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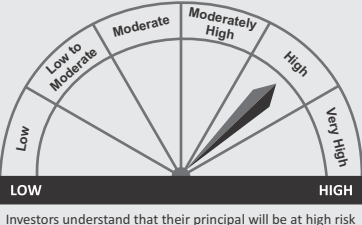
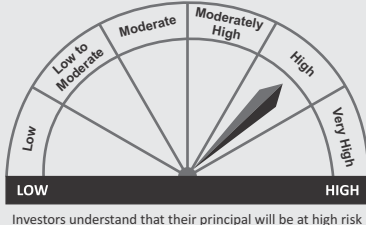
SCHEME INFORMATION DOCUMENT (SID)

SECTION I

Kotak Gold ETF

(An open ended scheme replicating / tracking physical gold prices)

Scrip code: 590097 / NSE Symbol: GOLD1

	Scheme Riskometer	Benchmark Riskometer
	 Investors understand that their principal will be at high risk	 Investors understand that their principal will be at high risk Price of Gold (based on LBMA daily spot fixing price)

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

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

Continuous Offer for Units at NAV based prices

Scheme Re-opens on: August 8, 2007

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

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

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

The investors are advised to refer to the Statement of Additional Information (SAI) for details of Kotak Mahindra Mutual Fund, Standard Risk Factors, Special Considerations, Tax and Legal issues and general information on www.kotakmf.com

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

The Scheme Information Document (Section I and II) should be read in conjunction with the SAI and not in isolation.

This Scheme Information Document is dated November 29, 2024.

DISCLAIMER OF NSE:

As required, a copy of the Scheme Information Document had been submitted to National Stock Exchange of India Limited (hereinafter referred to as NSE). NSE has given vide its letter NSE/LIST/45924-8 dated May 10th 2007 permission to the Mutual Fund to use the Exchange's name in the Scheme Information Document as one of the stock exchanges on which the Mutual Fund's Units are listed subject to, the Mutual Fund fulfilling the various criteria for listing. The Exchange has scrutinized the Scheme Information Document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to the Mutual Fund. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Scheme Information Document has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Scheme Information Document; nor does it warrant that the Mutual Fund's Units will be listed or will continue to be listed on the Exchange; nor does it take any responsibility for the financial or other soundness of the Mutual Fund, its promoters, its management or any scheme or project of the Mutual Fund.

Every person who desires to apply for or otherwise acquire any Units of the Mutual Fund may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription / acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

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Part I. HIGHLIGHTS/SUMMARY OF THE SCHEME

Sr. No.	Title	Description
I.	Name of the scheme	Kotak Gold ETF
II.	Category of the Scheme	Other - ETFs
III.	Scheme type	An open-ended scheme replicating/ tracking physical gold prices.
IV.	Scheme code	KOTM/O/O/GET/07/05/0019
V.	Investment objective	The investment objective of the scheme is to generate returns that are in line with the performance of physical gold in domestic prices, subject to tracking error. The Scheme may also participate in gold related instruments. Exchange Traded Commodity Derivatives (ETCDs) having gold as the underlying shall be considered as gold related instrument for gold ETFs. There is no assurance or guarantee that the investment objective of the scheme would be achieved.
VI.	Liquidity/listing details	<u>Liquidity:</u> The Units of the Scheme can be purchased/ redeemed on a continuous basis on the Stock Exchanges during the trading hours like any other publicly listed security. The AMC shall appoint at least two Market Makers (MMs), who are members of the Stock Exchanges, for ETFs to provide continuous liquidity on the stock exchange platform by providing two-way quotes in the units of the Scheme during trading hours. Ongoing purchases / redemptions directly from the Mutual Fund would be restricted to Market Makers and Large Investors (subject to transactions greater than INR 25 crores or such other amount as may be specified by SEBI from time to time) provided the value of units to be purchased / redeemed is in creation unit size or multiples thereof. The aforesaid limit of Rs.25 crores is not applicable for Market Makers. Market Makers / Large Investors may exchange Portfolio Deposit / cash equivalent to the portfolio deposit and applicable cash component and transaction handling charges for Purchase / Redemption of Units of the Scheme in 'Creation Unit' size or in multiples thereof directly from the Mutual Fund, as defined by the Scheme for that respective Business Day. Unit holdings in less than the Creation Unit size can normally only be sold through the secondary market, except in situations mentioned under 'Exit opportunity in case of ETF for investors other than Market Makers and Large Investors' in the SID. <u>Listing:</u> The units of the Scheme are listed on NSE on allotment under intimation to SEBI. It may also list on any other exchanges subsequently. AMC has proposed to engage MM for creating liquidity for ETFs in the stock exchange so that investors are able to buy or redeem units

		on the stock exchange using the services of a stockbroker.
VII.	Benchmark (Total Return Index)	The performance of Kotak Gold ETF is benchmarked against the imported (landed) price of Gold, based on the formula prescribed by SEBI as per Gazette Notification dated December 20, 2006. <u>Rationale:</u> The same has been chosen as the Scheme will invest in Gold and Gold related instruments. Thus, the composition of the aforesaid benchmark is such that it is most suited for comparing the performance of the Scheme. However, the Scheme's performance may not be strictly comparable with the performance of the Benchmark, due to the inherent differences in the construction of the portfolio. The Trustee reserves the right to change the benchmark for evaluation of performance of the Scheme in conformity with the investment objectives and appropriateness of the benchmark subject to SEBI (MF) Regulations, and other prevailing guidelines, if any from time to time in conformity with the investment objectives and appropriateness of the benchmark subject to SEBI (MF) Regulations, and other prevailing guidelines, if any.
VIII.	NAV disclosure	The NAVs of the Scheme will be calculated and updated on every Business day on AMFI's website www.amfiindia.com by 9.00 a.m. of the following business day. For further details, refer Section II.
IX.	Applicable timelines	Dispatch of redemption proceeds The Mutual Fund shall initiate payment of redemption or repurchase proceeds to the unitholders within three working days from the date of redemption or repurchase. In case of exceptional situations listed in AMFI Circular No. AMFI/35P/MEM-COR/74/2022-23 dated January 16, 2023, the scheme shall be allowed additional timelines for transfer of redemption or repurchase proceeds to the unitholders. Dispatch of IDCW The Income Distribution cum capital withdrawal (IDCW) payments shall be dispatched to the unitholders within seven working days from the record date.

X.	Plans and Options Plans/Options and sub options under the Scheme	Presently, the Scheme does not offer any Plans/Options for investment.																		
XI.	Load Structure	Exit Load: Nil																		
XII.	Minimum Application Amount/switch in	Creation/Redemption of units in Creation Unit Size by Exchanging Portfolio Deposit The Fund creates / redeems the scheme units in large size known as "Creation Unit". The value of the "Creation Unit" is 115000 units and each unit of Kotak Gold ETF will be 1/100th of 1 gram of physical Gold or in multiple thereof called as the "Portfolio Deposit" and a "Cash Component" which will be exchanged for corresponding number of units. The Portfolio Deposit and Cash Component may change from time to time and will be announced by Fund on its website. NAV for continuous offer <table border="1"> <tr> <td>Price of 1/115th gram gold (Ex-GST)</td><td>1</td><td>52.1739</td></tr> <tr> <td>Value of 1 kg gold (i.e. 1 portfolio deposit or 1 creation unit)</td><td>2</td><td>6,000,000</td></tr> <tr> <td>Cash Component (say)</td><td>3</td><td>10,000</td></tr> <tr> <td>Net Assets</td><td>4= (2+3)</td><td>6,010,000</td></tr> <tr> <td>No. of units in creation unit</td><td>5</td><td>115,000</td></tr> <tr> <td>NAV per unit</td><td>6= (4/5)</td><td>52.2608</td></tr> </table> In addition to the NAV, any person transacting with the fund will to reimburse transaction charges as mentioned elsewhere in the document. Procedure for Creating Scheme's units in Creation Unit Size MM/LI may deposit requisite physical gold constituting the Portfolio Deposit and Cash component. The physical gold may be deposited with the Custodian for the physical gold for the scheme. As per the agreement with Custodian for physical gold, Custodian will accept physical gold only if the gold is in compliance with the Good Delivery norms as specified by LBMA which are as under: The Custodian shall ensure that all Gold deposited by the AMC with the Custodian is accompanied by the following: (a) Original Assay Certificate; (b) Bar list from the refiner; (c)	Price of 1/115th gram gold (Ex-GST)	1	52.1739	Value of 1 kg gold (i.e. 1 portfolio deposit or 1 creation unit)	2	6,000,000	Cash Component (say)	3	10,000	Net Assets	4= (2+3)	6,010,000	No. of units in creation unit	5	115,000	NAV per unit	6= (4/5)	52.2608
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		relevant shipping documents (airway bill and customs invoice) establishing that the gold has been shipped directly from a Good London Refiner using an accredited international shipping company on a door to door basis through one of the accredited agencies; and (d) such other documents that the Custodian may require from time to time so as to adequately indicate the purity of the Gold deposited with it. The Custodian will ensure that all Gold deposited with it is accompanied by the above documents and that the Gold bars indicate that the fineness is 995 or above. The cash component may be paid to the AMC by way of a cheque or pay order or demand draft. On confirmation of the quality and quantity of the physical gold and realization of cheque/pay order/DD for the cash component, the AMC will have the corresponding number of units credited to the depository account of the MM/LI. The Portfolio Deposit and Cash Component for the Scheme may change from time to time due to change in NAV. An investor can buy units of the Scheme on a continuous basis on the National Stock Exchange and / or other recognised stock exchanges where the Scheme units are listed and traded like any other publicly traded securities at prices which may be close to the actual NAV of the Scheme. There is no load for investors transacting on the stock exchange. However, there would be cost of brokerage and other transactions costs payable to broker or sub-broker of the exchange. Switches are not allowed under the scheme Allotment Price: Issue and redemption of units will be linked to prevailing NAV.
XIII.	Minimum Additional Purchase Amount	Not Applicable
XIV.	Minimum Redemption/switch out amount	Minimum Redemption Amount: • All investors including Market Makers, Large Investors and other investors may sell their units in the stock exchange(s) on which these units are listed on all trading days of the stock exchange • Mutual Fund will repurchase units from Market Makers on any business day in creation size units. In certain circumstances, the AMC may allow Large investors to sell units in creation unit size directly to the AMC at applicable NAV and other transaction handling charges. • In case a Redemption / Switch-out request received is for both, a specified rupee amount and a specified number of Units of the respective Plan(s)/ Option(s), the specified amount will be considered the definitive request. In case the value / number of available units held in the Unit holder's folio / account under the Plan / Option of the Scheme is less than the amount / number of

		units specified in the redemption / switch-out request, then the available units/ amount available in the respective Scheme(s)/ Plan(s)/ Option(s) transaction shall be processed.
XV.	New Fund Offer Period This is the period during which a new scheme sells its units to the investors.	This does not apply to the scheme, as the ongoing offer of the Scheme has commenced after the NFO period, and the units are available for continuous subscription and redemption.
XVI.	New Fund Offer Price: This is the price per unit that the investors have to pay to invest during the NFO.	This does not apply to the scheme, as the ongoing offer of the Scheme has commenced after the NFO period, and the units are available for continuous subscription and redemption.
XVII.	Segregated portfolio/side pocketing disclosure	Not Applicable
XVII I	Swing pricing disclosure	Not Applicable
XIX.	Stock lending/short selling	Not Applicable
XX.	How to Apply and other details	Application form and Key Information Memorandum may be obtained from the offices of AMC or Investor Service Centres (ISCs)/Official Points of Acceptance (OPAs) of the Registrar or distributors or downloaded from www.kotakmf.com. Investors are also advised to refer to Statement of Additional Information before submitting the application form. The list of the Investor Service Centres (ISCs)/Official Points of Acceptance (OPAs) of the Mutual Fund will be available on the website www.kotakmf.com. Purchase from Stock Exchanges (applicable for Market Makers, Large Investors and other investor). An investor can buy units of the Scheme on a continuous basis on the national stock exchange and other recognised stock exchanges where the Scheme units are listed and traded like any other publicly traded securities at prices which may be close to the actual NAV of the Scheme. There is no load for investors transacting on the stock exchange. However, there would be cost of brokerage and other transactions costs (like stamp duty) payable to broker or sub-broker of the exchange. All cheques should be crossed "Account Payee Only" and drawn in favour of the scheme viz: Kotak Gold ETF The AMC/ Trustee reserves the right to reject any application inter alia in the absence of fulfillment of any regulatory requirements, fulfillment of any requirements as per the SID, incomplete/incorrect documentation and not furnishing necessary information to the

		satisfaction of the Mutual Fund/AMC. Investors are also advised to refer to Statement of Additional Information before submitting the application form. For Further details refer section II.
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XXII.	Investor services	- Contact details for general service requests: 18003091490 / 044-40229101 (Monday to Friday between 9.30am to 6.00 pm & Saturday between 9.30am to 12.30pm) https://www.kotakmf.com/feedback/customer - Contact details for complaint resolution: Ms. Sushma Mata, Investor Relations Officer Kotak Mahindra Asset Management Company Limited, 6th Floor, Kotak Towers, Building No.21, Infinity Park, Off: Western Express Highway Goregaon - Mulund Link Road, Malad(East), Mumbai 400097 Phone Number: 18003091490 / 044-40229101 Fax: 6708 2213 e-mail: https://info.kotakmf.com/write-to-us or WhatsApp us by sending us “Hi” at 9321884488. For portfolio valuation, give a missed call to 7039055555
XXIII	Specific attribute of the scheme (such as lock in, duration in case of target maturity scheme/close ended schemes) (as applicable)	Not Applicable
XXIV	Special product/facility available during the NFO and on ongoing basis	Not Applicable.
XXV.	Weblink	Link for Total Expense Ratio (TER) last 6 months, Daily TER as well as - https://www.kotakmf.com/Information/TER Link for scheme factsheet - https://www.kotakmf.com/Information/statutory-disclosure/information

DUE DILIGENCE BY THE ASSET MANAGEMENT COMPANY

It is confirmed that:

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

Date: November 29, 2024

Place: Mumbai

Name: Jolly Bhatt

Designation: Compliance Officer

Part II. INFORMATION ABOUT THE SCHEME

A. HOW WILL THE SCHEME ALLOCATE ITS ASSETS?

Instruments	Indicative allocations (% of total assets)	
	Minimum	Maximum
Gold and instruments with gold as underlying that may be specified by SEBI#	95%	100%
Debt and money market instruments	0%	5%

As the scheme invests 95% to 100% of the net assets into Gold, the scheme will, by and large, be passively managed fund.

As per Regulation 43(4) of SEBI (Mutual Funds) Regulations, money collected under any gold exchange traded fund scheme shall be invested only in gold or gold related instruments in accordance with sub regulation (5) of Regulation 44. As per sub-regulation 44(5), the funds of any gold exchange traded fund scheme shall be invested only in gold or gold related instruments in accordance with its investment objective, except to the extent necessary to meet the liquidity requirements for honoring repurchases or redemptions, as disclosed in the offer document. The Scheme will invest in physical gold of the prescribed quality and standard.

The Scheme may retain some part of the cash or may invest in money market and debt instruments under the following conditions in addition to the reasons specified in Regulation 44(5):

- Residual cash after buying gold in multiples of standard quantity in the market
- To meet recurring expenses for a reasonable period
- To meet redemption requirements of Market Makers and Large Investors. Towards margin for derivative trades.

