



Think Investments. Think Kotak®

## COMBINED SCHEME INFORMATION DOCUMENT DEBT SCHEMES OF KOTAK MAHINDRA MUTUAL FUND

### Continuous Offer of units of all schemes available at NAV bases prices

Name of Scheme	Type of Scheme	Scheme Re-opened on
Kotak Mahindra Gilt Unit Scheme - 98 Investment Plan	An open ended dedicated Gilt Scheme	January 5, 1999
Kotak Mahindra Bond Unit Scheme 99	An Open Ended Debt Scheme	November 29, 1999
Kotak Mahindra Liquid Scheme	An Open Ended Debt Scheme	October 6, 2000
Kotak Bond Short Term Plan	An Open Ended Debt Scheme	May 3, 2002
Kotak Floater Short Term Scheme	An Open Ended Debt Scheme	July 15, 2003
Kotak Monthly Income Plan	An Open Ended Income Scheme	December 3, 2003
Kotak Treasury Advantage fund (Formerly known as Kotak Floater Long Term Scheme)	An Open Ended Debt Scheme	August 13, 2004
Kotak Flexi Debt Scheme	An Open Ended Debt Scheme	December 6, 2004
Kotak Income Opportunities Fund	An Open Ended Debt Scheme	May 12, 2010
Kotak Banking and PSU Debt Fund	An Open Ended Debt Scheme	Kotak Mahindra Gilt Savings Scheme – 98 – Savings Plan has been converted into Kotak Banking and PSU Debt Fund on August 14, 2013.
Kotak Low Duration Fund (Formerly known as PineBridge India Short Term Fund)	An Open Ended Debt Scheme	March 7, 2008
Kotak Corporate Bond Fund (Formerly known as PineBridge India Total Return Bond Fund)	An Open Ended Debt Scheme	September 24, 2007

Name of Mutual Fund	<b>Kotak Mahindra Mutual Fund</b>
Name of Asset Management Company	<b>Kotak Mahindra Asset Management Company Ltd. CIN: U65991MH1994PLC080009</b>
Name of Trustee Company	<b>Kotak Mahindra Trustee Company Ltd. CIN: U65990MH1995PLC090279</b>
Address of the Companies	<b>27 BKC, C-27, G Block, Bandra Kurla Complex, Bandra (E), Mumbai – 400051</b>
Corporate address of the Asset Management Company	<b>6th Floor, Vinay Bhavya Complex, 159-A, C. S. T. Road, Kalina, Santacruz (E), Mumbai - 400098</b>
Website	<b>assetmanagement.kotak.com</b>

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

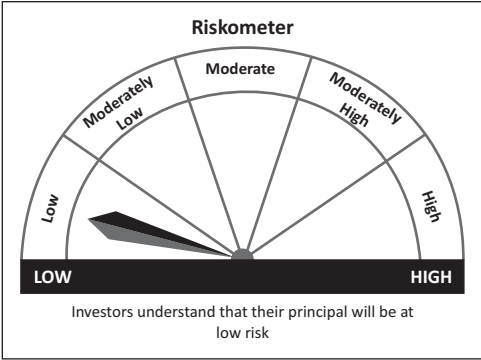
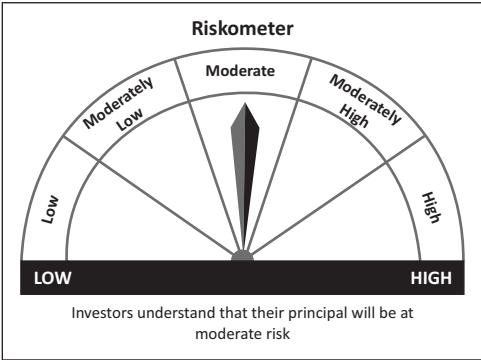
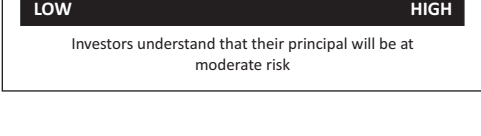
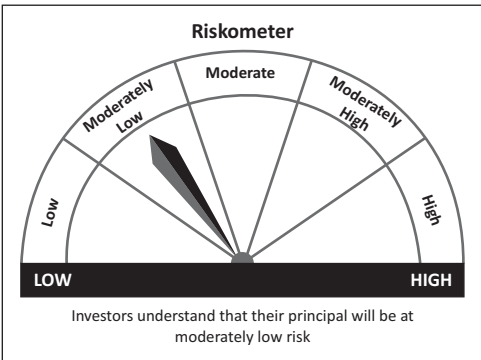
The Scheme Information Document sets forth concisely the information about the scheme that a prospective investor ought to know before investing. Before investing, investors should also ascertain about any further changes to this Scheme Information Document after the date of this Document from the Mutual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

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

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

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

# PRODUCT LABELING

Scheme Names	This product is suitable for investors who are seeking*	Riskometer
Kotak Mahindra Liquid Scheme	<ul style="list-style-type: none"> <li>Income over a short term investment horizon</li> <li>Investment in debt &amp; money market securities</li> </ul>	 <p style="text-align: center;">Investors understand that their principal will be at low risk</p>
Kotak Floater Short Term Scheme	<ul style="list-style-type: none"> <li>Income over a short term investment horizon</li> <li>investment in floating rate securities, debt &amp; money market securities</li> </ul>	
Kotak Mahindra Gilt Unit Scheme – 98 Investment Plan	<ul style="list-style-type: none"> <li>Income over a long investment horizon</li> <li>Investments in sovereign securities issued by the Central and/ or State Government(s) and / or reverse repos in such securities.</li> </ul>	 <p style="text-align: center;">Investors understand that their principal will be at moderate risk</p>
Kotak Mahindra Bond Unit Scheme 99	<ul style="list-style-type: none"> <li>Income over a long investment horizon</li> <li>Investment in debt &amp; money market securities</li> </ul>	
Kotak Monthly Income Plan	<ul style="list-style-type: none"> <li>Income &amp; capital growth over a long term horizon</li> <li>Investment in a portfolio of debt instruments with a moderate exposure in equity &amp; equity related instruments</li> </ul>	 <p style="text-align: center;">Investors understand that their principal will be at moderate risk</p>
Kotak Low Duration Fund (Formerly known as PineBridge India Short Term Fund)	<ul style="list-style-type: none"> <li>Regular income over short term</li> <li>Income by focusing on low duration securities</li> </ul>	
Kotak Bond Short Term Plan	<ul style="list-style-type: none"> <li>Income over a medium term horizon</li> <li>Investment in debt &amp; money market securities</li> </ul>	 <p style="text-align: center;">Investors understand that their principal will be at moderately low risk</p>
Kotak Treasury Advantage fund (Formerly known as Kotak Floater Long Term Scheme)	<ul style="list-style-type: none"> <li>Income over a short term investment horizon</li> <li>Investment in debt &amp; money market securities</li> </ul>	
Kotak Flexi Debt Scheme	<ul style="list-style-type: none"> <li>Income over a medium term investment horizon</li> <li>Investment in debt &amp; money market securities</li> </ul>	
Kotak Income Opportunities Fund	<ul style="list-style-type: none"> <li>Income over a medium term investment horizon</li> <li>Investment in debt &amp; money market securities</li> </ul>	
Kotak Banking and PSU Debt Fund	<ul style="list-style-type: none"> <li>Income over a short to medium term investment horizon</li> <li>Investment in debt &amp; money market securities of PSUs, Banks &amp; government securities</li> </ul>	
Kotak Corporate Bond Fund (Formerly known as PineBridge India Total Return Bond Fund)	<ul style="list-style-type: none"> <li>Regular income over short term</li> <li>Income by investing in fixed income securities of varying maturities</li> </ul>	

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

## TABLE OF CONTENTS

<b>I. HIGHLIGHTS/SUMMARY OF THE SCHEME</b>	<b>2</b>		
<b>II. INTRODUCTION</b>	<b>24</b>		
A. Risk Factors	24		
B. Requirement of minimum investors in the scheme	27		
C. Special Considerations	27		
D. Definitions	30		
E. Due Diligence by the Asset Management Company	32		
<b>III. INFORMATION ABOUT THE SCHEME</b>	<b>33</b>		
A. Type of Schemes	33		
B. Features of the schemes (Investment Objective, Asset Allocation Pattern, Investment Strategy, Benchmark, Risk Mitigation)	33		
(i) Kotak Mahindra Gilt Unit Scheme - 98 Investment Plan	33		
(ii) Kotak Mahindra Bond Unit Scheme	34		
(iii) Kotak Mahindra Liquid Scheme	35		
(iv) Kotak Bond Short Term Plan	37		
(v) Kotak Floater Short Term Scheme	38		
(vi) Kotak Monthly Income Plan	39		
(vii) Kotak Treasury Advantage fund	41		
(viii) Kotak Flexi Debt Scheme	42		
(ix) Kotak Income Opportunities Fund	44		
(x) Kotak Banking and PSU Debt Fund	46		
(xi) Kotak Low Duration Fund (Formerly known as PineBridge India Short Term Fund)	47		
		xii) Kotak Corporate Bond Fund (Formerly known as PineBridge India Total Return Bond Fund)	48
		C. Where will the schemes invest? (common to all schemes)	50
		D. Fundamental Attributes (common to all schemes)	51
		E. Who manages the schemes?	52
		F. What are the Investment Restrictions?	53
		G. How have the Schemes performed?	54
		<b>IV. UNITS AND OFFER</b>	<b>60</b>
		A. Ongoing Offer Details	60
		B. Periodic Disclosures	73
		C. Computation of NAV (common to all schemes)	74
		<b>V. FEES AND EXPENSES</b>	<b>75</b>
		A. New Fund Offer (NFO) Expenses	75
		B. Total Expense Ratio for the schemes	75
		C. Load Structure	78
		<b>VI. RIGHTS OF UNITHOLDERS</b>	<b>79</b>
		<b>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</b>	<b>79</b>

## I. HIGHLIGHTS/ SUMMARY OF THE SCHEME

SCHEME	<b>Kotak Mahindra Gilt Unit Scheme 98 - Investment Plan</b>																																					
Plans	<b>Regular Plan</b>	<b>Provident Fund Plan &amp; Trust Plan</b>																																				
<b>Type of Scheme (Structure)</b>	An open ended dedicated Gilt unit scheme																																					
<b>Investment Objective</b>	To generate risk free returns through investments in Sovereign securities issued by the Central Government and /or State Government and /or reverse repo in such securities. However, there is no assurance or guarantee that the investment objective of the scheme will be achieved.																																					
<b>Liquidity</b>	Open ended. Purchase and redemptions at prices related to applicable NAV	Put option available during liquidity window.																																				
<b>Benchmark Index</b>	I-Sec Composite Index	I-Sec Composite Index																																				
<b>Transparency/ NAV disclosure</b>	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. The NAVs shall also be updated on the website of the Mutual Fund assetmanagement.kotak.com and will be published in two newspapers. 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. 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.																																					
<b>Plans under the scheme</b>	<ul style="list-style-type: none"> <li>• Direct Plan</li> <li>• Non Direct Plan</li> </ul> <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. Non Direct Plan: This Plan is for investors who wish to route their investment through any distributor. The portfolio of both plans will be unsegregated.</p>	<ul style="list-style-type: none"> <li>• Direct Plan</li> <li>• Regular Plan</li> </ul> <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. Regular Plan: This Plan is for investors who wish to route their investment through any distributor. The portfolio of both plans will be unsegregated.</p>																																				
<b>Options under each Plan</b>	Growth and Dividend (Payout and Reinvestment) the NAVs of the above options will be different and separately declared; the portfolio of the investments remaining the same.	Growth and Dividend (Payout and Reinvestment) the NAVs of the above options will be different and separately declared; the portfolio of the investments remaining the same.																																				
<b>Default Plan</b>	<ul style="list-style-type: none"> <li>• Investors subscribing under Direct Plan of the Scheme will have to indicate "Direct Plan" against the Scheme name in the application form - "<b>Kotak Mahindra Gilt Unit Scheme 98 – Investment Plan - Direct Plan</b>".</li> <li>• Investors should also indicate "Direct" in the ARN column of the application form.</li> </ul> <p>If the application is received incomplete with respect to not selecting Regular/Direct Plan, the application will be processed as under:</p> <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th style="width: 15%;">Scenario</th> <th style="width: 25%;">Broker Code mentioned by the investor</th> <th style="width: 25%;">Plan mentioned by the investor</th> <th style="width: 35%;">Default Plan to be captured</th> </tr> </thead> <tbody> <tr><td>1</td><td>Not mentioned</td><td>Not mentioned</td><td>Direct Plan</td></tr> <tr><td>2</td><td>Not mentioned</td><td>Direct</td><td>Direct Plan</td></tr> <tr><td>3</td><td>Not mentioned</td><td>Regular</td><td>Direct Plan</td></tr> <tr><td>4</td><td>Mentioned</td><td>Direct</td><td>Direct Plan</td></tr> <tr><td>5</td><td>Direct</td><td>Not Mentioned</td><td>Direct Plan</td></tr> <tr><td>6</td><td>Direct</td><td>Regular</td><td>Direct Plan</td></tr> <tr><td>7</td><td>Mentioned</td><td>Regular</td><td>Regular Plan</td></tr> <tr><td>8</td><td>Mentioned</td><td>Not Mentioned</td><td>Regular Plan</td></tr> </tbody> </table> <p>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.</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
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																																			
<b>Dividend Frequency</b> (Dividend is declared subject to availability and adequacy of distributable surplus)	Quarterly	Quarterly																																				

<b>Dividend Record Dates</b> (If the Record date is not a Business Day, the immediately following Business Day will be the record date)	20th of March, June, September and December of every year. (If the record date is not a Business Day, the immediately following Business Day will be the record date)	
<b>SIP/SWP/STP/DTP Facilities</b>	Available	Available (SWP and STP facility can be availed only during the liquidity Window)
<b>SIP Frequency &amp; Dates</b>	1st, 7th, 14th, 21st and 25th of the Month/Quarter	1st, 7th, 14th, 21st and 25th of the Month/Quarter
<b>SWP/STP Frequency</b>	Weekly (Only for STP), Monthly and Quarterly	Weekly (Only for STP), Monthly and Quarterly
<b>SWP Dates</b>	1st, 7th, 14th, 21st and 25th	1st, 7th, 14th, 21st and 25th
<b>STP Dates</b>	Any Business Day	Any Business Day
<b>Minimum Investment size</b>		
Initial Purchase (Non- SIP)	Rs. 5000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches	Rs. 5000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches
Additional Purchase (Non- SIP)	Rs. 1000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches	Rs. 1000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches
SIP Purchase	Rs. 1000/- (Subject to a minimum of 6 SIP installments of Rs. 1000/- each)	Rs. 1000/- (Subject to a minimum of 6 SIP installments of Rs. 1000/- each)
<b>Minimum Redemption Size</b>		
In Rupees (Non- SWP/STP)	Rs. 1000/-	Rs. 1000/-
In Units (Non-SWP/STP)	100 units	100 units
In Rupees (SWP/ STP)	Rs. 1000/- (Subject to a minimum of 6 installments)/ Entire Appreciation	Rs. 1000/- (Subject to a minimum of 6 installments)/ Entire Appreciation
<b>Minimum balance to be maintained and consequences of non maintenance.</b>	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	
<b>Cheques/ Drafts to favour –</b>	<b>For Gilt Investment Regular - For Direct Plan:</b> Cheques should be drawn in favor of <b>Gilt Investment Regular - Direct Plan</b> <b>Non Direct Plan:</b> Cheques should be drawn in favor of <b>Gilt Investment Regular - Non Direct Plan</b>	<b>For Gilt Investment PF &amp; Trust Plan: For Direct Plan:</b> Cheques should be drawn in favor of <b>Gilt Investment Gilt Investment Provident Fund &amp; Trust Plan- Direct Plan</b> <b>Regular Plan:</b> Cheques should be drawn in favor of <b>Gilt Investment Gilt Investment Provident Fund &amp; Trust Plan</b>
<b>Loads</b>		
Entry Load	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.	In terms of SEBI Circular No. SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009, no entry load will be charged on purchase / additional purchase / switch-in. The upfront commission, if any, on investment made by the investor shall be paid by the investor directly to the Distributor, based on his assessment of various factors including the service rendered by the Distributor.
Exit Load	Nil Any exit load charged (net off Service Tax, if any) shall be credited back to the Scheme. Units issued on reinvestment of dividends shall not be subject to entry and exit load	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

SCHEME	<b>KOTAK MAHINDRA BOND UNIT SCHEME ' 99 (Kotak Bond)</b>
<b>Type of Scheme (Structure)</b>	An open-ended debt scheme
<b>Investment in</b>	A variety of debt and money market instruments
<b>Suitable for</b>	Investors who desire to diversify credit risk through a portfolio of a variety of debt instruments.
<b>Investment Objective</b>	To create a portfolio of debt instruments of different maturities so as to spread the risk across a wide maturity horizon and different kinds of issuers in the debt markets. However, there is no assurance or guarantee that the investment objective of the scheme will be achieved.
<b>Liquidity</b>	Open ended. Purchase and redemptions at prices related to applicable NAV
<b>Benchmark Index</b>	CRISIL Composite Bond Fund Index
<b>Transparency/ NAV disclosure</b>	The Mutual Fund shall update the Net asset value of the scheme on every business day on AMFI's website <a href="http://www.amfiindia.com">www.amfiindia.com</a> by 9:00 p.m. The NAVs shall also be updated on the website of the Mutual Fund <a href="http://assetmanagement.kotak.com">assetmanagement.kotak.com</a> and will be published in two newspapers.

	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. The monthly portfolio of the Schemes shall be available in a user-friendly and downloadable format on the website viz. <a href="http://assetmanagement.kotak.com">assetmanagement.kotak.com</a> on or before the tenth day of succeeding month.																																				
<b>Plans under the scheme</b>	<ul style="list-style-type: none"> <li>Plan A (formerly known as Regular Plan)</li> <li>Direct Plan</li> </ul> <p>Plan A: This Plan is for investors who wish to route their investment through any distributor. 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. The portfolio of Plan A and Direct Plan will be unsegregated. Note: Deposit Plan has been discontinued for further subscriptions w.e.f. October 1, 2012.</p>																																				
<b>Options under each Plan</b>	Growth and Dividend (Payout and Reinvestment). The NAVs of the above options will be different and separately declared; the portfolio of the investments remaining the same.																																				
<b>Default Plan</b>	<ul style="list-style-type: none"> <li>Investors subscribing under Direct Plan of the Scheme will have to indicate "Direct Plan" against the Scheme name in the application form - "<b>Kotak Mahindra Bond Unit Scheme '99 (Kotak Bond) - Direct Plan</b>".</li> <li>Investors should also indicate "Direct" in the ARN column of the application form.</li> </ul> <p>If the application is received incomplete with respect to not selecting Regular / Direct Plan, the application will be processed as under:</p> <table border="1"> <thead> <tr> <th>Scenario</th> <th>Broker Code mentioned by the investor</th> <th>Plan mentioned by the investor</th> <th>Default Plan to be captured</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Not mentioned</td> <td>Not mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>2</td> <td>Not mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>3</td> <td>Not mentioned</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>4</td> <td>Mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>5</td> <td>Direct</td> <td>Not Mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>6</td> <td>Direct</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>7</td> <td>Mentioned</td> <td>Regular</td> <td>Regular Plan</td> </tr> <tr> <td>8</td> <td>Mentioned</td> <td>Not Mentioned</td> <td>Regular Plan</td> </tr> </tbody> </table> <p>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.</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
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																																		
<b>Dividend Frequency</b> (Dividend is declared subject to availability and adequacy of distributable surplus)	<p>Under Plan A and Direct Plan</p> <ul style="list-style-type: none"> <li>Quarterly Dividend (Payout and Reinvestment)</li> <li>Half Yearly Dividend (Payout and Reinvestment)</li> <li>Annual Dividend (Payout and Reinvestment)</li> </ul> <p>Under Deposit Plan</p> <ul style="list-style-type: none"> <li>Quarterly Dividend (Payout and Reinvestment).</li> </ul>																																				
<b>Dividend Record Dates</b> (If the Record date is not a Business Day, the immediately following Business Day will be the record date)	<ul style="list-style-type: none"> <li>20th of March, June, September and December of every year for the Quarterly Dividend Option.</li> <li>20th of March and September of every year for the Half Yearly Dividend Option. Dividends may also be declared between the Half Yearly periods, subject to availability and adequacy of distributable surplus, and subject to the discretion of the Trustees.</li> <li>12th of March for the Annual Dividend Option</li> </ul>																																				
<b>SIP/SWP/STP/DTP Facilities</b>	Available																																				
<b>SIP Frequency &amp; Dates</b>	1st, 7th, 14th, 21st and 25th of the Month/ Quarter																																				
<b>SWP/ STP Frequency</b>	Weekly (Only for STP), Monthly and Quarterly																																				
<b>SWP Dates</b>	1st, 7th, 14th, 21st and 25th																																				
<b>STP Dates</b>	Any Business Day																																				
<b>SWP/ STP</b>	Fixed Sum or Entire Appreciation																																				
<b>Minimum Investment size</b>																																					
Initial Purchase (Non- SIP)	Rs. 5000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches																																				
Additional Purchase (Non- SIP)	Rs. 1000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches																																				
SIP Purchase	Rs. 1000/- (Subject to a minimum of 6 SIP installments of Rs. 1000/- each)																																				
<b>Minimum Redemption Size</b>																																					
In Rupees (Non- SWP/STP)	Rs. 1000/-																																				
In Units (Non-SWP/STP)	100 units																																				
In Rupees (SWP/STP)	Rs. 1000/-(Subject to a minimum of 6 installments) / Entire Appreciation																																				

<b>Minimum balance to be maintained and consequences of non maintenance.</b>	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.
<b>Cheques/ Drafts to favour –</b>	<b>For Direct Plan:</b> Cheques should be drawn in favor of <b>Kotak Bond - Direct Plan</b> <b>For Plan A:</b> Cheques should be drawn in favor of <b>Kotak Bond - Plan A</b>
<b>Loads</b>	
Entry Load	In terms of SEBI Circular No. SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009, no entry load will be charged on purchase / additional purchase / switch-in. The upfront commission, if any, on investment made by the investor shall be paid by the investor directly to the Distributor, based on his assessment of various factors including the service rendered by the Distributor.
Exit Load	NIL
<b>For existing investors under Deposit Plan</b>	<ol style="list-style-type: none"> <li>1. W.e.f October 1, 2012, there shall be no fresh subscriptions under the Deposit Plan. Further, the Regular Plan, has been renamed as "Plan A".</li> <li>2. All existing SIP/STP falling due from November 1, 2012 under the options in Deposit Plan will be processed in the same options under Plan A.</li> <li>3. If subscriptions / switch request is received under an option in the Deposit Plan, the same will be processed under the same option, if any, in Plan A.</li> <li>4. Where the investor has units in both the Deposit Plan and Plan A at the time of redemption / switch the investor must submit separate redemption / switch request.</li> </ol>

<b>SCHEME</b>	<b>Kotak Bond Short Term Plan</b>																																				
<b>Type of Scheme (Structure)</b>	An open-ended debt scheme																																				
<b>Investment Objective</b>	<p>The investment objective of the Scheme is to provide reasonable returns and high level of liquidity by investing in debt instruments such as bonds, debentures and Government securities; and money market instruments such as treasury bills, commercial papers, certificates of deposit, including repos in permitted securities of different maturities, so as to spread the risk across different kinds of issuers in the debt markets. The Scheme may invest in the call money/term money market in terms of RBI guidelines in this respect.</p> <p>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.</p> <p>Subject to the maximum amount permitted from time to time, the Scheme may invest in offshore securities in the manner allowed by SEBI/RBI, provided such investments are in conformity with the investment objective of the Scheme and the prevailing guidelines and Regulations.</p> <p>There is no assurance that the investment objective of the Scheme will be realised.</p>																																				
<b>Liquidity</b>	Open-ended. Purchases and Redemptions at prices related to Applicable NAV.																																				
<b>Benchmark Index</b>	CRISIL Short Term Bond Fund Index																																				
<b>Transparency/ NAV Disclosure</b>	<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. The NAVs shall also be updated on the website of the Mutual Fund assetmanagement.kotak.com and will be published in two newspapers.</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>																																				
<b>Plans under the scheme</b>	<ul style="list-style-type: none"> <li>• Direct Plan</li> <li>• Regular Plan</li> </ul> <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>Regular Plan : This Plan is for investors who wish to route their investment through any distributor.</p> <p>The portfolio of both plans will be unsegregated.</p>																																				
<b>Options under each Plan</b>	Growth and Dividend (Payout and Reinvestment) the NAVs of the above options will be different and separately declared; the portfolio of the investments remaining the same.																																				
<b>Default Plan</b>	<ul style="list-style-type: none"> <li>• Investors subscribing under Direct Plan of the Scheme will have to indicate "Direct Plan" against the Scheme name in the application form - <b>"Kotak Bond Short Term Plan - Direct Plan"</b>.</li> <li>• Investors should also indicate "Direct" in the ARN column of the application form.</li> </ul> <p>If the application is received incomplete with respect to not selecting Regular/Direct Plan, the application will be processed as under:</p> <table border="1"> <thead> <tr> <th>Scenario</th> <th>Broker Code mentioned by the investor</th> <th>Plan mentioned by the investor</th> <th>Default Plan to be captured</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Not mentioned</td> <td>Not mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>2</td> <td>Not mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>3</td> <td>Not mentioned</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>4</td> <td>Mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>5</td> <td>Direct</td> <td>Not Mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>6</td> <td>Direct</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>7</td> <td>Mentioned</td> <td>Regular</td> <td>Regular Plan</td> </tr> <tr> <td>8</td> <td>Mentioned</td> <td>Not Mentioned</td> <td>Regular Plan</td> </tr> </tbody> </table> <p>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.</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
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																																		
<b>Dividend Frequency</b> (Dividend is declared subject to availability and adequacy of distributable surplus)	<p>Monthly Dividend (Payout and Reinvestment)</p> <p>Half Yearly Dividend (Payout and Reinvestment)</p>																																				



<b>Dividend Record Dates</b> (If the Record date is not a Business Day, the immediately following Business Day will be the record date)	<ul style="list-style-type: none"> <li>• 12th of every Month</li> <li>• 20th of March and September of every year for the Half Yearly Dividend Option.</li> </ul> <p>Dividends may also be declared between the Half Yearly periods, subject to availability and adequacy of distributable surplus, and subject to the discretion of the Trustees.</p>
<b>SIP/SWP/STP/DTP Facilities</b>	Available
<b>SIP Frequency &amp; Dates</b>	1st, 7th, 14th, 21st and 25th of the Month/ Quarter
<b>SWP/ STP Frequency</b>	Weekly (Only for STP), Monthly and Quarterly
<b>SWP Dates</b>	1st, 7th, 14th, 21st and 25th
<b>STP Dates</b>	Any Business Day
<b>SWP/ STP</b>	Fixed Sum or Entire Appreciation
<b>Minimum Investment size</b>	
Initial Purchase (Non- SIP)	<p><b>For Growth and Monthly Dividend Reinvestment Option:</b> Rs. 5000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches</p> <p><b>For Monthly Dividend Payout Option:</b> Rs. 50,000/- and above.</p>
Additional Purchase (Non- SIP)	Rs. 1000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches
SIP Purchase	Rs. 1000/- (Subject to a minimum of 6 SIP installments of Rs. 1000/- each)
<b>Minimum Redemption Size</b>	
In Rupees (Non- SWP/ STP)	Rs. 1000/-
In Units (Non-SWP/ STP)	100 units
In Rupees (SWP/ STP)	Rs. 1000/-(Subject to a minimum of 6 installments)/ Entire Appreciation
<b>Minimum balance to be maintained and consequences of non maintenance.</b>	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.
<b>Cheques/ Drafts to favour</b>	<p><b>For Direct Plan:</b> Cheques should be drawn in favor of <b>Kotak Bond Short Term - Direct Plan</b></p> <p><b>For Regular Plan:</b> Cheques should be drawn in favor of <b>Kotak Bond Short Term - Regular Plan</b></p>
<b>Loads</b>	
Entry Load	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	<ul style="list-style-type: none"> <li>• For redemptions / switch outs (including SIP/STP) within 30 days from the date of allotment of units, irrespective of the amount of investment – 0.25%</li> <li>• For redemptions / switch outs (including SIP/STP) after 30 days from the date of allotment of units, irrespective of the amount of investment – NIL</li> </ul> <p>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.</p>

SCHEME	KOTAK MAHINDRA LIQUID UNIT SCHEME (KOTAK LIQUID)																																						
<b>Type of Scheme (Structure)</b>	An open-ended Debt Scheme																																						
<b>Investment Objective</b>	To provide reasonable returns and high level of liquidity by investing in Debt and money market instruments of different maturities so as to spread risk across different kinds of issuers in the Debt Markets. However, there is no assurance or guarantee that the investment objective of the scheme will be achieved.																																						
<b>Liquidity</b>	Open ended. Purchase and redemptions at prices related to applicable NAV																																						
<b>Benchmark Index</b>	CRISIL Liquid Fund Index																																						
<b>Transparency/ NAV disclosure</b>	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. The NAVs shall also be updated on the website of the Mutual Fund assetmanagement.kotak.com and will be published in two newspapers. 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. 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.																																						
<b>Plans under the scheme</b>	<ul style="list-style-type: none"> <li>Plan A (formerly known as Institutional Premium Plan)</li> <li>Direct Plan</li> </ul> Plan A: This Plan is for investors who wish to route their investment through any distributor. 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. The portfolio of Plan A and Direct Plan will be unsegregated. Note:- Regular Plan and Institutional Plans have been discontinued for further subscriptions w.e.f. October 1, 2012																																						
<b>Options under each Plan</b>	Growth and Dividend (Payout and Reinvestment) the NAVs of the above options will be different and separately declared; the portfolio of the investments remaining the same.																																						
<b>Default Plan</b>	<ul style="list-style-type: none"> <li>Investors subscribing under Direct Plan of the Scheme will have to indicate "Direct Plan" against the Scheme name in the application form - <b>"Kotak Mahindra Liquid Unit Scheme (Kotak Liquid) - Direct Plan"</b>.</li> <li>Investors should also indicate "Direct" in the ARN column of the application form.</li> </ul> If the application is received incomplete with respect to not selecting Regular/Direct Plan, the application will be processed as under: <table border="1" data-bbox="486 1153 1452 1467"> <thead> <tr> <th>Scenario</th> <th>Broker Code mentioned by the investor</th> <th>Plan mentioned by the investor</th> <th>Default Plan to be captured</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Not mentioned</td> <td>Not mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>2</td> <td>Not mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>3</td> <td>Not mentioned</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>4</td> <td>Mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>5</td> <td>Direct</td> <td>Not Mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>6</td> <td>Direct</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>7</td> <td>Mentioned</td> <td>Regular</td> <td>Regular Plan</td> </tr> <tr> <td>8</td> <td>Mentioned</td> <td>Not Mentioned</td> <td>Regular Plan</td> </tr> </tbody> </table> 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.			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
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																																				
<b>Dividend Frequency</b> (Dividend is declared subject to availability and adequacy of distributable surplus)	Under Plan A and Direct Plan <ul style="list-style-type: none"> <li>Daily Dividend Reinvestment</li> <li>Weekly Dividend (Payout# and Reinvestment)</li> </ul> #In case the amount of dividend in Weekly Dividend Payout Option is less than Rs. 5000/-, the same shall be reinvested.		Under erstwhile Regular Plan <ul style="list-style-type: none"> <li>Weekly Dividend Reinvestment</li> </ul> Under erstwhile Institutional Plan <ul style="list-style-type: none"> <li>Daily Dividend Reinvestment</li> <li>Weekly Dividend Reinvestment</li> </ul>																																				
<b>Dividend Record Dates</b> (If the Record date is not a Business Day, the immediately following Business Day will be the record date)	<ul style="list-style-type: none"> <li>For Daily Dividend Option – Every day for which NAV is declared.</li> <li>For Weekly Dividend Option – Every Monday</li> </ul>																																						
<b>SIP/SWP/STP/DTP Facilities</b>	<ul style="list-style-type: none"> <li>SIP facility is not available</li> <li>SWP / STP/DTP facilities are available</li> </ul>																																						

<b>SIP Frequency &amp; Dates</b>	-
<b>SWP/ STP Frequency</b>	Weekly (Only for STP), Monthly and Quarterly
<b>SWP Dates</b>	1st, 7th, 14th, 21st and 25th
<b>STP Dates</b>	Any Business Day
<b>SWP/ STP</b>	Fixed Sum or Entire Appreciation
<b>Minimum Investment size</b>	
Initial Purchase	Rs. 5000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches
Additional Purchase	Rs. 1000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches
SIP Purchase	Not applicable
<b>Minimum Redemption Size</b>	
In Rupees	Rs. 1000/-
In Units	100 units
<b>Minimum balance to be maintained and consequences of non maintenance.</b>	If the holding is less than Rs. 1000, after processing the redemption request, the entire amount/units will be redeemed from the Scheme.
<b>Cheques/ Drafts to favour –</b>	<b>For Plan A:</b> Cheques should be drawn in favor of <b>Kotak Liquid - Plan A</b> <b>For Direct Plan:</b> Cheques should be drawn in favor of <b>Kotak Liquid - Direct Plan</b>
<b>Loads</b>	
Entry Load	In terms of SEBI Circular No. SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009, no entry load will be charged on purchase / additional purchase / switch-in. The upfront commission, if any, on investment made by the investor shall be paid by the investor directly to the Distributor, based on his assessment of various factors including the service rendered by the Distributor.
Exit Load	Nil Any exit load charged (net off Service Tax, if any) shall be credited back to the Scheme. Units issued on reinvestment of dividends shall not be subject to entry and exit load.
<b>For existing investors under Regular Plan and Institutional Plan</b>	<ol style="list-style-type: none"> <li>1. W.e.f October 1, 2012, there shall be no fresh subscriptions under the Regular and Institutional Plans. Further, the Institutional Premium Plan, has been renamed as "Plan A".</li> <li>2. If subscriptions / switch request is received under an option in the Regular Plan or Institutional Plan, the same will be processed under the same option, if any, in Plan A.</li> <li>3. Where the investor has units in both the Regular Plan and Plan A at the time of redemption / switch the investor must submit separate redemption / switch request.</li> <li>4. Where the investor has units in both the Institutional Plan and Plan A at the time of redemption / switch the investor must submit separate redemption / switch request.</li> </ol>

<b>SCHEME</b>	<b>KOTAK FLOATER SHORT TERM SCHEME</b>
<b>Type of Scheme (Structure)</b>	An open-ended Debt Scheme
<b>Investment Objective</b>	To reduce the interest rate risk associated with investments in fixed rate instruments by investing predominantly in floating rate securities, money market instruments and using appropriate derivatives.  However, there is no assurance or guarantee that the investment objective of the scheme will be achieved.
<b>Liquidity</b>	Open ended. Purchase and redemptions at prices related to applicable NAV
<b>Benchmark Index</b>	CRISIL Liquid Fund Index
<b>Transparency/ NAV disclosure</b>	The Mutual Fund shall update the Net asset value of the scheme on every business day on AMFI's website <a href="http://www.amfiindia.com">www.amfiindia.com</a> by 9:00 p.m. The NAVs shall also be updated on the website of the Mutual Fund <a href="http://assetmanagement.kotak.com">assetmanagement.kotak.com</a> and will be published in two newspapers. 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. The monthly portfolio of the Schemes shall be available in a user-friendly and downloadable format on the website viz. <a href="http://assetmanagement.kotak.com">assetmanagement.kotak.com</a> on or before the tenth day of succeeding month.
<b>Plans under the scheme</b>	<ul style="list-style-type: none"> <li>• Direct Plan</li> <li>• Regular Plan</li> </ul> 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. Regular Plan: This Plan is for investors who wish to route their investment through any distributor. The portfolio of Direct Plan and Regular Plan will be unsegregated.
<b>Options under each Plan</b>	Growth and Dividend Reinvestment. The NAVs of the above options will be different and separately declared; the portfolio of the investments remaining the same.

