



Think Investments. Think Kotak®

## SCHEME INFORMATION DOCUMENT (SID)

### SECTION I

#### Kotak Gilt Fund

(An open ended debt scheme investing in government securities across maturity. A relatively high interest rate risk and relatively low credit risk.)

| This product is suitable for investors who are seeking: | Scheme Riskometer                         | Benchmark Riskometer                                                               |
|---------------------------------------------------------|-------------------------------------------|------------------------------------------------------------------------------------|
|                                                         | <p>The risk of the scheme is Moderate</p> | <p>The risk of the benchmark is Moderate</p> <p>Nifty All Duration G-Sec Index</p> |

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

(The above risk-o-meter is based on the scheme portfolio as on October 31, 2025. An addendum may be issued or updated in accordance with provisions of Para 17.4 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 on an ongoing basis on the website viz. [www.kotakmf.com](http://www.kotakmf.com))

#### Potential Risk Class ("PRC") Matrix of the Scheme

| Credit Risk →<br>Interest Rate Risk ↓ | Relatively Low<br>(Class A) | Moderate<br>(Class B) | Relatively High<br>(Class C) |
|---------------------------------------|-----------------------------|-----------------------|------------------------------|
| Relatively Low                        |                             |                       |                              |
| Moderate                              |                             |                       |                              |
| Relatively High                       | A - III                     |                       |                              |

#### Continuous Offer for Units at NAV based prices

Scheme Re-opens on: January 5, 1999

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

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

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, Standard Risk Factors, Special Considerations, Tax and Legal issues and general information on [www.kotakmf.com](http://www.kotakmf.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 (Section I and II) should be read in conjunction with the SAI and not in isolation.

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## Part I. HIGHLIGHTS/SUMMARY OF THE SCHEME

| Sr. No. | Title                     | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|---------|---------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| I.      | Name of the scheme        | Kotak Gilt Fund<br>(Regular and Provident Fund Plan & Trust Plan)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| II.     | Category of the Scheme    | <b>Debt Scheme –Gilt Fund</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| III.    | Scheme type               | An open ended debt scheme investing in government securities across maturity. A relatively high interest rate risk and relatively low credit risk.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| IV.     | Scheme code               | <b>KOTM/O/D/GIL/98/12/0002</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| V.      | 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 portion of the fund may be invested in Reverse repo, Triparty repo on Government securities or treasury bills and/or other similar instruments as may be notified 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.</p> <p>There is no assurance that the investment objective of the Plan will be achieved. It is however emphasized, 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> |
| VI.     | Liquidity/listing details | <p>The Scheme offers Units for Subscription and Redemption at NAV based prices on each Business Days on an ongoing basis.</p> <p>Since the Scheme is open-ended, it is not necessary to list the units of the Scheme on any exchange.</p> <p>Regular and Provident Fund Plan &amp; Trust Plan:</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

|              |                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--------------|---------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|              |                                                                           | <p>The Scheme offers Units for Subscription and Redemption at NAV based prices on each Business Days on an ongoing basis.</p> <p>Since the Scheme is open-ended, it is not necessary to list the units of the Scheme on any exchange.</p> <p>Provident Fund Plan &amp; Trust Plan:<br/>Put option available during liquidity window</p>                                                                                                                                                                                                                                                                                                                          |
| <b>VII.</b>  | <b>Benchmark (Total Return Index)</b>                                     | <p><b>Tier 1 Benchmark</b> -Nifty All Duration G-Sec Index</p> <p><b>Benchmark rationale:</b><br/>The composition of the aforesaid benchmark is such that, it is most suited for comparing the performance of the scheme..</p>                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>VIII.</b> | <b>NAV disclosure</b>                                                     | <p>The NAVs of the Scheme will be calculated and disclosed on every Business Day on the website of the Kotak Mahindra Mutual Fund viz <a href="http://www.kotakmf.com">www.kotakmf.com</a> and AMFI's website <a href="http://www.amfiindia.com">www.amfiindia.com</a> by 11.00 p.m.</p> <p>For further details, refer Section II.</p>                                                                                                                                                                                                                                                                                                                           |
| <b>IX.</b>   | <b>Applicable timelines</b>                                               | <p><b>Dispatch of redemption proceeds</b><br/>The Mutual Fund shall initiate payment of redemption or repurchase proceeds to the unitholders within three working days from the date of redemption or repurchase.</p> <p>In case of exceptional situations listed in AMFI Circular No. AMFI/35P/MEM-COR/74/2022-23 dated January 16, 2023, the scheme shall be allowed additional timelines for transfer of redemption or repurchase proceeds to the unitholders.</p> <p><b>Dispatch of IDCW</b><br/>· The Income Distribution cum capital withdrawal (IDCW) payments shall be dispatched to the unitholders within seven working days from the record date.</p> |
| <b>X.</b>    | <b>Plans and Options</b><br>Plans/Options and suboptions under the Scheme | <p>Gilt Regular</p> <ul style="list-style-type: none"> <li>• Direct Plan</li> <li>• Non-Direct Plan</li> </ul> <p>Gilt PF &amp; Trust Plan</p> <ul style="list-style-type: none"> <li>• Direct Plan</li> <li>• Regular Plan</li> </ul> <p><b>Plan- Direct Plan/Regular Plan</b></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>Regular Plan: This Plan is for investors who wish to route their investment through any distributor.</p> <p><b>Options under each Plan(s)</b></p> <ul style="list-style-type: none"> <li>• Growth</li> <li>• Income Distribution cum Capital Withdrawal (IDCW) <ul style="list-style-type: none"> <li>i. Payout of Income Distribution cum Capital Withdrawal Option</li> <li>ii. Reinvestment of Income Distribution cum Capital Withdrawal Option</li> </ul> </li> </ul> <p><b>Default Option /Sub-Options</b></p> <ul style="list-style-type: none"> <li>• If applicant does not indicate the choice of option between growth and Income Distribution cum capital withdrawal (IDCW) option in the application form, then the fund will accept it as an application for growth option under respective plan.</li> <li>• If applicant does not indicate the choice of Income Distribution cum capital withdrawal (IDCW) sub-option between payout of Income Distribution cum capital withdrawal (IDCW) and reinvestment of Income Distribution cum capital withdrawal (IDCW) then the fund will accept it as an application for reinvestment of Income Distribution cum capital withdrawal (IDCW).</li> </ul> <p>For detailed disclosure on default plans and options, kindly refer SAI.</p> |
| <b>XI.</b>   | <b>Load Structure</b>                       | <p><b>Exit Load:</b><br/>NIL</p> <p>No exit load will be chargeable in case of switches made between different plans/options of the scheme.</p> <p>The AMC reserves the right to change / modify the Load structure of the Scheme, subject to maximum limits as prescribed under the SEBI (MF) Regulations and circulars issued thereunder from time to time.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>XII.</b>  | <b>Minimum Application Amount/switch in</b> | <p>Initial Purchase (Non- SIP)-Rs. 100/-and any amount thereafter</p> <p>SIP Purchase -Rs. 100/-and any amount thereafter</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>XIII.</b> | <b>Minimums Additional Purchase Amount</b>  | Rs. 100/-and any amount thereafter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |

|               |                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|---------------|---------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>XIV.</b>   | <b>Minimum Redemption/switch out amount</b>                                                                         | The minimum redemption amount for all plans will be Rs. 1000/- or 100 units or account balance, whichever is lower.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>XV.</b>    | <b>New Fund Offer Period</b><br>This is the period during which a new scheme sells its units to the investors.      | This does not apply to the scheme, as the ongoing offer of the Scheme has commenced after the NFO period, and the units are available for continuous subscription and redemption.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>XVI.</b>   | <b>New Fund Offer Price:</b><br>This is the price per unit that the investors have to pay to invest during the NFO. | This does not apply to the scheme, as the ongoing offer of the Scheme has commenced after the NFO period, and the units are available for continuous subscription and redemption.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| <b>XVII.</b>  | <b>Segregated portfolio/side pocketing disclosure</b>                                                               | No<br>Segregation of portfolio has been enabled in the scheme. For Details, kindly refer SAI.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>XVIII.</b> | <b>Swing pricing disclosure</b>                                                                                     | No Swing Pricing has been enabled in the scheme. For Details, Kindly refer SAI.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>XIX.</b>   | <b>Stock lending/short selling</b>                                                                                  | No Stock lending has been enabled in the scheme. For Details, kindly refer SAI.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| <b>XX.</b>    | <b>How to Apply and other details</b>                                                                               | <p>Investors should apply through a common application form/online. Investors, are requested to go through the Guidelines / instructions in Key Information Memorandum (KIM) cum application form for filling up the application form before investing. The investors signature on the main application form shall be the basis for all future transactions processing. Existing investors can use their Folio number at the time of investing in the same scheme or any scheme of Kotak Mahindra Mutual Fund.</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>The investors can submit the Application forms and Key Information Memorandum (along with transaction slip)/ forms for redemption/ switches at the branches of AMC or Investor Service Centres (ISCs)/Official Points of Acceptance (OPAs) of the Registrar (CAMS) or distributors or on the website of Kotak Mahindra Mutual Fund (<a href="http://www.kotakmf.com">www.kotakmf.com</a>).</p> <p>Investors are also advised to refer to Statement of Additional Information before submitting the application form. For Further details refer section II.</p> |
| <b>XXI.</b>   | <b>Investor services</b>                                                                                            | <ul style="list-style-type: none"> <li>• Contact details for general service requests:<br/>18003091490 / 044-40229101 (Monday to Friday between 9.30am to 6.00 pm &amp; Saturday between 9.30am to 12.30pm)<br/><a href="https://www.kotakmf.com/feedback/customer">https://www.kotakmf.com/feedback/customer</a></li> <li>• Contact details for complaint resolution:<br/>Ms. Sushma Mata, Investor Relations Officer<br/>Kotak Mahindra Asset Management Company Limited,</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |

|       |                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-------|-------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|       |                                                                                                                                           | 6 <sup>th</sup> Floor, Kotak Towers, Building No.21,<br>Infinity Park, Off: Western Express Highway<br>Goregaon - Mulund Link Road, Malad(East), Mumbai<br>400097<br>Phone Number:18003091490 / 044-40229101<br>Fax: 6708 2213<br>e-mail: <a href="https://info.kotakmf.com/write-to-usor">https://info.kotakmf.com/write-to-usor</a><br>WhatsApp us by sending us “Hi” at 9321884488. For portfolio<br>valuation, give a missed call to 7039055555 |
| XXII  | <b>Specific attribute of the scheme (such as lock in, duration in case of target maturity scheme/close ended schemes) (as applicable)</b> | <b>IDCW Frequency</b><br>Quarterly<br><br><b>IDCW Record Dates:</b><br>20 <sup>th</sup> of March, June, September and December of every year.<br>(If the record date is not a Business Day, the immediately<br>following Business Day will be the record date)                                                                                                                                                                                      |
| XXIII | <b>Special product/facility available during the NFO and on ongoing basis</b>                                                             | Following facilities are available<br>1. Systematic Investment Plan (SIP)<br>2. SIP Top Up Facility<br>3. Systematic Withdrawal Plan (SWP)<br>4. Systematic Transfer Plan (STP)<br>5. Transfer of IDCW Facility<br>6. Switching<br>7. Daily frequency under Systematic Transfer Plan Facility<br>8. SIP Pause Facility<br>9. Smart Facility i.e Smart Systematic Transfer Plan(SSTP)<br>10. Freedom SIP Facility                                    |
| XXIV  | <b>Weblink</b>                                                                                                                            | A weblink wherein TER for last 6 months viz-<br><a href="https://www.kotakmf.com/Information/TER">https://www.kotakmf.com/Information/TER</a> , Daily TER as well<br>as scheme factsheet shall be made available<br>at <a href="https://www.kotakmf.com/Information/statutory-disclosure/information">https://www.kotakmf.com/Information/statutory-disclosure/information</a>                                                                      |

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

It is confirmed that:

- i. The Scheme Information Document submitted to SEBI is in accordance with the SEBI (Mutual Funds) Regulations, 1996 and the guidelines and directives issued by SEBI from time to time.
- ii. All legal requirements connected with the launching of the Scheme as also the guidelines, instructions, etc., issued by the Government and any other competent authority in this behalf, have been duly complied with.
- iii. The disclosures made in the Scheme Information Document are true, fair and adequate to enable the investors to make a well informed decision regarding investment in the Scheme.
- iv. The intermediaries named in the Scheme Information Document and Statement of Additional Information are registered with SEBI and their registration is valid, as on date.
- v. The contents of the Scheme Information Document including figures, data, yields etc. have been checked and are factually correct
- vi. A confirmation that the AMC has complied with the compliance checklist applicable for Scheme Information Documents and other than cited deviations/ that there are no deviations from the regulations
- vii. 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.
- viii. The Trustees have ensured that **Kotak Savings Fund** approved by them is a new product offered by Kotak Mahindra Mutual Fund and is not a minor modification of any existing scheme/fund/product

**Date: November 28,  
2025**

**Name: Ms. Jolly Bhatt**

**Designation: Compliance Officer**

**Place:  
Mumbai**

## Part II. INFORMATION ABOUT THE SCHEME

### A. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

| Instruments                                                                                                                                                                            | Indicative Allocations (% of total assets) |         |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|---------|
|                                                                                                                                                                                        | Minimum                                    | Maximum |
| Government of India Securities/ State Government Securities/ Government of India tbills/, repos/ reverse repos in such Securities as may be permitted by RBI                           | 80                                         | 100     |
| Call money market or alternative investment for call money market as may be provided by the Reserve Bank of India - currently Triparty repo on Government securities or treasury bills | 0                                          | 20      |

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.

The Scheme will invest upto a maximum of 20% of net asset of the Scheme in foreign securities as specified in the Para 12.19 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 and SEBI circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/149 dated November 04, 2024, as may be amended from time to time, within the overall applicable limits.

“Foreign Securities“ means Securities as specified Para 12.19 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 and any subsequent amendments thereto specified by SEBI and/or RBI from time to time.

To reduce the risk of the portfolio, the Scheme may use various derivative and hedging products from time to time, in the manner permitted by SEBI.

