits prescribed by BSE/NSE) with the AMFI certified stock exchange brokers.
- The investors should provide their Depository Participant with Depository Instruction Slip with relevant units to be credited to Clearing Corporation pool account.
- The redemption order will be entered in the system and an order confirmation slip will be issued to investor. This slip will be considered as time stamping acknowledgement.
- The redemption proceeds will be settled through clearing house and the investor account as per demat statement will be credited by the broker.

Systematic Investment Plan (SIP)

- Investor can register SIP transaction through their secondary market broker.
- SIP transaction will be registered in the respective platform
- Investor has to ensure the amount available with the broker on the SIP date.
- Units will be allotted only in demat form

The transactions carried out on the above platform shall be subject to SEBI (Mutual Funds) Regulations, 1996 and circulars / guidelines issued thereunder, and also the guidelines/ procedural requirements as laid by the Depositories (NSDL/CDSL) / Stock Exchanges (NSE / BSE) from time to time

Note for demat holding

- Investors would have to provide the demat account details in the application form along with supporting documents evidencing the accuracy of the demat account. Applications received without supporting documents could be processed under the physical mode.
- Investors of Kotak Mahindra Mutual Fund would also have an option of holding the units in demat form for SIP/STP transactions registered directly through Kotak Mahindra Asset Management Company Ltd. / Registrars & Transfer Agents. The units will be allotted based on the applicable NAV as per Scheme Information Document (SID) of the respective scheme. The units will be credited to investors Demat Account on weekly basis on realisation of funds.
- The option of holding SIP units in demat form is available for investments registered through BStAR& MFSS.
- Dividend options having dividend frequency of less than a month will not be available for Purchase and Redemption through MFSS and BStAR platform.
- The minimum redemption size is 1 unit in case of redemption through MFSS and BStAR platform
- The requirement of maintaining minimum balance of 100 units shall not be applicable units held in demat mode.
- In case of non-financial requests/ applications such as change of address, change of bank details, etc. investors should approach the respective Depository Participant(s) since the units are held in demat mode.
- Investors will be sent a demat statement by Depository Participant showing the credit/debit of units to their account. Such demat statement given by the Depository Participant will be deemed to be adequate compliance with the requirements for dispatch of statement of account prescribed by SEBI.
- Investors will have to comply with Know Your Customer (KYC) norms as prescribed by BSE/NSE/CDSL/ NSDL and Kotak Mahindra Mutual Fund to participate in this facility.
- Investors should note that the terms & conditions and operating guidelines issued by NSE & BSE shall be applicable for purchase/redemption of units through the stock exchange infrastructure.
- Investors should get in touch with Investor Service Centres (ISCs) of Kotak Mahindra Mutual Fund or their respective brokers for further details.

Kotak Mahindra Asset Management Company Ltd. reserves the right to change/modify the features of this facility at a later date.

F. Due Diligence by the Asset Management Company

DUE DILIGENCE CERTIFICATE

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: September 1, 2017

Jolly Bhatt
Compliance Officer and Company Secretary

III. INFORMATION ABOUT THE SCHEME

Kotak Equity Savings Fund

A. Type of the scheme:

An open ended equity scheme

B. What is the investment objective of the scheme?

The investment objective of the scheme is to generate capital appreciation and income by predominantly investing in arbitrage opportunities in the cash and derivatives segment of the equity market, and enhance returns with a moderate exposure in equity & equity related instruments.

There is no assurance or guarantee that the investment objective of the scheme will be achieved.

C. How will the scheme allocate its assets?

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

| Asset Class | Investments | Indicative Allocation | Risk Profile |
|-------------|--|-----------------------|----------------|
| A | Equity & Equity Related instruments including derivatives | 65%-90% | Medium - High |
| A1 | Of which Cash-futures arbitrage* | 40%-75% | Low – Medium |
| A2 | of which Net long equity exposure** | 15%-25% | High |
| B | Debt & Money market Instruments (including margin for derivatives) | 10%-35% | Low |
| C | Units issued by REITs & InvITs | 0-10% | Medium to High |

*This denotes only hedged equity positions by investing in arbitrage opportunities in the equity market. The fund manager in the above case can therefore take exposure to equivalent stock/ index futures & create completely covered positions. Eg. – The scheme invests 65% in equity stocks/index basket in the cash market and takes short position in futures market for relevant stocks/ index to the extent of exactly 65% to avail arbitrage between spot & futures market. Thus the entire position is used to lock arbitrage profit.

**This denotes only net long equity exposures aimed to gain from potential capital appreciation of these positions. Thus it is a directional equity exposure which is not hedged.

In case of deviation from the above asset allocation, it will be rebalanced within a maximum period of 30 days.

The cumulative gross exposure through debt, equity and derivative positions shall not exceed 100% of the net assets of the scheme in accordance with SEBI Cir/ IMD/ DF/ 11/ 2010 dated August 18, 2010.

If the debt/ money market instruments offer better returns than the arbitrage opportunities available in cash and derivatives segments of equity markets then the investment manager may choose to have a lower equity exposure. In such defensive circumstances the asset allocation will be as per the below table:

| Asset Class | Investments | Indicative Allocation | Risk Profile |
|--------------------|--|------------------------------|---------------------|
| A | Equity & Equity Related instruments including derivatives | 25%-65% | Medium - High |
| A1 | Of which Cash-futures arbitrage* | 0%-50% | Low – Medium |
| A2 | of which Net long equity exposure** | 15%-25% | High |
| B | Debt & Money market Instruments (including margin for derivatives) | 35%-75% | Low |

*This denotes only hedged equity positions by investing in arbitrage opportunities in the equity market. The fund manager in the above case can therefore take exposure to equivalent stock/ index futures & create completely covered positions.

**This denotes only net long equity exposures aimed to gain from potential capital appreciation of these positions. Thus it is a directional equity exposure which is not hedged.

The above asset allocation for defensive consideration will be for a maximum period of 30 days within which the asset allocation will be rebalanced back to as indicated for normal circumstances.

The scheme shall not invest in ADR/GDR, foreign securities and Securitised Debt and shall not involve in short selling of securities.

Subject to the Regulations and the applicable guidelines issued by SEBI, the Trustee may permit the Fund to engage in securities lending. The Fund can temporarily lend securities held with the Custodian to reputed counter-parties, for a fee, subject to prudent limits and controls for enhancing returns. The Fund is allowed to lend securities subject to a maximum of 20%, in aggregate, of the net assets of the Scheme and 5% of the net assets of the Scheme in the case of a single intermediary.

Portfolio Rebalancing:

Subject to SEBI (MF) Regulations, the asset allocation pattern indicated above may change from time to time, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. It must be clearly understood that the percentages stated above are only indicative and not absolute. These proportions may vary depending upon the perception of the AMC, the intention being at all times to seek to protect the interests of the Unit holders. Such changes in the investment pattern will be for short term and only for defensive considerations. In case of any deviation, the AMC will achieve a normal asset allocation pattern in a maximum period of 30 days. Where the portfolio is not rebalanced within 30 Days, justification for the same shall be placed before the Investment Committee and reasons for the same shall be recorded in writing. The Investment committee shall then decide on the course of action. However, at all times the portfolio will adhere to the overall investment objective of the Scheme

Product Differentiation:

Kotak Equity Savings Scheme is the only scheme offered by Kotak Mahindra Mutual Fund that invests predominantly in arbitrage opportunities in the cash & derivatives segment of the equity market and has a moderate exposure to long positions in equity & equity related instruments.

Stated below are the key features of other open ended equity schemes of Kotak Mahindra Mutual Fund.

Kotak Global Emerging Equity Scheme: Investment objective: The investment objective of the scheme is to provide long-term capital appreciation by investing in an overseas mutual fund scheme that invests in a diversified portfolio of securities as prescribed by SEBI from time to time in global emerging markets. **Asset Allocation Pattern:** Units of Emerging Markets Equity Mutual Fund Schemes - 90%-100%; Debt and Money market Securities - 0% to 10%; **Differentiation:** Kotak Global Emerging Equity Scheme is the only scheme currently offered by Kotak Mahindra Mutual Fund which has a mandate of predominantly investing in overseas mutual fund/collective investment scheme(s) primarily investing in equity and equity related instruments in globally emerging markets. Quarterly AAUM (June 30, 2017): 27.45crs Folios (June 30, 2017): 7841

Kotak 50: Investment objective: To generate capital appreciation from a portfolio of predominantly equity and equity related securities. The portfolio will generally comprise of equity and equity related instruments of around 50 companies which may go up to 59 companies but will not exceed 59 at any point of time. Review and rebalancing will be conducted if the investment in companies exceed above 59. To reduce the risk of the portfolio, the Scheme may also use various derivative and hedging products from time to time, in the manner permitted by SEBI. **Asset Allocation Pattern:** Equity and equity related securities - 65% to 100%; Debt and Money Market Instruments - 0% to 35%; **Differentiation:** Kotak 50 is the only equity scheme currently offered by Kotak Mahindra Mutual Fund which has a mandate of predominantly investing in large cap stocks. Quarterly AAUM (June 30, 2017): 1352.06crs Folios (June 30, 2017): 94852

Kotak Balance: Investment objective: The investment objective of the Scheme is to achieve growth by investing in equity and equity related instruments, balanced with income generation by investing in debt and money market instruments. To reduce the risk of the portfolio, the Scheme may also use various derivative and hedging products from time to time, in the manner permitted by SEBI. **Asset Allocation Pattern:** Equity and equity related securities - 51%; Debt and Money Market Instruments - 49%; Units issued by REITs & InvITs - 0-10%; **Differentiation:** Kotak Balance is the only open ended balanced scheme offered by Kotak Mahindra Mutual Fund. Quarterly AAUM (June 30, 2017): 1438.94crs Folios (June 30, 2017): 38272

Kotak Opportunities: Investment objective: The investment objective of the Scheme is to generate capital appreciation from a diversified portfolio of equity and equity related securities. The Scheme will invest in a mix of large and mid cap stocks from various sectors, which look promising, based on the growth pattern in the economy. For the purpose of determining mid cap stocks, the market capitalization of companies will be considered. **Asset Allocation Pattern:** Equity and equity related securities - 65% to 100%; Debt and Money Market Securities - 0% to 35%; **Differentiation:** Kotak Opportunities is the only open ended scheme offered by Kotak Mahindra Mutual Fund which has a mandate of having flexibility to take exposure to stocks across market capitalization and sectors. Quarterly AAUM (June 30, 2017): 1531.48crs Folios (June 30, 2017): 104011

Kotak Midcap: Investment objective: The investment objective of the scheme is to generate capital appreciation from a diversified portfolio of equity and equity related securities. The Scheme will predominantly invest in midcap stocks. The stocks falling within the market capitalization range in the underlying benchmark viz Nifty Midcap 100 would be considered as midcap stocks. Any stock which would have a market capitalization above the highest market capitalisation in Nifty Midcap 100 would be considered as Largecap, and, any stock which has a market capitalisation below the lowest market capitalisation in Nifty Midcap 100 would be considered as smallcap. For the purpose of determining madcap stocks, the market capitalisation of companies at the end of every calendar quarter will be considered and follwes for subsequent calendar quarter end based on the classification. The Midcap segment consists of companies, many of whom started out small. They

have survived the uncertainties of the early years and have the potential to register good growth over the long term. These companies could be tomorrow's blue chip stocks. **Asset Allocation Pattern:** A. Equity and Equity related instruments - 65% to 100%; A1 - Midcap Stocks - 65% to 100%; A2 - Other than Midcap Stocks - 0 to 35%; B - Debt and Money Market Securities - 0 to 35%; **Differentiation:** Kotak Midcap is the only scheme offered by Kotak Mahindra Mutual Fund which predominantly invests in mid cap stocks.

Quarterly AAUM (June 30, 2017): 668.77crs Folios (June 30, 2017): 49471

Kotak Classic Equity: Investment objective: The investment objective of the Scheme is to generate capital appreciation from a diversified portfolio of equity and equity related instruments. The Scheme will invest in stocks of companies, which are fundamentally sound but are undervalued. **Asset Allocation Pattern:** Equity and Equity Related Securities - 65% to 100%; Debt and Money Market Securities - 0% to 35%; **Differentiation:** Kotak Classic Equity is the only scheme offered by Kotak Mahindra Mutual Fund which follows a contrarian style of stock picking.

Quarterly AAUM (June 30, 2017): 100.41crs Folios (June 30, 2017): 15476

Kotak Equity Arbitrage Fund: Investment objective: The investment objective of the Scheme is to generate capital appreciation and income from a diversified portfolio of equity and equity related instruments. The Scheme will invest in stocks of companies, which are fundamentally sound but are undervalued. **Asset Allocation Pattern:** Equity and equity related instruments including derivatives - 65% to 90%; Debt and money market instruments including margin money deployed in derivatives transactions - 10% to 35%; **Differentiation:** Kotak Equity Arbitrage is the only scheme offered by Kotak Mahindra Mutual Fund, which aims to capture the difference in prices in securities by carrying out arbitrage in the cash and futures market.

Quarterly AAUM (June 30, 2017): 6659.20crs Folios (June 30, 2017): 15462

Kotak Tax Saver: Investment objective: The investment objective of the scheme is to generate long-term capital appreciation from a diversified portfolio of equity and equity related securities and enable investors to avail the income tax rebate, as permitted from time to time. **Asset Allocation Pattern:** Equity and Equity Related Securities - 80% to 100%; Debt and Money Market Securities - 0% to 20%; **Differentiation:** Kotak Tax Saver is the only equity linked savings scheme offered by Kotak Mahindra Mutual Fund.

Quarterly AAUM (June 30, 2017): 640.64crs Folios (June 30, 2017): 118852

Kotak Select Focus: Investment objective: The investment objective of the scheme is to generate long-term capital appreciation from a portfolio of equity and equity related securities, generally focused on a few selected sectors. **Asset Allocation Pattern:** Equity and Equity Related Securities - 65% to 100%; Debt and Money Market Securities - 0% to 35%; **Differentiation:** Kotak Select focus is the only scheme offered by Kotak Mahindra Mutual Fund which aims to provide growth by taking exposure to a select few sectors that are likely to do well in the opinion of the fund manager.