<p><b>Default Plan</b></p>	<ul style="list-style-type: none"> <li>Investors subscribing under Direct Plan of the Scheme will have to indicate "Direct Plan" against the Scheme name in the application form - "<b>Kotak Floater Short Term Scheme - Direct Plan</b>".</li> <li>Investors should also indicate "Direct" in the ARN column of the application form.</li> </ul> <p>If the application is received incomplete with respect to not selecting Regular/Direct Plan, the application will be processed as under:</p> <table border="1" data-bbox="486 297 1449 611"> <thead> <tr> <th>Scenario</th> <th>Broker Code mentioned by the investor</th> <th>Plan mentioned by the investor</th> <th>Default Plan to be captured</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Not mentioned</td> <td>Not mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>2</td> <td>Not mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>3</td> <td>Not mentioned</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>4</td> <td>Mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>5</td> <td>Direct</td> <td>Not Mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>6</td> <td>Direct</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>7</td> <td>Mentioned</td> <td>Regular</td> <td>Regular Plan</td> </tr> <tr> <td>8</td> <td>Mentioned</td> <td>Not Mentioned</td> <td>Regular Plan</td> </tr> </tbody> </table> <p>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.</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
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																																		
<p><b>Dividend Frequency</b> (Dividend is declared subject to availability and adequacy of distributable surplus)</p>	<ul style="list-style-type: none"> <li>Daily Dividend Reinvestment</li> <li>Weekly Dividend Reinvestment</li> <li>Monthly Dividend Reinvestment</li> </ul>																																				
<p><b>Dividend Record Dates</b> (If the Record date is not a Business Day, the immediately following Business Day will be the record date)</p>	<ul style="list-style-type: none"> <li>For Daily Dividend Option – Every day for which NAV is declared.</li> <li>For Weekly Dividend Option – Every Monday</li> <li>For Monthly Dividend Option - 12th of every Month</li> </ul>																																				
<p><b>SIP/SWP/STP/DTP Facilities</b></p>	<ul style="list-style-type: none"> <li>SIP facility is not available</li> <li>SWP /STP/DTP facilities are available</li> </ul>																																				
<p><b>SIP Frequency &amp; Dates</b></p>	<p>-</p>																																				
<p><b>SWP/ STP Frequency</b></p>	<p>Weekly (Only for STP), Monthly and Quarterly</p>																																				
<p><b>SWP Dates</b></p>	<p>1st, 7th, 14th, 21st and 25th</p>																																				
<p><b>STP Dates</b></p>	<p>Any Business Day</p>																																				
<p><b>SWP/ STP</b></p>	<p>Fixed Sum or Entire Appreciation</p>																																				
<p><b>Minimum Investment size</b></p>	<p></p>																																				
<p>Initial Purchase</p>	<p><b>For Growth, Weekly Dividend and Monthly Dividend Options:</b> Rs. 5000 and in multiples of Re. 1 for purchases and for Re 0.01 for switches</p> <p><b>For Daily Dividend Option:</b> Rs. 1,00,000/- and in multiples of Re. 1 for purchases and for Re 0.01 for switches</p>																																				
<p>Additional Purchase</p>	<p>Rs. 1000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches</p>																																				
<p>SIP Purchase</p>	<p>Not applicable</p>																																				
<p><b>Minimum Redemption Size</b></p>	<p></p>																																				
<p>In Rupees</p>	<p>Rs. 1000/-</p>																																				
<p>In Units</p>	<p>100 units</p>																																				
<p><b>Minimum balance to be maintained and consequences of non maintenance.</b></p>	<p>If the holding is less than Rs. 1000, after processing the redemption request, the entire amount/units will be redeemed from the Scheme.</p>																																				
<p><b>Cheques/ Drafts to favour –</b></p>	<p><b>For Direct Plan:</b> Cheques should be drawn in favor of <b>Kotak Floater Short Term - Direct Plan</b> <b>For Regular Plan:</b> Cheques should be drawn in favor of <b>Kotak Floater Short Term - Regular Plan</b></p>																																				
<p><b>Loads</b></p>	<p></p>																																				
<p>Entry Load</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>																																				
<p>Exit Load</p>	<p>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.</p>																																				

SCHEME	KOTAK MONTHLY INCOME PLAN																																						
<b>Type of Scheme (Structure)</b>	An open-ended Income Scheme (Monthly Income is not assured & is subject to availability of distributable surplus)																																						
<b>Investment Objective</b>	To enhance returns over a portfolio of Debt Instruments with a moderate exposure in Equity and Equity related Instruments. However, there is no assurance or guarantee that the investment objective of the scheme will be achieved.																																						
<b>Liquidity</b>	Open ended. Purchase and redemptions at prices related to applicable NAV																																						
<b>Benchmark Index</b>	CRISIL MIP Blended Index																																						
<b>Transparency/ NAV disclosure</b>	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. The NAVs shall also be updated on the website of the Mutual Fund assetmanagement.kotak.com and will be published in two newspapers. 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. 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.																																						
<b>Plans under the scheme</b>	<ul style="list-style-type: none"> <li>• Direct Plan</li> <li>• Regular Plan</li> </ul> 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. Regular Plan: This Plan is for investors who wish to route their investment through any distributor. The portfolio of both plans will be unsegregated.																																						
<b>Options under each Plan</b>	Growth and Dividend (Payout and Reinvestment). The NAVs of the above options will be different and separately declared; the portfolio of the investments remaining the same.																																						
<b>Default Plan</b>	<ul style="list-style-type: none"> <li>• Investors subscribing under Direct Plan of the Scheme will have to indicate "Direct Plan" against the Scheme name in the application form - "<b>Kotak Monthly Income Plan - Direct Plan</b>".</li> <li>• Investors should also indicate "Direct" in the ARN column of the application form.</li> </ul> If the application is received incomplete with respect to not selecting Regular/Direct Plan, the application will be processed as under: <table border="1" data-bbox="486 1077 1453 1391"> <thead> <tr> <th>Scenario</th> <th>Broker Code mentioned by the investor</th> <th>Plan mentioned by the investor</th> <th>Default Plan to be captured</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Not mentioned</td> <td>Not mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>2</td> <td>Not mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>3</td> <td>Not mentioned</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>4</td> <td>Mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>5</td> <td>Direct</td> <td>Not Mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>6</td> <td>Direct</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>7</td> <td>Mentioned</td> <td>Regular</td> <td>Regular Plan</td> </tr> <tr> <td>8</td> <td>Mentioned</td> <td>Not Mentioned</td> <td>Regular Plan</td> </tr> </tbody> </table> 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.			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
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																																				
<b>Dividend Frequency</b> (Dividend is declared subject to availability and adequacy of distributable surplus)	<ul style="list-style-type: none"> <li>• Monthly Dividend (Payout and Reinvestment)</li> <li>• Quarterly Dividend (Payout and Reinvestment)</li> </ul>																																						
<b>Dividend Record Dates</b> (If the Record date is not a Business Day, the immediately following Business Day will be the record date)	<ul style="list-style-type: none"> <li>• For Monthly Dividend - 12th of every Month</li> <li>• 20th of March, June, September and December of every year, for quarterly dividend</li> </ul>																																						
<b>SIP/SWP/STP/DTP Facilities</b>	Available																																						
<b>SIP Frequency &amp; Dates</b>	1st, 7th, 14th, 21st and 25th of the Month/ Quarter																																						
<b>SWP/ STP Frequency</b>	Weekly (Only for STP), Monthly and Quarterly																																						
<b>SWP Dates</b>	1st, 7th, 14th, 21st and 25th																																						
<b>STP Dates</b>	Any Business Day																																						

<b>SWP/ STP</b>	Fixed Sum or Entire Appreciation
<b>Minimum Investment size</b>	
Initial Purchase (Non- SIP)	<b>For Growth, Monthly Dividend Reinvestment, Quarterly Dividend Option:</b> Rs. 5000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches.  <b>For Monthly Dividend Payout Option:</b> Rs. 50,000/- and above.
Additional Purchase (Non- SIP)	Rs. 1000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches
SIP Purchase	Rs. 1000/- (Subject to a minimum of 6 SIP installments of Rs. 1000/- each)
<b>Minimum Redemption Size</b>	
In Rupees (Non- SWP/STP)	Rs. 1000/-
In Units (Non-SWP/STP)	100 units
In Rupees (SWP/STP)	Rs. 1000/-(Subject to a minimum of 6 installments) / Entire Appreciation
<b>Minimum balance to be maintained and consequences of non maintenance.</b>	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.
<b>Cheques/ Drafts to favour –</b>	<b>For Direct Plan:</b> Cheques should be drawn in favor of <b>Kotak Monthly Income - Direct Plan</b> <b>For Regular Plan :</b> Cheques should be drawn in favor of <b>Kotak Monthly Income - Regular Plan</b>
<b>Loads</b>	
Entry Load	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	<ul style="list-style-type: none"> <li>• For redemptions / switch outs (including SIP/STP) within 3 years from the date of allotment of units, irrespective of the amount of investment: 1%</li> <li>• For redemption/switch outs (including SIP/STP) after 3 years from the date of allotment of units, irrespective of the amount of investment: Nil</li> </ul> <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>

<b>SCHEME</b>	<b>KOTAK TREASURY ADVANTAGE FUND</b> (Formerly known as Kotak Floater Long Term Scheme)																																				
<b>Type of Scheme (Structure)</b>	An open-ended debt scheme																																				
<b>Investment Objective</b>	The investment objective of the Scheme is to generate returns through investments in debt and money market instruments with a view to reduce the interest rate risk.  However, there is no assurance or guarantee that the investment objective of the scheme will be achieved.																																				
<b>Liquidity</b>	Open ended. Purchase and redemptions at prices related to applicable NAV																																				
<b>Benchmark Index</b>	Crisil Liquid Fund Index																																				
<b>Transparency/ NAV disclosure</b>	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. The NAVs shall also be updated on the website of the Mutual Fund assetmanagement.kotak.com and will be published in two newspapers. 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. 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.																																				
<b>Plans under the scheme</b>	<ul style="list-style-type: none"> <li>• Direct Plan</li> <li>• Regular Plan</li> </ul> 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. Regular Plan: This Plan is for investors who wish to route their investment through any distributor. The portfolio of both plans will be unsegregated.																																				
<b>Options under each Plan</b>	Growth and Dividend Reinvestment. The NAVs of the above options will be different and separately declared; the portfolio of the investments remaining the same.																																				
<b>Default Plan</b>	<ul style="list-style-type: none"> <li>• Investors subscribing under Direct Plan of the Scheme will have to indicate "Direct Plan" against the Scheme name in the application form - "<b>Kotak Treasury Advantage Fund - Direct Plan</b>".</li> <li>• Investors should also indicate "Direct" in the ARN column of the application form.</li> </ul> <p>If the application is received incomplete with respect to not selecting Regular/Direct Plan, the application will be processed as under:</p> <table border="1"> <thead> <tr> <th>Scenario</th> <th>Broker Code mentioned by the investor</th> <th>Plan mentioned by the investor</th> <th>Default Plan to be captured</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Not mentioned</td> <td>Not mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>2</td> <td>Not mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>3</td> <td>Not mentioned</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>4</td> <td>Mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>5</td> <td>Direct</td> <td>Not Mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>6</td> <td>Direct</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>7</td> <td>Mentioned</td> <td>Regular</td> <td>Regular Plan</td> </tr> <tr> <td>8</td> <td>Mentioned</td> <td>Not Mentioned</td> <td>Regular Plan</td> </tr> </tbody> </table> <p>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.</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
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																																		
<b>Dividend Frequency</b> (Dividend is declared subject to availability and adequacy of distributable surplus)	<ul style="list-style-type: none"> <li>• Daily Dividend Reinvestment,</li> <li>• Weekly Dividend (Payout and Reinvestment)</li> <li>• Monthly Dividend Reinvestment</li> </ul>																																				
<b>Dividend Record Dates</b> (If the Record date is not a Business Day, the immediately following Business Day will be the record date)	<ul style="list-style-type: none"> <li>• For Daily Dividend Option – Every day for which NAV is declared.</li> <li>• For Weekly Dividend Option – Every Monday</li> <li>• For Monthly Dividend Option - 12th of every Month</li> </ul>																																				
<b>SIP/SWP/STP/DTP Facilities</b>	Available																																				
<b>SIP Frequency &amp; Dates</b>	1st, 7th, 14th, 21st and 25th of the Month/ Quarter																																				
<b>SWP/ STP Frequency</b>	Weekly (Only for STP), Monthly and Quarterly																																				

<b>SWP Dates</b>	1st, 7th, 14th, 21st and 25th
<b>STP Dates</b>	Any Business Day
<b>SWP/ STP</b>	Fixed Sum or Entire Appreciation
<b>Minimum Investment size</b>	
Initial Purchase (Non- SIP)	<b>For Growth, Daily Dividend Reinvestment, Weekly Dividend and Monthly Dividend Reinvestment Option:</b> Rs. 5000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches <b>For Weekly Dividend Payout Option:</b> Rs. 1,00,00,000/- and above
Additional Purchase (Non- SIP)	Rs. 1000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches
SIP Purchase	Rs. 1000/- (Subject to a minimum of 6 SIP installments of Rs. 1000/- each)
<b>Minimum Redemption Size</b>	
In Rupees (Non- SWP/STP)	Rs. 1000/-
In Units (Non-SWP/STP)	100 units
In Rupees (SWP/STP)	Rs. 1000/-(Subject to a minimum of 6 installments) / Entire Appreciation
<b>Minimum balance to be maintained and consequences of non maintenance.</b>	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.
<b>Cheques/ Drafts to favour –</b>	<b>For Direct Plan:</b> Cheques should be drawn in favor of <b>Kotak Treasury Advantage fund - Direct Plan</b> <b>For Regular Plan:</b> Cheques should be drawn in favor of <b>Kotak Treasury Advantage fund - Regular Plan</b>
<b>Loads</b>	
Entry Load	In terms of SEBI Circular No. SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009, no entry load will be charged on purchase / additional purchase / switch-in. The upfront commission, if any, on investment made by the investor shall be paid by the investor directly to the Distributor, based on his assessment of various factors including the service rendered by the Distributor.
Exit Load	NIL. Any exit load charged (net off Service Tax, if any) shall be credited back to the Scheme. Units issued on reinvestment of dividends shall not be subject to entry and exit load.



SCHEME	KOTAK FLEXI DEBT SCHEME																																						
<b>Type of Scheme (Structure)</b>	An open-ended debt scheme																																						
<b>Investment Objective</b>	The investment objective of the Scheme is to maximise returns through an active management of a portfolio of debt and money market securities. However, there is no assurance or guarantee that the investment objective of the scheme will be achieved.																																						
<b>Liquidity</b>	Open ended. Purchase and redemptions at prices related to applicable NAV																																						
<b>Benchmark Index</b>	CRISIL Composite Bond Index																																						
<b>Transparency/ NAV Disclosure</b>	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. The NAVs shall also be updated on the website of the Mutual Fund assetmanagement.kotak.com and will be published in two newspapers. 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. 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.																																						
<b>Plans under the scheme</b>	<ul style="list-style-type: none"> <li>Plan A (formerly known as Institutional Plan)</li> <li>Direct Plan</li> </ul> Plan A: This Plan is for investors who wish to route their investment through any distributor. 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. The portfolio of Plan A and Direct Plan will be unsegregated. Note: Regular Plan has been discontinued for further subscriptions w.e.f. October 1, 2012.																																						
<b>Options under each Plan</b>	Growth and Dividend Reinvestment. The NAVs of the above options will be different and separately declared; the portfolio of the investments remaining the same.																																						
<b>Default Plan</b>	<ul style="list-style-type: none"> <li>Investors subscribing under Direct Plan of the Scheme will have to indicate "Direct Plan" against the Scheme name in the application form - "<b>Kotak Flexi Debt Scheme - Direct Plan</b>".</li> <li>Investors should also indicate "Direct" in the ARN column of the application form.</li> </ul> If the application is received incomplete with respect to not selecting Regular/Direct Plan, the application will be processed as under: <table border="1" data-bbox="486 1099 1453 1413"> <thead> <tr> <th>Scenario</th> <th>Broker Code mentioned by the investor</th> <th>Plan mentioned by the investor</th> <th>Default Plan to be captured</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Not mentioned</td> <td>Not mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>2</td> <td>Not mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>3</td> <td>Not mentioned</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>4</td> <td>Mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>5</td> <td>Direct</td> <td>Not Mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>6</td> <td>Direct</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>7</td> <td>Mentioned</td> <td>Regular</td> <td>Regular Plan</td> </tr> <tr> <td>8</td> <td>Mentioned</td> <td>Not Mentioned</td> <td>Regular Plan</td> </tr> </tbody> </table> 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.			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
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																																				
<b>Dividend Frequency</b> (Dividend is declared subject to availability and adequacy of distributable surplus)	For Plan A and Direct Plan <ul style="list-style-type: none"> <li>Daily Dividend reinvestment</li> <li>Weekly Dividend reinvestment</li> <li>Quarterly Dividend (Payout &amp; Reinvestment)</li> </ul> For erstwhile Regular Plan <ul style="list-style-type: none"> <li>Daily Dividend Reinvestment</li> <li>Weekly Dividend Reinvestment</li> <li>Quarterly Dividend (Payout &amp; Reinvestment)</li> </ul>																																						
<b>Dividend Record Dates</b> (If the Record date is not a Business Day, the immediately following Business Day will be the record date)	<ul style="list-style-type: none"> <li>Daily Dividend Reinvestment Option: - Every day for which NAV is declared</li> <li>Weekly Dividend Reinvestment Option: - Every Monday of every week</li> <li>Quarterly Dividend (Payout &amp; Reinvestment Option): - 20th of March, June, September and December of every year</li> </ul>																																						
<b>DTP Facility</b>	Available																																						

<b>SIP/SWP/STP/DTP Facilities</b>	Available
<b>SIP Frequency &amp; Dates</b>	1st, 7th, 14th, 21st and 25th of the Month/ Quarter
<b>SWP/STP Frequency</b>	Weekly (Only for STP), Monthly and Quarterly
<b>SWP Dates</b>	1st, 7th, 14th, 21st and 25th
<b>STP Dates</b>	Any Business Day
<b>SWP/STP</b>	Fixed Sum or Entire Appreciation
<b>Minimum Investment size</b>	
Initial Purchase (Non- SIP)	Rs. 5000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches
Additional Purchase (Non- SIP)	Rs. 1000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches
SIP Purchase	Rs. 1000/- (Subject to a minimum of 6 SIP installments of Rs. 1000/- each)
<b>Minimum Redemption Size</b>	
In Rupees (Non- SWP/ STP)	Rs. 1000/-
In Units (Non-SWP/ STP)	100 units
In Rupees (SWP/ STP)	Rs. 1000/- (Subject to a minimum of 6 installments)/ Entire Appreciation
<b>Minimum balance to be maintained and consequences of non maintenance.</b>	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.
<b>Cheques/ Drafts to favour</b>	<b>For Plan A:</b> Cheques should be drawn in favor of <b>Kotak Flexi Debt - Plan A</b> <b>For Direct Plan:</b> Cheques should be drawn in favor of <b>Kotak Flexi Debt - Direct Plan</b>
<b>Loads</b>	
Entry Load	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	<ul style="list-style-type: none"> <li>• For redemptions / switch outs (including SIP/STP) within 180 days from the date of allotment of units, irrespective of the amount of investment – 1.00%</li> <li>• For redemptions / switch outs (including SIP/STP) after 180 days from the date of allotment of units, irrespective of the amount of investment – NIL</li> </ul> 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.
<b>For existing investors under Regular Plan</b>	<ol style="list-style-type: none"> <li>1. W.e.f October 1, 2012, there shall be no fresh subscriptions under the Regular Plan . Further, the Institutional Plan, has been renamed as "Plan A" .</li> <li>2. All existing SIP/STP falling due from November 1, 2012 under the options in Regular Plan will be processed in the same options under Plan A.</li> <li>3. If subscriptions / switch request is received under an option in the Regular Plan , the same will be processed under the same option, if any, in Plan A.</li> <li>4. Where the investor has units in both the Regular Plan and Plan A at the time of redemption / switch the investor must submit separate redemption / switch request.</li> </ol>

SCHEME	KOTAK INCOME OPPORTUNITIES FUND																																						
<b>Type of Scheme (Structure)</b>	An open-ended debt scheme																																						
<b>Investment Objective</b>	The investment objective of the scheme is to generate income by investing in debt /and money market securities across the yield curve and credit spectrum. The scheme would also seek to maintain reasonable liquidity within the fund. However, there is no assurance that or guarantee that the investment objective of the scheme will be achieved.																																						
<b>Liquidity</b>	Open ended. Purchase and redemptions at prices related to applicable NAV																																						
<b>Benchmark Index</b>	CRISIL Short Term Bond Index																																						
<b>Transparency/ NAV Disclosure</b>	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. The NAVs shall also be updated on the website of the Mutual Fund assetmanagement.kotak.com and will be published in two newspapers. 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. 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.																																						
<b>Plans under the scheme</b>	<p>The Scheme offers two Plans</p> <ul style="list-style-type: none"> <li>• Direct Plan</li> <li>• Regular Plan</li> </ul> <p><b>Direct Plan:</b> 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. <b>Regular Plan:</b> This Plan is for investors who wish to route their investment through any distributor. The portfolio of Direct Plan and Regular Plan will be unsegregated.</p>																																						
<b>Options under each Plan</b>	Growth and Dividend (Payout and Reinvestment). The NAVs of the above options will be different and separately declared; the portfolio of the investments remaining the same.																																						
<b>Default Plan</b>	<ul style="list-style-type: none"> <li>• Investors subscribing under Direct Plan of the Scheme will have to indicate "Direct Plan" against the Scheme name in the application form - "<b>Kotak Income Opportunities Fund - Direct Plan</b>".</li> <li>• Investors should also indicate "Direct" in the ARN column of the application form.</li> </ul> <p>If the application is received incomplete with respect to not selecting Regular/Direct Plan, the application will be processed as under:</p> <table border="1"> <thead> <tr> <th>Scenario</th> <th>Broker Code mentioned by the investor</th> <th>Plan mentioned by the investor</th> <th>Default Plan to be captured</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Not mentioned</td> <td>Not mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>2</td> <td>Not mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>3</td> <td>Not mentioned</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>4</td> <td>Mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>5</td> <td>Direct</td> <td>Not Mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>6</td> <td>Direct</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>7</td> <td>Mentioned</td> <td>Regular</td> <td>Regular Plan</td> </tr> <tr> <td>8</td> <td>Mentioned</td> <td>Not Mentioned</td> <td>Regular Plan</td> </tr> </tbody> </table> <p>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.</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
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																																				
<b>Dividend Frequency</b> (Dividend is declared subject to availability and adequacy of distributable surplus)	<table border="1"> <thead> <tr> <th>Option</th> <th>Facility</th> <th>Frequency</th> </tr> </thead> <tbody> <tr> <td>Growth</td> <td>Nil</td> <td>Nil</td> </tr> <tr> <td rowspan="6">Dividend</td> <td rowspan="3">Payout</td> <td>Weekly</td> </tr> <tr> <td>Monthly</td> </tr> <tr> <td>Quarterly</td> </tr> <tr> <td rowspan="3">Reinvestment</td> <td>Weekly</td> </tr> <tr> <td>Monthly</td> </tr> <tr> <td>Quarterly</td> </tr> <tr> <td></td> <td></td> <td>Annual</td> </tr> </tbody> </table>	Option	Facility	Frequency	Growth	Nil	Nil	Dividend	Payout	Weekly	Monthly	Quarterly	Reinvestment	Weekly	Monthly	Quarterly			Annual	<p>If the Record date is not a Business Day, the immediately following Business Day will be the record date.</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>																			
Option	Facility	Frequency																																					
Growth	Nil	Nil																																					
Dividend	Payout	Weekly																																					
		Monthly																																					
		Quarterly																																					
	Reinvestment	Weekly																																					
		Monthly																																					
		Quarterly																																					
		Annual																																					

<b>Dividend Record Dates</b> (If the Record date is not a Business Day, the immediately following Business Day will be the record date)	<ul style="list-style-type: none"> <li>• Growth – Nil</li> <li>• Dividend Option (Payout and Reinvestment) <ul style="list-style-type: none"> <li>» Weekly – Every Monday</li> <li>» Monthly - 12th of every Month</li> <li>» Quarterly - 20th of March, June, September and December of every year</li> <li>» Annual - 12th of March</li> </ul> </li> </ul>
<b>SIP/SWP/STP/DTP Facilities</b>	Available
<b>SIP Frequency &amp; Dates</b>	1st, 7th, 14th, 21st and 25th of the Month/ Quarter
<b>SWP/ STP Frequency</b>	Weekly (Only for STP), Monthly and Quarterly
<b>SWP Dates</b>	1st, 7th, 14th, 21st and 25th
<b>STP Dates</b>	Any Business Day
<b>SWP/ STP</b>	Fixed Sum or Entire Appreciation
<b>Minimum Investment size</b>	
Initial Purchase (Non- SIP)	Rs. 5000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches
Additional Purchase (Non- SIP)	Rs. 1000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches
SIP Purchase	Rs. 1000/- (Subject to a minimum of 6 SIP installments of Rs. 1000/- each)
<b>Minimum Redemption Size</b>	
In Rupees (Non- SWP/ STP)	Rs. 1000/-
In Units (Non-SWP/ STP)	100 units
In Rupees (SWP/ STP)	Rs. 1000/- (Subject to a minimum of 6 installments)/ Entire Appreciation
<b>Minimum balance to be maintained and consequences of non maintenance.</b>	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.
<b>Cheques/ Drafts to favour</b>	<b>For Direct Plan:</b> Cheques should be drawn in favor of <b>Kotak Income Opportunities - Direct Plan</b> <b>For Regular Plan:</b> Cheques should be drawn in favor of <b>Kotak Income Opportunities - Regular Plan</b>
<b>Loads</b>	
Entry Load	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	<ul style="list-style-type: none"> <li>• For redemptions/switch outs (including SIP/STP) within 1 year from the date of allotment of units, irrespective of the amount of investment: 2%.</li> <li>• For redemptions/ switch outs (including SIP/STP) after 1 year from the date of allotment of units, irrespective of the amount of investment: Nil</li> </ul> <p>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.</p>

<b>SCHEME</b>	<b>Kotak Banking and PSU Debt Fund</b>	
<b>Type of Scheme (Structure)</b>	An Open Ended Debt Scheme	
<b>Investment Objective</b>	To generate income by predominantly investing in debt & money market securities issued by Banks & PSUs and Reverse repos in such securities, sovereign securities issued by the Central Government and State Governments, and / or any security unconditionally guaranteed by the Govt. of India. There is no assurance that or guarantee that the investment objective of the scheme will be achieved.	
<b>Liquidity</b>	Open Ended. Purchases and Redemptions at prices related to Applicable NAV.	
<b>Benchmark Index</b>	CRISIL Liquid Fund Index	
<b>Transparency/ NAV disclosure</b>	<p>The Mutual Fund shall update the Net asset value of the scheme on every business day on AMFI's website <a href="http://www.amfiindia.com">www.amfiindia.com</a> by 9:00 p.m. The NAVs shall also be updated on the website of the Mutual Fund <a href="http://assetmanagement.kotak.com">assetmanagement.kotak.com</a> and will be released in two newspapers for publication.</p> <p>Delay in uploading of NAV beyond 9.00 p.m. on every business day shall be explained in writing to AMFI. In case the NAVs are not available before the commencement of business hours on the following business day due to any reason, a press release for revised NAV shall be issued.</p> <p>The monthly portfolio of the Scheme shall be available in a user-friendly and downloadable format on the website viz. <a href="http://assetmanagement.kotak.com">assetmanagement.kotak.com</a> on or before the tenth day of succeeding month.</p>	
<b>Plans under the scheme</b>	<ul style="list-style-type: none"> <li>• Direct Plan</li> <li>• Regular Plan</li> </ul> <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>Regular Plan: This Plan is for investors who wish to route their investment through any distributor.</p> <p>The portfolio of both plans will be unsegregated.</p>

<b>Options under each Plan</b>	Growth and Dividend (Payout and Reinvestment) the NAVs of the above options will be different and separately declared; the portfolio of the investments remaining the same.																																				
<b>Default Plan</b>	<ul style="list-style-type: none"> <li>Investors subscribing under Direct Plan of the Scheme will have to indicate "Direct Plan" against the Scheme name in the application form - "<b>Kotak Banking and PSU Debt Fund - Direct Plan</b>".</li> <li>Investors should also indicate "Direct" in the ARN column of the application form.</li> </ul> <p>If the application is received incomplete with respect to not selecting Regular/Direct Plan, the application will be processed as under:</p> <table border="1"> <thead> <tr> <th>Scenario</th> <th>Broker Code mentioned by the investor</th> <th>Plan mentioned by the investor</th> <th>Default Plan to be captured</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Not mentioned</td> <td>Not mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>2</td> <td>Not mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>3</td> <td>Not mentioned</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>4</td> <td>Mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>5</td> <td>Direct</td> <td>Not Mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>6</td> <td>Direct</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>7</td> <td>Mentioned</td> <td>Regular</td> <td>Regular Plan</td> </tr> <tr> <td>8</td> <td>Mentioned</td> <td>Not Mentioned</td> <td>Regular Plan</td> </tr> </tbody> </table> <p>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.</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
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																																		
<b>Dividend Frequency</b> (Dividend is declared subject to availability and adequacy of distributable surplus)	Daily Dividend Re-investment, Monthly and Annual																																				
<b>Dividend Record Dates</b> (If the Record date is not a Business Day, the immediately following Business Day will be the record date)	12th of the month concerned for Monthly Dividend Option. The record date for the annual Dividend Option is not fixed. (If the record date is not a Business Day, the immediately following Business Day will be the record date)																																				
<b>SIP/SWP/STP/DTP Facilities</b>	Available																																				
<b>SIP Frequency &amp; Dates</b>	1st, 7th, 14th, 21st and 25th of the Month/ Quarter																																				
<b>SWP/ STP Frequency</b>	Weekly (Only for STP), Monthly and Quarterly																																				
<b>SWP Dates</b>	1st, 7th, 14th, 21st and 25th																																				
<b>STP Dates</b>	Any Business Day																																				
<b>Minimum Application Amount</b>																																					
Initial Purchase (Non- SIP)	Rs. 5000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches.																																				
Additional Purchase (Non- SIP)	Rs. 1000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches.																																				
SIP Purchase	Rs. 1000/- (Subject to a minimum of 6 SIP installments of Rs. 1000/- each)																																				
<b>Minimum Redemption Amount</b>																																					
In Rupees (Non- SWP/STP)	Rs. 1000/-																																				
In Units (Non-SWP/STP)	100 units																																				
In Rupees (SWP/STP)	Rs. 1000/- / Entire Appreciation																																				
<b>Minimum balance to be maintained and consequences of non maintenance.</b>	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.																																				
<b>Cheques/ Drafts to favour –</b>	<b>For Direct Plan:</b> Cheques should be drawn in favor of <b>Kotak Banking and PSU Debt Fund - Direct Plan</b> <b>For Regular Plan:</b> Cheques should be drawn in favor of <b>Kotak Banking and PSU Debt Fund - Regular Plan</b>																																				
Entry Load	In terms of SEBI Circular No. SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009, no entry load will be charged on purchase / additional purchase / switch-in. The upfront commission, if any, on investment made by the investor shall be paid by the investor directly to the Distributor, based on his assessment of various factors including the service rendered by the Distributor.																																				
Exit Load	NIL Units issued on reinvestment of dividends shall not be subject to entry and exit load. Any exit load charged (net off Service Tax, if any) shall be credited back to the Scheme.																																				