**Indicative Table** (Actual instrument/percentages may vary subject to applicable SEBI circulars)

| Sl. no | Type of Instrument   | Percentage of exposure (Maximum) | Circular references*                                                                                                                                                         |
|--------|----------------------|----------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.     | Overseas Investments | 20% of net assets of the scheme. | Para 12.19 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 and SEBI circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/149 dated November 04, 2024 |

**Portfolio Rebalancing:**

As per para 2.9 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, in the event of any deviation from mandated asset allocation mentioned above, due to passive breaches, rebalancing period will be Thirty (30) business days. In case the portfolio is not rebalanced within Thirty (30) business days, justification in writing, including details of efforts taken to rebalance the portfolio shall be placed before the Investment Committee. The Investment Committee, if so desired, can extend the timelines up to sixty (60) business days from the date of completion of mandated rebalancing period. In case the portfolio of the scheme is not rebalanced within the aforementioned mandated plus extended timelines, the AMC shall not launch any new scheme till the time the portfolio is rebalanced and also not levy exit load, if any on the investors exiting the Scheme. However, at all times the portfolio will adhere to the overall investment objective of the Scheme.

#### **Short Term Defensive Consideration**

As per Para 1.14.1.2 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, the asset allocation pattern indicated above may change for a short term period on defensive considerations, keeping in view market conditions, market opportunities, applicable regulations and political and economic factors. These proportions may vary depending upon the perception of the Fund Manager, the intention being at all times to seek to protect the interests of the Unit holders. In case of any deviation, the portfolio shall be rebalanced within 30 calendar days.

### **B. WHERE WILL THE SCHEME INVEST?**

Subject to the Regulations, the amount collected under the scheme 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”:

1. Securities created and issued/ guaranteed by the Central and State Governments and/or repos/reverse repos in such Government Securities as may be permitted by RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills).
2. Debt obligations of domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee (including but not limited to Indian Government Bond, State Development Loans issued and serviced at the Public Debt Office, Bonds issued by Central & State Government PSU's which are guaranteed by Central or State Governments)
3. Triparty repo on Government securities or treasury bills or repo or any alternative investment as may be provided by RBI.
4. Derivative instruments like Interest Rate Swaps, Forward Rate Agreements, Derivatives-Interest Rate Futures (IRFs) (both perfectly and imperfectly hedged) and such other derivative instruments as permitted by SEBI/RBI from time to time.
5. Foreign securities
6. Any other instruments / securities, which in the opinion of the fund manager would suit the investment objective of the scheme subject to compliance with extant Regulations.

#### **Note:**

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.

### **Investment in Foreign Securities**

The Scheme may also invest in suitable investment avenues in overseas financial markets for the purpose of diversification, commensurate with the Scheme objectives and subject to the provisions of Para 12.19 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 and as may be amended from time to time and any other requirements as may be stipulated by SEBI/RBI from time to time.

The Scheme may, in terms of its investment objectives with the approval of SEBI/RBI invest in following Foreign Securities:

- i. ADRs/ GDRs issued by Indian or foreign companies
- ii. Equity of overseas companies listed on recognized stock exchanges overseas
- iii. Initial and follow on public offerings for listing at recognized stock exchanges overseas
- iv. Foreign debt securities in the countries with fully convertible currencies, short term as well as long term debt instruments with rating not below investment grade by accredited/registered credit rating agencies
- v. Money market instruments rated not below investment grade
- vi. Repos in the form of investment, where the counterparty is rated not below investment grade; repos should not however, involve any borrowing of funds by mutual funds
- vii. Government securities where the countries are rated not below investment grade
- viii. Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities
- ix. Short term deposits with banks overseas where the issuer is rated not below investment grade
- x. Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in
  - (a) aforesaid securities,
  - (b) Real Estate Investment Trusts (REITs) listed in recognized stock exchanges overseas or
  - (c) unlisted overseas securities (not exceeding 10% of their net assets).

The Scheme can invest in overseas securities subject to a maximum of US \$1 billion within the overall industry limit of US \$ 7 billion wherein US \$ 50 million would be reserved for each mutual fund individually, with in the overall industry limit of US \$ 7 billion or such limits as may be prescribed by SEBI from time to time and in overseas ETF subject to maximum of US \$300 million such limits as may be prescribed by SEBI from time to time. An investment headroom of 20% of the average AUM in Overseas securities of the previous three calendar months would be available to the Mutual Fund for that month to invest in Overseas securities / Overseas ETFs subject to maximum limits of US \$ 1 billion per Mutual Fund.

The Mutual Fund may, where necessary appoint intermediaries as sub-managers, sub-custodians, etc. for managing and administering such investments. The appointment of such intermediaries shall be in accordance with the applicable requirements of SEBI and within the permissible ceilings of expenses as stated under Regulation 52 of SEBI (MF) Regulations.

### **C. WHAT ARE THE INVESTMENT STRATEGIES?**

The Plan predominantly invests in government securities, without any restriction on the maturity of the portfolio

- i) The Scheme will use hedging techniques including dealing in derivative products - like futures and options, warrants, interest rate swaps (IRS), Interest rate futures (IRA) as may be permissible under SEBI (MFs) Regulations.
- (ii) The Scheme intend to use derivatives for the purpose of hedging and/or re-balancing of the portfolio against any anticipated move in the debt markets. A hedge is primarily designed to offset a loss on a portfolio with a gain in the hedge position.
- (iii) The scheme may take derivatives position based on the opportunities available and in line with the overall investment objective of the Scheme.
- (iv) The Fund manager may use various strategies for trading in derivatives with a view to enhancing returns and taking cover against possible fluctuations in the market.
- (v) The

Fund Manager may sell the index forward by taking a short position in index futures to save on the cost of outflow of funds or in the event of negative view on the market. vi) The scheme may also utilise the derivatives instruments to avail from the arbitrage opportunities

The scheme may invest in another scheme of the Kotak Mahindra Mutual Fund or any other Mutual Fund without charging any fees, provided that aggregate inter-scheme investment made by all schemes under the management of Kotak Mahindra Asset Management Company Limited or in schemes under the management of any other asset management company shall not exceed 5% of the net asset value of Kotak Mahindra Mutual Fund.

### **Portfolio Turnover**

Portfolio Turnover is a term used to measure the volume of trading that occurs in a Scheme's portfolio during a given time period. 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. Trading opportunities may arise due to changes in system liquidity, interest rate policy announced by RBI, shifts in the yield curve, change or anticipation of change in the credit worthiness or credit rating of securities or any other factors, which may lead to increase in the turnover. The fund manager will endeavour to optimize portfolio turnover to maximize gains and minimize risks keeping in mind the cost associated with it. The Scheme has no specific target relating to portfolio turnover.

## **D. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?**

**Tier 1 Benchmark** -Nifty All Duration G-Sec Index

### **Benchmark rationale:**

The composition of the aforesaid benchmark is such that, it is most suited for comparing the performance of the scheme.

## E. WHO MANAGES THE SCHEME?

| Name               | Age      | Qualification                           | Business Experience                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Schemes Managed                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|--------------------|----------|-----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mr. Abhishek Bisen | 45 Years | B A Management, MBA Finance EPAF- IIM-C | 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 NIFTY SDL APR 2027 TOP 12 EQUAL WEIGHT INDEX FUND</li> <li>• KOTAK NIFTY SDL APR 2032 TOP 12 EQUAL WEIGHT INDEX FUND</li> <li>• KOTAK NIFTY SDL PLUS AAA PSU BOND JUL 2028 60:40 INDEX FUND</li> <li>• Kotak Active Momentum Fund</li> <li>• Kotak Aggressive Hybrid Fund</li> <li>• Kotak BSE Housing Index Fund</li> <li>• Kotak BSE PSU Index Fund</li> <li>• Kotak BSE Sensex Index Fund</li> <li>• Kotak Balanced Advantage Fund</li> <li>• Kotak Banking and Financial Services Fund</li> <li>• Kotak Bond Fund</li> </ul> |

|  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|--|--|--|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  |  |  |  | <ul style="list-style-type: none"> <li>• Kotak Bond Short Term Fund</li> <li>• Kotak Business Cycle Fund</li> <li>• Kotak CRISIL - IBX Financial Services Index - Sep 2027</li> <li>• Kotak CRISIL- IBX AAA Bond Financial Services Index- Dec 2026 Fund</li> <li>• Kotak Consumption Fund</li> <li>• Kotak Debt Hybrid Fund</li> <li>• Kotak Dynamic Bond Fund</li> <li>• Kotak Energy Opportunities Fund</li> <li>• Kotak Equity Savings Fund</li> <li>• Kotak Gold ETF</li> <li>• Kotak Gold Fund</li> <li>• Kotak Healthcare Fund</li> <li>• Kotak Income Plus Arbitrage Omni FOF</li> <li>• Kotak Long Duration Fund</li> <li>• Kotak MNC Fund</li> </ul> |
|--|--|--|--|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--|--|--|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  |  |  |  | <ul style="list-style-type: none"> <li>• Kotak MSCI India ETF</li> <li>• Kotak Manufacture in India Fund</li> <li>• Kotak Multi Asset Allocation Fund</li> <li>• Kotak Multi Asset Omni FOF</li> <li>• Kotak Multicap Fund</li> <li>• Kotak NIFTY 50 Index Fund</li> <li>• Kotak NIFTY Alpha 50 ETF</li> <li>• Kotak Nifty 100 Equal Weight ETF</li> <li>• Kotak Nifty 100 Equal Weight Index Fund</li> <li>• Kotak Nifty 100 Low Volatility 30 ETF</li> <li>• Kotak Nifty 100 Low Volatility 30 Index Fund</li> <li>• Kotak Nifty 1D Rate Liquid ETF</li> <li>• Kotak Nifty 200 Momentum 30 Index Fund</li> <li>• Kotak Nifty 200 Quality 30 ETF</li> </ul> |
|--|--|--|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|--|--|--|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  |  |  |  | <ul style="list-style-type: none"> <li>• Kotak Nifty 200 Quality 30 Index Fund</li> <li>• Kotak Nifty 50 Equal Weight Index Fund</li> <li>• Kotak Nifty AAA Financial Services Bond Mar 2028 Index Fund</li> <li>• Kotak Nifty Alpha 50 Index Fund</li> <li>• Kotak Nifty Commodities Index Fund</li> <li>• Kotak Nifty Financial Services Ex-Bank Index Fund</li> <li>• Kotak Nifty G-sec July 2033 Index Fund</li> <li>• Kotak Nifty India Consumption ETF</li> <li>• Kotak Nifty India Tourism Index Fund</li> <li>• Kotak Nifty MNC ETF</li> <li>• Kotak Nifty Midcap 150 ETF</li> <li>• Kotak Nifty Midcap 150 Index Fund</li> </ul> |
|--|--|--|--|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|  |  |  |  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--|--|--|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  |  |  |  | <ul style="list-style-type: none"> <li>• Kotak Nifty Midcap 150 Momentum 50 Index Fund</li> <li>• Kotak Nifty Midcap 50 ETF</li> <li>• Kotak Nifty Midcap 50 Index Fund</li> <li>• Kotak Nifty SDL JUL 2026 INDEX FUND</li> <li>• Kotak Nifty SDL JUL 2033 INDEX FUND</li> <li>• Kotak Nifty Smallcap 250 Index Fund</li> <li>• Kotak Nifty Smallcap 50 Index Fund</li> <li>• Kotak Nifty Top 10 Equal Weight Index Fund</li> <li>• Kotak Quant Fund</li> <li>• Kotak Gilt Fund</li> <li>• Kotak Silver ETF</li> <li>• Kotak Silver ETF Fund Of Fund</li> <li>• Kotak Special Opportunities Fund</li> <li>• Kotak Technology Fund</li> <li>• Kotak Transportation</li> </ul> |
|--|--|--|--|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

|                      |  |                               |  | and Logistics Fund<br>• Kotak US Specific Equity Passive FOF<br>• Kotak Gold Silver Passive FOF<br>• Kotak Nifty 200 Momentum 30 ETF<br>• Kotak Nifty chemical ETF |
|----------------------|--|-------------------------------|--|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of Fund Manager |  | Tenure of Managing the Scheme |  | Tenure in years                                                                                                                                                    |
| Mr. Abhishek Bisen   |  | 15/04/2008                    |  | 17.47                                                                                                                                                              |

#### **.F. HOW IS THE SCHEME DIFFERENT FROM EXISTING SCHEMES OF THE MUTUAL FUND?**

The list of existing schemes under Debt schemes are given below:

1. Kotak Savings Fund
2. Kotak Low Duration Fund
3. Kotak Liquid Fund
4. Kotak Money Market Fund
5. Kotak Overnight Fund
6. Kotak Medium Term Fund
7. Kotak Corporate Bond Fund
8. Kotak Banking and PSU Debt Fund
9. Kotak Long Duration Fund
10. Kotak Bond Fund
11. Kotak Bond Short Term Fund
12. Kotak Credit Risk Fund
13. Kotak Dynamic Bond Fund
14. Kotak Floating Rate Fund
15. Kotak Gilt Fund

The detailed comparative table will be available in the given link: <https://www.kotakmf.com/Information/statutory-disclosure/disclosuresrelatedtosidandkim>

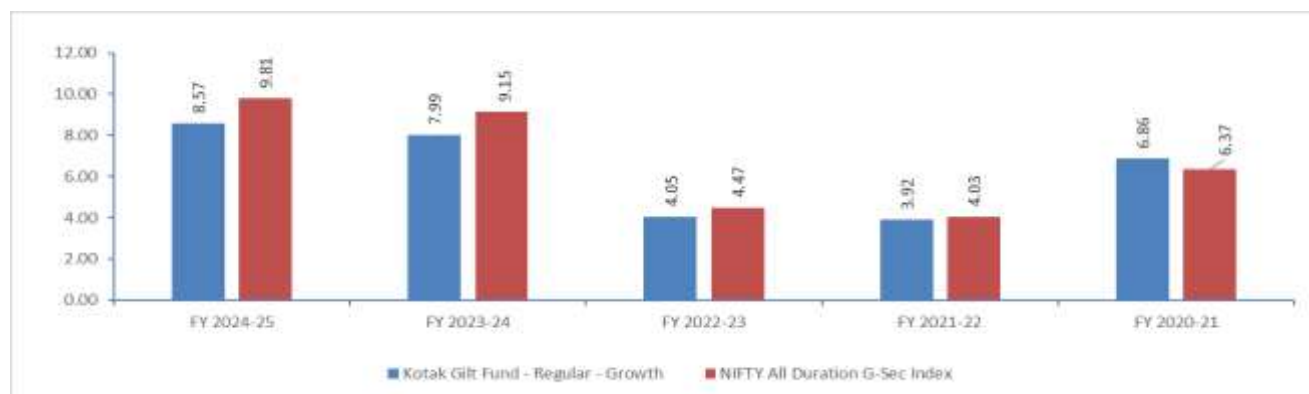
## G.HOW HAS THE SCHEME PERFORMED?

