

Notice is hereby given that the Board of Directors of Kotak Mahindra Asset Management Company Limited (KMACM) and Kotak Mahindra Trustee company Limited (KMTC) have approved the merger of Kotak Nifty AAA Bond Jun 2025 HTM Index Fund (Merging Scheme) into Kotak Income Plus Arbitrage FOF (Surviving Scheme), in accordance with the provisions laid under Regulation 18(15A) of the SEBI (Mutual Funds) Regulations, 1996, as amended till date.

Unit holders are requested to note that the merger of the scheme/s will tantamount to a change in the fundamental attributes in accordance with Regulation 18(15A) of the SEBI (Mutual Funds) Regulations, 1996 ("MF Regulations"). The proposed merger shall be carried out by implementing a change in the fundamental attributes of the Scheme.

In addition to the conditions specified under regulation 18(15A), the Trustees have also taken into consideration the comments of SEBI, prior to effecting a change in fundamental attributes of the Scheme. For further details with respect to the merger please refer to the points below:

Unit holders are requested to note that the following schemes would be undergoing a merger as detailed in the table below.

1. Name of the Scheme/s merging and Surviving Scheme:

**Merging Scheme:** Kotak Nifty AAA Bond Jun 2025 HTM Index Fund (An open-ended Target Maturity Index Fund investing in constituents of NIFTY AAA BOND JUN 2025 HTM Index subject to tracking errors. A moderate interest rate risk and relatively low credit risk)

**Surviving Scheme:** Kotak Income Plus Arbitrage FOF (An open-ended fund of fund scheme predominantly investing in debt oriented mutual fund schemes and equity arbitrage mutual fund scheme of Kotak Mahindra Mutual Fund)

2. Proposal: Merger of Kotak Nifty AAA Bond Jun 2025 HTM Index Fund (Merging scheme) with Kotak Income Plus Arbitrage FOF (Surviving Scheme).

3. Rationale for the merger:

- The Merging Scheme is predominantly invested in AAA Bonds maturing in Jun 2025, whereas the surviving scheme into which the merger is happening invests in mix of Debt Oriented Mutual Fund Schemes & Equity Arbitrage Mutual Fund Scheme of Kotak Mahindra Mutual Fund. This merger proposal is envisioned with a view to benefit our unitholders, by staying put in schemes of KMMF.
- They can continue to stay invested in debt assets with an inclusion of equity arbitrage exposure that would be completely hedged, designed to capture the market's inefficiencies i.e. ~ 60% investment in Debt schemes & ~40% in Equity Arbitrage scheme.
- Dynamic fund management where the fund manager takes the call based on market outlook
- The Surviving Scheme has a flexibility to invest across various debt-oriented schemes of KMMF and equity arbitrage scheme. Currently, as of 30th April 2025:
  - ~59% of the AUM is invested in Debt Oriented MFs (while the underlying scheme has majorly invested in AAA rated/SOV issuers i.e. ~98%), thereby maintaining a high-quality portfolio & aligning with the portfolio quality of the Merging scheme and
  - ~40% of the Surviving scheme has invested in the Equity Arbitrage scheme of KMMF, that gives the advantage of reducing volatility across market cycles & providing more stable returns
- Exposure to both debt and arbitrage, will likely retain high liquidity, giving investors the flexibility to manage their allocations & catering to a similar risk appetite as that of the merging scheme

4. Public Notice: The notice-cum-addendum in respect of the merger is published in the newspaper edition of Financial Express and Navshakti. Further, the same will also be available in the website of the mutual fund viz. www.kotakmf.com.

5. Consequences of merger: Merging Scheme will be merged with the surviving scheme. The merger will not result in emergence of any new scheme and features of surviving scheme will be retained.

Post-merger, the investments under the surviving scheme will be in accordance with the investment objective and asset allocation of the surviving scheme. Unitholders of merging scheme will become unitholders of surviving scheme. There will be no impact of the merger on the units held by the unitholders of the surviving Scheme.

6. Exit Period and Positive Consent Period: The unitholders of merging scheme shall be given a period of 30 days to provide positive consent for the merger. Investors who don't provide their positive consent shall be deemed to have not agreed with the merger and their investment shall be auto redeemed on the date of merger.

An exit option of 30 days will be given to the investors of surviving scheme for exit without payment of exit load.

7. Effective Date of merger: June 30, 2025

8. Basis of allotment of new units by way of a numerical illustration:

The "Merging Scheme" shall cease to exist post the business hours on June 30, 2025. The unit holders of the "Merging Scheme" will be allotted units in the "Surviving Scheme" equivalent to the value of their units held in the "Merging Scheme" at the close of business hours June 30, 2025, at the NAV of this day.

An illustration explaining the same is based on NAV and Units as on April 30, 2025

(All figures in the table below are purely for explaining the switch transaction only and the actual number of units to be allotted under the "Surviving Scheme" on the date of merger will be determined by the value in units held in the "Merging Scheme" and "Surviving Scheme" on the date of merger of the Merging Scheme

| Switch Out from Merging Scheme                      |                              |               |         |                   | Stamp Duty<br>0.005% | Switch In at Surviving Scheme   |                             |             |         |                   |
|-----------------------------------------------------|------------------------------|---------------|---------|-------------------|----------------------|---------------------------------|-----------------------------|-------------|---------|-------------------|
| Scheme Name                                         | Plan                         | Units         | NAV Rs  | Value Rs          | Rs.                  | Scheme Name                     | Plan                        | Units       | NAV Rs  | Value             |
| A                                                   | B                            | C             | D       | E=C*D             | F=E*0.005%           | G                               | H                           | I=K/J       | J       | K                 |
| Kotak Nifty AAA Bond Jun 2025 HTM Index Fund        | Regular plan - IDCW Option   | 338315.945    | 10.8234 | 36,61,728.80      | 183.09               | Kotak Income Plus Arbitrage FOF | Regular- IDCW Option        | 299952.391  | 12.2077 | 36,61,728.80      |
| Kotak Nifty AAA Bond Jun 2025 HTM Index Fund        | Regular Plan - Growth Option | 12560814.665  | 10.8253 | 13,59,74,586.99   | 6,798.73             | Kotak Income Plus Arbitrage FOF | Regular Plan- Growth Option | 11138336.72 | 12.2078 | 13,59,74,586.99   |
| Kotak Nifty AAA Bond Jun 2025 HTM Index Fund        | Direct plan- IDCW Option     | 54089.016     | 10.8445 | 5,86,568.33       | 29.33                | Kotak Income Plus Arbitrage FOF | Direct Plan- IDCW Option    | 47930.865   | 12.2378 | 5,86,568.33       |
| Kotak Nifty AAA Bond Jun 2025 HTM Index Fund Option | Direct Plan- Growth          | 155156564.416 | 10.8429 | 1,68,23,47,112.31 | 84,117.36            | Kotak Income Plus Arbitrage FOF | Direct Plan- Growth Option  | 137472491.8 | 12.2377 | 1,68,23,47,112.31 |