<b>SCHEME</b>	<b>KOTAK LOW DURATION FUND</b> (Formerly known as PineBridge India Short Term Fund)																																						
<b>Type of Scheme (Structure)</b>	An open-ended debt scheme																																						
<b>Investment Objective</b>	<p>The primary objective of the Scheme is to generate income through investment primarily in low duration debt &amp; money market securities.</p> <p>There is no assurance or guarantee that the investment objective of the scheme will be achieved</p>																																						
<b>Liquidity</b>	Open Ended. Purchases and Redemptions at prices related to Applicable NAV.																																						
<b>Benchmark Index</b>	Crisil Liquid Fund Index																																						
<b>Transparency/ NAV Disclosure</b>	<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. The NAVs shall also be updated on the website of the Mutual Fund assetmanagement.kotak.com and will be released in two newspapers for publication. 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. The monthly portfolio of the Scheme 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>																																						
<b>Plans under the scheme</b>	<ul style="list-style-type: none"> <li>• Direct Plan</li> <li>• Regular Plan</li> </ul> <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. Regular Plan: This Plan is for investors who wish to route their investment through any distributor. The portfolio of both plans will be unsegregated. Retail Plan (erstwhile available under PineBridge India Short Term Fund)– Fresh subscriptions will not be accepted in the Retail Plan. This plan will remain in existence only till the last investor redeems his / her investment from the plan</p>																																						
<b>Options under each Plan</b>	Growth and Dividend (Payout and Reinvestment) the NAVs of the above options will be different and separately declared; the portfolio of the investments remaining the same.																																						
<b>Default Plan</b>	<ul style="list-style-type: none"> <li>• Investors subscribing under Direct Plan of the Scheme will have to indicate "Direct Plan" against the Scheme name in the application form - "<b>Kotak Low Duration Fund - Direct Plan</b>".</li> <li>• Investors should also indicate "Direct" in the ARN column of the application form.</li> </ul> <p>If the application is received incomplete with respect to not selecting Regular/Direct Plan, the application will be processed as under:</p> <table border="1"> <thead> <tr> <th>Scenario</th> <th>Broker Code mentioned by the investor</th> <th>Plan mentioned by the investor</th> <th>Default Plan to be captured</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Not mentioned</td> <td>Not mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>2</td> <td>Not mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>3</td> <td>Not mentioned</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>4</td> <td>Mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>5</td> <td>Direct</td> <td>Not Mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>6</td> <td>Direct</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>7</td> <td>Mentioned</td> <td>Regular</td> <td>Regular Plan</td> </tr> <tr> <td>8</td> <td>Mentioned</td> <td>Not Mentioned</td> <td>Regular Plan</td> </tr> </tbody> </table> <p>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.</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
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																																				
<b>Dividend Frequency</b> (Dividend is declared subject to availability and adequacy of distributable surplus)	Weekly and Monthly																																						
<b>Dividend Record Dates</b> (If the Record date is not a Business Day, the immediately following Business Day will be the record date)	<p><b>Dividend Payout Option</b></p> <ul style="list-style-type: none"> <li>• Monthly - 12th of every Month</li> </ul> <p><b>Dividend Reinvestment Option</b></p> <ul style="list-style-type: none"> <li>• Weekly – Every Monday</li> </ul>	<ul style="list-style-type: none"> <li>• Monthly - 12th of every Month</li> </ul> <p>(If the record date is not a Business Day, the immediately following Business Day will be the record date)</p>																																					
<b>SIP/ SWP/ STP/ DTP Facilities</b>	Available																																						

<b>SIP Frequency &amp; Dates</b>	1st, 7th, 14th, 21st and 25th of the Month/ Quarter		
<b>SWP/STP Frequency</b>	Weekly (Only for STP), Monthly and Quarterly		
<b>SWP Dates</b>	1st, 7th, 14th, 21st and 25th		
<b>STP Dates</b>	Any Business Day		
<b>Minimum Application Amount</b>			
	<b>Initial Purchase (Non- SIP)</b>	<b>Additional Purchase (Non- SIP)</b>	<b>SIP Purchase</b>
	Rs. 5000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches.	Rs. 1000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches.	Rs. 1000/- (Subject to a minimum of 6 SIP installments of Rs. 1000/- each)
<b>Minimum Redemption Amount</b>			
	<b>In Rupees (Non- SWP/STP)</b>	<b>In Units (Non-SWP/STP)</b>	<b>In Rupees (SWP/STP)</b>
	Rs. 1000/-	100 units	Rs. 1000/- / Entire Appreciation
<b>Minimum balance to be maintained and consequences of non maintenance.</b>	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.		
<b>Cheques/ Drafts to favour</b>	<p><b>For Direct Plan:</b> Cheques should be drawn in favor of <b>Kotak Low Duration Fund - Direct Plan</b></p> <p><b>For Regular Plan :</b> Cheques should be drawn in favor of <b>Kotak Duration Fund - Regular Plan</b></p>		
Entry Load	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	<p>NIL</p> <p>Units issued on reinvestment of dividends shall not be subject to entry and exit load.</p> <p>Any exit load charged (net off Service Tax, if any) shall be credited back to the Scheme.</p>		

<b>SCHEME</b>	<b>KOTAK CORPORATE BOND FUND</b> (Formerly known as PineBridge India Total Return Bond Fund)																																						
<b>Type of Scheme (Structure)</b>	An open-ended debt scheme																																						
<b>Investment Objective</b>	The primary objective of the Scheme is to generate income through investment primarily in low duration debt & money market securities. There is no assurance or guarantee that the investment objective of the scheme will be achieved																																						
<b>Liquidity</b>	Open Ended. Purchases and Redemptions at prices related to Applicable NAV.																																						
<b>Benchmark Index</b>	Crisil Composite Bond Fund Index																																						
<b>Transparency/ NAV Disclosure</b>	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. The NAVs shall also be updated on the website of the Mutual Fund assetmanagement.kotak.com and will be released in two newspapers for publication. 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. The monthly portfolio of the Scheme 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.																																						
<b>Plans under the scheme</b>	<ul style="list-style-type: none"> <li>• Direct Plan</li> <li>• Regular Plan</li> </ul> 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. Regular Plan: This Plan is for investors who wish to route their investment through any distributor. The portfolio of both plans will be unsegregated. Retail and Institutional Plan(erstwhile available under PineBridge India Total Return Bond Fund – Fresh subscriptions will not be accepted in these plans. These plans will remain in existence only till the last investor redeems his / her investment from these plans.																																						
<b>Options under each Plan</b>	Growth and Dividend (Payout and Reinvestment) the NAVs of the above options will be different and separately declared; the portfolio of the investments remaining the same.																																						
<b>Default Plan</b>	<ul style="list-style-type: none"> <li>• Investors subscribing under Direct Plan of the Scheme will have to indicate "Direct Plan" against the Scheme name in the application form - "<b>Kotak Corporate Bond Fund - Direct Plan</b>".</li> <li>• Investors should also indicate "Direct" in the ARN column of the application form.</li> </ul> <p>If the application is received incomplete with respect to not selecting Regular/Direct Plan, the application will be processed as under:</p> <table border="1"> <thead> <tr> <th>Scenario</th> <th>Broker Code mentioned by the investor</th> <th>Plan mentioned by the investor</th> <th>Default Plan to be captured</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Not mentioned</td> <td>Not mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>2</td> <td>Not mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>3</td> <td>Not mentioned</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>4</td> <td>Mentioned</td> <td>Direct</td> <td>Direct Plan</td> </tr> <tr> <td>5</td> <td>Direct</td> <td>Not Mentioned</td> <td>Direct Plan</td> </tr> <tr> <td>6</td> <td>Direct</td> <td>Regular</td> <td>Direct Plan</td> </tr> <tr> <td>7</td> <td>Mentioned</td> <td>Regular</td> <td>Regular Plan</td> </tr> <tr> <td>8</td> <td>Mentioned</td> <td>Not Mentioned</td> <td>Regular Plan</td> </tr> </tbody> </table> <p>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.</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
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																																				
<b>Dividend Frequency</b> (Dividend is declared subject to availability and adequacy of distributable surplus)	Monthly and Quarterly																																						
<b>Dividend Record Dates</b> (If the Record date is not a Business Day, the immediately following Business Day will be the record date)	<b>Dividend Option (Payout and Reinvestment)</b> <ul style="list-style-type: none"> <li>• Monthly - 12th of every Month</li> <li>• Quarterly - 20th of March, June, September and December of every year</li> </ul>	If the record date is not a Business Day, the immediately following Business Day will be the record date																																					
<b>SIP/ SWP/ STP/ DTP Facilities</b>	Available																																						



<b>SIP Frequency &amp; Dates</b>	1st, 7th, 14th, 21st and 25th of the Month/ Quarter		
<b>SWP/STP Frequency</b>	Weekly (Only for STP), Monthly and Quarterly		
<b>SWP Dates</b>	1st, 7th, 14th, 21st and 25th		
<b>STP Dates</b>	Any Business Day		
<b>Minimum Application Amount</b>			
	<b>Initial Purchase (Non- SIP)</b>	<b>Additional Purchase (Non- SIP)</b>	<b>SIP Purchase</b>
	Rs. 5000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches.	Rs. 1000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches.	Rs. 1000/- (Subject to a minimum of 6 SIP installments of Rs. 1000/- each)
<b>Minimum Redemption Amount</b>			
	<b>In Rupees (Non- SWP/STP)</b>	<b>In Units (Non-SWP/STP)</b>	<b>In Rupees (SWP/STP)</b>
	Rs. 1000/-	100 units	Rs. 1000/- / Entire Appreciation
<b>Minimum balance to be maintained and consequences of non maintenance.</b>	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.		
<b>Cheques/ Drafts to favour</b>	<b>For Direct Plan:</b> Cheques should be drawn in favor of <b>Kotak Corporate Bond Fund - Direct Plan</b> <b>For Regular Plan:</b> Cheques should be drawn in favor of <b>Kotak Corporate Bond Fund - Regular Plan</b>		
Entry Load	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	<ul style="list-style-type: none"> <li>For redemption/switch outs (including SIP/STP) within 1 year from the date of allotment of units, irrespective of the amount of investment: 2%</li> <li>For redemption/switch outs (including SIP/STP) after 1 year from the date of allotment of units, irrespective of the amount of investment: NIL</li> </ul> <p>Any exit load charged (net off Service Tax, if any) shall be credited back to the Scheme.</p>		

## 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 Mahindra Gilt Unit Scheme – 98 Investment Plan, Kotak Mahindra Bond Unit Scheme 99, Kotak Mahindra Liquid Scheme, Kotak Bond Short Term Plan, Kotak Floater Short Term Scheme, Kotak Monthly Income Plan, Kotak Treasury Advantage fund, Kotak Flexi Debt Scheme, Kotak Income Opportunities and Kotak Banking and PSU Debt Fund are only the names of the schemes, and do 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 above mentioned schemes are not guaranteed or assured return schemes.

#### Scheme Specific Risk Factors

- 1. Kotak Mahindra Gilt Unit Scheme – 98 Investment Plan**  
The Portfolio of Gilt Investment Plan will comprise predominantly of securities issued by the Central or State Government and to a lesser extent Reverse Repo. As such, there would be Zero-Credit Risk. Since there is no restriction on the maturity of the securities, there would be moderate to high price risk or interest rate risk.
- 2. Kotak Mahindra Bond Unit Scheme**  
The Portfolio of Kotak Bond will comprise predominantly of Debt and Money Market instruments issued by Corporates, and to a lesser extent those issued by Central or State Governments. As such, there would be Moderate Credit Risk. Since upto 90% of the portfolio may be invested in securities maturing more than one year, there would be moderate to high Price-risk or Interest-rate risk.
- 3. Kotak Mahindra Liquid Scheme**  
The portfolio of Kotak Liquid will comprise predominantly of Debt and Money Market instruments issued by Corporates, and to a lesser extent those issued by Central or State Governments. As such, there would be Moderate Credit Risk. Also, investment will be in securities at the lower end of the yield curve and as such there would be low Price-risk or Interest-rate risk.
- 4. Kotak Bond Short Term Plan**  
The Portfolio of Kotak Bond Short Term Plan will comprise predominantly of Debt and Money Market instruments issued by Corporates, and to a lesser extent those issued by Central or State Governments. As such, there would be Moderate Credit Risk. Since over 80% of the investment will be in securities maturing in less than 36 months, there would be low to moderate Price-risk or Interest-rate risk.

- 5. Kotak Floater Short Term Scheme**

The portfolio of Kotak Floater Short Term Scheme will comprise predominantly of Debt and Money Market instruments issued by Corporates, and to a lesser extent those issued by Central or State Governments. As such, there would be Moderate Credit Risk. Since over 65% of the investment will be in securities having floating rates of interest or those having outstanding maturing of upto 91 days, there would be very low Price-risk or Interest-rate risk.

- 6. Kotak Monthly Income Plan**

The portfolio of Kotak Monthly Income Plan will comprise predominantly of debt and money market instruments and upto 20% in equity and equity related instruments. Thus the scheme will have the risks of both the capital markets and the debt markets.

- 7. Kotak Treasury Advantage Fund**

The Portfolio of Kotak Treasury Advantage Fund will comprise predominantly of Debt and Money Market instruments issued by Corporates, and to a lesser extent those issued by Central or State Governments. As such, there would be Moderate Credit Risk. Since over 65% of the investment will be in securities having floating rates of interest or other debt securities, there would be very low Price-risk or Interest-rate risk.

- 8. Kotak Flexi Debt Scheme:**

The Scheme may invest in government securities, corporate bonds and money market instruments. While the liquidity risk for money market instruments and short maturity corporate bonds may be low, it may be high in case of medium to long maturity corporate bonds. The Scheme may also be exposed to price risk in case of government securities and corporate bonds arising out of the interest rate risk. The investments in corporate bonds could also lead to a credit risk.

- 9. Kotak Income Opportunities Fund:**

The Portfolio of Kotak Income Opportunities Fund will comprise predominantly of Debt and Money Market instruments issued by Corporates/Banks, and to a lesser extent those issued by Central or State Governments. As such, there would be Moderate Credit Risk. Since upto 65% of the portfolio may be invested in securities maturing more than one year, there would be moderate to high Price-risk or Interest-rate risk.

The market for debt instruments [except for Commercial Papers (CPs) & Convertible debentures (Cds)] are relatively less liquid, which may affect buying and selling of the debt instruments thereby increasing the liquidity risk. However CPs and CDs being money market instruments with investment horizon of less than 1 year, are more liquid in nature and hence significantly reduce the risk. Securitised debt are relatively more illiquid in nature when compared to other debt instruments due to which impact cost may tend to increase.

The scheme intends to invest in long dated debt papers, securitized debt and money market instruments. The levels of liquidity at a relatively low for long dated papers/securitised instruments and short dated papers including money market instruments have relatively higher liquidity.

- 10. Kotak Banking and PSU Debt Fund:**

The Portfolio of Kotak Banking & PSU Debt Fund will comprise predominantly of Debt and Money Market instruments issued by Banks & PSUs and Reverse repos in such securities, sovereign securities issued by the Central Government and State Governments, and / or any security unconditionally guaranteed by the Govt. of India. As such, there would be low to moderate Credit Risk.

## 11. Kotak Low Duration fund:

The portfolio of Kotak Low Duration Fund would comprise predominantly of debt & money market instruments with maturity less than 1 year and would thus have low price risk & liquidity risk. The scheme may be exposed to price risk for the portion that is invested in instruments with more than 1 year maturity. As such there would be moderate credit risk.

## 12. Kotak Corporate Bond Fund:

The scheme would invest significantly in corporate bonds across the credit spectrum and thus would be exposed to credit risk. As such there would moderate credit risk. While the liquidity risk for money market instruments and short maturity corporate bonds may be low, it may be high in case of medium to long maturity corporate bonds. The Scheme may also be exposed to price risk in case of corporate bonds arising out of the interest rate risk.

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

#### (i) Credit Risk/ Repayment 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.

#### (ii) Sovereign risk:

The Federal Government of a country (i.e. Central Govt. in case of India) is the issuer of the local currency in that country. The Government raises money to meet its Capital and Revenue expenditure by issuing Debt or Discounted Securities. Since payment of interest and principal amount has a sovereign status implying no default, such securities are known as securities with sovereign credit. For domestic borrowers and lenders, the credit risk on such Sovereign credit is near zero and is popularly known as "risk-free security" or "Zero-Risk security". Thus Zero-Risk is the lowest risk, even lower than a security with "AAA" rating and hence commands a yield, which is lower than a yield on "AAA" security.

#### (iii) 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.

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.

#### (iv) 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, 11.50% p.a., its market value would drop to Rs. 98.76 (i.e. 1.24%). If the security is up-graded to AAA category which commands a market yield of, say, 9.60% p.a. its market value would increase to Rs103.48 (i.e. by 3.48%). 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	11.00	100.00
If upgraded to AAA	9.60	103.48
If downgraded to A	11.50	98.76

#### (v) 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.

#### (vi) 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.

#### (vii) 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.

#### (viii) 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 elsewhere in the SAI. The approval from the AMC

Board and the Trustees giving details of circumstances and justification for the proposed action shall also be informed to SEBI in advance.

#### **(ix) 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. **Price Risk:** Despite the risk mitigation provided by various derivative instruments, there remains an inherent price risk which may result in losses exceeding actual underlying.
- b. **Default Risk:** This is the risk that losses will be incurred due to default by counter party. This is also known as credit risk or counterparty risk.
- c. **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
- d. **Limitations on upside:** Derivatives when used as hedging tool can also limit the profits from a genuine investment transaction.
- e. **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.
- f. VI) 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.

#### **(x) Potential Loss associated with Derivative Trading pertaining to Debt Markets**

The use of an Interest Rate Swap ('IRS') does not eliminate the credit (default) risk on the original investment. While the fixed to floating rate IRS reduces interest rate risk caused by rise in interest rates, it also restricts the profit in case interest rates decline. In case of a floating to fixed rate swap, any subsequent rise in interest rates will result in a loss like in any fixed rate investment. Any IRS carries, the risk of default of the counter party to the swap, which may lead to a loss. Such loss is usually, a small proportion of the notional principal amount of the swap.

#### **(xi) Risks associated with Securitised Debt:**

The Schemes may from time to time invest in domestic securitised debt, for instance, in asset backed securities (ABS) or mortgage backed securities (MBS). Typically, investments in securitised debt carry credit risk (where credit losses in the underlying pool exceed credit enhancement provided, (if any) and the reinvestment risk (which is higher as compared to the normal corporate or sovereign debt). The underlying assets in securitised debt are receivables arising from automobile loans, personal loans, loans against consumer durables, loans backed by mortgage of residential / commercial properties, underlying single loans etc.

ABS/MBS instruments reflect the proportionate undivided beneficial interest in the pool of loans and do not represent the obligation of the issuer of ABS/MBS or the originator of

the underlying receivables. Investments in securitised debt is largely guided by following factors:

- Attractive yields i.e. where securitised papers offer better yields as compared to the other debt papers and also considering the risk profile of the securitised papers.
- Diversification of the portfolio
- Better performance

Broadly following types of loans are securitised:

#### **a) Auto Loans**

The underlying assets (cars etc.) are susceptible to depreciation in value whereas the loans are given at high loan to value ratios. Thus, after a few months, the value of asset becomes lower than the loan outstanding. The borrowers, therefore, may sometimes tend to default on loans and allow the vehicle to be repossessed.

These loans are also subject to model risk i.e. if a particular automobile model does not become popular, loans given for financing that model have a much higher likelihood of turning bad. In such cases, loss on sale of repossession vehicles is higher than usual.

Commercial vehicle loans are susceptible to the cyclicity in the economy. In a downturn in economy, freight rates drop leading to higher defaults in commercial vehicle loans. Further, the second hand prices of these vehicles also decline in such economic environment.

#### **b) Housing Loans**

Housing loans in India have shown very low default rates historically. However, in recent years, loans have been given at high loan to value ratios and to a much younger borrower classes. The loans have not yet gone through the full economic cycle and have not yet seen a period of declining property prices. Thus the performance of these housing loans is yet to be tested and it need not conform to the historical experience of low default rates.

#### **c) Consumer Durable Loans**

The underlying security for such loans is easily transferable without the bank's knowledge and hence repossession is difficult.

The underlying security for such loans is also susceptible to quick depreciation in value. This gives the borrowers a high incentive to default.

#### **d) Personal Loans**

These are unsecured loans. In case of a default, the bank has no security to fall back on. The lender has no control over how the borrower has used the borrowed money.

Further, all the above categories of loans have the following common risks:

All the above loans are retail, relatively small value loans. There is a possibility that the borrower takes different loans using the same income proof and thus the income is not sufficient to meet the debt service obligations of all these loans.

In India, there is no ready database available regarding past credit record of borrowers. Thus, loans may be given to borrowers with poor credit record. In retail loans, the risks due to frauds are high.

#### **e) Single Loan PTC**

A single loan PTC is a securitization transaction in which a loan given by an originator (Bank/ NBFC/ FI etc.) to a single entity (obligor) is converted into pass through certificates and sold to investors. The transaction involves the assignment of the loan and the underlying receivables by the originator to a trust, which funds the purchase by issuing PTCs to investors at the discounted value of the receivables. The PTCs are rated by a rating agency, which is based on the financial strength of

the obligor alone, as the PTCs have no recourse to the originator.

The advantage of a single loan PTC is that the rating represents the credit risk of a single entity (the obligor) and is hence easy to understand and track over the tenure of the PTC. The primary risk is that of all securitized instruments, which are not traded as often in the secondary market and hence carry an illiquidity risk. The structure involves an assignment of the loan by the originator to the trustee who then has no interest in monitoring the credit quality of the originator. The originator that is most often a bank is in the best position to monitor the credit quality of the originator. The investor then has to rely on an external rating agency to monitor the PTC. Since the AMC relies on the documentation provided by the originator, there is a risk to the extent of the underlying documentation between the seller and underlying borrower.

**Risks associated with Capital Markets or Equity Markets i.e. Markets in which Equity Shares or Equity oriented instruments are issued and traded (applicable to Kotak Monthly Income Plan)**

**a. 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.

**b. 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.

**c. 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 elsewhere in this SID. The approval from the AMC Board and the Trustees giving details of circumstances and justification for the proposed action shall also be informed to SEBI in advance.

All the above factors may not only affect the prices of securities but also the time taken by the 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. The liquidity of the assets may be affected by other factors such as general market conditions, political events, bank holidays and civil strife. 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 elsewhere in this SID. The approval from the AMC Board and the Trustees giving details of circumstances and justification for the proposed action shall also be informed to SEBI in advance.

**d. Potential Loss associated with Derivative Trading pertaining to Equity Markets:**

- (i) 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.
- (ii) 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.

**Risks associated with Securities Lending -**

As with other modes of extensions of credit, there are risks inherent to securities lending, including the risk of failure of the other party, in this case the approved intermediary, to comply with the terms of the agreement entered into between the lender of securities i.e. the Scheme and the approved intermediary. Such failure can result in the possible loss of rights to the collateral put up by the borrower of the securities, the inability of the approved intermediary to return the securities deposited by the lender and the possible loss of any corporate benefits accruing to the lender from the securities deposited with the approved intermediary. The Fund may not be able to sell such lent securities and this can lead to temporary illiquidity.

**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. Special Considerations**

- Prospective investors should review/study SAI along with SID carefully and in its entirety and shall not construe the contents hereof or regard the summaries contained herein as advice relating to legal, taxation, or financial/investment matters and are advised to consult their own professional advisor(s) as to the legal or any other requirements or restrictions relating to the subscriptions, gifting, acquisition, holding, disposal (sale, transfer, switch or redemption or conversion into money) of units and to the treatment of income (if any), capitalization, capital gains, any distribution, and other tax consequences relevant to their subscription, acquisition, holding, capitalization, disposal (sale, transfer, switch or redemption or conversion into money) of units within their

jurisdiction/nationality, residence, domicile etc. or under the laws of any jurisdiction to which they or any managed Funds to be used to purchase/gift units are subject, and also to determine possible legal, tax, financial or other consequences of subscribing/gifting to, purchasing or holding units before making an application for units.

- Neither this SID and SAI, nor the units have been registered in any jurisdiction. The distribution of this SID in certain jurisdictions may be restricted or subject to registration and accordingly, any person who gets possession of this SID is required to inform themselves about, and to observe, any such restrictions. It is the responsibility of any persons in possession of this SID and any persons wishing to apply for units pursuant to this SID to inform themselves of and to observe, all applicable laws and Regulations of such relevant jurisdiction. Any changes in SEBI/NSE/RBI regulations and other applicable laws/regulations could have an effect on such investments and valuation thereof.
- Kotak Mahindra Mutual Fund/AMC has not authorised any person to give any information or make any representations, either oral or written, not stated in this SID in connection with issue of units under the Schemes. Prospective investors are advised not to rely upon any information or representations not incorporated in the SAI and SID as the same have not been authorised by the Fund or the AMC. Any purchase or redemption made by any person on the basis of statements or representations which are not contained in this SID or which are not consistent with the information contained herein shall be solely at the risk of the investor. The investor is requested to check the credentials of the individual, firm or other entity he/she is entrusting his/her application form and payment to, for any transaction with the Fund. The Fund shall not be responsible for any acts done by the intermediaries representing or purportedly representing such investor.
- If the units are held by any person in breach of the Regulations, law or requirements of any governmental, statutory authority including, without limitation, Exchange Control Regulations, the Fund may mandatorily redeem all the units of any Unit holder where the units are held by a Unit holder in breach of the same. The Trustee may further mandatorily redeem units of any Unit holder in the event it is found that the Unit holder has submitted information either in the application or otherwise that is false, misleading or incomplete.
- If a Unit holder makes a redemption request immediately after purchase of units, the Fund shall have a right to withhold the redemption request till sufficient time has elapsed to ensure that the amount remitted by the Unit holder (for purchase of units) is realized and the proceeds have been credited to the Scheme's Account. However, this is only applicable if the value of redemption is such that some or all of the freshly purchased units may have to be redeemed to effect the full redemption.
- In terms of the Prevention of Money Laundering Act, 2002 ("PMLA") the rules issued there under and the guidelines/circulars issued by SEBI regarding the Anti Money Laundering (AML) Laws, all intermediaries, including mutual funds, are required to formulate and implement a client identification programme, and to verify and maintain the record of identity and address(es) of investors.
- If after due diligence, the AMC believes that any transaction is suspicious in nature as regards money laundering, the AMC shall report any such suspicious transactions to competent authorities under PMLA and rules/guidelines issued thereunder by SEBI and/or RBI, furnish any such information in connection therewith to such authorities and take any other actions as may be required for the purposes of fulfilling its obligations under PMLA and rules/guidelines issued thereunder by SEBI and/or RBI without obtaining the prior approval of the investor/Unit holder/any other person.
- **Purchase/ Redemption of units of schemes of Kotak Mahindra Mutual Fund through Stock Exchange Infrastructure**
- a. 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.

- b. 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.
- c. 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 a.m. and 3 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 investor 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 acknowledgment.
- 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 acknowledgment.
- 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.

## D. DEFINITIONS

Applicable NAV	Unless stated otherwise in this Document, 'Applicable NAV' is the Net Asset Value at the close of a Working Day as of which 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:</p> <ul style="list-style-type: none"> <li>• Saturday and Sunday,</li> <li>• A day on which the banks in Mumbai and RBI are closed for business/clearing.</li> <li>• A day on which Purchase and Redemption is suspended by the AMC.</li> <li>• A day on which the money markets are closed/not accessible.</li> </ul> <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>
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, systematic transfer plan and bonus transactions) 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.
Continuous Offer	Offer of Units under the Schemes, when they become Open-ended after the closure of their respective New Fund Offers.
Custodian	Deutsche Bank AG and Standard Chartered Bank, acting as Custodians to the Schemes, or any other Custodian appointed by the Trustee.
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).
Dividend Option	<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.</p> <p>The Dividend Option will be available under two sub-options – the Payout Option and the Reinvestment Option.</p> <p>Dividend Payout Option: Unitholders will have the option to receive payout of their dividend by way of Payorder / DD any other means which can be encashed or by way of direct credit / electronic payout into their account.</p> <p>Dividend Reinvestment Option: Under the reinvestment option, dividend amounts will be reinvested in the Dividend Reinvestment Option at the Applicable NAV announced immediately following the record date. No entry loads will be charged on units allotted as a result of dividend reinvestment.</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>
Entry Load	The charge that is paid by a Unitholder when he invests an amount in a Scheme
Exit Load	The charge that is paid by a Unitholder when he redeems Units from a Scheme
FII	Foreign Institutional Investors, registered with SEBI under Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995.
G-7	The Group of seven developed nations comprising USA, UK, Canada, France, Germany, Italy and Japan.



Gilts/ Government Securities	Securities created and issued by the Central Government and/or State Government.
Growth Option	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.
IMA	Investment Management Agreement dated 20th May, 1996, entered into between the Fund (acting through the Trustee) and the AMC and as amended up to date, or as may be amended from time to time.
Investor Service Centres or ISCs	Designated branches of the AMC / other offices as may be designated by the AMC from time to time.
Kotak Bank/ Sponsor	Kotak Mahindra Bank Limited (KMBL)
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 authorised 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.
NAV	Net Asset Value of the Units of each Scheme as calculated in the manner provided in this Document or as may be prescribed by Regulations from time to time. The NAV is computed upto four decimal places in case of Debt Schemes.
NRI	Non-Resident Indian; and person of Indian origin as defined in the Foreign Exchange Management Act, 1999.
Scheme Information Document (SID)	This document issued by Kotak Mahindra Mutual Fund, offering for subscription of Units of the Schemes including plans / options thereunder.
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)
Purchase Price	Purchase Price, to an investor, of Units under any of the Schemes (including Plans and Options, if any, thereunder).
Redemption Price	Redemption Price to an investor of Units under any of the Schemes (including Plans and Options, if any, thereunder).
Registrar	Computer Age Management Services Private Limited ('CAMS'), acting as Registrar to the Schemes, 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.
Risk Free	Absence of credit risk i.e. no risk of default on payment of principal and interest.
Scheme	Kotak Mahindra Gilt Unit Scheme – 98 Investment Plan, Kotak Mahindra Bond Unit Scheme 99, Kotak Mahindra Liquid Scheme, Kotak Bond Short Term Plan, Kotak Floater Short Term Scheme, Kotak Monthly Income Plan, Kotak Treasury Advantage fund, Kotak Flexi Debt Scheme, Kotak Income Opportunities Fund and Kotak Banking and PSU Debt Fund. All references to the Scheme would deem to include the Plans and Options thereunder unless specifically mentioned.
SEBI	Securities and Exchange Board of India, established under the Securities and Exchange Board of India Act, 1992.
SEBI (MF) Regulations or Regulations	Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended from time to time.
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 any of the Schemes, which consists of each Unit representing one undivided share in the assets of the Schemes.
Unitholder	A person who holds Unit(s) under any Scheme.
Valuation Day	Business Day of the Scheme, and any other day when the capital and/or money markets are open in Mumbai
Words and Expressions used in this Scheme Information Document (SID) Document and not defined	Same meaning as in Trust Deed.

## **E. Due Diligence by the Asset Management Company**

It is confirmed that:

- 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.
- 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.
- 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.
- 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**  
Investment Manager for Kotak Mahindra Mutual Fund

Place: Mumbai  
Date: June 30, 2015

**Sandeep Kamath**  
Compliance Officer

### III. INFORMATION ABOUT THE SCHEME

#### A. Type of Schemes

Name of the Scheme	Type of the Scheme
Kotak Mahindra Gilt Unit Scheme – 98 Investment Plan	An open ended dedicated Gilt Scheme
Kotak Mahindra Bond Unit Scheme 99	An Open Ended Debt Scheme
Kotak Mahindra Liquid Scheme	An Open Ended Debt Scheme
Kotak Bond Short Term Plan	An Open Ended Debt Scheme
Kotak Floater Short Term Scheme	An Open Ended Debt Scheme
Kotak Monthly Income Plan	An Open Ended Income Scheme
Kotak Treasury Advantage fund	An Open Ended Debt Scheme
Kotak Flexi Debt Scheme	An Open Ended Debt Scheme
Kotak Income Opportunities Fund	An Open Ended Debt Scheme
Kotak Banking and PSU Debt Fund	An Open Ended Debt Scheme
Kotak Low Duration Fund (Formerly known as PineBridge India Short Term Fund)	An Open Ended Debt Scheme
Kotak Corporate Bond Fund(formerly known as PineBridge Total Return Bond Fund)	An Open Ended Debt Scheme

#### B. Features of the schemes (Investment Objective, Asset Allocation Pattern, Investment Strategy, Benchmark, Risk Mitigation)

##### (I) Kotak Mahindra Gilt Unit Scheme – 98 Investment Plan

Type of the scheme	A plan under an open ended dedicated Gilt Scheme																	
Investment Objective	<p>The objective of the Plan is to generate risk-free returns through investments in sovereign securities issued by the Central Government and/or State Government(s) and/or any security unconditionally guaranteed by the Government of India, and/or reverse repos in such securities as and when permitted by RBI. A small portion of the fund may be invested in the inter-bank money market in order to meet the day-to-day liquidity requirements of the Plan. To ensure total safety of Unitholders' funds, the Plan does not invest in any other securities such as shares, debentures or bonds issued by any other entity. The Fund will seek to underwrite issuance of Government Securities if and to the extent permitted by SEBI/RBI and subject to the prevailing rules and regulations specified in this respect and may also participate in their auction from time to time.</p> <p>Subject to the maximum amount permitted from time to time, the Plan may invest in securities abroad, in the manner allowed by SEBI/RBI in conformity with the guidelines, rules and regulations in this respect. The Fund will seek permission to invest in government securities issued by G-7 nations, provided that such securities are considered as Investment Grade and provided RBI permits such Investment under the guidelines for a dedicated Gilts Fund.</p> <p>There is no assurance that the investment objective of the Plan will be achieved. It is however emphasised, that investments under the Plan are made in Government Securities, where there is no risk of default of payment in principal or interest amount.</p>																	
Asset Allocation	<p>The following table indicates, by maturity and category, the risks associated with Government Securities. :</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th rowspan="2">Balance Maturity</th> <th colspan="2">Risk Profile</th> </tr> <tr> <th>Price Risk</th> <th>Credit Risk</th> </tr> </thead> <tbody> <tr> <td>More than 5 years</td> <td>Low</td> <td>Zero</td> </tr> <tr> <td>Between 1 to 5 years</td> <td>Lower</td> <td>Zero</td> </tr> <tr> <td>Less than 1 year</td> <td>Lowest</td> <td>Zero</td> </tr> <tr> <td>Securities held under Reverse Repos</td> <td>Zero</td> <td>Very low</td> </tr> </tbody> </table> <p>The risk profile described above indicates that the risks of a portfolio of Government Securities are invariably lower than those of a portfolio of investments of other types of securities. Since Government Securities do not pose any credit risk, they are usually referred to as risk-free securities. There will no restriction on maturity of the securities.</p>	Balance Maturity	Risk Profile		Price Risk	Credit Risk	More than 5 years	Low	Zero	Between 1 to 5 years	Lower	Zero	Less than 1 year	Lowest	Zero	Securities held under Reverse Repos	Zero	Very low
Balance Maturity	Risk Profile																	
	Price Risk	Credit Risk																
More than 5 years	Low	Zero																
Between 1 to 5 years	Lower	Zero																
Less than 1 year	Lowest	Zero																
Securities held under Reverse Repos	Zero	Very low																
Investment Strategy and Risk Control Measures	The Plan predominantly invests in government securities, without any restriction on the maturity of the portfolio.																	