The scheme may investment in gold monetization schemes (“GMS”) of banks in accordance with extant SEBI/RBI guidelines and any subsequent amendments thereto specified by SEBI and/or RBI from time to time.

#The scheme may participate in Exchange Traded Commodity Derivatives (ETCDs) where participation will be limited to derivatives contract in Gold up to 50% of the net assets of the scheme. Such investments shall be made in line with the SEBI regulations as may be specified by SEBI from time to time.

The Margin may be placed in the form of such securities/instruments/deposits/cash as may be permitted/eligible to be placed as margin from the assets of the Scheme. The securities/instruments/deposits so placed as margin shall be classified under the applicable category of assets for the purposes of asset allocation.

SEBI Norms for ETCD's in Gold ETF's

Gold related instruments. Exchange Traded Commodity Derivatives (ETCDs) having Gold as the underlying shall be considered as ‘Gold related instrument’ for Gold ETFs. Investment in ETCDs having Gold as the underlying by Gold ETFs will be subject to following conditions:

1. The cumulative exposure to gold related instruments i.e. Gold Deposit Scheme (GDS) of banks, Gold Monetization Scheme (GMS) and ETCD having gold as the underlying shall not exceed 50% of net asset value of the scheme. However, within the 50% limit, the investment limit for GDS and GMS as part of gold related instrument shall not exceed 20% of net asset value of the scheme. The unutilized portion of the limit

for GDS of banks and GMS can be utilized for ETCD having gold as the underlying Before investing in ETCDs having Gold as the underlying,

2. Mutual funds shall put in place a written policy with regard to such investment with due approval from the Board of the AMC and the Trustees. The policy shall be reviewed by the Board of AMC and Trustees at least once a year.
3. The cumulative gross exposure of Gold ETFs shall not exceed 100% of the net assets of the scheme.

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

Sl. no	Type of Instrument	Percentage of exposure	Circular references*
1.	Gold or gold related instruments	100% of the net assets	Para 3.2.1 of Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024
2.	Exchange Traded Commodity Derivatives (ETCDs)	50% of the net assets of the scheme	Para 3.2.1.5 of Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024

Portfolio Rebalancing:

Pursuant to Para 3.6.7 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, in case of change in constituents of the index due to periodic review, the portfolio of the scheme will be rebalanced within 7 calendar days.

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. In the event of involuntary corporate action, the scheme shall dispose the securities not forming part of the underlying index within 7 days from the date allotment/ listing.

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

B. WHERE WILL THE SCHEME INVEST?

Subject to the Regulations, the amount collected under the scheme can be invested in any of the following securities/ instruments, as per the indicative asset allocation given under the heading —How will the Scheme allocate its assets:

1. Gold and Gold-related instrument(s).
2. Exchange Traded Commodity Derivatives (ETCDs) with gold as underlying
3. Units of Mutual Fund Schemes;
4. Debt Instruments & Money Market Instruments
5. Debt obligations of domestic government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee;

6. Short Term Deposits of banks (both public and private sector) and development financial institutions to the extent permissible under SEBI MF Regulations;
7. Money market instruments permitted by SEBI/RBI, having maturities of up to one year or in alternative investment for the call money market as may be provided by the RBI to meet the liquidity requirements;
8. Reverse repos in such Government Securities as may be permitted by RBI;
9. Certificate of Deposits (CDs);
10. Commercial Paper (CPs);
11. Triparty repo on Government securities or treasury bills or repo;

Subject to the Regulations, the securities mentioned above could be listed, unlisted, privately placed, secured, unsecured, rated or unrated and of any maturity.

C. WHAT ARE THE INVESTMENT STRATEGIES?

The Fund would invest in gold and endeavour to track the spot price of gold in domestic markets. Kotak Gold ETF will invest all of its funds, except to meet its liquidity requirements, in physical gold and to that extent follows a passive investment strategy. Till the investments are made in accordance with the investment objective, the scheme may invest in Liquid & Overnight schemes of Kotak Mahindra Mutual Fund or in liquid & overnight schemes under the management of any other asset management company, not exceed 5% of the net asset value of Kotak Mahindra Mutual Fund.

On an ongoing basis scheme may deploy in ETCD with gold as underlying up to 50% of the net asset value of the Scheme.

Portfolio Turnover

Portfolio Turnover is a term used to measure the volume of trading that occurs in a Scheme's portfolio during a given time period. The scheme being a passively managed open-ended exchange traded fund, it is expected that there would be a number of subscriptions and redemptions on a daily basis. Hence, it is difficult to estimate with any reasonable measure of accuracy, the likely turnover in the portfolio. Generally, turnover will depend upon the extent of purchase and redemption of units and the need to rebalance the portfolio on account of change in the composition, if any, and corporate actions of securities included in the Index. The Scheme has no specific target relating to portfolio turnover.

D. HOW WILL THE SCHEME BENCHMARK ITS PERFORMANCE?

The performance of Kotak Gold ETF is benchmarked against the imported (landed) price of Gold, based on the formula prescribed by SEBI as per Gazette Notification dated December 20, 2006.

The same has been chosen as the Scheme will invest in Gold and Gold related instruments. Thus, the composition of the aforesaid benchmark is such that it is most suited for comparing the performance of the Scheme. However, the Scheme's performance may not be strictly comparable with the performance of the Benchmark, due to the inherent differences in the construction of the portfolio. The Trustee reserves the right to change the benchmark for evaluation of performance of the Scheme in conformity with the investment objectives and appropriateness of the benchmark subject to SEBI (MF) Regulations, and other prevailing guidelines, if any from time to time in conformity with the investment objectives and appropriateness of the benchmark subject to SEBI (MF) Regulations, and other prevailing guidelines, if any.

E. WHO MANAGES THE SCHEME?

Mr. Abhishek Bisen and Mr. Jeetu Valechha Sonar are the Fund Managers of the Scheme.

Name	Age	Qualification	Business Experience	Schemes Managed
Mr. Abhishek Bisen	45 Years	B A Management, MBA Finance EPAF- IIM-C	Mr. Abhishek Bisen has been associated with the company since October 2006 and his key responsibilities include fund management of debt schemes. Prior to joining Kotak AMC, Abhishek was working with Securities Trading Corporation of India Ltd where he was looking at Sales & Trading of Fixed Income Products apart from doing Portfolio Advisory. His earlier assignments also include 2 years of merchant banking experience with a leading merchant banking firm.	• Kotak Equity Hybrid Fund • Kotak Debt Hybrid Fund • Kotak Bond Fund • Kotak Gilt Fund • Kotak Equity Savings Fund • Kotak Gold Fund • Kotak Multi Asset Allocator Fund of Fund – Dynamic • Kotak Gold ETF • Kotak Balanced Advantage Fund • Kotak NASDAQ 100 FUND OF FUND • Kotak Multicap Fund • Kotak NIFTY Alpha 50 ETF • Kotak NIFTY 50 Index Fund • Kotak Nifty Midcap 50 ETF • KOTAK NIFTY SDL APR 2027 TOP 12 EQUAL WEIGHT INDEX FUND • KOTAK NIFTY SDL APR 2032 TOP 12 EQUAL WEIGHT INDEX FUND • Kotak Manufacture in India Fund • Kotak Nifty India Consumption ETF • Kotak Nifty MNC ETF • Kotak Nifty 100 Low Volatility 30 ETF • Kotak Banking and PSU Debt Fund • Kotak Bond Short Term Fund • Kotak Dynamic Bond Fund • Kotak Business Cycle Fund • Kotak Income Plus Arbitrage FOF

				• Kotak Nifty SDL JUL 2026 INDEX FUND • Kotak Silver ETF • Kotak Silver ETF Fund Of Fund • Kotak Banking and Financial Services Fund • Kotak Nifty SDL JUL 2033 INDEX FUND • Kotak Nifty 200 Momentum 30 Index Fund • Kotak Nifty Financial Services Ex-Bank Index Fund • Kotak BSE Housing Index Fund • Kotak Quant Fund • Kotak Multi Asset Allocation Fund • KOTAK NIFTY SDL PLUS AAA PSU BOND JUL 2028 60:40 INDEX FUND • Kotak Nifty 1D Rate Liquid ETF • Kotak Nifty Smallcap 50 Index Fund • Kotak Nifty G-sec July 2033 Index Fund • Kotak Consumption Fund • Kotak Healthcare Fund • Kotak Technology Fund • Kotak Long Duration Fund • Kotak Nifty AAA Bond Jun 2025 HTM Index Fund • • Kotak Nifty India Tourism Index Fund • Kotak CRISIL-IBX AAA Financial Services Index – Sep 2027 Fund. • Kotak Nifty Midcap 150 Momentum 50 Index Fund • Kotak Nifty 100 Low Volatility 30 Index Fund • Kotak Special Opportunities Fund • Kotak BSE PSU Index Fund
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				• Kotak Nifty Midcap 50 • Index Fund
Mr. Jeetu Valechha Sonar	35 years	P.G.D.M in Finance Management	Mr. Jeetu Valechha Sonar has more than 11 years' experience in Commodity and Equity dealing and advisory. Prior to joining Kotak AMC Limited, he has worked as institutional dealer with Kotak Securities Ltd. and is part of Kotak Group since 2014.	• Kotak Gold ETF • Kotak Gold Fund • Kotak Silver ETF • Kotak Silver ETF Fund of Fund • Kotak Multi Asset Allocation Fund

Name of the Fund Manager	Tenure of Managing the scheme
Mr. Abhishek Bisen	15-04-2008
Mr. Jeetu Valechha Sonar	28-02-2022

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

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

1. Kotak Nifty 50 Value 20 ETF
2. Kotak Nifty Alpha 50 ETF
3. Kotak Nifty Bank ETF
4. Kotak BSE Sensex ETF
5. Kotak Nifty 100 Low Volatility 30 ETF
6. Kotak Nifty India Consumption ETF
7. Kotak Nifty IT ETF
8. Kotak Nifty Midcap 50 ETF
9. Kotak Nifty MNC ETF
10. Kotak Nifty PSU Bank ETF
11. Kotak Nifty 50 ETF
12. Kotak Nifty 1D Rate Liquid ETF
13. Kotak Silver ETF

The detailed comparative table will be available in the given link:

<https://www.kotakmf.com/Information/statutory-disclosure/disclosuresrelatedtosidandkim>

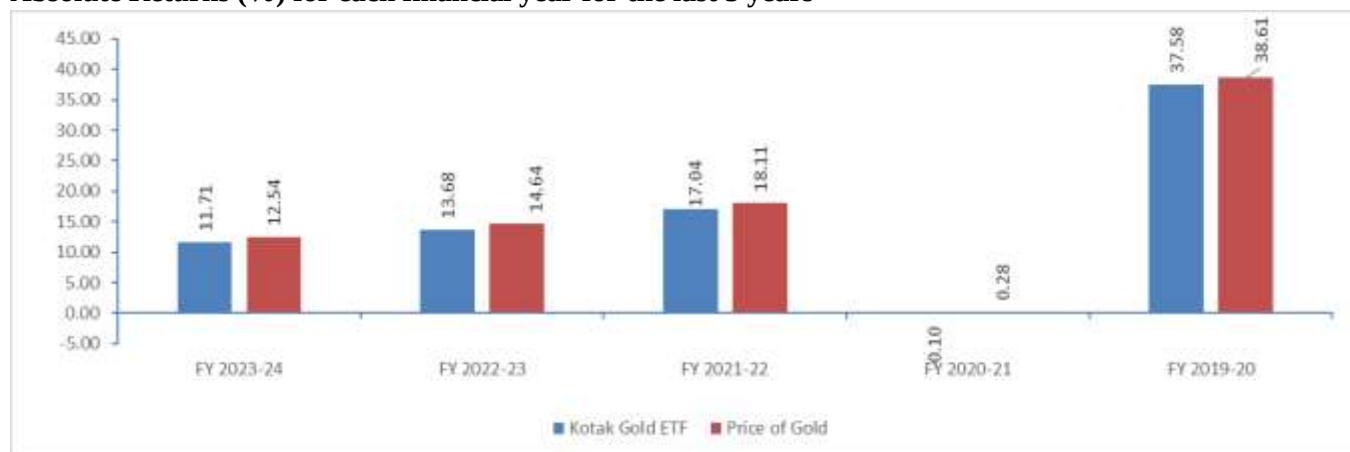
G. HOW HAS THE SCHEME PERFORMED?

Performance of the scheme as on September 30, 2024

Compounded Annualised Returns	Scheme Returns (%)	Price of Gold (%)
Returns for the last 1 year	28.83%	30.12%
Returns for the last 3 years	16.84%	17.85%
Returns for the last 5 years	13.56%	14.41%
Returns since inception	12.19%	13.27%

TRI - Total Return Index, in terms of para 6.14 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, the performance of the scheme is benchmarked to the Total Return variant (TRI) of the Benchmark Index. Since inception date is July 27, 2007. Past Performance may or may not be sustained in future.

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



Since Inception date is July 27, 2007. Past Performance may or may not be sustained in future.

H. ADDITIONAL SCHEME RELATED DISCLOSURES

- Scheme's portfolio holdings:** Top 10 holdings by issuer and fund allocation will be available in the given link – <https://www.kotakmf.com/Information/statutory-disclosure/disclosuresrelatedtosidandkim>
- Disclosure of name and exposure to top 7 issuers, stocks, groups and sectors as a percentage of NAV of the scheme will be available in the given link - <https://www.kotakmf.com/Information/statutory-disclosure/etfcommunication>
- Portfolio Disclosure** – The detailed portfolio and related disclosures for the scheme please refer our website <https://www.kotakmf.com/Information/statutory-disclosure/information>
- Portfolio Turnover Rate:** 18.37% (As on September 30, 2024)
- Aggregate investment in the Scheme by Concerned Fund Manager:**

Sr. No.	Category of Persons	Net Value		Market Value (in Rs.) (in Crs)
		Units	NAV per unit	
	Concerned scheme's Fund Manager(s)			

1.	Mr. Jeetu Valechha	-	-	-
2.	Mr. Abhishek Bisen	-	-	-

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

vi. **Investments of AMC in the Scheme:**

The AMC may invest in the Scheme subject to the SEBI (MF) Regulations. Under the Regulations, the

AMC is not permitted to charge any investment management and advisory services fee on its own investment in the Scheme.

Pursuant to Regulation 25(16A) of the SEBI (MF) Regulations, 1996 and para 6.9.3.5 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD1/P/CIR/2024/90 dated June 27, 2024, AMC shall not be required to invest minimum amount as a percentage of AUM in the Scheme.

Details of Investments of AMC in the Scheme will be available in the given link. – Not Applicable

Part III- OTHER DETAILS

A. COMPUTATION OF NAV

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

The AMC shall value its investments according to the valuation norms (Valuation Policy includes computation of NAV in case of investment in foreign securities), as specified in the Eighth Schedule of the Regulations, or such guidelines / recommendations as may be specified by SEBI from time to time. The broad valuation norms are detailed in the Statement of Additional Information.

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

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

* Includes value of physical gold computed as described under accounting policies and market value of debt and money market instruments invested under the scheme.

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

The AMC may also calculate intra-day indicative NAV and publish the same on its website www.kotakmf.com. Intra-day NAV will not have any bearing on the creation or redemption of units directly with the Fund by the MM/LI.