Quarterly AAUM (June 30, 2017): 10591.17crs Folios (June 30, 2017): 545646

Kotak Emerging Equity Scheme: Investment objective: The investment objective of the scheme is to generate long-term capital appreciation from a portfolio of equity and equity related securities, by investing predominantly in mid and small cap companies. The scheme may also invest in Debt and Money Market Instruments, as per the Investment Pattern. **Asset Allocation Pattern:** A. Equity and Equity related Securities - 65% to 100%; A1 - Mid and Small cap Companies - 65% to 100%; A2 - Other Companies - 0 to 35%; B - Debt & Money Market Instruments - 0 to 35%; **Differentiation:** Kotak Emerging equity is the only scheme offered by Kotak Mahindra Mutual Fund which has an objective of generating growth by investing predominantly in small and mid cap companies.

Quarterly AAUM (June 30, 2017): 1922.02crs Folios (June 30, 2017): 156909

Kotak Infrastructure & Economic Reform Fund: Investment objective: The investment objective of the Scheme is to generate long –term capital appreciation from a diversified portfolio of predominantly (at least 65%) equity and equity – related securities of companies involved in economic development of India as a result of potential investments in infrastructure and unfolding economic reforms. **Asset Allocation Pattern:** Equity and equity related securities - 80%- 100%; Debt & money market securities/instruments/funds- 0 – 20%; **Differentiation:** Kotak Infrastructure and Economic Reform Fund is the only scheme offered by Kotak Mahindra Mutual Fund which has the objective to generate long –term capital appreciation from a diversified portfolio of predominantly (at least 65%) equity and equity – related securities of companies involved in economic development of India as a result of potential investments in infrastructure and unfolding economic reforms. Quarterly AAUM (June 30, 2017): 272.17crs Folios (June 30, 2017): 20506

D. Where will the scheme invest?

The amount collected under the scheme will be invested in debt and money market instruments and equity and equity related instruments. Subject to the Regulations, the amount collected under this scheme can be invested in any (but not exclusively) of the following securities/ debt instruments:

- a. Equity and equity related securities including convertible bonds and debentures and warrants carrying the right to obtain equity shares.
- b. Securities created and issued/ guaranteed by the Central and State Governments and/or repos/reverse repos in such Government Securities as may be permitted by RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills).
- c. Debt obligations of domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee (including but not limited to Indian Government Bond, State Development Loans issued and serviced at the Public Debt Office, Bonds issued by Central & State Government PSU's which are guaranteed by Central or State Governments)
- d. Corporate debt (including repo in corporate bonds) (of both public and private sector undertakings) including Non convertible debentures (including bonds) and non-convertible part of convertible securities.
- e. Obligations/ Term Deposits of banks (both public and private sector) and development financial institutions and other bodies corporate as may be permitted by SEBI from time to time
- f. Money market instruments permitted by SEBI/RBI, having maturities of up to one year or in alternative investment for the call money market as may be provided by the RBI to meet the liquidity requirements.
- g. Certificate of Deposits (CDs).
- h. Commercial Paper (CPs), CBLO, Bills re-discounting, Reverse repos, & other money market instruments as may be permitted by SEBI from time to time.
- i. The non-convertible part of convertible securities.
- j. Debentures
- k. Investment in units of Real Estate Investment Trust ('REIT') & Infrastructure Investment Trust ('InvIT').
- l. Securities Lending & Borrowing as permitted by SEBI from time to time
- m. Any other domestic fixed income securities as permitted by SEBI / RBI from time to time.
- n. Derivative instruments like index futures, stock futures, index options, stock option, warrants, convertible securities, or any other derivative instruments that are permissible or may be permissible in future under applicable regulations.
- o. Any other instruments / securities, which in the opinion of the fund manager would suit the investment objective of the scheme subject to compliance with extant Regulations.

The securities/debt instruments mentioned above could be listed or unlisted, secured or unsecured, rated and of varying maturities and other terms of issue. The securities may be acquired through Initial Public Offerings (IPOs), secondary market operations, private placement, rights offer or negotiated deals. The Schemes may also enter into repurchase and reverse repurchase obligations in all securities held by it as per guidelines/regulations applicable to such transactions.

FRA (forward rate agreement): A FRA is a cash settled agreement where the buyer and the seller agree to exchange interest payments for a notional principal amount for a specified period on a settlement date. FRAs are used to hedge interest rate exposure where the buyer hedges against the risk of rising interest rates, while the seller hedges against the risk of falling interest rates. Also used by speculators purely looking to make bets on future directional changes in interest rates. An FRA is quoted by the forward month in which it matures, for e.g. A 3x6 FRA is a contract maturing 6 months from today and starting 3 months from today

E.g. Assume that on April 01, 2015 a mutual fund scheme invests in a 1 year CP @ 10.5% for face value of Rs.50 crores, which is going to mature on March 31, 2016. If 3 months down the line i.e. July 01, 2015, the fund manager is of the opinion that interest rates are likely to decline going forward, he can enter into a 1x9 FRA (FRA rate for 9 months lending starting in 1 month from today) at a rate of 9.5% (reference rate) on a notional amount of 50 crores and on the settlement date i.e. March 31, 2016, if the reference rate drops to 8.5%, then the Scheme receives the difference between 9.5% – 8.5% i.e. gain of 100 basis points on the notional amount Rs. 50 Crores.

INVESTMENT IN DERIVATIVES

Investment in Derivatives:

The Scheme may use derivative instruments such as index futures, stock futures, index options, stock options, warrants, convertible securities, swap agreements or any other derivative instruments that are permissible or may be permissible in future under applicable regulations, as would be commensurate with the investment objective of the Scheme. The manner of use of derivative instruments is illustrated below:

Hedging & Portfolio balancing

As part of the fund management exercise under the Scheme, the Trustee may permit the use of any of the instruments mentioned above or any other instrument that may become permissible in the future under applicable regulations. Such investment in Index futures, , Stock options, Index Options, Stock Futures and other derivative instruments will be used with the objective of a) hedging the portfolio and/or b) rebalancing of the portfolio of the Scheme or c) for any other purpose as may be permitted by the Regulations from time to time.

The note below explains the concept of Index Futures, Options, with an example each, for the understanding of the Unitholders.

Index Futures

Due to ease of execution and settlement, index futures are an efficient way of buying / selling an Index compared to buying / selling a portfolio of physical shares representing an Index. Index futures can be an efficient way of achieving a Scheme's investment objectives. Index futures may do away with 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 scripts. Index futures can also be helpful in reducing transaction costs and processing costs on account of ease of execution of one trade compared to several trades of shares comprising the Index and will be easy to settle compared to physical portfolio of shares representing an Index

The National Stock Exchange and the Bombay Stock Exchange introduced Index futures on Nifty (NSE-50) and Sensex (BSE 30) for three serial months. For example, in the month of Jun 2017, three futures were available i.e. June, July and September 2017, each expiring on the last working Thursday of the respective month

Let us assume the Nifty Index was 9600 as on Jun 16, 2017 and three future indices were available as under:

| Month | Bid Price | Offer Price |
|----------|-----------|-------------|
| Jun 2017 | 9607 | 9610 |
| Jul 2017 | 9630 | 9632 |
| Aug 2017 | 9645 | 9647 |

The Fund could buy an Index of Jun 2017 as on Jun 16, 2017 at an offer price of 9610. The Fund would have to pay the initial margin as regulated by the exchanges and settle its Index position with daily marked to market i.e. receive profits/pay losses on a daily basis.

The following is a hypothetical example of a typical index future trade and the associated costs compared with physical stocks.

| Particulars | (Amount in Rupees) | |
|--|--------------------|---------------------------|
| | Index Future | Actual Purchase of Stocks |
| Index as on Jun 16, 2017 | 9600 | 9600 |
| Jun 2017 Futures Cost | 9610 | |
| A. Execution Cost | | |
| Carry costs (9610-9600) | 10.00 | Nil |
| B. Brokerage Cost | | |
| Assumed at 0.03% for Index Future and 0.05% for spot stocks (0.03% of 9610) (0.05% of 9600) | 2.8830 | 4.8000 |
| C. Securities Transaction Tax STT for Index Futures is Nil STT for Spot Stocks is 0.10% (0.10% of 9600) | Nil | 9.6000 |
| D. Gains on Surplus Funds (Assuming 4% return on 91% of the money left after paying (9% margin) (4% x 9600 x 91% x 13 days ÷ 365) | (12.4458) | Nil |
| Cash Market/ Sale Price at expiry | 9700 | 9700 |
| E. Brokerage on Sale | | |
| Assumed at 0.03% for Index Future and 0.05% for Spot stocks (0.03% of 9700) (0.05% of 9700) | 2.9100 | 4.8500 |
| F. Securities Transaction Tax STT for Index Futures is 0.01% STT for Spot Stocks is 0.10% (0.01% of 9700) (0.10% of 9700) | 0.9700 | 9.7000 |
| Total Cost (A+B+C-D+E+F) | 4.3172 | 28.9500 |
| Profit | 95.6828 | 71.0500 |

As the above example demonstrates, the cost differential between purchasing Index Future and 50 stocks comprising Nifty (NSE-50) is a function of the carrying cost, the interest earned available to Fund Managers and the brokerage cost applicable in both cases. However, as mentioned earlier, as the Indian equity markets continues to have limitations in execution of trades due to the lack of adequate liquidity and the concept of circuit breakers, index future can allow a fund to buy all the stocks comprising the index at a nominal additional cost.

Please note that the above example is hypothetical in nature and the figures, brokerage rates etc. are assumed. In case the execution and brokerage costs on purchase of Index Futures are high and the returns on surplus funds are less, buying of index future may not be beneficial as compared to buying stocks comprising the Index. The actual return may vary based on actuals and depends on final guidelines / procedures and trading mechanism as envisaged by stock exchanges and other regulatory authorities.

Use of futures

Futures can effectively be used as a substitute for underlying stocks e.g. if the Scheme has received fresh subscriptions and if it is not immediately possible to invest the cash so received into intended stocks, the Fund Manager can buy a Future contract and subsequently replace them by actual purchase of stocks. The reverse can be done in case of redemption of Units.

The Scheme typically holds cash in order to meet sudden redemption requests. This cash holding reduces the overall returns of the Scheme. By buying futures relative to this cash holding the Scheme can effectively increase its exposure to the market while keeping the cash required to meet redemption requirement. Futures will be used to hedge or rebalance the Portfolio or as permitted by the Regulations from time to time.

Option Contracts (Stock and Index)

In the global financial markets, particularly securities markets, options have been, for quite many years, a means of conveying rights from one party to another at a specified price on or before a specific date, at a cost, which is called Premium. The underlying instrument can be an individual stock or a stock index such as the BSE Sensex (such options being referred to as index options). Options are used widely the world over to manage risk and generate income. While managing risks, options may be preferred over futures as they provide asymmetric pay offs.

Option contracts are of two types - Call and Put; the former being the right, but not obligation, to purchase a prescribed number of shares at a specified price before or on a specific expiration date and the latter being the right, but not obligation, to sell a prescribed number of shares at a specified price before or on a specific expiration date. The specified price at which the shares are contracted to be purchased or sold is called the strike price. Options that can be exercised on or before the expiration date are called American Options, while those that can be exercised only on the expiration date are called European Options. In India, all options are European Options. Option contracts are designated by the type of option, name of the underlying, expiry month and the strike price.

Example for Options

Buying a Call Option: Let us assume that the Scheme buys a call option of ABC Ltd. with strike price of Rs. 3500, at a premium of Rs. 100. If the market price of ABC Ltd on the expiration date is more than Rs. 3500, the option will be exercised. The Scheme will earn profits once the share price crosses Rs. 3600 (Strike Price + Premium i.e. 3500+100). Suppose the price of the stock is Rs. 3800, the option will be exercised and the Scheme will buy 1 share of ABC Ltd. from the seller of the option at Rs 3500 and sell it in the market at Rs. 3800, making a profit of Rs. 200. In another scenario, if on the expiration date the stock price falls below Rs. 3500, say it touches Rs. 3000, the Scheme will choose

not to exercise the option. In this case the Scheme loses the premium (Rs. 100), which will be the profit earned by the seller of the call option.

Thus for an option buyer, loss is limited to the premium that he has paid and gains are unlimited. The risk of an option writer i.e. the seller of the option, is unlimited while his gains are limited to the premiums earned.

Buying a Put Option: Let us assume that the Scheme owns shares of ABC Ltd., which are trading at Rs. 3500. The fund manager expects the price to rise to Rs. 3800 but at the same time wants to protect the downside. So, he can buy a put option at Rs. 3500 by paying a premium of, say, Rs. 100. If the stock falls to say Rs 3200 by expiry, the option becomes in-the-money by Rs. 300 and the schemes loses only the initial premium paid to buy the hedge. On the contrary, if the fund manager's view turns out to be right and the stock actually rallies to Rs. 3800, the scheme gains Rs. 300 from the stock and the hedging cost paid to buy the protection is the loss. Thus, adjusted for the hedging cost, the scheme gains Rs. 200 from the trade.

The above example is hypothetical in nature and all figures are assumed for the purpose of illustrating the use of call options in individual stocks. Similarly, analogies can be drawn to illustrate the use of put options in individual stocks, and call and put options in index.

Note on Risk: The risk (loss) for an option buyer is limited to the premium paid, while the risk (loss) of an option writer is unlimited, the latter's gain being limited to the premiums earned. However, in the case of the Scheme, as per current SEBI regulations, there is a blanket prohibition on writing of options (call or put).

The Scheme will use options only for the purpose of hedging and portfolio balancing or for any purpose as permitted by Regulations from time to time. Internal controls / limits for managing risks associated with options have been set up / laid down.

