

**The Board of Directors of Kotak Mahindra Trustees Company Ltd, the Trustees of Kotak Mahindra Mutual Fund have decided following:**

**I. Introduction of Growth Option under Kotak Mahindra Balance Unit Scheme 99 (Kotak Balance)**

Effective November 1, 2014, growth option shall be introduced under Direct and Non Direct Plans of Kotak Balance.

There would not be any difference in the features/ characteristics of the Growth Option vis-à-vis existing Dividend option under the Direct and Non Direct Plan of Kotak Balance, including minimum investment amount, minimum redemption amount, load structure, etc.

Initial units will be allotted under Growth Option of Direct Plan/ Non Direct Plan of Kotak Balance at the NAV of Dividend Option of the respective plan of the Scheme on the date of Investment. Thereafter, separate NAVs will be calculated and published for Growth Option for respective Plans of the Scheme.

**Default Option:** Investors are advised to select the correct option at the time making investment application. In case, if no option is selected than the investment application will be considered as under:

Options available	Default Options
Growth/Dividend	Growth
Dividend Payout/ Dividend Reinvestment	Dividend Reinvestment

**II. Introduction of Bimonthly Dividend Option under Kotak Equity Arbitrage Fund.**

Effective November 1, 2014, bimonthly dividend option shall be introduced under Direct and Non Direct Plans of Kotak Equity Arbitrage Fund. This option shall be in addition to the monthly dividend option available under Kotak Equity Arbitrage Fund.

There would not be any difference in the features/ characteristics of bimonthly dividend option vis-à-vis existing monthly dividend option available under the Direct and Non Direct Plan of Kotak Equity Arbitrage Fund, including minimum investment amount, minimum redemption amount, load structure, etc.

Initial units will be allotted under bimonthly dividend option of Direct Plan/ Non Direct Plan of Kotak Equity Arbitrage Fund at the NAV of Growth Option of the respective plan of the Scheme on the date of Investment. Thereafter, separate NAVs will be calculated and published for bimonthly dividend option for respective Plans of the Scheme. Declaration of Dividend shall be at discretion of Trustees and subject to availability and adequacy of distributable surplus under the scheme.

**Dividend Frequency**


The dividend record dates will be on Monday preceding the last Thursday of the following months:

- November
- January
- March
- May
- July
- September

E.g.: For the bimonthly period October - November, dividend will be declared in the month of November, with the record date being the Monday preceding the last Thursday of November.




**Default Option:** Investors are advised to select the correct option at the time making investment application. In case, if no option is selected than the investment application will be considered as under:

Options available	Default Options
Growth/Dividend	Growth
Monthly Dividend/Bimonthly dividend	Bimonthly dividend
Dividend Payout/ Dividend Reinvestment	Dividend Reinvestment

Scheme Name	This product is suitable for investors who are seeking*
Kotak Balance	<ul style="list-style-type: none"> <li>• Long Term Capital Growth</li> <li>• Investment in equity and equity related securities balanced with income generation by investing in debt &amp; money market securities</li> <li>• Low risk  (BROWN)</li> </ul>
Kotak Equity Arbitrage Fund	<ul style="list-style-type: none"> <li>• Income from arbitrage opportunities in the equity market</li> <li>• Investment in arbitrage opportunities in cash &amp; derivatives segment of the equity market</li> <li>• Low risk  (BLUE)</li> </ul>

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

**Note:** Risk may be represented as: Investors understand that their principal will be at

Low risk  (BLUE) Medium risk  (YELLOW) High risk  (BROWN).

All other terms and conditions of the Scheme Information Document (SID) / Key Information Memorandum (KIM) remain unchanged. This addendum forms and integral part of the SID / KIM of Kotak Balance and Kotak Equity Arbitrage Fund as amended from time to time.

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

**Sd/-  
Gaurang Shah  
Director**

**Mumbai  
October 21, 2014**

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

**Kotak Mahindra Asset Management Company Limited**

CIN: U65991MH1994PLC080009

(Investment Manager for Kotak Mahindra Mutual Fund)

6th Floor, Kotak Towers, Building No. 21, Infinity Park, Off: Western Express Highway,  
Goregaon - Mulund Link Road, Malad (East), Mumbai 400097.

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