For transactions by Market Makers / large investors directly with the AMCs intra-day NAV, based on the executed price at which the securities representing the underlying index or underlying commodity(ies) are purchased / sold, shall be applicable.

Illustration for Computation of NAV:

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

As required under the Regulations, the asset management company shall ensure that the repurchase price of an open-ended scheme shall not be lower than 95% of the Net Asset Value.

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

B. NEW FUND OFFER (NFO) EXPENSES

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

The New Fund Offer expenses of the scheme were borne by the AMC.

C. ANNUAL SCHEME RECURRING EXPENSES

These are the fees and expenses for operating the scheme. These expenses include Investment Management and Advisory Fee charged by the AMC, Registrar and Transfer Agents' fee, marketing and selling costs etc. as given in the table below:

The AMC has estimated that the following percentage daily net assets of the scheme will be charged to the scheme as expenses. For the actual current expenses being charged, the investor should refer to the website of the mutual fund viz. www.kotakmf.com

Expenses Structure	% of daily Net Assets
Investment Management and Advisory Fees	Upto 1.00%
Trustee fee	
Audit fees	
Custodian fees	
RTA Fees	
Marketing & Selling expense incl. agent commission	
Cost related to investor communications	
Cost of fund transfer from location to location	
Cost of providing account statements	
Costs of statutory Advertisements	
Cost towards investor education & awareness (1 bps).	
Brokerage & transaction cost over and above 12 bps and 5 bps for cash and derivative market trades resp.	
Goods and Services tax on expenses other than investment and advisory fees	
Goods and Services tax on brokerage and transaction cost	
Other Expenses (including listing expenses) *	
Maximum total expense ratio (TER) permissible under Regulation 52 (6)(b)	Upto 1.00%
Additional expenses for gross new inflows from specified cities	Upto 0.30%

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

* As permitted under the Regulation 52 of SEBI (Mutual Funds) Regulations, 1996

The fund shall update the current expense ratios on the website www.kotakmf.com at least three working days prior to the effective date of the change. The web link for TER is www.kotakmf.com/total-expense-ratio

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

Particulars	NAV p.u. in Rs.	%
Subscription received on March 31, 2024 (A)	100.00	-

Value of Subscribed Amount before expenses as on March 31, 2023(B)	112.25	-
Expense charged by the scheme (C)	1.06	1.00%
Value of Subscribed Amount as on March 31, 2023 (Net of expenses charged) (D)	111.19	-
Net Return to investors (E) (E=D-A)	11.19	11.19%

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

In terms of the para 10.1 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD1/P/CIR/2024/90 dated June 27, 2024, all fees and expenses charged in a direct plan (in percentage terms) under various heads including the investment and advisory fee shall not exceed the fees and expenses charged under such heads in a regular plan.

Additional expenses which may be charged to the Scheme:

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

- Brokerage and transaction cost incurred for the purpose of execution shall be charged to the schemes (a) upto 12 bps and 5 bps for cash market transactions and derivatives transactions respectively. Any payment towards brokerage & transaction costs, over and above the said 12 bps and 5 bps for cash market transactions and derivatives transactions respectively may be charged to the Scheme within the maximum limit of Total Expense Ratio (TER) as prescribed under Regulation 52 of the SEBI (Mutual Funds) Regulations, 1996.
- Expenses not exceeding of 0.30 % of daily net assets, if the new inflows from beyond top 30 cities are at least:
 - (i) 30 % of gross new inflows in the scheme; or
 - (ii) 15 % of the average assets under management (year to date) of the scheme; whichever is higher.

Provided that if inflows from such cities is less than the higher of sub-clause (i) or sub-clause (ii), such expenses on daily net assets of the scheme shall be charged on proportionate basis.

Provided further that expenses charged under this clause shall be utilized for distribution expenses incurred for bringing inflows from such cities.

Provided further that amount incurred as expense on account of inflows from such cities shall be credited back to the scheme in case the said inflows are redeemed within a period of one year from the date of investment.

Provided further that the additional TER can be charged based on inflows only from 'retail investors' (Para 10.1.3 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD1/P/CIR/2024/90 dated June 27, 2024, has defined that inflows of amount upto Rs 2,00,000/- per transaction, by individual investors shall be considered as inflows from "retail investor") from beyond top 30 cities.

Provided that the additional commission for beyond top 30 cities shall be paid as trail only.

In case inflows from beyond top 30 cities is less than the higher of (i) or (ii) above, additional TER on daily net assets of the scheme shall be charged as follows:

Daily net assets X 30 basis points X New inflows from individual investors from beyond top 30 cities

365* X Higher of (i) or (ii) above

* 366, wherever applicable.

With reference to SEBI's letter no. SEBI/HO/IMD/IMD-SEC-3/P/OW/2023/5823/1 dated February 24, 2023, and AMFI Circular No. CIR/ARN-23/2022-23 March 07, 2023, the B-30 incentive structure for new inflows has

been kept in abeyance with effect from March 01, 2023 till the incentive structure is appropriately re-instated by SEBI with necessary safeguards.

Goods and Services tax:

Goods and Services tax on investment and advisory fees may be charged to the scheme in addition to the maximum limit of TER as prescribed in Regulation 52(6)(b). Goods and Services tax on other than investment and advisory fees, if any, shall be borne by the scheme within the maximum limit of TER as per Regulation 52.

The estimates are based on good faith for the Scheme as per the information available subject to prevailing regulations.

The aforesaid estimates are made in good faith by the Investment Manager and are subject to change inter se among the various heads of expenses and between the Plans. It may also be noted that the total expenses of the Plans will also be subject to change within the overall limits of expenses under Regulation 52. Actual expenses under any head and / or the total expenses may be more or less than the estimates. The Investment Manager retains the right to charge the actual expenses to the Fund, however the expenses charged will not exceed the statutory limit prescribed by the Regulations. There will be no sub limit on management fee, and it shall be within the overall TER specified above.

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

D. LOAD STRUCTURE

Exit Load is an amount which is paid by the investor to redeem the units from the scheme. Load amounts are variable and are subject to change from time to time. For the current applicable structure, please refer to the website of www.kotakmf.com or may call at 18003091490 or your distributor.

Type of Load	Load chargeable (as % age of NAV)
Exit	Nil

* In terms of Para 10.4 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD1/P/CIR/2024/90 dated June 27, 2024, no entry load will be charged on purchase / additional purchase / switch-in. The commission as specified in aforesaid circular, if any, on investment made by the investor shall be paid by the investor directly to the Distributor, based on his assessment of various factors including the service rendered by the Distributor.

** Any exit load charged (net off Goods and Services tax, if any) shall be credited back to the Scheme.

Any imposition or enhancement of Load in future shall be applicable on prospective investments only. For any change in load structure AMC will issue an addendum and display it on the website/Investor Service Centres. In case of changes in load structure the addendum carrying the latest applicable load structure shall be attached to all KIM and SID already in stock till it is updated.

Investors may obtain information on loads on any Business Day by calling the office of the AMC or any of the Investor Service Centers. Information on applicability of loads will also be provided in the Account Statement.

As required under the Regulations, the asset management company shall ensure that the repurchase price of an open-ended scheme is not lower than 95% of the Net Asset Value.

The investor is requested to check the prevailing load structure of the scheme before investing.

Section II

I. INTRODUCTION

A. Definitions/interpretation

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

B. Risk factors

Scheme Specific Risk Factors

Some or all of these risks may adversely affect Scheme's NAV, trading price, yield, total return and/or its ability to meet its objectives.

Risks for the Fund

- The NAV of the units is closely related to the value of gold held by the scheme. The value (price) of gold may fluctuate for several reasons and all such fluctuations will result in changes in the NAV of units under the scheme. The factors that may effect the price of gold, among other things, include demand and supply for gold in India and in the global market, Indian and Foreign exchange rates, Interest rates, Inflation trends, trading in gold as commodity, legal restrictions on the movement/trade of gold that may be imposed by RBI, Government of India or countries that supply or purchase gold to/from India, trends and restrictions on import/export of golden jewellery in and out of India, etc.
- Counter party Risk: There is no Exchange for physical gold in India. The Fund may have to buy or sell gold from the open market, which may lead to counter party risks for the Fund for trading and settlement.
- Liquidity Risk: The fund has to sell gold only to RBI approved bullion bankers and Canalising agents who are authorized to buy gold. Though, there are adequate numbers of players (commercial or bullion bankers) to whom the Fund can sell gold. Fund may have to resort to distress sale of gold if there is no or low demand for gold to meet its cash needs of redemption or expenses. Liquidity risks may arise due to issues related to the supply chain which affects the availability of gold and also due to seasonality of demand and supply and/or volatile prices.
- Indirect Taxation - For the valuation of Gold by the Scheme, indirect taxes like customs duty etc. would also be considered. Hence, any change in the rates of indirect taxation / applicable taxes would affect the valuation of the Scheme.
- Currency Risk: The formula for determining NAV of the units is based on the imported (landed) value of gold. The landed value of gold is computed by multiplying international market price by US dollar value. The value of gold or NAV, therefore will depend upon the conversion value of US dollar into Indian rupee and attracts all the risks attached to such conversion.
- Regulatory Risk: Any changes in trading regulations by the stock exchange (s) or SEBI may affect the ability of Market Makers to arbitrage resulting into wider premium/ discount to NAV. Any changes in the regulations relating to import and export of gold or gold jewellery (including customs duty, sales tax and any such other statutory levies) may affect the ability of the scheme to buy/sell gold against the purchase and redemption requests received.
- Asset Class Risk: The returns from physical Gold in which the Scheme invests may underperform returns from the securities or other asset classes.
- Physical gold: There is a risk that part or all of the Scheme's gold could be lost, damaged or stolen. Access to the Scheme's gold could also be restricted by natural events or human actions. Any of these actions may have adverse impact on the operations of the scheme and consequently on investment in units.
- Impact cost risk: If the scheme is heavily subscribed and as all the subscription amount has to be deployed in gold over a short period of time, there could be a surge in the demand for gold which in turn may lead to increase in cost of acquiring gold. However, as gold can be freely imported, the demand

generated, if heavily subscribed, by this scheme may get transferred to global markets and the demand of this scheme may not have any significant impact on the global level demand.

- As the scheme proposes to invest not less than 90% of the net assets in Gold, the Scheme is a passively managed scheme and provides exposure to Gold and tracking its performance and yield as closely as possible. The Scheme's performance may be affected by a general price decline in the Gold prices. The Scheme invests in the physical Gold regardless of their investment merit. The Mutual Fund does not attempt to take defensive positions in declining markets.
- Tracking error may have an impact on the performance of the scheme. However, KMAMC will endeavour to keep the tracking error as low as possible.

Risks for Investors

- Investors may note that even though this is an open-ended scheme, they will have to buy or sell units of the scheme at market price on the stock exchanges where these units are listed for liquidity, subject to the rules and regulations of the exchange. Buying and selling units on stock exchange requires the investor to engage the services of a broker and are subject to payment of margins as required by the stock exchange/broker, payment of brokerage, applicable statutory levies etc.,
- The market price of ETF units, like any other listed security, is largely dependent on two factors, viz., (1) the intrinsic value of the unit (or NAV), and (2) demand and supply of units in the market. Sizeable demand or supply of the units in Exchange may lead to market price of the units to quote at premium or discount to NAV. Hence the price of ETF is less likely to hold significant variance (large premium or discount) from the latest declared NAV all the time.
- Capital Gains Impact: Investors who trade in Kotak Gold ETF may be subject to Long Term Capital Gains or Short-Term Capital Gains. Investors are requested to consult their tax / legal consultants before investing in the scheme.
- The Fund may have to sell gold to meet recurring expenses due to which underlying assets may deplete to that extent.
- The NAV of the units is determined based on the formula for valuation of gold prescribed by SEBI whereas the actual price of gold in the market may be different from the value of gold arrived at, based on the prescribed formula. This may lead to extreme conditions like NAV being far too different from the domestic market price of gold. In such extreme conditions, the trustees reserve the right to delay or suspend the redemption of units.
- The units will be issued only in demat form through depositories. The records of the depository are final with respect to the number of units available to the credit of unit holder. Settlement of trades, repurchase of units by the mutual fund depend up on the confirmations to be received from depository (ies) on which the mutual fund has no control.

Risk of investing in Gold Monetization Scheme (GMS)

Kotak Gold ETF shall, as permitted by SEBI, invest a part of its pool of physical gold assets in Gold Monetisation Scheme run by Banks. Under the GMS, Kotak Gold ETF will deposit its physical gold assets as principal with the Banks which offer such facility ("the issuer"). A situation could arise where the issuer is unable to return the principal physical gold to Kotak Gold ETF upon maturity or in case of an early redemption. Such inability to return physical gold could arise on account of liquidity problems or general financial health of the issuer. A default by the issuer under a GMS may result in losses to the Unit holders. GMS being an unlisted and non-transferrable security can be Redeemed only with the issuer and hence, is subject to the risk of an issuer's inability to meet principal and interest payments on the obligation (credit risk). Credit Risk means that the issuer of a Security may default on interest payments or even paying back the principal amount on maturity (i.e. the issuer may be unable to make timely principal and interest payments on the Security) which may result in losses to the Unitholders.

Risk Factors Associated with Investments in Exchange Traded Commodity Derivatives (ETCDs)

1. An exchange traded commodity derivative is a derivative instrument that mimics the price movements of an underlying commodity, allowing an investor exposure to the commodity without physical purchase.

2. Derivative products are leveraged instruments and can provide disproportionate gains as well as disproportionate losses to the investor. Execution of investment strategies depends upon the ability of the fund manager(s) to identify such opportunities which may always not be available. Identification and execution of the strategies to be pursued by the fund manager(s) involve uncertainty and decision of fund manager(s) may not always be profitable. No assurance can be given that the fund manager(s) will be able to identify or execute such strategies.
3. Liquidity Risk: While ETCDs that are listed on an exchange carry lower liquidity risk, the ability to sell these contracts is limited by the overall trading volume on the exchanges. The liquidity of the Schemes' investments is inherently restricted by trading volumes of the ETCD contracts in which it invests. Additionally, change in margin requirements or intervention by government agencies to reduce overall volatility in the underlying commodity could lead to adverse impact on the liquidity of the ETCD.
4. Price risk: ETCDs are leveraged instruments hence, a small price movement in the underlying security could have a large impact on their value. Also, the market for ETCDs is nascent in India hence, arbitrage can occur between the price of the physical commodity and the ETCD, due to a variety of reasons such as technical issues and volatile movement in the price of the physical good. This can result in mispricing and improper valuation of investment decisions as it can be difficult to ascertain the amount of the arbitrage.
5. Settlement risk: ETCDs can be settled either through the exchange in physically. The inability to sell ETCDs held in the Schemes' portfolio in the exchanges due to the extraneous factors may impact liquidity and would result in losses, at times, in case of adverse price movement. Wherein the underlying commodity is physically delivered in order to settle the derivative contract, such settlement could get impacted due to various issues, such as logistics, Government policy for trading in such commodities.