Limits for investment in derivatives instruments

In accordance with SEBI circulars nos. DNP/Cir-29/2005 dated September 14, 2005, DNP/Cir-30/2006 dated January 20, 2006 and SEBI/DNP/Cir-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,.
- 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/stock futures contracts:

- a. The Mutual Fund position limit in all equity index futures/stock 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/stock futures contracts, whichever is higher,.
- 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. The Scheme 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.
8. Exposure in derivative positions shall be computed as follows:

| Position | Exposure |
|---------------|--|
| Long Future | Futures Price * Lot Size * Number of Contracts |
| Short Future | Futures Price * Lot Size * Number of Contracts |
| Option bought | Option Premium Paid * Lot Size * Number of Contracts |

E. What are the investment strategies?

The investment strategy is aimed at generating income by investing in arbitrage opportunities in the cash and derivatives segments of the equity markets and in debt securities and at the same time attempting to enhance returns through long exposure in equity and equity related instruments. If suitable arbitrage opportunities are not available in the opinion of the Fund Manager, the scheme may predominantly invest in debt and money market securities.

Income from Arbitrage Positions:

The fund manager will evaluate the difference between price of a stock in the futures market and in the spot market. If the price of a stock in the futures market is higher than in the spot market, after adjusting for cost and taxes, the scheme may buy the stock in the spot market and sell the same stock in equal quantity in the futures market simultaneously. For example, on 29-05-2016, the scheme buys 10,000 shares of XYZ Ltd. on spot @ Rs.144.40/- and at the same time sells 10,000 XYZ Ltd. futures for June 2016 expiry @ Rs.145.70. The scheme thus enters into a fully hedged transaction by selling the equity position in the futures market for expiry on 25-06-2016. If the scheme holds this position till expiry of the futures, the scheme earns an annualised net return (after adjusting brokerage, service tax and STT) of 9.03%, irrespective of what is the price of XYZ Ltd. on the date of expiry. On the date of expiry, if the price differential between the spot and futures position of the subsequent month maturity still persists, the scheme may rollover* the futures position and hold onto the position in the spot market. In case such an opportunity is not available, the scheme would liquidate the spot position and settle the futures position simultaneously.

* Rolling over of the futures transaction means,

Unwinding the short position in the futures and simultaneously buying futures of the subsequent month maturity, and

Holding onto the spot position

There could also be instances of unwinding both the spot and the future position before the expiry of the current-month future to increase the base return or to meet redemption.

The scheme also seeks to participate in the Securities Lending & Borrowing market to the extent of 20% of the net assets of the scheme or as permitted by SEBI from time to time to augment the income through the lending fee or through arbitrage opportunities presented there.

Enhance returns through Unhedged Equity:

The scheme would look to enhance returns through a moderate exposure in unhedged equity positions. The long equity exposure may comprise of equity stocks or equity derivatives such as equity index options & futures or a combination of both. A combination of top-down & bottom up approach would be used to select scrips which have the potential to provide growth at reasonable valuations.

Risk Control Measures

Risk Control Measures for investment strategy:

The fund will comply with the prescribed SEBI limits on exposure. In addition the fund will also comply with all internal risk management guidelines specified from time to time by the Investment Committee. Risk would be monitored at periodic intervals and the portfolio would be rebalanced within the specified time period in case of any deviations.

Risk Mitigation measures for portfolio volatility:

Portfolio volatility will be managed in line with the objective of scheme. As the scheme is involved only in cash futures arbitrage, the portfolio volatility depends on the spread between cash & futures prices.

Risk mitigation measures for managing liquidity:

A major part of the scheme is invested in liquid stocks. The fund manager may also keep some portion of the portfolio in debt & money market instruments and/or cash within the specified asset allocation framework for the purpose of meeting redemptions. Stock turnover is monitored at regular intervals.

Portfolio Turnover:

The scheme does not have any defined constraints either to maintain or limit portfolio turnover. However, looking at the structure & objective of the portfolio, the portfolio turnover is likely to be high.

Portfolio Turnover Ratio: 150.59.

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. – Please refer Chapter number IV “Units and Offer ” for disclosures.
 - b. Aggregate fees and expenses charged to the scheme. - Please refer Chapter V “Fees and Expenses” for disclosures.
 - 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 and the Plan / Option thereunder or the trust or fee and expenses payable or any other change which would modify the Scheme and the Plan / Option 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 Equity Savings Fund will be measured against 75% of Nifty 50 Arbitrage Index & 25% in Nifty 50

NIFTY 50 Arbitrage Index is an appropriate index to measure the performance of arbitrage strategy involving investment in equity and equivalent short position equity futures, short-term debt market investments and cash. Therefore it is appropriate for benchmarking the income generated by the equity arbitrage opportunities & debt portion which constitutes the significant part of the portfolio. The Nifty 50 index is a well diversified 50 stock index accounting for 23 sectors of the economy. It is appropriate for benchmarking unhedged equity portion of the portfolio which would be a maximum of 25% of the scheme.

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

H. Who manages the scheme?

Mr. Deepak Gupta and Mr. Abhishek Bisen will be the Fund Managers for 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. 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"> • Kotak Multi Asset Allocation Fund • Kotak Asset Allocator Fund • Kotak Sensex ETF • Kotak PSU Bank ETF • Kotak Nifty ETF • Kotak Banking ETF • Kotak NV 20 ETF • Kotak Global Emerging Market Fund (Dedicated fund manager for overseas investment) • Kotak World Gold Fund (Dedicated Fund Manager for overseas investment) • Kotak US Equity Fund (Dedicated Fund Manager for |

| | | | | |
|--------------------|----------|-----------------------------|--|--|
| | | | | overseas investment) <ul style="list-style-type: none"> • Kotak Equity Savings Fund • Kotak Capital Protection Oriented Scheme Series 1, Series 2, Series 3 and Series 4 • Kotak Classic Equity (Mr. Deepak Gupta has been managing w.e.f. January 01, 2017) • Kotak Equity Arbitrage Fund |
| Mr. Abhishek Bisen | 39 years | B A Management, MBA Finance | Mr. Abhishek Bisen has been associated with the company since October 2006 and his key responsibilities include fund management of debt schemes. Prior to joining Kotak AMC, Abhishek was working with Securities Trading Corporation Of India Ltd where he was looking at Sales & Trading of Fixed Income Products apart from doing Portfolio Advisory. His earlier assignments also include 2 years of merchant banking experience with a leading merchant banking firm. | <ul style="list-style-type: none"> • Kotak Mahindra Bond Unit Scheme 99 • Kotak Mahindra Gilt Unit Scheme 98 • Kotak Monthly Income Plan • Kotak Multi Asset Allocation Fund • Kotak Global Emerging Market Fund • Kotak Gold Fund • Kotak Gold ETF • Kotak Equity Savings Fund • Kotak Balance • Kotak Capital Protection Series 1, 2,3 & 4 |

Mr. Deepak Gupta and Mr. Abhishek Bisen have been managing the fund since October 13, 2014.

I. What are the investment restrictions?

As per the Trust Deed read with the SEBI (MF) Regulations, the following investment restrictions apply in respect of the Scheme at the time of making investments.

1. The Scheme shall not invest more than 10% of its NAV in the equity shares 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

2. The scheme shall not invest more than 5% of its NAV in the unlisted equity shares or equity related instruments.
3. The Mutual Fund under all its Scheme(s) shall not own more than 10% of any company's paid up capital carrying voting rights.
4. 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:

5. The Scheme shall not invest more than 10% of its NAV in unrated debt instruments, issued by a single issuer and the total investment in such instruments shall not exceed 25% of the NAV of the Scheme. All such investments shall be made with the prior approval of the Trustee and the Board of the AMC.
6. Debentures, irrespective of any residual maturity period (above or below one year), shall attract the investment restrictions as applicable for debt instruments. It is further clarified that the investment limits are applicable to all debt securities, which are issued by public bodies/institutions such as electricity boards, municipal corporations, state transport corporations etc. guaranteed by either state or central government. Government securities issued by central/state government or on its behalf by the RBI are exempt from the above investment limits.
7. The Scheme may invest in another scheme under the same AMC or any other mutual fund without charging any fees, provided that aggregate inter-scheme investment made by all schemes under the same AMC or in schemes under the management of any other asset management shall not exceed 5% of the net asset value of the Mutual Fund. However the aforesaid provision will not apply to fund of funds scheme.
8. The Scheme shall not make any investments in:
 - (a) any unlisted security of an associate or group company of the Sponsors; or
 - (b) any security issued by way of private placement by an associate or group company of the Sponsors; or
 - (c) the listed securities of group companies of the Sponsors which is in excess of 25% of the net assets.
9. The Scheme shall not invest in any Fund of Funds Scheme.
10. Transfer of investments from one scheme to another scheme in the same Mutual Fund, shall be allowed only if:-
 - (a) such transfers are made at the prevailing market price for quoted Securities on spot basis (spot basis shall have the same meaning as specified by Stock Exchange for spot transactions.)

(b) the securities so transferred shall be in conformity with the investment objective of the scheme to which such transfer has been made.

11. The Mutual Fund shall buy and sell securities on the basis of deliveries and shall in all cases of purchases, take delivery of relevant securities and in all cases of sale, deliver the securities:
 - Provided that the Mutual Fund may engage in securities lending and borrowing in accordance with the framework relating to securities lending and borrowing specified by SEBI.
 - Provided further that the Mutual Fund may enter into derivatives transactions in a recognized stock exchange, subject to the framework specified by SEBI.
 - Provided further that sale of government security already contracted for purchase shall be permitted in accordance with the guidelines issued by the Reserve Bank of India in this regard.
12. No loans for any purpose may be advanced by the Mutual Fund and the Mutual Fund shall not borrow except to meet temporary liquidity needs of the Schemes for the purpose of payment of interest or dividends to Unit Holders, provided that the Mutual Fund shall not borrow more than 20% of the net assets of each of the Schemes and the duration of such borrowing shall not exceed a period of six months.
13. The Mutual Fund shall enter into transactions relating to Government Securities only in dematerialised form.
14. 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.
15. Pending deployment of funds of a scheme in terms of investment objectives of the scheme, a mutual fund may invest them in short term deposits of schedule commercial banks, subject to the guidelines issued by SEBI vide its circular dated April 16, 2007, as may be amended from time to time. 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.
16. In accordance with SEBI circular no. CIR/IMD/DF/21/2012 dated September 13, 2012, CIR/IMD/DF/24/2012 dated November 19, 2012 and SEBI circular no. SEBI/HO//DF2/CIR/P/2016/35 dated February 15, 2016, SEBI circular no. SEBI/HO/IMD/DF2/CIR/P/2016/68 dated August 10, 2016 and SEBI/HO/IMD/DF2/CIR/P/2017/14 dated February 22, 2017, in case of debt schemes, the total exposure to single sector shall not exceed 25% of the net assets of the scheme. However this limit is not applicable for investments in Bank CDs, CBLO, G-Secs, T-Bills short term deposits of scheduled commercial bank sand AAA rated securities issued by Public Financial Institutions and Public Sector Banks.

Provided that an additional exposure to financial services sector (over and above the limit of 25%) not exceeding 15% of the net assets of the scheme shall be allowed by way of increase in exposure to Housing Finance Companies (HFCs) only;

Provided further that the additional exposure to such securities issued by HFCs are rated AA and above and these HFCs are registered with National Housing Bank (NHB) and the total investment/ exposure in HFCs shall not exceed 25% of the net assets of the scheme
17. Investments in Derivatives shall be in accordance with the guidelines as stated under SEBI circular no DNP/Cir-29/2005 dated September 14, 2005, DNP/Cir-30/2006 dated January

20, 2006 and SEBI/DNPD/Cir-31/2006 dated September 22, 2006, and Cir/ IMD/ DF/ 11/ 2010 dated August 18, 2010, as may be amended from time to time.

18. In accordance with SEBI circular no. SEBI/HO//DF2/CIR/P/2016/35 dated February 15, 2016, in case of debt scheme the total exposure in a group (excluding investments in securities issued by Public Sector Units, Public Financial Institutions and Public Sector Banks) shall not exceed 20% of the net assets of the scheme. Such investment limit may be extended to 25% of the net assets of the scheme with the prior approval of the Board of Trustees

For this purpose, a group means a group as defined under regulation 2 (mm) of SEBI (Mutual Funds) Regulations, 1996 (Regulations) and shall include an entity, its subsidiaries, fellow subsidiaries, its holding company and its associates.

19. Investment restrictions w.r.t. REITs and InvITS:

- a. The Mutual Fund under all its schemes shall not own more than 10% of units issued by a single issuer of REIT and InvIT.
- b. The Scheme shall not invest more than 10% of its NAV in the units of REITs and InvITs.
- c. The Scheme shall not invest more than 5% of its NAV in the units of REITs and InvITs issued by a single issuer.

The AMC may alter these above stated restrictions from time to time to the extent the SEBI (MF) Regulations change, so as to permit the Scheme to make its investments in the full spectrum of permitted investments for mutual funds to achieve its respective investment objective. The Trustee may from time to time alter these restrictions in conformity with the SEBI (MF) Regulations.

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

Apart from the above investment restrictions, the Fund follows certain internal norms vis-à-vis limiting exposure to scrips, sectors etc, within the above mentioned restrictions, and these are subject to review from time to time

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

Participation of schemes of Kotak Mahindra Mutual Fund in repo of corporate debt securities:

In accordance with SEBI circular no. CIR / IMD / DF / 19 / 2011 dated November 11, 2011 and CIR/IMD/DF/23/2012 dated November 15, 2012; schemes of Kotak Mahindra Mutual Fund (KMMF) shall participate in the corporate bond repo transactions w.e.f. June 21, 2013 as per the guidelines issued by Reserve Bank of India (RBI) from time to time. Currently the applicable guidelines are as under:

- The gross exposure of the scheme to repo transactions in corporate debt securities shall not be more than 10 % of the net assets of the concerned scheme.
- The cumulative gross exposure through repo transactions in corporate debt securities along with equity, debt and derivatives shall not exceed 100% of the net assets of the concerned scheme.
- Mutual Funds shall participate in repo transactions only in AA and above rated corporate debt securities.
- In terms of Regulation 44 (2) mutual funds shall borrow through repo transactions only if the tenor of the transaction does not exceed a period of six months

The investment restrictions applicable to the Scheme's participation in the corporate bond repos will also be as prescribed or varied by SEBI or by the Board of Kotak Mahindra Trustee Company Limited (subject to SEBI requirements) from time to time.