### Performance of the scheme as on September 30, 2025

| Compounded Annualized Growth Rate | Kotak Gilt Fund | NIFTY All Duration G-Sec Index # |
|-----------------------------------|-----------------|----------------------------------|
| Returns Since Inception           | 8.77%           | NA                               |
| Returns for the last 1 year       | 2.13%           | 5.76%                            |
| Returns for the last 3 years      | 6.27%           | 8.32%                            |
| Returns for the last 5 years      | 5.12%           | 6.07%                            |

#Scheme Inception date is 11/11/2003. Past performance may or may not be sustained in future.

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



Scheme Inception date is 11/11/2003. Past performance may or may not be sustained in future.

## H. ADDITIONAL SCHEME RELATED DISCLOSURES

(i) **Scheme's portfolio holdings:** Top 10 holdings by issuer and fund allocation will be available in the given link -<https://www.kotakmf.com/Information/statutory-disclosure/disclosuresrelatedtosidandkim>

(ii) **Portfolio Disclosure**– Fortnightly / Monthly/ Half Yearly- The detailed portfolio and related disclosures for the scheme please refer our website<https://www.kotakmf.com/Information/statutory-disclosure/information>

(iii) **Aggregate investment in the Scheme by: As on September 30, 2025**

| Fund Manager Name | Units    | NAV Value | Market Value in Crores<br>(in Rs) |
|-------------------|----------|-----------|-----------------------------------|
| Abhishek Bisen    | 3551.753 | 108.104   | 0.038                             |

For any other disclosure w.r.t investments by key personnel and AMC directors including regulatory provisions in this regard kindly refer SAI.

### iii. Investments of AMC in the Scheme:

Pursuant to Regulation 25(16A) of the SEBI (MF) Regulations, 1996, AMC shall invest in the scheme based on the risk associated with the scheme as specified in para 6.9 of SEBI Master circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 read with AMFI Best Practice Guidelines Circular 135/BP/100/2022-23 dated 26th April 2022 and any other circulars issued there under, from time to time.

In addition to investments as mandated above, the AMC may invest in the Scheme subject to the SEBI (MF) Regulations. Under the Regulations, the AMC is not permitted to charge any investment management and advisory services fee on its own investment in the Scheme.

Details of Investments of AMC in the Scheme will be available in the given link –  
<https://www.kotakmf.com/Information/statutory-disclosure/information>

### Part III- OTHER DETAILS

#### A. COMPUTATION OF NAV

The AMC shall compute 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 AMC shall value its investments according to the valuation norms (Valuation Policy includes computation of NAV in case of investment in foreign securities), 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:

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

NAV for the Schemes and the repurchase prices of the Units will be calculated and announced at the close of each Business Day. The NAV shall be computed upto four decimals. The NAV of Direct Plan will be different than the NAV of Regular Plan.

Computation of NAV will be done after taking into account IDCWs paid, if any, and the distribution tax thereon, if applicable. Therefore, once IDCWs are distributed under the IDCW Option, the NAV of the Units under the IDCW 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.

Investments in units of CDMDF shall be valued based on the last declared net asset value as disclosed on the website of the CDMDF Fund.

#### Illustration for Computation of NAV:

|         |                                                   |   |                                         |   |                                                               |
|---------|---------------------------------------------------|---|-----------------------------------------|---|---------------------------------------------------------------|
| NAV=    | Market or Fair Value of Scheme's investments      | + | Current assets including Accrued Income | - | Current Liabilities and provisions including accrued expenses |
|         | No. of Units outstanding under the Scheme/Option. |   |                                         |   |                                                               |
| 10.109= | 10,01,00,000.00                                   | + | 10,00,000.00                            | - | 10,000.00                                                     |
|         |                                                   |   | 1,00,00,000.00                          |   |                                                               |
|         |                                                   |   |                                         |   | 10,10,90,000.00                                               |
|         |                                                   |   |                                         |   | 1,00,00,000.00                                                |

As required under the Regulations, the asset management company shall ensure that the repurchase price of an open ended scheme shall not be lower than 97% of the Net Asset Value.

For other details such as policies w.r.t computation of NAV, rounding off, investment in foreign securities, procedure in case of delay in disclosure of NAV etc. refer to SAI.

## **B. New Fund Offer (NFO) Expenses**

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

The AMC shall ensure that no NFO expenses will be charged to the Scheme.

## **C. ANNUAL SCHEME RECURRING EXPENSES**

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.

As per Regulation 52(6)(c) of SEBI (MF) Regulations, the total expense ratio of the scheme excluding issue or redemption expenses, whether initially borne by the mutual fund or by the asset management company, but including the investment management and advisory fee shall be subject to the following limits:-

| <b>Assets under management Slab (In Rs. crore)</b>   | <b>Total expense ratio limits</b>                                                                                |
|------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|
| on the first Rs.500 crores of the daily net assets   | 2.00%                                                                                                            |
| on the next Rs.250 crores of the daily net assets    | 1.75%                                                                                                            |
| on the next Rs.1,250 crores of the daily net assets  | 1.50%                                                                                                            |
| on the next Rs.3,000 crores of the daily net assets  | 1.35%                                                                                                            |
| on the next Rs.5,000 crores of the daily net assets  | 1.25%                                                                                                            |
| on the next Rs.40,000 crores of the daily net assets | Total expense ratio reduction of 0.05% for every increase of Rs.5,000crores of daily net assets or part thereof. |
| on balance of the assets                             | 0.80%                                                                                                            |

### **Total Expense Ratio for the scheme**

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

| <b>Expenses Head</b>                    | <b>% p.a. of daily Net Assets* (Estimated p.a.)</b> |
|-----------------------------------------|-----------------------------------------------------|
| Investment Management and Advisory Fees | 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 IDCW 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                        |                   |
| Goods and Services Tax on expenses other than investment and advisory fees                       |                   |
| Goods and Services 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 2.00%</b> |
| Additional expenses under regulation 52 (6A) (c)#                                                | Upto 0.05%        |

# The AMC shall not charge additional expenses under Regulation 52(6A)(c) in case exit load is not levied/ not applicable

**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.

In terms of the Para 10.1 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, all fees and expenses charged in a direct plan (in percentage terms) under various heads including the investment and advisory fee shall not exceed the fees and expenses charged under such heads in a regular plan.

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

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

- Brokerage and transaction cost incurred for the purpose of execution shall be charged to the scheme as provided under Regulation 52 (6A) (a) upto 12 bps and 5 bps for cash market transactions and derivatives transactions respectively. Any payment towards brokerage & transaction costs, over and above the said 12 bps and 5 bps 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 of the SEBI (Mutual Funds) Regulations, 1996.

Clause 4 of Seventh Schedule to SEBI (Mutual Funds) Regulations, 1996 which restricts investments in mutual fund units upto 5% of net assets and prohibits charging of fees, shall not be applicable to investments in mutual funds in foreign countries made in accordance with guidelines as per Para 12.19 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 . However, the management fees and other expenses charged by the mutual fund(s) in foreign countries along with the management fee and recurring expenses charged to the domestic mutual fund scheme shall not exceed the total limits on expenses as prescribed

under Regulation 52(6). Where the scheme is investing only a part of the net assets in the overseas mutual fund(s), the same principle shall be applicable for that part of investment.

#### **TER for the Segregated Portfolio**

1. AMC shall not charge investment and advisory fees on the segregated portfolio. However, TER (excluding the investment and advisory fees) can be charged, on a pro-rata basis only upon recovery of the investments in segregated portfolio.
2. The TER so levied shall not exceed the simple average of such expenses (excluding the investment and advisory fees) charged on daily basis on the main portfolio (in % terms) during the period for which the segregated portfolio was in existence.
3. The legal charges related to recovery of the investments of the segregated portfolio may be charged to the segregated portfolio in proportion to the amount of recovery. However, the same shall be within the maximum TER limit as applicable to the main portfolio. The legal charges in excess of the TER limits, if any, shall be borne by the AMC.
4. The costs related to segregated portfolio shall in no case be charged to the main portfolio.

#### **Goods and Services Tax:**

Goods and Services 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). Goods and Services 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 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. 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.

The fund shall update the current expense ratios on the website (kotakmf.com) at least three working days prior to the effective date of the change. The web link for TER is <https://www.kotakmf.com/Information/investor-service>

#### **Illustration of impact of expense ratio on scheme's returns:**

**(in Rupees)**

| <b>Particulars</b>                                   | <b>Regular Plan</b> | <b>Direct Plan</b> |
|------------------------------------------------------|---------------------|--------------------|
| Amount Invested at the beginning of the year         | 10,000              | 10,000             |
| Annual Returns before Expenses                       | 800                 | 800                |
| Expenses other than Distribution Expenses            | 75                  | 75                 |
| Distribution Expenses / Commission                   | 25                  | -                  |
| <b>Returns after Expenses at the end of the Year</b> | <b>700</b>          | <b>725</b>         |

Illustration is given to understand the impact of expense ratio on a scheme return and this should not be construed as an indicative return of the scheme. The expenses of the Direct Plan under the Scheme will be lower to the extent of distribution expenses/ commission.

#### D. 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 kotakmf.com or may call at 18003091490 or your distributor.

| Type of Load | Load chargeable (as %age of NAV)                                                                               |
|--------------|----------------------------------------------------------------------------------------------------------------|
| Entry        | Nil                                                                                                            |
| Exit         | Nil<br>No exit load will be chargeable in case of switches made between different plans/options of the scheme. |

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

In terms of Para 10.4 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, no entry load will be charged on purchase / additional purchase / switch-in. The commission as specified in the aforesaid circular, 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 imposition or enhancement of Load in future shall be applicable on prospective investments only. For any change in load structure AMC will issue an addendum and display it on the website/Investor Service Centres.

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.

## Section II

### I. Introduction

#### A. Definitions/interpretation

The detailed definitions/ interpretations refer to the link on website of the mutual fund viz. <https://www.kotakmf.com/Information/statutory-disclosure/disclosuresrelatedtosidandkim>

### B. Risk factors

#### Scheme specific risk factors

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

##### **(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.

**Risk factors associated with Imperfect Hedging:****Risk factors associated with Imperfect Hedging:**

Holders of Debt 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. However, there is a possibility that the hedge may be an imperfect

- Potential loss associated with imperfect hedge using IRFs – While using such strategy may reduce interest rate risk caused by rise in interest rates, it also restricts the profit in case interest rates decline.
- 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.
- Limitations on upside: Derivatives when used as hedging tool can also limit the profits from a genuine investment transaction.
- Credit Risk – The credit risk in derivative transaction is the risk that the counter party will default on its obligations and is generally low, as there is no exchange of principal amounts in a IRS / IRF derivative transaction.
- 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.
- Movement in the prices of securities in the portfolio and the IRF contract used to hedge part of the portfolio may lead to basis risk due to imperfect correlation. Thus, the loss on the portfolio may be different from the gain of the hedged position entered using the IRF.

**Example:**

Date: 30/09/2025

Spot price of G sec 7.26 G sec 2033: Rs. 105.68

Futures price of IRF Contract G sec 7.26 G sec 2033: Rs.105.78

On 30/09/25 XYZ bought 2000 GOI securities from spot market at Rs105.68. He anticipates that the interest rate will rise in near future. Therefore, to hedge the exposure in underlying market he may sell IRF for 7.26 G sec 2033 maturing on 27/10/2025 traded Interest Rate Futures contracts at Rs.105.78

On 27/10/2025 the maturity price of the contract and underlying will be same thereby realising the 10p arbitrage gain

Spot price of GOI Security: Rs. 105.68

Futures Price of IRF Contract: Rs. 105.78

Profit /Loss in underlying market will be  $(105.68-105.68)*2000 = \text{Rs.}00$

Profit in the Futures market will be  $(105.78-105.68)*2000 = \text{Rs. } 20000$

Therefore the fund will earn a total holding period return of  $6.31\% + (0.10/35*365) = 6.31+1.04=7.35$

Not necessary the future is trading above cash for arbitrage to happen.

**Risk associated with investment in Government securities and Triparty repo on Government securities or treasury bills on Government securities or treasury bills:**

- The mutual fund is a member of securities segment and Triparty repo on Government securities or treasury bills on Government securities or treasury bills trade settlement of the Clearing Corporation of India (CCIL). All transactions of the mutual fund in government securities and in Triparty repo on Government securities or treasury bills on Government securities or treasury bills trades are settled centrally through the infrastructure and settlement systems provided by CCIL; thus reducing the settlement and counter party risks considerably for transactions in the said segments.
- The members are required to contribute towards margin obligation (Initial / Mark to Market etc.) as per bye-laws of CCIL as also an amount as communicated by CCIL from time to time to the default fund maintained by CCIL as a part of the default waterfall (a loss mitigating measure of CCIL in case of default by any member in discharging their obligation. As per the waterfall mechanism, after the defaulter's margins and the defaulter's contribution to the default fund have been appropriated, CCIL's contribution is used to meet the losses. Post utilization of CCIL's contribution if there is a residual loss, it is appropriated from the default fund contributions of the non-defaulting members as determined by CCIL.
  - Thus the scheme is subject to risk of the initial margin and default fund contribution being invoked in the event of failure of any settlement obligations. In addition, the fund contribution is allowed to be used to meet the residual loss in case of default by the other clearing member (the defaulting member).
- CCIL maintains two separate Default Funds in respect of its Securities Segment, one with a view to meet losses arising out of any default by its members from outright and repo trades and the other for meeting losses arising out of any default by its members from Triparty repo on Government securities or treasury bills on Government securities or treasury bills trades. The mutual fund is exposed to the extent of its contribution to the default fund of CCIL, in the event that the contribution of the mutual fund is called upon to absorb settlement/ default losses of another member by CCIL, as a result the scheme may lose an amount equivalent to its contribution to the default fund.

**Risks associated with Investing in Structured Obligation (SO) & Credit Enhancement (CE) rated securities:**

The risks factors stated below for the Structured Obligations & Credit Enhancement are in addition to the risk factors associated with debt instruments.