Liquidity Support from RBI	<p>Being a Plan dedicated exclusively to investments in Government Securities, the Fund can avail liquidity support of upto 20% of the outstanding value of its investments in Government Securities at the close of the previous Working Day. This facility has been made available by RBI under its Guidelines. Liquidity support under these guidelines is by way of outright sale of Government Securities by the Plan to RBI as well as by way of repo.</p> <p>To avoid duplication of portfolios and to reduce expenses, the Plan may invest in any other scheme of the Fund to the extent permitted by the Regulations. In such an event, as per the Regulations, the AMC cannot charge management fees on the amounts of the Plan so invested.</p>
Benchmark	<p>The performance of Kotak Gilt Investment Plan is benchmarked against the I-Sec Composite Index.</p> <p>The composition of the aforesaid benchmark is such that, it is most suited for comparing the performance of the scheme.</p> <p>The Trustees reserves right to change benchmark in future for measuring performance of the scheme.</p>
Risk Mitigation	<p><b>Risk control measures for investment strategy</b> The fund will comply with the prescribed SEBI limits on exposure. Risk is monitored at periodic intervals and the portfolio is rebalanced within the specified time period in case of any deviations.</p> <p><b>Risk mitigation measures for portfolio volatility</b> The portfolio volatility is managed in line with the objective of scheme. Internal caps on average maturity are defined to keep volatility on account of interest rate risk minimal. The scheme also invests predominantly in government securities which don't carry credit risk thereby eliminating the resultant volatility. Portfolio volatility is monitored on a periodic basis relative to the benchmark and the peer set.</p> <p><b>Risk mitigation measures for managing liquidity</b> The scheme invests predominantly in government securities which are actively traded and thereby liquid. Reasonable investments are made at the shorter end of the yield curve which is the most actively traded segment in the secondary market. This would help to manage daily liquidity.</p>

## (ii) Kotak Mahindra Bond Unit Scheme

Type of the scheme	An open ended debt scheme											
Investment Objective	<p>The investment objective of the Scheme is to create a portfolio of debt instruments such as bonds, debentures, Government Securities and money market instruments, including repos in permitted securities of different maturities, so as to spread the risk across a wide maturity horizon and different kinds of issuers in the debt markets. The Scheme may invest in call money / term money market in terms of RBI guidelines in this respect.</p> <p>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.</p> <p>Subject to the maximum amount permitted from time to time, the Scheme may invest in offshore securities in the manner allowed by SEBI / RBI provided such investments are in conformity with the investment objective of the Scheme and the prevailing guidelines and Regulations.</p> <p>There is no assurance that the investment objective of the Scheme will be achieved.</p>											
Asset Allocation	<p>The asset allocation under the Scheme, under normal circumstances, is as follows:</p> <table border="1"> <thead> <tr> <th>Investments</th> <th>Indicative Allocation</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>* Debt Instruments with maturity more than one year</td> <td>25% to 100%</td> <td>Medium</td> </tr> <tr> <td>* Debt and Money Market instruments with maturity less than one year</td> <td>10% to 100%</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>*Debt instruments are deemed to include securitised debt and investment in securitised debts shall not exceed 50% of the net assets of the Scheme.</p>			Investments	Indicative Allocation	Risk Profile	* Debt Instruments with maturity more than one year	25% to 100%	Medium	* Debt and Money Market instruments with maturity less than one year	10% to 100%	Low to Medium
Investments	Indicative Allocation	Risk Profile										
* Debt Instruments with maturity more than one year	25% to 100%	Medium										
* Debt and Money Market instruments with maturity less than one year	10% to 100%	Low to Medium										

	<p>Note: The asset allocation shown above is indicative and may vary according to circumstances at the sole discretion of the Fund Manager, on defensive consideration or according to the interest rate view of the Fund Manager. Also, the composition may change due to purchases and redemption of Units or during adjustment of the average maturity of investments. Should the proportion of investments with maturity more than 1 year fall below 25%, the portfolio will be reviewed and rebalancing will be conducted within 10 working days.</p>
Investment Strategy and Risk Control Measures	<p>The Scheme may invest in listed/unlisted and/or rated/unrated debt or money market instruments/securities, Gilts/Government Securities, securities issued/guaranteed by the Central/State Governments, securities issued by public/private sector companies/corporations, financial institutions and/or money market instruments such as commercial paper, certificates of deposit, permitted securities under a repo agreement etc., provided the investments are within the limits indicated in the asset allocation pattern. The instruments may carry fixed rate of return or floating rate of return or may be issued on discount basis. Investments are made in such instruments, which, in the opinion of the Fund Manager, are an acceptable credit risk where chances of default are at a minimum. The Fund Manager is generally guided by, but not restrained by, the ratings announced by various rating agencies on the assets in the portfolio. The maturity profile of debt instruments is selected in accordance with the Fund Manager's view regarding market conditions, interest rate outlook and stability of rating. The Scheme may invest in call money/term money market in terms of RBI guidelines in this respect. Investment in unrated debt securities is made with the prior approval of the Board of the AMC, provided the investment is in terms of the parameters approved by the Board of the Trustee. Where the proposed investment is not within the parameters as mentioned above, approval of the Boards of both the AMC and the Trustee is taken before making the investment.</p> <p>To avoid duplication of portfolios and to reduce expenses, the Scheme may invest in any other scheme of the Fund to the extent permitted by the Regulations. In such an event, as per the Regulations, the AMC cannot charge management fees on the amounts of the Schemes so invested.</p> <p>The Fund may underwrite primary issuances of securities subject to the Regulations.</p> <p>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.</p> <p>Subject to the maximum amount permitted from time to time, the Scheme may invest in offshore debt securities, in the manner allowed by SEBI/RBI, provided such investments are in conformity with the investment objective of the Scheme and the prevailing guidelines and Regulations.</p>
Portfolio Turnover	<p>The Scheme has no specific target relating to turnover of securities, given the low liquidity in the debt market. However, the turnover is guided by sale and purchase of securities arising out of the purchase and redemption of Units and adjustments relating to the average maturity of securities in the portfolio, depending on the interest rate view of the Fund Manager. Turnover may also arise due to change or anticipation of change in the credit worthiness or credit rating of securities.</p>
Benchmark	<p>The performance of the Scheme is measured against Crisil Composite Bond Fund Index.</p> <p>The composition of the aforesaid benchmark is such that, it is most suited for comparing the performance of the scheme.</p> <p>The Trustees reserves right to change benchmark in future for measuring performance of the scheme.</p>
Risk Mitigation	<p><b>Risk control measures for investment strategy</b> The fund will comply with the prescribed SEBI limits on exposure. Risk is monitored at periodic intervals and the portfolio is rebalanced within the specified time period in case of any deviations.</p> <p><b>Risk mitigation measures for portfolio volatility</b> The portfolio volatility is managed in line with the objective of scheme. Duration is managed actively after considering various factors affecting interest rates. The scheme also invests a significant portion in high credit quality papers to mitigate credit risk and the resultant volatility. Portfolio volatility is monitored on a periodic basis relative to the benchmark and the peer set.</p> <p><b>Risk mitigation measures for managing liquidity</b> Reasonable investments are made at the shorter end of the yield curve which is the most actively traded segment in the secondary market. This would help to manage daily liquidity. The internal investment parameters also take into cognizance liquidity of the portfolio.</p>

### (iii) Kotak Mahindra Liquid Scheme

Type of the scheme	An open ended debt scheme
Investment Objective	The investment objective of the Scheme is to provide reasonable returns and high level of liquidity by investing in debt instruments such as bonds, debentures and Government Securities; and money market instruments such as treasury bills, commercial paper, certificate of deposit, including repos in permitted securities of different maturities, so as to spread the risk across different kinds of issuers in

	<p>the debt markets. The Scheme may invest in call money/term money market in terms of RBI guidelines in this respect.</p> <p>Subject to the maximum amount permitted from time to time, the Scheme may invest in offshore securities in the manner allowed by SEBI / RBI, provided such investments are in conformity with the investment objective of the Scheme and the prevailing guidelines and Regulations. 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.</p> <p>There is no assurance that the investment objective of the Schemes will be realised.</p>						
Asset Allocation	<p>The asset allocation under the Scheme, under normal circumstances, is as follows:</p> <table border="1"> <thead> <tr> <th>Investments</th> <th>Indicative Allocation</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>* Debt and money market instruments (including interbank call and repo)</td> <td>100%</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>*Debt securities / instruments are deemed to include securitised debt and investment in securitised debt will not exceed 50% of the net assets of the Scheme.</p> <p>Investments will be made in debt and money market securities with maturity of upto 91 days only.</p>	Investments	Indicative Allocation	Risk Profile	* Debt and money market instruments (including interbank call and repo)	100%	Low to Medium
Investments	Indicative Allocation	Risk Profile					
* Debt and money market instruments (including interbank call and repo)	100%	Low to Medium					
Investment Strategy and Risk Control Measures	<p>As per SEBI circular dated January 19, 2009, 'liquid fund schemes and plans' shall mean the schemes and plans of a mutual fund as specified in the guidelines issued by SEBI in this regard. Effective May 1, 2009 schemes which make investments in debt and money market securities with maturity of upto 91 days only shall be known as liquid schemes. Accordingly, keeping in view the definition of liquid schemes, Kotak Liquid Scheme is classified as a Liquid Scheme since it is currently investing in debt and money market securities with maturity less than 91 days.</p> <p>The Scheme may invest in listed/unlisted and/or rated/unrated debt or money market instruments such as commercial paper, certificates of deposit, permitted securities under a repo agreement etc., Gilts/Government securities, securities issued/guaranteed by the Central/State Governments, securities issued by public/private sector companies/corporations, financial institutions, securitised debts including mortgage backed securities when permitted. The instruments may carry fixed rate of return or floating rate of return or may be issued on discount basis. Investments are made in instruments, which, in the opinion of the Fund Manager, are an acceptable credit risk and where chances of default are at a minimum. The Fund Manager may be guided by, but not restrained by, the ratings announced by various rating agencies on the assets in the portfolio. Investment in unrated debt securities is made with the prior approval of the Board of the AMC, provided the investment is in terms of the parameters approved by the Board of the Trustee. Where the proposed investment is not within the parameters as mentioned above, approval of the Boards of both the AMC and the Trustee is taken before making the investment. The maturity profile of debt instruments is selected in accordance with the Fund Manager's view regarding market conditions, interest rate outlook, stability of rating and the liquidity requirement of the Scheme.</p> <p>The Scheme may invest in call money/term money market in terms of RBI guidelines in this respect. To avoid duplication of portfolios and to reduce expenses, the Scheme may invest in any other scheme of the Fund to the extent permitted by the Regulations. In such an event, the AMC may not charge management fees on the amounts of the Scheme so invested as required by the Regulations. The Fund may underwrite primary issuances of securities as permitted under the Regulations. Subject to the maximum amount permitted from time to time, the Scheme may invest in offshore debt securities, in the manner allowed by SEBI/RBI provided such investments are in conformity with the investment objective of the Scheme and the prevailing guidelines and Regulations. To reduce the risk of the portfolio, the Scheme may also use various derivative and hedging products such as interest rate swaps, futures, options etc., in accordance with the Regulations.</p>						
Portfolio Turnover	<p>This being a liquid scheme for short-term investments, there is no specific target relating to the turnover of securities.</p>						
Benchmark	<p>The scheme is benchmarked against CRISIL Liquid Fund Index.</p> <p>The composition of the aforesaid benchmark is such that, it is most suited for comparing the performance of the scheme.</p> <p>The Trustees reserves right to change benchmark in future for measuring performance of the scheme.</p>						
Risk Mitigation	<p><b>Risk control measures for investment strategy</b></p> <p>The fund will comply with the prescribed SEBI limits on exposure. Risk is monitored at periodic intervals and the portfolio is rebalanced within the specified time period in case of any deviations.</p> <p><b>Risk mitigation measures for portfolio volatility</b></p> <p>The scheme invests in money market instruments and securities with a maturity of less than 91 days which are not marked to market hence portfolio volatility on account of interest rate risk is minimal. The scheme also invests a significant portion in high credit quality papers to mitigate credit risk and the resultant volatility. Portfolio volatility is monitored on a periodic basis relative to the benchmark and the peer set.</p> <p><b>Risk mitigation measures for managing liquidity</b></p> <p>The very nature of the scheme is such that it is subject to liquidity risk. To manage liquidity, sufficient investments are made in overnight assets to ensure daily liquidity. Investments are also made in maturity buckets to provision for unforeseen outflows.</p>						

**(iv) Kotak Bond Short Term Plan**

Type of the scheme	An open ended debt scheme									
Investment Objective	<p>The investment objective of the Scheme is to provide reasonable returns and high level of liquidity by investing in debt instruments such as bonds, debentures and Government securities; and money market instruments such as treasury bills, commercial papers, certificates of deposit, including repos in permitted securities of different maturities, so as to spread the risk across different kinds of issuers in the debt markets. The Scheme may invest in the call money/term money market in terms of RBI guidelines in this respect.</p> <p>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.</p> <p>Subject to the maximum amount permitted from time to time, the Scheme may invest in offshore securities in the manner allowed by SEBI/RBI, provided such investments are in conformity with the investment objective of the Scheme and the prevailing guidelines and Regulations.</p> <p>There is no assurance that the investment objective of the Scheme will be realised.</p>									
Asset Allocation	<p>The asset allocation under the Scheme will be as follows:</p> <table border="1"> <thead> <tr> <th>Investments</th> <th>Indicative Allocation</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Debt and money market instruments with residual maturity upto 36 months *</td> <td>80 to 100%</td> <td>Low</td> </tr> <tr> <td>Debt instruments with residual maturity between 36 months to 60 months* and Gsces</td> <td>0 to 20%</td> <td>Low to medium</td> </tr> </tbody> </table> <p>* Debt instruments shall be deemed to include securitised debt and investment in securitised debts shall not exceed 50% of the net assets of the Scheme. The Fund shall in normal circumstances have a modified duration not exceeding 36 months and is not likely to go below 12 months.</p> <p><b>Portfolio Rebalancing:</b> 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 substantially 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 within 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.</p>	Investments	Indicative Allocation	Risk Profile	Debt and money market instruments with residual maturity upto 36 months *	80 to 100%	Low	Debt instruments with residual maturity between 36 months to 60 months* and Gsces	0 to 20%	Low to medium
Investments	Indicative Allocation	Risk Profile								
Debt and money market instruments with residual maturity upto 36 months *	80 to 100%	Low								
Debt instruments with residual maturity between 36 months to 60 months* and Gsces	0 to 20%	Low to medium								
Investment Strategy and Risk Control Measures	<p>The Plan may invest in listed/unlisted and/or rated/unrated debt or money market instruments such as commercial paper, certificates of deposit, permitted securities under a repo agreement etc., Gilts/Government securities, securities issued/guaranteed by the Central/State Governments, securities issued by public/private sector companies/corporations, financial institutions, securitised debts including mortgage backed securities when permitted. The instruments may carry fixed rate of return or floating rate of return or may be issued on discount basis. Investments will be made in instruments, which, in the opinion of the Fund Manager, are an acceptable credit risk and where chances of default are at a minimum. The Fund Manager is generally guided, but not restrained, by the ratings announced by various rating agencies on the assets in the portfolio. Investment in unrated debt securities will be made with the prior approval of the Board of the AMC, provided the investment is in terms of the parameters approved by the Board of the Trustee. Where the proposed investment is not within the parameters as mentioned above, approval of the Boards of both the AMC and the Trustee will be taken before making the investment. The maturity profile of debt instruments will be selected in accordance with the Fund Manager's view regarding market conditions, interest rate outlook, stability of rating and the liquidity requirement of the Plan.</p> <p>The Plan may invest in call money/term money market in terms of RBI guidelines in this respect.</p> <p>To avoid duplication of portfolios and to reduce expenses, the Plan may invest in any other Plan of the Fund to the extent permitted by the Regulations. In such an event, the AMC cannot charge management fees on the amounts of the Plan so invested as required by the Regulations.</p> <p>The Fund may underwrite primary issuances of securities as permitted under the Regulations.</p>									
Portfolio Turnover	<p>The Plan has no specific target relating to turnover of securities, given the low liquidity in the debt market. However, the turnover shall be guided by sale and purchase of securities arising out of the purchase and redemption of Units and adjustments relating to the average maturity of securities in the portfolio, depending on the interest rate view of the Fund Manager. Turnover may also arise due to change or anticipation of change in the credit worthiness or credit rating of securities.</p>									

Benchmark	<p>The scheme is benchmarked against CRISIL Short Term Bond Fund Index.</p> <p>The composition of the aforesaid benchmark is such that, it is most suited for comparing the performance of the scheme.</p> <p>The Trustees reserves right to change benchmark in future for measuring performance of the scheme.</p>
Risk Mitigation	<p><b>Risk control measures for investment strategy</b> The fund will comply with the prescribed SEBI limits on exposure. Risk is monitored at periodic intervals and the portfolio is rebalanced within the specified time period in case of any deviations.</p> <p><b>Risk mitigation measures for portfolio volatility</b> The portfolio volatility is managed in line with the objective of scheme. Internal caps on average maturity are defined to keep volatility on account of interest rate risk minimal. The scheme also invests a significant portion in high credit quality papers to mitigate credit risk and the resultant volatility. Portfolio volatility is monitored on a periodic basis relative to the benchmark and the peer set.</p> <p><b>Risk mitigation measures for managing liquidity</b> Reasonable investments are made at the shorter end of the yield curve which is the most actively traded segment in the secondary market. This would help to manage daily liquidity. The internal investment parameters also take into cognizance liquidity of the portfolio.</p>

#### (v) Kotak Floater Short Term Scheme

Type of the scheme	An open ended debt scheme									
Investment Objective	<p>The investment objective of the Scheme is to reduce the interest rate risk associated with investments in fixed rate instruments by investing predominantly in floating rate securities, money market instruments and using appropriate derivatives.</p> <p>Subject to the maximum amount permitted from time to time, the Scheme may invest in offshore securities, which are in conformity with the investment objective of the Scheme and the prevailing guidelines and Regulations.</p> <p>There is no assurance that the investment objective of the Schemes will be realised.</p>									
Asset Allocation	<p>The asset allocation under the Scheme, under normal circumstances, will be as follows:</p> <table border="1"> <thead> <tr> <th>Investments</th> <th>Indicative Allocation</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>* Floating rate debt securities and/ or money market instruments, other debt securities with outstanding maturity of upto 91 days.</td> <td>65 to 100%</td> <td>Low</td> </tr> <tr> <td>* Fixed rate debt securities</td> <td>0 to 35%</td> <td>Medium</td> </tr> </tbody> </table> <p>*Debt securities / instruments are deemed to include securitised debts and investment in securitised debts shall not exceed 50% of the net assets of the Scheme.</p> <p>The floating rate debt securities in the above table include floating rate debt securities and fixed rate debt securities with interest rate swap.</p> <p>Money market instruments will include repos / reverse repos or other instruments permitted by RBI.</p> <p>Some of the investments may be in the call money market or in investments alternative to call money market. (As may evolve or be provided by RBI)</p> <p>The asset allocation shown above is indicative and may vary according to circumstances at the sole discretion of the Fund Manager on defensive consideration. The composition may change due to purchases and redemption of units or during adjustment of the average maturity of investments.</p> <p>When the allocation of floating rate debt securities &amp;/or money market securities, other debt securities with outstanding maturity of up to 91 days in the portfolio falls below 65% or the allocation of fixed rate debt securities goes above 35% a review and rebalancing will be conducted.</p>	Investments	Indicative Allocation	Risk Profile	* Floating rate debt securities and/ or money market instruments, other debt securities with outstanding maturity of upto 91 days.	65 to 100%	Low	* Fixed rate debt securities	0 to 35%	Medium
Investments	Indicative Allocation	Risk Profile								
* Floating rate debt securities and/ or money market instruments, other debt securities with outstanding maturity of upto 91 days.	65 to 100%	Low								
* Fixed rate debt securities	0 to 35%	Medium								
Investment Strategy and Risk Control Measures	<p>As per SEBI circular dated January 19, 2009, 'liquid fund schemes and plans' shall mean the schemes and plans of a mutual fund as specified in the guidelines issued by SEBI in this regard. Effective May 1, 2009 schemes which make investments in debt and money market securities with maturity of upto 91 days only shall be known as liquid schemes. Accordingly, keeping in view the definition of liquid schemes, Kotak Floater Short Term Scheme is classified as a Liquid Scheme since it is currently investing in debt and money market securities with maturity less than 91 days.</p>									



	<p>The Scheme will predominantly invest in floating rate debt securities and money market instruments. It will also use appropriate derivatives. The strategy is aimed at reducing interest rate risk.</p> <p>The debt securities, both floating and fixed rate, will mainly comprise listed / unlisted and/or rated/non-rated debt, Gilts/Government securities, securities issued/guaranteed by the Central / State Governments, securities issued by public/private sector companies / corporations, financial institutions and/or money market instruments such as commercial paper, certificates of deposit, permitted securities under a repo agreement etc. and the investments will be within the limits indicated in the Asset Allocation Table. The Fund Manager may be guided by, but not restrained by, the ratings announced by various rating agencies on the assets in the portfolio. The maturity profile of debt instruments will be selected in accordance with the Fund Manager's view regarding market conditions, stability of rating and to a limited extent, interest outlook.</p> <p>The Scheme may invest in call money/term money market subject to RBI guidelines in this respect. Subject to the maximum amount permitted from time to time, the Scheme may invest in offshore securities in the manner allowed by SEBI/RBI provided such investments are in conformity with the investment objective of the Scheme and the prevailing guidelines and Regulations.</p> <p>To avoid duplication of portfolios and to reduce expenses, the Scheme may invest in any other scheme of the Fund to the extent permitted by the Regulations. In such an event, the AMC may not charge management fees on the amounts of the Schemes so invested as required by the Regulations.</p> <p>The Fund may underwrite primary issuances of securities subject to the Regulations.</p>
Portfolio Turnover	<p>The Scheme has no specific target relating to turnover of Securities. The turnover will be guided by sale and purchase of Securities. This will arise due to more than one reason. One will be the purchase and redemption of units by investors. The other will be the implementation of the interest rate view by the fund manager. This would be largely applicable to fixed rate securities as shown in the asset allocation pattern. Turnover may also arise due to change or anticipation of change in the ratings of securities.</p>
Benchmark	<p>The scheme is benchmarked against CRISIL Liquid Fund Index.</p> <p>The composition of the aforesaid benchmark is such that, it is most suited for comparing the performance of the scheme.</p> <p>The Trustees reserves right to change benchmark in future for measuring performance of the scheme.</p>
Risk Mitigation	<p><b>Risk control measures for investment strategy</b></p> <p>The fund will comply with the prescribed SEBI limits on exposure. Risk is monitored at periodic intervals and the portfolio is rebalanced within the specified time period in case of any deviations.</p> <p><b>Risk mitigation measures for portfolio volatility</b></p> <p>The portfolio volatility is managed in line with the objective of scheme. Internal caps on average maturity are defined to keep volatility on account of interest rate risk minimal. The scheme also invests a significant portion in high credit quality papers to mitigate credit risk and the resultant volatility. Portfolio volatility is monitored on a periodic basis relative to the benchmark and the peer set.</p> <p><b>Risk mitigation measures for managing liquidity</b></p> <p>The very nature of the scheme is such that it is subject to liquidity risk. To manage liquidity, sufficient investments are made in overnight assets to ensure daily liquidity. Investments are also made in maturity buckets to provision for unforeseen outflows.</p>

#### (vi) Kotak Monthly Income Plan

Type of the scheme	An open ended debt scheme									
Investment Objective	<p>The investment objective of the Scheme is to enhance returns over a portfolio of debt instruments with a moderate exposure in equity and equity related instruments. By investing in debt securities, the Scheme will aim at generating regular returns, while enhancement of return is intended through investing in equity and equity related securities. The Scheme may also use various derivative and hedging products from time to time, in the manner permitted by SEBI.</p> <p>The debt securities would include instruments such as bonds, debentures, Government Securities and money market instruments, including repos in permitted securities of different maturities, so as to spread the risk across different kinds of issuers in the debt markets. The Scheme may invest in call money/ term money market in terms of RBI guidelines in this respect.</p> <p>There is no assurance that the investment objective of the Schemes will be realised.</p>									
Asset Allocation	<p>The asset allocation in the Scheme, under normal circumstances, will be as follows:</p> <table border="1"> <thead> <tr> <th>Investments</th> <th>Indicative Allocation</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>*Debt and money market instruments</td> <td>Upto 100%</td> <td>Low to Medium</td> </tr> <tr> <td>Equity and equity related instruments</td> <td>Upto 20%</td> <td>Medium to High</td> </tr> </tbody> </table>	Investments	Indicative Allocation	Risk Profile	*Debt and money market instruments	Upto 100%	Low to Medium	Equity and equity related instruments	Upto 20%	Medium to High
Investments	Indicative Allocation	Risk Profile								
*Debt and money market instruments	Upto 100%	Low to Medium								
Equity and equity related instruments	Upto 20%	Medium to High								

	<p>*Debt securities/instruments are deemed to include securitised debts and investment in securitised debts shall not exceed 50% of the net assets of the Scheme.</p> <p>Note: The asset allocation shown above is indicative and may vary according to circumstances at the sole discretion of the Fund Managers, on defensive consideration or according to the interest rate view of the Fund Manager. Also, the composition may change due to purchases and redemption of Units or during adjustment of the average maturity of investments. Should the proportion of investments in equity and equity related instruments exceed 20%, the Portfolio will be reviewed and rebalanced.</p>
Investment Strategy and Risk Control Measures	<p>The investment strategy is aimed at generating regular returns by investing in debt securities and at the same time attempting to enhance returns through investments in equity and equity related instruments.</p> <p><b>a. Debt Portion</b> Investments may be made in such instruments, which, in the opinion of the Fund Manager, are of acceptable credit risk where chances of default are at a minimum. The Fund Manager may generally be guided by, but not restrained by, the ratings announced by various rating agencies on the assets in the portfolio. The maturity profile of debt instruments may be selected in accordance with the Fund Manager's view regarding market conditions, interest rate outlook and stability of rating.</p> <p>Emphasis may be given to choosing securities, which, in the opinion of the Fund Manager, are less prone to default risk, while bearing in mind the liquidity needs arising out of the open-ended nature of the Scheme.</p> <p>The Scheme is not restrained from investing in listed/unlisted and / or rated / unrated debt securities, Gilts / Government Securities, securities issued/guaranteed by the Central / State Governments, securities issued by public / private sector companies / corporations, financial institutions and / or money market instruments such as commercial paper, certificates of deposit, permitted securities under a repo agreement etc., provided the investments are within the limits indicated in the Asset Allocation Table. The instruments may carry fixed rate of return or floating rate of return or may be issued on discount basis. The Scheme may invest in call money / term money market in terms of RBI guidelines in this respect. Investment in unrated debt securities will be made with the prior approval of the Board of the AMC, provided the investment is in terms of the parameters approved by the Board of the Trustee. Where the proposed investment is not within the parameters as mentioned above, approval of the Boards of both the AMC and the Trustee will be taken before making the investment.</p> <p>The AMC will have an internal policy for selection of assets of the portfolio from time to time, taking into account multiple ratings, rating migration, credit premium over sovereign risk, general economic conditions and such other criteria. Such an internal policy from time to time will lay down maximum/minimum exposure for different ratings, norms for investing in unrated paper, liquidity norms and so on. Through such norms, the Scheme is expected to maintain a high quality portfolio and manage credit risk well.</p> <p><b>b. Equity Portion</b> The investment strategy of the AMC will be directed to investing in stocks as indicated in the Asset Allocation Table, which, in the opinion of the Fund Manager, are priced at a material discount to their intrinsic value. Such intrinsic value will be a function of both past performance and future growth prospects. The process of discovering the intrinsic value will be through in-house research, supplemented by research available from other sources.</p> <p>The equity portfolio may not be fully diversified at all points of time as the Fund Manager may restrict investments in a few select companies.</p> <p>To avoid duplication of portfolios and to reduce expenses, the Scheme may invest in any other scheme of the Fund to the extent permitted by the Regulations. In such an event, as per the Regulations, the AMC cannot charge management fees on the amounts of the Schemes so invested.</p> <p>The Fund may underwrite primary issuances of securities subject to the Regulations.</p> <p>The Scheme may invest in ADRs/GDRs or other offshore securities. The Scheme may also use various derivative and hedging products from time to time, in the manner permitted by SEBI.</p>
Portfolio Turnover	<p>The Scheme has no specific target relating to turnover of securities. The turnover is due to the sale and purchase of securities arising out of the purchase and redemption of Units and adjustments relating to the average maturity of securities in the Portfolio, depending on the interest rate view of the Fund Manager. Turnover may also arise due to change or anticipation of change in the credit worthiness or credit rating of securities.</p>
Benchmark	<p>The scheme is benchmarked against CRISIL MIP Blended Index.</p> <p>The composition of the aforesaid benchmark is such that, it is most suited for comparing the performance of the scheme.</p> <p>The Trustees reserves right to change benchmark in future for measuring performance of the scheme.</p>

Risk Mitigation	<p><b>Risk control measures for investment strategy</b> The fund will comply with the prescribed SEBI limits on exposure. Risk is monitored at periodic intervals and the portfolio is rebalanced within the specified time period in case of any deviations.</p> <p><b>Risk mitigation measures for portfolio volatility</b> The portfolio volatility is managed in line with the objective of scheme. The scheme predominantly invests in debt and money market instruments with a marginal exposure to equities thus reducing the overall volatility. Internal caps on average maturity are defined to keep volatility on account of interest rate risk minimal. The scheme also invests a significant portion in high credit quality papers to mitigate credit risk and the resultant volatility. The equity component of the portfolio is adequately diversified to mitigate volatility caused on account of concentration. Portfolio volatility is monitored on a periodic basis relative to the benchmark and the peer set.</p> <p><b>Risk mitigation measures for managing liquidity</b> Reasonable investments are made at the shorter end of the yield curve which is the most actively traded segment in the secondary market. This would help to manage daily liquidity. The internal investment parameters also take into cognizance liquidity of the portfolio. On the equity side, all guidelines specified by internal risk management with respect to historical liquidity would be followed. The liquidity would be monitored on a periodic basis and corrective action taken if necessary.</p>
-----------------	---

**(vii) Kotak Treasury Advantage Fund (Formerly known as Kotak Floater Long Term Scheme)**

Type of the scheme	An open ended debt scheme									
Investment Objective	<p>The investment objective of the Scheme is to generate returns through investments in debt and money market instruments with a view to reduce the interest rate risk.</p> <p>However, there is no assurance or guarantee that the investment objective of the scheme will be achieved.</p>									
Asset Allocation	<p>The asset allocation under the Scheme, under normal circumstances, will be as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Investments</th> <th style="text-align: center;">Indicative Allocation</th> <th style="text-align: center;">Risk Profile</th> </tr> </thead> <tbody> <tr> <td>*Floating rate debt securities &amp;/or money market instruments, other debt securities</td> <td style="text-align: center;">65 to 100%</td> <td style="text-align: center;">Low</td> </tr> <tr> <td>*Fixed rate debt securities</td> <td style="text-align: center;">0 to 35%</td> <td style="text-align: center;">Medium</td> </tr> </tbody> </table> <p>*Debt securities/instruments are deemed to include securitised debts and investment in securitized debts shall not exceed 50% of the net assets of the Scheme.</p> <p>The floating rate debt securities in the above table include floating rate debt securities and fixed rate debt securities with interest rate swap.</p> <p>The Fund shall in normal circumstances have a modified duration not exceeding 6 months.</p> <p>Money market instruments will include repos / reverse repos or other instruments permitted by RBI.</p> <p>Some of the investments may be in the call money market or in investments alternative to call money market. (as may evolve or be provided by RBI)</p> <p>Pending deployment in terms of investment objective, the monies under the Scheme may be invested in short-term deposits of Scheduled Commercial Banks in terms of SEBI circular dated April 16, 2007, as may be amended from time to time.</p> <p><b>Portfolio Rebalancing:</b> 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 substantially 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 within 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.</p>	Investments	Indicative Allocation	Risk Profile	*Floating rate debt securities &/or money market instruments, other debt securities	65 to 100%	Low	*Fixed rate debt securities	0 to 35%	Medium
Investments	Indicative Allocation	Risk Profile								
*Floating rate debt securities &/or money market instruments, other debt securities	65 to 100%	Low								
*Fixed rate debt securities	0 to 35%	Medium								

Investment Strategy and Risk Control Measures	<p>The Scheme will predominantly invest in floating rate debt securities and money market instruments. It will also use appropriate derivatives. The strategy is aimed at reducing interest rate risk. The debt securities, both floating and fixed rate, will mainly comprise listed/unlisted and/or rated/non-rated debt, Gilts/Government securities, securities issued/guaranteed by the Central/State Governments, securities issued by public/private sector companies/corporations, financial institutions and/or money market instruments such as commercial paper, certificates of deposit, permitted securities under a repo agreement etc. and the investments will be within the limits indicated in the Asset Allocation Table. The Fund Manager may be guided by, but not restrained by, the ratings announced by various rating agencies on the assets in the portfolio. The maturity profile of debt instruments will be selected in accordance with the Fund Manager's view regarding market conditions, stability of rating and to a limited extent, interest rate outlook. The Scheme may invest in call money/term money market in terms of RBI guidelines in this respect. Investment in unrated debt securities will be made with the prior approval of the Board of the AMC, provided the investment is in terms of the parameters approved by the Board of the Trustee. Where the proposed investment is not within the parameters as mentioned above, approval of the Boards of both the AMC and the Trustee will be taken before making the investment. The Scheme may invest in call money/term money market subject to RBI guidelines in this respect.</p> <p>The Scheme may invest in offshore securities in the manner permitted by SEBI/RBI provided such investments are in conformity with the investment objective of the Scheme and the prevailing guidelines and Regulations.</p> <p>The Scheme may invest in any other schemes of the Fund to the extent permitted by the Regulations. In such an event, the AMC may not charge management fees on the amounts of the Schemes so invested as required by the Regulations.</p> <p>The Fund may underwrite primary issuances of securities subject to the Regulations.</p> <p>To avoid duplication of portfolios and to reduce expenses the Scheme may invest in any other scheme of the Fund to the extent permitted by the Regulations. In such an event, as per the Regulations, the AMC cannot charge management fees on the amounts of the Schemes so invested.</p> <p>The AMC will have an internal policy for selection of assets of the portfolio from time to time taking into account multiple ratings, rating migration, credit premium over sovereign risk, general economic conditions and such other criteria. Such an internal policy from time to time will lay down maximum/minimum exposure for different ratings, norms for investing in unrated paper, liquidity norms, and so on. Through such norms, the Scheme is expected to maintain a high quality portfolio and manage credit risk well.</p>
Portfolio Turnover	<p>The Scheme has no specific target relating to turnover of Securities. The turnover will be guided by sale and purchase of Securities. This will arise due to more than one reason. One will be the purchase and redemption of units by investors. The other will be the implementation of the interest rate view by the fund manager. This would be largely applicable to fixed rate securities as shown in the asset allocation pattern. Turnover may also arise due to change or anticipation of change in the ratings of securities.</p>
Benchmark	<p>The scheme is benchmarked against CRISIL Liquid Fund Index.</p> <p>The composition of the aforesaid benchmark is such that, it is most suited for comparing the performance of the scheme.</p> <p>The Trustees reserves right to change benchmark in future for measuring performance of the scheme.</p>
Risk Mitigation	<p><b>Risk control measures for investment strategy</b> The fund will comply with the prescribed SEBI limits on exposure. Risk is monitored at periodic intervals and the portfolio is rebalanced within the specified time period in case of any deviations.</p> <p><b>Risk mitigation measures for portfolio volatility</b> The portfolio volatility is managed in line with the objective of scheme. Internal caps on average maturity are defined to keep volatility on account of interest rate risk minimal. The scheme also invests a significant portion in high credit quality papers to mitigate credit risk and the resultant volatility. Portfolio volatility is monitored on a periodic basis relative to the benchmark and the peer set.</p> <p><b>Risk mitigation measures for managing liquidity</b> The very nature of the scheme is such that it is subject to liquidity risk. To manage liquidity, sufficient investments are made in overnight assets to ensure daily liquidity. Investments are also made in maturity buckets to provision for unforeseen outflows.</p>

#### (viii) Kotak Flexi Debt Scheme

Type of the scheme	An open ended debt scheme
Investment Objective	The investment objective of the Scheme is to maximize returns through an active management of a portfolio of debt and money market securities.