The following guidelines shall be followed by Kotak Mahindra Mutual Fund for participating in repo in corporate debt securities, which have been approved by the Board of AMC and Trustee Company.

(i) Category of counterparty to be considered for making investment:

All entities eligible for transacting in corporate bond repos as defined by SEBI and RBI shall be considered for repo transactions.

(ii) Credit rating of counterparty to be considered for making investment

The schemes shall participate in corporate bond repo transactions with counterparties having a minimum investment grade rating and is approved by the Investment Committee on a case-to-case basis. In case there is no rating available, the Investment Committee will decide the rating of the counterparty, and report the same to the Board from time to time

(iii) Tenor of Repo and collateral

As a repo seller, the schemes will borrow cash for a period not exceeding 6 months or as per extant regulations.

As a repo buyer, the Schemes are allowed to undertake the transactions for maximum maturity upto one year or such other terms as may be approved by the Investment Committee.

There shall be no restriction / limitation on the tenor of collateral.

(iv) Applicable haircuts

As per RBI circular RBI/2012-13/365 IDMD.PCD. 09 /14.03.02/2012-13 dated 07/01/2013, all corporate bond repo transaction will be subject to a minimum haircut given as given below:

| | |
|---------|----------|
| (1) AAA | : 07.50% |
| (2) AA+ | : 08.50% |
| (3) AA | : 10.00% |

The haircut will be applicable on the prevailing market value of the said security on the prevailing on the date of trade. However, the fund manager may ask for a higher haircut (while lending) or give a higher haircut (while borrowing) depending on the market prevailing liquidity situation.

Risk envisaged and mitigation measures for repo transactions:

Credit risks could arise if the counterparty does not return the security as contracted or interest received by the counter party on due date. This risk is largely mitigated, as the choice of counterparties is largely restricted and their credit rating is taken into account before entering into such transactions. Also operational risks are lower as such trades are settled on a DVP basis.

In the event of the scheme being unable to pay back the money to the counterparty as contracted, the counter party may dispose of the assets (as they have sufficient margin) and the net proceeds may be refunded to us. Thus the scheme may in remote cases suffer losses. This risk is normally mitigated by better cash flow planning to take care of such repayments.

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. Under the Regulations, the AMC is not permitted to charge any investment management and advisory services fee on its own investment in the Scheme.

Aggregate Investment by the Fund Managers in the scheme is Rs. 3.27 lakhs

Aggregate Investment by the Kotak AMC'S Board of Directors in the scheme is Rs. 9.72 lakhs.

Aggregate Investment by Key Managerial Person of Kotak AMC in the scheme is Rs. 84.26 lakhs.

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

(1)Top 10 holdings by issuer

| Top 10 Holdings Issuer Wise (As on May 31, 2016) | Percentage to Net Assets |
|--|--------------------------|
| AXIS Bank Ltd. | 13.04 |
| Kotak Mahindra Mutual Fund | 7.29 |
| Indiabulls Housing Finance Limited | 4.54 |
| GMR Infrastructure Ltd. | 4.12 |
| Fortis Healthcare India Ltd | 4.07 |
| Vedanta Ltd. | 3.01 |
| HDFC Bank Ltd. | 2.81 |
| DLF Limited | 2.56 |
| Jain Irrigation Systems Ltd. | 2.03 |
| HDFC Ltd. | 1.98 |

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

(2) Fund allocation Sector wise

| Sector | Percentage to Net Assets |
|--------------------------|--------------------------|
| Net Current Assets | 7.08 |
| Financial Services | 37.44 |
| Construction | 7.66 |
| Mutual Fund Units | 7.29 |
| Energy | 6.78 |
| Metals | 4.90 |
| Industrial Manufacturing | 4.86 |
| Consumer Goods | 4.11 |
| Healthcare Services | 4.07 |
| It | 3.07 |
| Automobile | 2.75 |
| Cement & Cement Products | 2.72 |

| | |
|--|------|
| Pharma | 2.48 |
| Fertilisers & Pesticides | 1.40 |
| Collateralized Borrowing and Lending Obligation/ Reverse Repo | 1.33 |
| Telecom | 0.81 |
| Media & Entertainment | 0.66 |
| Government Sector | 0.59 |

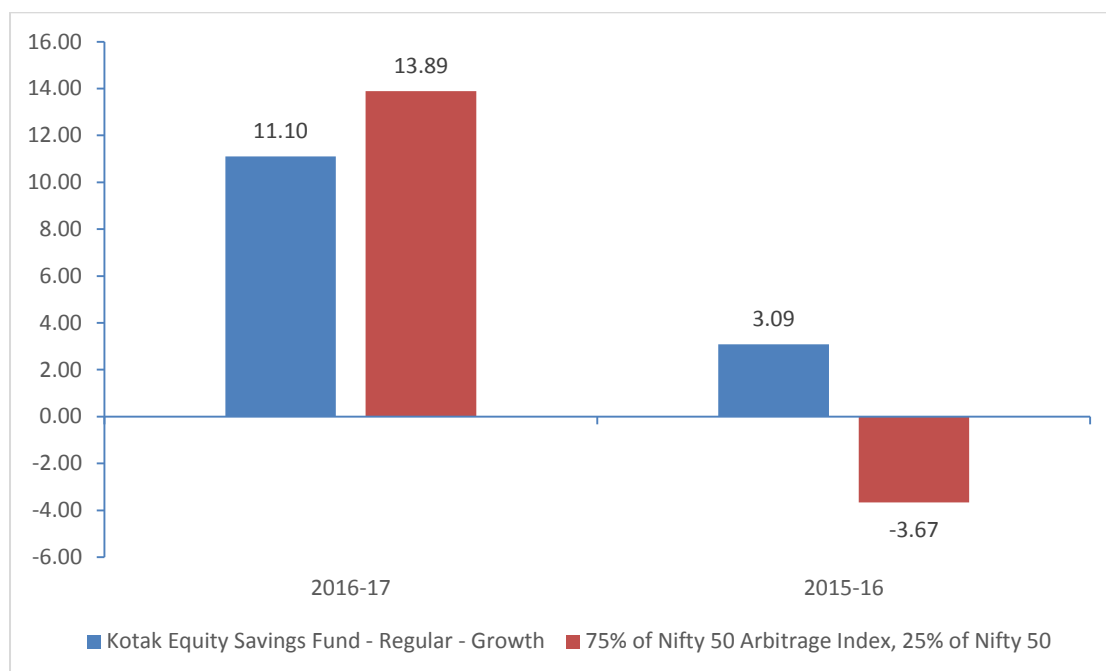
Note : Reverse Repo includes Corporate Bond Repo (if any). Total Net Derivative Exposure as at 31 Aug 2017 (-36.19)%

J. How has the scheme performed?

Performance of the scheme as on August 31, 2017

| Compounded Annualised Growth Returns (%) | Kotak Equity Savings Fund - Regular Plan - Growth | 75% NIFTY 50 ARBITRAGE + 25% Nifty 50 |
|--|--|--|
| Returns for the last 1 Year | 10.23% | 7.13% |
| Since Inception | 9.15% | 7.18% |

Absolute Returns (%) for each financial year for the last 2 years



Past performance may or may not be sustained in future.

IV. UNITS AND OFFER

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

A. ONGOING OFFER DETAILS

| | |
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| <p>Ongoing Offer Period</p> <p>This is the date from which the scheme will reopen for subscriptions/redemptions after the closure of the NFO period.</p> | <p>The Scheme reopened on October 17, 2014</p> |
| <p>Ongoing price for subscription purchase)/switch-in</p> <p>This is the price you need to pay for purchase/switch-in.</p> | <p>At the applicable NAV.</p> |
| <p>Ongoing price for redemption (sale) /switch outs (to other schemes/plans of the Mutual Fund) by investors.</p> <p>This is the price you will receive for redemptions/switch outs.</p> <p><i>Example: If the applicable NAV is Rs. 10, exit load is 2% then redemption price will be: Rs. 10* (1-0.02) = Rs. 9.80</i></p> | <p>The redemption will be at Applicable NAV based prices, subject to applicable exit load; if any.</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>Cut off timing for subscriptions/ redemptions/ switches</p> <p>This is the time before which your application (complete in all respects) should reach the official points of acceptance.</p> | <p>Applicable NAV for Purchases/Switch-ins <u>For amounts greater than or equal to Rs. 2 lakhs:</u></p> <p>In respect of valid applications received upto 3.00 p.m. on a business day and entire amount is available in the mutual fund's account for utilization before the cut off time of the same day – closing NAV of the day of receipt of application; In respect of valid applications received after 3.00 p.m. on a business day and the entire amount is available in the mutual fund's account for utilization before cut off time of the next business day – the closing NAV of the next business day; Irrespective of the time of receipt of the application where the entire amount is available in Mutual fund's account for utilization before cut off time on any subsequent business day – units will be allotted at such subsequent business day's NAV.</p> <p><u>For amounts less than Rs. 2 lakhs:</u></p> <p>In respect of valid applications received upto 3.00 p.m. with a local cheque or demand draft payable at par at the place where it is received – closing NAV of the day of receipt of application; In respect of valid applications received after 3.00 p.m. with a local cheque or</p> |

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| | <p>demand draft payable at par at the place where it is received – closing NAV of the next business day.</p> <p>Notes:</p> <p>It is clarified that switches will be considered as redemption in the switch out scheme and purchase / subscription in the switch in scheme considering the value of the transactions.</p> <p>Cheques received on a business day may be deposited with the primary bankers of the respective location on the next business day. NAV shall be as per the applicable NAV mentioned above. To enable early sighting of funds by the schemes, investors are requested to avail of electronic facilities like RTGS / NEFT in respect of subscriptions and submit the proof of transfer of funds alongwith their applications. AMC shall not be responsible for any delay on account of banking clearance or circumstances which are beyond the control of AMC.</p> <p>Applicable NAV for Redemption/ Switch outs where the application received upto 3.00 pm – closing NAV of the day of receipt of application; andan application received after 3.00 pm – closing NAV of the next Business day.</p> <p>Further, where the AMC or the Registrar has provided a facility to the investors to redeem /switch-out of the Scheme through the medium of Internet by logging onto specific web-sites or any other facilities offered by the AMCand where investors have signed up for using these facilities, the Applicable NAVs will be as provided above.</p> <p>Pursuant to AMFI circular no. 135/BP/35/2012-13 dated February 18, 2013, the following practice of aggregating split transactions is made applicable from March 4, 2013 and accordingly the closing NAV of the day on which the funds are available for utilization shall be applied where the aggregated amount of investments is Rs. 2 lacs and above as under:</p> <p>All transactions received on the same day (as per Time stamp rule). Transactions will include purchases, additional purchases, excluding Switches, SIP/STP and triggered transactions. Aggregations will be done on the basis of investor/s PAN. In case of joint holding, transactions with similar holding structures will be aggregated. All transactions will be aggregated where investors holding pattern is same as stated above, irrespective of whether the amount of the individual transaction is above or below Rs 2 lacs. Only transactions in the same scheme will be clubbed. This will include transactions at option level (Dividend and Growth). Transactions in the name of minor received through guardian will not be aggregated with the transaction in the name of same guardian.</p> |
| <p>Where can the applications for purchase/redemption switches be submitted?</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> <ul style="list-style-type: none"> • At the Official points of acceptance of transactions as given on the back cover of this document. |

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| | <ul style="list-style-type: none"> 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 <p>Redemption/Switch requests: Where Units under a Scheme are held under both Direct Plan and Regular Plan, investors should clearly mention the plan from which redemption/switch requests are to be processed. If the investor does not mention the plan then the application may be rejected.</p> | |
| Minimum amount for purchase/redemption/switches (Direct Plan & Regular plan) | Minimum Investment size | |
| | Initial Purchase (Non- SIP) | Rs. 5000/- and in multiples of Rs. 1 for purchases, and for Re 0.01 for switches. |
| | Additional Purchase (Non-SIP) | Rs. 1000/- and in multiples of Rs. 1 for purchases, and for Re 0.01 for switches. |
| | SIP Purchase | Rs. 1000/- (Subject to a minimum of 6 SIP installments of Rs. 1000/- each) |
| | Minimum Redemption Size | |
| | In Rupees (Non- SWP/STP) | Rs. 1000/- |
| | In Units (Non-SWP/STP) | 100 units |
| | In Rupees (SWP/STP) | Rs. 1000/- / Entire Appreciation |
| Minimum balance to be maintained and consequences of non-maintenance | <p>If the holding is less than Rs. 1000 or 100 units, after processing the redemption request, the entire amount/units will be redeemed from the Scheme.</p> <p>In case of Units held in dematerialized mode, the redemption request can be given only in number of units and the provision pertaining to minimum repurchase amount / units and minimum balance shall not be applicable to such investors.</p> | |
| Non acceptance of Third Party Cheques | <p>Third Party Cheques will not be accepted by the Scheme.</p> <p>Definition of Third Party Cheques</p> <ul style="list-style-type: none"> 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. 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. <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"> 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). However this restriction will not be applicable for payment made by a guardian whose name is registered in the records of Mutual Fund in that folio. Payment by Employer on behalf of employee under Systematic Investment Plans or lump sum / one-time subscription, through Payroll deductions. AMC shall exercise extra due diligence in terms of ensuring the authenticity of such arrangements from a fraud prevention and KYC perspectives. Custodian on behalf of an FII or a client. | |

