

Small on savings. Big on benefits. SIP. It's a good habit.

Systematic Investment Plan is a smart way to create wealth. It doesn't demand lumpsum investments. Just a little, every month. What's more? With SIP one doesn't need to time the market. And over a long period, investments average out the market highs and lows. Hence more units are bought when the market is low and less when the market is high. SIP is truly small on savings and big on benefits. So, encourage a good habit with Kotak SIP.

SIP

Systematic Investment Plan



Dear Friends,

The onset of the month of July has a special significance for the market observers for two reasons. Firstly, by this time the monsoon trends provide a preliminary assessment on the path of the agriculture sector this year. Secondly, the 1st quarter results for

the financial year start pouring in from the corporate sector. This would in a way help gauge the business optimism for the rest of the financial year.

The government's fiscal deficit for April-May 07 was down 14% y-o-y and 41% of budget estimates, as compared to 49% in the same period last year. This is good news for the government finances and consequent interest rate outlook. There is also good news on the overall 'Balance of Payments' front, which has shot up to US\$ 36.6 bn for FY07 from US\$ 15.1 bn for FY06. This was despite a lower FII inflow as also a higher trade deficit. The higher invisibles and rising ECB flows indicate more stability. The overall external sector outlook remains positive with foreign reserves at a comfortable US\$ 212 bn.

Markets in general seem to have factored most of the good news which is evident from the various indices scaling new highs by the day. Inflation has been declining since mid April to touch a 13 month low of 4.03%, liquidity is awash in the system, currency is on an appreciating spree. Add to it a spree of good results from the corporate sector may provide the next spurt for the stock markets to continue the rally.

The only possible dampener could be the likely monetary policy actions from the RBI. The question which remains to be answered is whether the interest rate hikes implemented by the RBI would have an impact on the Indian corporate performance? In my opinion, the impact of the high interest rates on corporate India would remain limited since significant portion of the capital requirement in last one-year has been met primarily through equities and relatively low-denomination foreign bonds.

For instance, in the Jan June 07 period, Indian corporates have raised nearly Rs 1590 bn worth of capital, an increase of 36% over the previous year. Of this, nearly 60% (Rs 971 bn) of the capital was from the overseas destinations,

mainly through FCCBs and ADR/GDR route. More so, around Rs 185 bn was raised in IPO's in India during the same period. Thus a major portion of the capital mobilization has been either unqualified or is relatively inexpensive to cast any negative impact on the bottomline.

Market observers are of the opinion that top line growth in Q1 FY08 would be around 15 - 20%, which would also reflect in the corporate earnings. However, going by the 28% growth in advance tax collections (Rs 13,796 cr) made during the April June 07 period; there is an indication of significant buoyancy in corporate profitability. The Sensex earnings expectation for Q1 FY08 is estimated at Rs 815-830 with valuation pegged at 17 times forward earnings. This provides considerable scope for further market momentum due to which market may scale new highs

The momentum in the debt market too seems to be positively inclined as the liquidity situation eases and the interest rate hikes appear to have almost peaked. It is expected that the benchmark 10 year sovereign bond may remain in 7.80% - 8.10% range till further cues emanate from the monetary policy decision due later this month

We at Kotak Mutual have been offering an array of schemes and facilities in order to tap into the opportunities available in both equity and debt asset classes.

Our maiden ETF offering - Kotak Gold ETF NFO has received response in line with our expectations and has paved way for our customers to own gold in a hassle free manner. It is just a matter of time that India embraces the concept of dematerialized form of investing in gold. Our commitment to deliver innovation in product line and consistency in performance and service standards continue. You would shortly get to hear more product offerings from our stable catering to different investor sets and investing in varied asset classes.

Best wishes for the season.

Regards

Sandesh Kirkire

Chief Executive Officer.

Before investing, please read the Offer Document.

From the Equity Fund Management Team

Improving Macro picture

Taming of inflation, progress of monsoon and continuing liquidity flows propelled the Indian stock markets to newer highs. Control over inflation provides a comfort that RBI may soften its stand on liquidity and interest rates in the coming months. The contribution of agricultural sector to the GDP growth has over the period of time reduced, however, the progress of monsoon does have sentimental impact for investors and hence the satisfactory progress of monsoon acted as the sentiment booster. During the earlier part of the month, there were concerns on liquidity arising from two mega issues (DLF & ICICI Bank) aiming to raise nearly Rs. 30000 crores from domestic as well as ADR markets. The investors participation to the two issues was quite healthy and the markets were positively surprised by the same.

Globally too the fears about increasing interest rates receded after both Bank of Japan and the US Federal Reserve opted not to change their interest rate policies. We therefore do not expect any change in global risk appetite & liquidity flows which are usually associated with any change in interest rate policies.

Indian economic growth continues to be robust as reflected in estimated GDP growth for FY 07 at 9.4% (a 19yr high). For the current year FY 08 also the data points continue to portray strong growth with the Industrial production growing at 13.6% (11-yr high) in April largely led by manufacturing which grew at 15.1%.

For the month Sensex reported gain of 0.7% to close at 14650 and CNX Midcap reported rise of 5.87% to close at 5976. FII's were buyers with net inflows for the month being US\$ 401 mn. Mutual funds were net buyers with inflows at US \$ 74 mn (upto June 28).

Key Events during the month

- India and Pakistan have reached an agreement on the gas transport price in the proposed Iran-Pakistan-India pipeline.
- India and Brazil opted to walk out of the ongoing WTO negotiations with the US and EU.
- The government formally approved proposals for 36 special economic zones (SEZ) and also gave an in-principle approval to 9 more SEZs
- Finance Minister P.Chidambaram said that there was neither a freeze nor any plan to interfere with cement pricing.

Corporate Developments

ICICI Bank

ICICI Bank issue was oversubscribed in both domestic offering as well as in the ADR Offering. The pricing was Rs. 940 in domestic issue while the ADR was priced at Rs. 1002. In another development the Foreign Investment Promotion Board (FIPB) rejected ICICI Bank's proposal to induct overseas investors in its newly created subsidiary ICICI Financial Services (owning the Insurance & Mutual fund ventures). Earlier ICICI Bank had stated that it has received firm commitments from investors for investing Rs.26.5 bn. for a 5.9% stake in ICICI Financial Services valuing the firm at over US 11 bn \$.

Reliance Industries

High Court, in response to Reliance Natural Resources Ltd. (RNRL)'s plea, restrained RIL from creation of third party interest in KG gas for eight years. The court held that only NTPC, RNRL & RIL can use the Gas during this 8 year period. The media reports have mentioned that Petroleum Ministry has indicated that the Government would appeal against the said order in Supreme Court.

State Bank of India (SBI)

The Reserve Bank of India (RBI) transferred its entire shareholding in SBI to Central Government in line with the Cabinet approval obtained earlier on February 01, 2007. The entire shareholding of RBI aggregating 31,43,39,200 equity shares with a face value of Rs was transferred at Rs. 35,531 crore.

DLF Ltd.

DLF floated its IPO during the month and was well received by investors. The issue that was offered in book building range of Rs. 500 to Rs. 550 per share was priced at Rs. 525 per share. At the issue price DLF has emerged as the largest real estate company in terms of market capitalization.

Market Outlook

We continue to maintain that equities remain a preferred asset class for investors, considering India's economic potential and corporate sector's growth plans. While the longer term outlook being positive, the near term market movements will mainly take cues from global equity markets. With coming month being the quarterly result reporting period, may some sector/stock specific price movements driven by quarterly results. A key sector to watch out is IT sector where impact of rupee appreciation may be felt in the results.

From the Debt Fund Management Team

Major Economic indicators

	Current Month#	Last Month	Change
Inflation (16/Jun/07)	4.03%	5.06%	-1.03%
WPI (Points)	211.7	211.9	-0.09%
10 YR IGB (Yield)	8.11%	8.07%	0.04%
10 YR UST (Yield)	5.04%	4.95%	0.09%
Avg. LAF Bal. With RBI under Reverse Repo (Rs. cr)	3874	0	3874
USD/INR (29/Jun/07)	40.72	40.55	0.42%
India's Forex Reserve (billion \$) (20/Apr/07)	212.55	204.93	7.62

#Current reported period in the month

The month of May saw movement in gilt prices, with the yield on 10 year sovereign bond trading in the range of 8.10 % -8.17%, before settling at 8.11 % on month end. At the start of the month the 10-year yield was at 8.20 %.

During the previous month, the liquidity in the system was surplus for most of the month with bids in the LAF numbers showing Reverse Repo amount bidded in excess of Rs.25,000 crores. This was despite auctions from the central banks and advance tax outflows to the tune of Rs. 50,000 crores.

The inflation for the whole month declined close to a percentage from 5.06 % to 4.03 %. This was a result of high base effect, cheaper food and primary articles. As a result, the whole month saw that the sentiments of the traders in the G- sec market improved and apart from the middle of the month when it had moved up to 8.24% due to globally inflationary scenario and central banks raising rates.

On the global front, The European Central Bank increased its key interest rate from 3.75 percent to 4 percent yesterday and President Jean-Claude Trichet said the level of borrowing costs for the 13-nation euro area is "still on the accommodative side." It cited the likelihood of higher prices from energy and wage developments in the 13-nation euro zone.

New Zealand's central bank raised its key interest rate to a record high 8 percent from 7.75 percent in a move to curb inflation. The Reserve Bank cited strong domestic demand, a buoyant house market, increased government spending and an expected increase of 27% in diary farmers' income next season was cited as a significant factor in raising rates.

On the other hand, Bank of Japan and the Federal reserve kept its benchmark interest rate unchanged at 0.50 % and 5.25 % respectively. The governors of the respective banks had cited inflation as main concern and stated that future monetary actions would depend on the evolution of the outlook for both inflation and economic growth.

The Bank of England kept its benchmark unchanged at 5.50% after the Governor Mervyn King was outvoted by 5-4 in its meeting. The Governor wanted an increase of 0.25% to 5.75% as inflation for the month of May at 2.5% was above the banks 2% target and the money supply was close to the fastest pace since 1990.

While in the U.S., treasury yield raised around from 4.95% to 5.04% with the yield climbing upto 5.33 % on the view of rising interest rates globally and signs of US economic growth. However, during the month, there were strong signs of weak housing and durable goods data with strong jobless claims. This was coupled with the sub prime mortgage losses spill over to the government bonds. The 10 year government bond was trading at a range of 5.10-5.17 levels for most of the month and ended at 5.03 buoyed by the FED leaving the rates unchanged and improved economic data.

Outlook

With the auction of new 10-year bond amounting to Rs.6, 000 and another auction bond maturing on 2036 amounting to Rs.4000 crs on July 6 should remove some liquidity in the system. However, buoyed by the easing inflation. We expect the yield on 10-year sovereign bond trading in the range of 8.00% - 8.20%.