Illustrations for Commodity Futures & Options

Trade Date	27-Aug	27-Apr
Expiry	05-Oct	03-Jun
Current Market Price/10 grams	51000	51000
Lot size in grams	1000	1000
Lot Value/Contract Value	5100000	5100000
Margin	10%	10%
Margin Value	510000	510000
Trade/Position	Buy Commodity	Buy Commodity
Quantity	1 lot	1 lot
Buy Price per 10 grams	51000	51000
Sell Trade Date	20- Sep	20- May
Sell Price per 10 grams	52000	52000
Gain/Loss Per 10 grams	1000	1000
Gain/Loss per lot or contract Value	100000	100000

Commodity Options	
Trade Date	27-Aug
Contact Expiry	026-Sep
Corresponding Futures Contract	05-Oct
Current Market Price/10 grams	51000.00
Strike Price	51000.00
Call Options premium per 10 grams	500.00
Trade/Position	Buy Strike Price 51000
Quantity	1 Kg

Sell Trade Date	20- Sep
Futures Price on 24-May	51050
51000 strike price CE price on 20-Sep	550
Gain/loss per 10 grams	50
Gain/loss per contract value/lot	5000

Risks associated with Tracking Error / Tracking Difference:

Tracking error means the extent to which the NAV of the scheme moves in a manner inconsistent with the movements of the benchmark index on any given day or over any given period of time due to any cause or reason whatsoever including but not limited to expenditure incurred by the scheme, IDCW payouts if any, whole cash not invested at all times as it may keep a portion of funds in cash to meet redemption etc.

However, the scheme will endeavor to limit the tracking difference over one-year period within 1.25% limits.

Tracking error / difference could be the result of a variety of factors including but not limited to:

- Delay in the purchase or sale of securities / Issuances within the benchmark due to
 - Illiquidity in the securities
 - Delay in realisation of sale proceeds
- The scheme may buy or sell the securities comprising the index at different points of time during the trading session at the then prevailing prices which may not correspond to its valuation prices.
- The potential for trades to fail, which may result in the Scheme not having acquired the securities at a price necessary to track the benchmark price.
- Index providers may either exclude or include new securities in their periodic review of the securities that constitute the underlying index. In such situations the scheme will endeavour to rebalance the portfolio in line with the index. But may not be able to mirror the index immediately due to the available investment/reinvestment opportunity.
- The holding of a cash position and accrued income prior to distribution of income and payment of accrued expenses.
- Disinvestments to meet redemptions, recurring expenses, payouts of IDCW etc.
- Execution of large buy / sell orders
- Delay in credit of securities
- Transaction cost and recurring expenses
- Delay in realisation of Unit holders' funds
- Maintenance of margins

Risk associated with investment in Government securities and Tri-Party Repo on Government securities or treasury bills:

The mutual fund is a member of securities segment and Triparty repo on Government securities or treasury bills trade settlement of the Clearing Corporation of India (CCIL). All transactions of the mutual fund in government securities and in Triparty repo on Government securities or treasury bills or trades are settled centrally through the infrastructure and settlement systems provided by CCIL; thus reducing the settlement and counter party risks considerably for transactions in the said segments.

The members are required to contribute towards margin obligation (Initial / Mark to Market etc.) as per bye-laws of CCIL as also an amount as communicated by CCIL from time to time to the default fund maintained by CCIL as a part of the default waterfall (a loss mitigating measure of CCIL in case of default by any member in discharging their obligation. As per the waterfall mechanism, after the defaulter's margins and the defaulter's contribution to the default fund have been appropriated, CCIL's contribution is used to meet the losses. Post

utilization of CCIL's contribution if there is a residual loss, it is appropriated from the default fund contributions of the non-defaulting members as determined by CCIL.

Thus, the scheme is subject to risk of the initial margin and default fund contribution being invoked in the event of failure of any settlement obligations. In addition, the mutual fund contribution is allowed to be used to meet the residual loss in case of default by the other clearing member (the defaulting member).

CCIL maintains two separate Default Funds in respect of its Securities Segment, one with a view to meet losses arising out of any default by its members from outright and repo trades and the other for meeting losses arising out of any default by its members from Triparty repo on Government securities or treasury bills trades. The mutual fund is exposed to the extent of its contribution to the default fund of CCIL, in the event that the contribution of the mutual fund is called upon to absorb settlement/ default losses of another member by CCIL, as a result the scheme may lose an amount equivalent to its contribution to the default fund.

Risk associated with investing in other mutual fund units

Investment in units of Mutual Fund scheme involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal. As the price / value / interest rates of the underlying securities in which the mutual fund scheme invests fluctuates, the value of units of mutual fund scheme may go up or down. The value of underlying securities may be affected, inter-alia, by changes in the market, interest rates, changes in credit rating, trading volumes, settlement periods and transfer procedures; the NAV is also exposed to Price/Interest-Rate Risk and Credit Risk and may be affected inter-alia, by government policy, volatility and liquidity in the money markets and pressure on the exchange rate of the rupee. Investment in units of mutual fund scheme is also exposed to risk of suspension of subscriptions / redemptions of the units, change in fundamental attributes etc. Since the Scheme may invest in schemes of Mutual Funds, scheme specific risk factors of each such mutual fund schemes will be applicable to the Scheme portfolio.

C. Risk mitigation strategies

Type of Risks	Measures/ Strategies to control risks
Debt and Money Market instruments	• Credit Risk: Management analysis will be used for identifying company specific risks. Management's past track record will also be studied. In order to assess financial risk a detailed assessment of the issuer's financial statements will be undertaken. • Price-Risk or Interest-Rate Risk: The Scheme may primarily invest the debt portion of the portfolio in short term debt & money market instruments, units of Liquid and Overnight schemes thereby mitigating the price volatility due to interest rate changes generally associated with long-term securities. • Risk of Rating Migration: The Scheme may primarily invest the debt portion of the portfolio in short-term debt & money market instruments, units of Liquid and Overnight schemes thereby mitigating the risk of rating migration generally associated with long-term securities • Basis Risk: The debt allocation of scheme is primarily as a cash management strategy and such strategy returns are expected to reflect the very short term interest rate hence investment is done in short term debt and money market instruments. • Spread Risk: The Scheme may primarily invest the debt portion of the portfolio in short-term debt & money market instruments, units of Liquid and Overnight schemes thereby mitigating the risk of spread expansion which is generally associated with long-term securities

	• Reinvestment Risk: The debt allocation of scheme is primarily as a cash management strategy and such strategy returns are expected to reflect the very short-term interest rate hence investment is done in short term debt and money market instruments. Reinvestment risks will be limited to the extent of debt instruments, which will be a very small portion of the overall portfolio value. • Liquidity Risk: The Scheme may, however, endeavor to minimize liquidity risk by primarily investing the debt portion of the portfolio in relatively liquid short-term debt & money market instruments, units of Liquid and Overnight schemes.
Exchange Traded Commodity Derivatives (ETCD)	Investment in commodity has an inherent market risk in terms of volatility, which cannot be mitigated generally. However, SEBI has allowed participation in ETCDs only which likely to have enough liquidity in the market. The settlement risk shall be mitigated by ensuring that the trade positions do not fall in delivery mode. However, as mutual fund schemes participating in ETCDs may hold the underlying goods in case of physical settlement of contracts, such goods shall be disposed of from the books of the scheme, at the earliest, not exceeding the timeline prescribed under the Regulations.
Government securities and Triparty repo on Government securities or treasury bills:	As a member of securities segment and Triparty repo segment, maintenance of sufficient margin is a mandatory requirement. CCIL monitors these on a real time basis and requests the participants to provide sufficient margin to enable the trades etc. Also, there are stringent conditions / requirements before registering any participants by CCIL in these segments. Since settlement is guaranteed the loss on this account could be minimal though there could be an opportunity loss.
Units of mutual fund schemes	Mutual Fund portfolios are generally well diversified and typically endeavor to provide liquidity on a T+1/T+2 basis and aim to mitigate any risks arising out of underlying investments. Commodity ETF's are quite liquid as they can either be created / redeemed with the fund house or traded on the exchange.
Tracking errors	Over a short period, the Scheme may carry the risk of variance between portfolio composition and Benchmark. The objective of the Scheme is to closely track the performance of physical gold prices over the same period, subject to tracking error. The Scheme would endeavor to maintain a low tracking error by actively aligning the portfolio in line with the Index.

While these measures are expected to mitigate the above risks to a large extent, there can be no assurance that these risks would be completely eliminated.

The measures mention above is based on current market conditions and may change from time to time based on changes in such conditions, regulatory changes and other relevant factors. Accordingly, our investment strategy, risk mitigation measures and other information contained herein may change in response to the same.

II. INFORMATION ABOUT THE SCHEME:

A. Where will the scheme invest

Securities/ Instruments	Definitions
Securities created and issued by the Central and State Governments and/or repos/reverse repos in such Government Securities as may be permitted by RBI (including but not limited to coupon bearing bonds, zero coupon bonds and treasury bills)	Government Security (G-Sec) is a tradeable instrument issued by the Central Government or the State Governments. It acknowledges the Government's debt obligation. They are generally long term with maturity of one year or more. In India, the Central Government issues both, treasury bills and bonds or dated securities while the State Governments issue only bonds or dated securities, which are called the State Development Loans (SDLs). G-Secs carry practically no risk of default and, hence, are called risk-free gilt-edged instruments. Repos / Reverse Repos enables collateralized short term borrowing and lending through sale/purchase operations in the such government securities.
Debt obligations of domestic Government agencies and statutory bodies, which may or may not carry a Central/State Government guarantee (including but not limited to Indian Government Bond, State Development Loans issued and serviced at the Public Debt Office, Bonds issued by Central & State Government PSU's which are guaranteed by Central or State Governments);	These are instruments are issued by various government agencies and bodies (including but not limited to Indian Government Bond, State Development Loans issued and serviced at the Public Debt Office, Bonds issued by Central & State Government PSU's which are guaranteed by Central or State Governments. They can be issued at discount, par or premium.
Short Term Deposits of banks (both public and private sector) and development financial institutions to the extent permissible under SEBI Regulations;	Short Term Deposits are offered by Scheduled Commercial Banks (both public and private sector banks) with a fixed/floating interest rate and maturity date.
Money market instruments permitted by SEBI/RBI, having maturities of up to one year but not limited to: • Certificate of Deposits (CDs). • Commercial Paper (CPs) • Tri-party Repo, Bills re-discounting, as may be permitted by SEBI from time to time. • Repo of corporate debt securities	• "Certificate of Deposit" or "CD" is issued by Scheduled Commercial Banks (SCBs) and All-India Financial Institutions. There is a term period of 7 days to 1 year for CDs that are issued by SCBs, whereas the term period ranges from 1 year to 3 years for CDs issued by financial institutions. CDs are usually issued at a discounted rate and redeemed at par. • "Commercial Paper" or "CP" is a short-term instrument issued by corporates and financial institutions CPs are usually issued at a discounted rate and redeemed at par. The tenor of CP ranges from 7 days to 1 year. • Treasury bills or T-bills, which are money market instruments, are short term debt instruments issued by the Government of India and are presently issued in three tenors, namely, 91-day, 182 day and 364 day. Treasury bills

	are zero coupon securities and pay no interest. Instead, they are issued at a discount and redeemed at the face value at maturity. • Triparty Repo (TREPS) is a type of repo contract where a third entity (apart from the borrower and lender), called a Tri-Party Agent, acts as an intermediary between the two parties to the repo to facilitate services like collateral selection, payment and settlement, custody and management during the life of the transaction. • Repos / Reverse Repos enables collateralized short term borrowing and lending through sale/purchase operations in debt instruments (including corporate bonds). • Bills Re-discounting is an instrument where a financial institution discounts the bills of exchange that it has discounted previously with another financial institution.
Units of Mutual Funds Schemes	Mutual fund means a fund established in the form of a trust to raise monies through the sale of units to the public or a section of the public under one or more schemes for investing in securities, money market instruments, gold or gold related instruments, silver or silver related instruments, real estate assets and such other assets and instruments as may be specified by the SEBI from time to time:

Overview of Gold

Ever since Gold was discovered, it has captured the imaginations of craftsman and artisans. Not only is gold pleasing to the eye, but also its resistance to corrosion and malleability has made it an ideal metal for craftsmen to mold into pieces of adornment, as well as a symbol of wealth and power. As the ancient philosopher Pinder wrote nearly 3,000 years ago, "Gold is the child of Zeus, neither moth nor rust can devour it.

Gold also has a long history of being a store of value. Gold is primarily a monetary asset partly a commodity. More than two thirds of gold's total accumulated holdings account as 'value for investment' with central bank reserves, private players and high-carat Jewellery. Gold is considered to be a safe haven of value against inflation.

Gold as medium of exchange:

Gold's use as a medium of exchange predates the Roman Empire. The Chinese and Hindu cultures used Gold as the basis for their coinage.

In 1816, Great Britain adopted a gold-backed paper currency and the rest of the industrialized world shortly followed suit. Prior to 1934, the United States Dollar was equal to 1/20th of an ounce of gold, redeemable upon request. Except for a brief halt of conversions from dollars for Gold during World War II, the United States Dollar was backed by Gold under an agreement known as the Bretton Woods agreement. Under Bretton Woods, the United States Dollar, and other global currencies, were tied to a value of Gold. From 1934 to 1968, this amount was \$35/oz of gold. To protect the amount of Gold held in reserve for protecting the dollar, it was illegal for United States citizens to own Gold prior to President Nixon's revocation of the Gold Standard. Upon revocation of the Gold Standard, Gold became a popular investment medium.

Gold Market, measure and FIX (pricing)

The Gold market is highly liquid and gold held by central banks, other major institutions and retail Jewelry keep coming back to the market.

The pureness of Gold is measured in terms of carats, with 24 carats being 99.99 percent pure. The most popular carat rankings of Gold are 18 and 14 carat pure, representing 75% and 58.3% pure, respectively. The most popular carat for jewelry in Europe is 18 and 14, as it is in the United States. In the Middle East, India, and South East Asia, where jewelry is used as much as an investment as it is for decoration, 22 carat is more popular. In these countries, 22 carat items usually sell at a marginal markup to the metal value (usually 10 to 20%). These items can be traded in or sold back to distributors at any time. England has, in recent years, begun manufacturing 9 carat jewelry items, while Portugal has a unique designation of 19.2 carats. Given that Gold demand is so closely tied to the jewelry industry, the fortunes of both industries tend to rise and fall in tandem.

Some mining companies refer to their output in terms of ounces. Others use the metric system. In general, gold is thought of in terms of the troy ounce, which takes its name from the old French city of Troyes, where there was a regular marketplace at which gold was traded.

London has been the center of Gold trading since the 17th century. The Australian Gold rush of 1852, and the discovery of Gold in South Africa in 1886, solidified London's grip on the Gold market as Gold from these locals channeled through London for refining and distribution. As a center for distribution of Gold, London began a method for disseminating the price of Gold known as the "Fix" in 1919. Held at N.M. Rothchild's at 10:30 am (Morning) and at 3:00pm (Afternoon) Fix. The Fix is a single price for Gold where the members, or Fixing Seat Holder's, match up their entire buy and sell orders. The price, at which the most buy and sell orders match, or balance, is known as the Fix. The strength of the fix is that a large volume of physical Gold can be bought or sold at a single, clearly posted price. The fix is a benchmark price for many transactions worldwide, whether for mines, fabricators or central banks, because it is undisputed prices at which all six of the largest Gold trading houses are willing to do business

Gold - Supply and holdings:

Gold is produced from mines on every continent with the exception of Antarctica (where mining is forbidden), in operations ranging from the tiny to the enormous. The best estimates available suggest that the total volume of gold mined over history is approximately 197,567 tones, of which around 2/3rd has been mined since 1950.