Consequently, upon the merger of schemes, the unitholders shall be allotted units under the corresponding Plan/Option/Facility under Surviving Scheme as per matrix provided below:

| Units held under following Plan/ Option of the Merging scheme                             | Units held under following Plan/ Option of the Surviving scheme              |
|-------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|
| Kotak Nifty AAA Bond Jun 2025 HTM Index Fund – Direct Plan– Growth Option                 | Kotak Income Plus Arbitrage FOF – Direct Plan – Growth Option                |
| Kotak Nifty AAA Bond Jun 2025 HTM Index Fund – Direct Plan – Payout of IDCW Option        | Kotak Income Plus Arbitrage FOF – Direct Plan– Payout of IDCW option         |
| Kotak Nifty AAA Bond Jun 2025 HTM Index Fund – Direct Plan– Reinvestment of IDCW Option   | Kotak Income Plus Arbitrage FOF – Direct Plan - Reinvestment of IDCW Option  |
| Kotak Nifty AAA Bond Jun 2025 HTM Index Fund – Regular Plan – Growth Option               | Kotak Income Plus Arbitrage FOF – Regular Plan – Growth Option               |
| Kotak Nifty AAA Bond Jun 2025 HTM Index Fund – Regular Plan - Payout of IDCW Option       | Kotak Income Plus Arbitrage FOF – Regular Plan – Payout of IDCW Option       |
| Kotak Nifty AAA Bond Jun 2025 HTM Index Fund – Regular Plan – Reinvestment of IDCW Option | Kotak Income Plus Arbitrage FOF – Regular Plan - Reinvestment of IDCW Option |