Source of information :

- www.rbi.org.in • www.sebi.gov.in • www.eaindustry.nic.in • Bloomberg
- Moneyline telerate • Economic Times • Reuters

Assets under Management as on June 30, 2007 - Rs. 17253.17 Crores

KOTAK 30

Open-Ended Equity Growth Scheme

About the Scheme

• **Investment Objective** - To generate capital appreciation from a portfolio of predominantly equity and equity related securities with investment in, generally, not more than 30 stocks.
 • **Available Options** - DP, DR & G • **Fund Manager** - Krishna Sanghvi • **Loads - Entry:** ▶ Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores: Nil ▶ Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme: Nil ▶ Where investments is made by FILs or sub a/c of FILs: Nil ▶ Where investments is made by Fund of Funds as defined under SEBI Regulations: Nil ▶ Where units are allotted upon reinvestment of Dividends: Nil ▶ Cases not covered above: 2.25% - **Exit:** ▶ For exit within 6 months for investments less than Rs. 5 crores: 1% ▶ Cases not covered above: Nil • **Minimum Initial Investment:** Rs. 5000 • **Additional Investment:** In multiples of Rs. 1000.

Ideal Investment Horizon - 1-3 years • **Corpus:** Rs. 472.68 crores • **Ratios:** Beta*: 0.92
 Sharpe*: 0.54 *Source : Value Research

Performance as on June 29, 2007

	1 year	3 years	5 years	Since allotment (Dec 29, 1998)
Kotak 30*	44.3	49.4	45.5	31.4
S&P CNX Nifty	44.0	41.7	32.2	20.7

Kotak 30 NAV : Rs.36.574 (Div. Option)

June 30, 2007 being a non - business day.

* Returns assumed reinvestment of the tax free dividend declared. Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future.

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity Related (Listed/Awaiting listing)		
Reliance Industries Ltd.	Petroleum Products	7.47
Bharti Airtel Ltd.	Telecom - Services	6.46
Larsen And Toubro Ltd.	Industrial Capital Goods	5.58
Reliance Communications Ltd.	Telecom - Services	4.38
Tata Consultancy Services Ltd.	Software	4.26
State Bank Of India	Banks	4.12
ICICI Bank Ltd.	Banks	4.04
Infosys Technologies Ltd.	Software	3.88
HDFC Bank Ltd.	Banks	3.76
Bharat Heavy Electricals Ltd.	Industrial Capital Goods	3.74
Tata Steel Limited.	Ferrous Metals	3.10
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	3.02
Jaiprakash Associates Ltd	Construction	2.90
Hindustan Lever Ltd.	Diversified	2.78
ITC Ltd.	Consumer Non Durables	2.78
Hcl Technologies Ltd.	Software	2.77
Reliance Petroleum Ltd.	Oil & Gas Exploration & Production	2.71
Grasim Industries Ltd.	Cement	2.51
Sterlite Industries (India) Ltd	Non - Ferrous Metals	2.48
Mahindra & Mahindra Ltd.	Auto	2.29
GMR Infrastructure Ltd.	Construction	2.14
Deccan Chronicle Holdings Ltd.	Media and Entertainment	2.13
Aditya Birla Nuvo Limited	Textile Products	1.98
Jindal Saw Ltd.	Ferrous Metals	1.95
Patel Engineering Ltd.	Construction	1.93
Satyam Computer Services Ltd.	Software	1.63
HDFC Ltd.	Finance	1.14
ABG Shipyard Limited	Industrial Capital Goods	0.71
Sun Pharma Advance Research Co.Ltd	Pharmaceuticals	0.21
Oil & Natural Gas Corporation Ltd.	Oil	0.00
Total		88.85
Futures		
Oil & Natural Gas Corporation Ltd.-JUL2007		4.62
Total		4.62
Term Deposits		
Kotak Mahindra Bank Ltd.		2.12
Total		2.12
Collateral Borrowing & Lending obligation		4.67
Net Current Assets/(Liabilities)		-0.26
Grand Total		100.00

Total NPAs provided for and percentage to NAV: Nil

Total value and percentage to Net Asset of Illiquid Equity Shares : Nil

Sector Allocation

Software	12.5%
Banks	11.9%
Telecom - Services	10.8%
Industrial Capital Goods	10.0%
Petroleum Products	7.5%
Construction	7.0%
Collateral Borrowing & Lending obligation And Term Deposits	6.8%
Ferrous Metals	5.1%
Pharmaceuticals	3.2%
Consumer Non Durables	2.8%
Rest	22.4%

SIP Returns

	1 year	3 years	5 years	7 Years
Investment Amt.	Rs. 12000	Rs. 36000	Rs. 60000	Rs. 84000
Investment Value	Rs. 14199	Rs. 65379	Rs. 188779	Rs. 340075
XIRR	36.17%	43.07%	47.89%	39.64%

Assumptions: 1) Rs. 1000 investment done on the 7th or the subsequent working day of the month. 2) Loads not considered.

KOTAK MID-CAP

Open-Ended Equity Growth Scheme

About the Scheme

• **Investment Objective** - To generate capital appreciation from a diversified portfolio of equity and equity related securities. • **Available Options** - DP, DR & G • **Fund Manager** - Nikunj Doshi
 • **Loads - Entry:** ▶ Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores: Nil ▶ Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme: Nil ▶ Where investments is made by FILs or sub a/c of FILs: Nil ▶ Where investments is made by Fund of Funds as defined under SEBI Regulations: Nil ▶ Where units are allotted upon reinvestment of Dividends: Nil ▶ Cases not covered above: 2.25% - **Exit:** ▶ For exit within 6 months for investments less than Rs. 5 crores: 1% ▶ Cases not covered above: Nil • **Minimum Initial Investment:** Rs. 5000 • **Additional Investment:** In multiples of Rs. 1000.

Ideal Investment Horizon - 1-3 years • **Corpus:** Rs. 263.52 crores

Performance as on June 29, 2007

	last 1 year	Since Allotment (Feb 24, 2005)
Kotak Midcap	59.0	42.5
CNX MidCap	57.0	46.6

Kotak Midcap NAV : Rs.23.246 (Growth Option) # June 30, 2007 being a non - business day.

Returns = 1 year : Absolute. Returns > 1 year : CAGR (Compounded Annualised Growth Rate)

Past performance may or may not be sustained in future.

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity Related (Listed/Awaiting listing)		
Kirloskar Oil Engines Ltd.	Industrial Products	3.84
Maharashtra Seamless Ltd.	Ferrous Metals	3.65
SKF India Ltd	Industrial Products	3.63
Mphasis Ltd	Software	3.55
Kalpataru Power Transmission Ltd.	Power	3.52
Panacea Biotech Ltd.	Pharmaceuticals	3.14
Allcargo Global Logistics Ltd.	Transportation	3.13
Jubilant Organosys Ltd	Pharmaceuticals	3.04
Deccan Chronicle Holdings Ltd.	Media and Entertainment	3.03
Indian Overseas Bank	Banks	2.99
Patel Engineering Ltd.	Construction	2.94
Union Bank Of India	Banks	2.77
Jaiprakash Associates Ltd	Construction	2.67
Andhra Bank	Banks	2.56
Ruchi Soya Industries Ltd.	Consumer Non Durables	2.48
Gujarat Gas Company Ltd	Gas	2.34
Alstom Projects India Ltd.	Industrial Capital Goods	2.14
EID Parry (India) Ltd.	Consumer Non Durables	2.12
Finolex Cables Ltd.	Industrial Products	2.06
Bilcare Ltd.	Industrial Products	2.06
Man Industries (India) Ltd.	Ferrous Metals	2.05
Amtek Auto Ltd.	Auto Ancillaries	2.01
Bharat Earth Movers Ltd.	Industrial Capital Goods	1.99
Megasoft Ltd	Software	1.98
JSW Steel Ltd.	Ferrous Metals	1.97
TajGVK Hotels & Resorts Limited	Hotels	1.97
Biocon Ltd.	Pharmaceuticals	1.92
Elecon Engineering Co.Ltd	Engineering	1.92
Wire & Wireless (India) Ltd.	Media and Entertainment	1.81
Financial Technologies (India) Ltd.	Software	1.71
Areva T and D India Ltd.	Industrial Capital Goods	1.67
United Phosphorus Ltd	Pesticides	1.60
Jindal Steel & Power Ltd.	Ferrous Metals	1.58
Gammon India Ltd.	Construction	1.56
Television Eighteen India Ltd.	Media and Entertainment	1.54
Jain Irrigation Systems Ltd.	Industrial Products	1.53
Zensar Technologies Ltd.	Software	1.49
Aban Offshore Ltd.	Industrial Services	1.48
Ansal Housing & Construction Ltd.	Construction	1.00
Kamdhenu Ispat Ltd.	Ferrous Metals	0.94
ING Vysya Bank Ltd.	Banks	0.94
Nahar Capital & Financial Services Ltd	Finance	0.10
C and C Constructions Ltd	Construction	0.09
Vishal Retail Ltd	Retailing	0.07
Total		92.58

Debt Instruments

Debentures and Bonds

Corporate Debt / Financial Institutions

Cholamandalam DBS Finance Limited.	LAA	1.90
Citicorp Finance (India) Ltd.	AAA	0.76
Total		2.66

Term Deposits

Kotak Mahindra Bank Ltd.		1.90
Total		1.90

Collateral Borrowing & Lending obligation	1.61
Net Current Assets/(Liabilities)	1.25
Total	100.00

Total NPAs provided for and percentage to NAV: Nil
Total value and percentage to Net Asset of Illiquid Equity Shares : Nil

Sector Allocation

Industrial Products	13.1%
Ferrous Metals	10.2%
Banks	9.3%
Software	8.7%
Construction	8.3%
Pharmaceuticals	8.1%
Media and Entertainment	6.4%
Industrial Capital Goods	5.8%
Consumer Non Durables	4.6%
Power	3.5%
Rest	22.0%

KOTAK OPPORTUNITIES

Open-Ended Equity Growth Scheme

About the Scheme

• **Investment Objective** - To generate capital appreciation from a diversified portfolio of equity and equity related securities. • **Available Options** - DP, DR & G • **Fund Manager** - Nikunj Doshi • **Loads - Entry**: ▶ Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores: Nil ▶ Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme: Nil ▶ Where investments is made by FILs or sub a/c of FILs: Nil ▶ Where investments is made by Fund of Funds as defined under SEBI Regulations: Nil ▶ Where units are allotted upon reinvestment of Dividends: Nil ▶ Cases not covered above: 2.25% **Exit**: ▶ For exit within 6 months for investments less than Rs. 5 crores: 1% ▶ Cases not covered above: Nil

• **Minimum Initial Investment**: Rs. 5000 • **Additional Investment**: In multiples of Rs. 1000.