The following are the world's largest producers of gold (based on the data for the Jan-24):

Country	Gold in tones
China	378.2
Russian Federation	321.8
Australia	293.8
Canada	191.90
U.S.A.	166.70

World Gold Official Holding July 2024:

S. No	Country	Gold Reserves Tones
1	United States	8,133.5
2	Germany	3,351.5
3	IMF	2,814.0
4	Italy	2,451.8
5	France	2,436.9
6	Russian Federation	2,335.9
7	China, P.R.: Mainland	2,264.3
8	Switzerland	1,039.9
9	India	854.7

10	Japan	846.0
11	Netherlands, The	612.5
12	Turkey5)	595.4
13	ECB	506.5
14	Taiwan Province of China	422.7
15	Poland, Rep. of	419.7

Source: World gold council. * IMF balance sheets do not allow this percentage to be computed

Demand / Consumption Considerations

1. **Jewelry Fabrication:** Jewelry fabrication is the crucial cornerstone of demand for this yellow metal. Since 1991, over 2,000 tonnes of Gold has been used annually in the production of jewelry. Gold for use in the jewelry industry accounts for roughly 54% of the total demand - an estimated 54.2 million ounces.
2. **Industrial applications:** Due to Gold's virtues of malleability, ductility, reflectivity, resistibility to corrosion and unparalleled ability as a thermal and electric conductor, Gold is used in a wide variety of industrial applications. The largest industrial user is the electronics industry. Gold is used in everything from microprocessors, semiconductors, integrated circuits, transistors, printed circuit boards, pocket calculators, washing machines, televisions, missiles and spacecraft. Japan and the United States are the largest industrial users of Gold, accounting for 45% and 30% of its industrial use, respectively.
3. **Gold as investment:** Gold as an investment or "hoarding" vehicle is the third largest component of demand. The concept of a bullion coin made by a government or in the form of small bars issued by banks and sold at a low premium to the base bullion amount, has endeared Gold as an investment vehicle for small investors. Together, the small bar and coin demand accounts between 807 and 178 tonnes of Gold on an annual basis.

Factors affecting gold prices:

- **Central banks' buying sale:** central banks across the world hold a part of their reserves in gold. Central banks buy gold to augment their existing reserves and to diversify from other asset classes. This acts as a support factor for gold prices
- **Producer mining interest:** Bringing new mines on-line is a time consuming and at times economically prohibitive process that adds years onto potential supply increases from mining production. On the other hand, lower production has a positive effect on gold prices. Conversely excessive production capacities would lead to a downward movement in gold prices as the supply goes up
- **Macro-economic factors:** A high interest rate, high inflation, and massive US trade deficits all act in favour of gold prices. The global trend of interest-cut rates also had a positive impact on gold prices. Gold being regarded as a physical asset would lose its lustre in a deflationary environment as gold is used effectively as an inflation hedge.
Geo political issues: Recent wars in Russia-Ukraine and conflict in Middle East between Israel and Hamas have bolstered gold prices. The prices start building up war premiums and hence such movements. Stable situations would typically mean stable gold prices.
- **Seasonal demand:** Since the demand for Gold is closely tied to the production of jewellery, gold prices tend to increase during the times of year when the demand for jewellery is the greatest. The seasons around Christmas, Mother's Day, Valentine's Day, summer wedding season in India, Diwali, and the Akshaya Tritiya festival in India are all major shopping seasons, and hence the demand for metals tends to be strong a few months ahead of these holidays. The second and third quarters are usually seasonally low, with a relative absence of major gold-giving occasions.

Gold in India

India is the second largest consumer of gold in the world accounting for more than 23% of the total world demand annually. According to unofficial estimates, India has more than 13,000 tonnes of hoarded gold. Gold occupies a prominent part in rural Indian economy and a significant part of the rural credit market revolves around bullion as a security.

India being the largest consumer of gold in the world, with minimal domestic supply, the demand is met mainly from imports. According to World Gold Council, in 2020 India absorbed around 1992 tons from the world market, compared to 320 tons in 1994; that is without considering the recycling of scrap from the immense stock of close to 10,000 tones built up on the sub-continent in the last few hundred years, or gold imported for jewelry manufacture and re-export.

India is the world's second largest gold jewellery market by volume accounting for around 1992 tonnes of consumption demand in 2020. Gold jewellery buying is associated with a number of festivals and, in particular, with weddings. The gold given at weddings is important for women, as it traditionally remains her property. For festivals, Diwali is a traditional gold giving occasion. Dushera and Akshaya Tritiya has become important festival in South India for purchase of gold.

A feature of Indian demand is its extreme sensitivity to price volatility - this is the country where price factor is of most importance in affecting gold demand.

Over half of demand comes from rural or rural town areas. Demand here is largely traditional. It is affected by incomes and thus the quality of the monsoon is important. In these areas gold is also important as a means of saving - a gold chain or bangle, which can be worn on the person, is considered a relatively safe way of storing wealth.

Gold market in India:

Banks in India sell gold in the form of small bars. Household investors buy gold in small bar forms as an investment. Gold for Jewelry purposes is bought from the jewelers and artisans. There are a few bullion dealers who buy and sell gold in large quantities to and from jewelers.

Gold related instruments can be actively traded in India on the MCX as well as NCDEX exchanges. As per Gold related instruments can be actively traded in India on the MCX as well as NCDEX exchanges. As per directions of the Securities and Exchange board of India, currently the trading timings are from 10.00 am to 11.30 /11.55 pm Monday to Friday. On the expiry date, contracts expiring on that day will not be available for trading after 5.00 pm. However, may vary these timings with due notice. The minimum amount that can be traded is 1 gram. (Source: Commodity seasonal.com. The data is obtained from this site and adapted/edited for the purpose of this document) size

B. What are the investment restrictions?

The following investment limitations and other restrictions, inter-alia, as contained in the Trust Deed and the Regulations apply to the Scheme:

1. The AMC uses a "passive" approach to try and achieve scheme investment objective. The scheme invests in gold as an asset regardless of such investment merit.
2. The scheme shall invest in gold of 0.995 fineness.
3. As per Regulation 44(5)(b), the scheme may invest all its funds in gold in accordance with its investment objectives, except to the extent necessary to meet the liquidity requirements for honouring repurchase or redemptions, as disclosed in the SAI.
4. No loans may be advanced by the Mutual Fund and the Fund shall not borrow except to meet temporary liquidity needs of the Fund for the purpose of repurchase, redemption of Units or payment of interest or

Payout of Income Distribution cum capital withdrawal (IDCW)s to Unitholders, provided the Fund shall not borrow more than 20% of the net assets of the Scheme and the duration of such borrowing shall not exceed a period of six months or as may be permitted by the Regulations from time to time.

5. The Scheme, out of the funds allocated to invest in debt securities, to the extent necessary to meet the liquidity requirements for honouring repurchase or redemptions, may invest in another scheme, under the same AMC or any other mutual fund provided that the aggregate interscheme investments made by all schemes under the same AMC or any other mutual fund shall not exceed 5% of the net assets of the Fund or any other limit as prescribed by the Regulations from time to time. The AMC is not permitted by the Regulations to charge any investment management and advisory services fee on such investments.
6. The Scheme shall not invest in any Fund of Funds Scheme.
7. Wherever investments are intended to be of a long-term nature, the securities shall be purchased or transferred in the name of the Fund, on account of the Scheme concerned.
8. Transfer of investments from one scheme to another scheme, including this scheme, under the Mutual Fund shall be allowed only if:
 - i) Such transfers are done at the prevailing market price for quoted securities on spot basis; explanation - "spot basis" shall have the same meaning as specified by the stock exchange for spot transactions, and
 - ii) The securities so transferred shall be in conformity with the investment objective of the relevant scheme to which such transfer has been made.
 - iii) For meeting liquidity requirement in a scheme in case of unanticipated redemption pressure
 - iv) for Duration/Issuer/Sector/Group rebalancing
9. Pending deployment of funds of a scheme in terms of investment objectives of the scheme, a mutual fund may invest them in short term deposits of schedule commercial banks, subject to Para 12.16 and Para 4.5 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD1/P/CIR/2024/90 dated June 27, 2024, as may be amended from time to time. The AMC shall not charge any investment management and advisory fees for parking of funds in such short-term deposits of scheduled commercial banks for the scheme.

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

C. Fundamental Attributes

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

- (i) Type of the scheme: As mentioned under the heading "Type of the Scheme" of Part I – Sr. No. III
- (ii) Investment Objective: As mentioned under the heading "Investment Objective" of Part I – Sr. No. V
- (iii) Investment Pattern: As mentioned under the heading "How will the scheme allocate its assets" of Part II – A
- (iv) Terms of Issue:
 - a. Liquidity provisions such as listing, repurchase, redemption. Investors may refer Part I and Section II under 'Other Scheme Specific Disclosures' for detailed information on listing, repurchase and redemption.
 - b. Aggregate fees and expenses charged to the scheme. Investors may refer Part III 'Other Details'.
 - c. Any safety net or guarantee provided – Not Applicable

In accordance with Regulation 18(15A) of the SEBI (MF) Regulations, the trustees shall ensure that no change in the fundamental attributes of any scheme, the fees and expenses payable or any other change which would modify the scheme and affect the interest of the unit holders is carried out by the asset management company, unless it complies with sub-regulation (26) of regulation 25 of these regulations.

In accordance with Regulation 25(26) of the SEBI (MF) Regulations, the asset management company shall ensure that no change in the fundamental attributes of any scheme or the trust, fees and expenses payable

or any other change which would modify the scheme and affect the interest of unit holders, shall be carried out unless,

- SEBI has reviewed and provided its comments on the proposal.
- A written communication about the proposed change is sent to each unit holder and an advertisement is issued in one English daily newspaper having nationwide circulation as well as in a newspaper published in the language of region where the Head Office of the mutual fund is situated; and
- The Unitholders are given an option for a period of 30 calendar days to exit at the prevailing Net Asset Value without any exit load

D. Index Methodology:

Not Applicable

E. Principles of incentive structure for market makers

Performance based incentives as and when offered to market marker, shall be disclosed as per SEBI Circular. The same shall be charged within the permissible TER limit.

F. Other Scheme Specific Disclosures:

Listing and transfer of units	Listing: The units of the Scheme are listed on NSE on allotment under intimation to SEBI. It may also list on any other exchanges subsequently. AMC has proposed to engage MM for creating liquidity for ETFs in the stock exchange so that retail investors (investors other than MM and Large Investors) are able to buy or redeem units on the stock exchange using the services of a stockbroker. Transfer of Units: Not Applicable
Dematerialization of units	1. Units of the Scheme will be available in Dematerialized (electronic) form in addition to the account statement. 2. The applicant under the Scheme will be required to have a beneficiary account with a Depository Participant of NSDL/CDSL and will be required to indicate in the application the Depository Participants (DP's) name, DP ID Number and the beneficiary account number of the applicant. 3. Units of the Scheme will be issued, traded and settled compulsorily in dematerialized form.
Minimum Target amount (This is the minimum amount required to operate the scheme and if this is not collected during the NFO period, then all the investors would be refunded the amount invested without any return.)	Not Applicable since it is an ongoing scheme.
Maximum Amount to be raised (if any)	Not Applicable since it is an ongoing scheme.
Dividend Policy (IDCW)	The Scheme does not offer any Plans/Options for investment.

	The AMC/Trustee reserve the right to introduce Option(s) as may be deemed appropriate at a later date.
Allotment (Detailed procedure)	The AMC/ Trustee reserves the right to reject any application inter alia in the absence of fulfillment of any regulatory requirements, fulfillment of any requirements as per the SID, incomplete/incorrect documentation and furnishing necessary information to the satisfaction of the Mutual Fund/AMC and subject to SEBI (MF) Regulations and circulars issued thereunder from time to time. Allotment of units and dispatch of allotment advice to FPI will be subject to RBI approval if required. Investors who have applied in non-depository mode will be entitled to receive the account statement of units within 5 Business Days of the closure of the NFO Period (since the investor can transact only through the exchange after NFO period, they need to convert the units in demat form). For applicants applying through the ASBA mode, on intimation of allotment by CAMS to the banker the investors account shall be debited to the extent of the amount due thereon. On allotment, units will be credited to the Investor's demat account as specified in the ASBA application form. The Units of the Scheme held in the dematerialised form will be fully and freely transferable (subject to lock-in period, if any and subject to lien, if any marked on the units) in accordance with the provisions of SEBI (Depositories and Participants) Regulations, 1996 as may be amended from time to time and as stated in Para 14.4.4 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024. Further, for the procedure of release of lien, the investors shall contact their respective DP. Also, when a person becomes a holder of the units by operation of law or upon enforcement of pledge, then the AMC shall, subject to production/submission of such satisfactory evidence, which in its opinion is sufficient, effect the transfer, if the intended transferee is otherwise eligible to hold the units.

Refund	If application is rejected, full amount will be refunded within 5 working days of closure of NFO. If refunded later than 5 working days @ 15% p.a. for delay period will be paid and charged to the AMC.
Who can invest This is an indicative list and investors shall consult their financial advisor to ascertain whether the scheme is suitable to their risk profile.	The following are eligible to apply for purchase of the Units: • Resident Indian Adult Individuals, either singly or jointly (not exceeding three). • Parents/Lawful guardians on behalf of Minors. • Companies, corporate bodies, registered in India. • Registered Societies and Co-operative Societies authorised to invest in such Units. • Public sector undertakings, public/Statutory corporations subject to general or specific permissions granted to them by the Central/State governments from time to time. • Religious and Charitable Trusts under the provisions of 11(5) of the Income Tax Act, 1961 read with Rule 17C of the Income Tax Rules, 1962. • Trustees of private trusts authorised to invest in mutual fund schemes under their trust deeds. • Partner(s) of Partnership Firms. • Association of Persons or Body of Individuals, whether incorporated or not. • Hindu Undivided Families (HUFs). • Banks (including Co-operative Banks and Regional Rural Banks) and Financial Institutions and Investment Institutions. • Non-Resident Indians/Persons of Indian origin resident abroad (NRIs) on full repatriation or non-repatriation basis. • Other Mutual Funds registered with SEBI. • Foreign Portfolio Investors (FPIs) or sub-accounts of FPI's registered with SEBI. • International Multilateral Agencies approved by the Government of India. • Army/Navy/Air Force, Para-Military Units and other eligible institutions. • Scientific and Industrial Research Organizations. • Provident/Pension/Gratuity and such other Funds as and when permitted to invest. • Public Financial Institution as defined under the Companies Act 2013. • Foreign Portfolio Investor • Universities and Educational Institutions. • Other schemes of Kotak Mahindra Mutual Fund may, subject to the conditions and limits prescribed in the SEBI Regulations and/or by the Trustee, AMC or Sponsor, subscribe to the Units under the Scheme.