- Credit rating agencies assign CE rating to an instrument based on any identifiable credit enhancement for the debt instrument issued by an issuer. The credit enhancement could be in various forms such as guarantee, shortfall undertaking, letter of comfort, pledge of shares listed on stock exchanges etc. from the issuers, promoters or another entity. This entity could be either related or non-related to the issuer like a bank, financial institution, etc. Hence, for CE rated instruments evaluation of the credit enhancement provider, as well as the issuer is undertaken to determine the issuer rating.
- SO transactions are asset backed/ mortgage backed securities, securitized paper backed by hypothecation of loan receivables, securities backed by trade receivables, credit card receivables etc. In case of SO rated issuer, the underlying loan pools or securitization, etc. is assessed to arrive at rating for the issuer.
- Liquidity Risk: SO rated securities are often complex structures, with a variety of credit enhancements. Debt securities lack a well-developed secondary market in India, and due to the credit enhanced nature of CE securities as well as structured nature of SO securities, the liquidity in the market for these instruments is low as compared to similar rated debt instruments. Hence, lower liquidity of such instruments, could lead to inability of the scheme to sell such debt instruments and generate liquidity for the scheme or higher impact cost when such instruments are sold. Where equity shares are provided as collateral there is the risk of sharp price volatility

of underlying securities which may lead to erosion in value of collateral as also low liquidity of the underlying shares which may affect the ability of the fund to enforce collateral and recover capital and interest obligations.

- **Credit Risk:** The credit risk of debt instruments which are CE rated derives rating based on the combined strength of the issuer as well as the structure. Hence, any weakness in either the issuer or the structure could have an adverse credit impact on the debt instrument. The weakness in structure could arise due to inability of the investors to enforce the structure due to issues such as legal risk, inability to sell the underlying collateral or enforce guarantee, etc. In case of SO transactions, comingling risk and risk of servicer increases the overall risk for the securitized debt or assets backed transactions. Therefore apart from issuer level credit risk such debt instruments are also susceptible to structure related credit risk.

### **Risk Factors Associated with investing in Foreign securities:**

Subject to necessary approvals and within the investment objectives of the Scheme, the Scheme may invest in overseas markets which carry risks related to fluctuations in the foreign exchange rates, the nature of the securities market of the country, repatriation of capital due to exchange controls and political circumstances.

It is the AMC's belief that investment in foreign securities offer new investment and portfolio diversification opportunities into multimarket and multi-currency products. However, such investments also entail additional risks. Such investment opportunities may be pursued by the AMC provided they are considered appropriate in terms of the overall investment objectives of the Scheme. Since the Scheme may invest only partially in overseas securities, there may not be readily available and widely accepted benchmarks to measure performance of the Scheme. To manage risks associated with foreign currency and interest rate exposure, the Fund may use derivatives for efficient portfolio management including hedging and in accordance with conditions as may be stipulated under the Regulations or by the RBI from time to time.

Overseas investments will be made subject to any/all approvals, conditions thereof as may be stipulated under the Regulations or by RBI and provided such investments do not result in expenses to the Fund in excess of the ceiling on expenses prescribed by and consistent with costs and expenses attendant to international investing. The Fund may, where necessary, appoint other intermediaries of repute as advisors, custodian/sub-custodians etc. for managing and administering such investments. The appointment of such intermediaries shall be in accordance with the applicable requirements of SEBI and within the permissible ceilings of expenses. The fees and expenses would illustratively include, besides the investment management fees, custody fees and costs, fees of appointed advisors and sub-managers, transaction costs and overseas regulatory costs.

To the extent that the assets of the Scheme will be invested in securities denominated in foreign currencies, the Indian Rupee equivalent of the net assets, distributions and income may be adversely affected by changes in the value of certain foreign currencies relative to the Indian Rupee. The repatriation of capital to India may also be hampered by changes in regulations concerning exchange controls or political circumstances as well as the application to it of other restrictions on investment.

### **Currency Risk:**

In respect of investments in ADRs/GDRs, the risks associated with underlying stocks remain the same except for the additional risk of the exchange rate of the Indian rupee vis-à-vis the currency in which ADRs/GDRs are denominated. Investments in overseas securities/mutual fund units are subject to currency risk. Returns to investors are the result of a combination of returns from investments and from movements in exchange rates. For example, if the Rupee appreciates vis-à-vis the US \$, the extent of appreciation will lead to reduction in the yield to the investor. However, if the Rupee appreciates against the US \$ by an amount in excess of the interest

earned on the investment, the returns can even be negative. Again, in case the Rupee depreciates vis-à-vis the US \$, the extent of depreciation will lead to a corresponding increase in the yield to the investor. Going forward, the Rupee may depreciate (lose value) or appreciate (increase value) against the currencies of the countries where the Scheme will invest.

#### **Exhaustion of overseas limit Risk**

The Scheme can make overseas investments subject to a maximum of US \$ 1 billion per Mutual Fund, within the overall industry limit of US \$ 7 billion or such limits as may be prescribed by SEBI/RBI from time to time. The Scheme therefore may or may not be able to utilise the limit of USD 1 billion due to the USD 7 billion limit being exhausted by other Mutual Funds. Further, the scheme can make investments in overseas Exchange Traded Fund (ETF(s) subject to a maximum of US \$ 300 million per Mutual Fund, within the overall industry limit of US \$ 1 billion.

As and when the investment limits at Mutual Fund level/Industry level are exhausted or nearing exhaustion, the scheme may temporarily suspend deployment of funds in overseas funds/securities.

#### **Investments in Overseas Mutual Funds/ Unit Trusts (“UT”) by Indian Mutual Funds:**

Pursuant to SEBI circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/149 dated November 04, 2024, the scheme shall also invest in overseas MF/UTs that have exposure to Indian securities, provided that the total exposure to Indian securities by these overseas MF/UTs shall not be more than 25% of their assets.

While investing in overseas MF/UTs that have exposure to Indian securities, the scheme shall ensure the following:

1. Pooling - Contribution of all investors of the overseas MF/UT is pooled into a single investment vehicle, with no side-vehicles including segregated portfolios, sub-funds or protected calls, etc;
2. Pari-passu and Pro-rata - Corpus of the overseas MF/UT is a blind pool (i.e. common portfolio) with no segregated portfolios. All investors in the overseas MF/UT have pari-passu and pro-rata rights in the fund, i.e. they receive a share of returns/gains from the fund in proportion to their contribution and have pari-passu rights.
3. Independent investment manager/fund manager - Overseas MF/UT is managed by an independent investment manager/fund manager who is actively involved in making all investment decisions for the fund. This ensures that the investments are made autonomously by the investment manager/fund manager without influence, directly or indirectly, from any of the investors or from any other entity.
4. Public disclosure - Such overseas MF/UTs shall disclose their portfolios at least on a quarterly-intervals to the public to maintain transparency.
5. No advisory agreement - There shall not be any advisory agreements between the Scheme and underlying overseas MF/UTs, to prevent conflict of interest and avoid any undue advantage to either of the parties

#### **Breach of the limit:**

- i) At the time of making investments (both fresh and subsequent), the scheme shall ensure that the underlying overseas MF/UTs do not have more than 25% exposure to Indian securities;
- ii) Subsequent to the investment, if the exposure by an underlying overseas MF/UTs to Indian securities exceeds 25% of their net assets, an observance period of 6 months from the date of publicly available information of such breach (e.g. portfolio disclosures) shall be permitted to the scheme for monitoring of any portfolio rebalancing activity by the underlying overseas MF/UT;

- iii) During the observance period, the scheme shall not undertake any fresh investment in such overseas MF/UT. The Scheme may resume their investments in such overseas MF/UT in case the exposure to Indian securities by such overseas MF/UT falls below the limit of 25%.

**Rebalancing of the portfolio:**

If the portfolio of an underlying overseas MF/UT is not rebalanced within the 6-month observance period, the scheme shall liquidate its investments in the concerned underlying overseas MF/UT within the next 6 months ('liquidation period') from end of the observance period.

If the exposure to Indian securities by the underlying overseas MF/UT falls below the prescribed limit of 25% during the liquidation period, the requirement at the above clause above shall not be applicable.

If the Scheme/ Asset Management Company fails to rebalance the portfolio of the scheme in line with the aforesaid requirements, then after the 6-month liquidation period, the scheme/ Asset Management Company shall:

- not be permitted to accept any fresh subscriptions in concerned the scheme;
- not be permitted to launch any new scheme;
- not levy exit load, if any, on the investors exiting such scheme(s).

**C. Risk mitigation strategies**

| Type of Risks                            | Measures/ Strategies to control risks                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Debt and Money Market instruments</b> | <ul style="list-style-type: none"> <li>· Credit Risk: Management analysis will be used for identifying company specific risks. Management's past track record will also be studied. In order to assess financial risk a detailed assessment of the issuer's financial statements will be undertaken.</li> <li>· Price-Risk or Interest-Rate Risk: The Scheme is expected to have duration based on the underlying securities. The interest rate risk cannot be eliminated and it exists as it is the primary feature of the scheme by providing investors access to a higher interest rate risk portfolio, which would benefit in a declining interest rate environment</li> <li>· Risk of Rating Migration: The endeavor is to invest in high grade/quality securities. The due diligence performed by the fixed income team before assigning credit limits and the periodic credit review and monitoring should address company specific issues</li> <li>· Reinvestment Risk: The Investment Manager will endeavor that besides the tactical and/or strategic interest rate calls, the portfolio is fully invested.</li> <li>· Liquidity Risk: The Scheme that seeks to invest in Government Securities which has higher level of secondary market liquidity. The liquidity of the</li> </ul> |

|                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|--------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                            | <p>Scheme's investments may be inherently restricted by trading volumes, transfer procedures and settlement periods. Liquidity Risk can be partly mitigated by diversification, staggering of maturities as well as internal risk controls that lean towards purchase of liquid securities.</p>                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Derivatives</b>                                                                         | <p>The Scheme may invest in derivative for the purpose of hedging, portfolio balancing and other purposes as may be permitted under the Regulations. Equity Derivatives will be used in the form of Index Options, Index Futures, Stock Options and Stock Futures and other instruments as may be permitted by SEBI. Derivatives can be either exchange traded or can be over the counter (OTC). Exchange traded derivatives are listed and traded on stock exchanges whereas OTC derivative transactions are generally structured between two counterparties. Exposure with respect to derivatives shall be in line with regulatory limits and the limits specified in the SID.</p> |
| <b>Currency</b>                                                                            | <p>The scheme subject to applicable regulations shall have the option to enter into forward contracts for the purposes of hedging against the foreign exchange fluctuations. The Schemes may employ various measures (as permitted by SEBI/RBI) including but not restricted to currency hedging (such as currency options and forward currency exchange contracts, currency futures, written call options and purchased put options on currencies and currency swaps), to manage foreign exchange movements arising out of investment in foreign securities.</p> <p>All currency derivatives trade, if any will be done only through the stock exchange platform.</p>               |
| <b>Structured Obligation (SO) &amp; Credit Enhancement (CE) rated securities</b>           | <p>Scheme wise investments as prescribed by the regulations limits the exposure to such securities. Additionally, covenants of such structured papers are reviewed periodically for adequate maintenance of covers as prescribed in the Information Memorandum of such papers.</p>                                                                                                                                                                                                                                                                                                                                                                                                   |
| <b>Government securities and Triparty repo on Government securities or treasury bills:</b> | <p>As a member of securities segment and Triparty repo segment, maintenance of sufficient margin is a mandatory requirement. CCIL monitors these on a real time basis and requests the participants to provide sufficient margin to enable the trades etc. Also there are stringent conditions / requirements before registering any participants by CCIL in these segments. Since settlement is guaranteed the loss on this account could be minimal though there could be an opportunity loss.</p>                                                                                                                                                                                 |

While these measures are expected to mitigate the above risks to a large extent, there can be no assurance that these risks would be completely eliminated. The measures mention above is based on current market conditions and may change from time to time based on changes in such conditions, regulatory changes and other relevant factors. Accordingly, our investment strategy, risk mitigation measures and other information contained herein may change.in response to the same

## II. Information about the scheme:

### A. Where will the scheme invest

| Securities/ Instruments                                                                                                                                                                                                                                                                                                                                                     | Definitions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 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)                                                                                                                            | Government Security (G-Sec) is a tradeable instrument issued by the Central Government or the State Governments. It acknowledges the Government's debt obligation. They are generally long term with maturity of one year or more. In India, the Central Government issues both, treasury bills and bonds or dated securities while the State Governments issue only bonds or dated securities, which are called the State Development Loans (SDLs). G-Secs carry practically no risk of default and, hence, are called risk-free gilt-edged instruments.<br>Repos / Reverse Repos enables collateralized short term borrowing and lending through sale/purchase operations in the such government securities.  |
| Debt obligations of domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee (including but not limited to Indian Government Bond, State Development Loans issued and serviced at the Public Debt Office, Bonds issued by Central & State Government PSU's which are guaranteed by Central or State Governments); | These are instruments are issued by various government agencies and bodies (including but not limited to Indian Government Bond, State Development Loans issued and serviced at the Public Debt Office, Bonds issued by Central & State Government PSU's which are guaranteed by Central or State Governments. They can be issued at discount, par or premium.                                                                                                                                                                                                                                                                                                                                                  |
| Money market instruments permitted by SEBI/RBI, having maturities of up to one year but not limited to: Tri-party Repo, Repo of corporate debt securities as may be permitted by SEBI from time to time.                                                                                                                                                                    | Treasury bills or T-bills, which are money market instruments, are short term debt instruments issued by the Government of India and are presently issued in three tenors, namely, 91 day, 182 day and 364 day. Treasury bills are zero coupon securities and pay no interest. Instead, they are issued at a discount and redeemed at the face value at maturity.<br><br>Triparty Repo (TREPS) is a type of repo contract where a third entity (apart from the borrower and lender), called a Tri-Party Agent, acts as an intermediary between the two parties to the repo to facilitate services like collateral selection, payment and settlement, custody and management during the life of the transaction. |

|                                                                                                                |                                                                                                                                                                 |
|----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
|                                                                                                                | Repos / Reverse Repos enables collateralized short term borrowing and lending through sale/purchase operations in debt instruments (including corporate bonds). |
| The scheme may invest in units of overseas Mutual Funds schemes / ETFs, ADRs, GDRs or other foreign securities | Overseas securities refer to securities (viz. mutual funds, ETFs, ADRs / GDRs, stocks) that are listed or traded in any jurisdiction outside India.             |

### Investment in Foreign Securities

The Scheme may also invest in suitable investment avenues in overseas financial markets for the purpose of diversification, commensurate with the Scheme objectives and subject to the provisions of Para 12.19 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 and as may be amended from time to time and any other requirements as may be stipulated by SEBI/RBI from time to time.