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| | <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> |
| <p>Transaction Charges</p> | <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> <p>(a) For existing investors (across mutual funds), the distributor shall be paid Rs. 100/- as transaction charge per subscription of Rs.10,000/- & above.</p> <p>(b) For first time investors, (across Mutual Funds), the distributor may be paid Rs. 150/- as transaction charge for subscription of Rs.10,000/- & above.</p> <p>(c) The transaction charge shall be deducted by Kotak AMC from the subscription amount & paid to the distributor (will be subject to statutory levies, as applicable) & the balance amount shall be invested.</p> <p>(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/- & above. In such cases the transaction charge shall be recovered in first 3/4 successful installments.</p> <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>Transaction charges shall not be deducted/applicable for:</p> <ol style="list-style-type: none"> a. Transaction other than purchases/subscriptions such as Switch/Systematic Transfer Plan (STP)/ Dividend Transfer Plan (DTP),etc.; b. Purchases/Subscriptions made directly with the Fund without any ARN code. c. Transactions carried out through the stock exchange platforms. <p>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.</p> |

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| <p>Who can invest</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"> • Resident Indian Adult Individuals, either singly or jointly (not exceeding three). • Parents/Lawful guardians on behalf of Minors. • Companies, corporate bodies, registered in India. • Registered Societies and Co-operative Societies authorised to invest in such Units. • Public sector undertakings, public/Statutory corporations subject to general or specific permissions granted to them by the 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. <p>Acceptance of Subscriptions from U.S. Persons and Residents of Canada w.e.f. November 17, 2016 : -</p> <p>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.</p> <p>The AMC shall accept such investments subject to the applicable laws and</p> |
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|-----------------------------------|---|
| | <p>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> <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> |
| Listing | <p>Since the Scheme is open-ended, it is not necessary to list the Units of the Schemes on any exchange. Liquidity is ensured to investors by the purchase and sale of Units from/to the Fund at prices related to the relevant Applicable NAV for the purpose of purchasing or redeeming Units from the Fund.</p> <p>The Trustee, however, has the right to list the Units under any of the Schemes on any stock exchange/s for better distribution and additional convenience to existing/prospective Unitholders. Even if the Units are listed, the Fund shall continue to offer purchase and redemption facility as specified in this scheme information document. Any listing will come only as an additional facility to investors who wish to use the services of a stock exchange for the purpose of transacting business in the Units of the Schemes.</p> |
| Special Products available | <p>The Following facilities are available under the Scheme.</p> <ol style="list-style-type: none"> 1. Systematic Investment Plan <ol style="list-style-type: none"> a. SIP Booster Facility b. Flex - Systematic Investment Plan Facility ('FSIP') Facility 2. Systematic Transfer Plan 3. Systematic Withdrawal Plan 4. Dividend Transfer Plan 5. Switching 6. Long Term Income Facility <p><u>Systematic Investment Plan (SIP):</u> This facility enables investors to save and invest periodically over a longer period of time. It is a convenient way to "invest as you earn" and affords the investor an opportunity to enter the market regularly, thus averaging the acquisition cost of Units. Any Unitholder can avail of this facility subject to certain terms and conditions contained in the Application Form. The Fundamental Attributes and other terms and conditions regarding purchase/redemption, price and related matters are the same as contained in this SID.</p> <p>The first SIP can be for any date of the month on which a NAV is declared in the scheme. In respect of the second and all subsequent SIPs, investors can choose any one date among 1st, 7th, 10th,14th, 15th, 21st, 25th, 28th and 30th of the month / quarter as the SIP Date (in case of these above days fall on non-business day the transaction will be effected on the next business day of the scheme. If 28th/29th February is a non-working day then the next working day would be considered as the SIP date) and can also choose the SIP</p> |

frequency as monthly or quarterly subject however, to the condition that there shall be a minimum gap of 28 days between the first and the second SIP. The aforesaid minimum gap shall be applicable only for SIPs registered via direct / auto debit. The minimum SIP installment amount is Rs. 1000/-

The SIP request should be for a minimum of 6 months / quarters. The SIP payments can be made either by issue of Post Dated Cheques or by availing the Auto Debit Facility through ECS (available in select locations only) or by availing the Direct Debit Facility / Standing Instructions Facility (Unitholders may check with their bankers for availability of this facility).) However, the first investment in SIP through the Auto Debit Facility or Direct Debit Facility needs to be made compulsorily by issuance of a cheque from the account from which the Auto Debit / Direct Debit is requested. Investors can also submit SIP applications along with cancelled cheque leaf of the account from where the investor intends to commence the SIP.

If the first SIP investment is through a demand draft or pay order or the initial investment cheque is drawn from a bank account, other than the bank account mentioned in the SIP mandate, the investor has to ensure that the bank details and signatures are attested by the banker of the bank from where the SIP is initiated. Alternatively the investors should provide a copy of the cancelled cheque leaf of the bank account from where the investor intends to do the SIP.

The load structure applicable for each installment will be as per the load structure applicable at the time of registration of SIP. Changes in load structure effected by the AMC after that date may not be applicable unless stated specifically.

SIP facility is available on MFSS/BSE STAR platform also please refer to the information mentioned under “Special Consideration”.

SIP Booster Facility:

Description: It is a facility whereby an investor has an option to increase the amount of the SIP Installment by a fixed amount at pre-defined intervals. . This will enhance the flexibility of the investor to invest higher amounts during the tenure of the SIP.

Frequency: Half Yearly Basis and Yearly Basis.

Functionality of frequency:

The installment amount can be increased on a Half-Yearly and/or Yearly basis i.e. on completion of 6 months/1 year from the commencement of the first SIP.

| SIP Frequency | SIP Booster Frequency | Default | Min Amount |
|---------------|-----------------------|---------|---|
| Monthly | Half Yearly / Yearly | Yearly | Rs. 500 & in multiples of Rs. 500 thereof |
| Quarterly | Half Yearly / Yearly | Yearly | Rs. 500 & in multiples of Rs. |

| | | | |
|--|--|--|-------------|
| | | | 500 thereof |
|--|--|--|-------------|

Other Terms:

SIP Booster Facility shall be available with fresh registration of SIP only. If an existing investor wants to opt for SIP Booster facility, the existing SIP is required to be cancelled and a fresh SIP investment with SIP Booster Facility is required to be submitted.

SIP Booster Facility will be available for all open-ended schemes of Kotak Mahindra Mutual Fund where SIP facility is being currently offered. Investors opting for this facility, need to duly fill-in the SIP Booster Facility section of SIP Form along-with the other requisite SIP related information.

For complete details regarding the SIP with SIP Booster facility please refer to SIP Auto Debit Form with SIP booster facility.

All other terms & conditions applicable for regular SIP will also be applicable to SIP Booster SIP.

Illustration explaining the SIP Booster facility:

- SIP period: 01-Jan-2012 to 01-Dec-2013 (2 years)
- Monthly SIP Amount: Rs 2000
- Top-up Amount Rs 1000
- Top-up frequency: Half-yearly

| Installment Period | From Date | To Date | Monthly SIP Amount | SIP Booster Amount | Final monthly SIP amount |
|--------------------|-----------|-----------|--------------------|--------------------|--------------------------|
| 1 to 6 | 01-Jan-12 | 01-Jun-12 | 2000 | Not Applicable | 2000 |
| 7 to 12 | 01-Jul-12 | 01-Dec-12 | 2000 | 1000 | 3000 |
| 13 to 18 | 01-Jan-13 | 01-Jun-13 | 3000 | 1000 | 4000 |
| 19 to 24 | 01-Jul-13 | 01-Dec-13 | 4000 | 1000 | 5000 |

Note: In the above table, Monthly SIP Installment Amount increases by SIP Booster amount of Rs 1,000 at halfyearly intervals.

The Trustee/AMC reserves the right to change/modify the provisions mentioned facility at a later date.

Flex - Systematic Investment Plan Facility ('FSIP') Facility

1. **FSIP** - is a facility wherein an investor can opt to invest variable amount in the scheme based on P/E (price-to-earnings ratio) level of Nifty. This facility allows investors to take advantage of market movements by investing higher amounts when the markets are low, and by investing a variable amount (within the limits defined by the investor) when the

markets are higher.

2. If an investor wants to opt for the said facility then Individual Enrolment Form is required filled for each FSIP transaction.

3. Details for FSIP:

- Available under the Monthly and Quarterly Options
- The minimum amount and tenure of FSIP would be as applicable to normal SIP facility in the scheme.
- Dates available for transfer are as applicable for regular SIP of Schemes.
- Investors at the time of registration will have an option to specify the amount to be invested at PE level of ≤ 15 . This amount will have to be higher than the installment amount invested at PE level of > 15 . In case the investor does not specify the amount for PE level of ≤ 15 , then the default amount (3 times the specified amount for PE band > 15) shall be applicable.

4. There is no maximum duration for FSIP enrollment.

5. Calculation of FSIP :

The FSIP will be based on the trailing Price to Equity ratio (P/E) of Nifty 50 Index. The amount to be transferred on each FSIP date will be determined on the basis of the P/E band.

- If the P/E ratio is greater than 15, then the specified amount gets invested
- If the P/E ratio is lesser than or equal to 15, then -
 - The amount in the application form specified by the investor for PE level ≤ 15 .
 - Or if no such amount is specified then the default amount which is 3 times the FSIP amount gets invested
- The installment value of FSIP would be determined based on PE of Nifty 50 on T-10th day. If T-10th day is a non-business day, then valuation will be done on the previous business day i.e. T-11th day.

The process has been explained below through an illustration for FSIP using the default option.

Assumptions:

| Installment amount – Rs. 2,500 | | |
|--------------------------------|------------|--------------------------|
| PE Band | Allocation | Installment Amount (Rs.) |
| >15 | 1x | 2,500 |
| ≤ 15 | 3x | 7,500 |

| Date | Assumed Nifty P/E Ratio | Assumed Equity Scheme NAV | FSIP Installment Amount (Rs.) | Units | Accumulated Units | Valuation (Rs.) |
|----------|-------------------------|---------------------------|-------------------------------|-------|-------------------|-----------------|
| 1-May-15 | 21.4 | 10.0 | 2,500.0 | 250.0 | 250.0 | 2,500 |
| 1-Jun-15 | 22.0 | 10.9 | 2,500.0 | 228.4 | 478.4 | 2,736 |
| 1-Jul-15 | 21.9 | 11.0 | 2,500.0 | 226.6 | 705.0 | 5,277 |
| 1-Aug-15 | 21.4 | 10.7 | 2,500.0 | 233.0 | 938.0 | 7,565 |

| | | | | | | |
|----------|------|------|---------|-------|---------|--------|
| 1-Sep-15 | 21.0 | 10.8 | 2,500.0 | 232.0 | 1,170.0 | 10,107 |
| 1-Oct-15 | 18.6 | 9.6 | 2,500.0 | 260.6 | 1,430.6 | 11,226 |
| 1-Nov-15 | 18.9 | 9.7 | 2,500.0 | 257.9 | 1,688.5 | 13,869 |
| 1-Dec-15 | 18.1 | 10.2 | 2,500.0 | 245.2 | 1,933.7 | 17,212 |
| 1-Jan-16 | 17.9 | 10.1 | 2,500.0 | 247.8 | 2,181.5 | 19,509 |
| 1-Feb-16 | 17.4 | 10.0 | 2,500.0 | 250.1 | 2,431.6 | 21,805 |
| 1-Mar-16 | 16.5 | 10.1 | 2,500.0 | 247.0 | 2,678.7 | 24,608 |
| 1-Apr-16 | 16.2 | 10.0 | 2,500.0 | 249.4 | 2,928.1 | 26,853 |
| 1-May-16 | 14.7 | 9.4 | 7,500.0 | 802.0 | 3,730.0 | 27,384 |
| 1-Jun-16 | 14.8 | 9.1 | 7,500.0 | 823.8 | 4,553.8 | 33,957 |
| 1-Jul-16 | 15.8 | 9.5 | 2,500.0 | 262.1 | 4,816.0 | 43,432 |
| 1-Aug-16 | 14.9 | 9.1 | 7,500.0 | 825.1 | 5,641.1 | 43,775 |
| 1-Sep-16 | 13.9 | 8.8 | 7,500.0 | 855.8 | 6,496.9 | 49,439 |
| 1-Oct-16 | 15.7 | 9.4 | 2,500.0 | 264.7 | 6,761.6 | 61,351 |
| 1-Nov-16 | 16.0 | 9.5 | 2,500.0 | 262.3 | 7,023.9 | 64,436 |
| 1-Dec-16 | 15.5 | 9.6 | 2,500.0 | 261.8 | 7,285.7 | 67,085 |

6. In case of FSIP, if four consecutive installments fail, then FSIP will be ceased.
7. The first FSIP installment will be processed as per the standard installment amount specified by the unit holder at the time of enrolment and not based on PE value of Nifty 50.
8. Once the FSIP has been stopped, the unit holder needs to provide a new request to start FSIP.
9. In respect of FSIP enrollments made in any of the existing open ended Scheme(s), the Load Structure prevalent at the time of enrollment shall be applicable to the investors during the tenure of the FSIP.
10. FSIP Facility will not be available if the Folio / Certificate is under Lien or marked "FROZEN" on the advice of I.T. authorities /regulatory authorities / Court or any other reason.
11. All requests for registering or deactivating the FSIP shall be subject to an advance notice of 10 (Ten) business days. Investors can deactivate the facility by sending a written request to the Investor Service Centers.

Systematic Withdrawal Plan:

This facility enables the Unitholders to withdraw (subject to deduction of tax at source, if any) sums from their Unit accounts in the Scheme at periodic intervals through a one-time request. The withdrawals can be made either Monthly (on 1st, 7th, 14th, 21st or 25th of every month) or Quarterly (on 1st, 7th, 14th, 21st or 25th of the last month in a series of three consecutive months). In case of these days fall on non-Business day the transaction will be effected on the next Business day of the scheme. SWP registration needs to be submitted to the Registrar/ AMC 7 days prior to the date of commencement of SWP. In case the SWP commencement date is less than 7 days from the date of submission of registration form and the date opted for, then the same would be registered for the next cycle. The AMC reserves the right to process the SWP registration request received for a period lesser than 7 days in the interest of unit holders.