	The list given above is indicative and the applicable law, if any, shall supersede the list.
Who cannot invest	Acceptance of Subscriptions from U.S. Persons and Residents of Canada w.e.f. November 17, 2016: - The Scheme shall not accept subscriptions from U.S. Persons and Residents of Canada, except where transaction request received from Non – resident Indian (NRIs) / Persons of Indian Origin (PIO) who at the time of investment are present in India and submit physical transaction request along with such declarations / documents as may be prescribed by Kotak Mahindra Asset Management Company Ltd and Kotak Mahindra Trustee Company Ltd. The AMC shall accept such investments subject to the applicable laws and such other terms and conditions as may be notified by the AMC/ Trustee Company. The investor shall be responsible for complying with all the applicable laws for such investments. The AMC reserves the right to put the transaction request on hold/reject the transaction request, or reverse the units allotted, as the case may be, as and when identified by the AMC, which are not in compliance with the terms and conditions notified in this regard. The Trustee/AMC reserves the right to change/modify the provisions mentioned above at a later date.
How to Apply and other details	For Market Makers & Large Participants Application form and Key Information Memorandum may be obtained from the offices of AMC or Investor Service Centres (ISCs)/Official Points of Acceptance (OPAs) of the Registrar or distributors or downloaded from www.kotakmf.com. Investors are also advised to refer to Statement of Additional Information before submitting the application form. The list of the Investor Service Centres (ISCs)/Official Points of Acceptance (OPAs) of the Mutual Fund will be available on the website www.kotakmf.com. Purchase from Stock Exchanges (applicable for Market Makers, Large Investors and other investor). An investor can buy units of the Scheme on a continuous basis on the national stock exchange and other recognised stock exchanges where the Scheme units are listed and traded like any other publicly traded securities at prices which may be close to the actual NAV of the Scheme. There is no load for investors transacting on the stock exchange. However, there would be cost of brokerage and other transactions costs (like stamp duty) payable to broker or sub-broker of the exchange.

	The AMC/ Trustee reserves the right to reject any application inter alia in the absence of fulfillment of any regulatory requirements, fulfillment of any requirements as per the SID, incomplete/incorrect documentation and not furnishing necessary information to the satisfaction of the Mutual Fund/AMC. Any application may be accepted or rejected at the sole and absolute discretion of the Trustee. All cheques and drafts should be crossed "Account Payee Only" and drawn in favour of “Kotak Gold ETF”. The investors can submit the Application forms and Key Information Memorandum (along with transaction slip)/ forms for redemption/ switches at the branches of AMC or Investor Service Centres (ISCs)/Official Points of Acceptance (OPAs) of the Registrar (CAMS) or distributors or on the website of Kotak Mahindra Mutual Fund (www.kotakmf.com). Investors are also advised to refer to Statement of Additional Information before submitting the application form. For Further details refer section II.
The policy regarding reissue of repurchased units, including the maximum extent, the manner of reissue, the entity (the scheme or the AMC) involved in the same.	Not Applicable
Restrictions, if any, on the right to freely retain or dispose of units being offered.	Units which are held in demat form shall be freely transferable under the depository system.
Cut off timing for subscriptions/ redemptions/ switches This is the time before which your application (complete in all respects) should reach the official points of acceptance.	For Purchase/ Redemption directly from the fund on any business day: - upto 3.00 p.m. on a business day, the NAV of such business day. - After 3.00 p.m. on a business day, the NAV of the following business day. Pursuant to para 3.6.2 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, the aforesaid cut off timing shall not be applicable for direct transaction with AMCs by MM and other eligible investors. Technical issues when transactions are processed through online facilities/ electronic modes. The time of transaction done through various online facilities / electronic modes offered by the AMC, for the purpose of determining the applicability of NAV, would be the time

	when the request for purchase / SIP/ sale / switch of units is received in the servers of AMC/RTA. In case of transactions through online facilities / electronic modes, there may be a time lag of few seconds or upto 1-7 banking days between the amount of subscription being debited to investor's bank account and the subsequent credit into the respective Scheme's bank account. This lag may impact the applicability of NAV for transactions where NAV is to be applied, based on actual realization of funds by the Scheme. Under no circumstances will Kotak Asset Management Company Limited or its bankers or its service providers be liable for any lag / delay in realization of funds and consequent pricing of units. The AMC has the right to amend cut off timings subject to SEBI (MF) Regulations for the smooth and efficient functioning of the Scheme. Representation of SIP transaction which have failed due to technical reasons will also follow same rule.
Minimum amount for purchase/redemption/switches (mention the provisions for ETFs, as may be applicable, for direct subscription/redemption with AMC.)	Creation/Redemption of units in Creation Unit Size by Exchanging Portfolio Deposit: The Fund creates / redeems the scheme units in large size known as "Creation Unit". The value of the "Creation Unit" is 115000 units & each unit of Kotak Gold ETF will be 1/100th of 1 gram or in multiple thereof called as the "Portfolio Deposit" and a "Cash Component" which will be exchanged for corresponding number of units. The Portfolio Deposit and Cash Component may change from time to time and will be announced by Fund on its website. Minimum Redemption Amount: • All investors including Market Makers, Large Investors and other investors may sell their units in the stock exchange(s) on which these units are listed on all trading days of the stock exchange • Mutual Fund will repurchase units from Market Makers on any business day in creation size units. In certain circumstances, the AMC may allow Large investors to sell units in creation unit size directly to the AMC at applicable NAV and other transaction handling charges. • In case a Redemption / Switch-out request received is for both, a specified rupee amount and a specified number of Units of the respective Plan(s)/ Option(s), the specified amount will be considered the definitive request. In case the value / number of available units held in the Unit holder's folio / account under the Plan / Option of the Scheme is less than the amount / number of units specified in the redemption / switch-out request, then the available units/ amount available in the respective Scheme(s)/ Plan(s)/ Option(s) transaction shall be processed

Accounts Statements	The depository participant with whom the unitholder has a depository account will send a statement of transactions in accordance with the byelaws of the depository which will contain the details of transaction of units. Allotment of units and dispatch of Allotment Advice to FIIs will be subject to RBI approval, if required. Units allotted under this scheme are transferable subject to the provisions of the Depositories Act, SEBI (Depository and Depository Participant) Regulations, 1996 and other applicable provisions. Note: The fund house may not furnish separate accounts statement to the unitholders since the statement of accounts furnished by depository participant will contain the details of transactions in these units. Pursuant to Para 14.4 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD1/P/CIR/2024/90 dated June 27, 2024, the investor whose transaction has been accepted by Kotak Mahindra Asset Management Company Ltd. / Kotak Mahindra Mutual Fund shall receive the following: 1. The AMC shall send an allotment confirmation specifying the units allotted by way of email and/or SMS within 5 Business Days of receipt of valid application/transaction to the Unit holders registered e-mail address and/ or mobile number (whether units are held in demat mode or in account statement form). 2. The holding(s) of the beneficiary account holder for units held in demat mode will be shown in the statement issued by respective Depository Participants (DPs) periodically. 3. A consolidated account statement (CAS) for each calendar month on or before 15th of the succeeding month shall be sent by email (wherever investor has provided email id) or physical account statement where investor has not provided email id., across the schemes of the mutual funds, to all the investors in whose folio(s) transaction(s) has/have taken place during the month. The same shall be sent by the AMC or by the Agencies appointed by the AMC for non demat unit holders. 4. For the purpose of sending CAS, common investors across mutual funds shall be identified by their Permanent Account Number (PAN). 5. The CAS will not be received by the investors for the folio(s) not updated with PAN details. The Unit holders
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	are therefore requested to ensure that the folio(s) are updated with their PAN and email id. Such investors will get monthly account statement from Kotak Mahindra Mutual Fund in respect of transactions carried out in the schemes of Kotak Mahindra Mutual Fund during the month. 6. Pursuant to SEBI Circular no. CIR /MRD /DP /31/2014 dated November 12, 2014 requiring Depositories to generate and dispatch a single consolidated account statement for investors having mutual fund investments and holding demat accounts, the following modifications are made to the existing guidelines on issuance of CAS. ▪ Such Investors shall receive a single Consolidated Account Statement (CAS) from the Depository. ▪ Consolidation shall be done on the basis of Permanent Account Number (PAN). In case of multiple holding, it shall be PAN of the first holder and pattern of holding. ▪ In case an investor has multiple accounts across two depositories, the depository with whom the Demat account has been opened earlier will be the default depository which will consolidate the details across depositories and MF investments and dispatch the CAS to the investor. ▪ The CAS will be generated on monthly basis. ▪ If there is any transaction in any of the Demat accounts of the investor or in any of his mutual fund folios, depositories shall send the CAS within fifteen days from the month end. In case, there is no transaction in any of the mutual fund folios and demat accounts, then CAS with holding details shall be sent to the investor on half yearly basis. ▪ The dispatch of CAS by the depositories shall constitute compliance by Kotak AMC/ Kotak Mahindra Mutual Fund with the requirements under Regulation 36(4) of SEBI (Mutual Funds) Regulations, 1996 ▪ Further, a consolidated account statement shall be sent by Depositories every half yearly (September/March), on or before 21st day of succeeding month, providing the following information: - holding at the end of the six month - The amount of actual commission paid by AMCs/Mutual Funds (MFs) to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each MF scheme. The term 'commission' here refers to all direct monetary payments and other payments made in the form of gifts / rewards, trips, event sponsorships
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	etc. by AMCs/MFs to distributors. Further, a mention may be made in such CAS indicating that the commission disclosed is gross commission and does not exclude costs incurred by distributors such as Goods and Services tax (wherever applicable, as per existing rates), operating expenses, etc. The scheme's average Total Expense Ratio (in percentage terms) along with the break up between Investment and Advisory fees, Commission paid to the distributor and Other expenses for the period for each scheme's applicable plan (regular or direct or both) where the concerned investor has actually invested in 7. Such half-yearly CAS shall be issued to all MF investors, excluding those investors who do not have any holdings in MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period. 8. In case of a specific request is received from the investors, Kotak Mahindra Asset Management Company Ltd./ Kotak Mahindra Mutual Fund will provide the physical account statement to the investors. 9. For Unitholders who have provided an e-mail address in KYC records, the CAS will be sent by e-mail. 10. Any discrepancy in the Account Statement should be brought to the notice of the Fund/AMC immediately. Contents of the Account Statement will be deemed to be correct if no error is reported within 30 days from the date of Account Statement. Half Yearly Account Statement: • Asset management company will send consolidated account statement every half yearly (September/ March), on or before twenty first day of succeeding month, detailing holding at the end of the six month, across all schemes of all mutual funds, to all such investors in whose folios no transaction has taken place during that period. The Account Statement shall reflect the latest closing balance and value of the Units prior to the date of generation of the account statement. • The Account Statement shall reflect - holding at the end of the six month - The amount of actual commission paid by AMCs/Mutual Funds (MFs) to distributors (in absolute terms) during the half-year period against the concerned investor's total investments in each MF scheme. The term 'commission' here refers to all direct monetary payments and other payments made in the form of gifts / rewards, trips, event sponsorships etc. by AMCs/MFs to distributors. Further, a mention may be made in such CAS indicating that the
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	commission disclosed is gross commission and does not exclude costs incurred by distributors such as Goods and Services tax (wherever applicable, as per existing rates), operating expenses, etc. • The scheme's average Total Expense Ratio (in percentage terms) along with the break up between Investment and Advisory fees, Commission paid to the distributor and Other expenses for the period for each scheme's applicable plan (regular or direct or both) where the concerned investor has actually invested in Such half-yearly CAS shall be issued to all MF investors, excluding those investors who do not have any holdings in MF schemes and where no commission against their investment has been paid to distributors, during the concerned half-year period. • The account statements in such cases may be generated and issued along with the Portfolio Statement or Annual Report of the Scheme. • Alternately, soft copy of the account statements shall be mailed to the investors' e-mail address, instead of physical statement, if so mandated. "Transaction" shall include purchase, redemption, switch, Payout of Income Distribution cum capital withdrawal option (IDCW), Reinvestment of Income Distribution cum capital withdrawal option (IDCW), systematic investment plan, systematic withdrawal plan, systematic transfer plan and bonus transactions.
Dividend/ IDCW	The Scheme does not offer any Plans/Options for investment. The AMC/Trustee reserve the right to introduce Option(s) as may be deemed appropriate at a later date.
Redemption	MM/LI may submit Redemption request transaction form prescribed by the AMC enclosed with redemption request slip used in the depository system duly acknowledged by the depository participant with which MM/LI has a depository account. Redemption proceeds in the form of basket of securities included in the underlying Index in the same proportion will be credited to the designated DP account of the MM/LI. Any fractions in the number of securities transferable to MM/LI will be rounded off to the lower integer and the value of the fractions will be added to the cash component payable. Applicable cash component will be recovered along with necessary transaction handling charges Payment of proceeds in cash: The Fund at its discretion may accept the request of MM/LI for payment of redemption proceeds in cash in creation unit size or in multiples thereof. Such investors shall submit Redemption request transaction form prescribed by the AMC enclosed with redemption

	request slip used in the depository system duly acknowledged by the depository participant with which MM/LI has a depository account. whereupon the Fund will arrange to sell underlying portfolio securities on behalf of the investor. Accordingly, the sale proceeds at the actual execution price of the underlying portfolio, after adjusting necessary transaction handling charges/costs and applicable cash component, will be remitted to the investor. The number of Units so redeemed will be subtracted from the unitholder's account balance (DP) and a statement to this effect will be issued to the unitholder by depository. Redemption cheques will generally be sent to the Unitholder's address, (or, if there is more than one joint holder, the address of the first-named holder) when the unit balance is confirmed with the records of the depository, not later than 3 (Three) Working Days from the date of receipt of redemption requests. In accordance to Para 14.1 and 14.2 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD1/P/CIR/2024/90 dated June 27, 2024, in exceptional situations mentioned below, the scheme shall be allowed additional timelines for transfer of redemption or repurchase proceeds to the unitholders.						
	<table><tr><th>Sr. No.</th><th>Exceptional Situations</th><th>Additional Timelines allowed</th></tr><tr><td>(i)</td><td> Payment of redemption proceeds through physical instruments (cheque / DD) where electronic fund transfer is not possible (such as old / non-Core Banking account / IFSC non-available records / IMPS failed records for reasons like name mismatch*, technical error / Investor Bank not participating in Electronic Fund transfers or failure of electronic credit for any reason which are at the bank's end. <i>* Name mismatch typically occurs where the bank account is held jointly, but the 1st holder in MF Folio may not be first holder in</i> </td><td>Additional 2 working days</td></tr></table>	Sr. No.	Exceptional Situations	Additional Timelines allowed	(i)	Payment of redemption proceeds through physical instruments (cheque / DD) where electronic fund transfer is not possible (such as old / non-Core Banking account / IFSC non-available records / IMPS failed records for reasons like name mismatch*, technical error / Investor Bank not participating in Electronic Fund transfers or failure of electronic credit for any reason which are at the bank's end. <i>* Name mismatch typically occurs where the bank account is held jointly, but the 1st holder in MF Folio may not be first holder in</i>	Additional 2 working days
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		<i>the bank account or the investor's name in MF folio and his/her bank account may not be exactly identical e.g., MF folio is held by A+B, but the bank account is in the name of B +A; OR the name as per bank a/c & MF folio are recorded a bit differently e.g.,</i> <i>(i) Given Name + Middle Name + Surname</i> <i>(ii) Given Name + Surname</i> <i>(iii) Surname + Given Name etc.</i> <i>Note: When payment is made through cheque / DD, the investor's bank account details registered with the RTA shall be printed on the cheque/DD, so that the amount is paid only through the investor's bank account to mitigate the risk of fraudulent encashment.</i>	
	(ii)	On such days, where it is a bank holiday in some or all the states, but a business day for the stock exchanges.	Additional 1 working day following the bank holiday(s) in the State where the investor has bank account.
	(iii)	Exceptional circumstances such as sudden declaration of a business day as a holiday or as a non- business day due to any unexpected reason / Force Majeure events.	In all such exceptional situations, the timelines prescribed in SEBI circular dated November 25, 2022 shall be counted from the date the situation becomes normal.
	(iv)	In all such cases where a request for Change of Bank account has been received just prior to (upto 10 days prior) OR simultaneously	In all such cases, the AMCs / RTAs can make the redemption payment after the

		with redemption request.	cooling off period of 10 days from the date of receipt of COBM. The redemption transaction shall be processed as per the applicable NAV on the basis time stamp. The credit may either be given in the existing bank account or the new bank account post due diligence within 1 working day after cooling off period.
	(v)	Need for additional due diligence in instances such as Transmission reported in one fund, but not in the current fund, proceedings by Income Tax authorities, Folio under lock/bank lien etc.	Additional 3 working days
	Redemption proceeds may also be paid to the Unitholder in any other manner like through ECS, direct credit, RTGS, etc as the AMC may decide, from time to time, for the smooth and the efficient functioning of the Scheme. Note: The mutual fund will rely on the address and the bank account details recorded in the depository system. Any changes to the address and bank account details can be made only through the depository system.		
Bank Mandate	As per the directives issued by SEBI it is mandatory for an investor to declare his/her bank account number. To safeguard the interest of Unitholders from loss or theft of their refund orders/redemption cheques, investors are requested to provide their bank details in the Application Form. In case an existing Unitholder is submitting a request for Change in his Bank Details, he needs to submit an old and new bank account. In absence of the same, the request for		