Ideal Investment Horizon - 1-3 years • **Corpus**: Rs. 195.97 crores

Performance as on June 29, 2007#

	last 1 year	Since Allotment (Sep 09, 2004)
Kotak Opportunities	47.0	51.8
S&P CNX 500	47.2	40.5

Kotak Opportunities NAV :Rs.32.202 (Growth Option) # June 30, 2007 being a non - business day. Returns = 1 year : Absolute. Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future.

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity Related (Listed/Awaiting listing)		
Reliance Industries Ltd.	Petroleum Products	5.94
Larsen And Toubro Ltd.	Industrial Capital Goods	5.16
Bharti Airtel Ltd.	Telecom - Services	4.78
Reliance Communications Ltd.	Telecom - Services	4.70
Infosys Technologies Ltd.	Software	4.04
Hindustan Lever Ltd.	Diversified	3.46
GVK Power & Infrastructure Ltd.	Power	3.15
Hindustan Construction Co.Ltd	Construction	2.67
Jaiprakash Associates Ltd	Construction	2.65
Hcl Technologies Ltd.	Software	2.63
Satyam Computer Services Ltd.	Software	2.63
Cipla Ltd.	Pharmaceuticals	2.51
Union Bank Of India	Banks	2.50
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	2.46
HDFC Ltd.	Finance	2.39
ICICI Bank Ltd.	Banks	2.29
ITC Ltd.	Consumer Non Durables	2.25
Andhra Bank	Banks	2.19
Kirloskar Oil Engines Ltd.	Industrial Products	2.18
Jindal Saw Ltd.	Ferrous Metals	2.08
Tech Mahindra Ltd.	Software	2.06
Tata Consultancy Services Ltd.	Software	2.05
ABG Heavy Industries Ltd.	Industrial Capital Goods	2.01
Mahindra & Mahindra Ltd.	Auto	1.96
Sterlite Industries (India) Ltd	Non - Ferrous Metals	1.94
DLF Limited	Construction	1.77
India Cements Ltd.	Cement	1.75
Deccan Chronicle Holdings Ltd.	Media and Entertainment	1.68
Info Edge (India) Ltd.	Software	1.59
United Phosphorus Ltd	Pesticides	1.59
Atlas Copco (India) Ltd	Industrial Products	1.54
Aban Offshore Ltd.	Industrial Services	1.53
Television Eighteen India Ltd.	Media and Entertainment	1.52
Kalpataru Power Transmission Ltd.	Power	1.51
Power Finance Corporation Ltd.	Finance	1.51
Jindal Steel & Power Ltd.	Ferrous Metals	1.50
Wire & Wireless (India) Ltd.	Media and Entertainment	1.46
Nahar Industrial Enterprises Ltd.	Textiles - Cotton	1.08

Network 18 Fincap Ltd.	Finance	1.05
Sun Pharma Advance Research Co.Ltd	Pharmaceuticals	0.31
C and C Constructions Ltd	Construction	0.12
Vishal Retail Ltd	Retailing	0.07

Total **94.26**

Term Deposits
Kotak Mahindra Bank Ltd. 0.77

Total **0.77**

Collateral Borrowing & Lending obligation 3.62

Net Current Assets/(Liabilities) **1.35**

Grand Total **100.00**

Total NPAs provided for and percentage to NAV: Nil
Total value and percentage to Net Asset of Illiquid Equity Shares : Nil

Sector Allocation

Software	15.0%
Telecom - Services	9.5%
Construction	7.2%
Industrial Capital Goods	7.2%
Banks	7.0%
Petroleum Products	5.9%
Pharmaceuticals	5.3%
Finance	5.0%
Power	4.7%
Media and Entertainment	4.7%
Rest	28.7%

KOTAK LIFESTYLE

Open-Ended Equity Growth Scheme

About the Scheme

• **Investment Objective** - The investment objective of the fund is to generate long-term capital appreciation from a portfolio of equity and equity related securities, generally diversified across companies, which are likely to benefit by changing lifestyle and rising consumerism in India. • **Available Options** - DP, DR & G • **Fund Manager** - Nikunj Doshi • **Loads - Entry**: ▶ Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores: Nil ▶ Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme: Nil ▶ Where investments is made by FILs or sub a/c of FILs: Nil ▶ Where investments is made by Fund of Funds as defined under SEBI Regulations: Nil ▶ Where units are allotted upon reinvestment of Dividends: Nil ▶ Cases not covered above: 2.25% **Exit**: ▶ For exit within 6 months for investments less than Rs. 5 crores: 1% ▶ Cases not covered above: Nil • **Minimum Initial Investment**: Rs. 5000 • **Additional Investment**: In multiples of Rs. 1000.

Ideal Investment Horizon - 1-3 years • **Corpus**: Rs. 328.01 crores

Performance as on June 29, 2007

	last 1 year	Since Allotment (Mar 21, 2006)
Kotak Lifestyle	56.0	22.1
S&P CNX 500	47.2	15.1

Kotak Lifestyle NAV: Rs.13.067 (Growth Option) # June 30, 2007 being a non - business day. Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future.

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity Related (Listed/Awaiting listing)		
ICICI Bank Ltd.	Banks	5.24
Bharti Airtel Ltd.	Telecom - Services	5.22
Reliance Communications Ltd.	Telecom - Services	5.21
Indian Hotels Company Ltd.	Hotels	5.06
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	4.39
United Spirits Ltd.	Consumer Non Durables	4.00
Hindustan Lever Ltd.	Diversified	3.36
ITC Ltd.	Consumer Non Durables	2.99
Mahindra & Mahindra Ltd.	Auto	2.98
Aditya Birla Nuvo Limited	Textile Products	2.76
Television Eighteen India Ltd.	Media and Entertainment	2.75
Reliance Capital Ltd.	Finance	2.72
Zee Entertainment Enterprises Ltd	Media and Entertainment	2.54
Raymond Limited	Textile Products	2.52
Deccan Chronicle Holdings Ltd.	Media and Entertainment	2.51
Maruti Udyog Ltd	Auto	2.50
Asian Paints Ltd.	Consumer Non Durables	2.34
HDFC Ltd.	Finance	2.23
Radico Khaitan Ltd.	Consumer Non Durables	2.12
HDFC Bank Ltd.	Banks	2.10
Adlabs Films Ltd.	Media and Entertainment	2.06
HCL Infosystems Ltd.	Hardware	2.03
Champagne Indage Ltd.	Consumer Non Durables	1.98
Network 18 Fincap Ltd.	Finance	1.96
Hinduja TMT Ltd.	Software	1.93
Wire & Wireless (India) Ltd.	Media and Entertainment	1.74
DLF Limited	Construction	1.69
Centurion Bank of Punjab Ltd.	Banks	1.59
Info Edge (India) Ltd.	Software	1.55
Royal Orchid Hotels Ltd	Hotels	1.50
Mahindra Gesco Developers Limited.	Construction	1.44
Nitco Tiles Ltd.	Consumer Non Durables	1.27
Euro Ceramics Limited	Consumer Non Durables	1.15
Zee News Ltd.	Media and Entertainment	1.05
Sun Pharma Advance Research Co.Ltd	Pharmaceuticals	0.59

Vishal Retail Ltd	Retailing	0.07
Total		89.14
Futures		
United Spirits Ltd.-JUL2007		0.74
Total		0.74
Debt Instruments		
Debentures and Bonds		
Corporate Debt / Financial Institutions		
Citicorp Finance (India) Ltd.	AAA	1.22
Total		1.22
Money Market Instruments		
Commercial Paper (CP)/Certificate of Deposits (CD)		
Public Sector Undertakings		
State Bank of Travancore	P1+	3.03
Total		3.03
Term Deposits		
Kotak Mahindra Bank Ltd.		1.52
Total		1.52
Collateral Borrowing & Lending obligation		6.57
Net Current Assets/(Liabilities)		-2.22
Grand Total		100.00

Total NPAs provided for and percentage to NAV: Nil
Total value and percentage to Net Asset of Illiquid Equity Shares : Nil

Sector Allocation

Consumer Non Durables	15.9%
Media and Entertainment	12.7%
Telecom - Services	10.4%
Banks	8.9%
Collateral Borrowing & Lending obligation And Term Deposits	8.1%
Finance	6.9%
Hotels	6.6%
Auto	5.5%
Textile Products	5.3%
Pharmaceuticals	5.0%
Rest	14.7%

KOTAK EMERGING EQUITY

Close-Ended Equity Growth Scheme

About the Scheme

• **Investment Objective** - The investment objective of the scheme is to generate long-term capital appreciation from a portfolio of equity and equity related securities, by investing predominantly in mid and small cap companies. • **Unamortised Expenses:** As per SEBI circular dated April 4, 2006, balance proportionate unamortised issue expenses shall be recovered from exiting Unitholders. **Exit:** Nil. (During liquidity window) • **Minimum Initial Investment:** Rs. 5000.

Ideal Investment Horizon - 1-3 years • **Corpus:** Rs. 276.21 crores

Performance as on June 29, 2007

	Since Allotment (March 30, 2007)
Kotak Emerging Equity	16.5
BSE Midcap	21.2

Kotak Emerging NAV: Rs. 11.648 (Growth Option)
June 30, 2007 being a non - business day. Returns = 1 year : Absolute; Annualised return is not shown as scheme has not completed 1 year. Past performance may or may not be sustained in future.