The Scheme may, in terms of its investment objectives with the approval of SEBI/RBI invest in following Foreign Securities:

- i. ADRs/ GDRs issued by Indian or foreign companies
- ii. Equity of overseas companies listed on recognized stock exchanges overseas
- iii. Initial and follow on public offerings for listing at recognized stock exchanges overseas
- iv. Foreign debt securities in the countries with fully convertible currencies, short term as well as long term debt instruments with rating not below investment grade by accredited/registered credit rating agencies
- v. Money market instruments rated not below investment grade
- vi. Repos in the form of investment, where the counterparty is rated not below investment grade; repos should not however, involve any borrowing of funds by mutual funds
- vii. Government securities where the countries are rated not below investment grade
- viii. Derivatives traded on recognized stock exchanges overseas only for hedging and portfolio balancing with underlying as securities
- ix. Short term deposits with banks overseas where the issuer is rated not below investment grade
- x. Units/securities issued by overseas mutual funds or unit trusts registered with overseas regulators and investing in
  - (a) aforesaid securities,
  - (b) Real Estate Investment Trusts (REITs) listed in recognized stock exchanges overseas or
  - (c) unlisted overseas securities (not exceeding 10% of their net assets).

The Scheme can invest in overseas securities subject to a maximum of US \$1 billion within the overall industry limit of US \$ 7 billion wherein US \$ 50 million would be reserved for each mutual fund individually, with in the overall industry limit of US \$ 7 billion or such limits as may be prescribed by SEBI from time to time and in overseas ETF subject to maximum of US \$300 million such limits as may be prescribed by SEBI from time to time . An investment headroom of 20% of the average AUM in Overseas securities of the previous three calendar months would be available to the Mutual Fund for that month to invest in Overseas securities / Overseas ETFs subject to maximum limits of US \$ 1 billion per Mutual Fund.

The Mutual Fund may, where necessary appoint intermediaries as sub-managers, sub-custodians, etc. for managing and administering such investments. The appointment of such intermediaries shall be in accordance with the applicable requirements of SEBI and within the permissible ceilings of expenses as stated under Regulation 52 of SEBI (MF) Regulations.

## Overview of Debt Market and Money Markets

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 money markets in India essentially consist of the call money market (i.e. market for overnight and term money between banks and institutions), repo transactions (temporary sale with an agreement to buy back the securities at a future date at a specified price), commercial papers (CPs, short term unsecured promissory notes, generally issued by corporates), certificate of deposits (CDs, issued by banks) and Treasury Bills / Cash Management Bills (issued by RBI). In a predominantly institutional market, the key money market players are banks, financial institutions, insurance companies, mutual funds, primary dealers and corporates. In money market, activity levels of the Government and nongovernment debt vary from time to time. Instruments that comprise a major portion of money market activity include but not limited to:

- Overnight Call
- Tri-party Repo
- Repo/Reverse Repo Agreement
- Treasury Bills / Cash Management Bills
- Government securities with a residual maturity of < 1 year.
- Commercial Paper
- Certificate of Deposit

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 November 17, 2025 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        | 5.25-5.35                 |
| 91 Day Treasury Bill         | 5.40-5.42                 |
| 364 Day Treasury Bill        | 5.50-5.55                 |
| P1+ Commercial Paper 90 Days | 5.98-6.05                 |

|                                      |           |
|--------------------------------------|-----------|
| 3-Year Government of India Security  | 5.75-5.80 |
| 5-Year Government of India Security  | 6.18-6.22 |
| 10-Year Government of India Security | 6.48-6.52 |

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 November 17, 2025 and they are likely to change consequent to changes in economic conditions and RBI policy.

**B. What are the investment restrictions?**

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

1. As per Clause 1 of the Seventh Schedule of MF Regulation, the Scheme shall not invest more than 10% of its NAV in debt instruments comprising money market instruments and non-money market instruments issued by a single issuer which are rated not below investment grade by a credit rating agency authorised to carry out such activity under the Act. Such investment limit may be extended to 12% of the NAV of the scheme with the prior approval of Trustees and the Board of directors of the asset management company.

Within the limits specified in clause 1 of the Seventh Schedule of MF Regulation, a mutual fund scheme shall not invest more than:

- a. 10% of its NAV in debt and money market securities rated AAA issued by a single issuer; or
- b. 8% of its NAV in debt and money market securities rated AA issued by a single issuer; or
- c. 6% of its NAV in debt and money market securities rated A and below issued by a single issuer.

The above investment limits may be extended by up to 2% of the NAV of the scheme with prior approval of the Board of Trustees and Board of Directors of the AMC, subject to compliance with the overall 12% limit specified in clause 1 of the Seventh Schedule of MF Regulation.

The long term rating of issuers shall be considered for the money market instruments. However, if there is no long term rating available for the same issuer, then based on credit rating mapping of Credit Rating Agency (CRAs) between short term and long term ratings, the most conservative long term rating shall be taken for a given short term rating

Provided that such limit shall not be applicable for investments in Government Securities, treasury bills and triparty repo on Government securities or treasury bills.

Provided further that investments 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 the Board.

Provided further that such limit shall not be applicable for investments in case of debt exchange traded funds or such other funds as may be specified by the Board from time to time.

2. The Mutual Fund under all its Scheme(s) shall not own more than 10% of any company's paid up capital carrying voting rights.

Provided, investment in the asset management company or the trustee company of a mutual fund shall be governed by clause (a), of sub-regulation (1), of regulation 7B.

3. Debentures, irrespective of any residual maturity period (above or below one year), shall attract the investment restrictions as applicable for debt instruments. It is further clarified that the investment limits are applicable to all debt securities, which are issued by public bodies/institutions such as electricity boards, municipal corporations, state transport corporations etc. guaranteed by either state or central government. Government securities issued by central/state government or on its behalf by the RBI are exempt from the above investment limits.
4. The investment of the Scheme in the following instruments shall not exceed 10% of the debt portfolio of the Scheme and the group exposure in such instruments shall not exceed 5% of the debt portfolio of the Scheme: -
- Unsupported rating of debt instruments (i.e. without factoring-in credit enhancements) is below investment grade; and –
  - Supported rating of debt instruments (i.e. after factoring-in credit enhancement) is above investment grade

The above limits shall not be applicable on investments in securitized debt instruments.

Investment by the Scheme in debt instruments, having credit enhancements backed by equity shares directly or indirectly, shall have a minimum cover of 4 times considering the market value of such shares.

Further, the investment in debt instruments having credit enhancements should be sufficiently covered to address the market volatility and reduce the inefficiencies of invoking of the pledge or cover, whenever required, without impacting the interest of the investors. In case of fall in the value of the cover below the specified limit, AMCs will initiate necessary steps to ensure protection of the interest of the investors.

5. 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.

6. 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 sponsor which is in excess of 25 per cent of the net assets except for investments by equity oriented exchange traded funds and index funds and subject to such conditions as may be specified by the Board.

Provided that for the private equity fund or a pooled investment vehicle or a pooled investment fund acting as sponsor of mutual funds, the associate or group company shall also include,-

- (a) associate or group company of the manager of any pooled investment vehicle; or
- (b) investee companies in which the shareholding of ten percent or more is held by the schemes or funds managed by manager of the pooled investment vehicle; or
- (c) any investee company in which the pooled investment vehicle holds more than ten percent shareholding or where the directors of the pooled investment vehicle or corporate sponsor has representation on the board or right to nominate representatives on the board.

7. The Scheme shall not invest in any Fund of Funds Scheme.

8. 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.
- c) IST purchases would be allowed subject to the guidelines as specified in Para 12.30 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024.

9. 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:

10. 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 Scheme for the purpose of payment of interest or IDCW to Unit Holders, provided that the Mutual Fund shall not borrow more than 20% of the net assets of the Scheme and the duration of such borrowing shall not exceed a period of six months.

11. The Mutual Fund shall enter into transactions relating to Government Securities only in dematerialised form.

12. The mutual fund shall get the securities purchased / transferred in the name of the fund on account of the concerned scheme, where investments are intended to be of long term nature.

13. 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 scheduled commercial banks, subject to Para 12.16 and Para 4.5 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, as may be amended from time to time. The AMC shall not charge any investment management and advisory fees for parking of funds in such short term deposits of scheduled commercial banks for the scheme.

14. In accordance with Para 12.9 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, in case of debt schemes, the total exposure to single sector shall not exceed 20% of the net assets of the scheme. However, this limit is not applicable for investments in Bank CDs, Tri-party Repo, G-Secs, T-Bills short term deposits of scheduled commercial banks and AAA rated securities issued by Public Financial Institutions and Public Sector Banks.

Provided that an additional exposure to financial services sector (over and above the limit of 20%) not exceeding 10% of the net assets of the scheme shall be allowed by way of increase in exposure to Housing Finance Companies (HFCs) only; Further, an additional exposure of 5% of the net assets of the scheme has been allowed for investments in securitized debt instruments based on retail housing loan portfolio and/or affordable housing loan portfolio.

However, the overall exposure in HFCs shall not exceed the sector exposure limit of 20% of the net assets of the scheme.

Provided further that the additional exposure to such securities issued by HFCs are rated AA and above and these HFCs are registered with National Housing Bank (NHB) and the total investment/ exposure in HFCs shall not exceed 20% of the net assets of the scheme

15. In accordance with Para 12.9.3 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, in case of debt scheme the total exposure in a group, except and in the group of sponsor and the asset management company, (excluding investments in securities issued by Public Sector Units, Public Financial Institutions and Public Sector Banks) shall not exceed 20% of the net assets of the scheme. Such investment limit may be extended to 25% of the net assets of the scheme with the prior approval of the Board of Trustees.

Further, the investments in debt and money market instruments of group companies of both the sponsor and the asset management company shall not exceed 10% of the net assets of the scheme. Such investment limit may be extended to 15% of the net assets of the scheme with the prior approval of the Board of Trustees.

For this purpose, a group means a group as defined under regulation 2 (mm) of SEBI (Mutual Funds) Regulations, 1996 (Regulations) and amendment thereto.

16. In accordance with the guidelines as stated Para 12.1 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, investments in following instruments as specified in the said circular, as may be amended from time to time, shall be applicable:

i. The scheme shall not invest in unlisted debt instruments including commercial papers (CPs), other than (a) government securities, (b) other money market instrument and (c) derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc. which are used by mutual funds for hedging.

However, the scheme may invest in unlisted Non-Convertible Debentures (NCDs) not exceeding 10% of the debt portfolio of the scheme subject to the condition that such unlisted NCDs have a simple structure (i.e. with fixed and uniform coupon, fixed maturity period, without any options, fully paid up upfront, without any credit enhancements or structured obligations) and are rated and secured with coupon payment frequency on monthly basis.

ii. All fresh investments by mutual fund schemes in CPs would be made only in CPs which are listed or to be listed.

iii. Further, investment in unrated debt and money market instruments, other than government securities, treasury bills, derivative products such as Interest Rate Swaps (IRS), Interest Rate Futures (IRF), etc. by mutual fund schemes shall be subject to the conditions as specified in the said circular:

a. Investments should only be made in such instruments, including bills re-discounting, usance bills, etc., that are generally not rated and for which separate investment norms or limits are not provided in SEBI (Mutual Fund) Regulations, 1996 and various circulars issued thereunder.

b. Exposure of mutual fund schemes in such instruments shall not exceed 5% of the net assets of the schemes.

c. All such investments shall be made with the prior approval of the Board of AMC and the Board of trustees.

17. Investments in Derivatives shall be in accordance with the guidelines as stated Para 7.5, 7.6 and 12.25 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 as may be amended from time to time

All such investments shall be made with the prior approval of the Board of AMC and the Board of trustees.

18. The scheme will invest in Repos in Corporate debt in accordance with Para 12.18 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024

19. In terms of requirement of Para 12.2 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 prescribing norms for investments in debt instruments with special features viz. subordination to equity (absorbs losses before equity capital) and /or convertible to equity upon trigger of a pre-specified event for loss absorption (Additional Tier I bonds and Tier 2 bonds issued under Basel III framework are some instruments which may have above referred special features), the following limit shall be applicable:

a) No Mutual Fund under all its schemes shall own more than 10% of such instruments issued by a single issuer.

- b) The scheme shall not invest –
- i. more than 10% of its NAV of the debt portfolio of the scheme in such instruments; and
  - ii. more than 5% of its NAV of the debt portfolio of the scheme in such instruments issued by a single issuer.
20. Pursuant to SEBI circular SEBI/HO/IMD/PoD2/P/CIR/2025/92 dated June 26, 2025 various prudential limits issued under SEBI (Mutual Funds) Regulations, 1996 and circulars issued thereunder, shall be rebalanced basis the timelines provided in paragraph 2.9 of SEBI Master circular SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024.

The above investment limit for a mutual fund scheme shall be within the overall limit for debt instruments issued by a single issuer, as specified at clause 1 of the Seventh Schedule of SEBI (Mutual Fund) Regulations, 1996, and other prudential limits with respect to the debt instruments.

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 investment objective. The Trustee may from time to time alter these restrictions in conformity with the SEBI (MF) Regulations.

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

Apart from the above investment restrictions, the Fund follows certain internal norms within the above mentioned restrictions, and these are subject to review from time to time.