	Change in Bank Mandate is liable to be rejected. Investors have an option of registering their bank accounts, by submitting the necessary forms & documents. At the time of redemption, investors can select the bank account to receive the amount.
Delay in payment of redemption / repurchase proceeds/dividend	The Asset Management Company shall be liable to pay interest to the unitholders at rate as specified vide clause 14.2 of SEBI Master Circular for Mutual Funds dated June 27, 2024 by SEBI for the period of such delay
Unclaimed Redemption and Income Distribution cum Capital Withdrawal Amount	In accordance with Para 14.3 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD1/P/CIR/2024/90 dated June 27, 2024, the unclaimed Redemption amount and IDCW amount that are currently allowed to be deployed by the Mutual Fund only in call money market or money market Instruments, shall also be allowed to be invested in a separate plan of only Overnight scheme / Liquid scheme / Money Market Mutual Fund scheme floated by Mutual Funds specifically for deployment of the unclaimed amounts. Provided that such schemes where the unclaimed redemption and IDCW amounts are deployed shall be only those Liquid scheme / Money Market Mutual Fund schemes which are placed in A-1 cell (Relatively Low Interest Rate Risk and Relatively Low Credit Risk) of Potential Risk Class matrix as per para 17.5 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD1/P/CIR/2024/90 dated June 27, 2024. AMCs shall not be permitted to charge any exit load in this plan and TER (Total Expense Ratio) of such plan shall be capped as per the TER of direct plan of such scheme or at 50bps whichever is lower. Investors who claim these amounts during a period of three years from the due date shall be paid initial unclaimed amount along with the income earned on its deployment. Investors who claim these amounts after 3 years, shall be paid initial unclaimed amount along with the income earned on its deployment till the end of the third year. After the third year, the income earned on such unclaimed amounts shall be used for the purpose of investor education. AMC shall play a proactive role in tracing the rightful owner of the unclaimed amounts considering the steps suggested by regulator vide the referred circular.
Disclosure w.r.t investment by minors	As per Para 17.6 of SEBI Master Circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, the following Process for Investments in the name of a Minor through a Guardian will be applicable: Payment for investment by any mode shall be accepted from the bank account of the minor, parent or legal guardian of the minor, or from a joint account of the

	minor with parent or legal guardian. For existing folios, the AMCs shall insist upon a Change of Pay-out Bank mandate before redemption is processed. b. Redemption proceeds shall be credited only in verified bank account of the minor, i.e the account the minor may hold with the parent/legal guardian after completing KYC formalities. c. Upon the minor attaining the status of major, the minor in whose name the investment was made, shall be required to provide all the KYC details, updated bank account details including cancelled original cheque leaf of the new account. No further transactions shall be allowed till the status of the minor is changed to major. d. AMCs shall build a system control at the account set up stage of Systematic Investment Plan (SIP), Systematic Transfer Plan (STP) and Systematic Withdrawal Plan (SWP) on the basis of which, the standing instruction is suspended when the minor attains majority, till the status is changed to major. Please refer SAI for detailed process on investments made in the name of a Minor through a Guardian and Transmission of Units.
Creation unit size	Creation Unit is fixed number of units of the Scheme, which is exchanged for a basket of securities underlying the index called the Portfolio Deposit and a Cash Component equal to the value of 1,15,000 units of the Scheme or cash equal to the value of 1,15,000 units of the scheme. For redemption of units it is vice versa i.e. fixed number of units of Scheme are exchanged for Portfolio Deposit and Cash Component or cash equal to the value of 1,15,000 units of the scheme. The Portfolio Deposit and Cash Component will change from time Each creation unit consists of 1,15,000 units of Kotak Gold ETF. Each unit of Kotak Gold ETF will be 1/100th of 1 gram of physical Gold or in multiple thereof. The creation unit size may be changed by the AMC at their discretion and the notice of the same shall be published on AMC's website.
Procedure for Purchase and Redemption of Units	The following three types of investors may subscribe to the units of the scheme. There are some restrictions on their dealing with the Fund directly during the continuous offer as explained below: 1. Market Makers (MM): MM is an entity engaged by AMC to provide continuous liquidity on the stock

	exchange platform. MM may buy and redeem units in creation unit size or in multiples thereof directly from the Fund on any business day. AMCs shall facilitate in-kind creation and redemption of units of ETFs (including Debt ETFs) by MMs on a best effort basis. 2. Large Investors (LI): LI may buy and redeem units in transaction value greater than Rs.25 crores or such other amount as may be specified by SEBI from time to time and in creation unit size or in multiples thereof directly from the Fund on any business day as and when permitted by the AMC. 3. Other Investors: Investors other than MM and LI may buy or sell units of the ETF Scheme from the stock market only, on an ongoing basis except in situations mentioned under 'Exit opportunity in case of ETF for investors other than Market Makers and Large Investors' in the SID. <u>Market Making Settlement Process</u> i) Market making settlement process would enable net settlement between cash leg of transactions in units of ETF by the MM and consequent transaction in underlying basket by the ETF. ii) MMs shall be permitted to transact in the basket of securities underlying the ETF against equivalent transactions in units of ETFs and transfer the net obligation of such transactions to the ETF for unit creation or redemption. The AMCs shall be allowed to create or redeem units of ETFs without upfront payment of 100% value of such units or upfront delivery of such units by the MMs, respectively. iii) The above mechanism shall be permitted subject to equivalent transactions in units and underlying basket for the same settlement cycle and confirmation of both the legs by the Custodian. iv) For the above mechanism ETFs shall be allowed to buy or sell their own units, without the same forming part of the asset allocation of the scheme v) Facilitation of the above mechanism for equity ETFs shall be at the discretion of the AMC. 1. Requirement of Demat account for investing in the scheme. The applicant under the Scheme will be required to have a beneficiary account with a Depository Participant of NSDL/CDSL and will be required to indicate in the
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	application the Depository Participants (DP's) name, DP ID Number and the beneficiary account number of the applicant. 2. Procedure for Purchase/Redemption of Units directly from the Fund: Only Market Makers/Large Investors can purchase or redeem unit directly from the Fund as per the procedure given below: a. Creation/Redemption of units in Creation Unit Size by Exchanging Portfolio Deposit The Fund creates / redeems the scheme units in large size known as “Creation Unit”. The value of the “Creation Unit” of the ETF Scheme or in multiple thereof called as the “Portfolio Deposit” and a “Cash Component” which will be exchanged for corresponding number of units. The Portfolio Deposit and Cash Component may change from time to time and will be announced by Fund on its website. Portfolio deposit shall be made into a pre-designated depository account. AMC may, at its sole discretion, create units of the Scheme in ‘Creation Unit’ size in “Cash”. Large investors may buy and redeem units in transaction value greater than Rs.25 crores or such other amount as may be specified by SEBI from time to time and in creation unit size directly from the Fund. b. Procedure for Creating Scheme’s units in Creation Unit Size <u>Subscription in-kind (portfolio deposit)</u> MM/LI may deposit requisite basket of securities comprising underlying benchmark constituting the Portfolio Deposit and Cash component. The requisite securities constituting the Portfolio Deposit have to be transferred to the designated depository account of the scheme while the Cash Component along with transaction handling charges has to be paid to the AMC based on the request by MM/LI by way of a cheque or any other mode of payment. The AMC will have the corresponding number of units credited to the depository account of the MM/LI. <u>Subscription in cash</u> Subscription of the ETF Units in Creation Unit Size may be made by MM / LI on payment of requisite Cash (through cheque or other modes of payment), as determined by the AMC equivalent to the cost incurred towards the purchase of predefined basket of securities that represent the Underlying Index (i.e. Portfolio
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	Deposit), Cash Component and transaction handling charges, if any. Units may be allotted only on realization of the full consideration for creation unit and at the value at which the underlying stocks for the creation unit is purchased against that purchase request. The AMC will have the corresponding number of units credited to the depository account of the MM/LI. c. Procedure for Redeeming Scheme's units in Creation Unit Size <u>Redemption in-kind (portfolio deposit):</u> MM/LI may submit Redemption request transaction form prescribed by the AMC enclosed with redemption request slip used in the depository system duly acknowledged by the depository participant with which MM/LI has a depository account. Redemption proceeds in the form of basket of securities included in the underlying index in the same proportion will be credited to the designated DP account of the MM/LI. Any fractions in the number of securities transferable to MM/LI will be rounded off to the lower integer and the value of the fractions will be added to the cash component payable. Applicable cash component will be recovered along with necessary transaction handling charges. <u>Redemption in cash:</u> The Fund at its discretion may accept the request of MM/LI for payment of redemption proceeds in cash in creation unit size or in multiples thereof. Such investors shall submit Redemption request transaction form prescribed by the AMC enclosed with redemption request slip used in the depository system duly acknowledged by the depository participant with which MM/LI has a depository account. whereupon the Fund will arrange to sell underlying portfolio securities on behalf of the investor. Accordingly, the sale proceeds at the actual execution price of the underlying portfolio, after adjusting necessary transaction handling charges/costs and applicable cash component, will be remitted to the investor. The number of Units so redeemed will be subtracted from the unitholder's account balance (DP) and a statement to this effect will be issued to the unitholder by depository. d. Redemption method: • Unitholder (large investor or authorized participant) may submit to any of the offices of AMC Redemption request Form enclosed with a
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	copy of redemption request duly acknowledged by the depository participant. • The depository participant will process the request and forward the same to Registrar to the Scheme in the normal course. • The time taken for confirmation of repurchase of units is dependent upon the timelines and procedures of depositories. • Redemption proceeds in the form of Portfolio of securities will be transferred to the demat account of the unit holder within three days of confirmation with the depository records or the sale proceeds at the actual execution price of the underlying portfolio, after adjusting necessary transaction handling charges/costs and applicable cash component, will be remitted to the unit holder. e. Buying /Selling through the Stock Exchange Buying / Selling units on the stock exchange is just like buying / selling any other normal listed securities. If an investor has bought units, an investor has to pay the purchase amount to the broker / sub-broker such that the amount paid is realised before the funds pay-in day of the settlement cycle on the exchange. If an investor has sold units, an investor has to deliver the units to the broker/sub-broker before the securities pay-in day of the settlement cycle on the exchange. The units (in case of units bought) and the funds (in the case of units sold) are paid out to the broker on the payout day of the settlement cycle on the exchange. The trading member would pay the money or deliver the units to the investor in accordance with time prescribed by the stock exchange regulations. If an investor has bought units, he should give standing instructions for 'Delivery-In' to his/her DP for accepting units in his/her beneficiary account. An investor should give the details of his/her beneficiary account and the DP-ID of his/her DP to his/her trading member. The trading member will transfer the units directly to his/her beneficiary account on receipt of the same from exchange's clearing corporation. An investor who has sold units should instruct his/her Depository Participant (DP) to give 'Delivery Out' instructions to transfer the units from his/her trading member through whom he/she have sold the units. The details of the pool A/c of his/her trading member to which the units are to be transferred, unit quantity etc. should be mentioned in the delivery out
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	instructions given by him/her to the DP. The instructions should be given well before the prescribed securities pay-in day. SEBI has advised that the delivery out instructions should be given atleast 24 hours prior to the cut off time for the prescribed securities pay in to avoid any rejection of instructions due to data entry errors, network problems, etc. a.Exit opportunity in case of ETF for investors other than Market Makers and Large Investors: Investors other than Market Makers and Large Investors can directly approach the AMC for redemption of units of ETFs, for transaction of upto INR 25 crores or such other amount as may be specified by SEBI from time to time without any exit load or such other amount as may be specified by SEBI from time to time, in case of the following scenarios: a. Traded price (closing price) of the ETF units is at discount of more than 1% to the day end NAV for 7 continuous trading days, or b. No quotes are available on stock exchanges for 3 consecutive trading days, or c. Total bid size on the exchange is less than half of creation units size daily, averaged over a period of 7 consecutive trading days. In such a scenario valid application received from investors for redemption upto 3 p.m. on any trading day, shall be processed by the AMC at the closing NAV of the day. Such instances shall be tracked by the AMC on an ongoing basis and incase if any of the above-mentioned scenario arises the same shall be disclosed on the website of the AMC. The above procedure relating to purchase and sale of units by different types of investors/participants in the scheme is tabulated for easy reference <table><tr><th>Type of investor and transaction details</th><th>Sale of units by Mutual Fund</th><th>Redemption of units by unit holders</th></tr><tr><td>During Continuous offer</td><td></td><td></td></tr><tr><td>Market Maker/ Authorized Participants</td><td>Any business day in creation unit or in</td><td>Any business day in creation unit or in multiples thereof * Size</td></tr></table>	Type of investor and transaction details	Sale of units by Mutual Fund	Redemption of units by unit holders	During Continuous offer			Market Maker/ Authorized Participants	Any business day in creation unit or in	Any business day in creation unit or in multiples thereof * Size
Type of investor and transaction details	Sale of units by Mutual Fund	Redemption of units by unit holders								
During Continuous offer										
Market Maker/ Authorized Participants	Any business day in creation unit or in	Any business day in creation unit or in multiples thereof * Size								

	Large Investor	multiples thereof * Size at applicable NAV and transaction handling charges. Any business day in creation unit or in multiples thereof * Size at applicable NAV and transaction handling charges. (Any Transaction placed for redemption or subscription directly with the AMC must be greater than INR 25 crores or such other amount as may be specified by SEBI from time to time.) Only through stock exchange	Any business day in creation unit or in multiples thereof * Size (Any Transaction placed for redemption or subscription directly with the AMC must be greater than INR 25 crores or such other amount as may be specified by SEBI from time to time.) Only through stock exchange
	Other investors	Any business day in creation unit or in multiples thereof * Size at applicable NAV and transaction handling charges. (Any Transaction placed for redemption or subscription directly with the AMC must be greater than INR 25 crores or such other amount as may be specified by SEBI from time to time) Only through stock exchange	
	Role of Market Maker	Gives two-way quotes in the secondary market. Stands as a seller for a buy order.	Gives two-way quotes in the secondary market. Stands as a buyer against a sell order.
	Role of large investor	Only an investor – no	-

		other role in the scheme operations.	
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III. OTHER DETAILS