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity Related (Listed/Awaiting listing)		
Hindustan Construction Co.Ltd	Construction	6.24
Jindal Saw Ltd.	Ferrous Metals	5.42
ICICI Bank Ltd.	Banks	5.36
Punjab Lloyd Ltd.	Construction	5.31
Godrej Industries Ltd	Chemicals	4.59
Kirloskar Brothers Ltd.	Industrial Products	4.34
Kalpataru Power Transmission Ltd.	Power	4.30
Mphasis Ltd	Software	4.28
Reliance Petroleum Ltd.	Oil & Gas Exploration & Production	3.82
GVK Power & Infrastructure Ltd.	Power	3.70
GMR Infrastructure Ltd.	Construction	3.39
Reliance Capital Ltd.	Finance	3.35
ABG Shipyard Limited	Industrial Capital Goods	3.34
Asahi India Glass Ltd	Auto Ancillaries	3.09
3i Infotech Ltd.	Software	3.08
ING Vysya Bank Ltd.	Banks	2.96
Great Eastern Shipping Company Ltd	Transportation	2.90
Bharat Bijlee Ltd	Industrial Capital Goods	2.37
Megasoft Ltd	Software	2.36
JMC Projects (India) Ltd	Construction	2.28
HTMT Global Solutions Ltd	Software	2.20
Global Broadcast News Ltd	Media and Entertainment	2.12
ANG Auto Ltd	Auto	2.07
Nitin Fire Protection industries Ltd	Industrial Equipment	2.04

Hinduja TMT Ltd.	Software	2.03
Sical Logistics Ltd.	Transportation	2.00
DLF Limited	Construction	1.69
Geometric Software Solutions Co Ltd	Software	0.72
Gujarat Ambuja Exports Ltd.	Trading	0.53
Vishal Retail Ltd	Retailing	0.07
Total		91.95

Money Market Instruments Commercial Paper (CP)/Certificate of Deposits (CD) Public Sector Undertakings

State Bank of Travancore	P1+	1.80
Total		1.80
Term Deposits		
Kotak Mahindra Bank Ltd.		1.09
Total		1.09
Collateral Borrowing & Lending obligation		8.22
Net Current Assets/(Liabilities)		-3.06
Grand Total		100.00

Total NPAs provided for and percentage to NAV: Nil
Total value and percentage to Net Asset of Illiquid Equity Shares : Nil

Sector Allocation

Construction	18.9%
Software	14.7%
Collateral Borrowing & Lending obligation And Term Deposits	9.3%
Banks	8.3%
Power	8.0%
Industrial Capital Goods	5.7%
Ferrous Metals	5.4%
Transportation	4.9%
Chemicals	4.6%
Industrial Products	4.3%
Rest	15.9%

KOTAK CONTRA

Open-Ended Equity Growth Scheme

About the Scheme

• **Investment Objective** - To Generate capital appreciation from a diversified portfolio of equity and equity related securities. • **Available Options** - DP, DR & G • **Fund Managers** - Nikunj Doshi & Anurag Jain • **Loads - Entry:** ▶ Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores: Nil ▶ Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme: Nil ▶ Where investments is made by FILs or sub a/c of FILs: Nil ▶ Where investments is made by Fund of Funds as defined under SEBI Regulations: Nil ▶ Where units are allotted upon reinvestment of Dividends: Nil ▶ Cases not covered above: 2.25% - **Exit:** ▶ For exit within 6 months for investments less than Rs. 5 crores: 1% ▶ Cases not covered above: Nil. • **Minimum Initial Investment:** Rs. 5000 • **Additional Investment:** In multiples of Rs. 1000.

Ideal Investment Horizon - 1-3 years • **Corpus:** Rs. 130.68 crores

Performance as on June 29, 2007

	last 1 year	Since Allotment (July 27, 2005)
Kotak Contra	39.6	24.6
S&P CNX 500	47.2	35.4

Kotak Contra NAV: Rs.15.789 (Growth Option) # June 30, 2007 being a non - business day. Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future.

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity Related (Listed/Awaiting listing)		
Navin Fluorine International Ltd.	Chemicals	4.73
Mphasis Ltd	Software	4.52
Hindustan Lever Ltd.	Diversified	4.11
Reliance Energy Ltd.	Power	4.08
I-Flex Solutions Limited	Software	3.94
Gammon India Ltd.	Construction	3.78
Gujarat Gas Company Ltd	Gas	3.18
Bharat Electronics Ltd	Industrial Capital Goods	3.08
Aditya Birla Nuvo Limited	Textile Products	3.08
Sasken Communication Technologies Ltd.	Software	3.08
Ipca Laboratories Ltd.	Pharmaceuticals	2.98
Patel Engineering Ltd.	Construction	2.96
Ahmednagar Forgings Ltd.	Industrial Products	2.95
Asian Paints Ltd.	Consumer Non Durables	2.85
Jindal Steel & Power Ltd.	Ferrous Metals	2.65
Deccan Aviation Ltd	Transportation	2.53
Steel Authority of India Ltd.	Ferrous Metals	2.50
Nestle India Ltd.	Consumer Non Durables	2.49
Kesoram Industries Limited	Auto Ancillaries	2.43
Apollo Tyres Ltd.	Auto Ancillaries	2.32

Monsanto India Ltd.	Pesticides	2.29
Nitco Tiles Ltd.	Consumer Non Durables	2.27
ABG Heavy Industries Ltd.	Industrial Capital Goods	2.13
Eveready Industries India Ltd.	Consumer Non Durables	2.11
EID Parry (India) Ltd.	Consumer Non Durables	2.09
Coromandel Fertilisers Ltd.	Fertilisers	2.05
Tata Chemicals Ltd.	Fertilisers	1.90
Hinduja TMT Ltd.	Software	1.86
India Cements Ltd.	Cement	1.66
Godrej Industries Ltd	Chemicals	1.56
TATA Metaliks Ltd.	Ferrous Metals	1.56
Great Eastern Shipping Company Ltd	Transportation	1.50
Nahar Capital & Financial Services Ltd	Finance	1.46
Britannia Industries Ltd.	Consumer Non Durables	1.41
Nahar Spinning Mills Ltd	Textiles - Synthetic	0.93
Vardhman Holdings Limited	Finance	0.89
C and C Constructions Ltd	Construction	0.11
Vishal Retail Ltd	Retailing	0.07

Total **92.09**

Term Deposits

Kotak Mahindra Bank Ltd. 1.15

Total **1.15**

Collateral Borrowing & Lending obligation 6.12

Net Current Assets/(Liabilities) **0.64**

Grand Total **100.00**

Total NPAs provided for and percentage to NAV: Nil

Total value and percentage to Net Asset of Illiquid Equity Shares : Nil

Rajesh Exports Ltd.	Consumer Non Durables	1.08
Mphasis Ltd	Software	0.81
Ultratech Cement Ltd.	Cement	0.72
ICICI Bank Ltd.	Banks	0.72
Parsvnath Developers Ltd.	Construction	0.65
Escorts Ltd.	Auto	0.65
Orchid Chemicals & Pharmaceuticals Ltd.	Pharmaceuticals	0.48
Federal Bank Ltd.	Banks	0.48
Wockhardt Ltd.	Pharmaceuticals	0.35
Century Textiles & Industries Ltd.	Cement	0.26
Union Bank Of India	Banks	0.26
Alok Industries Ltd.	Textile Products	0.24
AIA Engineering Limited	Industrial Capital Goods	0.22
Ballarpur Industries Ltd.	Paper	0.14
Chambal Fertilisers & Chemicals Ltd	Fertilisers	0.08

Total **76.17**

Futures

Chambal Fertilisers & Chemicals Ltd-JUL2007 -0.07

Ballarpur Industries Ltd.-JUL2007 -0.14

AIA Engineering Limited-JUL2007 -0.22

Alok Industries Ltd.-JUL2007 -0.24

Union Bank Of India-JUL2007 -0.26

Century Textiles & Industries Ltd.-JUL2007 -0.27

Wockhardt Ltd.-JUL2007 -0.36

Orchid Chemicals & Pharmaceuticals Ltd.-JUL2007 -0.48

Federal Bank Ltd.-JUL2007 -0.49

Escorts Ltd.-JUL2007 -0.65

Parsvnath Developers Ltd.-JUL2007 -0.66

Ultratech Cement Ltd.-JUL2007 -0.72

ICICI Bank Ltd.-JUL2007 -0.72

Mphasis Ltd-JUL2007 -0.81

Rajesh Exports Ltd.-JUL2007 -1.09

Gujarat Alkalies & Chemicals Ltd.-JUL2007 -1.26

Allahabad Bank.-JUL2007 -1.31

Oswal Chemicals & Fertilizers Ltd.-JUL2007 -1.37

Deccan Aviation Ltd-JUL2007 -1.53

Divi s Laboratories Limited-JUL2007 -1.68

Bombay Rayon Fashions Ltd.-JUL2007 -1.69

Neyveli Lignite Corporation Ltd.-JUL2007 -1.70

Praj Industries Ltd.-JUL2007 -2.10

Shipping Corporation of India Ltd.-JUL2007 -2.13

Great Eastern Shipping Company Ltd-JUL2007 -2.35

Lupin Ltd.-JUL2007 -2.37

Industrial Development Bank of India Ltd.-JUL2007 -2.45

Essar Oil Ltd.-JUL2007 -2.70

IndusInd Bank Ltd.-JUL2007 -3.19

Arvind Mills Ltd.-JUL2007 -3.63

State Bank Of India-JUL2007 -4.00

IFCI Ltd.-JUL2007 -4.23

SRF Ltd.-JUL2007 -4.47

Gateway Distriparks Ltd.-JUL2007 -4.51

Tata Teleservices Ltd-JUL2007 -4.67

Dena Bank-JUL2007 -4.77

GTL Ltd-JUL2007 -5.07

Patni Computers Systems Ltd.-JUL2007 -6.46

Total **-76.82**

Term Deposits

Kotak Mahindra Bank Ltd. 22.99

Total **22.99**

Collateral Borrowing & Lending obligation 2.30

Net Current Assets/(Liabilities) **75.36**

Grand Total **100.00**

Total NPA provided for and percentage to NAV : Nil

All ratings other than by CRISIL are by ICRA or CARE or Fitch.

Sector Allocation

Software	13.4%
Consumer Non Durables	13.2%
Collateral Borrowing & Lending obligation	7.3%
Construction	6.9%
Ferrous Metals	6.7%
Chemicals	6.3%
Industrial Capital Goods	5.2%
Auto Ancillaries	4.8%
Diviersified	4.1%
Power	4.1%
Rest	28.1%

KOTAK EQUITY ARBITRAGE

Open-Ended Equity Oriented Scheme

About the Scheme

- **Investment Objective** - The investment objective of the scheme is to generate capital appreciation and income by predominantly investing in arbitrage opportunities in the cash and derivatives segment of the equity market, and by investing the balance in debt and money market instruments.
- **Available Options** - DP, DR & G
- **Fund Managers** - Ritesh Jain & Sajit Pisharodi
- **Loads - Entry:** Nil **Exit:** 0.50% if redeems within 30 days from the date of allotment of units.
- **Minimum Initial Investment:** Rs. 5000 • **Additional Investment:** In multiples of Rs. 1000.

Ideal Investment Horizon - 1 - 3 months • **Corpus:** Rs. 32.63 crores • **Ratio:** YTM: 7.00

Performance as on June 29, 2007

	last 1 year	Since Allotment (Sept 29, 2005)
Kotak Cash Plus	8.1	7.9
CRISIL Liquid Fund Index	6.4	5.1

Kotak Equity Arbitrage NAV : Rs. 11.4246 (Growth Option) # June 30, 2007 being a non - business day. Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future.