	<p>Subject to the maximum amount permitted from time to time, the Scheme may invest in offshore debt securities, in the manner allowed by SEBI/RBI, provided such investments are in conformity with the investment objectives of the Scheme and the prevailing guidelines and Regulations. 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.</p> <p>There is no assurance that the investment objective of the Schemes will be realised.</p>									
Asset Allocation	<p>The asset allocation under the Scheme, under normal circumstances, will be as follows:</p> <table border="1" data-bbox="464 376 1305 584"> <thead> <tr> <th data-bbox="464 376 799 409">Investments</th> <th data-bbox="799 376 1050 409">Indicative Allocation</th> <th data-bbox="1050 376 1305 409">Risk Profile</th> </tr> </thead> <tbody> <tr> <td data-bbox="464 409 799 479">*Debt Instruments with maturity more than one year</td> <td data-bbox="799 409 1050 479">0% to 95%</td> <td data-bbox="1050 409 1305 479">Medium</td> </tr> <tr> <td data-bbox="464 479 799 584">*Debt and Money Market Instruments with maturity less than one year</td> <td data-bbox="799 479 1050 584">5% to 100%</td> <td data-bbox="1050 479 1305 584">Low To Medium</td> </tr> </tbody> </table> <p>*Debt securities/instruments are deemed to include securitised debts and investment in securitised debts shall not exceed 50% of the net assets of the Scheme.</p> <p>Note: The asset allocation shown above is indicative and would enable the Fund Manager to take position in the debt market depending upon the market conditions. In a conducive interest rate scenario and/or with a favourable market outlook, the Fund Manager would increase the allocation of debt securities with maturity more than one year; while in adverse interest rate scenario and/or unfavourable market outlook, the Fund Manager would increase the allocation of debt and money market instruments with maturity less than one year. The asset allocation may vary substantially depending upon the Fund Manager's view on the market and/or interest rate. Also, the composition may change due to purchases and redemption of Units or during adjustment of the average maturity of investments. Should the proportion of investments with maturity less than 1 year fall below 2%, the portfolio will be reviewed and rebalanced.</p>	Investments	Indicative Allocation	Risk Profile	*Debt Instruments with maturity more than one year	0% to 95%	Medium	*Debt and Money Market Instruments with maturity less than one year	5% to 100%	Low To Medium
Investments	Indicative Allocation	Risk Profile								
*Debt Instruments with maturity more than one year	0% to 95%	Medium								
*Debt and Money Market Instruments with maturity less than one year	5% to 100%	Low To Medium								
Investment Strategy and Risk Control Measures	<p>The investment strategy is aimed at maximising returns through an active management of a portfolio of debt and money market securities.</p> <p>The Fund Manager would endeavour to manage the portfolio actively among debt securities such as Government Securities, Corporate Bonds and Money Market instruments depending on the view on the interest rates and corporate spreads. In order to be able to churn the portfolio actively, focus would be on investing in securities having high liquidity.</p> <p>The Scheme returns consist of the returns on account of coupon accrual and capital gains. The value of debt securities is inversely related to the interest rate movements. When interest rates rise the value of the debt security falls and when interest rates fall the value of debt security rise. The degree of rise or fall in the value of such security is generally related directly to the maturity of the security.</p> <p>The Government securities dominate the fixed income market in the country. This provides significant trading opportunities in the government securities across the yield curve. The corporate bond market volumes too have picked up after the dematerialisation of corporate debt. Normally the corporate bonds trade at a yield spread to the government security. This spread is the risk premium that the corporates have to pay over the zero sovereign risk. These spreads vary according to the credit rating and offer trading opportunities. The compression of these spreads over the underlying government security lead to a higher return in the corporate bonds than the return available in the Government security.</p> <p>The Scheme will invest in debt securities comprising listed/unlisted and/or rated/non-rated debt, Gilts/Government securities, securities issued/guaranteed by the Central/State Governments, securities issued by public/private sector companies/corporations, financial institutions and/or money market instruments such as commercial paper, certificates of deposit, permitted securities under a repo agreement etc. and the investments will be within the limits indicated in the Asset Allocation Table. The Fund Manager may be guided by, but not restrained by, the ratings announced by various rating agencies on the assets in the portfolio. The maturity profile of debt instruments will be selected in accordance with the Fund Manager's view regarding market conditions, stability of rating and interest rate outlook.</p> <p>Investments in unrated debt securities will be made with prior approval of the Board of the AMC, provided the investment is in terms of the parameters approved by the Board of Trustees. Where the proposed investment is not within the parameters as mentioned above, approval of the Boards of both the AMC and the Trustee will be taken before investing.</p> <p>To avoid duplication of portfolios and to reduce expenses, the Scheme may invest in any other scheme of the Fund to the extent permitted by the Regulations. In such an event, as per the Regulations, the AMC cannot charge management fees on the amounts of the Schemes so invested, unless permitted by the Regulations.</p>									

	<p>The Fund may underwrite primary issuances of securities subject to the Regulations.</p> <p>Subject to the maximum amount permitted from time to time, the Scheme may invest in offshore debt securities, in the manner allowed by SEBI/RBI, provided such investments are in conformity with the investment objectives of the Scheme and the prevailing guidelines and Regulations. 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.</p> <p>The AMC will have an internal policy for selection of assets of the portfolio from time to time, taking into account multiple ratings, rating migration, credit premium over sovereign risk, general economic conditions and such other criteria. Such an internal policy from time to time will lay down maximum/minimum exposure for different ratings, norms for investing in unrated paper, liquidity norms and so on. Through such norms, the Scheme is expected to maintain a high quality portfolio and manage credit risk well.</p>
Portfolio Turnover	<p>The Scheme has no specific target relating to turnover of securities. However, in view of the asset allocation pattern of the Scheme where the portfolio allocations could move across debt securities such as government securities, corporate bonds and the money market securities, the portfolio turnover could be on the higher side. The turnover is also due to the sale and purchase of securities arising out of the purchase and redemption of Units. Turnover may also arise due to change or anticipation of change in the credit worthiness or credit rating of securities.</p>
Benchmark	<p>The scheme is benchmarked against CRISIL Composite Bond Fund Index.</p> <p>The composition of the aforesaid benchmark is such that, it is most suited for comparing the performance of the scheme.</p> <p>The Trustees reserves right to change benchmark in future for measuring performance of the scheme.</p>
Risk Mitigation	<p><b>Risk control measures for investment strategy</b> The fund will comply with the prescribed SEBI limits on exposure. Risk is monitored at periodic intervals and the portfolio is rebalanced within the specified time period in case of any deviations.</p> <p><b>Risk mitigation measures for portfolio volatility</b> The portfolio volatility is managed in line with the objective of scheme. Internal caps on average maturity are defined to keep volatility on account of interest rate risk minimal. The scheme also invests a significant portion in high credit quality papers to mitigate credit risk and the resultant volatility. Portfolio volatility is monitored on a periodic basis relative to the benchmark and the peer set.</p> <p><b>Risk mitigation measures for managing liquidity</b> The very nature of the scheme is such that it is subject to liquidity risk. To manage liquidity, sufficient investments are made in overnight assets to ensure daily liquidity. Investments are also made in maturity buckets to provision for unforeseen outflows.</p>

#### (ix) Kotak Income Opportunities Fund

Type of the scheme	An open ended debt scheme									
Investment Objective	<p>The investment objective of the scheme is to generate income by investing in debt /and money market securities across the yield curve and credit spectrum. The scheme would also seek to maintain reasonable liquidity within the fund.</p> <p>There is no assurance that the investment objective of the Schemes will be realised.</p>									
Asset Allocation	<p>The asset allocation under the Scheme, under normal circumstances, is as follows:</p> <table border="1"> <thead> <tr> <th>Investments</th> <th>Indicative Allocation</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Debt, money market instruments &amp; government securities with maturity upto 1 year *</td> <td>35% to 100%</td> <td>Low</td> </tr> <tr> <td>Debt, Money Market Instruments &amp; government securities with maturity greater than 1 year *</td> <td>0% to 65%</td> <td>Low – Medium</td> </tr> </tbody> </table> <p>*Debt instruments shall be deemed to include securitised debts (excluding foreign securitised debt) and investment in securitised debts maybe upto 75% of the net assets of the Scheme.</p> <p>The total investment value of debt instruments and Notional value of Investment in derivatives like, Interest Rate Swaps, Interest Rate Forwards, Interest Rate Futures, Forward Rate Agreements, etc, if any, shall not exceed 100% of the net assets of the scheme.</p> <p>Note: The asset allocation if altered for short-term defensive consideration will be rebalanced within 30 days.</p>	Investments	Indicative Allocation	Risk Profile	Debt, money market instruments & government securities with maturity upto 1 year *	35% to 100%	Low	Debt, Money Market Instruments & government securities with maturity greater than 1 year *	0% to 65%	Low – Medium
Investments	Indicative Allocation	Risk Profile								
Debt, money market instruments & government securities with maturity upto 1 year *	35% to 100%	Low								
Debt, Money Market Instruments & government securities with maturity greater than 1 year *	0% to 65%	Low – Medium								

Investment Strategy and Risk Control Measures	<p>To achieve the investment objective, the scheme would seek to invest in debt instruments of varying credit – investment grade and above with the intent of maximizing yields and at the same time ensuring reasonable liquidity.</p> <p>The objective of the scheme is to try and create a reasonably diversified portfolio comprising debt instruments like debentures, securitized debt in the form of well seasoned pools / single loan PTCs etc. The scheme would also try to capitalize on investment opportunities in debt segment which are currently mispriced, and which in the view of the fund manager has a potential for some rectification.</p> <p>For instance if the current spread between 3 month and 6 month assets say a CD is at 1%. This in the opinion of the fund manager may be too steep which could see some contraction going forward. The scheme would therefore seek to take position in the 6 month asset. Likewise a rating migration view may be taken by the fund manager which could warrant him to take position in the respective credit.</p> <p>Similarly food bonds which are backed by Government of India guarantee, tend to trade at spreads higher than Convertible Debentures (CDs) of similar maturities State development loans also are currently trading at a higher spread (currently 75-100 bps over central government debt) and with state finances improving a case for compression may not be ruled out.</p> <p>Securitized debt comprising of single loan PTCs tend to offer a premium over debentures.</p> <p>For evaluating debt investments, the overall macro economic environment, the business the company belongs to and the overall growth prospects for the company will be evaluated. Statistical ratios like debt equity, Return on net worth, debt servicing ability etc will also be monitored to aid the investment decision.</p> <p>The Investment Committee has laid down internal norms which need to be adhered to by the fund manager before investing in any debt instrument. The overall view on interest rate going forward would determine the duration of the portfolio.</p> <p>However, there is no assurance or guarantee that the investment objective of the scheme will be achieved.</p>
Benchmark	<p>The scheme is benchmarked against CRISIL Short Term Bond Index, as the investments are intended to be at the shorter end of the yield curve.</p> <p>The composition of the aforesaid benchmark is such that, it is most suited for comparing the performance of the scheme.</p> <p>The Trustees reserves right to change benchmark in future for measuring performance of the scheme.</p>
Risk Mitigation	<p><b>Risk control measures for investment strategy</b> The investment committee would endeavor to review the portfolio composition and its strategy on a periodic basis and suggest corrective measures, if any.</p> <p><b>Risk mitigation measures for portfolio volatility</b> The fund is not likely to be a very high churn portfolio as the fund manager would seek to identify relatively high on accrual assets. Hence the volatility element in the portfolio is not expected to be very significant. This does not obviously include the portfolio churn on account of underlying investor transactions of purchase / redemptions etc.</p> <p><b>Risk mitigation measures for managing liquidity</b> The scheme proposes to invest at least 35% of its corpus in upto 1year assets. This segment is the most liquid segment the debt secondary market and can be liquidated in case of unusual redemptions from the fund.</p>

**(x) Kotak Banking and PSU Debt Fund**

Type of the scheme	An open ended debt scheme									
Investment Objective	<p>To generate income by predominantly investing in debt &amp; money market securities issued by Banks &amp; PSUs and Reverse repos in such securities, sovereign securities issued by the Central Government and State Governments, and / or any security unconditionally guaranteed by the Govt. of India.</p> <p>There is no assurance that or guarantee that the investment objective of the scheme will be achieved.</p>									
Asset Allocation	<p>The asset allocation under the Scheme, under normal circumstances, is as follows:</p> <table border="1"> <thead> <tr> <th>Investments</th> <th>Indicative Allocation</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Debt &amp; Money Market instruments issued by Banks &amp; PSUs</td> <td>80% to 100%</td> <td>Low to Medium</td> </tr> <tr> <td>Central Government and State government securities/ other instruments*</td> <td>0% to 20%</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>*other instruments would include funds invested in inter-bank money market, CBLO, and repo (corporate bond/Gsec), or such other short term, overnight securities as may be permitted from time to time.</p> <p>Note: The asset allocation shown above is indicative and may vary according to circumstances at the sole discretion of the Fund Managers, on defensive consideration. Review and rebalancing will be conducted when the asset allocation falls outside the range indicated above within 10 working days.</p>	Investments	Indicative Allocation	Risk Profile	Debt & Money Market instruments issued by Banks & PSUs	80% to 100%	Low to Medium	Central Government and State government securities/ other instruments*	0% to 20%	Low to Medium
Investments	Indicative Allocation	Risk Profile								
Debt & Money Market instruments issued by Banks & PSUs	80% to 100%	Low to Medium								
Central Government and State government securities/ other instruments*	0% to 20%	Low to Medium								
Investment Strategy and Risk Control Measures	<p>The fund would invest in a basket of securities issued by Central and State Governments, and debt &amp; money market securities issued by Banks &amp; PSUs. Investments will be made in instruments, which, in the opinion of the Fund Manager, are an acceptable credit risk and where chances of default are at a minimum. The predominant investment in debt &amp; money market instruments issued by Banks &amp; PSUs, Government securities, is mainly with the aim of keeping high credit quality of the portfolio. Adequate weight age would also be given to liquidity as an investment parameter.</p> <p>To control credit risk, a thorough credit evaluation of the instruments &amp; issuers would be done by the investment team of the AMC. The Fund Manager is generally guided, but not restrained, by the ratings announced by various rating agencies on the assets in the portfolio. The maturity profile of debt instruments will be selected in accordance with the Fund Manager's view regarding market conditions, interest rate outlook, stability of rating and the liquidity requirement of the fund.</p> <p>However, there is no assurance or guarantee that the investment objective of the scheme will be achieved.</p>									
Benchmark	Crisil Liquid Fund Index									
Risk Mitigation	<p><b>Risk Control Measures for investment strategy</b></p> <p>The AMC would include ample measures for controlling risks in the portfolio construction process. The risk control process involves reducing risks through diversification of the portfolio, taking care however not to dilute returns in the process. The fund will comply with the prescribed SEBI limits on exposure. Risk is monitored at periodic intervals and the portfolio is rebalanced within the specified time period in case of any deviations.</p> <p><b>Risk Mitigation measures for portfolio volatility</b></p> <p>The portfolio volatility is managed in line with the objective of scheme. Thorough credit evaluation of the securities intended to be invested in, will be carried out by the AMC, with an endeavor to control risks. Rated Debt instruments in which the Scheme invests will be of investment grade as rated by a credit rating agency. The AMC will be guided but not limited by the ratings of Rating Agencies such as CRISIL, CARE, ICRA and Fitch or any other rating agencies that may be registered with SEBI from time to time. The duration of debt instruments is selected in accordance with the Fund Manager's view regarding market conditions, interest rate outlook and stability of rating.</p> <p><b>Risk mitigation measures for managing liquidity</b></p> <p>Reasonable investments are made at the shorter end of the yield curve which is the most actively traded segment in the secondary market. This would help to manage daily liquidity. The internal investment parameters also take into cognizance liquidity of the portfolio.</p>									



**(xi) Kotak Low Duration Fund** (Formerly known as PineBridge India Short Term Fund)

Type of the scheme	An Open Ended Debt Scheme									
Investment Objective	<p>The primary objective of the Scheme is to generate income through investment primarily in low duration debt &amp; money market securities.</p> <p>There is no assurance or guarantee that the investment objective of the scheme will be achieved</p>									
Asset Allocation	<p>The asset allocation under the Scheme, under normal circumstances, is as follows:</p> <table border="1"> <thead> <tr> <th>Investments</th> <th>Indicative Allocation</th> <th>Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Debt and money market instruments with maturity upto 1 year*</td> <td>85% to 100%</td> <td>Low</td> </tr> <tr> <td>Debt instruments with maturity above 1 year *</td> <td>0% to 15%</td> <td>Low to Medium</td> </tr> </tbody> </table> <p>*Debt &amp; money market instruments shall be deemed to include securitised debt and investment in securitised debts shall not exceed 50% of the net assets of the Scheme.</p> <p>The Fund shall in normal circumstances have a modified duration not exceeding 12 months and is not likely to go below 6 months.</p> <p>Note: The asset allocation shown above is indicative and may vary according to circumstances at the sole discretion of the Fund Manager, on defensive consideration or according to the interest rate view of the Fund Manager. The composition may change due to purchases and redemption of units or during adjustment of the average maturity of investments. Should the asset allocation go outside the limits specified, rebalancing would be conducted within 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.</p>	Investments	Indicative Allocation	Risk Profile	Debt and money market instruments with maturity upto 1 year*	85% to 100%	Low	Debt instruments with maturity above 1 year *	0% to 15%	Low to Medium
Investments	Indicative Allocation	Risk Profile								
Debt and money market instruments with maturity upto 1 year*	85% to 100%	Low								
Debt instruments with maturity above 1 year *	0% to 15%	Low to Medium								
Investment Strategy and Risk Control Measures	<p>This scheme is meant for investors looking at avenues to deploy their surplus funds in primarily debt securities and money market instruments with a short term investment horizon. The fund will be managed according to the investment objective, thereby seek to generate income from a portfolio constituted of predominantly short term debt and money market securities.</p> <p>Investments may be made in such instruments, which, in the opinion of the Fund Manager, are of acceptable credit risk where chances of default are at a minimum. The Fund Manager may generally be guided by, but not restrained by, the ratings announced by various rating agencies on the assets in the portfolio. The maturity profile of debt instruments may be selected in accordance with the Fund Manager's view regarding market conditions, interest rate outlook and stability of rating.</p> <p>Emphasis may be given to choosing securities, which, in the opinion of the Fund Manager, are less prone to default risk, while bearing in mind the liquidity needs arising out of the open-ended nature of the Scheme.</p> <p>The Scheme is not restrained from investing in listed/unlisted and / or rated / unrated debt securities, Gilts / Government Securities, securities issued/guaranteed by the Central / State Governments, securities issued by public / private sector companies / corporations, financial institutions and / or money market instruments such as commercial paper, certificates of deposit, permitted securities under a repo agreement etc., provided the investments are within the limits indicated in the Asset Allocation Table. The instruments may carry fixed rate of return or floating rate of return or may be issued on discount basis. The Scheme may invest in call money / term money market in terms of RBI guidelines in this respect. Investment in unrated debt securities will be made with the prior approval of the Board of the AMC, provided the investment is in terms of the parameters approved by the Board of the Trustee. Where the proposed investment is not within the parameters as mentioned above, approval of the Boards of both the AMC and the Trustee will be taken before making the investment.</p> <p>The AMC will have an internal policy for selection of assets of the portfolio from time to time, taking into account multiple ratings, rating migration, credit premium over sovereign risk, general economic conditions and such other criteria. Such an internal policy from time to time will lay down maximum/minimum exposure for different ratings, norms for investing in unrated paper, liquidity norms and so on. Through such norms, the Scheme is expected to maintain a high quality portfolio and manage credit risk well</p>									
Benchmark	Crisil Liquid Fund Index									
Risk Mitigation	<p><b>Risk control measures for investment strategy</b></p> <p>The fund will comply with the prescribed SEBI limits on exposure. Risk is monitored at periodic intervals and the portfolio is rebalanced within the specified time period in case of any deviations.</p>									

	<p><b>Risk mitigation measures for portfolio volatility</b> The portfolio volatility is managed in line with the objective of scheme. The scheme invests significantly in papers with maturity less than 1 year and as such there would be low interest rate risk. The scheme also invests a significant portion in high credit quality papers to mitigate credit risk and the resultant volatility. Portfolio volatility is monitored on a periodic basis relative to the benchmark and the peer set.</p> <p><b>Risk mitigation measures for managing liquidity</b> The nature of the portfolio is such that significant investments are made at the shorter end of the yield curve which is the most actively traded segment in the secondary market. This would help to manage daily liquidity. The internal investment parameters also take into cognizance liquidity of the portfolio.</p>
--	---

**xii) Kotak Corporate Bond Fund** (Formerly known as PineBridge India Total Return Bond Fund)

Type of the scheme	An Open Ended Debt Scheme									
Investment Objective	<p>The Fund seeks to generate income and capital appreciation largely through a focus on investments in corporate debt securities.</p> <p>There is no assurance or guarantee that the investment objective of the scheme will be achieved</p>									
Asset Allocation	<p>The asset allocation under the Scheme, under normal circumstances, is as follows:</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Investments</th> <th style="text-align: center;">Indicative Allocation</th> <th style="text-align: center;">Risk Profile</th> </tr> </thead> <tbody> <tr> <td>Corporate Debt securities</td> <td style="text-align: center;">80% to 100%</td> <td style="text-align: center;">Low to Medium</td> </tr> <tr> <td>Money Market &amp; other Instruments</td> <td style="text-align: center;">0% to 20%</td> <td style="text-align: center;">Low</td> </tr> </tbody> </table> <p>Debt securities/instruments are deemed to include securitised debts and investment in securitised debts shall not exceed 50% of the net assets of the Scheme The Scheme shall not invest in (1) Government securities (2) State Development Loans.</p> <p><b>Note:</b> The asset allocation shown above is indicative and may vary according to circumstances at the sole discretion of the Fund Manager, on defensive consideration or according to the interest rate view of the Fund Manager. The composition may change due to purchases and redemption of units or during adjustment of the average maturity of investments. Should the asset allocation go outside the limits specified, rebalancing would be conducted within 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.</p>	Investments	Indicative Allocation	Risk Profile	Corporate Debt securities	80% to 100%	Low to Medium	Money Market & other Instruments	0% to 20%	Low
Investments	Indicative Allocation	Risk Profile								
Corporate Debt securities	80% to 100%	Low to Medium								
Money Market & other Instruments	0% to 20%	Low								
Investment Strategy and Risk Control Measures	<p>The Scheme endeavors to generate returns and capital appreciation by predominantly investing in corporate debt securities of varying maturities across the credit spectrum. The Scheme will seek opportunities across the credit curve and will endeavor to take benefit from superior yield available from time to time.</p> <p>The scheme shall not invest in government securities and State Development Loans but may invest in T-Bills, Repo &amp; CBLO upto the limit stated in the asset allocation pattern.</p> <p>Investments may be made in such instruments, which, in the opinion of the Fund Manager, are of acceptable credit risk where chances of default are at a minimum. The Fund Manager may generally be guided by, but not restrained by, the ratings announced by various rating agencies on the assets in the portfolio. The maturity profile of debt instruments may be selected in accordance with the Fund Manager's view regarding market conditions, interest rate outlook and stability of rating.</p> <p>Emphasis may be given to choosing securities, which, in the opinion of the Fund Manager, are less prone to default risk, while bearing in mind the liquidity needs arising out of the open-ended nature of the Scheme.</p> <p>The Scheme is not restrained from investing in listed/unlisted and / or rated / unrated debt securities, securities issued by public / private sector companies / corporations, financial institutions and / or money market instruments such as commercial paper, certificates of deposit, permitted securities under a repo agreement etc., provided the investments are within the limits indicated in the Asset Allocation Table. The instruments may carry fixed rate of return or floating rate of return or may be issued on discount basis. The Scheme may invest in call money / term money market in terms of RBI guidelines in this respect. Investment in unrated debt securities will be made with the prior approval of the Board of the AMC, provided the investment is in terms of the parameters approved by the Board of the Trustee. Where the proposed investment is not within the parameters as mentioned above, approval of the Boards of both the AMC and the Trustee will be taken before making the investment.</p> <p>The AMC will have an internal policy for selection of assets of the portfolio from time to time, taking into account multiple ratings, rating migration, credit premium over sovereign risk, general economic conditions and such other criteria. Such an internal policy from time to time will lay down maximum/minimum exposure for different ratings, norms for investing in unrated paper, liquidity norms and so on. Through such norms, the Scheme is expected to maintain a high quality portfolio and manage credit risk well.</p>									

Benchmark	Crisil Composite Bond Fund Index
Risk Mitigation	<p><b>Risk control measures for investment strategy</b> The fund will comply with the prescribed SEBI limits on exposure. Risk is monitored at periodic intervals and the portfolio is rebalanced within the specified time period in case of any deviations.</p> <p><b>Risk mitigation measures for portfolio volatility</b> The portfolio volatility is managed in line with the objective of scheme. Internal caps on average maturity are defined to keep volatility on account of interest rate risk minimal. The scheme also invests a significant portion in high credit quality papers to mitigate credit risk and the resultant volatility. Portfolio volatility is monitored on a periodic basis relative to the benchmark and the peer set.</p> <p><b>Risk mitigation measures for managing liquidity</b> Reasonable investments are made at the shorter end of the yield curve which is the most actively traded segment in the secondary market .This would help to manage daily liquidity. The internal investment parameters also take into cognizance liquidity of the portfolio.</p>

## Overview of Debt Market

The Indian Debt Market has grown in size substantially over the years. The Reserve Bank of India has been taking steps to make the Indian Debt Market efficient and vibrant. The interest rates were regulated till a few years back, there has been rapid deregulation and currently both the lending and deposit rates are market determined. The Central banker has in its recent credit policy meetings suggested the importance of a fully developed corporate bond market and efforts are being made to have an online trading platform for corporate bonds.

Broadly, the debt market is divided in two parts viz. the Money Market and the Debt market. Money market instruments have a tenor of less than one year while debt market instruments have a tenor of more than one year. Money market instruments are typically commercial paper, certificates of deposit, treasury bills, trade bills, repos, interbank call deposit receipts etc. Debt market comprises typically of securities issued by Governments (Central and State), Banks, Financial Institutions, and Companies in the private and public sector, Corporations, Statutory Bodies etc.

The debt securities are mainly traded over the telephone directly or through brokers. The National Stock Exchange of India has a separate trading platform called the Wholesale Debt Market segment where trades put through member brokers are reported. The daily volumes in the debt market are in the region of Rs.2500-5000 crores. –

RBI has introduced the Negotiated Dealing System (NDS) platform for screen-based trading in Government Securities and Money Market instruments. Most of the market participants are now operating through NDS. Promoted by major banks and financial institutions, The Clearing Corporation of India Ltd. (CCIL), was incorporated on April 30, 2001. The CCIL guarantees the settlement of all trades executed through NDS. The clearing and settlement risks viz., Counter party Credit Risk and Operational Risk are mitigated by CCIL thereby facilitating a smooth settlement process.

The following table gives approximate yields prevailing as on June 8, 2015 on some of the money and debt market instruments. These yields are indicative and do not indicate yields that may be obtained in future as interest rates keep changing.

Instrument	Yield Range (% per annum)
Inter bank Call Money	7.15 - 7.25
91 Day Treasury Bill	7.55 - 7.65
364 Day Treasury Bill	7.60 - 7.65
P1+ Commercial Paper 90 Days	8.00 - 8.10
3-Year Government of India Security	7.75 - 7.80
5-Year Government of India Security	7.95 - 8.05
10-Year Government of India Security	7.70 - 7.80

Generally, for instruments issued by a non-Government entity, the yield is higher than the yield on a Government Security with corresponding maturity. The difference, known as credit spread, depends on the credit rating of the entity. Investors must note that the yields shown above are the yields prevailing on June 8, 2015 and they are likely to change consequent to changes in economic conditions and RBI policy.

### C. Where will the schemes invest? (Common to all schemes)

Subject to the Regulations, the amount collected under the schemes can be invested in any (but not exclusively) of the following securities/ instruments, as per the indicative asset allocation given under the heading "How will the Scheme allocate its assets":

- Securities created and issued 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).
- Securities guaranteed by the Central and State Governments (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills).
- Debt obligations of domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee
- Corporate debt (of both public and private sector undertakings).
- Obligations/ Term Deposits of banks (both public and private sector) and development financial institutions to the extent permissible under SEBI Regulations
- 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.
- Certificate of Deposits (Cds).
- Commercial Paper (Cps).
- Repo of corporate debt securities
- Securitized Debt, not including foreign securitized debt.
- Offshore securities / offshore debt securities, in the manner allowed by SEBI/RBI, provided such investments are in conformity with the investment objective of the Scheme and the prevailing guidelines and Regulations.
- The non-convertible part of convertible securities.
- Any other domestic fixed income securities as permitted by SEBI /RBI from time to time.
- Derivative instruments like Interest Rate Swaps, Forward Rate Agreements and such other derivative instruments permitted by SEBI/RBI.
- Collateralised Borrowing and Lending Obligation (CBLO) or repo or any alternative investment as may be provided by RBI.
- Kotak Monthly Income Plan may invest upto 20% of its assets into equity and equity related instruments.
- Any other instruments / securities, which in the opinion of the fund manger would suit the investment objective of the scheme subject to compliance with extant Regulations.