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

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

In accordance with Para 12.18 SEBI Master circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 and any other circulars issued by SEBI/ RBI from time to time, the Scheme shall participate in repo transactions in corporate debt securities subject to following guidelines:

- The gross exposure of any mutual fund scheme to repo transactions in corporate debt securities including Commercial Papers (CPs) and Certificate of Deposits (CDs) 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 including Commercial Papers (CPs) and Certificate of Deposits (CDs) along with equity, debt and derivatives, other permitted securities/assets and such other securities/assets as may be permitted by the Board from time to time shall not exceed 100% of the net assets of the concerned scheme.
- Mutual funds shall participate in repo transactions on following Corporate Debt securities;
  - o listed AA and above rated corporate debt securities and
  - o Commercial Papers(CPs) and Certificate of Deposits(CDs).
- 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.
- Mutual funds shall ensure compliance with the Seventh Schedule of the Mutual Funds Regulations about restrictions on investments, wherever applicable, with respect to repo transactions in corporate debt securities including Commercial Papers(CPs) and Certificate of Deposits(CDs). However, for transactions where settlement is guaranteed by a Clearing Corporation, the exposure shall not be considered for the purpose of determination of investment limits for single issuer, group issuer and sector level limits.

**The parameters for investment in repos of corporate debt securities as approved by the Board of AMC and Trustee Company are as under:**

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

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

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

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

The requirement for credit rating of the counterparty will not be applicable for transactions where settlement is guaranteed by a Clearing Corporation,

**(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**

RBI in its circular dated July 24, 2018 has prescribed the haircut to be applied for repo transactions as follows:

Haircut/margins will be decided either by the clearing house or may be bilaterally agreed upon, in terms of the documentation governing repo transactions, subject to the following stipulations:

- i. Listed corporate bonds and debentures shall carry a minimum haircut of 2% of market value.
- ii. CPs and CDs shall carry a minimum haircut of 1.5% of market value.
- iii. Securities issued by a local authority shall carry a minimum haircut of 2% of market value.

However, the fund manager may ask for a higher haircut (while lending) or give a higher haircut (while borrowing) depending on the prevailing liquidity situation in the market.

**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. Additionally, appropriate haircuts are applied on the market value of the underlying securities based on the tenor and illiquidity of the underlying security. 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.

The above risks will not arise for repo transactions where settlement is guaranteed by a Clearing Corporation.

### C. Fundamental Attributes

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

- (i) Type of the scheme :As mentioned under the heading “Scheme Type” of Part I – Sr. No. III
- (ii) Investment Objective: As mentioned under the heading “Investment Objective” of Part I – Sr. No. V
- (iii) Investment Pattern : As mentioned under the heading “How will the scheme allocate its assets” of Part II - A
- (iv) Terms of Issue:
  - Liquidity provisions such as listing, repurchase, redemption. Investors may refer Part I and Section II under ‘Other Scheme Specific Disclosures’ for detailed information on listing, repurchase and redemption.
  - Aggregate fees and expenses charged to the scheme. Investors may refer Part III ‘Other Details’.
  - 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 any scheme, the fees and expenses payable or any other change which would modify the scheme and affect the interest of the unit holders is carried out by the asset management company, unless it complies with sub-regulation (26) of regulation 25 of these regulations.

In accordance with Regulation 25(26) of the SEBI (MF) Regulations, the asset management company shall ensure that no change in the fundamental attributes of any scheme or the trust, fees and expenses payable or any other change which would modify the scheme and affect the interest of unit holders, shall be carried out unless,

- A written communication about the proposed change is sent to each unit holder and an advertisement is issued 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; and
- The Unitholders are given an option for a period of 30 calendar days to exit at the prevailing Net Asset Value without any exit load

### D. Other Scheme Specific Disclosures:

|                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
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| Listing and transfer of units | <p><b>Listing:</b></p> <p>The Scheme is open-ended in nature. It is not necessary to list the units of the scheme 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 the Scheme 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</p> |
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|  | <p>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 Scheme.</p> <p><b>Transfer of units held in Non-Demat [Statement of Account ('SOA')] mode:</b></p> <p>As per the AMFI Best Practices Guidelines Circular No.116 /2024-25 dated August 14, 2024, on 'Standard Process for Transfer of Units held in Non-Demat (SoA) mode', units held by individual unitholders in Non Demat ('SoA') mode can be transferred only in following cases-</p> <ol style="list-style-type: none"> <li>Surviving joint unitholder, who wants to add new joint holder(s) in the folio upon demise of one or more joint unitholder(s).</li> <li>A nominee of a deceased unitholder, who wants to transfer the units to the legal heirs of the deceased unitholder, post the transmission of units in the name of the nominee.</li> <li>A minor unitholder who has turned a major and has changed his/her status from minor to major, wants to add the name of the parent / guardian, sibling, spouse etc. in the folio as joint holder(s).</li> <li>Investors under Resident/non-resident Individual category.</li> </ol> <p>Partial transfer of units held in a folio shall be allowed. If the request for transfer of units is lodged on the record date, the IDCW payout/ reinvestment shall be made to the transferor.</p> <p>Redemption of the transferred units shall not be allowed for 10 days from the date of transfer. This will enable the investor to revert in case the transfer is initiated fraudulently.</p> <p>The facility for transfer of units held in SoA mode shall be available only through online mode via the transaction portals of the RTAs and the MF Central, i.e., the transfer of units held in SoA mode shall not be allowed through physical/ paper-based mode or via the stock exchange platforms, MFU, channel partners and EOPs etc.</p> <p>For details, please refer Statement of Additional Information (SAI).</p> |
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| Dematerialization of units                                                                                                                                                                                                | <p>Unit holders will have an Option to hold the units by way of an Account Statement or in Dematerialized ('Demat') form. Unit holders opting to hold the units in Demat form must provide their Demat Account details in the specified section of the application form/transaction feed. The Applicant intending to hold the units in Demat form are required to have a beneficiary account with a Depository Participant (DP) registered with NSDL / CDSL and will be required to indicate in the application the DP's name, DP ID Number and the Beneficiary Account Number of the applicant held with the DP at the time of purchasing Units. Unitholders are requested to note that request for conversion of units held in Account Statement (non-demat) form into Demat (electronic) form or vice versa should be submitted to their Depository Participants. The demat request to depository must be submitted for all units in a folio. In case Unit holders do not provide their Demat account details or the Demat details provided in the application form are incomplete / incorrect or do not match with the details with the Depository records, the Units will be allotted in account statement mode provided the application is otherwise complete in all respect and accordingly an account statement shall be sent to them.</p> |
| Minimum Target amount<br>(This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return.) | Not Applicable since it is an ongoing scheme.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Maximum Amount to be raised (if any)                                                                                                                                                                                      | Not Applicable since it is an ongoing scheme.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| Dividend Policy (IDCW )                                                                                                                                                                                                   | <p><b>Growth Option:</b><br/>Under the Growth option, there will be no distribution of income and the return to investors will be only by way of capital gains, if any, through redemption at applicable NAV of Units held by them.</p> <p><b>IDCW Option:</b><br/>Under the IDCW option, the Trustee may at any time decide to distribute by way of IDCW, 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 IDCW.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |

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|                                | <p>The IDCW 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 IDCW payments within seven working days from the record date. In case the AMC fails to dispatch the IDCW payments within the stipulated time of seven working days, it shall be liable to pay interest to the unit holders at 15% p.a. or such other rate as may be prescribed by SEBI from time to time.</p> <p>In case of dynamic lien the IDCW may be credited to the financier</p> <p>The IDCW Option will be available under two sub-options ” the Payout Option and the Reinvestment Option.</p> <p>Payout of IDCW Option: Unitholders will have the option to receive payout of their IDCW by way of IDCW payments or any other means which can be encashed or by way of direct credit into their account.</p> <p>Reinvestment of IDCW Option: Under the reinvestment option, IDCW amounts will be reinvested in the Reinvestment of IDCW Option at the Applicable NAV announced immediately following the record date.</p> <p>The requirement of giving notice shall not be applicable for IDCW Option having frequency upto one month.</p> <p>However, the Trustees reserve the right to introduce new options and /or alter the IDCW payout intervals, frequency, including the day of payout.</p> <p>When units are sold, and sale price (NAV) is higher than face value of the unit, a portion of sale price that represents realized gains is credited to an Equalization Reserve Account and which can be used to pay IDCW. IDCW can be distributed out of investor’s capital (Equalization Reserve), which is part of sale price that represents realized gains.</p> |
| Allotment (Detailed procedure) | <p>Pursuant to Para 14.4.4 of SEBI Master Circular no. SEBI/HO/IMD/IMDPoD- 1/P/CIR/2024/90 dated June 27, 2024 and SEBI Circular SEBI/HO/MRD/PoD1/CIR/P/2025/16 dated February 14,2025, the investor whose transaction has been</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

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|                                                                                                                                                                             | <p>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. The AMC shall send an allotment confirmation specifying the units allotted by way of email and/or SMS within 5 Business Days of receipt of valid application/transaction to the Unit holders registered e-mail address and/ or mobile number (whether units are held in demat mode or in account statement form).</li> <li>2. The holding(s) of the beneficiary account holder for units held in demat mode will be shown in the statement issued by respective Depository Participants (DPs) periodically.</li> <li>3. A consolidated account statement (CAS) for each calendar month on or before 12<sup>th</sup> of the succeeding month shall be sent by email (wherever investor has provided email id) or physical account statement on or before 15<sup>th</sup> of the succeeding month where investor has not provided email id/have opted for delivery via physical mode, across the schemes of the mutual funds, to all the investors in whose folio(s) transaction(s) has/have taken place during the month. The same shall be sent by the AMC or by the Agencies appointed by the AMC for non demat unit holders</li> </ol> |
| Refund                                                                                                                                                                      | <p>If application is rejected, full amount will be refunded within 5 working days of closure of NFO. If refunded later than 5 working days @ 15% p.a. for delay period will be paid and charged to the AMC</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <p>Who can invest<br/>This is an indicative list and investors shall consult their financial advisor to ascertain whether the scheme is suitable to their 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> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

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|                   | <ul style="list-style-type: none"> <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>• 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>• Public Financial Institution as defined under the Companies Act 2013.</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> <li>• Foreign Portfolio Investors (FPIs) or sub-accounts of FPI's registered with SEBI</li> <li>• Public Trusts in Maharashtra can invest up to 50% of its available funds</li> </ul> <p>The list given above is indicative and the applicable law, if any, shall supersede the list.</p> |
| Who cannot invest | Acceptance of Subscriptions from U.S. Persons and Residents of Canada w.e.f. November 17, 2016 : -                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

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|                                | <p>The Scheme shall not accept subscriptions from U.S. Persons and Residents of Canada, except where transaction request received from Non – resident Indian (NRIs) / Persons of Indian Origin (PIO) who at the time of investment are present in India and submit physical transaction request along with such declarations / documents as may be prescribed by Kotak Mahindra Asset Management Company Ltd and Kotak Mahindra Trustee Company Ltd.</p> <p>The AMC shall accept such investments subject to the applicable laws and such other terms and conditions as may be notified by the AMC/ Trustee Company. The investor shall be responsible for complying with all the applicable laws for such investments.</p> <p>The AMC reserves the right to put the transaction request on hold/reject the transaction request, or reverse the units allotted, as the case may be, as and when identified by the AMC, which are not in compliance with the terms and conditions notified in this regard.</p> <p>The AMC/Trustee reserves the right to change/modify the provisions mentioned above at a later date.</p> |
| How to Apply and other details | <p>1. The investors can submit the Application forms and Key Information Memorandum (along with transaction slip)/ forms for redemption/ switches at the branches of AMC or Investor Service Centres (ISCs)/Official Points of Acceptance (OPAs) of the Registrar (CAMS) or distributors or on the website of Kotak Mahindra Mutual Fund (<a href="http://www.kotakmf.com">http://www.kotakmf.com</a>).</p> <p>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.</p> <p>Further in line with Para 16.2.11 and 16.2.1 of SEBI circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 it has been decided to allow investors can directly access infrastructure of the recognised stock exchanges to purchase mutual fund units directly from Mutual Fund/ Asset Management Companies.</p> <p>Please refer to the SAI and Application form for the instructions.</p>                                                                                                         |

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|                                                                                                                                                                                                 | <p>2. Link for the list of official points of acceptance, collecting banker details etc.</p> <p>3. Name, address and contact no. of Registrar and Transfer Agent (R&amp;T), email id of R&amp;T, website address of R&amp;T, official points of acceptance, collecting banker details etc. on back cover page.</p> <p>To inform investors that it is mandatory to mention their bank account numbers in their applications/requests for redemption.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| 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.                                | Not Applicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Restrictions, if any, on the right to freely retain or dispose of units being offered.                                                                                                          | The Asset Management Company shall, on production of instrument of transfer together with relevant documents, shall register the transfer within timelines as defined in the SEBI Regulation. The Units of the Scheme held in the dematerialised form will be fully and freely transferable (subject to lock-in period, if any and subject to lien, if any marked on the units) in accordance with the provisions of SEBI (Depositories and Participants) Regulations, 2018 as may be amended from time to time and as stated in. Para 14.4.4 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024. Further, for the procedure of release of lien, the investors shall contact their respective DP.                                                                                                                                                                                                                                                                                |
| <p>Cut off timing for subscriptions/ redemptions/ switches</p> <p>This is the time before which your application (complete in all respects) should reach the official points of acceptance.</p> | <p>Applicable NAV for Purchases/Switch-ins</p> <p>1. 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;</p> <p>2. 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;</p> <p>3. 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 – the closing NAV of such subsequent business day.</p> <p>The above cut-off timings and applicability of NAV shall be applicable in respect of valid applications received at the Official Point(s) of Acceptance on a Business Day:</p> |

|                                                                                                                                                      | <div>1. It is clarified that switches will be considered as redemption in the switch-out scheme and purchase / subscription in the switch-in scheme</div> <div>2. 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 along with their applications. AMC shall not be responsible for any delay on account of banking clearance or circumstances which are beyond the control of AMC.</div> <div>3. The revised provisions for applicability of NAV based on realization of funds will be applicable to all types of investment including various systematic investments routes (viz, SIP, STP, Transfer of IDCW etc.) as may be offered by the Scheme from time to time.</div> |                                     |                               |              |                                     |                                     |                                     |
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| Minimum amount for purchase/redemption/switches (mention the provisions for ETFs, as may be applicable, for direct subscription/redemption with AMC. | <div>Minimum application amount for purchases</div> <table><tr><th>Initial Purchase (Non- SIP)</th><th>Additional Purchase (Non-SIP)</th><th>SIP Purchase</th></tr><tr><td>Rs. 100/- and any amount thereafter</td><td>Rs. 100/- and any amount thereafter</td><td>Rs. 100/- and any amount thereafter</td></tr></table> <div>Minimum amount for redemption:<br/>The minimum redemption amount for all plans will be Rs. 1000/- or 100 units or account balance, whichever is lower.</div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Initial Purchase (Non- SIP)         | Additional Purchase (Non-SIP) | SIP Purchase | Rs. 100/- and any amount thereafter | Rs. 100/- and any amount thereafter | Rs. 100/- and any amount thereafter |
| Initial Purchase (Non- SIP)                                                                                                                          | Additional Purchase (Non-SIP)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | SIP Purchase                        |                               |              |                                     |                                     |                                     |
| Rs. 100/- and any amount thereafter                                                                                                                  | Rs. 100/- and any amount thereafter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Rs. 100/- and any amount thereafter |                               |              |                                     |                                     |                                     |
| Waiver of Minimum Subscription Amount                                                                                                                | <div>Pursuant to Para 6.10 of SEBI Master circular SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27,2024 and SEBI/HO/IMD/IMD-PoD-1/P/CIR/2025/36 dated March 21, 2025 on Alignment of interest of Designated Employees of Asset Management Companies (AMCs) with the Unitholders of the Mutual Fund Schemes has, inter alia mandated that a minimum of slab wise percentage (as opted by AMC) of gross annual CTC net of income tax and any statutory contributions of the Specified Designated Employees of the AMCs shall be invested in units of the scheme(s) of the Fund in which they have a role/oversight.</div>                                                                                                                                                                                                                                                                                                                                                                                                |                                     |                               |              |                                     |                                     |                                     |