Portfolio - Equity Arbitrage

Issuer/ Instrument	Industry /Rating	% to Net Assets
Equity & Equity related		
Listed/Awaiting listing on Stock Exchange		
Patni Computers Systems Ltd.	Software	6.40
GTL Ltd	IT Consulting and Services	5.08
Dena Bank	Banks	4.74
Tata Teleservices Ltd	Telecom - Services	4.62
Gateway Distriparks Ltd.	Transportation	4.48
SRF Ltd.	Auto Ancillaries	4.41
IFCI Ltd.	Finance	4.17
State Bank Of India	Banks	3.97
Arvind Mills Ltd.	Textile Products	3.59
IndusInd Bank Ltd.	Banks	3.15
Essar Oil Ltd.	Petroleum Products	2.67
Industrial Development Bank of India Ltd.	Banks	2.44
Great Eastern Shipping Company Ltd	Transportation	2.36
Lupin Ltd.	Pharmaceuticals	2.36
Shipping Corporation of India Ltd.	Transportation	2.10
Praj Industries Ltd.	Industrial Capital Goods	2.09
Neyveli Lignite Corporation Ltd.	Power	1.68
Divi s Laboratories Limited	Pharmaceuticals	1.67
Bombay Rayon Fashions Ltd.	Textile Products	1.67
Deccan Aviation Ltd	Transportation	1.50
Oswal Chemicals & Fertilizers Ltd.	Fertilisers	1.35
Allahabad Bank.	Banks	1.29
Gujarat Alkalies & Chemicals Ltd.	Chemicals	1.24

Sector Allocation

Equities	76.2%
Futures	-76.8%
Collateral Borrowing & Lending obligation And Term Deposits	25.3%
Net Current Assets	75.3%

KOTAK TAX SAVER

Open-Ended Equity Linked Savings Scheme

About the Scheme

- **Investment Objective** - To generate long - term capital appreciation from a diversified portfolio of equity and equity related securities and enable investors to avail the income tax rebate, as permitted from time to time.
- **Available Options** - DP, DR & G
- **Fund Manager** - Nikunj Doshi & Anurag Jain
- **Loads - Entry:** ▶ Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores: Nil ▶ Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme: Nil ▶ Where investments is made by Fls or sub a/c of Fls: Nil ▶ Where investments is made by Fund of Funds as defined under SEBI Regulations: Nil ▶ Where units are allotted upon reinvestment of Dividends: Nil ▶ Cases not covered above: 2.25% - **Exit:** Nil.
- **Minimum Initial Investment:** Rs. 500 • **Additional Investment:** In multiples of Rs. 500.

Ideal Investment Horizon - 1-3 years • **Corpus:** Rs. 259.10 crores

Performance as on June 29, 2007

	last 1 year	Since Allotment (Nov 23, 2005)
Kotak Tax Saver	62.6	36.5
S&P CNX 500	47.2	34.6

Kotak Tax Saver NAV:Rs.16.472 (Growth Option) # June 30, 2007 being a non - business day.
Returns = 1 year : Absolute. Returns > 1 year : CAGR (Compounded Annualised Growth Rate)
Past performance may or may not be sustained in future.

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity Related (Listed/Awaiting listing)		
Reliance Industries Ltd.	Petroleum Products	4.59
Infosys Technologies Ltd.	Software	3.95
ICICI Bank Ltd.	Banks	3.87
Reliance Communications Ltd.	Telecom - Services	3.49
Jubilant Oraganosys Ltd	Pharmaceuticals	3.10
SKF India Ltd	Industrial Products	3.02
Panacea Biotec Ltd.	Pharmaceuticals	2.95
Thermax Ltd.	Industrial Capital Goods	2.81
Bharti Airtel Ltd.	Telecom - Services	2.74
HDFC Ltd.	Finance	2.67
Jaiprakash Associates Ltd	Construction	2.58
Allcargo Global Logistics Ltd.	Transportation	2.54
Aditya Birla Nuvo Limited	Textile Products	2.43
Ruchi Soya Industries Ltd.	Consumer Non Durables	2.33
Godrej Industries Ltd	Chemicals	2.21
United Spirits Ltd.	Consumer Non Durables	2.20
Bilcare Ltd.	Industrial Products	2.19
Texmaco Ltd.	Industrial Capital Goods	2.12
Bharat Bijlee Ltd	Industrial Capital Goods	2.11
Gammon India Ltd.	Construction	2.06
Navin Fluorine International Ltd.	Chemicals	2.01
Tata Consultancy Services Ltd.	Software	2.00
Man Industries (India) Ltd.	Ferrous Metals	1.99
Satyam Computer Services Ltd.	Software	1.99
Hindustan Lever Ltd.	Diversified	1.97
DLF Limited	Construction	1.63
Alstom Projects India Ltd.	Industrial Capital Goods	1.62
United Phosphorus Ltd	Pesticides	1.56
Zee Entertainment Enterprises Ltd	Media and Entertainment	1.55
Jindal Steel & Power Ltd.	Ferrous Metals	1.50
Deccan Chronicle Holdings Ltd.	Media and Entertainment	1.48
Sasken Communication Technologies Ltd.	Software	1.48
Television Eighteen India Ltd.	Media and Entertainment	1.46
Wire & Wireless (India) Ltd.	Media and Entertainment	1.46
Hinduja TMT Ltd.	Software	1.44
Tata Motors Ltd.	Auto	1.42
Royal Orchid Hotels Ltd	Hotels	1.41
Aban Offshore Ltd.	Industrial Services	1.16
Grasim Industries Ltd.	Cement	1.02
EID Parry (India) Ltd.	Consumer Non Durables	0.99
Nahar Industrial Enterprises Ltd.	Textiles - Cotton	0.97
Raymond Limited	Textile Products	0.96
Centurion Bank of Punjab Ltd.	Banks	0.91
Godawari Power and Ispat Limited	Ferrous Metals	0.91
Vishal Retail Ltd	Retailing	0.07
C and C Constructions Ltd	Construction	0.07
Total		90.99
Futures		
Bharti Airtel Ltd.-JUL2007		1.28
Total		1.28
Money Market Instruments		
Commercial Paper (CP)/Certificate of Deposits (CD)		
Public Sector Undertakings		
IDBI Bank Ltd.	P1+	1.87
Total		1.87
Term Deposits		
Kotak Mahindra Bank Ltd.		1.16
Total		1.16
Collateral Borrowing & Lending obligation		5.38
Net Current Assets/(Liabilities)		-0.68
Grand Total		100.00

Total NPAs provided for and percentage to NAV: Nil

Total value and percentage to Net Asset of Illiquid Equity Shares : Nil

Sector Allocation

Software	10.9%
Industrial Capital Goods	8.7%
Collateral Borrowing & Lending obligation And Term Deposits	6.5%
Construction	6.3%
Telecom - Services	6.2%
Pharmaceuticals	6.1%
Media and Entertainment	5.9%
Consumer Non Durables	5.5%
Industrial Products	5.2%
Banks	4.8%
Rest	33.9%

KOTAK GLOBAL INDIA

Open-Ended Equity Growth Scheme

About the Scheme

• **Investment Objective** - To generate capital appreciation from a diversified portfolio of predominantly equity and equity related securities issued by globally competitive Indian companies. • **Available Options** - DP, DR & G • **Fund Managers** - Nikunj Doshi & Anurag Jain
• **Loads - Entry:** ▶ Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores: Nil ▶ Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme: Nil ▶ Where investments is made by FILs or sub a/c of FILs: Nil ▶ Where investments is made by Fund of Funds as defined under SEBI Regulations: Nil ▶ Where units are allotted upon reinvestment of Dividends: Nil ▶ Cases not covered above: 2.25% **Exit** : ▶ For exit within 6 months for investments less than Rs. 5 crores: 1% ▶ Cases not covered above: Nil • **Minimum Initial Investment** : Rs. 5000 • **Additional Investment**: In multiples of Rs. 1000.

Ideal Investment Horizon - 1-3 years • **Corpus**: Rs. 118.05 crores

Performance as on June 29, 2007

	last 1 year	last 3 years	Since Allotment (Jan 30, 2004)
Kotak Global India	45.1	46.9	37.1
S&P CNX 500	35.2	30.9	14.8

Kotak Global India NAV:Rs.29.440 (Growth Option) # June 30, 2007 being a non - business day. Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future.

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity Related (Listed/Awaiting listing)		
Larsen And Toubro Ltd.	Industrial Capital Goods	5.59
Reliance Communications Ltd.	Telecom - Services	4.51
Infosys Technologies Ltd.	Software	4.41
Thermax Ltd.	Industrial Capital Goods	3.83
United Phosphorus Ltd	Pesticides	3.54
Hcl Technologies Ltd.	Software	3.50
ABB Ltd.	Industrial Capital Goods	3.48
Sterlite Industries (India) Ltd	Non - Ferrous Metals	3.47
Jubilant Oraganosys Ltd	Pharmaceuticals	3.44
Reliance Industries Ltd.	Petroleum Products	3.31
Allcargo Global Logistics Ltd.	Transportation	3.08
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	3.04
Tata Consultancy Services Ltd.	Software	3.02
Crompton Greaves Ltd.	Industrial Capital Goods	3.01
Amtek Auto Ltd.	Auto Ancillaries	2.94
Dr Reddys Laboratories Ltd	Pharmaceuticals	2.56
Aban Offshore Ltd.	Industrial Services	2.55
Tata Tea Ltd.	Consumer Non Durables	2.54
Asian Paints Ltd.	Consumer Non Durables	2.52
Tech Mahindra Ltd.	Software	2.36
Bilcare Ltd.	Industrial Products	2.33
Hanung Toys and Textiles Ltd.	Consumer Non Durables	2.29
Jindal Saw Ltd.	Ferrous Metals	2.11
Sasken Communication Technologies Ltd.	Software	2.08
ANG Auto Ltd	Auto	2.03
Zee Entertainment Enterprises Ltd	Media and Entertainment	2.01
Ipca Laboratories Ltd.	Pharmaceuticals	1.98
Subex Azure Ltd.	Software	1.83
Mahindra & Mahindra Ltd.	Auto	1.78
Siemens Ltd.	Industrial Capital Goods	1.77
Nahar Industrial Enterprises Ltd.	Textiles - Cotton	1.73
Sun Pharma Advance Research Co.Ltd	Pharmaceuticals	0.32
Total		88.96

Money Market Instruments

Commercial Paper (CP)/Certificate of Deposits (CD)

Corporate Debt / Financial Institutions		
ICICI Home Finance Company Limited	A1+	5.82
Total		5.82
Term Deposits		
Kotak Mahindra Bank Ltd.		1.27
Total		1.27
Collateral Borrowing & Lending obligation		2.07
Net Current Assets/(Liabilities)		1.88
Grand Total		100.00

Total NPAs provided for and percentage to NAV: Nil

Total value and percentage to Net Asset of Illiquid Equity Shares : Nil

Sector Allocation

Industrial Capital Goods	17.7%
Software	17.2%
Pharmaceuticals	11.3%
Consumer Non Durables	7.4%
Money Market Instruments	5.8%
Telecom - Services	4.5%
Auto	3.8%
Pesticides	3.5%
Non - Ferrous Metals	3.5%
Collateral Borrowing & Lending obligation	3.4%
Rest	21.9%

KOTAK MNC

Open-Ended Equity Growth Scheme

About the Scheme

• **Investment Objective** - To generate capital appreciation from a portfolio of predominantly equity and equity related securities issued by multinational companies • **Available Options** - DP & DR • **Fund Managers** - Nikunj Doshi & Anurag Jain • **Loads - Entry** : ▶ Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores: Nil ▶ Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme: Nil ▶ Where investments is made by FILs or sub a/c of FILs: Nil ▶ Where investments is made by Fund of Funds as defined under SEBI Regulations: Nil ▶ Where units are allotted upon reinvestment of Dividends: Nil ▶ Cases not covered above: 2.25% **Exit** : ▶ For exit within 6 months for investments less than Rs. 5 crores: 1% ▶ Cases not covered above: Nil • **Minimum Initial Investment** : Rs. 5000 • **Additional Investment**: In multiples of Rs. 1000.