Example: for Monthly SWP if the SWP date opted is 7th of every month from 7th January and submitted on 3rd January then the registration of this SWP will

be from 7th February onwards.

This facility is available in two options to the Unitholders:

Fixed Option: Under this option, the Unitholder can seek redemption of a fixed amount of not less than Rs. 1000 from his Unit account. In this option the withdrawals will commence from the Start Date (being one of the dates indicated above) mentioned by the Unitholder in the Application Form for the facility. The Units will be redeemed at the Applicable NAV of the respective dates on which such withdrawals are sought. If the net asset value of the units outstanding on the withdrawal date is insufficient to process the withdrawal request, then the entire outstanding units will be processed. And if the available balance falls below Rs. 1000 after processing of the last SWP installment then the entire amount will be processed along the last SWP installment.

Appreciation Option: Under this option, the Unitholder can seek redemption of an amount equal to a periodic appreciation on the investment.

The Unitholder redeems only such number of Units, which when multiplied by the Applicable NAV is, in amount terms equal to the appreciation in his investment over the last month / quarter.

The investor would need to indicate in his systematic withdrawal request, the commencement / start date from which the appreciation in investment value should be computed. The withdrawal will commence after one month/quarter (as requested by the investor) from the commencement / start date mentioned by the Unitholder in the Application Form and can, at the investor's discretion be on 1st, 7th, 14th, 21st or 25th of the month / quarter.

The Units will be redeemed at the Applicable NAV of the respective dates on which such withdrawals are sought. In case the investor purchases additional Units, the withdrawal amount would include the appreciation generated on such Units as well. In the absence of any appreciation, the redemption under this option will not be made.

For both fixed and appreciation option the provision of minimum redemption amount will not be applicable for redemption made under this facility.

Systematic Transfer Plan (STP)

This facility enables the Unitholders to switch an amount from their existing investments in a Scheme/Plan/Option to another Scheme/Plan/Option of the Fund, which is available for investment at that time, at periodic intervals through a one-time request. The switch can be made weekly, monthly or quarterly. Under this facility the switch by the Unitholders should be within the same account/ folio number. The withdrawals can be made either Weekly or Monthly or Quarterly (on any business day). The amount so switched shall be reinvested in the other scheme / plan and accordingly, to be effective, the systematic transfer must comply with the redemption rules of transferor scheme and the issue rules of transferee scheme (e.g. exit / entry load etc)

STP registration needs to be submitted to the Registrar/ AMC 7 days prior to the date of commencement of STP. In case the STP commencement date is less than 7 days from the date of submission of registration form and the date

opted for, then the same would be registered for the next cycle. The AMC reserves the right to process the STP registration request received for a period lesser than 7 days in the interest of unit holders.

Example: for Monthly STP if the STP date opted is 7th of every month from 7th January and submitted on 3rd January then the registration of this STP will be from 7th February onwards.

This facility offers two options to the Unitholders:

Fixed Option: Under this option, the Unitholder can switch fixed amount of not less than Rs. 1000/- from his Unit account. In this option the switch will commence from the Start Date mentioned by the Unitholder in the application form for the facility. The Units in the Scheme/Plan/Option from which the switch - out is sought will be redeemed at the Applicable NAV of the Scheme/Plan/Option on the respective dates on which such switches are sought and the new Units in the Scheme/Plan/Option to which the switch - in is sought will be created at the Applicable NAV of such Scheme/Plan/Option on the respective dates. If the net asset value of the units outstanding on the transfer date is insufficient to process the withdrawal request, then the entire outstanding units will be processed. And if the available balance falls below Rs 1000 after processing of the last STP installment, then the entire amount will be processed along the last STP installment.

Appreciation Option: Under this option, the Unitholder can seek switch of an amount equal to the periodic appreciation on the investment. Under this option the Unit holder switches only proportionate number of Units, which when multiplied by the applicable NAV is, in amount terms equal to the appreciation in the investment over the last month/quarter.

For both Fixed and appreciation option the provision of minimum redemption and minimum investment amount will not be applicable for transfer / switch transactions made under this facility for both switch out and switch in schemes.

The investor has to mention a "Start Date". The first switch will happen after one month/quarter from the start date. In case the investor purchases additional Units, the amount to be switched would be equal to the appreciation generated on such Units. In the absence of any appreciation as mentioned above, the switch under this option will not be made. The Units in the Scheme/Plan/Option from which the switch - out is sought will be redeemed at the Applicable NAV of the Scheme/Plan/Option on the respective dates on which such switches are sought and the new Units in the Scheme/Plan/Option to which the switch - in is sought will be allotted at the Applicable NAV of such Scheme/Plan/Option on the respective dates.

Dividend Transfer Plan (DTP):

Dividend Transfer Plan (DTP) is a facility whereby the unit holders under the Dividend Options (other than Daily Reinvestment Sub-option) of the open ended Schemes of KMMF can opt to transfer their dividends to any other Investment option (other than Daily Reinvestment Sub-option) under any other open ended schemes of KMMF. DTP facility will be available to unit

holder(s) holding units in non-demat form under the Dividend Option of the Transferor Schemes.

Under the DTP facility investors cannot transfer their dividends into certain category of transferee schemes viz, close ended Schemes, Exchange Traded Funds (ETFs), and Kotak Tax Saver Scheme.

Under DTP, dividend as & when declared (as reduced by the amount of applicable statutory levy) in the transferor scheme (subject to minimum of Rs.500/-) will be automatically invested without any exit load into the transferee scheme, as opted by the Unit holder. Such transfer will be treated as fresh subscription in the transferee scheme and invested at the Applicable NAV of the Transferee Scheme. If the dividend amount in the Transferor Scheme is less than Rs.500/- the dividend will be automatically reinvested in the Transferor Scheme itself and hence will not be transferred. The provision for 'Minimum Application Amount' specified in the respective transferee scheme's SID will not be applicable under DTP.

Enrolment under the DTP facility will automatically override any previous instructions for 'Dividend Payout' or 'Dividend Reinvestment' option in the transferor scheme. No Exit Load will be levied on units allotted in the Transferee Scheme under the Dividend Transfer Plan.

Unit holders who wish to enroll for the DTP facility are required to fill DTP Enrollment Form available with the ISC's, distributors/ agents and also available on the website www.assetmanagement.kotak.com

The request for enrolment or cancellation for DTP must be submitted at least 7 days prior to the Record Date for the dividend. In case of the condition not being met, the enrolment would be considered valid from the immediately succeeding Record Date of the dividend, provided the difference between the date of receipt of a valid application for enrolment under DTP and the next Record Date for the dividend is not less than 7 days.

The AMC / Trustee reserve the right to change/ modify the terms and conditions of the DTP on a prospective basis.

Switching

Unitholders of the Scheme have the option of switching in or out all or part of their investment in the Scheme/ Plan/ Option to any other Option of the Scheme or to any other Scheme / Plan/ Option of the Fund.

A switch has the effect of redemption from a Scheme/Plan/ Option and a purchase in the other Scheme/Plan/Option to which the switching has been done and all the terms and conditions pertaining to redemption and purchase of the Units of the respective Scheme shall apply to a switch, unless otherwise specified.

Switch is affected by redeeming Units from the Scheme/ Plan/Option and investing the net proceeds in the other Scheme/Plan/Option.

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| | <p><u>Long Term Income Facility (LTI)</u></p> <p>Long Term Income (LTI) is only a facility for regular withdrawal from the Scheme. This facility will allow investors to redeem a fixed sum of money on monthly/ quarterly basis at the prevailing Net Asset Value (NAV) within the range of 6% p.a. to 10% p.a. (in multiples of 0.5%) of the investment amount. The percentage of withdrawal will be selected by investor.</p> <p>LTI facility is only available under the growth option only. Investors shall be required to submit LTI registration request at least 15 days prior to the date of 1st instalment. Minimum amount of investment required for availing the LTI facility is Rs.1 lakh.</p> <p>Investors can opt for this facility and withdraw their investments systematically on a Monthly/ Quarterly basis. Withdrawals will be made/ effected on the 1st/7th /14th /21st / 25th of every month/ every quarter and would be treated as redemptions. In case the aforesaid date is a holiday, then it would be effected on next business day.</p> <p>The applicant has the right to discontinue the LTI at any time, if he / she so desires, by providing a written request at any of the Kotak Mahindra Mutual Fund branches or Registrar's branches. Request for discontinuing LTI shall be subject to an advance notice of 7 (seven) working days.</p> |
| <p>Accounts Statements</p> | <p>Pursuant to Regulation 36 of SEBI (Mutual Funds) Regulations, 1996 and amendments thereto, read with SEBI Circular No. Cir/IMD/DF/16/ 2011 dated September 8, 2011 and SEBI Circular no. CIR/MRD/DP/31/2014 dated November 12, 2014, SEBI/HO/IMD/DF2/CIR/P/2016/42 dated March 18, 2016, and SEBI/HO/IMD/DF2/CIR/P/2016/89 dated September 20, 2016; the investor whose transaction has been accepted by Kotak Mahindra Asset Management Company Ltd. / Kotak Mahindra Mutual Fund shall receive the following:</p> <ol style="list-style-type: none"> 1. A consolidated account statement (CAS) for each calendar month on or before 10th of the succeeding month shall be sent by email (wherever investor has provided email id) or physical account statement where investor has not provided email id., across the schemes of the mutual funds, to all the investors in whose folio(s) transaction(s) has/have taken place during the month. The same shall be sent by the AMC or by the Agencies appointed by the AMC for non demat unit holders. 2. For the purpose of sending CAS, common investors across mutual funds shall be identified by their Permanent Account Number (PAN). 3. The CAS will not be received by the investors for the folio(s) not updated with PAN details. The Unit holders are therefore requested to ensure that the folio(s) are updated with their PAN and email id. Such investors will get monthly account statement from Kotak Mahindra Mutual Fund in respect of transactions carried out in the schemes of Kotak Mahindra Mutual Fund during the month. 4. Pursuant to SEBI Circular no. CIR /MRD /DP /31/2014 dated November 12, 2014 requiring Depositories to generate and dispatch a single |

consolidated account statement for investors having mutual fund investments and holding demat accounts, the following modifications are made to the existing guidelines on issuance of CAS

- i. Such Investors shall receive a single Consolidated Account Statement (CAS) from the Depository.
 - ii. Consolidation shall be done on the basis of Permanent Account Number (PAN). In case of multiple holding, it shall be PAN of the first holder and pattern of holding.
 - iii. In case an investor has multiple accounts across two depositories, the depository with whom the Demat account has been opened earlier will be the default depository which will consolidate the details across depositories and MF investments and dispatch the CAS to the investor.
 - iv. The CAS will be generated on monthly basis.
 - v. If there is any transaction in any of the Demat accounts of the investor or in any of his mutual fund folios, depositories shall send the CAS within ten days from the month end. In case, there is no transaction in any of the mutual fund folios and demat accounts, then CAS with holding details shall be sent to the investor on half yearly basis.
 - vi. The dispatch of CAS by the depositories shall constitute compliance by Kotak AMC/ Kotak Mahindra Mutual Fund with the requirements under Regulation 36(4) of SEBI (Mutual Funds) Regulations, 1996.
 - vii. Further, a consolidated account statement shall be sent by Depositories every half yearly (September/March), on or before 10th day of succeeding month, providing the following information:
 - holding at the end of the six month
 - The amount of actual commission paid by AMCs/Mutual Funds (MFs) to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each MF scheme. The term 'commission' here refers to all direct monetary payments and other payments made in the form of gifts / rewards, trips, event sponsorships etc. by AMCs/MFs to distributors. Further, a mention may be made in such CAS indicating that the commission disclosed is gross commission and does not exclude costs incurred by distributors such as service tax (wherever applicable, as per existing rates), operating expenses, etc.
 - The scheme's average Total Expense Ratio (in percentage terms) for the half-year period for each scheme's applicable plan (regular or direct or both) where the concerned investor has actually invested in.
5. Such half-yearly CAS shall be issued to all MF investors, excluding those investors who do not have any holdings in MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period.
6. In case of a specific request is received from the investors, Kotak Mahindra Asset Management Company Ltd./ Kotak Mahindra Mutual Fund will

provide the physical account statement to the investors.

7. In case of units held in demat, on allotment ,confirmation specifying the units allotted shall be sent by way of email and/or SMS within 5 Business Days of the closure of the NFO Period to the Unit holder's registered e-mail address and/or mobile number The statement of holding of the beneficiary account holder for units held in demat will be sent by the respective DPs periodically.
8. An Account Statement may be sent to a Unitholder using e-mail. Account Statements to be issued in lieu of Unit Certificates under the Scheme are non-transferable. These Account Statements shall not be construed as proof of title and are only computer printed statements, indicating the details of transactions under the Scheme concerned.
9. Any discrepancy in the Account Statement / Unit Certificate should be brought to the notice of the Fund/AMC immediately. Contents of the Account Statement / Unit Certificate will be deemed to be correct if no error is reported within 30 days from the date of Account Statement / Unit Certificate.

Half Yearly Account Statement:

- Asset management company will send consolidated account statement every half yearly (September/ March), on or before tenth day of succeeding month, detailing holding at the end of the six month, across all schemes of all mutual funds, to all such investors in whose folios no transaction has taken place during that period. The Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement.
- The Account Statement shall reflect : -
 - holding at the end of the six month
 - The amount of actual commission paid by AMCs/Mutual Funds (MFs) to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each MF scheme. The term 'commission' here refers to all direct monetary payments and other payments made in the form of gifts / rewards, trips, event sponsorships etc. by AMCs/MFs to distributors. Further, a mention may be made in such CAS indicating that the commission disclosed is gross commission and does not exclude costs incurred by distributors such as service tax (wherever applicable, as per existing rates), operating expenses, etc.
 - The scheme's average Total Expense Ratio (in percentage terms) for the half-year period for each scheme's applicable plan (regular or direct or both) where the concerned investor has actually invested in.
- Such half-yearly CAS shall be issued to all MF investors, excluding those investors who do not have any holdings in MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period.
- The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme.
- Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement, if so mandated.

