

Uniform cut-off timings for applicability of Net Asset Value (NAV) of Mutual Fund scheme(s)/plan(s)

In accordance with SEBI Circular no. Cir / IMD / DF / 19 / 2010 dated November 26, 2010; uniform cut-off timings for applicability of Net Asset Value (NAV) for schemes of Kotak Mahindra Mutual Fund is modified with effect from December 6, 2010 as under:

I) **Applicable NAV for Kotak Mahindra Liquid Scheme and Kotak Floater Short Term Scheme, for purchase/ subscriptions, shall be as under:**

- i. In respect of valid applications received upto 2.00 p.m. on a day and the entire amount is available in the mutual fund's account for utilization before 2.00 p.m. of the same day - the closing NAV of the day immediately preceding the day of receipt of application;
- ii. In respect of valid applications received after 2.00 p.m. on a day and the entire amount is available in the mutual fund's account for utilization on the same day - the closing NAV of the day immediately preceding the next business day; and
- iii. Irrespective of the time of receipt of application, where the entire amount is not available for utilization before the cut-off time - the closing NAV of the day immediately preceding the day on which the funds are available for utilization.

II) **Applicable NAV for Kotak Mahindra Gilt Unit Scheme 98, Kotak Mahindra Bond Unit Scheme 99, Kotak Bond Short Term Plan, Kotak Mahindra Income Plus Scheme, Kotak Floater Long Term Scheme, Kotak Flexi Debt Scheme and Kotak Credit Opportunities Fund, for purchase/ subscriptions, shall be as under:**

- a) For amounts greater than or equal to Rs. 1 crore:
 - i. In respect of valid applications received upto 3.00 p.m. on a day and entire amount is available in the mutual fund's account for utilization before the cut off time of the same day - the closing NAV of the day of receipt of application;
 - ii. In respect of valid applications received after 3.00 p.m. on a 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; and
 - iii. Irrespective of the time of receipt of the application where the entire amount is available in Mutual fund's account for utilization before cut off time on any subsequent business day - units will be allotted at subsequent business day's NAV.
- b) For amounts less than Rs. 1 crore:
 - i. In respect of valid applications received upto 3.00 p.m. with a local cheque or demand draft payable at par at the place where it is received - the closing NAV of the day of receipt of application; and
 - ii. In respect of valid applications received after 3.00 p.m. with a local cheque or demand draft payable at par at the place where it is received - the closing NAV of the next business day.

Note 1: The cut off time and applicable NAV for redemptions shall remain unchanged.

Note 2: It is clarified that switches will be considered as redemption in the switch out scheme and purchase / subscription in the switch in scheme considering the value of the transactions.

This addendum shall form an integral part of the SID/SAI/KIM of the above mentioned scheme(s) of Kotak Mahindra Mutual Fund as amended from time to time and all other features, terms and conditions as mentioned therein remain unchanged.

For Kotak Mahindra Asset Management Company Limited
Investment Manager – Kotak Mahindra Mutual Fund
Sd/-

Mumbai
December 3, 2010

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)

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Highlights: **Kotak Mahindra Liquid Scheme** - (An open-ended Debt Scheme) - To provide reasonable returns and high level of liquidity by investing in Debt and money market instruments of different maturities so as to spread risk across different kinds of issuers in the Debt Markets. **Kotak Floater Short Term Scheme** - (An open-ended Debt Scheme) - To reduce the interest rate risk associated with investments in fixed rate instruments by investing predominantly in floating rate securities, money market instruments and using appropriate derivatives. **Kotak Mahindra Gilt Unit Scheme 98** - (An open ended dedicated gilt scheme): To generate risk-free returns through investments in sovereign securities issued by the Central and/or State Government(s) and/or reverse repos in such securities. **Kotak Mahindra Bond Unit Scheme 99** - (An open-ended debt scheme): To create a portfolio of debt instruments of different maturities so as to spread the risk across a wide maturity horizon and different kinds of issuers in the debt markets. **Kotak Bond Short Term Plan** (An open-ended debt scheme) - To provide reasonable returns and high level of liquidity by investing in debt and money market instruments of different maturities, so as to spread the risk across different kinds of issuers in the debt market. **Kotak Mahindra Income Plus Scheme** - (An open ended income scheme): To enhance returns over a portfolio of Debt Instruments with a moderate exposure in Equity and Equity related Instruments. **Kotak Floater Long Term Scheme** - (An open-ended debt scheme) - To reduce the interest rate risk associated with investments in fixed rate instruments by investing predominantly in floating rate securities, money market instruments and using appropriate derivatives. **Kotak Flexi Debt Scheme** - (An open ended Debt Scheme) - To maximise returns through an active management of a portfolio of debt and money market securities. **Kotak Credit Opportunities Fund** (An open ended debt scheme) - To generate income by investing in debt / and money market securities across the yield curve and credit spectrum. The scheme would also seek to maintain reasonable liquidity within the funds.

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 Scheme 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 does not indicate the future performance of the Scheme. **The above mentioned are only the name(s) of the scheme(s) and do not in any manner indicate either the quality of the scheme(s), its future prospects and returns. 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 scheme carefully before investing. SID & SAI available on www.kotakmutual.com**