Ideal Investment Horizon - 1-3 years • **Corpus**: Rs. 49.94 crores • **Ratios**: Beta*: 0.72 Sharpe*: 0.47 *Source : Value Research

Performance as on June 29, 2007

	1 year	3 years	5 years	Since Allotment (Apr04, 2000)
Kotak MNC*	46.7	42.9	38.0	21.2
BSE Sensex	44.2	44.6	34.9	17.0
S&P CNX Nifty	44.0	41.7	32.2	16.5

Kotak MNC NAV :Rs. 31.370 # June 30, 2007 being a non - business day. * Returns assumed reinvestment of the tax free dividend declared. Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future.

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity Related (Listed/Awaiting listing)		
Atlas Copco (India) Ltd	Industrial Products	5.67
Kennametal India Ltd.	Industrial Products	4.88
SKF India Ltd	Industrial Products	4.79
Mphasis Ltd	Software	4.74
Castrol (India) Ltd.	Petroleum Products	4.26
Bharti Airtel Ltd.	Telecom - Services	4.18
Amara Raja Batteries Ltd.	Auto Ancillaries	4.10
ING Vysya Bank Ltd.	Banks	3.72
Alstom Projects India Ltd.	Industrial Capital Goods	3.71
KSB Pump Ltd	Industrial Products	3.51
ITC Ltd.	Consumer Non Durables	3.41
Hindustan Lever Ltd.	Diversified	3.40
I-Flex Solutions Limited	Software	3.38
3M India Ltd.	Trading	3.32
Aventis Pharma Ltd.	Pharmaceuticals	3.19
GlaxoSmithKline Pharmaceuticals Ltd.	Pharmaceuticals	3.08
Grindwell Norton Ltd.	Industrial Products	3.05
ABB Ltd.	Industrial Capital Goods	3.01
Gillette India Ltd	Consumer Non Durables	2.76
Siemens Ltd.	Industrial Capital Goods	2.65
Motor Industries Company Ltd.	Auto Ancillaries	2.42
Monsanto India Ltd.	Pesticides	2.12
Kansai Nerolac Paints Ltd	Consumer Non Durables	2.07
Gujarat Gas Company Ltd	Gas	2.03
Pfizer Ltd.	Pharmaceuticals	2.01
South East Asia Marine Engg & Construction Ltd	Oil	1.99
Asahi India Glass Ltd	Auto Ancillaries	1.94
Micro Inks Ltd.	Chemicals	1.91
Solectron Centum Electronics Ltd.	Industrial Capital Goods	1.83
Bata India Ltd.	Consumer Non Durables	1.76
Total		94.89
Debt Instruments		
Debentures and Bonds		
Corporate Debt / Financial Institutions		
Disa India Ltd.*	Unrated	0.12
Total		0.12
Money Market Instruments		
Commercial Paper (CP)/Certificate of Deposits (CD)		
Corporate Debt / Financial Institutions		
ICICI Home Finance Company Limited	A1+	1.97
Total		1.97
Term Deposits		
Kotak Mahindra Bank Ltd.		0.50
Total		0.50
Collateral Borrowing & Lending obligation		4.20
Net Current Assets/(Liabilities)		-1.68
Grand Total		100.00

* Bonus Debentures issued

Total NPAs provided for and percentage to NAV: Nil

Total value and percentage to Net Asset of Illiquid Equity Shares : Nil

Sector Allocation

Industrial Products	21.9%
Industrial Capital Goods	11.2%
Consumer Non Durables	10.0%
Auto Ancillaries	8.5%
Pharmaceuticals	8.3%
Software	8.1%
Collateral Borrowing & Lending obligation And Term Deposits	4.7%
Petroleum Products	4.3%
Telecom - Services	4.2%
Banks	3.7%
Rest	15.1%

KOTAK TECH

Open-Ended Equity Growth Scheme

About the Scheme

• **Investment Objective** - To generate capital appreciation from a portfolio of predominantly equity and equity related securities in technology, other technology enabled companies and related sectors as given in the investment strategy. • **Available Options** - DP & DR • **Fund Managers** - Nikunj Doshi & Anurag Jain • **Loads - Entry** : ▶ Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores: Nil ▶ Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme: Nil ▶ Where investments is made by FILs or sub a/c of FILs: Nil ▶ Where investments is made by Fund of Funds as defined under SEBI Regulations: Nil ▶ Where units are allotted upon reinvestment of Dividends: Nil ▶ Cases not covered above: 2.25% **Exit** : ▶ For exit within 6 months for investments less than Rs. 5 crores: 1% ▶ Cases not covered above: Nil. • **Minimum Initial Investment** : Rs. 5000 • **Additional Investment**: In multiples of Rs. 1000.

Ideal Investment Horizon - 1-3 years • **Corpus**: Rs. 42.75 crores • **Ratios**: Beta* : 0.93 Sharpe* : 0.40 *Source : Value Research

Performance as on June 29, 2007

	last 1 year	3 years	5 years	Since Allotment (April 04, 2000)
Kotak Tech	43.8	35.7	29.4	4.3
BSE Teck	54.3	45.0	34.1	2.6

Kotak Tech NAV: Rs.10.619 # June 30, 2007 being a non - business day. Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future.

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity Related (Listed/Awaiting listing)		
Infosys Technologies Ltd.	Software	23.69
Hcl Technologies Ltd.	Software	10.50
Mphasis Ltd	Software	6.53
Wipro Ltd.	Software	5.82
Tata Consultancy Services Ltd.	Software	5.65
I-Flex Solutions Limited	Software	4.26
Bharti Airtel Ltd.	Telecom - Services	3.91
Financial Technologies (India) Ltd.	Software	3.59
Reliance Communications Ltd.	Telecom - Services	3.51
Sasken Communication Technologies Ltd.	Software	2.98
Satyam Computer Services Ltd.	Software	2.96
Megasoft Ltd	Software	2.88
Patni Computers Systems Ltd.	Software	2.42
Subex Azure Ltd.	Software	2.24
Infotech Enterprises Ltd.	Software	2.14
Tech Mahindra Ltd.	Software	1.96
Hinduja TMT Ltd.	Software	1.91
Aurionpro Solutions Ltd.	Software	1.40
Tanla Solutions Limited	Software	1.12
Zee Entertainment Enterprises Ltd	Media and Entertainment	1.04
Zensar Technolgies Ltd.	Software	0.95
Sonata Software Ltd.	Software	0.93
Total		92.39
Privately Placed/ Unlisted		
Virtual Dynamics Software Ltd. @	Software	#
SRM Radiant Infotech Ltd. @	Software	#
Total		0.00
Money Market Instruments		
Commercial Paper (CP)/Certificate of Deposits (CD)		
Corporate Debt / Financial Institutions		
ICICI Home Finance Company Limited	A1+	2.30
Total		2.30
Term Deposits		
Kotak Mahindra Bank Ltd.		1.17
Total		1.17
Collateral Borrowing & Lending obligation		4.68
Net Current Assets/(Liabilities)		-0.54
Grand Total		100.00

Total NPAs provided for and percentage to NAV: Nil

Total percentage to Net Asset of Illiquid Equity Shares : Nil

@ Privately Placed Securities.

Indicates % to net assets less than 0.01%

Sector Allocation

Software	83.9%
Telecom - Services	7.4%
Collateral Borrowing & Lending obligation And Term Deposits	5.9%
Money Market Instruments	2.3%
Media and Entertainment	1.0%
Net Current Assets	-0.5%

KOTAK EQUITY FOF

Open-Ended Equity Fund of Funds Scheme

About the Scheme

• **Investment Objective** - To generate long term Capital appreciation from a portfolio created by investing predominantly in open - ended diversified equity schemes of Mutual Funds registered with SEBI. • **Available Options** - DP, DR & G • **Fund Manager** - Sajit Pisharodi • **Loads - Entry:** ▶ Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores: Nil ▶ Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme: Nil ▶ Where investments is made by FIs or sub a/c of FIs: Nil ▶ Where investments is made by Fund of Funds as defined under SEBI Regulations: Nil ▶ Where units are allotted upon reinvestment of Dividends: Nil ▶ Cases not covered above: 2.25% **Exit Load:** ▶ For exit within 6 months for investments less than Rs. 5 crores: 1% ▶ Cases not covered above: Nil. • **Minimum Initial Investment:** Rs. 5000 • **Additional Investment:** In multiples of Rs. 1000.

Ideal Investment Horizon - 1-3 years • **Corpus:** Rs. 74.62 crores

Performance as on June 29, 2007

	last 1 year	Since Allotment (Aug 09, 2004)
Kotak Equity FOF	42.5	44.0
S&P CNX Nifty	42.4	40.0

Kotak Equity FOF NAV : Rs.27.746 (Growth Option)

June 30, 2007 being a non - business day. Returns = 1 year : Absolute; Returns > 1 year :

CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future..