#### Kotak Corporate Bond Fund:

The scheme may invest in Interest Rate Futures (IRF), Interest Rate Swaps (IRS), and other derivative instruments up to 50% of the net assets of the Scheme for the purpose of hedging and portfolio balancing or as may be permitted under the Regulations from time to time.

#### Kotak Low Duration Fund:

The Scheme may invest in derivatives up to 100% of the net assets of the Scheme for the purpose of hedging and portfolio balancing. The Scheme may also invest in permitted offshore instruments for diversification.

#### Note:

- Kotak Mahindra Gilt Unit Scheme - 98 - Investment Plan can invest in the above securities to the extent of points 1, 2, 3 and 14 only.
- The securities/debt instruments mentioned above could be listed or unlisted, secured or unsecured, rated or unrated 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 Scheme may also enter into repurchase and reverse repurchase obligations in all securities held by it as per guidelines/regulations applicable to such transactions.

## Interest Rate Swap (IRS)

IRS is a widely used derivative product in the financial markets to manage interest rate risk. A typical transaction is a contract to exchange streams of interest rate obligation/income on a notional principle amount with a counter party, usually a bank. The two interest streams are, fixed rate on one side and floating rate on the other.

Original investment	6% p.a.
Pay (Fixed rate)	5.25% p.a. (IRS)
Receive (Floating rate)	MIBOR
Net Flow	MIBOR + 0.75% p.a. (*)

Example: Suppose the Fund holds a fixed rate bond of maturity 5 years carrying a fixed interest rate (coupon) of 6% p.a. payable half yearly. Such an investment runs the risk of depreciation if interest rates rise. To manage this risk, the Fund can enter into an IRS with another market participant, here the Fund contracts to pay fixed rate, say 5.25% p.a., and receive a floating rate (say overnight MIBOR). This transaction is done for a notional principal amount equal to the value of the investment. By such a contract a fixed rate income is offset by a fixed rate payment obligation leaving only a floating rate income stream. Thus, without actually investing in a floating rate asset, the Fund starts earning a floating rate income, reducing the risk of depreciation associated with the fixed rate investment. Following table summarises the cash flow streams:

\*(6% p.a. - 5.25% p.a.)

The floating rate reference is defined in the swap agreement.

The above example illustrates a case of fixed to floating rate swap. A swap could be done to move from floating rate to fixed rate in a similar fashion.

Please note that the above example is hypothetical in nature and the interest rates are assumed. The actual return may vary based on actual and depends on the interest rate prevailing at the time the swap agreement is entered into.

The Scheme will be allowed to take exposure in Interest Rate Swaps only on a non-leveraged basis. A swap will be undertaken only if there is an underlying asset in the portfolio.

The Scheme may use other derivatives such as interest rate futures, etc, to meet the investment objective of the Scheme, whenever such instruments are available in the market.

## Interest Rate Futures (IRFs)

Interest Rate Futures (IRF) contract is an agreement to buy or to sell a debt instrument at a specified future date at a price that is fixed today. Exchange traded IRFs are standardised contracts based on a notional coupon bearing Government of India (GOI) security. National Securities Clearing Corporation Limited (NSCCL) is the clearing and settlement agency for all deals executed in Interest Rate Futures. NSCCL acts as legal counterparty to all deals on Interest Rate Futures contract and guarantees settlement.

Expectation	Position
Interest Rates going up	Short Futures
Interest Rates going down	Long Futures

## Using IRFs

### • Directional trading

As there is an inverse relationship between interest rate movement and underlying bond prices, the futures price also moves in tandem with the underlying bond prices. If one has a

strong view that interest rates will rise in the near future and wants to benefit from rise in interest rates; one can do so by taking short position in IRF contracts.

Example:

A trader expects long-term interest rate to rise. He decides to sell Interest Rate Futures contracts as he shall benefit from falling future prices.

- Trade Date - 1st April 2015
- Futures Delivery date - 1st May 2015
- Current Futures Price - Rs. 97.50
- Futures Bond Yield - 8.21%
- Trader sell 250 contracts of the May 2015 - 10 Year futures contract on NSE on 1st April 2015 at Rs. 97.50

Assuming the price moves to Rs. 97.15 on April 9, 2015, net MTM gain would be Rs. 1,75,000 ( $250 \times 2000 \times 97.50 - 97.15$ ) (I)

Closing out the Position

- 10th April 2015 - Futures market Price - Rs. 96.70
- Trader buys 250 contracts of December 2015 at Rs. 96.70 and squares off his position
- Therefore total profit for trader  $250 \times 2000 \times (97.15 - 96.70)$  is Rs. 2,25,000 (II)
- Total Profit on the trade = INR 4,00,000 (I & II)

## Hedging

Holders of the GOI securities are exposed to the risk of rising interest rates, which in turn results in the reduction in the value of their portfolio. So in order to protect against a fall in the value of their portfolio due to falling bond prices, they can take short position in IRF contracts.

Example:

Date: 01-April-2015

Spot price of GOI Security: Rs 105.05

Futures price of IRF Contract: Rs 105.12

On 01-April-2015 XYZ bought 2000 GOI securities from spot market at Rs 105.07. He anticipates that the interest rate will rise in near future. Therefore to hedge the exposure in underlying market he may sell May 2015 Interest Rate Futures contracts at Rs. 105.12

On 16-May-2015 due to increase in interest rate:

Spot price of GOI Security: Rs 104.24

Futures Price of IRF Contract: Rs 104.28

Loss in underlying market will be  $(104.24 - 105.05) \times 2000 = \text{Rs } 1620$

Profit in the Futures market will be  $(104.28 - 105.12) \times 2000 = \text{Rs } 1680$

## Arbitrage

Arbitrage is the price difference between the bonds prices in underlying bond market and IRF contract without any view about the interest rate movement. One can earn the risk-less profit from realizing arbitrage opportunity and entering into the IRF contract.

Example:

On 18th April, 2015 buy 6.35% GOI '20 at the current market price of Rs. 97.2485

Step 1 - Short the futures at the current futures price of Rs. 100.00 (9.00% Yield)

Step 2 - Fund the bond by borrowing up to the delivery period (assuming borrowing rate is 8.00%)

Step 3 - On 10th May 2015, give a notice of delivery to the exchange

Assuming the futures settlement price of Rs. 100.00, the invoice price would be

= 100 \* 0.9780  
= Rs. 97.8000

Under the strategy, the trader has earned a return of  
= (97.800 – 97.2485) / 97.2485 \* 365 / 23  
= 9.00 % (implied repo rate)  
(Note: For simplicity accrued interest is not considered for calculation)  
Against its funding cost of 8.00% (borrowing rate), thereby earning risk free arbitrage.

#### D. Fundamental Attributes (common to all schemes)

Following are the Fundamental Attributes of the schemes, in terms of Regulation 18 (15A) of the SEBI (MF) Regulations:

- (i) Type of the scheme :As mentioned under the heading “Type of the Scheme”
- (ii) Investment Objective: As mentioned under the heading “Investment Objective”
- (iii) Investment Pattern : As mentioned under the heading “How will the scheme allocate its assets”
- (iv) Terms of Issue:

- Liquidity provisions such as listing, repurchase, redemption. Investors may refer Chapter IV for detailed information on listing, repurchase and redemption.
- Aggregate fees and expenses charged to the scheme. Investors may refer Chapter V on fees and expenses charged to the scheme.
- Any safety net or guarantee provided - Not applicable.

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

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

#### E. Who manages the schemes?

NAME	AGE	QUALIFICATION	BUSINESS EXPERIENCE	SCHEMES MANAGED
Mr. Pankaj Tibrewal	35 Years	Mr. Pankaj Tibrewal is a Graduate in Commerce from St. Xavier's College Kolkata and holds Masters degree in Finance from Manchester University.	Mr. Pankaj Tibrewal has more than 7 years experience in fund management area. Prior to joining Kotak AMC, he was in the fund management team of Principal PNB Asset Management Private Ltd.	<ul style="list-style-type: none"> <li>• Kotak Monthly Income Plan</li> <li>• Kotak Midcap</li> <li>• Kotak Tax Saver</li> <li>• Kotak Emerging Equity</li> <li>• Kotak Multi Asset Allocation Fund</li> </ul>
Mr. Abhishek Bisen	35 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"> <li>• Kotak Bond</li> <li>• Kotak Gilt Investment</li> <li>• Kotak Monthly Income Plan</li> <li>• Kotak Multi Asset Allocation Fund</li> <li>• Kotak Balance</li> <li>• Kotak Gold ETF</li> <li>• Kotak Gold Fund</li> <li>• Kotak Global Emerging Equity Scheme</li> <li>• All Fixed Maturity Plans (FMPs)</li> <li>• All Quarterly Interval Plans (QIPs)</li> <li>• Kotak Hybrid Fixed Term Plan Series 2</li> <li>• Kotak Equity Savings Fund</li> </ul>
Mr. Deepak Agrawal	34 years	Post Graduate in Commerce, Chartered Account, Company Secretary and currently pursuing CFA.	Mr. Deepak Agrawal's career has started from Kotak AMC when he joined the organization in December 2002 where he was initially in Research, Dealing and then moved into Fund Management from November 2006	<ul style="list-style-type: none"> <li>• Kotak Liquid</li> <li>• Kotak Floater Short Term</li> <li>• Kotak Treasury Advantage Fund</li> <li>• Kotak Banking and PSU Debt Fund</li> <li>• Kotak Low Duration Fund</li> <li>• Kotak Bond Short Term Plan</li> <li>• Kotak Flexi Debt</li> <li>• Kotak Income Opportunities Fund</li> <li>• Kotak Medium Term Fund</li> <li>• Kotak Corporate Bond Fund</li> </ul>
Mr. Mayank Prakash	33 Years	Chartered Account, and MBA (Finance)	Mr. Mayank Prakash has been associated with the company since September 2005. He has 6 years of experience in fund management related areas.	<ul style="list-style-type: none"> <li>• Kotak Liquid</li> <li>• Kotak Floater Short Term</li> </ul>

## F. 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 Schemes 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 15% of its NAV in debt instruments issued by a single issuer, which are rated not below investment grade by a credit rating agency authorized to carry out such activity under the SEBI Act. Such investment limit may be extended to 20% of the NAV of the Scheme with the prior approval of the Trustee and the Board of the AMC.
  - o Provided that such limit shall not be applicable for investments in government securities.
  - o Provided further that investment within such limit can be made in mortgaged backed securitised debt, which are rated not below investment grade by a credit rating agency, registered with SEBI.
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. The Scheme shall not invest more than 30% of its net assets in money market instruments of an issuer. Provided that such limit shall not be applicable for investments in Government securities, treasury bills and collateralized borrowing and lending obligations.
7. Debentures irrespective of any residual maturity period (above or below 1 year) shall attract the investment restrictions as applicable for debt instruments as specified under Clause 1 and 1 A of Seventh Schedule to the Regulations.
8. 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.
9. 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.
10. The Scheme shall not invest in any Fund of Funds Scheme.
11. 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.

12. 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 short selling of securities in accordance with the framework relating to short selling and 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.
13. 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 repurchase, redemption of units, 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.
14. The Mutual Fund shall enter into transactions relating to Government Securities only in dematerialised form.
15. 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.
16. 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.
17. In accordance with SEBI circular no. CIR/IMD/DF/21/2012 dated September 13, 2012 and SEBI Circular no. CIR/IMD/DF/24/2012 dated November 19, 2012, in case of debt schemes, the total exposure to single sector shall not exceed 30% of the net assets of the scheme. However this limit is not applicable for investments in Bank CDs, CBLO, G-Secs, T-Bills and AAA rated securities issued by Public Financial Institutions and Public Sector Banks.

An additional exposure to financial services sector (over and above the limit of 30%) not exceeding 10% of the net assets of the scheme shall be allowed by way of increase in exposure to Housing Finance Companies (HFCs) registered with National Housing Bank (NHB);

Provided further that the additional exposure to such securities issued by HFCs are rated AA and above and the total investment/ exposure in HFCs shall not exceed 30% of the net assets of the scheme or such other percentage of net assets of the scheme, as prescribed by SEBI from time to time.

Existing debt schemes shall comply with the aforementioned requirement within a period of one year from September 13, 2012. During this one year, total exposure of existing debt schemes in a particular sector shall not increase from the levels existing (if above 30%) as on September 13, 2012.

18. The scheme will invest in derivatives in accordance with SEBI circular Cir/IMD/DF/11/2010 dated August 18, 2010.
19. The scheme will invest in Repos in Corporate debt in accordance with SEBI circular no CIR/IMD/DF/19/2011 dated November 11, 2011.

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

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

hedging purposes. The counter party in such transactions has to be an entity recognized as a market maker by RBI. Further, the value of the notional principal in such cases must not exceed the value of respective existing assets being hedged by the scheme. Exposure to a single counterparty in such transactions should not exceed 10% of the net assets of the scheme.

7. Exposure due to derivative positions taken for hedging purposes in excess of the underlying position against which the hedging position has been taken, shall be treated under the limits mentioned in point 1.

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.

#### 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.

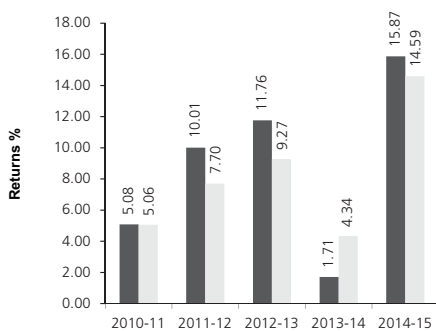
## G. How have the Schemes performed?

### Performance of the scheme as on March 31, 2015

Compounded Annualised Growth Returns (%)	Kotak Bond Plan A - Regular - Growth	CRISIL Composite Bond Fund Index
Returns for the last 1 Year	15.87	14.59
Returns for the last 3 Years	9.61	9.32
Returns for the last 5 Years	8.87	8.13
Since Inception (November 25, 1999)	9.43	6.77

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

- Kotak Bond Scheme - Plan A - Regular - Growth
- Crisil Composite Bond Fund Index



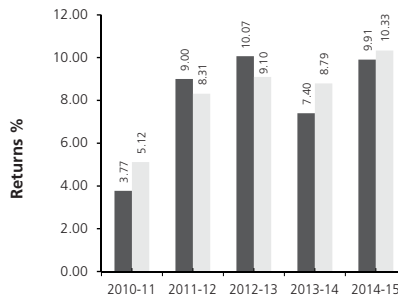
Past performance may or may not be sustained in future.

### Performance of the scheme as on March 31, 2015

Compounded Annualised Growth Returns (%)	Kotak Bond Short Term Plan - Regular - Growth	CRISIL Short - Term Bond Fund Index
Returns for the last 1 Year	9.91	10.33
Returns for the last 3 Years	9.11	9.40
Returns for the last 5 Years	8.00	8.31
Since Inception (May 2, 2002)	7.71	7.08

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

- Kotak Bond Short Term Plan - Regular - Growth
- Crisil Short Term Bond Fund Index



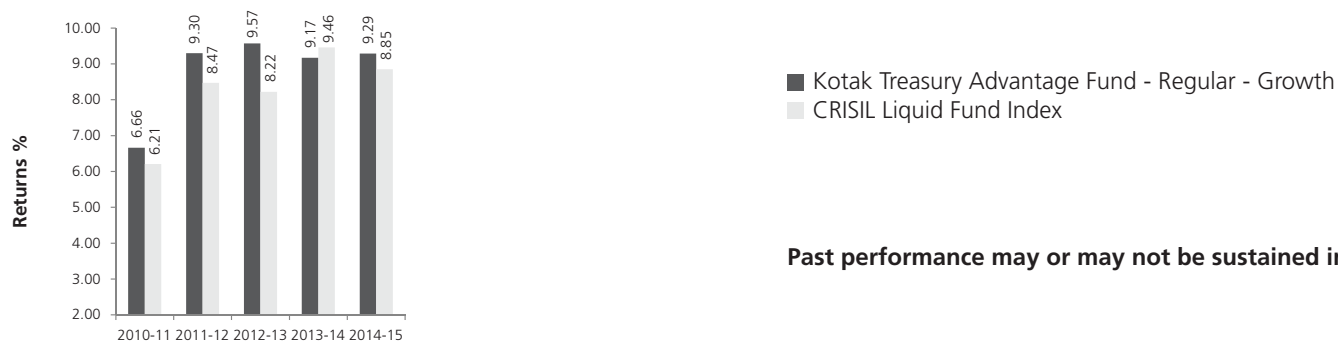
Past performance may or may not be sustained in future.



**Performance of the scheme as on March 31, 2015**

<b>Compounded Annualised Growth Returns (%)</b>	<b>Kotak Treasury Advantage Fund - Regular - Growth</b>	<b>CRISIL Liquid Fund Index</b>
Returns for the last 1 Year	9.29	8.98
Returns for the last 3 Years	9.33	8.89
Returns for the last 5 Years	8.79	8.26
Since Inception (August 13, 2004)	7.82	6.68

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

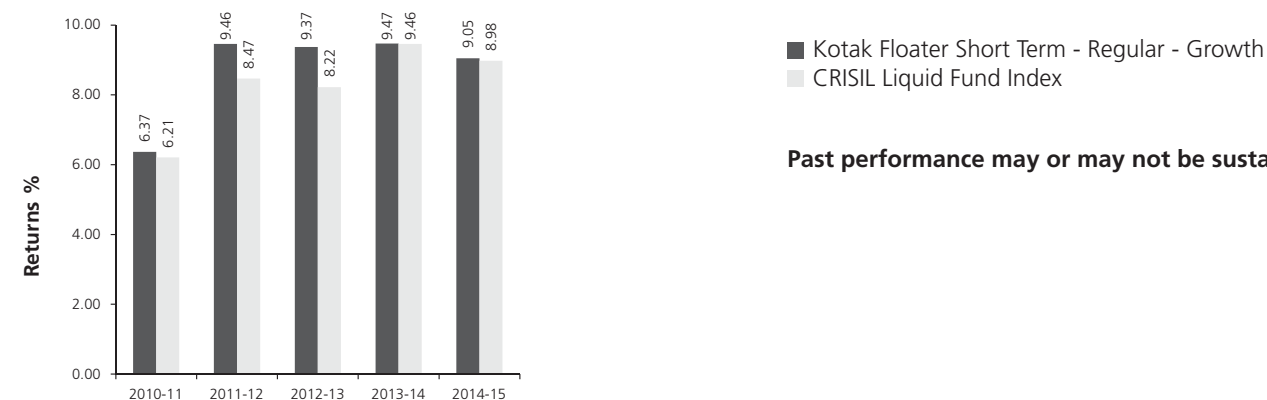


**Past performance may or may not be sustained in future.**

**Performance of the scheme as on March 31, 2015**

<b>Compounded Annualised Growth Returns (%)</b>	<b>Kotak Floater Short Term - Regular - Growth</b>	<b>CRISIL Liquid Fund Index</b>
Returns for the last 1 Year	9.05	8.98
Returns for the last 3 Years	9.29	8.89
Returns for the last 5 Years	8.73	8.26
Since Inception (July 14, 2003)	7.34	6.68

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

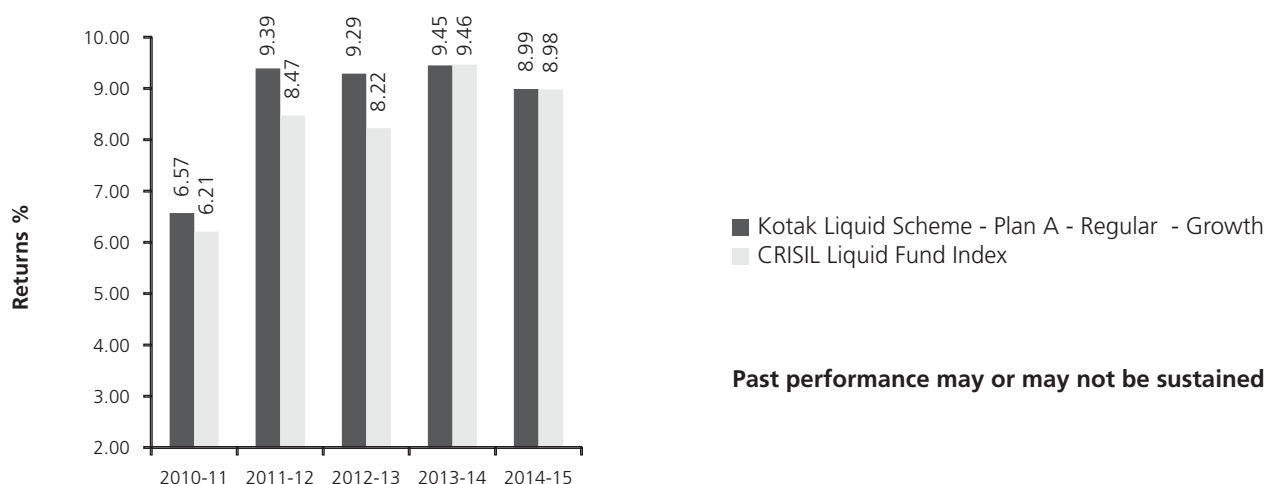


**Past performance may or may not be sustained in future.**

**Performance of the scheme as on March 31, 2015**

<b>Compounded Annualised Growth Returns (%)</b>	<b>Kotak Liquid Plan A - Regular - Growth</b>	<b>CRISIL Liquid Fund Index</b>
Returns for the last 1 Year	8.99	8.98
Returns for the last 3 Years	9.24	8.89
Returns for the last 5 Years	8.73	8.26
Since Inception (November 4, 2003)	7.46	6.68

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

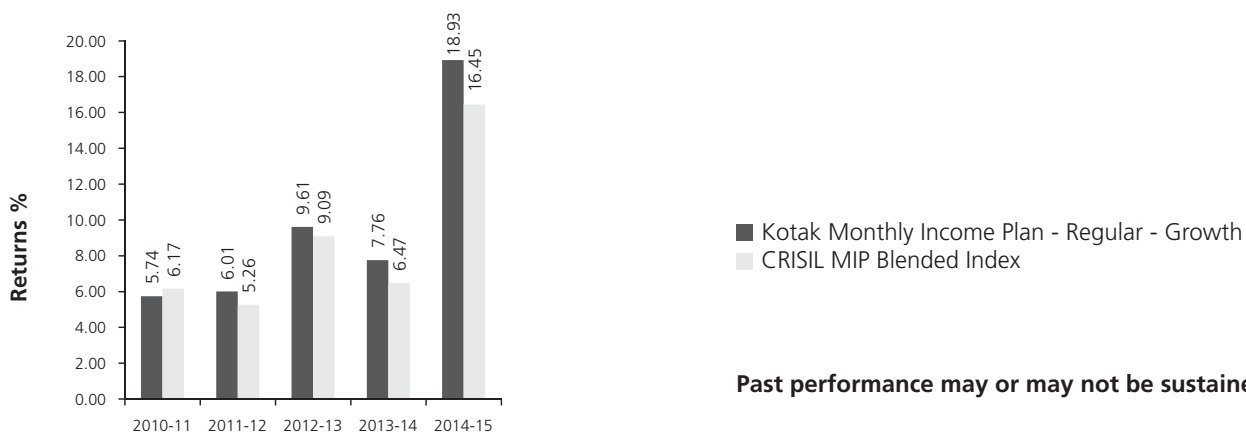


**Past performance may or may not be sustained in future.**

**Performance of the scheme as on March 31, 2015**

<b>Compounded Annualised Growth Returns (%)</b>	<b>Kotak Monthly Income Plan - Regular - Growth</b>	<b>CRISIL MIP Blended Index</b>
Returns for the last 1 Year	18.93	16.45
Returns for the last 3 Years	11.98	10.59
Returns for the last 5 Years	9.50	8.61
Since Inception (December 2, 2003)	7.76	8.63

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

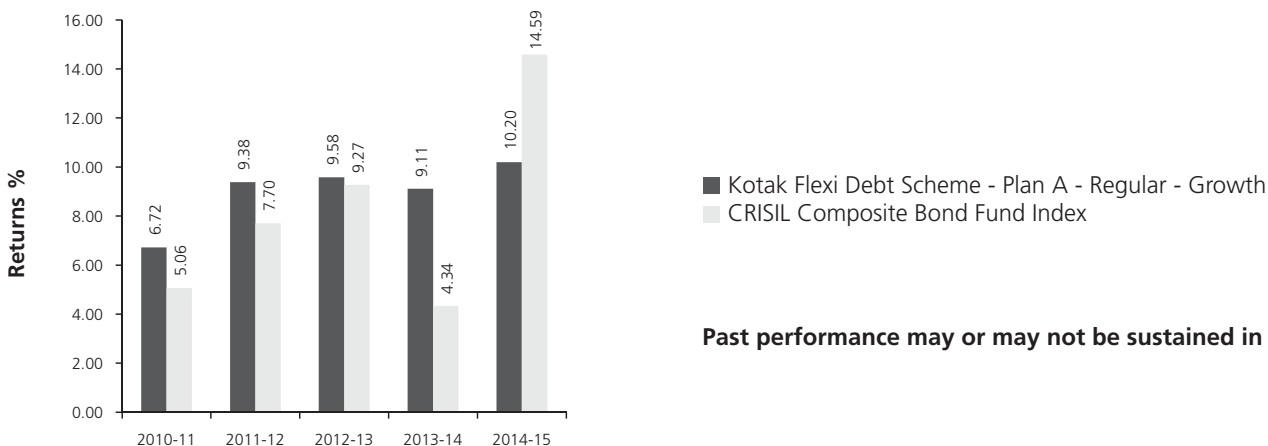


**Past performance may or may not be sustained in future.**

**Performance of the scheme as on March 31, 2015**

Compounded Annualised Growth Returns (%)	Kotak Flexi Debt - Plan A - Regular - Growth	CRISIL Composite Bond Fund Index
Returns for the last 1 Year	10.20	14.59
Returns for the last 3 Years	9.62	9.32
Returns for the last 5 Years	8.99	8.13
Since Inception (May 26, 2008)	8.44	6.77

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

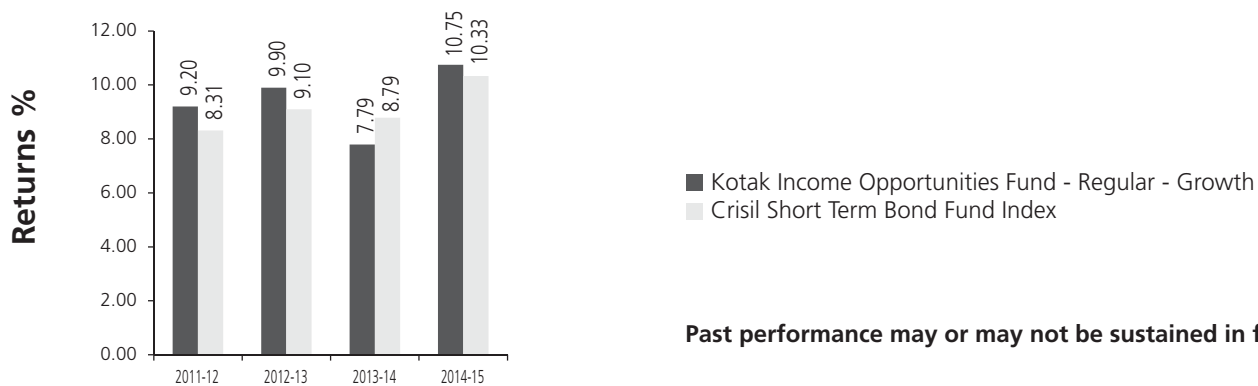


Past performance may or may not be sustained in future.

**Performance of the scheme as on March 31, 2015**

Compounded Annualised Growth Returns (%)	Kotak Income Opportunities Fund - Regular - Growth	Crisil Short Term Bond Fund Index
Returns for the last 1 Year	10.75	10.33
Returns for the last 3 Years	9.46	9.40
Returns for the last 5 Years	NA	NA
Since Inception (May 11, 2010)	8.57	7.08

**Absolute Returns (%) for each financial year for the last 4 years**



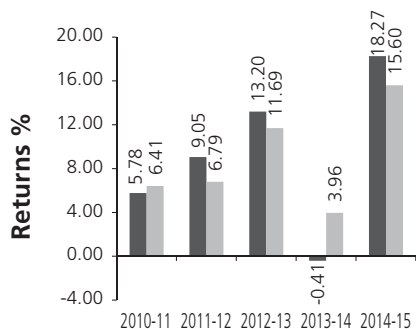
Past performance may or may not be sustained in future.

**Performance of the scheme as on March 31, 2015**

Compounded Annualised Growth Returns (%)	Kotak Gilt Investment Regular Plan - Growth	ISEC Composite Index
Returns for the last 1 Year	18.27	15.60
Returns for the last 3 Years	10.05	10.31
Returns for the last 5 Years	8.99	8.81
Since Inception (December 29, 1998)	10.1	N.A

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

■ Kotak Gilt - Investment Regular Plan - Growth  
 ■ I-Sec Composite Index



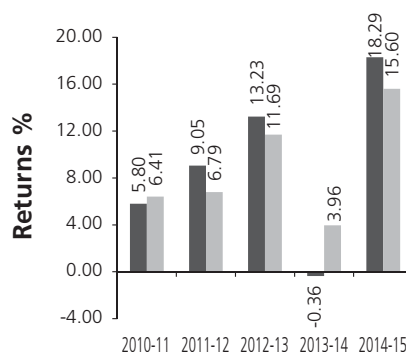
Past performance may or may not be sustained in future.

**Performance of the scheme as on March 31, 2015**

Compounded Annualised Growth Returns (%)	Kotak Gilt Investment PF & Trust Plan - Regular - Growth	ISEC Composite Index
Returns for the last 1 Year	18.29	15.60
Returns for the last 3 Years	10.09	10.31
Returns for the last 5 Years	9.01	8.81
Since Inception (November 11, 2003)	7.43	7.17

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

■ Kotak Gilt Investment PF & Trust Plan - Regular - Growth  
 ■ I-Sec Composite Index



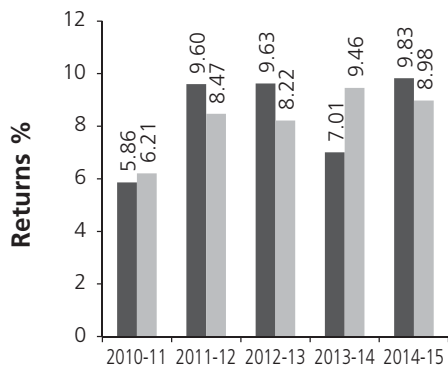
Past performance may or may not be sustained in future.

**Performance of the scheme as on March 31, 2015**

Compounded Annualised Growth Returns (%)	Kotak Low Duration Fund - Regular - Growth	Crisil Liquid Fund Index
Returns for the last 1 Year	9.74	8.98
Returns for the last 3 Years	8.80	8.89
Returns for the last 5 Years	8.37	8.26
Since Inception (August 14, 2013)	7.95	6.68

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

■ Kotak Low Duration Fund - Regular - Growth  
 ■ Crisil Liquid Fund Index



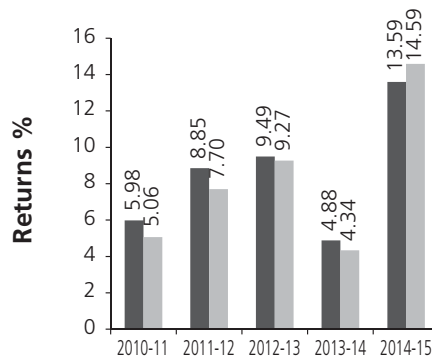
Past performance may or may not be sustained in future.

**Performance of the scheme as on March 31, 2015**

Compounded Annualised Growth Returns (%)	Kotak Corporate Bond Fund - Regular - Growth	Crisil Composite Bond Fund Index
Returns for the last 1 Year	13.47	14.59
Returns for the last 3 Years	9.25	9.32
Returns for the last 5 Years	8.51	8.13
Since Inception (August 14, 2013)	8.00	6.77

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

■ Kotak Corporate Bond Fund - Regular - Growth  
 ■ Crisil Composite Bond Fund Index

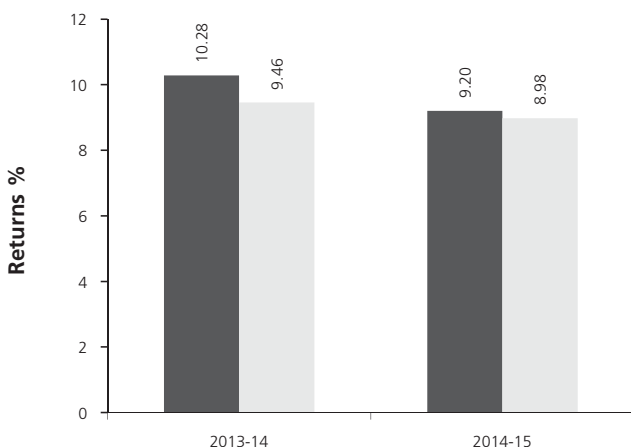


Past performance may or may not be sustained in future.

## Performance of the scheme as on March 31, 2015

Compounded Annualised Growth Returns (%)	Kotak Banking and PSU Debt Fund - Regular - Growth	Crisil Liquid Fund Index
Returns for the last 1 Year	9.20	8.98
Since Inception (August 14, 2013)	7.23	6.68

### Absolute Returns (%) for each financial year for the last 1 years



Kotak Mahindra Gilt Savings Scheme – 98 – Savings Plan has been converted into Kotak Banking and PSU Debt Fund on August 14, 2013.