9. The comparison between merging scheme/s features and surviving scheme features is as follows:

| Particulars                                                                                                            | Merging Scheme/s Features                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Surviving Scheme Features                                                                                                                                                                                                                                                                                                                                                                                                          |                                            |  |         |         |                                                                         |    |     |                                       |   |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |             |                                            |  |         |         |                                                                                                                   |    |     |                                                                                                                        |   |   |
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| Name of the Scheme                                                                                                     | Kotak Nifty AAA Bond Jun 2025 HTM Index Fund                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Kotak Income Plus Arbitrage FOF                                                                                                                                                                                                                                                                                                                                                                                                    |                                            |  |         |         |                                                                         |    |     |                                       |   |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |             |                                            |  |         |         |                                                                                                                   |    |     |                                                                                                                        |   |   |
| Category of the Scheme/s                                                                                               | Other Schemes - Index Fund                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | Other Schemes – Domestic Fund of Fund                                                                                                                                                                                                                                                                                                                                                                                              |                                            |  |         |         |                                                                         |    |     |                                       |   |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |             |                                            |  |         |         |                                                                                                                   |    |     |                                                                                                                        |   |   |
| Type of the Scheme                                                                                                     | An open-ended Target Maturity Index Fund investing in constituents of NIFTY AAA BOND JUN 2025 HTM Index subject to tracking errors. A relatively moderate interest rate risk and relatively low credit risk                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | An open-ended fund of fund scheme predominantly investing in debt oriented mutual fund schemes and equity arbitrage mutual fund scheme of Kotak Mahindra Mutual Fund.                                                                                                                                                                                                                                                              |                                            |  |         |         |                                                                         |    |     |                                       |   |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |             |                                            |  |         |         |                                                                                                                   |    |     |                                                                                                                        |   |   |
| Product Labelling (as on March 31, 2025)                                                                               | <div><p><b>This product is suitable for investors who are seeking*</b></p><ul style="list-style-type: none"><li>Income over Target Maturity Period</li><li>An open-ended Target Maturity Index Fund tracking Nifty AAA Bond Jun 2025 HTM Index subject to tracking errors.</li></ul></div> <div><p><b>(Nifty AAA Bond Jun 2025 HTM Index)</b></p></div>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | <div><p><b>This product is suitable for investors who are seeking*</b></p><ul style="list-style-type: none"><li>Long term capital growth</li><li>An open-ended fund of fund scheme predominantly investing in debt oriented mutual schemes and equity arbitrage mutual fund scheme of Kotak Mahindra Mutual Fund</li></ul></div> <div><p><b>(NIFTY Composite Debt Index (60%) +Nifty 50 Arbitrage Index (TRI) (40%))</b></p></div> |                                            |  |         |         |                                                                         |    |     |                                       |   |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |             |                                            |  |         |         |                                                                                                                   |    |     |                                                                                                                        |   |   |
| Potential Risk Class Matrix                                                                                            | A-II<br>(A moderate interest rate risk and relatively low credit risk)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | Not Applicable                                                                                                                                                                                                                                                                                                                                                                                                                     |                                            |  |         |         |                                                                         |    |     |                                       |   |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |             |                                            |  |         |         |                                                                                                                   |    |     |                                                                                                                        |   |   |
| Investment Objective                                                                                                   | The investment objective of the scheme is to generate returns that are commensurate (before fees and expenses) with the performance of Nifty AAA Bond Jun 2025 HTM Index, which seeks to track the performance of AAA rated bond issued by Public Sector Undertakings (PSUs), Housing Finance Companies (HFCs), Non-Banking Financial Companies (NBFCs) and Banks maturing near target date of the index, subject to tracking errors.<br><br>However, there can be no assurance that the investment objective of the Scheme will be achieved.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | To generate long-term capital appreciation from a portfolio created by investing in debt oriented mutual fund schemes and equity arbitrage mutual fund scheme of Kotak Mahindra Mutual Fund.<br><br>However, there is no assurance that the investment objective of the scheme will be realized.                                                                                                                                   |                                            |  |         |         |                                                                         |    |     |                                       |   |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |             |                                            |  |         |         |                                                                                                                   |    |     |                                                                                                                        |   |   |
| Asset Allocation Pattern                                                                                               | <div>The asset allocation under the Scheme, under normal circumstances, is as follows:</div> <table><tr><th rowspan="2">Investments</th><th colspan="2">Indicative allocations (% of total assets)</th></tr><tr><th>Minimum</th><th>Maximum</th></tr><tr><td>Replication of Securities covered by Nifty AAA Bond Jun 2025 HTM Index^</td><td>95</td><td>100</td></tr><tr><td>Cash &amp; Debt/Money Market Instruments*</td><td>0</td><td>5</td></tr></table> <div><p>i. ^Pursuant to clause 3.5.3 of SEBI Master Circular No SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, the scheme shall be considered to be replicating the underlying index, provided:</p><p>ii. Investment in securities of issuers accounting for at least 60% of weight in the index, represents at least 80% of net asset value (NAV) of the Scheme.</p><p>iii. At no point of time the securities of issuers not forming part of the index exceed 20% of NAV of the Scheme.</p><p>iv. At least 8 issuers from the underlying index form part of the portfolio of the Scheme.</p><p>v. The investment in various securities are aggregated at issuer level for the purpose of exposure limits.</p><p>vi. The exposure limit to a single issuer by the scheme shall be as under: For AAA rated securities, exposure to a single issuer by the scheme shall not have more than 15% weight in the portfolio.</p></div> | Investments                                                                                                                                                                                                                                                                                                                                                                                                                        | Indicative allocations (% of total assets) |  | Minimum | Maximum | Replication of Securities covered by Nifty AAA Bond Jun 2025 HTM Index^ | 95 | 100 | Cash & Debt/Money Market Instruments* | 0 | 5 | <div>The asset allocation under the Scheme, under normal circumstances, is as follows:</div> <table><tr><th rowspan="2">Investments</th><th colspan="2">Indicative allocations (% of total assets)</th></tr><tr><th>Minimum</th><th>Maximum</th></tr><tr><td>Units of Debt oriented mutual fund schemes and equity arbitrage mutual fund scheme of Kotak Mahindra Mutual Fund*</td><td>95</td><td>100</td></tr><tr><td>Money Market instruments, including Triparty repo on Government securities or treasury bills, cash &amp; cash equivalents*</td><td>0</td><td>5</td></tr></table> <div><p>*The exposure to Units of Debt oriented mutual fund schemes of Kotak Mahindra Mutual Fund &amp; Money Market instruments, including Triparty repo on Government securities or treasury bills, cash &amp; cash equivalents shall be below 65% at all points of time.</p><p>Money Market instruments includes commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity up to one year, call or notice money, certificate of deposit, usance bills, and any other like instruments as specified by the Reserve Bank of India from time to time.</p><p>Minimum investment in the underlying funds will be 95% of total assets. The scheme will invest in schemes of Kotak Mahindra Mutual Fund.</p><p>As per para 12.24 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-</p></div> | Investments | Indicative allocations (% of total assets) |  | Minimum | Maximum | Units of Debt oriented mutual fund schemes and equity arbitrage mutual fund scheme of Kotak Mahindra Mutual Fund* | 95 | 100 | Money Market instruments, including Triparty repo on Government securities or treasury bills, cash & cash equivalents* | 0 | 5 |
| Investments                                                                                                            | Indicative allocations (% of total assets)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                            |  |         |         |                                                                         |    |     |                                       |   |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |             |                                            |  |         |         |                                                                                                                   |    |     |                                                                                                                        |   |   |
|                                                                                                                        | Minimum                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Maximum                                                                                                                                                                                                                                                                                                                                                                                                                            |                                            |  |         |         |                                                                         |    |     |                                       |   |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |             |                                            |  |         |         |                                                                                                                   |    |     |                                                                                                                        |   |   |
| Replication of Securities covered by Nifty AAA Bond Jun 2025 HTM Index^                                                | 95                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 100                                                                                                                                                                                                                                                                                                                                                                                                                                |                                            |  |         |         |                                                                         |    |     |                                       |   |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |             |                                            |  |         |         |                                                                                                                   |    |     |                                                                                                                        |   |   |
| Cash & Debt/Money Market Instruments*                                                                                  | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 5                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                            |  |         |         |                                                                         |    |     |                                       |   |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |             |                                            |  |         |         |                                                                                                                   |    |     |                                                                                                                        |   |   |
| Investments                                                                                                            | Indicative allocations (% of total assets)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                            |  |         |         |                                                                         |    |     |                                       |   |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |             |                                            |  |         |         |                                                                                                                   |    |     |                                                                                                                        |   |   |
|                                                                                                                        | Minimum                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 | Maximum                                                                                                                                                                                                                                                                                                                                                                                                                            |                                            |  |         |         |                                                                         |    |     |                                       |   |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |             |                                            |  |         |         |                                                                                                                   |    |     |                                                                                                                        |   |   |
| Units of Debt oriented mutual fund schemes and equity arbitrage mutual fund scheme of Kotak Mahindra Mutual Fund*      | 95                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 100                                                                                                                                                                                                                                                                                                                                                                                                                                |                                            |  |         |         |                                                                         |    |     |                                       |   |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |             |                                            |  |         |         |                                                                                                                   |    |     |                                                                                                                        |   |   |
| Money Market instruments, including Triparty repo on Government securities or treasury bills, cash & cash equivalents* | 0                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 5                                                                                                                                                                                                                                                                                                                                                                                                                                  |                                            |  |         |         |                                                                         |    |     |                                       |   |   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |             |                                            |  |         |         |                                                                                                                   |    |     |                                                                                                                        |   |   |

The asset allocation under the Scheme, under normal circumstances, is as follows:

| Investments                                                                                                             | Indicative allocations (% of total assets) |         |
|-------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|---------|
|                                                                                                                         | Minimum                                    | Maximum |
| Units of Debt oriented mutual fund schemes and equity arbitrage mutual fund scheme of Kotak Mahindra Mutual Fund*       | 95                                         | 100     |
| Money Market instruments, including Tripartly repo on Government securities or treasury bills, cash & cash equivalents* | 0                                          | 5       |

\*The exposure to Units of Debt oriented mutual fund schemes of Kotak Mahindra Mutual Fund & Money Market instruments, including Tripartly repo on Government securities or treasury bills, cash & cash equivalents shall be below 65% at all points of time.