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| | <p>“Transaction” shall include purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan and bonus transactions.</p> |
| Dividend Policy | <p>Growth Option:</p> <p>Under the Growth option, there will be no distribution of income and the return to investors will be only by way of capital gains, if any, through redemption at applicable NAV of Units held by them.</p> <p>Dividend Option</p> <p>Under the Dividend option, the Trustee may at any time decide to distribute by way of dividend, the surplus by way of realised profit and interest, net of losses, expenses and taxes, if any, to Unitholders if, in the opinion of the Trustee, such surplus is available and adequate for distribution. The Trustee's decision with regard to such availability and adequacy of surplus, rate, timing and frequency of distribution shall be final. The Trustee may or may not distribute surplus, even if available, by way of dividend.</p> <p>The dividend will be paid to only those Unitholders whose names appear on the register of Unitholders of the Scheme / Option at the close of the business hours on the record date, which will be announced in advance. The Fund is required to dispatch dividend warrants within 30 days of the date of declaration of the dividend. In case the AMC fails to dispatch the warrants within the stipulated time of 30 days, it shall be liable to pay interest to the unit holders at 15% p.a. or such other rate as may be prescribed by SEBI from time to time.</p> <p>The Dividend Option will be available under two sub-options – the Payout Option and the Reinvestment Option.</p> <p><i>Dividend Payout Option:</i> Unitholders will have the option to receive payout of their dividend by way of dividend warrant or any other means which can be encashed or by way of direct credit into their account.</p> <p><i>Dividend Reinvestment Option:</i> Under the reinvestment option, dividend amounts will be reinvested in the Dividend Reinvestment Option at the Applicable NAV announced immediately following the record date.</p> <p>However, the Trustees reserve the right to introduce new options and / or alter the dividend payout intervals, frequency, including the day of payout.</p> |
| Dividend distribution | <p>The dividend warrants shall be dispatched to the unitholders within 30 days of the date of declaration of the dividend.</p> <p>Dividend may also be paid to the Unitholder in any other manner viz., through ECS, Direct Credit or NEFT in to Bank account, RTGS facility offered RBI or through Banker's cheque, etc as the AMC may decide, from time to time for the smooth and efficient functioning of the Scheme.</p> |
| Redemption | <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) as per the Registrar's records, by general courier when the valid redemption request is accepted at the Official Acceptance Points, but in any case, not later</p> |

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| | <p>than 10 Business Days from the date of redemption.</p> <p>Redemption proceeds will be paid by cheques, marked "Account Payee only" and drawn in the name of the sole holder/first-named holder (as determine 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 par at all the cities designated by the Fund from time to time. If the Unitholder resides in any other city, he will be paid by a Demand Draft payable at the city of his residence.</p> <p>Redemption proceeds may also be paid to the Unitholder in any other manner viz., through ECS, Direct Credit or NEFT in to Bank account, RTGS facility offered RBI or through Banker's cheque, etc as the AMC may decide, from time to time for the smooth and efficient functioning of the Schemes.</p> |
| Delay in payment of redemption / repurchase / dividend proceeds | 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). |
| Unclaimed Redemption/Dividend Amount | 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. |
| Bank A/c Details | <p>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.</p> <p>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.</p> <p>Investors have an option of registering their bank accounts, by submitting the necessary forms & documents. At the time of redemption, investors can select the bank account to receive the amount.</p> |
| MF utility services for Investors | 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") - |

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| | <p>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 www.mfuonline.com 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 www.mfuindia.com as may be updated from time to time. The Online Transaction Portal of MFU i.e. www.mfuonline.com 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 scheme shall be applicable for applications received on the portal of MFUI i.e. www.mfuonline.com. However, investors should note that transactions on the MFUI portal shall be subject to the eligibility of the investors, any terms & 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> |
| Central KYC (CKYC) | <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> <ol style="list-style-type: none"> 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. 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 |

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| | <p>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> |
| Foreign Account Tax Compliance | <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 is 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

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| <p>Net Asset Value</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 Mutual Fund shall update the Net asset value of the scheme on every Business day on AMFI's website www.amfiindia.com by 9.00 p.m.</p> <p>The NAVs shall also be updated on the website of the Mutual Fund assetmanagement.kotak.com 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 first NAV of the scheme will be calculated and declared within 5 business day from the date of allotment. Subsequently, the NAVs will be calculated on daily basis.</p> <p>The monthly portfolio of the Schemes shall be available in a user-friendly and downloadable format on the website viz. assetmanagement.kotak.com on or before the tenth day of succeeding month.</p> |
| <p>Half yearly Disclosures: Portfolio / Financial</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 31st of March and the 30th of September, in one English daily newspaper circulating in the whole of India</p> |

| <p>Results</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>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 assetmanagement.kotak.com.</p> | | | | | | | | | | | | | | | | | | | | | | |
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| <p>Half Yearly Results</p> | <p>The soft copy of unaudited financial results shall within one month from the close of each half year i.e. 31st of March and the 30th of September, be hosted on the website assetmanagement.kotak.com and will be sent to AMFI for posting on its website www.amfiindia.com .</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>Annual Report</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 assetmanagement.kotak.com and shall be sent by way of email to the investor's registered email address or Physical copies (If investor's 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 assetmanagement.kotak.com.</p> | | | | | | | | | | | | | | | | | | | | | | |
| <p>Associate Transactions</p> | <p>Please refer to Statement of Additional Information (SAI).</p> | | | | | | | | | | | | | | | | | | | | | | |
| <p>Taxation: 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.</p> | <table border="1" data-bbox="485 1368 1410 1982"> <thead> <tr> <th colspan="4" data-bbox="485 1368 1410 1451">Applicable tax rates (Refer Notes) based on prevailing tax laws</th> </tr> <tr> <th data-bbox="485 1451 738 1603" rowspan="2"></th> <th colspan="2" data-bbox="738 1451 1136 1525">Unit holder</th> <th data-bbox="1136 1451 1410 1603" rowspan="2">Mutual Fund</th> </tr> <tr> <th data-bbox="738 1525 978 1603">Resident</th> <th data-bbox="978 1525 1136 1603">FII</th> </tr> </thead> <tbody> <tr> <td data-bbox="485 1603 738 1742">Tax on Dividend</td> <td data-bbox="738 1603 978 1742">NIL (Section 115R)</td> <td data-bbox="978 1603 1136 1742">NIL (Section 115R)</td> <td data-bbox="1136 1603 1410 1742">NIL</td> </tr> <tr> <td data-bbox="485 1742 738 1881">Short Term Capital Gain (refer note 1)</td> <td data-bbox="738 1742 978 1881">15%</td> <td data-bbox="978 1742 1136 1881">15%</td> <td data-bbox="1136 1742 1410 1881">NIL</td> </tr> <tr> <td data-bbox="485 1881 738 1982">Long Term Capital Gain</td> <td data-bbox="738 1881 978 1982">NIL</td> <td data-bbox="978 1881 1136 1982">NIL</td> <td data-bbox="1136 1881 1410 1982">NIL</td> </tr> </tbody> </table> | Applicable tax rates (Refer Notes) based on prevailing tax laws | | | | | Unit holder | | Mutual Fund | 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 |
| Applicable tax rates (Refer Notes) based on prevailing tax laws | | | | | | | | | | | | | | | | | | | | | | | |
| | Unit holder | | Mutual Fund | | | | | | | | | | | | | | | | | | | | |
| | 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 | | | | | | | | | | | | | | | | | | | | |

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| | <p>Note (1) : The above rates would be increased by a surcharge of :</p> <p>(a) In case of resident domestic corporate unit holders: - 7% where the total income exceeds Rs.10,000,000 but less than Rs. 100,000,000 or - 12% where the total income exceeds Rs.100,000,000</p> <p>(b) In case of FII holders& foreign companies: - 2% where the total income exceeds Rs.10,000,000 but less than Rs. 100,000,000 or - 5% where the total income exceeds Rs.100,000,000</p> <p>(c) In case of resident and non-resident non-corporate unit holders being individual, HUF, AOP, BOI and artificial juridical person: - 10% where the total income exceeds Rs. 5,000,000 but less than / equal to Rs. 10,000,000 - 15% where the total income exceeds Rs. 10,000,000</p> <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: - 12% where the total income exceeds Rs.10,000,000</p> <p>Further, an additional surcharge of 3% (Education cess of 2% and Secondary & Higher education Cess of 1%) would be charged on the 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>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>For further details on taxation please refer to the clause on taxation in the SAI</p> |
| Investor services | <p>Ms. Sushma Mata</p> <p>Kotak Mahindra Asset Management Company Limited 6th 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: mutual@kotak.com</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 three decimals.

Computation of NAV will be done after taking into account dividends declared, if any, and the distribution tax thereon, if applicable. The income earned and the profits realized in respect of the Units remain invested and are reflected in the NAV of the Units.

V. FEES AND EXPENSES

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

New Fund Offer (NFO) expenses

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

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 total expenses of the schemes under Regulation 52(6)(c) shall be subject to the following limits:

| Daily Net Assets (Rs.) | % |
|-------------------------------|----------|
| First 100 crores | 2.50% |
| Next 300 crores | 2.25% |
| Next 300 crores | 2.00% |
| Balance assets | 1.75% |

Additional expenses which may be charged to the Scheme:

The following additional expenses may be charged to the Scheme 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 utilised 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).

Total Expense Ratio for the scheme

The AMC has estimated following recurring expenses, as summarized in the below table for the scheme. Total expense ratio of the 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.

| Expenses Structure | % of daily Net Assets |
|--|------------------------------|
| Investment Management and Advisory Fees | Upto 2.50% |
| 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 | |
| Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c) (i) and (6) (a) | Upto 2.50% |
| Additional expenses under regulation 52 (6A) (c) | Upto 0.20% |
| Additional expenses for gross new inflows from specified cities | Upto 0.30% |

Expense Structure for Direct Plan - The annual recurring expenses will be within the limits specified under the SEBI (Mutual Funds) Regulations, 1996.

Commission/ Distribution expenses will not be charged in case of Direct Plan. The TER of Direct Plan will be lower by at least 15% vis-à-vis Regular Plan.

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. 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.

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.

A. 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 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:

- For redemption / switch out of upto 10% of the initial investment amount (limit) purchased or switched in within 1 year from the date of allotment: Nil.
- If units redeemed or switched out are in excess of the limit within 1 year from the date of allotment: 1%
- If units are redeemed or switched out on or after 1 year from the date of allotment: 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.

Any imposition or enhancement of Load in future shall be applicable on prospective investments only. 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 all KIM and SID already in stock till it is updated.

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

VI. RIGHTS OF UNITHOLDERS

Please refer to SAI for details.

VII. 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">• 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.• 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.• 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.• 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.• 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.• In a solitary case Bank had obtained RBI |

| | |
|---|---|
| | <p>approval for netting off transactions relating import/export of services and settle the net amount of the receivables/payables with the 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> | <p>NIL</p> |
| <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> | <p>NIL</p> |
| <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> | <p>NIL</p> |

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 on March 27, 2014.