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Mutual Fund Units		
Kotak 30	Equity Scheme	24.83
Birla Top 100 Fund	Equity Scheme	16.75
SBI Magnum Equity Fund Growth	Equity Scheme	16.74
Birla Sunlife Frontline Equity	Equity Scheme	16.36
Birla Sunlife Equity Fund	Equity Scheme	8.43
Franklin India Prima Plus	Equity Scheme	8.26
Prudential ICICI Dynamic Plan	Equity Scheme	7.93
Total		99.30
Net Current Assets/(Liabilities)		0.70
Grand Total		100.00

Total NPAs provided for and percentage to NAV: Nil

Total value and percentage to Net Asset of Illiquid Equity Shares : Nil

Sector Allocation

Kotak 30	24.8%
Birla Top 100 Fund	16.8%
SBI Magnum Equity Fund Growth	16.7%
Birla Sunlife Frontline Equity	16.4%
Birla Sunlife Equity Fund	8.4%
Franklin India Prima Plus	8.3%
Prudential ICICI Dynamic Plan	7.9%
Net Current Assets / (Liabilities)	0.7%

Specific Risk Factors : The investors of the scheme shall bear the recurring expenses of the Scheme in addition to the expenses of the underlying schemes. Hence the investor under the Scheme may receive lower pre-tax returns than what they may receive if they had invested directly in the underlying schemes in the same proportions. • The portfolio disclosure of the Scheme will be limited to providing the particulars of the underlying schemes where the Scheme has invested and will not include the investments made by the underlying schemes. • The portfolio of the Scheme will normally be comprised of schemes of Kotak Mahindra Mutual Fund and other schemes from the recommended list provided by the Designated Agency. Thought adequate care will be taken to ensure that the methodology adopted by the Designated Agency is proper, there may be any analytical error (like assigning overweightage or underweightage to various risk-returns parameters), execution error etc. by the Designated Agency, which may result in the sub-optimal performance of the Scheme. • Since the Scheme proposes to invest at least in 5 underlying schemes, the significant underperformance in even one of the underlying schemes may adversely affect the performance of the Scheme. Investments in underlying equity/debt schemes will have all the risks associated with such schemes.

KOTAK DYNAMIC FOF

Close-Ended Fund of Funds Scheme

About the Scheme

• **Investment Objective** - To generate long term Capital appreciation by investing in a portfolio of diversified large cap Equity Schemes and Liquid Schemes of mutual funds registered with SEBI. • **Available Options** - G • **Fund Manager** - Sajit Pisharodi • **Loads:** Exit: Nil ▶ During Liquidity window: Unit holders of the Schemes have the option of switch-in out all or part of their investment in the Scheme/Plan /Option of the Fund, during the Liquidity window. However, no switch-in is allowed in the Scheme. • **Minimum Initial Investment:** Rs. 5000.

Ideal Investment Horizon - 1-3 years • **Corpus:** Rs. 25.86 crores

Performance as on June 29, 2007

	1 year	Since Allotment (Mar 31, 2005)
Kotak Dynamic FOF	19.1	29.4
CRISIL Balanced Fund Index	27.6	25.0

Kotak Dynamic FOF NAV : Rs.17.829 (Growth Option) # June 30, 2007 being a non - business day. Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future..

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Mutual Fund Units		
Tata Pure Equity Fund	Equity Scheme	15.90
HSBC Equity Fund	Equity Scheme	15.79
Kotak 30	Equity Scheme	15.77
Birla Advantage Fund	Equity Scheme	15.75
HDFC Top 200 Fund	Equity Scheme	15.66
Tata Liquid Super High Investment Plan	Debt Scheme	4.60
Kotak Liquid Institutional Premium Plan	Debt Scheme	4.52
HDFC Liquid Fund Premium Plus	Debt Scheme	4.22
HSBC Cash Fund Institutional Plus	Debt Scheme	4.22
Birla Cash Plus Institutional Premium Plan	Debt Scheme	4.22
Kotak Liquid Institutional Plan	Debt Scheme	2.42
Total		103.07
Net Current Assets/(Liabilities)		-3.00
Grand Total		100.00

Total NPAs provided for and percentage to NAV: Nil

Total value and percentage to Net Asset of Illiquid Equity Shares : Nil

Sector Allocation

Tata Pure Equity Fund	15.9%
HSBC Equity Fund	15.8%
Kotak 30	15.8%
Birla Advantage Fund	15.8%
HDFC Top 200 Fund	15.7%
Tata Liquid Super High Investment Plan	4.6%
Kotak Liquid Institutional Premium Plan	4.5%
HDFC Liquid Fund Premium Plus	4.2%
HSBC Cash Fund Institutional Plus	4.2%
Birla Cash Plus Institutional Premium Plan	4.2%
Kotak Liquid Institutional Plan	2.4%
Net Current Assets / (Liabilities)	-3.1%

Specific Risk Factors : • The Scheme may invest predominantly in diversified Large Cap Equity or Liquid Schemes of Mutual Fund registered with SEBI. Hence the Scheme's performance may depend upon the performance of the underlying equity schemes. Any change in the investment policies or the fundamental attributes of the underlying schemes could affect the performance of the Scheme. • Investments in underlying equity schemes will have all the risks associated with the underlying equity schemes including performance of underlying stocks, derivative investments, off shore investments, security lending etc. • Investments in underlying liquid schemes, will have all the risks associated with such underlying schemes including changes in credit rating, trading volumes, settlement periods and transfer procedures; Price/Interest-Rate Risk and credit risk, volatility and liquidity in the money markets, pressure on the exchange rate of the rupee, Basis Risk, Spread Risk and Reinvestment Risk, off shore investments, derivative investments, security lending, etc. • The investors of the Scheme will bear dual recurring expenses and possibly dual loads, those of the Scheme and those of the underlying Schemes. Hence the investor under the Scheme may receive lower pre-tax returns than what they could have received if they had invested directly in the underlying Schemes in the same proportions. • The Portfolio disclosure of the Scheme will be limited to providing the particulars of the underlying schemes where the Scheme has invested and will not include the investments made by the underlying Schemes. • The dynamic asset allocation may result in higher transaction costs. • The Scheme is a close-ended scheme and the investors can redeem the units held in the scheme only during the last three working days of every third month from the date of allotment of units, at prices related to Applicable NAV.

KOTAK FLEXI FOF

Close-Ended Fund of Funds Scheme

About the Scheme

• **Investment Objective** - To provide long - term capital appreciation by investing in a portfolio of diversified equity schemes and liquid / short term / floating rate schemes / plans of mutual funds registered with SEBI • **Available Options** - DR & G • **Fund Manager** - Sajit Pisharodi • **Loads - Entry:** ▶ For investments <= Rs. 10 lakhs : 2.25%; otherwise Nil **Exit :** ▶ Nil (during liquidity window). • **Minimum Initial Investment:** Rs. 5000.

Ideal Investment Horizon - 1-3 years • **Corpus:** Rs. 90.28 crores

Performance as on June 29, 2007

	last 1 year	Since Allotment (Oct 20, 2005)
Kotak Flexi FOF	30.4	27.7
CRISIL Balanced Fund Index	27.6	26.0

Kotak Flexi FOF NAV : Rs.15.134 (Growth Option) # June 30, 2007 being a non - business day. Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future..

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Mutual Fund Units		
Kotak 30	Equity Scheme	23.25
Franklin India Prima Fund	Equity Scheme	20.23
Tata Equity Opportunities Fund	Equity Scheme	19.40
Reliance Vision Fund	Equity Scheme	19.38
Prudential ICICI Power Plan	Equity Scheme	18.65
Total		100.91
Net Current Assets/(Liabilities)		-0.91
Grand Total		100.00

Total NPAs provided for and percentage to NAV: Nil

Total value and percentage to Net Asset of Illiquid Equity Shares : Nil

Sector Allocation

Kotak 30	23.3%
Franklin India Prima Fund	20.2%
Tata Equity Opportunities Fund	19.4%
Reliance Vision Fund	19.4%
Prudential ICICI Power Plan	18.6%
Net Current Assets / (Liabilities)	-0.9%

Specific Risk Factors : • The Scheme may invest predominantly in diversified equity schemes of Mutual Fund registered with SEBI. Hence the Scheme's performance may depend upon the performance of the underlying equity schemes. Any change in the investment policies or the fundamental attributes of the underlying schemes could affect the performance of the Scheme. • Investments in underlying equity schemes will have all the risks associated with the underlying equity schemes including performance of underlying stocks, derivative investments, off shore investments, security lending etc. • Investments in underlying schemes, which invest predominantly in money market or floating rate instruments, will have all the risks associated with such underlying schemes including changes in credit rating, trading volumes, settlement periods and transfer procedures; Price/Interest-Rate Risk and credit Risk, volatility and liquidity in the money markets, pressure on the exchange rate of the rupee, Basis Risk, Spread Risk and Reinvestment Risk, off shore investments, derivative investments, security lending, etc. • The investors of the Scheme will bear dual recurring expenses and possibly dual loads, those of the Scheme and those of the underlying Schemes. Hence the investor under the Scheme may receive lower pre-tax returns than what they could have received if they had invested directly in the underlying Schemes in the same proportions. • The Portfolio disclosure of the Scheme will be limited to providing the particulars of the underlying schemes where the Scheme has invested and will not include the investments made by the underlying Schemes. • The dynamic asset allocation may result in higher transaction costs. • The Scheme is a close-ended scheme and the investors can redeem the units held in the scheme only during the last working day of every month and the first working day of every month, from the date of allotment of units, at prices related to Applicable NAV.

KOTAK BALANCE

Open-Ended Balanced Scheme

About the Scheme

• **Investment Objective** - To achieve growth by investing in equity & equity related instruments, balanced with income generation by investing in debt & money market instruments.
• **Available Options** - DP & DR • **Fund Managers** - Krishna Sanghvi & Ritesh Jain • **Loads - Entry:** ▶ Where the purchase amount/switch in amount is equal to or more than > Rs. 5 crores: Nil ▶ Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme: Nil ▶ Where investments is made by FILs or sub a/c of FILs: Nil ▶ Where investments is made by Fund of Funds as defined under SEBI Regulations: Nil ▶ Where units are allotted upon reinvestment of Dividends: Nil ▶ Cases not covered above: 2.25% **Exit:** ▶ For exit within 6 months for investments less than Rs. 5 crores: 1% ▶ Cases not covered above: Nil • **Minimum Initial Investment:** Rs. 5000 • **Additional Investment:** In multiples of Rs. 1000.

Ideal Investment Horizon - 1-3 years • **Corpus:** Rs. 90.55 crores • **Ratios:** Beta*: 1.01
Sharpe*: 0.60 *Source : Value Research

Performance as on June 29, 2007

	last 1 year	3 years	5 years	Since Allotment (Nov 25,1999)
Kotak Balance*	27.4	33.3	29.7	20.6
Crisil Balanced Fund Index	27.6	25.2	21.6	19.6

Kotak Bal NAV - Rs.25.363 # June 30, 2007 being a non - business day. * Returns assumed reinvestment of the tax free dividend declared. Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future.