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|                     | Accordingly, the criteria of minimum investment amounts would not apply for such Investments made by Designated Employees of the Kotak Mahindra Asset Management Company Limited in compliance with the aforesaid circular(s).                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| Accounts Statements | <p>The AMC shall send an allotment confirmation specifying the units allotted by way of email and/or SMS within 5 working days of receipt of valid application/transaction to the Unit holders registered e-mail address and/ or mobile number (whether units are held in demat mode or in account statement form).</p> <p>A Consolidated Account Statement (CAS) detailing all the transactions across all mutual funds (including transaction charges paid to the distributor) and holding at the end of the month shall be sent to the Unit holders in whose folio(s) transaction(s) have taken place during the month by email on or before 12<sup>th</sup> of the succeeding month, or in physical mode before 15<sup>th</sup> of the succeeding month.</p> <p>Half-yearly CAS shall be issued at the end of every six months (i.e. September/ March) on or before 18<sup>th</sup> day of April and October and to investors that have opted for delivery via physical mode, on or before the twenty-first (21<sup>st</sup>) day of April and October. However, where an investor does not wish to receive CAS through email, option shall be given to the investor to receive the CAS in physical form at the address registered with the Depositories and the AMCs/MF-RTAs</p> <p>For further details, refer SAI.</p> |
| Dividend/ IDCW      | The payment of dividend/IDCW to the unitholders shall be made within seven working days from the record date.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| Redemption          | <p>The redemption or repurchase proceeds shall be dispatched to the unitholders within three working days from the date of redemption or repurchase.</p> <p>For list of exceptional circumstances refer para 14.1.3 of SEBI Master Circular for Mutual Funds dated June 27, 2024</p> <p>For schemes investing atleast 80% of total assets in permissible overseas investments (as per Clause 12.19 of SEBI Master Circular for Mutual Funds dated June 27, 2024), the transfer of redemption or repurchase proceeds to the unitholders shall be made within five working days from the date of redemption or repurchase.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| Bank Mandate        | 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,                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |

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|                                                                            | <p>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>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Delay in payment of redemption / repurchase proceeds/dividend              | The Asset Management Company shall be liable to pay interest to the unitholders at rate as specified vide clause 14.2 of SEBI Master Circular for Mutual Funds dated June 27, 2024 by SEBI for the period of such delay                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| Unclaimed Redemption and Income Distribution cum Capital Withdrawal Amount | <p>In accordance with Para 14.3 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 and SEBI Letter SEBI/HO/IMD-SEC-2/P/OW/2025/02346/1 dated January 22, 2025 the unclaimed Redemption amount and IDCW amount that are currently allowed to be deployed by the Mutual Fund only in call money market or money market Instruments, shall also be allowed to be invested in a separate plan of only Overnight scheme / Liquid scheme / Money Market Mutual Fund scheme floated by Mutual Funds specifically for deployment of the unclaimed amounts. There shall a separate scheme/plan for Redemption amount and IDCW amount, pending for less than 3 years and more than 3 years</p> <p>Following are timelines for deployment by Mutual fund</p> <ol style="list-style-type: none"> <li>Transfer of Unclaimed redemption and dividend amount to Unclaimed Dividend and Redemption Scheme (UDRS) after 90 days and not beyond 105 days from date of issuance of the instruments</li> <li>On completion of first 3 years of a separate plan of Overnight scheme / Liquid scheme / Money Market Mutual Fund scheme, AMC shall transfer such units to UDRS plan (&gt; 3 years) within 10 business days of subsequent month</li> </ol> |

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|  | <p>c. The amount of income accrued on daily basis on unclaimed amount beyond 3 years shall be transferred on a monthly basis ( ie on or before 10<sup>th</sup>calendar day of subsequent month ) to the investor education scheme/folio</p> <p>Provided that such schemes where the unclaimed redemption and IDCW amounts are deployed shall be only those Liquid scheme / Money Market Mutual Fund schemes which are placed in A-1 cell (Relatively Low Interest Rate Risk and Relatively Low Credit Risk) of Potential Risk Class matrix as as per para 17.5 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024.</p> <p>AMCs shall not be permitted to charge any exit load in this plan and TER (Total Expense Ratio) of such plan shall be capped as per the TER of direct plan of such scheme or at 50bps whichever is lower. Investors who claim these amounts during a period of three years from the due date shall be paid initial unclaimed amount along with the income earned on its deployment. Investors who claim these amounts after 3 years, shall be paid initial unclaimed amount along with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education. AMC shall play a proactive role in tracing the rightful owner of the unclaimed amounts considering the steps suggested by regulator vide the referred circular.</p> <p>As per SEBI Circular no. SEBI/HO/IMD/IMD-SEC-3/P/CIR/2025/15 dated February 12, 2025 a service platform for investors to trace inactive and unclaimed Mutual Fund folios- MITRA (Mutual Fund Investment Tracing and Retrieval Assistant) MITRA platform is developed and hosted by the QRTAs (CAMS and KFinTech) would be available through a link on the website of MF Central, AMCs, AMFI, the two QRTAs and SEBI.</p> <p>MITRA platform will facilitate the investors with a searchable database of inactive and unclaimed Mutual Fund folios at an industry-level which will empower the investors on following manner:</p> <ul style="list-style-type: none"> <li>• Enable investors/ legal claimants to identify the overlooked investments or any investments made by any other person for which he/she may be rightful legal claimant.</li> </ul> |
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|                                       | <ul style="list-style-type: none"> <li>• Encourage investors to do KYC as per the current norms thus reducing the number of non-KYC compliant folios.</li> <li>• Contribute towards building a transparent financial ecosystem and will be reliable medium for investors to find their inactive and unclaimed Mutual Fund investments.</li> <li>• Build and incorporate mitigants against fraud risk</li> </ul> <p>An inactive folio shall be defined as “Mutual Fund Folio(s) where no investor-initiated transaction/s (financial and non-financial) have taken place in the last 10 years, but unit balance is available”.</p> <p>This portal would display only Fund Names and investor has to approach the respective MFs for more information.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Disclosure w.r.t investment by minors | <p>As per Para 17.6 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, the following Process for Investments in the name of a Minor through a Guardian will be applicable:</p> <p>a. Payment for investment by any mode shall be accepted from the bank account of the minor, parent or legal guardian of the minor, or from a joint account of the minor with parent or legal guardian. For existing folios, the AMCs shall insist upon a Change of Pay-out Bank mandate before redemption is processed.</p> <p>b. Redemption proceeds shall be credited only in verified bank account of the minor, i.e the account the minor may hold with the parent/legal guardian after completing KYC formalities.</p> <p>c. Upon the minor attaining the status of major, the minor in whose name the investment was made, shall be required to provide all the KYC details, updated bank account details including cancelled original cheque leaf of the new account. No further transactions shall be allowed till the status of the minor is changed to major.</p> <p>d. AMCs shall build a system control at the account set up stage of Systematic Investment Plan (SIP), Systematic Transfer Plan (STP) and Systematic Withdrawal Plan (SWP) on the basis of which, the standing instruction is suspended when the minor attains majority, till the status is changed to major.</p> <p>Please refer SAI for detailed process on investments made in the name of a Minor through a Guardian and Transmission of Units.</p> |

### III. Other Details

#### A. Periodic Disclosures such as Half yearly disclosures, half yearly results, annual report

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| <b>Monthly and Half yearly Disclosures: Portfolio / Financial Results</b><br><br>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>The Mutual Funds/ AMCs, shall disclose portfolio (along with ISIN) as on monthly, half-yearly basis for all the schemes on the website of the Kotak Mahindra Mutual Fund viz. <a href="http://www.kotakmf.com">www.kotakmf.com</a> and on the website of AMFI (<a href="http://www.amfiindia.com">www.amfiindia.com</a>) within 10 days from the close of each month/ half-year respectively in a user-friendly and downloadable spreadsheet format.</p> <p>In accordance with Para 5.1 and 5.3 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, unitholders whose e-mail addresses are registered, Mutual Funds/AMC shall send the details of the scheme portfolio including the scheme risk-o-meter, name of benchmark and risk-o-meter of benchmark while communicating the fortnightly, monthly and half-yearly statement of scheme portfolio via email within 5 days of every fortnight for debt schemes, 10 days from the close of each month for other schemes and 10 days from the close of half-year for all schemes.</p> <p>AMCs shall provide a link to investors to their registered email to enable the investor to directly view/download only the portfolio of schemes subscribed by the said investor. The Mutual Fund / AMC shall provide a physical copy of statement of its scheme portfolio, without charging any cost, on specific request received from a unit holder. An advertisement shall be published every half-year disclosing the hosting of the half-yearly statement of the schemes on website of Kotak Mahindra Mutual Fund and on the website of AMFI and the modes such as SMS, telephone, email or written request (letter) through which a unitholder can submit a request for a physical or electronic copy of the statement of scheme portfolio. Such advertisement shall be</p> |
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|                            | published in the all India edition of at least two daily newspapers, one each in English and Hindi.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Half Yearly Results</b> | <p>The soft copy of unaudited financial results shall within one month from the close of each half year i.e. 31<sup>st</sup> of March and the 30<sup>th</sup> of September, be hosted on the website kotakmf.com 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>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Annual Report</b>       | <p>Pursuant to Regulation 56 of SEBI (Mutual Funds) Regulations, 1996 read with Para 5.4 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 and SEBI Mutual Fund (Second Amendment) Regulation 2018, the scheme wise annual report or abridged summary thereof will be hosted on the website in machine readable format of Kotak Mahindra Mutual Fund viz. <a href="http://www.kotakmf.com">www.kotakmf.com</a> and on the website of AMFI, immediately after approval in Annual General Meetings within a period of four months, from the date of closing of the financial year (31st March). The AMC shall display the link prominently on the website of the Kotak Mahindra Mutual Fund viz. <a href="http://www.kotakmf.com">www.kotakmf.com</a> and make the physical copies available to the unit holders, at their registered offices at all times. Unit holders whose e-mail addresses are not registered will have to specifically 'opt in' to receive physical copy of scheme wise annual report or abridged summary thereof. The unit holders may request for a physical copy of scheme annual reports at a nominal price and the text of the relevant scheme by writing to the Kotak Mahindra Asset Management Company Ltd. / Investor Service Centre / Registrar &amp; Transfer Agents. The Mutual Fund / AMC shall provide a physical copy of abridged report of the annual report, without charging any cost, on specific request received from a unit holder. An advertisement shall be published every year disclosing the hosting of the scheme wise annual report on website of Kotak Mahindra Mutual Fund and on the website of AMFI and the modes such as SMS, telephone, email or written request (letter) through which a unit holder can submit a request for a physical or electronic copy of the scheme wise annual report or abridged summary thereof. Such advertisement shall be published in the all India edition of at least two daily newspapers, one each in English and Hindi.</p> |

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| <b>Risk-o-meter</b>                  | <p>In accordance with Para 17.4 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 and SEBI Circular no. SEBI/HO/IMD/PoD1/CIR/P/2024/150 dated November 05, 2024:</p> <p>The Risk-o-meter shall have following six levels of risk:</p> <ul style="list-style-type: none"> <li>i. Low Risk-Irish Green</li> <li>ii. Low to Moderate Risk-Chartreuse</li> <li>iii. Moderate Risk-Neon Yellow</li> <li>iv. Moderately High Risk-Caramel</li> <li>v. High Risk -Dark Orangeand</li> <li>vi. Very High Risk-Red</li> </ul> <p>The evaluation of risk levels of a scheme shall be done in accordance with the aforesaid circular.</p> <p>Any change in risk-o-meter shall be communicated by way of Notice cum Addendum and by way of an e-mail or SMS to unitholders. The risk-o-meter shall be evaluated on a monthly basis and the risk-o-meter alongwith portfolio disclosure shall be disclosed on the AMC website as well as AMFI website within 10 days from the close of each month.</p> <p>The Product Labelling assigned during the NFO is based on internal assessment of the scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made.</p> |
| <b>Scheme Summary Document (SSD)</b> | <p>In accordance with SEBI letter dated December 28, 2021 and AMFI emails dated March 16, 2022 and March 25, 2022, Scheme summary document for all schemes of Kotak Mahindra Mutual Fund in the requisite format (pdf, spreadsheet and machine readable format) shall be uploaded on a monthly basis i.e. 15th of every month or within 5 working days from the date of any change or modification in the scheme information on the website of Kotak Mahindra Mutual Fund i.e. <a href="http://www.kotakmf.com">http://www.kotakmf.com</a> AMFI i.e. <a href="http://www.amfiindia.com">http://www.amfiindia.com</a> and Registered Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |

## **B. Transparency/NAV Disclosure**

The NAVs of the Scheme will be calculated and disclosed on every Business Day on the website of the Kotak Mahindra Mutual Fund viz <http://www.kotakmf.com> and AMFI's website <http://www.amfiindia.com> by 11.00 p.m.