Money Market instruments includes commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity up to one year, call or notice money, certificate of deposit, usance bills, and any other like instruments as specified by the Reserve Bank of India from time to time.

Minimum Investment in the underlying funds will be 95% of total assets. The scheme will invest in schemes of Kotak Mahindra Mutual Fund.

As per para 12.24 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-

- vii. Total exposure of the scheme in a particular group (excluding investments in securities issued by PSUs, PFIs and PSBs) shall not exceed 25% of NAV of the scheme. For the purpose of this provision, 'group' shall have the same meaning as defined in paragraph 12.9.3.3 of the SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024.
- viii. Total exposure of the Index Fund in a particular sector (excluding G-sec, T-bills, SDLs and AAA rated securities issued by PSUs, PFIs and PSBs) shall not exceed 25% of the NAV of the scheme. However, this provision is not applicable for schemes based on sectoral debt indices.
- ix. The Macaulay Duration (hereinafter referred as "duration") of the portfolio of the Scheme replicates the duration of the underlying index within a maximum permissible deviation of +/- 10%.
- x. In case of Target Maturity (or Target Date) Index Funds, the following norms for permissible deviation in duration shall apply:
- For portfolio with residual maturity of greater than 5 years: Either +/- 6 months or +/- 10% of duration, whichever is higher.
  - For a portfolio with residual maturity of up to 5 years: Either +/- 3 months or +/- 10% of duration, whichever is higher.
  - However, at no point of time, the residual maturity of any security forming part of the portfolio shall be beyond the target maturity date of the Index Fund.

xi. The rating wise weightage of debt securities in the portfolio of Scheme replicates the underlying index. However, greater allocation of up to 10% of the portfolio may be made to higher rated debt securities.

\*Investment in Debt/Money market instruments (for liquidity purpose) will be of less than 1-year residual maturity.

During normal circumstances, the Scheme's exposure to 'Cash and debt/money market instruments' will be in line with the asset allocation table. However, on the maturity of instruments in the Scheme portfolio, the reinvestment will be in line with the index methodology. Hence towards maturity, there may be higher allocation to 'Cash and debt/money market instruments' under the scheme'.

Money Market instruments includes commercial papers, commercial bills, treasury bills, Government securities having an unexpired maturity up to one year, call or notice money, certificate of deposit, usance bills, tripartly repo and any other like instruments as specified by the Reserve Bank of India from time to time and subject to regulatory approval.

In accordance with clause 4 of Seventh Schedule of SEBI (Mutual Funds) Regulations 1996, the scheme may invest up to 5% of the net assets in liquid and overnight mutual fund schemes 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.

Pursuant to para 12.11 of SEBI Master circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, the Trustee may permit the scheme to engage in securities lending and borrowing. At present, since only lending is permitted, the scheme may temporarily lend securities held with the custodian to reputed counter-parties or on the exchange, for a fee, subject to prudent limits and controls for enhancing returns. The scheme, will be allowed to lend securities subject to a maximum of 20%, in aggregate, of the net assets of the Scheme and 5% of the net assets of the Scheme in the case of a single intermediary.

As per para 12.24 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, the cumulative gross exposure through debt and money market securities, units of mutual fund schemes should not exceed 100% of the net assets of the scheme

Pursuant to para 12.25 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 and SEBI Letter to AMFI dated November 03, 2021, Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure. Cash Equivalent shall consist of the following securities having residual maturity of less than 91 days:

- Government Securities;
- T-Bills; and
- Repo on Government securities.

The Scheme does not intend to do/invest in the following:

- ADR/GDR/Overseas securities.
- Derivatives and Commodity derivatives.
- Short Selling
- Credit Default Swap transactions.
- Units of Real Estate Investment Trusts (REITs), Infrastructure Investment Trusts (InvITs).
- Debt instruments with special features as referred to in Para 9.4, 4.4.4, 12.2 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024
- Securitized debt
- Debt instruments having Structured obligations and credit enhancements.
- Repo/ reverse repo transactions in corporate debt securities.
- Fund of Fund schemes

For residual portion of 5% in the asset allocation, apart from the investment restrictions prescribed under SEBI (MF) Regulations, the fund follows certain internal norms vis-a-vis limiting exposure to a particular scrip, issuer or sector, etc. within the mentioned restrictions, and these are subject to review from time to time.

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

| Sl. No. | Type of Instrument                                                                                                                                             | Percentage of exposure                                                                                | Circular references*                                                                            |
|---------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| 1.      | Securities Lending                                                                                                                                             | Aggregate - 20% of net assets of the Scheme. Single intermediary - 5% of the net assets of the Scheme | Para 12.11.2.1 of Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024 /90 dated June 27, 2024. |
| 2.      | Units of Mutual Fund                                                                                                                                           | 5% of net assets in Liquid & Overnight Mutual Fund Schemes                                            | clause 4 of Seventh Schedule of SEBI (Mutual Funds) Regulations 1996                            |
| 3.      | Securitized Debt (Domestic)                                                                                                                                    | The Scheme shall not invest in Securitized Debt                                                       | N.A.                                                                                            |
| 4.      | ADR/GDR/Over seas                                                                                                                                              | The Scheme shall not invest in ADR/GDR/ Overseas Securities                                           | N.A.                                                                                            |
| 5.      | Units of REITs and InvITS                                                                                                                                      | The Scheme shall not invest in REITs and InvITS                                                       | N.A.                                                                                            |
| 6.      | Derivatives and Commodity derivatives.                                                                                                                         | The Scheme shall not invest in Derivatives and Commodity derivatives.                                 | N.A.                                                                                            |
| 7.      | Fund of Fund schemes                                                                                                                                           | The Scheme shall not invest in Fund of Fund schemes                                                   | N.A.                                                                                            |
| 8.      | Repos/ Reverse repo in corporate debt securities                                                                                                               | The Scheme shall not invest in Repos/ Reverse repo in corporate debt securities                       | N.A.                                                                                            |
| 9.      | Credit Default Swaps                                                                                                                                           | The Scheme shall not invest in Credit Default Swaps                                                   | N.A.                                                                                            |
| 10.     | Short selling                                                                                                                                                  | The Scheme shall not invest in Short selling                                                          | N.A.                                                                                            |
| 11.     | Debt instruments having Structured obligations and credit enhancements.                                                                                        | The Scheme shall not invest in Structured obligations and credit enhancements.                        | N.A.                                                                                            |
| 12.     | Debt instruments with special features referred in Para 9.4, 4.4.4, 12.2 of SEBI Master Circular no. SEBI/HO/IMD/IM D-PoD-1/P/CIR/2024/90 dated June 27, 2024. | The Scheme shall not invest in Debt instruments with special features.                                | N.A.                                                                                            |