A. Periodic Disclosures

Monthly and Half yearly Disclosures: Portfolio / Financial Results This is a list of securities where the corpus of the scheme is currently invested. The market value of these investments is also stated in portfolio disclosures.	The Mutual Funds/ AMCs, shall disclose portfolio (along with ISIN) as on monthly, half-yearly basis for all the schemes on the website of the Kotak Mahindra Mutual Fund viz. www.kotakmf.com and on the website of AMFI (www.amfiindia.com) within 10 days from the close of each month/ half-year respectively in a user-friendly and downloadable spreadsheet format. The link for the mentioned disclosures – https://www.kotakmf.com/Information/statutory-disclosure/information In accordance with Para 5.1 and 5.3 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD1/P/CIR/2024/90 dated June 27, 2024 ,unitholders whose e-mail addresses are registered, Mutual Funds/AMC shall send the details of the scheme portfolio including the scheme risk-o-meter, name of benchmark and risk-o-meter of benchmark while communicating the fortnightly, monthly and half-yearly statement of scheme portfolio via email within 5 days of every fortnight for debt schemes, 10 days from the close of each month for other schemes and 10 days from the close of half-year for all schemes. AMCs shall provide a link to investors to their registered email to enable the investor to directly view/download only the portfolio of schemes subscribed by the said investor. The Mutual Fund / AMC shall provide a physical copy of statement of its scheme portfolio, without charging any cost, on specific request received from a unit holder. An advertisement shall be published every half-year disclosing the hosting of the half-yearly statement of the schemes on website of Kotak Mahindra Mutual Fund and on the website of AMFI and the modes such as SMS, telephone, email or written request (letter) through which a unitholder can submit a request for a physical or electronic copy of the statement of scheme portfolio. Such advertisement shall be published in the all India edition of at least two daily newspapers, one each in English and Hindi.
Monthly Disclosures	The scheme shall disclose the following on monthly basis: i. Name and exposure to top 7 issuers and stocks respectively as a percentage of NAV of the scheme ii. Name and exposure to top 7 groups as a percentage of NAV of the scheme. iii. Name and exposure to top 4 sectors as a percentage of NAV of the scheme. Change in constituents of the index, if any, shall be disclosed on the AMC website on the day of change.
Half Yearly Results	The soft copy of unaudited financial results shall within one month from the close of each half year i.e. 31st of March and the 30th of September, be hosted on the website kotakmf.com and will be sent to AMFI for posting on its website www.amfiindia.com. The link for the mentioned disclosures –

	https://www.kotakmf.com/Information/statutory-disclosure/financials Also, an advertisement of hosting of the unaudited results shall be published in one English daily newspaper circulating in the whole of India and in a newspaper published in the language of the region where the Head Office of the Mutual Fund is situated.
Annual Report	Pursuant to Regulation 56 of SEBI (Mutual Funds) Regulations, 1996 read with Para 5.4 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD1/P/CIR/2024/90 dated June 27, 2024 and SEBI Mutual Fund (Second Amendment) Regulation 2018, the scheme wise annual report or abridged summary thereof will be hosted on the website in machine readable format of Kotak Mahindra Mutual Fund viz. www.kotakmf.com and on the website of AMFI, immediately after approval in Annual General Meetings within a period of four months, from the date of closing of the financial year (31st March). The AMC's shall display the link prominently on the website of the Kotak Mahindra Mutual Fund viz. www.kotakmf.com and make the physical copies available to the unitholders, at their registered offices at all times. Unit holders whose e-mail addresses are not registered will have to specifically 'opt in' to receive physical copy of scheme wise annual report or abridged summary thereof. The unit holders may request for a physical copy of scheme annual reports at a nominal price and the text of the relevant scheme by writing to the Kotak Mahindra Asset Management Company Ltd. / Investor Service Centre / Registrar & Transfer Agents. The Mutual Fund / AMC shall provide a physical copy of abridged report of the annual report, without charging any cost, on specific request received from a unit holder. An advertisement shall be published every year disclosing the hosting of the scheme wise annual report on website of Kotak Mahindra Mutual Fund and on the website of AMFI and the modes such as SMS, telephone, email or written request (letter) through which a unitholder can submit a request for a physical or electronic copy of the scheme wise annual report or abridged summary thereof. Such advertisement shall be published in the all India edition of at least two daily newspapers, one each in English and Hindi. The link for the mentioned disclosures - https://www.kotakmf.com/Information/statutory-disclosure/financials
Scheme Summary Document (SSD)	In accordance with SEBI letter dated December 28, 2021 and AMFI emails dated March 16, 2022 and March 25, 2022, Scheme summary document for all schemes of Kotak Mahindra Mutual Fund in the requisite format (pdf, spreadsheet and machine readable format) shall be uploaded on a monthly basis i.e. 15th of every month or within 5 working days from the date of any change or modification in the scheme information on the website of Kotak Mahindra Mutual Fund i.e. www.kotakmf.com, AMFI i.e. www.amfiindia.com and Registered Stock Exchanges i.e. National Stock Exchange of India Limited and BSE Limited.
Risk-o-meter	In accordance with Para 17.4 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD1/P/CIR/2024/90 dated June 27, 2024. The Risk-o-meter shall have following six levels of risk: i. Low Risk

	ii. Low to Moderate Risk iii. Moderate Risk iv. Moderately High Risk v. High Risk and vi. Very High Risk The evaluation of risk levels of a scheme shall be done in accordance with the aforesaid circular. Any change in risk-o-meter shall be communicated by way of Notice cum Addendum and by way of an e-mail or SMS to unitholders. The risk-o-meter shall be evaluated on a monthly basis and the risk-o-meter along with portfolio disclosure shall be disclosed on the AMC website as well as AMFI website within 10 days from the close of each month. Portfolio disclosure along with risk o meter details will be available at www.kotakmf.com and on the website of AMFI (www.amfiindia.com)
I-NAV	I-NAV of the Scheme i.e. the per unit NAV based on the current market value of its portfolio during the trading hours of the Scheme, shall be disclosed on a continuous basis on the Stock Exchange(s), where the units of the Scheme are listed and traded and shall be updated based on the latest available data for Gold. Accordingly, iNAV disclosed for Gold may either be static or dynamic depending upon the availability of the underlying price
Tracking Error and Tracking Difference	• In accordance with para 3.6.3 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024 the tracking error i.e. the annualised standard deviation of the difference in daily returns between underlying index and the NAV of the Scheme, is based on past one year rolling over data shall not exceed 2%. The disclosure regarding the same shall be made on monthly basis on the website of the Kotak Mahindra Mutual Fund viz. www.kotakmf.com. • In case of unavoidable circumstances in the nature of force majeure which are beyond the control of the AMC, the tracking error may exceed 2%, for which approval of Board of AMC and Trustees shall be taken and the same shall prominently be disclosed on the website of the Kotak Mahindra Mutual Fund viz. www.kotakmf.com. Along with tracking error, tracking difference i.e. the annualized difference of daily returns between the index or goods and the NAV of the ETF/ Index Fund shall also be disclosed on the website of the AMC viz. www.kotakmf.com and AMFI, on a monthly basis, for tenures 1 year, 3 year, 5 year, 10 year and since the date of allotment of units.

B. Transparency/NAV Disclosure (Details with reference to information given in Section I)

The Kotak Gold ETF units will be initially listed on NSE and all purchase and sale of units by investors other than Market Makers and Large Investors will be done on the stock exchange. The NAV has a reference value for investors and will be useful for Market Makers for offering quotes on the Stock Exchange.

The NAVs shall also be disclosed on daily basis on the website of the Kotak Mahindra Mutual Fund viz. www.kotakmf.com by 9.00 a.m. of the following business day.

Unitholders may avail the facility to receive the latest available NAVs through SMS by submitting a specific request in this regard to the AMC/Mutual Fund.

Delay in uploading of NAV beyond the aforesaid timing shall be explained in writing to AMFI. In case the NAVs are not available before the commencement of business hours on the following business day due to any reason, a press release for revised NAV shall be issued.

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

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

The AMC may also calculate intra-day indicative NAV i.e. the per unit NAV based on the current market value of its portfolio during the trading hours of the Scheme. The same shall be disclosed on a continuous basis on the Stock Exchange(s), and updated within based on the latest available data for Gold. Intra-day indicative NAV will not have any bearing on the creation or redemption of units directly with the Fund by the MM/LI. Further, the indicative NAVs of the Scheme shall be disclosed on Stock Exchange platforms, where the units of the Scheme are listed, on continuous basis during the trading hours.

For transactions by Market Makers / large investors directly with the AMCs intra-day NAV, based on the executed price at which the securities representing the underlying index or underlying commodity(ies) are purchased / sold, shall be applicable.

C. Transaction charges and stamp duty

- (a) Transaction Charges - Pursuant to Para 10.5 of SEBI Master Circular no. SEBI/HO/IMD/IMD-PoD1/P/CIR/2024/90 dated June 27, 2024, transaction charge per subscription of Rs. 10,000/- and above be allowed to be paid to the distributors of the Kotak Mahindra Mutual Fund products. Investors are requested to note that no transaction charges shall be deducted from the investment amount given by the investor for all transactions / applications (including SIP's) (i.e. in Regular Plan) and full investment amount (subject to deduction of statutory charges, if any) will be invested in the Scheme.
- (b) Stamp Duty - Pursuant to Notification No. S.O. 4419(E) dated December 10, 2019 and Notification No. G.S.R 226 (E) dated March 30, 2020 issued by Department of Revenue, Ministry of Finance, Government of India, read with Part I of Chapter IV of Notification dated February 21, 2019 issued by Legislative Department, Ministry of Law and Justice, Government of India on the Finance Act, 2019 and clarification letter no : SEBI/IMD/DF2/OW/P/2020/11099/1 issued by Securities and Exchange Board of India dated June 29, 2020, a stamp duty @ 0.005% would be levied on all applicable mutual fund transactions.

Accordingly, pursuant to levy of stamp duty, the number of units allotted on purchase transactions to the unitholders would be reduced to that extent.

Details regarding transaction charges and stamp duty refer to SAI.

D. Associate Transactions-

Please refer to Statement of Additional Information (SAI)

E. Taxation-

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

The information is provided for general information purposes only. However, in view of the individual nature of tax implications, each investor is advised to consult his or her own tax adviser with respect to the specific tax implications arising out of his or her participation in the scheme.

Short Term Capital Gain Taxation Rates -Resident Individual, HUF, Domestic Corporate, NRI\$

Particulars	Investments made	Listed or Unlisted	Short-term capital gains	
			Holding Period	Tax Rate [^]
Gold ETF	--	--	= < 12 months	12.50%

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

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

- (i) a Mutual Fund by whatever name called, which invests more than sixty-five per cent of its total proceeds in debt and money market instruments;
- (ii) or a fund which invests sixty-five per cent or more of its total proceeds in units of a fund mentioned in clause (i)

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

Long term capital gain taxation rates -Resident Individual, HUF, Domestic Corporate, NRI\$

Particulars	Investments made	Listed or Unlisted	Long-term capital gains
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			Holding Period	Tax Rate[^]
Gold ETF	--	--	> 12 months	12.50%

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

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

- (i) a Mutual Fund by whatever name called, which invests more than sixty-five per cent of its total proceeds in debt and money market instruments;
- (ii) or a fund which invests sixty-five per cent or more of its total proceeds in units of a fund mentioned in clause (i)

[^] Tax rates for resident and non-residents shall be increased by applicable surcharge and health and education cess as per Note 1.

Tax implication on income distribution cum capital withdrawal (IDCW) received by unit holders

Categories of Unit Holders	Threshold	TDS Rate	Taxation Rate
Resident Unit Holders	Rs. 5,000	10%	As per applicable slab rates plus applicable surcharge and cess (Refer Note 1)
Non-Resident Unit Holders (subject to DTAA benefits, in case applicable)			
(1) FII/FPI	NILs	20% plus applicable surcharge and cess (Refer note 1)	20% plus applicable surcharge and cess (Refer Note 1)
(2) Foreign company/corporates			
Purchase in Indian Rupees	NILs	20% plus applicable surcharge and cess (Refer note 1)	35% plus applicable surcharge and cess (Refer Note 1)
Purchase in Foreign	NILs	20% plus applicable	20% plus applicable

Currency		surcharge and cess (Refer note 1)	surcharge and cess (Refer Note 1)
(3) Others			
Purchase in Indian Rupees	NILs	20% plus applicable surcharge and cess (Refer note 1)	At slab rates applicable plus applicable surcharge and cess (Refer Note 1)
Purchase in Foreign Currency	NILs	20% plus applicable surcharge and cess (Refer note 1)	20% plus applicable surcharge and cess (Refer Note 1)

Note 1: -

A) In case of foreign companies;

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

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

B) In case of resident domestic corporate unit holders;

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

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

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

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

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

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

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

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

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

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

Note 3: - Section 112A r.w.ss section 55(ac) levies capital gains tax @ 12.5% on Long Term Capital Gains arising on transfer of units of equity-oriented funds.

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

- Any transfer of equity-oriented fund units on or after 1 April 2018, shall not be exempt under section 10(38)
- Long term capital gains in excess of Rs. 1.25 lakh shall be taxable at rates mentioned in table above plus surcharge (if any, as applicable) plus health & education cess @ 4%.
- The capital gain will be computed without giving effect to the 1st and 2nd proviso to section 48 in the manner laid down under the section i.e. without indexation benefit and without foreign currency conversion benefit.

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

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

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

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

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

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

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

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

Note 7: - The Finance Act, 2021 introduced section 206AB (applicable from 1 July 2021) stating that tax to be deducted at twice the applicable rate in case of payments to specified person (except non-resident not having permanent establishment in India) who have not filed return of income for immediately preceding assessment year for which time limit for filing return has expired and the aggregate of tax deducted at source in his case is Rs. 50,000 or more in each of these two years. Additionally, if provisions of section 206AA are also applicable then tax to be deducted at higher of the two rates provided i.e. rate as per section 206AB or section 206AA

Note 8: - It is assumed that the mutual fund units are held as capital assets by the investors.

Note 9: - Under Section 115BAC w.e.f 01.04.2023, all individual, HUF, AOP, BOI is required to pay tax at concessional rates (as below) under the new tax regime subject to the condition that certain exemptions/ losses/ deductions cannot be claimed. In case such taxpayer intends to claim deductions / exemptions, it may elect to opt for existing tax and slabs rates to continue to apply.

Securities Transaction Cost - Nil

F. Rights of Unitholders- Please refer to SAI for details.

G. List of official points of acceptance: <https://www.kotakmf.com/Information/statutory-disclosure/disclosuresrelatedtosidandkim>

H. Penalties, Pending Litigation or Proceedings, Findings of Inspections or Investigations For Which Action May Have Been Taken Or Is In The Process Of Being Taken By Any Regulatory Authority

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

Notes:

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

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

Sd/-

Place: Mumbai

Date: November 29, 2024

**Ms. Jolly Bhatt
Compliance Officer**

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