OFFICIAL COLLECTION CENTRES

I. KMAMC AUTHORISED COLLECTION CENTRES

Agra: S-8, 2nd Floor, Maruti Plaza, Sanjay Place, Agra – 282002. **Ahmedabad:** 305, 3rd Floor, Siddhivinayak Complex, Near Shivrangani Cross Road, Satellite, Ahmedabad - 380015. **Ajmer:** 1st Fl, India Heights, Kutchary Road, India Motor Circle, Ajmer - 305001. **Aligarh:** 1st Floor, Omeshwar Plaza, C1 Omeshwar Plaza, Plot No.3/243, Laxmi Bai Marg, Marris Road, Aligarh - 202001. **Allahabad:** Upper Ground Floor UG-7, Vashishtha Vinayak Tower, 38-1, Taskand Marg, Civil Lines, Allahabad - 211001. **Amritsar:** 2nd Floor, SCO-32, Pal Plaza, Distt. Shopping Complex, Block-B, Ranjit Avenue, Amritsar – 143001. **Aurangabad:** 3rd Floor, Block No. D 28/29, Motiwala Trade Centre, Opp HDFC Bank, Nirla Bazar, Aurangabad – 431001. **Ambala:** Bldg No.5396, First Floor, Punjabi Mohalla, Nicholson Road, Above Haryana Beauty Parlour, Ambala Cantt, Ambala - 133001. **Anand:** 201, 2nd Floor Krishna Galleria, Opp. Big Bazar, Besides H.P. Petrol Pump, Anand – Vidhyanagar Road, Anand – 388001. **Bangalore:** 4th Floor, Kotak House, 22, M.G. Road, Bangalore - 560001. **Bhavnagar:** 303, 3rd Fl Krushna Darshan, Waghawadi Road, Parimal Chowk, Bhavnagar - 364002. **Bhopal:** Office No.MF-10, First Floor, Above Sony Service Center, Mansarovar Complex, Hoshangabad Road, Bhopal 462011. **Bhubaneswar:** 2nd Floor, Building No.24, SCR Janpath, Bapujinagar, Bhubaneswar - 751009. **Bhuj:** Shop No.7, Gr.FI, "Ramyakala" Opp.Dr.Mahadev Patel's Hospital, Hospital Road, Bhuj - 370001. **Bareilly:** 1st Floor, Singh Complex, 167-A, Civil Lines, Station Road, Bareilly - 243001. **Bhilai:** Shop No.22, Commercial Complex, Nehru Nagar [E], Bhilai - 490006. **Calicut:** 5th Floor, Parco Complex, Near KDC Bank, Kallai Road, Calicut - 673012. **Chandigarh:** 1st Floor, SCO 2475-76, Sector 22-C, Chandigarh - 160022. **Chennai:** 1-E, 1st Floor, Eldorado Building, No.112 Nungambakkam High Road, Chennai - 600034. **Coimbatore:** S. S. Complex, 554B/1, 2nd Floor, D.B. Road, R S Puram, Coimbatore - 641002. **Cochin:** Door No.65/877, 1st Fl, Chammany Complex, Kaloor Kadavanthara Road, Kochi - 682017. **Cuttack:** 3rd Fl, City Mart, Above Vishal Megha Mart, Bajrakbati Road, Cuttack - 753001. **Dehradun:** 9A & B, 1st Floor, India Trade Centre, 97, Rajpur Road, Dehradun – 248001. **Dhanbad:** Office No.418, 4th Floor, Sri Ram Plaza, Bank More, Dhanbad (Jharkhand) - 826001. **Durgapur:** 2nd Fl, Amantran, Urbashi Commercial Place, Bengal Ambuja, City Centre, Durgapur - 713216. **Goa:** 3rd Floor, Mathias Plaza, 18th June Road, Panaji, Goa - 403001. **Gorakhpur:** 2nd Floor, Office No.4, The Mall Cross Road, Bank Road, Gorakhpur - 273001. **Gurgaon:** S-52, Gr.FI, Sahara Mall, M.G.Road, Gurgaon - 122001. **Guwahati:** Office No.504, 5th Floor, Amaze Shopping Mall, Above Vishal Megamart, A T Road, Guwahati - 781001. **Hyderabad:** Office No.304, 3rd Fl, Jade Arcade, Paradise Circle, M.G.Road, Hyderabad - 500003. **Hubli:** Office No.201, 1st Floor, Kundgol Complex, Court Circle, Hubli - 580029. **Indore:** 2nd Floor, Starlit Tower, Plot No.29, Yashwanth Narwad Road, Indore - 452001. **Jaipur:** 1st Floor, Mall-21, C-17 Bhagwan Das Road, C-scheme, Jaipur - 302001. **Jalandhar:** Office No.9, 3rd Floor, City Square Bldg, EH-197, Civil Lines, Jalandhar - 144001. **Jamnagar:** Neo Square, 1st Floor, Office No. 131&136, Pandit Nehru Marg, Nr. Amber Cinema, Jamnagar - 361001. **Jamshedpur:** 2nd Floor, Bharat Business Centre, Rear Wing, Ram Mandir Area, Bistupur, Jamshedpur – 831001. **Jalgaon:** Ground Floor, Panna Heights, Jai Nagar, Opp: Omkareshwar, Jalgaon – 425002. **Jammu:** Shop no.21, A-2, South Block, Ground Floor, Bahu Plaza, Jammu - 180001. **Jodhpur:** 117, 1st Floor, Modi Arcade, Near Bombay Motor Circle, Chopasani Road, Jodhpur - 342001. **Kanpur:** Office No. 108/109, 1st Floor, KAN Chambers, 14/113, Civil Lines, Kanpur - 208001. **Kolhapur:** Office No.6, 1st Floor, Vasant Prabha Chambers, Sykes Extension, Near Parikh Pool, Railway Gate, Kolhapur - 416001. **Kottayam:** 3rd Floor, Pulimootill Arcade, K K Road, Kanjikuzhy, Kottayam – 686004. **Kolkata:** 3rd Fl, The Millennium., 235/2A, A/C Bose Road, Kolkata - 700020. **Lucknow:** 2nd Floor, Aryan Business Park, 90, M.G.Road [Exchange Cottage], Off.Park Road, Hajratganj, Lucknow - 226001. **Ludhiana:** SCO 16-17, 3rd Floor, Fortune Chambers, Opp: Ludhiana Stock Exchange, Feroze Gandhi Market, Ludhiana - 141001. **Madurai:** 272/273, Suriya Towers, 2nd Floor, Goodshed Street, Madurai – 625001. **Mangalore:** D.No. 5-4-169/21, 3rd Floor, Lalbagh Towers, Ballabhag Circle, Near Kalyan Jewellers, M.G.Road, Mangalore – 575003. **Meerut:** Shop No. G-5, Ground Floor, Star Palace Baccha Park, Opp. Rama Plaza, Meerut - 250001. **Mumbai [Goregaon]:** 6th Floor, Zone IV ,Kotak Infinity, Bldg No.21, Infinity Park, Off Western Express Highway, General A K Vaidya Marg, Malad[E], Mumbai - 400097. **Moradabad:** 1st Fl, Near Raj Mahal Hotel, Civil Lines, Moradabad – 244001. **Mysore:** 1st Floor, Office No.23, 24 & 25, Prashanth Plaza, CH 16, 5th Cross, 4th Main Road, Chamaraja Mohalla, Saraswathipuram, Mysore – 570009. **Nagpur:** 302, 3rd Fl Shalwak Manor, East High Court Road, Opp. Dr.Jay Deshmukh's Hospital, Ramdaspath, Nagpur - 440011. **Nasik:** Office No.4, Gr.FI, Main Road, Uditnagar, Above Yes Bank & Corporation Bank, Rourkela - 769012. **Siliguri:** Nanak Complex, Lower Gr Floor, Plot No. 8598/8599, Sevoke Road, Siliguri – 734001. **Shimla:** 1st, Floor, Bhagra Niwas, Near Lift Road, The Mall, Shimla - 171001. **Surat:** M-7, Mezzanine Floor, Jolly Plaza, Near Athwa Arcade, Athwa Gate, Surat - 395001. **Salem:** 2nd Floor, Kandaswama Shopping Mall, 1/194/2, Saradha College Road, Fairlands, Salem - 636016. **Thane [Mumbai]:** Shop No.2 Gr.FI, Ram Rao Sahani Sadan, Kaka Sohni Path, Naupada, Thane (West) : 400602. **Trichy:** 1st Floor, Vignesh Aradhana, No.16, GF4, Shop no.4, Shastri Road, Tiruchirappalli, Trichy - 620017. **Trivandrum:** S-1, White heaven, Vellayambalam, Trivandrum - 695010. **b2nd Floor, Trichur Trade Centre, Kuruppam Road, Thrissur – 680001. Udaipur:** 1st Floor, Moomal Tower, 222/16, Saheli Marg, Udaipur - 313001. **Vadodara:** 1st Fl, 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, Somashankar Nilayam, 40-1-29, M. G. Road, Vijayawada - 520010. **Visakhapatnam:** 1st Floor, Door No.47-10-10, Rednam Regency, 2nd Lane, Dwarkanagar, 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, Dikensan 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:** Plot No 3601, Nazrul Sarani, City Centre, Durgapur - 713216. **Goa:** Lawande Sarmalkar Bhavan, 1st Floor, Office No. 2, Next to Mahalaxmi Temple, Panaji, Goa – 403 001. **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:** 1st Floor, 278, North Perumal Maistry Street (Nadar Lane), Madurai – 625001. **Mangalore:** No. G 4 & G 5, Inland Monarch, Opp. Karnataka Bank, Kadri Main Road, Kadri, Mangalore - 575003. **Mumbai:** Rajabahdur Compound, Ground Floor, Opp Allahabad Bank, Behind ICICI Bank, 30, Mumbai Samachar Marg, Fort, Mumbai - 400023. **Nagpur:** 145 Lendra, New Ramdaspath, Nagpur - 440010. **New Delhi:** 7-E, 4th Floor, Deen Dayaal Research Institute Building, Swami Ram Tirath Nagar, Near Videcon 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, Mehandale 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 - 530016

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 Engloare 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 Bhavan 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:** 2nd Floor, Block No. D-21-D-22 Motiwala Trade Center, Nirla Bazar New Samarath Nagar, Opp. HDFC Bank, Aurangabad – 431001. **Balassore:** B C Sen Road, Balassore - 756001. **Bankura:** Cinema Road, Nutanganj, Beside Mondal Bakery, PO & District, Bankura - 722 101. **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:** Kalika Temple Street, Beside SBI BAZAR Branch, Berhampur - 760002. **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:** 1st Floor, Plot No. 3, Block No. 1, Priyadarshini Parisar West, Behind IDBI Bank, Nehru Nagar, Bhilai - 490020. **Bhilwara:** Indraprastha Tower, 2nd Floor, Shyam Ki Sabji Mandi Near Mukulji Garden, Bhilwara - 311001. **Bhopal:** Plot no 10, 2nd Floor, Alankar Complex, Near ICICI Bank, MP Nagar, Zone II, Bhopal - 462 011. **Bhuj:** Data Solution, Office No. 17, 1st Floor, Municipal Building, Opp Hotel Prince, Station Road, Bhuj-Kutch - 370001. **Bhusawal (Parent: Jalgaon TP):** 3, Adela Apartment, Christain Mohala, Behind Gulshan-E-Iran Hotel, Amardeep Talkies Road, Bhusawal - 425201. **Bikaner:** F 4/5, Bothra Complex, Modern Market, Bikaner - 334001. **Bilaspur:** Shop No. B - 104, First Floor, Narayan Plaza, Link Road, 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, Mavor Road, Arayidathupalam, Calicut - 673016. **Chandrapur:** Opp Mustafa Decor, Near Bangalore Bakery, Kasturba Road, Chandrapur - 442 402 Maharashtra. **Chinchwad:** Harshal Heights, Shop no 29, Basement, Opp. Gawade Petrol Pump, Link Road, Chinchwad - 411033. **Chennai:** Ground Floor, 148 Old Mahabalipuram Road, Okkiyam, Thuraiyakkam, Chennai - 600097. **Chhindwara:** Shop No. 01 Near Puja Lawn, Prarasia Road, Chhindwara – 480001. **Chittoargarh:** 3 Ashok Nagar, Near Heera Vatika, Chittoargarh - 312001. **Coochbehar:** N. N. Road, Power House, Choupathi, Coochbehar - 736101. **Cuttack:** Near Indian Overseas Bank, Cantonment Road, Mata Math, Cuttack - 753001. **Darbhanga:** Shahi Complex, 1st Floor, Near R B Memorial Hospital, V I P Road, Benta, Laheriasarai, Darbhanga 846001. **Davenegere:** 13, 1st Floor, Akkamahadevi Samaj Complex, Church Road, P J Extension, Devengere - 577002. **Dehradun:** 204/121, Nari Shilp Mandir Marg, Old Connaught Place, Dehradun - 248001. **Deogarh:** S S M Jalan Road, Ground Floor, Opp Hotel Ashoke, Caster Town, Deogarh - 814112.

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

Dhanbad : Urmila Towers, Room No. 111, 1st Floor, Bank More, Dhanbad - 826001. **Dharmapuri** : 16A/63A, 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** : FF - 26, Konark Building, 1st Floor, RDC - Rajnagar, Ghaziabad - 201002. **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** : Piyali Phukan Road K. C. Path House No - 1 Rehbari, 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. **Haridwar** : F - 3, Hotel Shaurya, New Model Colony, Haridwar - 249408. **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. **Jalpaiguri** : Babu Para, Beside Meenaar Apartment, Ward No VIII, Kotwali Police Station, PO & Dist. Jalpaiguri - 735101. **Jamnagar** : 207, Manek Centre, P N Marg, Jamnagar - 361001. **Jamshedpur** : Millennium Tower, Room No. 15, 1st Floor, R - Road, Bistupur, Jamshedpur - 831001. **Jaunpur** : Gopal Katra, 1st Floor, Fort Road, Jaunpur - 222001. **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 Ganjikutta Pandurangaiah 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, Mangamthota, Karimnagar - 505001. **Karnal** : 29 Avtar Colony, Behind Vishal Mega Mart, 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, Phillips Complex, Balajinagar, Wyra Road, Near Baburao Petrol Bunk, Khammam - 507001. **Kharagpur** : Silver Palace, OT Road, Inda - Kharagpur, G.P. - Barakola P.S. - Kharagpur - 721305. **Kolhapur** : AMD Sofex Office No.7, 3rd Floor, Ayodhya Towers, Station Road, Kolhapur - 416001. **Kollam** : Kochuplamoody 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. **Kukatpally** : No. 15-31-2M-1/4 1st Floor, 14-A, MIG KPBB Colony, Kukatpally - 500072. **Kumbakonam** : Jailani Complex, 47, Mutt Street, Kumbakonam - 612001. **Kurnool** : Shop Nos. 26 and 27, Door No. 39/265A and 39/265B, Second Floor, Skanda Shopping Mall, Old Chad Talkies, Vaddageri, 39th Ward, Kurnool - 518001. **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** : F4- Classic Heritage, Near Axis Bank, Opp. BPS Club Pajifond, Margao - 403601. **Mathura** : 159/160, Vikas Bazar, Mathura - 281001. **Meerut** : 108, 1st Floor, Shivam Plaza, Opp Eves 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)** : 351, Icon, 501, 5th Floor, Western Express Highway, Andheri (East), Mumbai - 400069. **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** : Rutturang 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, Chimmnabai Road, Navsari - 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. **Pathankot** : 13 - A, 1st Floor, Gurjeet Market Dhangu Road, Pathankot - 145 001. **Patiala** : 35, New Lal Bagh Colony, Patiala - 147001. **Pondicherry** : S-8, 100, Jawaharlal Nehru Street, (New Complex, Opp. Indian Coffee House), Pondicherry - 605001. **Raibareilly** : 17, Anand Nagar Complex, Raibareilly - 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 Schoo, Ratlam - 457001. **Ratnagiri** : Kohinoor Complex, Near Natya Theatre, Nachane Road, Ratnagiri - 415639. **Rohtak** : SCO - 34, Ground Floor, Ashoka Plaza, 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, Bhagwananj, 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** : 78, Haren Mukherjee Road, 1st Floor, Beside SBI Hakimpara, Siliguri - 734001. **Sirsa** : Gali No1, 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** : Shree Kalyanam, 50, Tagore Nagar, Sector - 4, Hiranmagri, Udaipur - 313001. **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-A1, Rathyatra, 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.

CAMS, Registrar and Transfer Agent to Kotak Mutual Fund will be the official point of acceptance for electronic transaction received through specified banks, Financial Institutions with whom Kotak Mahindra Mutual Fund has entered or may enter into specific arrangement for purchase/sale/switch of units and secured internet site operated by Kotak Mahindra Mutual Fund.

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