Portfolio Rebalancing:

Pursuant to para 3.5.3.11 of SEBI Master circular no. SEBI/HO/IMD/IMDPoD-1/P/CIR/2024/90 dated June 27, 2024 and circulars issued thereunder, the following norms shall apply:

- In case of change in constituents of the index due to periodic review, the portfolio of the scheme be rebalanced within 7 calendar days.
- In case the rating of any security is downgraded to below the rating mandated in the index methodology (including downgrade to below investment grade), the portfolio be rebalanced within 30 calendar days.
- In case the rating of any security is downgraded to below investment grade, the said security may be segregated in accordance with para 4.4.4 & 4.4.5 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 on creation of segregated portfolio in mutual fund schemes.

Short Term Defensive Consideration:

Subject to para 1.14.1.2 of SEBI Master circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 and circulars issued thereunder, 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. Such changes in the investment pattern will be rebalanced within 7 calendar days from the date of deviation and further action may be taken as specified under SEBI Circulars/ AMFI guidelines issued from time to time.

1/P/CIR/2024/90 dated June 27, 2024, the cumulative gross exposure through units of mutual fund schemes money market securities, should not exceed 100% of the net assets of the scheme.

Pursuant to para 12.25 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, Cash or cash equivalents with residual maturity of less than 91 days may be treated as not creating any exposure. Cash Equivalent shall consist of the following securities having residual maturity of less than 91 days:

- Government Securities;
- T-Bills; and
- Repo on Government securities.

The Scheme shall not invest in the following:

- ADR/GDR/Overseas securities;
- Derivatives;
- Short Selling;
- Securities lending and borrowing;
- Credit Default Swaps;
- Debt instruments with special features (AT1 and AT2 Bonds).
- Securitized debt;
- Debt instruments having Structured obligations and credit enhancements.
- Repo/ reverse repo transactions in corporate debt securities;
- Units of Real Estate Investment Trusts (REITs), Infrastructure Investment Trusts (InvITs).

The underlying Funds may have exposure in derivatives, securitized debt and engage in short selling, SLBM, SO / CE, Debt instruments with special features as per respective funds SID's.

Underlying Schemes:

1. Debt Oriented Active Schemes

Kotak Overnight Fund, Kotak Liquid Fund, Kotak Money Market Fund, Kotak Savings Fund, Kotak Low Duration Fund, Kotak Floating Rate Fund, Kotak Corporate Bond Fund, Kotak Banking and PSU Debt Fund, Kotak Bond Short Term Fund, Kotak Credit Risk Fund, Kotak Medium Term Fund, Kotak Dynamic Bond Fund, Kotak Bond Fund and Kotak Gilt Fund, Kotak Long Duration Fund

2. Debt Oriented Passive Schemes

- Kotak Nifty SDL Apr 2027 Top 12 Equal Weight Index Fund
- Kotak Nifty SDL Apr 2032 Top 12 Equal Weight Index Fund
- Kotak Nifty SDL PLUS AAA PSU Bond Jul 2028 60:40 Index Fund
- KOTAK Nifty SDL JUL 2026 Index Fund
- KOTAK Nifty SDL JUL 2033 Index Fund
- Kotak Nifty G-SEC July 2033 Index Fund
- Kotak Nifty AAA Bond Jun 2025 HTM Index Fund

3. Kotak Equity Arbitrage Fund

The scheme retains the flexibility to invest in any new debt oriented mutual fund scheme offering of Kotak Mahindra Mutual Fund, that may be launched in the future.

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

| Sl. No. | Type of Instrument                                                                 | Percentage of exposure (Maximum)                                                | Circular references* |
|---------|------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|----------------------|
| 1.      | Units of REITs and InvITS                                                          | The Scheme shall not invest in Units of REITs and InvITS.                       | N.A.                 |
| 2.      | Securities Lending & Borrowing.                                                    | The Scheme shall not engage in securities lending & Borrowing.                  | N.A.                 |
| 3.      | Securitized Debt                                                                   | The Scheme shall not invest in securitized debt.                                | N.A.                 |
| 4.      | Investment in debt instruments having structured obligations / credit enhancements | The Scheme shall not invest in credit enhancements or structured obligations.   | N.A.                 |
| 5.      | Short Selling                                                                      | The Scheme shall not invest in Short Selling.                                   | N.A.                 |
| 6.      | Credit Default Swaps                                                               | The Scheme shall not invest in Credit default swaps                             | N.A.                 |
| 7.      | Debt instruments with special features                                             | The Scheme shall not invest Debt instruments with special features.             | N.A.                 |
| 8.      | Derivatives                                                                        | The Scheme shall not invest in Derivatives                                      | N.A.                 |
| 9.      | ADR/GDR/Over seas securities.                                                      | The Scheme shall not invest in ADR/GDR/Overseas Securities                      | N.A.                 |
| 10.     | Repos/ Reverse repo in corporate debt securities                                   | The Scheme shall not invest in Repos/ Reverse repo in corporate debt securities | N.A.                 |

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.

