

Addendum to Statement of Additional Information / Scheme Information Document(s) for schemes of Kotak Mahindra Mutual Fund**A. Option to hold Units in dematerialized (demat) form:**

Pursuant to SEBI Circular no. CIR/IMD/DF/9/2011 dated May 19, 2011, on the aforesaid subject, investors of Kotak Mahindra Mutual Fund would have an option of holding the units in demat form. Investors would have to provide the demat account details in the application form along with supporting documents evidencing the accuracy of the demat account. Applications received without supporting documents could be processed under the physical mode. However, the option of holding units in demat form is not being currently offered for SIP/STP/SWP investments registered directly through Kotak Mahindra Asset Management Company Ltd. / Registrars & Transfer Agents, and also for dividend options having dividend frequency of less than a month. The option of holding SIP units in Demat form is available for investments registered through BStAR & MFSS.

Further in addition to our notices dated January 29, 2010 and December 24, 2010 on Purchase and Redemption of units through the Stock Exchange Infrastructure; investors may note that w.e.f. October 1, 2011, all open ended schemes (except ETFs and dividend options having dividend frequency of less than a month) will be available for Purchase and Redemption through MFSS and BStAR platform.

Investors are requested to get in touch with Investor Service Centres (ISCs) of Kotak Mahindra Mutual Fund or their respective brokers for further details.

All other terms & conditions as stated in notices dated January 29, 2010 and December 24, 2010 remain unchanged. The transactions carried out on the above platform shall be subject to SEBI (Mutual Funds) Regulations, 1996 and circulars / guidelines issued thereunder from time to time and also the guidelines/ procedural requirements as laid by the Depositories (NSDL/CDSL) / Stock Exchanges (NSE / BSE) from time to time. Kotak Mahindra Asset Management Company Ltd. reserves the right to change/modify the features of this facility at a later date.

B. Mailing of Annual Report or Abridged Summary:

Pursuant to SEBI Circular No. Cir/IMD/DF/16/2011 dated September 8, 2011, Annual report or Abridged Summary will be available on mutualfund.kotak.com and shall be sent by way of email to the investor's registered email address or Physical copies (If investor's email address is not registered), not later than four months after the close of each financial year (March 31). The unit holders may request for a physical copy of scheme annual reports or abridged summary by writing to the Kotak Mahindra Asset Management Company Ltd. / Investor Service Centre / Registrar & Transfer Agents.

C. Consolidated Accounts Statements:

Pursuant to Regulation 36 of SEBI (Mutual Funds) Regulations, 1996 and amendments thereto, read with SEBI Circular No. Cir/IMD/DF/16/ 2011 dated September 8, 2011; the investor whose transaction has been accepted by Kotak Mahindra Asset Management Company Ltd. / Kotak Mahindra Mutual Fund on or after October 1, 2011 shall receive the following:

- 1 On acceptance of the application for subscription, an allotment confirmation specifying the number of units allotted by way of email and/or SMS within 5 Business Days from the date of receipt of transaction request will be sent to the Unit holders registered e-mail address and/or mobile number.
- 2 A consolidated account statement (CAS) for each calendar month on or before 10th of the succeeding month shall be sent by email (wherever investor has provided email id) or physical account statement where investor has not provided email id., across the schemes of the mutual funds, to all the investors in whose folio(s) transaction(s) has/have taken place during the month.
- 3 For the purpose of sending CAS, common investors across mutual funds shall be identified by their Permanent Account Number (PAN).
- 4 In case of a specific request is received from the investors, Kotak Mahindra Asset Management Company Ltd. / Kotak Mahindra Mutual Fund will provide the physical account statement to the investors.
- 5 The CAS will not be received by the investors for the folio(s) not updated with PAN details. The Unit holders are therefore requested to ensure that the folio(s) are updated with their PAN and email id. Such investors will get monthly account statement from Kotak Mutual Fund in respect of transactions carried out in the schemes of Kotak Mutual Fund during the month.
- 6 The statement of holding of the beneficiary account holder for units held in demat will be sent by the respective DPs periodically.

This addendum shall form an integral part of the Scheme Information Document(s) / Key Information Memorandum(s) of the Scheme(s) of Kotak Mahindra Mutual Fund as amended from time to time.

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

**Mumbai
September 30, 2011**

**Sd/-
Sandesh Kirkire
Chief Executive Officer**

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

Kotak Mahindra Asset Management Company Limited

(Investment Manager for Kotak Mahindra Mutual Fund)

6th Floor, Kotak Towers, Building No. 21, Infinity Park, Off: Western Express Highway

Goregaon - Mulund Link Road, Malad (East), Mumbai 400097

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

Risk Factors: Mutual Fund and securities investments are subject to market risks and there is no assurance or guarantee that the objective(s) of the Scheme(s) would be achieved. As with any securities investment, the NAV of the Units issued under the Schemes can go up and down depending on the factors and forces affecting the securities markets. Past performance of the Sponsor/AMC/Fund or that of existing schemes of the Fund do not indicate the future performance of the Schemes. **Statutory Details:** Kotak Mahindra Mutual Fund is a Trust (Indian Trust Act, 1882). **Investment Manager:** Kotak Mahindra Asset Management Company Ltd. **Sponsor:** Kotak Mahindra Bank Ltd. (liability Rs. Nil). **Trustee:** Kotak Mahindra Trustee Company Ltd. **Please read the Scheme Information Document (SID) and Statement of Additional Information (SAI) of the schemes carefully before investing. SID & SAI available on mutualfund.kotak.com**