In case the scheme has exposure in overseas securities/Mutual Fund units, the NAV will be published post receipt of the Price/ NAV of the overseas investments on the website of AMFI(<http://www.amfiindia.com>) and Kotak Mahindra Mutual Fund (<http://www.kotakmf.com>) by 10.00 a.m. of the following business day in accordance with paragraph 8.2 of SEBI Master circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024.

Delay in uploading of NAV beyond the aforesaid respective timing 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

Unitholders may avail facility to receive the latest available NAVs through SMS by submitting a specific request in this regard to the AMC/Mutual Fund. Also, information regarding NAVs can be obtained by the Unit holders / Investors by visiting the nearest ISC.

In terms of SEBI regulations, a complete statement of the Scheme portfolio will be sent to all unitholders, within 5 days of each fortnight and within ten days from the close of each month / half-year whose email addresses are registered with the Mutual Fund.

The portfolio of the scheme (alongwith ISIN) shall also be disclosed on the website of Mutual Fund ([www.kotakmf.com](http://www.kotakmf.com)) and on the website of AMFI ([www.amfiindia.com](http://www.amfiindia.com)) on a monthly, fortnightly and half-yearly basis within 5 days of every fortnight & within 10 days from the close of each month/ half-year respectively in a user-friendly and downloadable spreadsheet format.

## **C. Transaction charges and stamp duty**

(a) Transaction Charges - Investors are requested to note that no transaction charges shall be deducted from the investment amount given by the investor for all transactions / applications (including SIP's) received through the distributors (i.e. in Regular Plan) and full investment amount (subject to deduction of statutory charges, if any) will be invested in the Scheme.

(b) Stamp Duty - A stamp duty @ 0.005% would be levied on all applicable mutual fund transactions. Accordingly, pursuant to levy of stamp duty, the number of units allotted on purchase transactions (including reinvestment IDCW and Switch in) to the unitholders would be reduced to that extent.

Details regarding transaction charges and stamp duty refer to SAI.

## **D. Associate Transactions**

Please refer to Statement of Additional Information (SAI)

## E. Taxation

For details on taxation please refer to the clause on Taxation in the SAI apart from the following:

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.

### CAPITAL GAIN TAXATION RATES - RESIDENT INDIVIDUAL, HUF, DOMESTIC CORPORATE, NRI<sup>\$</sup>

| Particulars                                | Investments made       | Listed or Unlisted  | Short-term capital gains                    |                       | Long-term capital gains                     |                       |
|--------------------------------------------|------------------------|---------------------|---------------------------------------------|-----------------------|---------------------------------------------|-----------------------|
|                                            |                        |                     | Investments redeemed on or after 01-04-2025 |                       | Investments redeemed on or after 01-04-2025 |                       |
|                                            |                        |                     | Holding Period                              | Tax Rate <sup>^</sup> | Holding Period                              | Tax Rate <sup>^</sup> |
| Specified Mutual Fund ('SMF') <sup>@</sup> | Before 01-04-2023      | Listed              | NA                                          | NA                    | > 12 months                                 | 12.50%                |
|                                            |                        | Unlisted            | NA                                          | NA                    | > 24 months                                 | 12.50%                |
|                                            | On or after 01-04-2023 | Listed and Unlisted | Always Short Term                           | Applicable slab rates | Always Short Term                           | Applicable slab rates |

<sup>\$</sup> Subject to NRI having Permanent Account Number (PAN) in India. The TDS deductible in case of NRI shall also be increased by applicable surcharge as per Note 1 and 4% health and education cess. In case of NRI, if PAN is not available and specified declaration is not provided as specified under Rule 37BC, TDS @ higher of 20% or rates calculated as above will be deducted. The tax rates are subject to DTAA benefits available to NRIs. As per the Finance Act 2013, submission of tax residency certificate ("TRC") will be necessary for granting Double Taxation Avoidance Agreement ("DTAA") benefits to non-residents. A Taxpayer claiming DTAA benefit shall furnish a TRC of his residence obtained by him from the Government of that country or specified territory. Further, in addition to the TRC, the non-resident shall also provide electronically filed Form 10F and such other documents /information, as may be prescribed by the Indian Tax Authorities and Kotak Mahindra Mutual Fund or Kotak Mahindra Asset Management Company Ltd. Further investor needs to certify in its No PE declaration that the one of the principle purpose of investment is not to avail the treaty benefits & the investment asset & investment income are beneficial hold by the investor claiming DTAA benefits.

<sup>@</sup> For FY 2024-25, Specified Mutual Fund is defined as where not more than thirty-five per cent of its total proceeds is invested in the equity shares of domestic companies. However, Finance (No 2) Bill, 2024 has amended the definition of Specified Mutual Fund w.e.f. FY 2025-26 as -

a Mutual Fund by whatever name called, which invests more than sixty-five per cent of its total proceeds in debt and money market instruments;

or a fund which invests sixty-five per cent or more of its total proceeds in units of a fund mentioned in clause (i)

<sup>^</sup> Tax rates for resident and non-residents shall be increased by applicable surcharge as per Note 1 and 4% Health & Education Cess.

**TAX IMPLICATION ON INCOME DISTRIBUTION CUM CAPITAL WITHDRAWAL (IDCW) RECEIVED BY UNIT HOLDERS**

| Categories of Unit Holders                                                      | Threshold                                         | TDS Rate                                              | Taxation Rate                                                                  |
|---------------------------------------------------------------------------------|---------------------------------------------------|-------------------------------------------------------|--------------------------------------------------------------------------------|
| <b>Resident Unit Holders</b>                                                    | Rs. 10,000<br>(w.e.f 1 <sup>st</sup> April, 2025) | 10%                                                   | As per applicable slab rates plus applicable surcharge and cess (Refer Note 1) |
| <b>Non-Resident Unit Holders (subject to DTAA benefits, in case applicable)</b> |                                                   |                                                       |                                                                                |
| (1) FII/FPI                                                                     | NIL                                               | 20% plus applicable surcharge and cess (Refer note 1) | 20% plus applicable surcharge and cess (Refer Note 1)                          |
| (2) Foreign company/corporates                                                  |                                                   |                                                       |                                                                                |
| Purchase in Indian Rupees                                                       | NIL                                               | 20% plus applicable surcharge and cess (Refer note 1) | 35% plus applicable surcharge and cess (Refer Note 1)                          |
| Purchase in Foreign Currency                                                    | NIL                                               | 20% plus applicable surcharge and cess (Refer note 1) | 20% plus applicable surcharge and cess (Refer Note 1)                          |
| (3) Others                                                                      |                                                   |                                                       |                                                                                |
| Purchase in Indian Rupees                                                       | NIL                                               | 20% plus applicable surcharge and cess (Refer note 1) | At slab rates applicable plus applicable surcharge and cess (Refer Note 1)     |
| Purchase in Foreign Currency                                                    | NIL                                               | 20% plus applicable surcharge and cess (Refer note 1) | 20% plus applicable surcharge and cess (Refer Note 1)                          |

Note 1: -

A) In case of foreign companies;

- 2% where the total income exceeds Rs. 10,000,000 but less than / equal to Rs. 100,000,000

- 5% where the total income exceeds Rs. 100,000,000

B) In case of resident domestic corporate unit holders;

- 7% where the total income exceeds Rs. 10,000,000 but less than / equal to Rs. 100,000,000 or

- 12% where the total income exceeds Rs. 100,000,000

- 10% where domestic company is eligible & exercises the option granted u/s 115BAA or 115BAB of the Act.

C) In case of non-corporate resident unit holders being partnership firms covered under Indian Partnership Act, 1932/ Limited liability partnership covered under Limited Liability Partnership Act, 2008:

- 12% where the total income exceeds Rs.10,000,000

D) I) In case of resident and non-resident unit holders being individual, HUF, AOP, BOI and artificial juridical person (opting old regime of taxation);

| Income | Surcharge Rates |
|--------|-----------------|
|--------|-----------------|

| Total Income                 | Other Income<br>(i.e Income<br>other than<br>Capital gains<br>covered under<br>section 111A,<br>section 112A,<br>section 112,<br>115AD(1)(b)<br>& company<br>dividend). | Other Income<br>(i.e Income<br>other than<br>Capital gains<br>covered under<br>section 111A,<br>section 112A,<br>section 112,<br>115AD(1)(b)<br>& company<br>dividend). | Capital gains<br>covered under<br>section 111A,<br>section 112A,<br>section 112, &<br>115AD(1)(b) &<br>company<br>dividend. |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|
| Upto 50Lakh                  | -                                                                                                                                                                       | Nil                                                                                                                                                                     | Nil                                                                                                                         |
| More than 50Lakh up to 1 Cr  | -                                                                                                                                                                       | 10%                                                                                                                                                                     | 10%                                                                                                                         |
| More than 1 Cr but up to 2Cr | -                                                                                                                                                                       | 15%                                                                                                                                                                     | 15%                                                                                                                         |
| More than 2 Cr               | Up to 2 cr                                                                                                                                                              | 15%                                                                                                                                                                     | 15%                                                                                                                         |
|                              | More than 2<br>cr but up to 5<br>cr                                                                                                                                     | 25%                                                                                                                                                                     | 15%                                                                                                                         |
|                              | More than<br>5Cr                                                                                                                                                        | 37%                                                                                                                                                                     | 15%                                                                                                                         |

II. In case of resident and non-resident unit holders being individual, HUF, AOP, BOI and artificial juridical person (who have not elected for old regime of taxation);

| Income                       | Surcharge Rates                                                                                                                                                         |                                                                                                                                                                         |                                                                                                                             |
|------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|
| Total Income                 | Other Income<br>(i.e Income<br>other than<br>Capital gains<br>covered under<br>section 111A,<br>section 112A,<br>section 112,<br>115AD(1)(b)<br>& company<br>dividend). | Other Income<br>(i.e Income<br>other than<br>Capital gains<br>covered under<br>section 111A,<br>section 112A,<br>section 112,<br>115AD(1)(b)<br>& company<br>dividend). | Capital gains<br>covered under<br>section 111A,<br>section 112A,<br>section 112, &<br>115AD(1)(b) &<br>company<br>dividend. |
| Upto 50Lakh                  | -                                                                                                                                                                       | Nil                                                                                                                                                                     | Nil                                                                                                                         |
| More than 50Lakh up to 1 Cr  | -                                                                                                                                                                       | 10%                                                                                                                                                                     | 10%                                                                                                                         |
| More than 1 Cr but up to 2Cr | -                                                                                                                                                                       | 15%                                                                                                                                                                     | 15%                                                                                                                         |
| More than 2 Cr               | Up to 2 cr                                                                                                                                                              | 15%                                                                                                                                                                     | 15%                                                                                                                         |
|                              | More than 2<br>cr                                                                                                                                                       | 25%                                                                                                                                                                     | 15%                                                                                                                         |

Note 2: - W.e.f. 01.04.2020, as per Section 115R, no additional income tax payable on amount of distributed income on or after 01.04.2020.

The salient features of the capital gain tax are as under:

- Long term capital gains in excess of Rs. 1.25 lakh shall be taxable at rates mentioned in table above plus surcharge (if any, as applicable) plus health & education cess @ 4%.

- The capital gain will be computed without giving effect to the 1st and 2nd proviso to section 48 in the manner laid down under the section i.e. without indexation benefit and without foreign currency conversion benefit

Note 4: - Tax Rates Regimes available for Domestic Corporate companies-

(a) 30% if investor falls into highest tax bracket.

(b) 25% If total turnover or gross receipts in the financial year 2020-21 does not exceed Rs. 400 crores.

(c) 22% lower rate is optional and subject to fulfilment of certain conditions (not claiming specified incentives and deductions) as provided in section 115BAA.

(d) 15% lower rate is optional for companies engaged in manufacturing business (set-up & registered on or after 1 October 2019) subject to fulfilment of certain conditions (not claiming specified incentives and deductions as provided in section 115BAB.

Further, the domestic companies are subject to minimum alternate tax (except for those who opt for lower rate of tax of 22%/15%) not specified in above tax rates

Note 5: - As per section 139AA of the Income tax Act, 1961 ('the Act') read with rule 114AAA of the Income-tax Rules, 1962, in the case of a resident person, whose PAN has become inoperative due to PAN-Aadhaar not being linked on or before 30 June 2023, it shall be deemed that he has not furnished the PAN and tax could be withheld at a higher rate of 20% as per section 206AA of the Act

Note 6: - Relaxation to non-residents from deduction of tax at higher rate in the absence of PAN subject to them providing specified information and documents.

Note 7: - It is assumed that the mutual fund units are held as capital assets by the investors.

Note 8: - Under Section 115BAC w.e.f. 01.04.2023, all individual, HUF, AOP, BOI is required to pay tax at concessional rates (as below) under the new tax regime subject to the condition that certain exemptions/ losses/ deductions cannot be claimed. In case such taxpayer intends to claim deductions / exemptions, it may elect to opt for existing tax and slabs rates to continue to apply.

## SECURITIES TRANSACTION TAX

| Money Market or Liquid Fund | Other Than Equity Oriented Fund |
|-----------------------------|---------------------------------|
| Nil                         | Nil                             |

## F. Rights of Unitholders

Please refer to SAI for details.

## G. List of official points of acceptance:

Details of Official Acceptance Points is available  
<https://www.kotakmf.com/Information/statutory-disclosure/disclosuresrelatedtosidandkim>

**H. 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**

The detailed data in respect of penalties, pending litigations, findings of inspection, investigation is available at <https://www.kotakmf.com/Information/statutory-disclosure/disclosuresrelatedtosidandkim>

**Notes:**

1. Further, any amendments / replacement / re-enactment of SEBI Regulations subsequent to the date of the Scheme Information Document shall prevail over those specified in this Document.
2. The Trustees have ensured that the Scheme approved by them is a new product offered by Kotak Mahindra Mutual Fund and is not a minor modification of any existing scheme/fund/product.
3. Notwithstanding anything contained in the Scheme Information Document, the provisions of the SEBI (Mutual Funds) Regulations, 1996 and the guidelines there under shall be applicable.

**For and on behalf of the Board of Directors,  
Kotak Mahindra Asset Management Company Limited  
(Investment Manager of Kotak Mahindra Mutual Fund)  
Sd/-**

**Mumbai**

**Place:**

**Ms. Jolly Bhatt**

**Compliance Officer**

**Date: November 28,  
2025**

**Mutual Fund investments are subject to market risks, read all scheme related documents carefully.**