| Particulars                                                                                                                                                                                            | Merging Scheme/s Features                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | Surviving Scheme Features                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                  |                                |  |              |                  |              |                  |     |  |           |   |                                                                                                                                                                                                                                                                                 |                |  |                                |  |              |                  |              |                  |     |  |          |   |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|--------------------------------|--|--------------|------------------|--------------|------------------|-----|--|-----------|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|--|--------------------------------|--|--------------|------------------|--------------|------------------|-----|--|----------|---|
| Investment Strategy                                                                                                                                                                                    | <p>Kotak Nifty AAA Bond Jun 2025 HTM Index Fund is a passively managed target maturity index fund which will employ an investment approach designed to track the performance of Nifty AAA Bond Jun 2025 HTM Index subject to tracking error. The scheme will largely follow buy and hold investment strategy in AAA Corporate/PSU Bonds which will be held till maturity unless sold for meeting redemptions/rebalancing requirements. The scheme shall endeavour to replicate the index. In case the Scheme is not able to replicate the index the Fund Manager may invest subject to deviations as permitted by SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, as amended from time to time.</p> <p>During normal circumstances, the scheme's exposure to debt and money market instruments will be in line with the asset allocation table. However, in case of maturity of instruments in the Scheme portfolio, the reinvestment will be in line with the index methodology.</p> | <p>Subject to the Regulations and other prevailing laws as applicable, the investment strategy is aimed at optimizing risk adjusted return through investments in various debt oriented mutual fund schemes &amp; Equity Arbitrage Mutual fund scheme of Kotak Mahindra Mutual Fund.</p> <p>Since the underlying schemes of KMMF are predominantly open ended, it could facilitate active management of the portfolio.</p> <p>The allocation would be decided based on various factors such as Interest rate view, Yield and credit Spreads, RBI monetary policy, Systematic liquidity, Yield curve, inflation dynamics, government policies, fiscal deficit, arbitrage opportunities in the cash &amp; derivatives segment of the equity market etc.</p> <p>The Fund Manager would aim to create a portfolio based on overall interest rate and economic outlook and arbitrage opportunities in the cash &amp; derivatives segment of the equity market etc.</p> |                  |                                |  |              |                  |              |                  |     |  |           |   |                                                                                                                                                                                                                                                                                 |                |  |                                |  |              |                  |              |                  |     |  |          |   |
| Benchmark (include Tier 1 benchmarks where applicable)                                                                                                                                                 | Nifty AAA Bond Jun 2025 HTM Index                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | NIFTY Composite Debt Index (60%) + Nifty 50 Arbitrage Index (40%) (TRI)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |                  |                                |  |              |                  |              |                  |     |  |           |   |                                                                                                                                                                                                                                                                                 |                |  |                                |  |              |                  |              |                  |     |  |          |   |
| Fund Manager(s)                                                                                                                                                                                        | Mr. Abhishek Bisen                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | Mr. Abhishek Bisen                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |                  |                                |  |              |                  |              |                  |     |  |           |   |                                                                                                                                                                                                                                                                                 |                |  |                                |  |              |                  |              |                  |     |  |          |   |
| Exit Load                                                                                                                                                                                              | NIL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | NIL                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                  |                                |  |              |                  |              |                  |     |  |           |   |                                                                                                                                                                                                                                                                                 |                |  |                                |  |              |                  |              |                  |     |  |          |   |
| Plans & Option                                                                                                                                                                                         | Direct Plan and Regular Plan<br>Options under both the plans: <ul style="list-style-type: none"><li>• Growth</li><li>• Payout of Income Distribution cum capital withdrawal (IDCW)</li><li>• Reinvestment of Income Distribution cum capital withdrawal (IDCW)</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Direct Plan and Regular Plan<br>Options under both the plans: <ul style="list-style-type: none"><li>• Growth</li><li>• Payout of Income Distribution cum capital withdrawal (IDCW)</li><li>• Reinvestment of Income Distribution cum capital withdrawal (IDCW)</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |                  |                                |  |              |                  |              |                  |     |  |           |   |                                                                                                                                                                                                                                                                                 |                |  |                                |  |              |                  |              |                  |     |  |          |   |
| Expense Ratio as per SID with actual charged (As on April 30, 2025)                                                                                                                                    | TER as per SID – 1.00%<br>Actual charged - Regular Plan - 0.23<br>Direct Plan - 0.08                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | TER as per SID – 1.00%<br>Actual charged - Regular Plan - 0.32<br>Direct Plan - 0.10                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |                  |                                |  |              |                  |              |                  |     |  |           |   |                                                                                                                                                                                                                                                                                 |                |  |                                |  |              |                  |              |                  |     |  |          |   |
| Number of folios along with AUM (as on April 30, 2025)                                                                                                                                                 | No of folios – 5207<br>AUM in crs – Rs.182.25                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | No of folios – 2897<br>AUM in crs – Rs.1319.04                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                  |                                |  |              |                  |              |                  |     |  |           |   |                                                                                                                                                                                                                                                                                 |                |  |                                |  |              |                  |              |                  |     |  |          |   |
| Unclaimed Redemptions and IDCW (As on April 30, 2025)                                                                                                                                                  | <table><tr><th colspan="2">Unclaimed IDCW</th><th colspan="2">Unclaimed Redemptions/ Refunds</th></tr><tr><th>Amount (Rs.)</th><th>No. of Investors</th><th>Amount (Rs.)</th><th>No. of Investors</th></tr><tr><td colspan="2">Nil</td><td>25,578.90</td><td>6</td></tr></table>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Unclaimed IDCW                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                  | Unclaimed Redemptions/ Refunds |  | Amount (Rs.) | No. of Investors | Amount (Rs.) | No. of Investors | Nil |  | 25,578.90 | 6 | <table><tr><th colspan="2">Unclaimed IDCW</th><th colspan="2">Unclaimed Redemptions/ Refunds</th></tr><tr><th>Amount (Rs.)</th><th>No. of Investors</th><th>Amount (Rs.)</th><th>No. of Investors</th></tr><tr><td colspan="2">Nil</td><td>2,748.36</td><td>2</td></tr></table> | Unclaimed IDCW |  | Unclaimed Redemptions/ Refunds |  | Amount (Rs.) | No. of Investors | Amount (Rs.) | No. of Investors | Nil |  | 2,748.36 | 2 |
| Unclaimed IDCW                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Unclaimed Redemptions/ Refunds                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                  |                                |  |              |                  |              |                  |     |  |           |   |                                                                                                                                                                                                                                                                                 |                |  |                                |  |              |                  |              |                  |     |  |          |   |
| Amount (Rs.)                                                                                                                                                                                           | No. of Investors                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Amount (Rs.)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | No. of Investors |                                |  |              |                  |              |                  |     |  |           |   |                                                                                                                                                                                                                                                                                 |                |  |                                |  |              |                  |              |                  |     |  |          |   |
| Nil                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 25,578.90                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 6                |                                |  |              |                  |              |                  |     |  |           |   |                                                                                                                                                                                                                                                                                 |                |  |                                |  |              |                  |              |                  |     |  |          |   |
| Unclaimed IDCW                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | Unclaimed Redemptions/ Refunds                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                  |                                |  |              |                  |              |                  |     |  |           |   |                                                                                                                                                                                                                                                                                 |                |  |                                |  |              |                  |              |                  |     |  |          |   |
| Amount (Rs.)                                                                                                                                                                                           | No. of Investors                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Amount (Rs.)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | No. of Investors |                                |  |              |                  |              |                  |     |  |           |   |                                                                                                                                                                                                                                                                                 |                |  |                                |  |              |                  |              |                  |     |  |          |   |
| Nil                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 2,748.36                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | 2                |                                |  |              |                  |              |                  |     |  |           |   |                                                                                                                                                                                                                                                                                 |                |  |                                |  |              |                  |              |                  |     |  |          |   |
| Segregated Portfolio                                                                                                                                                                                   | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                  |                                |  |              |                  |              |                  |     |  |           |   |                                                                                                                                                                                                                                                                                 |                |  |                                |  |              |                  |              |                  |     |  |          |   |
| Percentage of Total exposure to securities classified as below Investment grade or default and % of total illiquid assets to net assets of the individual schemes as well as in the consolidate scheme | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                  |                                |  |              |                  |              |                  |     |  |           |   |                                                                                                                                                                                                                                                                                 |                |  |                                |  |              |                  |              |                  |     |  |          |   |
| Swing Pricing Framework                                                                                                                                                                                | NotApplicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | NotApplicable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                  |                                |  |              |                  |              |                  |     |  |           |   |                                                                                                                                                                                                                                                                                 |                |  |                                |  |              |                  |              |                  |     |  |          |   |
| Latest Portfolio of the scheme/s                                                                                                                                                                       | Please refer our website <a href="http://www.kotakmf.com">www.kotakmf.com</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Please refer our website <a href="http://www.kotakmf.com">www.kotakmf.com</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                  |                                |  |              |                  |              |                  |     |  |           |   |                                                                                                                                                                                                                                                                                 |                |  |                                |  |              |                  |              |                  |     |  |          |   |
| Performance of the Schemes vis-à-vis the benchmark (since inception)                                                                                                                                   | Please refer our website <a href="http://www.kotakmf.com">www.kotakmf.com</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | Please refer our website <a href="http://www.kotakmf.com">www.kotakmf.com</a>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |                  |                                |  |              |                  |              |                  |     |  |           |   |                                                                                                                                                                                                                                                                                 |                |  |                                |  |              |                  |              |                  |     |  |          |   |
| Any other disclosure specified by trustees                                                                                                                                                             | -                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | -                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                  |                                |  |              |                  |              |                  |     |  |           |   |                                                                                                                                                                                                                                                                                 |                |  |                                |  |              |                  |              |                  |     |  |          |   |
| Any other disclosure directed by SEBI                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                  |                                |  |              |                  |              |                  |     |  |           |   |                                                                                                                                                                                                                                                                                 |                |  |                                |  |              |                  |              |                  |     |  |          |   |
| 1) ISIN                                                                                                                                                                                                | <ul style="list-style-type: none"><li>• Kotak Nifty AAA Bond Jun 2025 HTM Index Fund – Direct Plan – Growth Option- INF174KA1RN9</li><li>• Kotak Nifty AAA Bond Jun 2025 HTM Index Fund– Direct Plan– Payout of IDCW Option - IINF174KA1RL3</li><li>• Kotak Nifty AAA Bond Jun 2025 HTM Index Fund – Direct Plan– Reinvestment of IDCW Option - INF174KA1RM1</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  | <ul style="list-style-type: none"><li>• Kotak Income Plus Arbitrage FOF – Direct Plan– Growth Option - INF174KA1KJ2</li><li>• Kotak Income Plus Arbitrage FOF – Direct Plan – Payout of IDCW Option - INF174KA1KK0</li><li>• Kotak Income Plus Arbitrage FOF – Direct Plan - Reinvestment of IDCW option - INF174KA1KL8</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                  |                                |  |              |                  |              |                  |     |  |           |   |                                                                                                                                                                                                                                                                                 |                |  |                                |  |              |                  |              |                  |     |  |          |   |