■ Kotak Banking and PSU Debt Fund - Regular - Growth  
 ■ Crisil Liquid Fund Index

**Past performance may or may not be sustained in future.**

### 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 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 only those counterparties who have a credit rating of AA- and higher. 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.

## IV. UNITS AND OFFER

### A. Ongoing Offer Details

<b>Ongoing Offer Period</b>  This is the date from which the scheme will reopen for subscriptions/redemptions after the closure of the NFO period.	Kotak Mahindra Gilt Unit Scheme – 98 Investment Plan	January 5, 1999
	Kotak Mahindra Bond Unit Scheme 99	November 29, 1999
	Kotak Mahindra Liquid Scheme	October 6, 2000
	Kotak Bond Short Term Plan	May 3, 2002
	Kotak Floater Short Term Scheme	July 15, 2003
	Kotak Monthly Income Plan	December 3, 2003
	Kotak Treasury Advantage Fund (Formerly known as Kotak Floater Long Term Fund)	August 13, 2004
	Kotak Flexi Debt Scheme	December 6, 2004
	Kotak Income Opportunities Fund	May 12, 2010
	Kotak Banking and PSU Debt Fund	Kotak Mahindra Gilt Savings Scheme – 98 – Savings Plan has been converted into Kotak Banking and PSU Debt Fund on August 14, 2013.
Kotak Low Duration Fund (Formerly known as PineBridge India Short Term Fund)	March 7, 2008	
Kotak Corporate Bond Fund(Formerly known as PineBridge India Total Return Corporate Bond Fund)	September 24, 2007	
<b>Ongoing price for subscription (purchase)/switch-in (from other schemes/plans of the mutual fund) by investors.</b>  This is the price you need to pay for purchase/switch-in.	At the applicable NAV.	
<b>Ongoing price for redemption (sale) /switch outs (to other schemes/plans of the Mutual Fund) by investors.</b>  This is the price you will receive for redemptions/switch outs.  <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>	At the applicable NAV subject to prevailing exit load if any.  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.	
<b>Cut off timing for subscriptions/ redemptions/ switches</b>  This is the time before which your application (complete in all respects) should reach the official points of acceptance.	<b>For Kotak Mahindra Liquid Scheme and Kotak Floater Short Term Scheme</b>  <b>Applicable NAV for Purchases/Switch ins</b> i. In respect of valid applications received upto 2.00 p.m. on a day and the entire amount is available in the mutual fund's account for utilization before 2.00 p.m. of the same day – the closing NAV of the day immediately preceding the day of receipt of application; ii. In respect of valid applications received after 2.00 p.m. on a day and the entire amount is available in the mutual fund's account for utilization on the same day – the closing NAV of the day immediately preceding the next business day ; and iii. Irrespective of the time of receipt of application, where the entire amount is not available for utilization before the cut-off time – the closing NAV of the day immediately preceding the day on which the funds are available for utilization.  <b>Applicable NAV for Redemption/ Switch outs</b> a) where the application is received upto 3.00 pm – the closing NAV of the day immediately preceding the next business day ; and b) where the application is received after 3.00 pm – the closing NAV of the next business day.  <b>For Kotak Mahindra Gilt Unit Scheme 98 – Investment Plan, Kotak Banking and PSU Debt Fund, Kotak Mahindra Bond Unit Scheme 99, Kotak Bond Short Term Plan, Kotak Monthly Income Plan, Kotak Treasury Advantage Fund, Kotak Flexi Debt Scheme Kotak Income Opportunities Fund, Kotak Low Duration Fund and Kotak Corporate Bond Fund</b>  <b>Applicable NAV for Purchases/Switch-ins</b> a) For amounts greater than or equal to Rs. 2 lakhs: (i) 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; (ii) 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; (iii) 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>b) For amounts less than Rs. 2 lakhs:</p> <p>(i) 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;</p> <p>(ii) In respect of valid applications received after 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 next business day.</p> <p><b>b. Applicable NAV for Redemption/ Switch outs</b></p> <p>(i) where the application is received upto 3.00 pm – closing NAV of the day of receipt of application; and</p> <p>(ii) where the application is received after 3.00 pm – the closing NAV of the next business day.</p> <p><b>Notes:</b></p> <ol style="list-style-type: none"> <li>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.</li> <li>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.</li> </ol> <p><b>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 in all Open ended schemes (other than Kotak Liquid Scheme and Kotak Floater Short Term Scheme):</b></p> <ol style="list-style-type: none"> <li>All transactions received on the same day (as per Time stamp rule).</li> <li>Transactions will include purchases, additional purchases, excluding Switches, SIP/STP and triggered transactions.</li> <li>Aggregations will be done on the basis of investor/s PAN. In case of joint holding, transactions with similar holding structures will be aggregated.</li> <li>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.</li> <li>Only transactions in the same scheme will be clubbed. This will include transactions at option level (Dividend and Growth).</li> <li>Transactions in the name of minor received through guardian will not be aggregated with the transaction in the name of same guardian.</li> </ol>
<p><b>Where can the applications for purchase/redemption switches be submitted?</b></p>	<p>Applications can be made either by way of a "Regular Application or Transaction slip" along with a cheque/DD or fund transfer instruction. 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") or fund transfer instructions at any of the official points of acceptance of transactions listed below,</p> <p>First time investments can be made only by way of duly filled in application form.</p> <ol style="list-style-type: none"> <li>At the Official points of acceptance of transactions as given on the back cover of this document.</li> <li>For investments through switch transactions, transaction slip with application forms can be submitted at the AMC branches and CAMS Investor Service Centres &amp; branches given in the last page.</li> </ol>
<p><b>Direct Plan</b></p>	<p>With effect from January 1, 2013, all Schemes/Plans covered in this document will have two plans viz, Non Direct Plan /Plan A and Direct Plan</p> <p>Non Direct Plan / Plan A: 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> <p>All characteristics such as Investment Objective, Asset Allocation Pattern, Investment Strategy, risk factors, minimum investment amount, additional investment amount, availability of options including sub options, SIP/STP/SWP facilities offered and terms and conditions including load structure will be the same for Direct Plan and Non Direct Plan. except that</p> <ol style="list-style-type: none"> <li>Switch of investments from Non Direct Plan, where the transaction has been received with broker code (whether the investments were made before or after the January 1, 2013) to Direct Plan shall be subject to applicable exit load, if any.</li> </ol>

	<p>(b) No exit load shall be levied:</p> <p>(i) in case of switch of investment from Non Direct Plan, where transaction has been received without broker code (whether the investments were made before or after the January 1, 2013) to Direct Plan.</p> <p>(ii) in case of switch of investments from Direct Plan to Non Direct Plan.</p> <p>Direct Plan shall have a lower expense ratio excluding distribution expenses, commission, etc and no commission for distribution of Units will be paid / charged under Direct Plan.</p> <p><b>Investments through systematic routes:</b> In case of Systematic Investment Plan (SIP) / Systematic Transfer Plan (STP), etc registered prior to the January 1, 2013 without any distributor code under the Regular Plan , installments falling on or after February 1, 2013 will automatically be processed under the Direct Plan. However, investors who intend to continue with their future installments in Regular Plan , may opt to do so by submitting a written request to AMC before February 1, 2013.</p> <p>Investors who had registered for SIP/STP facility prior to January 1, 2013 with distributor code and wish to invest their future installments into the Direct Plan, shall make a written request to the Fund in this behalf. The Fund will take at least 15 days to process such requests. Intervening installments will continue in the Regular Plan.</p> <p>The terms and conditions of the existing registered enrolment shall continue to apply.</p> <p><b>Redemption/Switch requests:</b> 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>				
<p><b>Minimum application / redemption amount</b></p>	<p><b>Minimum application amount for purchases</b></p>				
	<p><b>Scheme</b></p>	<p><b>Plan</b></p>	<p><b>Initial Purchase (Non- SIP)</b></p>	<p><b>A d d i t i o n a l Purchase (Non- SIP)</b></p>	<p><b>SIP Purchase</b></p>
	<p>Kotak Mahindra Gilt Unit Scheme – 98 Investment Plan</p>	<p>Regular (Direct Plan and Non Direct Plan)</p>	<p>Rs. 5000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches</p>	<p>Rs. 1000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches</p>	<p>Rs. 1000/- (Subject to a minimum of 6 SIP installments of Rs. 1000/- each)</p>
	<p>Kotak Mahindra Gilt Unit Scheme – 98 Investment Plan</p>	<p>Provident Fund &amp; Trust Plan (Direct Plan and Regular Plan)</p>	<p>Rs. 5000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches</p>	<p>Rs. 1000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches</p>	<p>Rs. 1000/- (Subject to a minimum of 6 SIP installments of Rs. 1000/- each)</p>
	<p>Kotak Mahindra Bond Unit Scheme 99</p>	<p>Plan A and Direct Plan</p>	<p>Rs. 5000/- and in multiples of Re. 1 for purchases and for Re 0.01 for switches</p>	<p>Rs. 1000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches</p>	<p>Rs. 1000/- (Subject to a minimum of 6 SIP installments of Rs. 1000/- each)</p>
	<p>Kotak Bond Short Term Plan</p>	<p>Direct Plan and Regular Plan</p>	<p><b>For Growth and Monthly Dividend Reinvestment Option:</b> Rs. 5000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches <b>For Monthly Dividend Payout Option:</b> Rs. 50,000/- and above.</p>	<p>Rs. 1000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches</p>	<p>Rs. 1000/- (Subject to a minimum of 6 SIP installments of Rs. 1000/- each)</p>
	<p>Kotak Mahindra Liquid Scheme</p>	<p>Plan A and Direct Plan</p>	<p>Rs. 5000/- and in multiples of Re. 1 for purchases and for Re 0.01 for switches</p>	<p>Rs. 1000/-</p>	<p>Not available</p>



Kotak Floater Short Term Scheme	Direct Plan and Regular Plan	<b>For Growth, Weekly Dividend and Monthly Dividend Options:</b> Rs. 5000 and in multiples of Re. 1 for purchases and for Re 0.01 for switches <b>For Daily Dividend Option:</b> Rs. 1,00,000/- and in multiples of Re. 1 for purchases and for Re 0.01 for switches	Rs. 1000/-	Not available
Kotak Monthly Income Plan	Direct Plan and Regular Plan	<b>For Growth, Monthly Reinvestment, Quarterly Dividend Option:</b> Rs. 5000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches. <b>For Monthly Dividend Payout Option:</b> Rs. 50,000/- and above.	Rs. 1000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches	Rs. 1000/- (Subject to a minimum of 6 SIP installments of Rs. 1000/- each)
Kotak Treasury Advantage fund	Direct Plan and Regular Plan	<b>For Growth, Daily Dividend Reinvestment, Weekly Dividend and Monthly Dividend Reinvestment Option:</b> Rs. 5000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches <b>For Weekly Dividend Payout Option:</b> Rs. 1,00,00,000/- and above	Rs. 1000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches	Rs. 1000/- (Subject to a minimum of 6 SIP installments of Rs. 1000/- each)
Kotak Flexi Debt Scheme	Plan A and Direct Plan	Rs. 5000/- and in multiples of Re. 1 for purchases and for Re 0.01 for switches	Rs. 1000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches	Not available
Kotak Income Opportunities Fund	Direct Plan and Regular Plan	Rs. 5000/- and in multiples of Re. 1 for purchases and for Re 0.01 for switches	Rs. 1000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches	Rs. 1000/- (Subject to a minimum of 6 SIP installments of Rs. 1000/- each)
Kotak Banking and PSU Debt Fund	Direct Plan and Regular Plan	Rs. 5000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches.	Rs. 1000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches.	Rs. 1000/- (Subject to a minimum of 6 SIP installments of Rs. 1000/- each)

	Kotak Low Duration Fund	Direct Plan and Regular Plan	Rs. 5000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches.	Rs. 1000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches.	Rs. 1000/- (Subject to a minimum of 6 SIP installments of Rs. 1000/- each)
	Kotak Corporate Bond Fund	Direct Plan and Regular Plan	Rs. 5000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches.	Rs. 1000/- and in multiples of Re. 1 for purchases and of Re. 0.01 for switches.	Rs. 1000/- (Subject to a minimum of 6 SIP installments of Rs. 1000/- each)
	<p><b>Minimum amount for redemption: (common for all schemes)</b></p> <ul style="list-style-type: none"> <li>• In Rupees (Non- SWP/STP) - Rs. 1000/-</li> <li>• In Units (Non- SWP/STP) - 100 units</li> <li>• In Rupees (SWP/STP) - Rs. 1000/- or entire appreciation</li> </ul>				
<b>Minimum balance to be maintained</b>	<p><b>For Kotak Liquid and Kotak Floater Short Term Scheme</b> If the holding is less than Rs. 1000, after processing the redemption request, the entire amount/units will be redeemed from the Scheme.</p> <p><b>For rest of the schemes</b> 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>				
<p><b>Who can invest</b></p> <p>This is an indicative list and you are requested to consult your financial advisor to ascertain whether the scheme is suitable to your risk profile.</p>	<p>The following are eligible to apply for purchase of the Units:</p> <ul style="list-style-type: none"> <li>• Resident Indian Adult Individuals, either singly or jointly (not exceeding three).</li> <li>• Parents/Lawful guardians on behalf of Minors.</li> <li>• Companies, corporate bodies, registered in India.</li> <li>• Registered Societies and Co-operative Societies authorised to invest in such Units.</li> <li>• Public sector undertakings, public/Statutory corporations subject to general or specific permissions granted to them by the Central/State governments from time to time.</li> <li>• 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.</li> <li>• Trustees of private trusts authorised to invest in mutual fund schemes under their trust deeds.</li> <li>• Partner(s) of Partnership Firms.</li> <li>• Association of Persons or Body of Individuals, whether incorporated or not.</li> <li>• Hindu Undivided Families (HUFs).</li> <li>• Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions and Investment Institutions.</li> <li>• Non-Resident Indians/Persons of Indian origin resident abroad (NRIs) on full repatriation or non-repatriation basis.</li> <li>• Other Mutual Funds registered with SEBI.</li> <li>• Foreign Institutional Investors (FIIs) or sub-accounts of FII's registered with SEBI.</li> <li>• International Multilateral Agencies approved by the Government of India.</li> <li>• Army/Navy/Air Force, Para-Military Units and other eligible institutions.</li> <li>• Scientific and Industrial Research Organizations.</li> <li>• Provident/Pension/Gratuity and such other Funds as and when permitted to invest.</li> <li>• Foreign Portfolio Investor (Foreign Portfolio Investor is not eligible for making investment in Kotak Mahindra Liquid Scheme and Kotak Floater Short Term Scheme)</li> <li>• Universities and Educational Institutions.</li> <li>• 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.</li> </ul> <p><b>The following are only eligible to apply for purchase of the Units in Kotak Mahindra Gilt Unit Scheme – 98 Investment Plan - Provident Fund and Trust Plan:</b></p> <ul style="list-style-type: none"> <li>• All Provident Funds</li> <li>• Religious and Charitable Trusts</li> <li>• Trustees of private trusts authorised to invest in mutual fund Schemes under their trust deeds</li> <li>• Superannuation, Pension, Welfare and Gratuity Funds</li> </ul> <p>The list given above is indicative and the applicable law, if any, shall supersede the list.</p> <p>The following investors cannot invest in the Scheme:</p> <p>U.S. Persons and Residents of Canada</p>				

	<p>It may be noted that:</p> <p>a. No fresh purchases (including Systematic Investment Plans and Systematic Transfer Plans)/additional purchases/switches in any Schemes of our Mutual Fund would be allowed. However, existing Unit Holder(s) will be allowed to redeem their units from the Schemes of the Mutual Fund.</p> <p>b. If an existing Unit Holder(s) subsequently becomes a U.S. Person or Resident of Canada, then such Unit Holder(s) will not be able to purchase any additional Units in any of the Scheme of the Fund. It shall be the obligation of the Unitholder to notify such change in his/her/its status to the AMC/ Mutual Fund.</p> <p>c. All existing registered Systematic Investment Plans and Systematic Transfer Plans along with related mandates would cease from the effective date;</p> <p>d. In case Kotak Mutual Fund/Kotak AMC subsequently identifies that the subscription amount is received after the effective date from U.S. Person(s) or Resident(s) of Canada, in that case the AMC/Mutual Fund at its discretion shall redeem all the units held by such person from the Scheme of the Mutual Fund at applicable Net Asset Value.</p> <p>The Trustee/AMC reserves the right to change/modify the provisions mentioned above at a later date.</p>
<p><b>How to Apply</b></p>	<p>Application form and Key Information Memorandum may be obtained from the offices of AMC or Investor Services Centers of the Registrar or distributors or downloaded from <a href="http://assetmanagement.kotak.com">assetmanagement.kotak.com</a>. Investors are also advised to refer to Statement of Additional Information before submitting the application form.</p> <p>All cheques and drafts should be crossed "Account Payee Only" and drawn in favour the scheme name in which investment is intended to be made.</p> <p>Eg: For making investments in Kotak Flexi Debt, cheques and drafts should be crossed "Account Payee Only" and drawn in favour of "Kotak Flexi Debt."</p> <p>Any application may be accepted or rejected at the sole and absolute discretion of the Trustee.</p> <p>Please refer to the SAI and Application form for the instructions.</p>
<p><b>Non acceptance of Third Party Cheques</b></p>	<p>Third Party Cheques will not be accepted by the Schemes.</p> <p><b>Definition of Third Party Cheques</b></p> <ul style="list-style-type: none"> <li>• Where payment is made through instruments issued from an account other than that of the beneficiary investor, the same is referred to as Third-Party payment.</li> <li>• In case of a payment from a joint bank account, the first holder of the mutual fund folio has to be one of the joint holders of the bank account from which payment is made. If this criterion is not fulfilled, then this is also construed to be a third party payment.</li> </ul> <p>However, afore-mentioned clause of investment with Third-Party Payment shall not be applicable for the below mentioned exceptional cases.</p> <ol style="list-style-type: none"> <li>1) Payment by Parents/Grand-Parents/related persons on behalf of a minor in consideration of natural love and affection or as gift for a value not exceeding Rs.50,000/- (each regular purchase or per SIP installment). 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.</li> <li>2) 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.</li> <li>3) Custodian on behalf of an FII or a client.</li> </ol> <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><b>Listing</b></p>	<p>Since the Schemes are 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>
<p><b>Transaction Charges</b></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> <ul style="list-style-type: none"> <li>(a) For existing investors (across mutual funds), the distributor shall be paid Rs. 100/- as transaction charge per subscription of Rs.10,000/- &amp; above.</li> <li>(b) For first time investors, (across Mutual Funds), the distributor may be paid Rs. 150/- as transaction charge for subscription of Rs.10,000/- &amp; above.</li> <li>(c) The transaction charge shall be deducted by Kotak AMC from the subscription amount &amp; paid to the distributor (will be subject to statutory levies, as applicable) &amp; the balance amount shall be invested.</li> <li>(d) In case of Systematic Investment Plan(s), the transaction charge shall be applicable only if the total commitment through SIPs amounts to Rs.10,000/- &amp; above. In such cases the transaction charge shall be recovered in first 3/4 successful installments.</li> </ul> <p>Identification of investors as "first time" or "existing" will be based on Permanent Account Number (PAN) at the First/ Sole Applicant/ Guardian level. Hence, Unit holders are urged to ensure that their PAN / KYC is updated with the Fund. Unit holders may approach any of the Official Points of Acceptances of the Fund i.e. Investor Service Centres (ISCs) of the Fund/ offices of our Registrar and Transfer Agent, M/s. Computer Age Management Services Pvt. Ltd in this regard.</p> <p>The statement of accounts shall clearly state that the net investment as gross subscription less transaction charge and give the number of units allotted against the net investment.</p> <p><b>Transaction charges shall not be deducted/applicable for:</b></p> <ul style="list-style-type: none"> <li>(1) Transaction other than purchases/subscriptions such as Switch/Systematic Transfer Plan (STP)/ Dividend Transfer Plan (DTP),etc.;</li> <li>(2) Purchases/Subscriptions made directly with the Fund without any ARN code.</li> <li>(3) Transactions carried out through the stock exchange platforms.</li> </ul> <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>

**Special Products available**

Following facilities are available

1. Systematic Investment Plan (SIP)
2. SIP Booster Facility
3. Systematic Withdrawal Plan (SWP)
4. Systematic Transfer Plan (STP)
5. Dividend Transfer Facility (DTP)
6. Switching

**Systematic Investment Plan (SIP):**

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.

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, 14th, 21st or 25th as the SIP Date (in case of these days fall on non-business day the transaction will be effected on the next business day of the scheme) and can also choose the SIP 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 size 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 (available with select Banks only) 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 cancelled cheque leaf copy of the bank 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.

Systematic Investment Plan (SIP) facility is available for all schemes except Kotak Mahindra Liquid Scheme and Kotak Floater Short Term Scheme.

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:**

- a. 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.
- b. SIP Booster Facility will be available for all open-ended schemes of Kotak Mutual Fund where SIP facility is being currently offered.
- c. 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.
- d. For complete details regarding the SIP with SIP Booster facility please refer to SIP Auto Debit Form with SIP booster facility.
- e. 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.

#### **Systematic Withdrawal Plan:**

This facility enables the Unitholders to withdraw (subject to deduction of tax at source, if any) sums from their investments 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, as the case may be. In case any 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 / units 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 (any business day) or Quarterly (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 / units 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](http://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.

<p><b>Right to Put (Only for Kotak Gilt Investment - Provident Fund and Trust Plan)</b></p>	<p>In Kotak Gilt Investment - Provident Fund and Trust Plan investors have a right to put or switch-out, part or all of their holdings on any working day. The Trustees will have the right to alter the duration as well as the dates of the liquidity window at any time.</p> <p><b>How to Put</b> Pre-printed put request forms will be sent to the Unitholders along with the Account Statement. These forms will also be available at any of the Investor Service Centres and at the office of the Registrar at Chennai.</p> <p>The fully completed forms, can be submitted at any of the Investor Service Centres listed in this document or can be sent to the office of the Registrar at Chennai, in person or by post.</p> <p>The Unitholder may either request mailing of the proceeds of the put to his/her address or to be retained at the ISC for collection by him/her. If the Unitholder opts for the "D-Kredit" facility, he can receive the amount by a direct credit to his bank account. Additional banks with whom AMC may tie up shall be deemed to be acceptable to the investor and no fresh consent shall be sought.</p>
<p><b>Account Statements</b></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; 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"> <li>1. An allotment confirmation specifying the units allotted shall be sent by way of email and/or SMS within 5 Business Days from the date of receipt of transaction request to the Unit holder's registered e-mail address and/or mobile number.</li> <li>2. 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 and securities held in demat form with the Depositories, to all the investors in whose folio(s) transaction(s) has/have taken place during the month.</li> <li>3. For the purpose of sending CAS, common investors across mutual funds shall be identified by their Permanent Account Number (PAN). Investors who have demat account would get his account statement from Depository irrespective of demat or physical units. Investors who don't have a demat account would get the CAS from MF CAS service provider.</li> <li>4. 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.</li> <li>5. 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 Mutual Fund in respect of transactions carried out in the schemes of Kotak Mutual Fund during the month.</li> <li>6. The statement of holding of the beneficiary account holder for units held in demat will be sent by the respective DPs periodically.</li> <li>7. 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.</li> <li>8. 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.</li> </ol> <p><b>Annual Account Statement:</b></p> <ul style="list-style-type: none"> <li>• 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.</li> <li>• The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme.</li> <li>• Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement, if so mandated.</li> </ul> <p>"Transaction" shall include purchase, redemption, switch, dividend payout, dividend reinvestment, systematic investment plan, systematic withdrawal plan, systematic transfer plan, dividend transfer plan and bonus transactions.</p>
<p><b>Dividend</b></p>	<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>
<p><b>Choice of default Option</b></p>	<ul style="list-style-type: none"> <li>• If the applicant does not indicate the choice of the Scheme in the application form, then the Fund will accept it as an application for the Scheme favouring which the payment instrument is made.</li> <li>• If the applicant does not indicate the choice of the Option in the application form, then the Fund will accept it as an application for the Growth Option of the concerned Scheme/Plan.</li> </ul>



	<ul style="list-style-type: none"> <li>If the applicant does not indicate the choice of the dividend frequency in the application form, then the Fund will accept it as an application for:</li> </ul>			
	<b>Scheme</b>	<b>Plans Available</b>	<b>Dividend Frequency available</b>	<b>Application accepted for (frequency)</b>
	Kotak Mahindra Gilt Unit Scheme – 98 Investment Plan	Regular Plan and Provident Fund Plan & Trust Plan	Quarterly	Quarterly
	Kotak Bond	Plan A (previously known as Regular Plan)	Quarterly and Annual	Quarterly
	Kotak Bond Short Term Scheme	Direct plan and Regular Plan	Monthly & Half Yearly	Monthly
	Kotak Liquid	Plan A (previously known as Institutional Premium Plan)	Daily and Weekly	Daily
	Kotak Flexi Debt	Plan A (previously known as Institutional Plan)	Daily and Weekly	Daily
	Kotak Floater Short Term Scheme	-	Daily, Weekly and Monthly	Daily for investment amount greater than or equal to Rs. 1 Lac and Weekly for investment amount less than Rs. 1 Lac
	Kotak Monthly Income Plan	-	Monthly and Quarterly	Monthly
	Kotak Treasury Advantage Fund	-	Weekly and Monthly	Weekly
	Kotak Income Opportunities	Direct plan and Regular Plan	Weekly, Monthly, Quarterly and Annually	Monthly
	Kotak Banking and PSU Debt Fund	Direct Plan and	Daily, Monthly and Annual	Monthly
	Kotak Low Duration Fund	Direct Plan and Regular Plan	Weekly and Monthly	Weekly
	Kotak Corporate Bond Fund	Direct Plan and Regular Plan	Monthly and Quarterly	Monthly
	<ul style="list-style-type: none"> <li>If the applicant does not indicate the choice of the dividend pay-out / re-investment in the application form, then the Fund will accept it as an application for dividend re-investment option;</li> <li>In case the amount of dividend in Weekly Dividend Payout Option under Kotak Liquid – Plan A, is less than Rs. 5000/-, the same shall be reinvested.</li> </ul>			
<b>Redemption</b>	<p>The redemption or repurchase proceeds shall be dispatched to the unitholders within 10 working days from the date of redemption or repurchase.</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 the city of the bank branch of the Unitholder. If the Unitholder resides in any other city, he will be paid by a Demand Draft payable at the city of his bank branch.</p> <p>Redemption cheques will generally be sent to the Unitholder's address, (or, if there is more than one joint holder, the address of the first-named holder) as per the Registrar's records, by courier.</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 Scheme.</p>			

<b>Delay in payment of redemption/ repurchase/ dividend proceeds</b>	The Asset Management Company shall be liable to pay interest to the unitholders at such rate as may be specified by SEBI for the period of such delay (presently @ 15% per annum).
<b>Bank A/c Details</b>	<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 &amp; 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 &amp; documents. At the time of redemption, investors can select the bank account to receive the amount.</p>
<b>The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same.</b>	Not applicable
<b>Restrictions, if any, on the right to freely retain or dispose of units being offered.</b>	Units held by way of an Account Statement cannot be transferred. However, units which are held in demat form shall be freely transferable under the depository system.
<b>MF utility services for Investors</b>	<p>Kotak Mahindra Asset Management Company Ltd ("the AMC") has entered into an Agreement with MF Utilities India Private Limited ("MFUI"), a "Category II – Registrar to an Issue" under SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, for usage of MF Utility ("MFU") - a shared services initiative of various Asset Management Companies, which acts as a transaction aggregation portal for transacting in multiple Schemes of various Mutual Funds with a single form and a single payment instrument.</p> <p>Accordingly, all financial and non-financial transactions pertaining to Schemes of Kotak Mahindra Mutual Fund can be done through MFU either electronically on <a href="http://www.mfuonline.com">www.mfuonline.com</a> as and when such a facility is made available by MFUI or physically through the authorized Points of Service ("POS") of MFUI with effect from the respective dates as published on MFUI website against the POS locations. The list of POS of MFUI is published on the website of MFUI at <a href="http://www.mfuindia.com">www.mfuindia.com</a> as may be updated from time to time. The Online Transaction Portal of MFU i.e. <a href="http://www.mfuonline.com">www.mfuonline.com</a> and the POS locations of MFUI will be in addition to the existing Official Points of Acceptance ("OPA") of the AMC.</p> <p>The uniform cut-off time as prescribed by SEBI and as mentioned in the SID / KIM of respective schemes shall be applicable for applications received on the portal of MFUI i.e. <a href="http://www.mfuonline.com">www.mfuonline.com</a>. However, investors should note that transactions on the MFUI portal shall be subject to the eligibility of the investors, any terms &amp; conditions as stipulated by MFUI / Mutual Fund / the AMC from time to time and any law for the time being in force.</p> <p>Investors are requested to note that, MFUI will allot a Common Account Number ("CAN"), a single reference number for all investments in the Mutual Fund industry, for transacting in multiple Schemes of various Mutual Funds through MFU and to map existing folios, if any. Investors can create a CAN by submitting the CAN Registration Form (CRF) and necessary documents at the MFUI POS. The AMC and / or its Registrar and Transfer Agent (RTA) shall provide necessary details to MFUI as may be needed for providing the required services to investors / distributors through MFU. Investors are requested to visit the websites of MFUI or the AMC to download the relevant forms</p>
<b>Foreign Account Tax Compliance</b>	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 are likely to be classified as a 'Foreign Financial Institution' (Investment Entity as per Annexure 1(i)) under the FATCA provisions. In accordance with FATCA provisions, the AMC/Mutual Fund will be required to undertake due diligence process and identify US reportable accounts and collect such information/documentary evidences of the US and/or non-US status of its investors/Unit holders and disclose such information (through its agents or service providers) as far as may be legally permitted about the holdings, investment returns and/or to US Internal Revenue Service (IRS) or the Indian Tax Authorities, as the case may be for the purpose of onward transmission to the IRS pursuant to the new reporting regime under FATCA.

## B. Periodic Disclosures

<p><b>Net Asset Value</b></p> <p>This is the value per unit of the scheme on a particular day. You can ascertain the value of your investments by multiplying the NAV with your unit balance.</p>	<p>The Mutual Fund shall update the Net asset value of the scheme on every business day on AMFI's website <a href="http://www.amfiindia.com">www.amfiindia.com</a> by 9:00 p.m. The NAVs shall also be updated on the website of the Mutual Fund <a href="http://www.assetmanagement.kotak.com">www.assetmanagement.kotak.com</a> and will be published in two newspapers.</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><b>Half yearly Disclosures: Portfolio / Financial Results</b></p> <p>This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.</p>	<p>A complete statement of the portfolio of the Scheme will either be sent to all Unitholders, or published by way of an advertisement, before the expiry of one month from the close of each half year, that is the 31st of March and the 30th of September, in one English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated. The same will also be posted on the website viz. <a href="http://assetmanagement.kotak.com">assetmanagement.kotak.com</a></p>		
<p><b>Half Yearly Results</b></p>	<p>The soft copy of unaudited financial results shall within one month from the close of each half year i.e. 31st of March and the 30th of September, be hosted on the website <a href="http://assetmanagement.kotak.com">assetmanagement.kotak.com</a> and will be sent to AMFI for posting on its website <a href="http://www.amfiindia.com">www.amfiindia.com</a></p> <p>Also an advertisement of hosting of the unaudited results shall be published in one English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated.</p>		
<p><b>Annual Report</b></p>	<p>Pursuant to SEBI Circular No. Cir/IMD/DF/16/2011 dated September 8, 2011, Annual report or Abridged Summary will be available on <a href="http://assetmanagement.kotak.com">assetmanagement.kotak.com</a> and shall be sent by way of email to the investor's registered email address or Physical copies (If investor's 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 &amp; Transfer Agents. The unit holder can get physical copies of the above mentioned reports at the registered offices at all time. The annual report shall be displayed on <a href="http://assetmanagement.kotak.com">assetmanagement.kotak.com</a>.</p>		
<p><b>Associate Transactions</b></p>	<p>Please refer to Statement of Additional Information (SAI).</p>		
<p><b>Taxation:</b></p> <p>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> <p>(For Debt Schemes)</p>	<p><b>Applicable tax rates are as per provision of Finance Act 2014</b></p>		
	<p style="text-align: center;"><b>Unit holder</b></p>		
	<p style="text-align: center;"><b>Resident</b></p>	<p style="text-align: center;"><b>FII</b></p>	<p style="text-align: center;"><b>Mutual Fund</b></p>
<p>Dividend</p>	<p>NIL</p>	<p>NIL</p>	<p>Dividend Distribution Tax (DDT) on the dividend distributed under this scheme:</p> <p>a) On dividend distributed to individual and HUF: -25% [plus surcharge and edu.cess and SHEC] (refer note)</p> <p>b) On dividend distributed to other than Individual and HUF -30% [plus surcharge and edu.cess and SHEC] (refer note)</p> <p>c) On dividend distributed to a non-resident or to a foreign company by an Infrastructure Debt Fund -5% [plus surcharge and edu.cess and SHEC] (refer note)</p> <p><i>Note - The amount of distributed income referred above shall be increased to such amount as would, after reduction of the additional income-tax on such increased amount at the rate specified, be equal to the amount of income distributed by the Mutual Fund</i></p>
<p>Short Term Capital Gain (Refer note 1 below)</p>	<p>10%-30% as per the slab rates applicable to the assessee</p>	<p>30%</p>	<p>NIL</p>

	Long Term Capital Gain (Refer note 1 below)	20% with indexation	10% (without indexation)	NIL
<p><b>Note (1):</b> The above rates would be increased by a surcharge of:</p> <ul style="list-style-type: none"> <li>In case of resident domestic corporate unit holders; <ul style="list-style-type: none"> <li>7% where the total income exceeds Rs. 10,000,000 but less than / equal to Rs. 100,000,000 or</li> <li>12% where the total income exceeds Rs. 100,000,000</li> </ul> </li> <li>In case of <b>FII</b> being a corporate unit holder; <ul style="list-style-type: none"> <li>2% where the total income exceeds Rs. 10,000,000 but less than / equal to Rs. 100,000,000</li> <li>5% where the total income exceeds Rs. 100,000,000</li> </ul> </li> <li>In case of FII being a non-corporate and resident non-corporate unit holders; <ul style="list-style-type: none"> <li>12% where the total income exceeds of Rs. 10,000,000</li> </ul> </li> </ul> <p>Further, an additional surcharge of 3% (Education cess of 2% and Secondary &amp; Higher education cess of 1%) would be charged on the amount of tax inclusive of surcharge as applicable, for all unit holders.</p> <p><b>Note (2):</b> The expression "Infrastructure debt fund" has been defined in clause 1 of regulation 49 L of the Securities and Exchange Board of India (Mutual Fund) regulations 1996. As per clause 1 of Regulation 49 L, an infrastructure debt fund scheme means a mutual fund scheme, that invests primarily (minimum 90% of scheme assets) in debt securities or securitized debt instrument of infrastructure companies or infrastructure capital companies or infrastructure projects or special purpose vehicles which are created for the purpose of facilitating or promoting investment in infrastructure, and other permissible assets in accordance with these regulations or bank loans in respect of completed and revenue generating projects of infrastructure companies or projects or special purpose vehicles.</p> <p><b>Note 3):</b> Long-term capital gains in case of non-residents (other than FII) would be taxable @ 10% on transfer of capital assets, being unlisted securities, computed without giving effect to first and second proviso to section 48 i.e. without taking benefit of foreign currency fluctuation and indexation benefit.</p> <p>Long term capital gains in the case of FIIs would be taxable @10% on transfer of capital assets being securities without giving effect to the first and second proviso to section 48 i.e. without taking the benefit of foreign currency fluctuation and without indexation.</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 aforesaid schemes do not qualify as an equity oriented fund, no Securities Transaction tax is payable by the unit holders on redemption / repurchase of units by the Fund.</p> <p><b>For further details on taxation please refer to the clause on taxation in the SAI.</b></p>				
<b>Investor services</b>	<p>Mr. R. Chandrasekaran 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: 66056825 Fax: 6638 4455 e-mail: mutual@kotak.com</p>			

### C. Computation of NAV (common to all schemes)

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

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

NAV of Units under the Scheme will be calculated as shown below:

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

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

Computation of NAV will be done after taking into account dividends paid, if any, and the distribution tax thereon, if applicable. Therefore, once dividends are distributed under the Dividend Option, the NAV of the Units under the Dividend Option would always remain lower than the NAV of the Units issued under the Growth Option. The income earned and the profits realized in respect of the Units issued under the Growth Option remain invested and are reflected in the NAV of the Units.