| Particulars | Merging Scheme/s Features                                                                                                                                                                                                                                                                                                                                              | Surviving Scheme Features                                                                                                                                                                                                                                                                                                       |
|-------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|             | <ul style="list-style-type: none"><li>Kotak Nifty AAA Bond Jun 2025 HTM Index Fund – Regular Plan – Growth Option - INF174KA1RI9</li><li>Kotak Nifty AAA Bond Jun 2025 HTM Index Fund – Regular Plan - Payout of IDCW Option - INF174KA1RJ7</li><li>Kotak Nifty AAA Bond Jun 2025 HTM Index Fund – Regular Plan – Reinvestment of IDCW Option - INF174KA1RK5</li></ul> | <ul style="list-style-type: none"><li>Kotak Income Plus Arbitrage FOF – Regular Plan – Growth Option - INF174KA1KG8</li><li>Kotak Income Plus Arbitrage FOF – Regular Plan – Payout of IDCW Option - INF174KA1JR7</li><li>Kotak Income Plus Arbitrage FOF – Regular Plan - Reinvestment of IDCW Option - INF174KA1KI4</li></ul> |

For Latest Portfolio, Net Asset Value and Performance of Merging Scheme and Surviving Scheme, please refer our website [www.kotakmf.com](http://www.kotakmf.com)

- 10.** In line with regulatory requirements, in case, where unitholders of a Merging Scheme are in agreement with the proposed merger, they are required to fill the consent letter/ provide positive consent within 30 days (either by signing/ emailing/ any other mode as informed by KAMAC) as per format enclosed as **Annexure 3** to the letter to unitholders and made available on website([www.kotakmf.com](http://www.kotakmf.com)) and submit the same between June 01, 2025 to June 30, 2025 latest by 3:00 p.m. at the nearest Investor Service Centre of the KAMAC or Computer Asset Management Services Ltd (CAMS), or any other mode's made available by the KAMAC.
- In case the unitholders of such merging scheme are not in agreement with the aforesaid merger, then no action is required from such unitholder(s) end. Consequently, the investments held by the unitholder under the Merging Scheme shall be redeemed at applicable NAV on the aforementioned effective date of merger and the redemption proceeds shall be remitted/ dispatched to such Unitholders of the Merging Scheme within 3 (three) working days from such merging date. If the units are held in dematerialized form, the unitholders are requested to contact their Depository participant.
- 11.** In accordance with Regulation 18(15A) of the SEBI (Mutual Funds) Regulations, 1996, all the existing unitholders of Surviving Scheme are given an option to exit the Scheme at the applicable Net Asset Value without any exit load on such redemption. This option is valid for a period of 30 days.
- 12.** Please note that unit holders of the Surviving Scheme, who do not opt for redemption on or before June 30, 2025 (up to 3:00 p.m.) shall be deemed to have consented to the changes specified herein above and shall continue to hold units in the Surviving Scheme.
- 13.** In case the unitholders of the Surviving Scheme, who have been given an exit option without any exit load, disagree with the aforesaid changes, they may redeem all or part of the units of the scheme held by them by exercising the Exit Option, without exit load, within the Exit Option Period. Unitholders need to submit a redemption / switch request online or through a physical application form at any official point of acceptance/investor service centre of the KAMAC or the Registrar and Transfer Agents of the Fund (CAMS) or to the Depository Participant (DP) (in case of units held in Demat mode). The above information is also available on the website of Kotak Mahindra Mutual Fund viz, [www.kotakmf.com](http://www.kotakmf.com). The redemption warrant/cheque will be mailed or the amount of redemption will be credited to the unit holders bank account (as registered in the records of the Registrar) within 3 (three) working days from the date of receipt of redemption request.
- 14.** Unit holders can also submit the normal redemption form for this purpose. The redemption/ switch requests shall be processed at applicable NAV as per time stamping provisions contained in the SID of the Scheme. Unit holders should ensure that any changes in address or pay-out bank details if required by them, are updated in Kotak Mahindra Mutual Fund's records atleast 10 (Ten) working days before exercising the Exit Option. Unit holders holding Units in dematerialized form may approach their DP for such changes.
- 15.** Unit holders of the Merging scheme who have pledged/ encumbered their units, will not have the option to switch to the surviving scheme, unless they submit a release of their pledges/ encumbrances/ consent from the financier, prior to Merger Date. Such investments held by the unitholder under the Merging Scheme, where unit holders are not in agreement with the Merger, shall be redeemed at applicable NAV on the date of merger and the redemption proceeds shall be remitted/ dispatched to the Financier, unless they submit a release of their pledges/ encumbrances, prior to Merger Date. Unit holders of the Surviving scheme who have pledged / encumbered their units will not have the option to exit unless they submit a release of their pledges / encumbrances prior to submitting their redemption/ switch requests.
- 16.** In case investors, who had registered for Systematic investment facilities such as SIP/STP/SWP in the Merging Scheme, decide to continue their investments, then such SIP/STP/SWP registrations will continue to be processed under the respective Plan/Option of the surviving scheme from the Effective Date and no fresh registration will be required. Further, investors who have registered for Systematic investment facilities in the Scheme and who do not wish to continue their future investment facilities must apply for cancellation of such registrations.
- 17. It may however be noted that the offer to exit is purely optional and not compulsory. If the Unit holder of the Surviving Scheme has no objection to the aforesaid change, no action is required to be taken and it would be deemed that such Unit holders of Surviving Scheme has consented to the aforesaid change.** However, we, at Kotak Mahindra Mutual Fund would like the Unit holders to continue their investments with us to help them achieve their financial goals.
- 18.** The expenses related to the proposed changes and other consequential changes as outlined above will not be charged to the unit holders of the scheme of Kotak Mahindra Mutual Fund.
- 19.** Tax Consequences: As regards the unitholders who redeem their investments during the Exit Option Period, the tax consequences as set forth in the Statement of Additional Information of Kotak Mahindra Mutual Fund and Scheme Information Document of relevant scheme of Kotak Mahindra Mutual Fund would apply. In view of the individual nature of tax consequences, you are advised to consult your professional tax advisor for detailed tax advice. As per section 47(xviii) of Income Tax Act, 1961 (the Act), any transfer of units held by the investor in the consolidating scheme of the mutual fund in consideration of allotment of units in the consolidated scheme, shall not to be regarded as a taxable transfer, provided that the consolidation is of two or more schemes of an equity oriented fund or two or more schemes of a fund other than equity oriented fund.

Further, as per section 49(2AD) of the Act, the cost of acquisition of units in the consolidated scheme shall be deemed to be the cost of acquisition of the units in the consolidating scheme. Also, as per section 2(42A) of the Act, the period of holding of the units in the consolidated scheme shall include the period of holding of the units in the consolidating scheme.

'Consolidating scheme' has been defined under section 47(xviii) of the Act as the scheme of a Mutual Fund which merges under the process of consolidation of the schemes of mutual fund in accordance with the SEBI (Mutual Funds) Regulations, 1996. 'Consolidated scheme' has been defined as the scheme with which the consolidating scheme merges or which is formed as a result of such merger.

Redemption / switch-out of units from the Scheme may entail capital gain/loss in the hands of the unitholder. For unit holders who redeem their investments during the Exit Option Period, the tax consequences as set forth in the Statement of Additional Information of Kotak Mahindra Mutual Fund and Scheme Information Document of the scheme of Kotak Mahindra Mutual Fund would be applicable. In case of NRI investors, TDS shall be deducted from the redemption proceeds in accordance with the prevailing income tax laws. In view of the individual nature of tax consequences, Unitholders are advised to consult their professional tax advisors for tax advice. The redemption / switch-out of units from the Scheme are liable for deduction of Securities Transaction Tax (STT), wherever applicable; however, such STT shall be borne by AMC and will not be borne by the investor.

Investors are requested to refer the Scheme Information Document (SID) of the aforesaid Schemes. For further details, please visit [www.kotakmf.com](http://www.kotakmf.com).

This addendum forms an integral part of Scheme Information Document (SID), Statement of Additional Information (SAI) and Key Information Memorandum (KIM) of the respective schemes.

**For Kotak Mahindra Asset Management Company Limited  
Investment Manager – Kotak Mahindra Mutual Fund**  
**Sd/-  
Nilesh Shah  
Managing Director**

**Mumbai  
May 27, 2025**

Any queries / clarifications in this regard may be addressed to:  
**Kotak Mahindra Asset Management Company Limited**  
CIN: U65991MH1994PLC080009 (Investment Manager for Kotak Mahindra Mutual Fund)  
6th Floor, Kotak Towers, Building No. 21, Infinity Park, Off: Western Express Highway, Goregaon - Mulund Link Road, Malad (East), Mumbai 400097.  
• Phone Number: 18003091490 / 044-40229101 • Email: [mutual@kotak.com](mailto:mutual@kotak.com) • Website: [www.kotakmf.com](http://www.kotakmf.com)