## V. FEES AND EXPENSES

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

These are ongoing schemes on the date of updating this document.

B. 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	2.25%
Next 300 crores	2.00%
Next 300 crores	1.75%
Balance assets	1.50%

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

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

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

Provided further that expenses charged under this clause shall be 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).

### B. Total Expense Ratio for the schemes

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

Expenses Structure	% of daily Net Assets of Kotak Bond (Deposit Plan), Kotak Floater Short Term Scheme, Kotak Monthly Income Plan, Kotak Treasury Advantage Fund, Kotak Flexi Debt (Regular Plan), Kotak Income Opportunities	% of daily Net Assets of Kotak Bond Plan A, Kotak Gilt Unit Scheme 98 Investment Plan (Regular Plan, Provident Fund and Trust Plan)	% of daily Net Assets of Kotak Bond Short Term
Investment Management and Advisory Fees			

Trustee fee	Upto 2.25%	Upto 1.65%	Upto 1.50%
Audit fees			
Custodian fees			
RTA Fees			
Marketing & Selling expense incl. agent commission			
Cost related to investor communications			
Cost of fund transfer from location to location			
Cost of providing account statements and dividend redemption cheques and warrants			
Costs of statutory Advertisements			
Cost towards investor education & awareness (at least 2 bps)			
Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades resp.			
Service tax on expenses other than investment and advisory fees			
Service tax on brokerage and transaction cost			
Other Expenses			
<b>Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c) (i) and (6) (a)</b>	<b>Upto 2.25%</b>	<b>Upto 1.65%</b>	<b>Upto 1.50%</b>
Additional expenses under regulation 52 (6A) (c)	Upto 0.20%	Upto 0.20%	Upto 0.20%
Additional expenses for gross new inflows from specified cities	Upto 0.30%	Upto 0.30%	Upto 0.30%

<b>Expenses Structure</b>	<b>% of daily Net Assets of Kotak Liquid (Regular Plan)</b>	<b>% of daily Net Assets of Kotak Liquid (Institutional Plan)</b>	<b>% of daily Net Assets of Kotak Liquid (Plan A)</b>	<b>% of daily Net Assets of Kotak Flexi Debt (Plan A)</b>
Investment Management and Advisory Fees	Upto 1.00%	Upto 0.75%	Upto 0.65%	Upto 2.00%
Trustee fee				
Audit fees				
Custodian fees				
RTA Fees				
Marketing & Selling expense incl. agent commission				
Cost related to investor communications				
Cost of fund transfer from location to location				
Cost of providing account statements and dividend redemption cheques and warrants				
Costs of statutory Advertisements				
Cost towards investor education & awareness (at least 2 bps)				

Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades resp.				
Service tax on expenses other than investment and advisory fees				
Service tax on brokerage and transaction cost				
Other Expenses				
<b>Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c) (i) and (6) (a)</b>	<b>Upto 1.00%</b>	<b>Upto 0.75%</b>	<b>Upto 0.65%</b>	<b>Upto 2.00%</b>
Additional expenses under regulation 52 (6A) (c)	Upto 0.20%	Upto 0.20%	Upto 0.20%	Upto 0.20%
Additional expenses for gross new inflows from specified cities	Upto 0.30%	Upto 0.30%	Upto 0.30%	Upto 0.30%

<b>Expenses Structure</b>	<b>% of daily Net Assets of Kotak Banking and PSU Debt Fund*, Kotak Low Duration Fund and Kotak Corporate Bond Fund</b>
Investment Management and Advisory Fees	Upto 2.25%
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 for cash market trades	
Service tax on expenses other than investment and advisory fees	
Service tax on brokerage and transaction cost	
Other Expenses	
<b>Maximum total expense ratio (TER) permissible under Regulation 52 (6) (c) (i) and (6) (a)</b>	<b>Upto 2.25%</b>
Additional expenses under regulation 52 (6A) (c)	Upto 0.20%
Additional expenses for gross new inflows from specified cities	Upto 0.30%

\*At least 10% of the TER is charged towards distribution expenses/ commission in the Regular Plan. The TER of the Direct Plan will be lower to the extent of the abovementioned distribution expenses/ commission (at least 10%) which is charged in the Non-Direct Plan.

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

However, Direct Plan shall have a lower expense ratio than the Regular Plan. The expenses would exclude distribution expenses, commission, etc and no commission for distribution of Units will be paid / charged under Direct 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. The differential portion of expenses if any, post charging of actual expenses will be adjusted in the investment management fee charged by the investment manager. There will be no sub limit on management fee, and it shall be within the overall TER specified above.

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

### C. Load Structure

Load is an amount which is paid by the investor to 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 [assetmanagement.kotak.com](http://assetmanagement.kotak.com) or may call at 1800-22-2626 or your distributor.

Scheme Name	Entry Load*	Exit Load**
Kotak Mahindra Gilt Unit Scheme – 98 Investment Plan	Nil	Nil
Kotak Mahindra Liquid Scheme	Nil	Nil
Kotak Floater Short Term Scheme	Nil	Nil
Kotak Treasury Advantage Fund	Nil	Nil
Kotak Flexi Debt	Nil	<ul style="list-style-type: none"> <li>For redemptions / switch outs (including SIP/STP) within 180 days from the date of allotment of units, irrespective of the amount of investment - 1.00%</li> <li>For redemptions / switch outs (including SIP/STP) after 180 days from the date of allotment of units, irrespective of the amount of investment - NIL</li> </ul>
Kotak Bond Short Term Plan	Nil	<ul style="list-style-type: none"> <li>For redemptions / switch outs (including SIP/STP) within 30 days from the date of allotment of units, irrespective of the amount of investment - 0.25%</li> <li>For redemptions / switch outs (including SIP/STP) after 30 days from the date of allotment of units, irrespective of the amount of investment - NIL</li> </ul>
Kotak Bond Unit Scheme	Nil	NIL
Kotak Mahindra Monthly Income Plan	Nil	<ul style="list-style-type: none"> <li>For redemptions / switch outs (including SIP/STP) within 3 years from the date of allotment of units, irrespective of the amount of investment: 1%</li> <li>For redemption/switch outs (including SIP/STP) after 3 years from the date of allotment of units, irrespective of the amount of investment: Nil</li> </ul>
Kotak Income Opportunities	Nil	<ul style="list-style-type: none"> <li>For redemptions/switch outs (including SIP/STP) within 1 year from the date of allotment of units, irrespective of the amount of investment: 2%.</li> <li>For redemptions/ switch outs (including SIP/STP) after 1 year from the date of allotment of units, irrespective of the amount of investment: Nil</li> </ul>
Kotak Banking and PSU Debt Fund	Nil	Nil
Kotak Low Duration Fund	Nil	Nil
Kotak Corporate Bond Fund	Nil	<ul style="list-style-type: none"> <li>For redemption/switch outs (including SIP/STP) within 1 year from the date of allotment of units, irrespective of the amount of investment: 2%</li> <li>For redemption/switch outs (including SIP/STP) after 1 year from the date of allotment of units, irrespective of the amount of investment: NIL</li> </ul>

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

\* 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.

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

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.



## 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
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 share holders or debenture holders and depositors, or for economic offences, or for violation of securities law.	<ul style="list-style-type: none"> <li>• During the financial year 2013-14, RBI has imposed a penalty of Rs 3.50 lacs for bouncing of SGL deal in Kotak Bond and Kotak Gilt Investment scheme. The same has been borne by KMAMC. The amount of penalty has been paid on November 12, 2013.</li> <li>• RBI has imposed a penalty of Rs. 15 lakhs in April 2011, in respect of foreign exchange derivative transactions done by KMBL with certain corporate during the period 2007-08. The amount of penalty has been paid on May 5, 2011.</li> <li>• RBI on the basis of the scrutiny carried out, had levied a penalty on KMBL a sum of Rs. 1.501 crores on account of non-adherence to certain aspects of KYC and AML guidelines. KMBL has taken necessary corrective steps in this respect. The amount of penalty has been paid July 25, 2013.</li> <li>• RBI has imposed a penalty of Rs. 10 lakh on Kotak Bank in July 2014 in the matter of loan and current accounts scrutiny of Deccan Chronicle Holding Ltd. The amount of penalty has been paid on August 5, 2014.</li> </ul>
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	NIL
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	NIL
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	NIL

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

Note: The Schemes/Plans under this Scheme Information Document were approved by the Trustee at their meetings held on:

Kotak Gilt Unit Scheme 98 (September 28, 1998), Kotak Bond (July 23, 1999); Kotak Liquid (August 10, 2000); Kotak Bond Short Term Plan (March 13, 2002); Kotak Monthly Income Plan (September 13, 2002); Kotak Floater Short Term Scheme (April 07, 2003); Kotak Treasury Advantage Fund (formerly known as Kotak Floater Long Term Scheme) (April 28, 2004) Kotak Flexi Debt (September 14, 2004), Kotak Income Opportunities Fund (September 23, 2009) and Kotak Banking and PSU Debt Fund (June 14, 2012), Kotak Medium Term Fund (July 11, 2013), Kotak Low Duration Fund\* ( December 5, 2007 ) and Kotak Corporate Bond Fund\* ( May 17, 2007 ). \*The migration of the above Schemes w.e.f. close of business hours on January 30, 2015 from PineBridge Mutual Fund to Kotak Mutual Fund was approved by the Trustee on September 1, 2014.

## OFFICIAL COLLECTION CENTRES

### I. KAMAMC AUTHORISED COLLECTION CENTRES

**Ahmedabad:** 9,10,11- 2nd Floor, Siddhi Vinayak complex, Shivranjani Cross Roads, Satellite, Ahmedabad - 380015. **Bangalore:** 2nd Floor, Umiya Landmark, 10/7, Lavelle Road, Bangalore - 560001. **Bhubaneswar:** 2nd Floor, Building No.24, SCR Janpath, Bapujinagar, Bhubaneswar - 751001. **Chandigarh:** Sco No 2475- 2476, 1st Floor, Sector 22 C, Chandigarh -160022. **Chennai:** No. 1-E, 1st Floor, Eldorado Building, 112, Nungambakkam High Road, Chennai - 600034. **Cochin:** Shop No: 56 & 57. 2nd Floor, Jacob DD Mall. M G Road, Shenoy's Junction, Cochin - 682035. **Goa:** 3rd Floor, Mathias Plaza, 18th June Road, Panjim, Goa - 403001. **Gurgaon:** 2nd Floor, SCO-14, Sector No 14, Gurgaon - 122001. **Guwahati:** 5th Floor, Amaze Shopping Mall (Above Vishal Mega Mart) A.T.Road, Guwahati - 781001. **Hyderabad:** No.304, 3rd Floor, Jade Arcade, Paradise Circle, M.G. Road, Hyderabad - 500003. **Jaipur:** 202, Mall-21, Opp. Raj Mandir Cinema, Bhagwandas Road, Jaipur - 302001. **Jamshedpur:** 1st Floor, Sanghi Mansion, Main Road, Sakchi Boulevard Road, Ram Mandir Area, Biustupur, Jamshedpur - 831001. **Kanpur:** Room No. 107, 1st Floor, Ratan Squire, 14/144 Chunni Ganj, Kanpur - 208001. **Kolkata:** 1st Floor, Horizon, 57 Chowranghee Road, Kolkata - 700 071. **Lucknow:** Aryans Business Park, 90 MG Marg, Lucknow - 226 001. **Ludhiana:** 1st Floor, SCO 20, Feroze Gandhi Market, Ludhiana - 141001. **Mumbai:** 6th Floor, Kotak Infinity, Building No. 21, Infinity Park, Off Western Express Highway, Gen. A K Vaidya Marg, Malad (E), Mumbai - 400097. **Mumbai (Nariman Point):** 1st Floor, Bakhtawar, 229 Nariman Point, Mumbai - 400021. **Mumbai (Thane):** Ground Floor, Shop No.2, Ram Rao Sahani Sadan, Kaka Sohni Path, Thane (W)- 400602. **Nashik:** Shop no.6, Ground Floor, Krishnaratna, Opp. Hotel Potoba, New Pandit Colony, Nashik - 422002. **New Delhi:** Kotak Mahindra Asset Management Co. Ltd., Unit No. 9A & 9C, 9th Floor, Vandana Building, Tolstoy Marg, Connaught Place, New Delhi - 110001. **Patna:** 204 Shyam Center, Besides Republic Hotel, Exhibition Road, Patna - 800001. **Pune:** Yeshwant, Office no 31, 3rd Floor, Plot No 37/10 B, Opp Lane no 9, Prabhat Road, Pune - 411004. **Vadodara:** 202, Gold Croft, Opp. Only Parathas Restaurant, Jetalpur Road, Vadodara - 390007.

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

**Ahmedabad:** 111-113, 1st Floor, Devpath Building, Off C G Road, Behind Lal Bungalow, Ellis Bridge, Ahmedabad - 380006. **Bangalore:** Trade Centre, 1st Floor, 45, Dikensen Road, (Next to Manipal Centre), Bangalore - 560042. **Bhubaneswar:** 3rd Floor, Plot No - 111, Varaha Complex Building, Station Square, Kharvel Nagar, Unit 3, Bhubaneswar - 751001. **Chandigarh:** Deepak Tower, SCO 154-155, 1st Floor, Sector 17-C, Chandigarh - 160017. **Chennai:** Ground Floor No.178/10, Kodambakkam High Road, Opp. Hotel Palmgrove, Nungambakkam, Chennai - 600034. **Cochin:** 1st Floor, K C Centre, Door No. 42/227-B, Chittoor Road, Opp. North Town Police Station, Kacheripady, Cochin - 682018. **Coimbatore:** Ground Floor, Old No. 66 New No. 86, Lokamanya Street (West), R.S.Puram, Coimbatore - 641002. **Durgapur:** 3rd Floor, City Plaza Building, City Centre, Durgapur - 713 216. **Goa:** No.108, 1st Floor, Gurudutta Bldg, Above Weekender, M G Road, Panaji, Goa - 403001. **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 Ramdaspeeth, Nagpur - 440010. **New Delhi:** 7-E, 4th Floor, Deen Dayaal Research Institute Building, Swami Ram Tirath Nagar, Near Videocon Tower, Jhandewalan Extension, New Delhi - 110055. **Patna:** G-3, Ground Floor, Om Vihar Complex, SP Verma Road, Patna - 800001. **Pune:** Nirmity Eminence, Off No. 6, 1st Floor, Opp Abhishek Hotel Mehendale Garage Road, Erandawane, Pune - 411004. **Surat:** Plot No.629, 2nd Floor, Office No.2-C/2-D, Mansukhlal Tower, Beside Seventh Day Hospital, Opp.Dhiraj Sons, Athwalines, Surat - 395001. **Vadodara:** 103 Aries Complex, BPC Road, Off R.C. Dutt Road, Alkapuri, Vadodara - 390007. **Vijayawada:** 40-1-68, Rao & Ratnam Complex, Near Chennupati Petrol Pump, M.G Road, Labbipet, Vijayawada - 520010. **Visakhapatnam:** 47/9/17, 1st Floor, 3rd Lane, Dwaraka Nagar, Visakhapatnam - 530016.

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

**Agartala:** Advisor Chowmuhan, (Ground Floor), Krishnanagar, Agartala - 799001. **Agra:** No.8, 2nd Floor, Maruti Tower, Sanjay Place, Agra - 282002. **Ahmednagar:** B, 1+3, Krishna Enclave Complex, Near Hotel Natraj, Nagar-Aurangabad Road, Ahmednagar - 414001. **Ajmer:** AMC No. 423/30, New Church Brahampuri, Opp T B Hospital, Jaipur Road, Ajmer - 305001. **Akola:** Opp. RLT Science College, Civil Lines, Akola - 444001. **Aligarh:** City Enclave, Opp. Kumar Nursing Home, Ramghat Road, Aligarh - 202001. **Allahabad:** 30/2, A&B, Civil Lines Station, Besides Vishal Mega Mart, Strachey Road, Allahabad - 211001. **Alleppey:** Doctor's Tower Building, Door No. 14/2562, 1st floor, North of Iorn Bridge, Near Hotel Arcadia Regency, Allppey - 688 001. **Alwar:** 256A, Scheme No 1, Arya Nagar, Alwar - 301001. **Amaravati:** 81, Gulsham Tower, 2nd Floor, Near Panchsheel Talkies, Amaravati - 444601. **Ambala:** Opposite PEER, Bal 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, 1st Floor, Pallavi Towers, Anantpur - 515001. **Ankleshwar:** G-34, Ravi Complex, Valia Char Rasta, G I D C, Bharuch, Ankleshwar - 393002. **Asansol:** Block - G, 1st Floor, P C Chatterjee Market Complex, Rambandhu Talab, P O Ushagram, Asansol - 713303. **Aurangabad:** Office No. 1, 1st Floor, Amodi Complex, Juna Bazar, Aurangabad - 431001. **Balasure:** B C Sen Road, Balasure - 756001. **Bareilly:** F-62-63, Butler Plaza, Civil Lines, Bareilly - 243001. **Basti:** Office No. 3, 1st Floor, Jamia Shopping Complex, (Opposite Pandey School), Station Road, (Uttar Pradesh), Basti - 272002. **Belgaum:** 1st Floor, 221/2A/1B, Vaccine Depot Road, Near 2nd Railway gate, Tilakwadi, Belgaum - 590006. **Bellary:** No 60/5 Mullangi Compound, Gandhinagar Main Road (Old Gopalswamy Road), Bellary - 583101. **Berhampur:** 1st Floor, Upstairs of Aaroon Printers, Gandhi Nagar Main Road, Ganjam Dt Orissa, Berhampur - 760001. **Bhagalpur:** Krishna, 1st Floor, Near Mahadev Cinema, Dr R P Road, Bhagalpur - 812002. **Bharuch:** (Parent: Ankleshwar TP) : F -108, Rangoli Complex, Station Road Bharuch - 392001. **Bhatinda:** 2907 GH, GT Road, Near Zila Parishad, Bhatinda - 151001. **Bhavnagar:** 305-306, Sterling Point, Waghawadi Road, OPP. HDFC Bank, Bhavnagar - 364002. **Bhilai:** : Shop No. 117, Ground Floor, Khicharia Complex, Opposite IDBI Bank, Nehru Nagar Square, Bhilai - 490020. **Bhilwara:** Indraprastha Tower, 2nd Floor, Shyam Ki Sabji Mandi Near Mukulji Garden, Bhilwara - 311001. **Bhopal:** Plot No.13, Major Shopping Center, Zone-I, M P Nagar, Bhopal - 462011. **Bhuj:** Data Solution, Office No. 17, 1st Floor, Municipal Building, Opp Hotel Prince, Station Road, Bhuj-Kutch - 370001. **Bhusawal:** (Parent: Jalgaon TP) : 3, Adelade Apartment, Christian Mohala, Behind Gulshan-E-Iran Hotel, Amardeep Talkies Road, Bhusawal - 425201. **Bikaner:** F 4/5, Bothra Complex, Modern Market, Bikaner - 334001. **Bilaspur:** Beside HDFC Bank, 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. **Chennai:** Ground Floor, 148 Old Mahabalipuram Road, Okkiyam, Thuraiyakkam, Chennai - 600097. **Chhindwara:** Office No - 1, Parasia Road, Near Mehta Colony, (Madhya Pradesh), Chhindwara - 480001. **Chittorgarh:** 3 Ashok Nagar, Near Heera Vatika, Chittorgarh - 312001. **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. **Davengere:** 13, 1st Floor, Akkamahadevi Samaj Complex, Church Road, P J Extension, Davengere - 577002. **Dehradun:** 204/121,

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

Nari Shilp Mandir Marg, Old Connaught Place, Dehradun - 248001. **Deoghar** : S S M Jalan Road, Ground Floor, Opp Hotel Ashoke, Caster Town, Deoghar - 814112. **Dhanbad** : Urmila Towers, Room No. 111, 1st Floor, Bank More, Dhanbad - 826001. **Dharmapuri** : 16A/63A, Pidamaneri Road, Near Indoor Stadium, Dharmapuri - 636701. **Dhule** : H No. 1793/A, JB Road, Near Tower Garden, Dhule - 424001. **Erode** : 197, Seshaiyer Complex, Agraharam Street, Erode - 638001. **Faizabad** : 64 Cantonment, Near GPO, Faizabad - 224001. **Faridabad** : B-49, 1st Floor, Nehru Ground, Behind Anupam Sweet House, NIT, Faridabad - 121001. **Gandhidham** : S-7, Ratnakala Arcade, Plot No. 231, Ward - 12/B, Gandhidham - 370201. **Ghaziabad** : 113/6, 1st Floor, Navyug Market, Ghaziabad - 201001. **Gondal** : A/177 Kailash Complex Opp. Khedut Decor GONDAL - 360311. **Gorakhpur** : Shop No. 3, 2nd Floor, Cross Road, A.D. Chowk, Bank Road, Gorakhpur - 273001. **Gulbarga** : Pal Complex, 1st Floor, Opp City Bus Stop, Super Market, Gulbarga - 585101. **Guntur** : Door No 5-38-44, 5/1 BROADIPET, Near Ravi Sankar Hotel, Guntur - 522002. **Gurgaon** : SCO - 17, 3rd Floor, Sector-14, Gurgaon - 122001. **Guwahati** : A K Azad Road, Rehabari, Guwahati - 781008. **Gwalior** : G-6, Global Apartment Phase - II, Opposite Income Tax Office, Kailash Vihar City Centre, Gwalior - 474011. **Haldia** : 2nd Floor, New Market Complex, Durgachak Post Office, Purba Medinipur District, Haldia - 721602. **Haldwani** : Durga City Centre, Nainital Road, Haldwani - 263139. **Hazaribagh** : Municipal Market, Annada Chowk, Hazaribagh - 825301. **Himmatnagar** : D-78, 1st Floor, New Durga Bazar, Near Railway Crossing, Himmatnagar - 383001. **Hisar** : 12, Opp Bank of Baroda, Red Square Market, Hisar - 125001. **Hoshiarpur** : Near Archies Gallery, Shimla Pahari Chowk, Hoshiarpur - 146001. **Hosur** : No.303, SIPCOT Staff Housing Colony, Hosur - 635126. **Hubli** : 206 & 207, 1st Floor, A-Block, Kundagol Complex, Opp Court, Club road, Hubli - 580029. **Jabalpur** : 8, Ground Floor, Datt Towers, Behind Commercial Automobiles, Napier Town, Jabalpur - 482001. **Jalandhar** : 367/8, Central Town, Opp. Gurudwara Diwan Asthan, Jalandhar - 144001. **Jalgaon** : Rustomji Infotech Services, 70, Navipeth, Opp old Bus Stand, Jalgaon - 425001. **Jalna** : (Parent ISC - Aurangabad) : Shop No. 11, 1st Floor, Ashoka Plaza, Opp Magistic Talkies, Subhash Road, Jalna - 431203. **Jamnagar** : 207, Manek Centre, P N Marg, Jamnagar - 361001. **Jamshedpur** : Millennium Tower, Room No. 15, 1st Floor, R - Road, Bistupur, Jamshedpur - 831001. **Jhansi** : Babu Lal Karkhana Compound, Opp SBI Credit Branch, Gwalior Road, Jhansi - 284001. **Jodhpur** : 1/5, Nirmal Tower, 1st Chopasani Road, Jodhpur - 342003. **Jammu** : JRDS Heights, Lane Opp. S&S Computers, Near RBI Building, Sector 14, Nanak Nagar Jammu - 180004. **Junagadh** : Circle Chowk, Near Choksi Bazar Kaman, Gujarat Junagadh - 362001. **Kadapa** : Door No.: 21/ 598, Palempapaiah Street, Near Ganjikunta 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** (Parent :Panipat TP) : 7, 1st Floor, Opp Bata Showroom, Kunjapura Road, Karnal - 132001. **Karur** : 126 GVP Towers, Kovai Road, Basement of Axis Bank, Karur - 639002. **Katni** : NH 7, Near LIC, Jabalpur Road, Bargawan, Katni - 483501. **Kestopur** : 148 Jessore Road, 2nd Floor, Block-B, Kestopur - 700101. **Khammam** : 1st Floor, Shop No 11 - 2 - 31/3, Philips Complex, Balajinagar, Wyrta Road, Near Baburao Petrol Bunk, Khammam - 507001. **Kharagpur** : Shivhare Niketan, H No 291/1, Ward No 15, Opposite UCO Bank, Kharagpur - 721301. **Kolhapur** : AMD Sofex Office No.7, 3rd Floor, Ayodhya Towers, Station Road, Kolhapur - 416001. **Kollam** : Kochupilamoodu Junction, Near VLC, Beach Road, Kollam - 691001. **Kota** : B-33, Kalyan Bhawan, Triangle Part, Vallabh Nagar, Kota - 324007. **Kottayam** : 3rd Floor, Pulimoottil Arcade, K K Road, Kanjikuzhy, Kottayam - 686004 (Kerala). **Kumbakonam** : Jailani Complex, 47, Mutt Street, Kumbakonam - 612001. **Kurnool** : H.No.43/8, Upstairs, Uppini Arcade, N R Peta, Kurnool - 518004. **Malda** : Daxhinapan Abasan, Opp Lane of Hotel Kalinga, S M Pally, Malda - 732101. **Manipal** : Basement floor, Academy Tower, Opposite Corporation Bank, Manipal - 576104. **Mapusa** (Parent ISC : Goa) : Office No.CF-8, 1st Floor, Business Point, Above Bicholim Urban Co-op Bank, Angod, Mapusa - 403507. **Margao** : Virginkar Chambers, 1st Floor, Near Kamath Milan Hotel, New Market, Near Lily Garments, Old Station Road, Margao - 403601. **Mathura** : 159/160, Vikas Bazar, Mathura - 281001. **Meerut** : 108, 1st Floor, Shivam Plaza, Opp 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)** : CTS No 411, Citipoint, Gundivali, Teli Gali, Above C. T. Chatwani Hall, Andheri (East) Mumbai - 400 069. **Muzzafarpur** : Brahman Toli, Durga Asthan Gola Road, Muzaffarpur - 842001. **Mysore** : No. 1, 1st Floor, CH.26 7th Main, 5th Cross, (Above Trishakthi Medicals), Saraswati Puram, Mysore - 570009. **Nadiad** : S/OB 2nd Floor, Ghantakarna Complex, Gunj Bazar, Nadiad - 387001. **Nalgonda** : Adj. to Maisaiah Statue , Clock Tower Center, Bus Stand Road , Nalgonda - 508001. **Nashik** : Raturang Bungalow, 2 Godavari Colony, Behind Big Bazar, Near Boys Town School, Off College Road, Nashik - 422005. **Navsari** : Dinesh Vasani & Associates, 103 - Harekrishna Complex, above IDBI Bank, Near Vasant Talkies, Chinnabai Road, Navsari - 396445. **Nellore** : 97/56, 1st Floor, Immadisetty Towers, Ranganayakulapet Road, Santhapat, Nellore - 524001. **Noida** : C-81, 1st Floor, Sector No 2, Noida - 201301. **Palakkad** : 10 / 688, Sreedevi Residency, Mettupalayam Street, Palakkad - 678001. **Palanpur** : Jyotindra Industries Compound, Near Vinayak Party Plot, Deesa Road, Palanpur - 385001. **Panipat** : 83, Devi Lal Shopping Complex, Opp ABN Amro Bank, G T Road, Panipat 132103. **Patiala** : Ground Floor, Sethi Complex, Opp: Polo Ground, Near Modi College Chowk, Lower Mall, Patiala - 147001. **Pondicherry** : S-8, 100, Jawaharlal Nehru Street, (New Complex, Opp. Indian Coffee House), Pondicherry - 605001. **Raibareli** : 17, Anand Nagar Complex, Raibareli - 229001. **Raipur** : HIG, C-23, Sector - 1, Devendra Nagar, Raipur - 492004. **Rajahmundry** : Cabin 101, D No. 7-27-4, 1st Floor, Krishna Complex, Baruvuri Street, T Nagar, Rajahmundry - 533101. **Rajkot** : Office 207 - 210, Everest Building, Harihar Chowk, Opp Shastri Maidan Limda Chowk Rajkot - 360001. **Ranchi** : 4, HB Road, No: 206, 2nd Floor Shri Lok Complex, Ranchi - 834 001. **Ratlam** : Dafria & Co., 18, Ram Bagh, Near Scholar's Schoo, Ratlam - 457001. **Ratnagiri** : Kohinoor Complex, Near Natya Theatre, Nachane Road, Ratnagiri - 415639. **Rohtak** : 205, 2nd Floor, Bldg. No. 2, Munjal Complex, Delhi Road, Rohtak - 124001. **Roorkee** : 22 Civil Lines, Ground Floor, Hotel Kirish Residence Roorkee - 247667. **Rourkela** : 1st Floor, Mangal Bhawan, Phase II, Power House Road, Rourkela - 769001. **Sagar** : Opp. Somani Automoblies, Bhagwanganj, Sagar - 470002. **Saharanpur** : 1st Floor, Krishna Complex, Opp. Hathi 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** (Parent: Kohlapur) : Diwan Niketan, 313, Radhakrishna Vasahat, Opp Hotel Suruchi, Near S.T. Stand, Sangli - 416416. **Satara** : 117 / A / 3 / 22, Shukrawar Peth, Sargam Apartment, Satara - 415002. **Shahjahanpur** : Bijlipura, Near Old Distt Hospital , Shahjahanpur - 242001. **Shimla** : 1st Floor, Opp Panchayat Bhawan Main Gate, Bus Stand, Shimla - 171001. **Shimoga** : Nethravathi, Near Gutti Nursing Home, Kuvempu Road, Shimoga - 577201. **Siliguri** : 17B Swamiji Sarani, Siliguri- 734001. **Sirsa** : Gali 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. **Sriganaganagar** : 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** : Central Tower, Above Indian Bank, 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** : Door No : 18-1-597, Near Chandana Ramesh Showroom, Bhavani Nagar, Tirupathi - 517501. **Trichur** : Room No. 26 & 27, Dee Pee Plaza, Kokkalai, Trichur - 680001. **Trichy** : No 8, 1st Floor, 8th Cross West Extn, Thillainagar, Trichy - 620018. **Trivandrum** : R S Complex, Opposite of LIC Building, Pattom PO, Trivandrum - 695004. **Tuticorn** : 1 - A / 25, 1st Floor, Eagle Book Centre Complex, Chidambaram Nagar Main, Palayamkottai Road, Tuticorn - 628008. **Udaipur** : 32 Ahinsapuri, Fatehpura Circle, Udaipur - 313004. **Ujjain** : 123, 1st Floor, Siddhi Vinayaka Trade Centre, Saheed Park, (Madhya Pradesh), Ujjain - 456010. **Unjha** (Parent: Mehsana) : 10/11, Maruti Complex, Opp. B R Marbles, Highway Road, Mehsana, Unjha - 384170. **Valsad** : Gita Niwas, 3rd Floor, Opp. Head Post Office, Halar Cross Lane, Valsad - 396001. **Vapi** : 215-216, 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, Rannagar, 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.**

All ASBA Participating Bank.