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity Related (Listed/Awaiting listing)		
Reliance Industries Ltd.	Petroleum Products	3.76
JSW Steel Ltd.	Ferrous Metals	3.04
Reliance Communications Ltd.	Telecom - Services	2.86
ICICI Bank Ltd.	Banks	2.64
Larsen And Toubro Ltd.	Industrial Capital Goods	2.43
Union Bank Of India	Banks	2.20
Deccan Chronicle Holdings Ltd.	Media and Entertainment	2.19
Divi s Laboratories Limited	Pharmaceuticals	1.94
Hindustan Lever Ltd.	Diversified	1.87
Mphasis Ltd	Software	1.81
Tata Consultancy Services Ltd.	Software	1.78
Kirloskar Oil Engines Ltd.	Industrial Products	1.75
Hcl Technologies Ltd.	Software	1.71
Infosys Technologies Ltd.	Software	1.70
Mahindra & Mahindra Ltd.	Auto	1.68
Allcargo Global Logistics Ltd.	Transportation	1.63
GVK Power & Infrastructure Ltd.	Power	1.61
Man Industries (India) Ltd.	Ferrous Metals	1.56
Tech Mahindra Ltd.	Software	1.54
Reliance Petroleum Ltd.	Oil & Gas Exploration & Production	1.53
Jindal Steel & Power Ltd.	Ferrous Metals	1.53
Bharat Heavy Electricals Ltd.	Industrial Capital Goods	1.53
Cipla Ltd.	Pharmaceuticals	1.49
Jaiprakash Associates Ltd	Construction	1.47
AIA Engineering Limited	Industrial Capital Goods	1.46
Gammon India Ltd.	Construction	1.34
Indian Overseas Bank	Banks	1.30
Hinduja TMT Ltd.	Software	1.29
United Phosphorus Ltd	Pesticides	1.24
Bharti Airtel Ltd.	Telecom - Services	1.20
Andhra Bank	Banks	1.14
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	1.13
Amtek Auto Ltd.	Auto Ancillaries	1.08
Kalpataru Power Transmission Ltd.	Power	1.05
Sterlite Industries (India) Ltd	Non - Ferrous Metals	1.03

Asian Paints Ltd.	Consumer Non Durables	0.89
ABG Heavy Industries Ltd.	Industrial Capital Goods	0.88
Grasim Industries Ltd.	Cement	0.87
ITC Ltd.	Consumer Non Durables	0.85
Power Finance Corporation Ltd.	Finance	0.82
Jubilant Oraganosys Ltd	Pharmaceuticals	0.68
Network 18 Fincap Ltd.	Finance	0.63
Global Vectra Helicorp Ltd.	Transportation	0.59
Sun Pharma Advance Research Co.Ltd	Pharmaceuticals	0.15
Vishal Retail Ltd	Retailing	0.07
Total		66.94

Futures		
Bharti Airtel Ltd.-JUL2007		1.79
Divi s Laboratories Limited-JUL2007		-0.57
Total		1.22

Debt Instruments		
Debentures & Bonds		
Corporate Debt / Financial Institutions		
Mahindra & Mahindra	P1+	5.52
Financial Services Ltd.		
Citicorp Finance (India) Ltd.	AAA	4.42
ICICI Bank Ltd.	CARE AAA	3.34
Total		13.28

Public Sector Undertakings		
Indian Railway Finance Corporation Ltd.	AAA	6.70
Total		6.70

Money Market Instruments		
Commercial Paper (CP)/Certificate of Deposits (CD)		
Corporate Debt / Financial Institutions		
State Bank of Mysore	A1+	1.54
Total		1.54

Term Deposits		
Kotak Mahindra Bank Ltd.		2.76
Total		2.76
Collateral Borrowing & Lending obligation		8.28
Net Current Assets/(Liabilities)		-0.72
Grand Total		100.00

Total NPAs provided for and percentage to NAV: Nil
Total value and percentage to Net Asset of Illiquid Equity Shares : Nil
All ratings other than by CRISIL are by ICRA or CARE or Fitch

Sector Allocation

Debt Instruments	20.0%
Collateral Borrowing & Lending obligation and Term Deposits	11.0%
Software	9.8%
Banks	7.3%
Industrial Capital Goods	6.3%
Ferrous Metals	6.1%
Pharmaceuticals	5.4%
Telecom - Services	4.1%
Petroleum Products	3.8%
Construction	2.8%
Rest	23.4%

SIP Returns

	1 year	3 years	5 years	7 years
Investment Amt.	Rs. 12000	Rs. 36000	Rs. 60000	Rs. 84000
Investment Value	Rs. 13455	Rs. 56253	Rs. 140725	Rs. 246648
XIRR	23.54%	31.40%	34.99%	30.37%

Assumptions : 1) Rs. 1000 investment done on the 5th or the subsequent working day of the month. 2) Loads not considered.

KOTAK INCOME PLUS

Open-Ended Income Scheme

About the Scheme

• **Investment Objective** - To enhance returns over a portfolio of debt instruments with a moderate exposure to equity and equity related instruments. • **Available Options** - DP, DR & G • **Fund Managers** - Krishna Sanghvi & Ritesh Jain • **Loads - Entry:** ▶ 1% for redemptions within 1 year where investment amount <= Rs. 25 lacs. Nil for investment amount > Rs. 25 lacs. • **Minimum Initial Investment :** Rs. 5000 • **Additional Investment:** In multiples of Rs. 1000.

Ideal Investment Horizon - 1-3 years • **Corpus:** Rs. 59.88 crores • **Ratio:** YTM: 7.00

Performance as on June 29, 2007

	last 1 year	3 years	Since Allotment (Dec 02, 2003)
Kotak Income Plus	7.9	10.2	8.5
Crisil MIP Blended Index	10.0	8.7	7.3

Kotak Income Plus NAV - Rs.13.3957 (Growth Option) # June 30, 2007 being a non - business day. Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future.

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity related (Listed/Awaiting listing)		
Reliance Industries Ltd.	Petroleum Products	1.42
Larsen And Toubro Ltd.	Industrial Capital Goods	1.28
Bharti Airtel Ltd.	Telecom - Services	1.12
ICICI Bank Ltd.	Banks	0.96
Reliance Communications Ltd.	Telecom - Services	0.91
Tata Consultancy Services Ltd.	Software	0.86
Mahindra & Mahindra Ltd.	Auto	0.85
Infosys Technologies Ltd.	Software	0.82

Reliance Petroleum Ltd.	Oil & Gas Exploration & Production	0.74
Hindustan Lever Ltd.	Diversified	0.72
Deccan Chronicle Holdings Ltd.	Media and Entertainment	0.67
JSW Steel Ltd.	Ferrous Metals	0.66
Indian Overseas Bank	Banks	0.59
Sterlite Industries (India) Ltd	Non - Ferrous Metals	0.59
Divi s Laboratories Limited	Pharmaceuticals	0.59
Bharat Earth Movers Ltd.	Industrial Capital Goods	0.58
Jaiprakash Associates Ltd	Construction	0.56
Cipla Ltd.	Pharmaceuticals	0.52
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	0.51
Tech Mahindra Ltd.	Software	0.47
Hcl Technologies Ltd.	Software	0.46
Jindal Steel & Power Ltd.	Ferrous Metals	0.43
Andhra Bank	Banks	0.43
ABG Heavy Industries Ltd.	Industrial Capital Goods	0.38
AIA Engineering Limited	Industrial Capital Goods	0.29
Kirloskar Oil Engines Ltd.	Industrial Products	0.26
Kalpataru Power Transmission Ltd.	Power	0.25
GVK Power & Infrastructure Ltd.	Power	0.08
Vishal Retail Ltd	Retailing	0.07
Sun Pharma Advance Research Co.Ltd	Pharmaceuticals	0.07
Oil & Natural Gas Corporation Ltd.	Oil	0.00
Total		18.14

Futures		
Oil & Natural Gas Corporation Ltd.-JUL2007		0.36
Divi s Laboratories Limited-JUL2007		-0.18
Total		0.18

Debt Instruments		
Debentures & Bonds		
Corporate Debt / Financial Institutions		
GE Money Financial Services Limited	AAA	6.68
Mahindra & Mahindra Financial Services Ltd.	AA+	6.68
Citicorp Finance (India) Ltd.	AAA	3.34
Total		16.70

Public Sector Undertakings		
Indian Railway Finance Corporation Ltd.	AAA	17.44
Power Finance Corporation Ltd.	AAA	16.74
Union Bank of India	AA+	8.76
Export-Import Bank of India.	AAA	1.73
Total		44.67

Term Deposits		
Kotak Mahindra Bank Ltd.		0.84
Total		0.84
Collateral Borrowing & Lending obligation		16.28
Net Current Assets/(Liabilities)		3.19
Grand Total		100.00

Average Maturity based on total maturity of fixed rate and 0.12 immediate reset date of floating rate instruments of the portfolio

Total NPAs provided for and percentage to NAV: Nil
Total value and percentage to Net Asset of Illiquid Equity Shares : Nil
All ratings other than by CRISIL are by ICRA or CARE or Fitch.

Sector Allocation

Debentures and Bonds	61.2%
Equities	18.1%
Collateral Borrowing & Lending obligation And Term Deposits	17.1%
Net Current Assets	3.4%
Futures	0.2%

KOTAK BOND

Open-Ended Debt Scheme

About the Scheme

Investment Objective - To create a portfolio of debt and money market instruments of different maturities so as to spread the risk across a wide maturity horizon & different kinds of issuers in the debt market. • **Plan** - (a) Deposit (b) Regular • **Available Options** - (a) DP, DR & G (b) DP, DR, G & B • **Fund Manager** - Ritesh Jain • **Loads** - (a) Entry: Nil Exit: 0.5% for redemptions within 6 months where investment amount <= Rs. 10 lacs. Nil for investment amount > Rs. 10 lacs (b) Entry: Nil Exit: Nil. • **Minimum Initial Investment** : Rs. 5000 • **Additional Investment**: In multiples of Rs. 1000.

Ideal Investment Horizon - 1-2 years • **Corpus**: Rs. 37.93 crores • **Ratios** (For Bond Regular Plan) : Sharpe*: 0.10 Standard Deviation*: 0.14 YTM: 8.50 *Source: Value Research

Performance as on June 29, 2007

	1 year	3 years	5 years	Since Allotment (Nov 25,1999)
Deposit Plan	5.1	4.3	6.2	8.7
Regular Plan	7.0	5.3	7.0	9.5
Crisil Composite Bond Index	4.5	3.6	4.9	0.0

Kotak Bond Deposit NAV : Rs.18.8305 (Growth Option) Kotak Bond Regular NAV : Rs 19.8977 (Growth Option) # June 30, 2007 being a non - business day. Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future.

Portfolio - Deposit & Regular Plans

Issuer/ Instrument	Industry /Rating	% to Net Assets
Debt Instruments		
Debentures & Bonds		
Corporate Debt / Financial Institutions		
Long Bond Receivables NMBR 400BP 2006 IV PTC A1	AAA(so)	16.98
TAS Trust Series III, TML Fin. Ser. A1	AA+(so)	13.26
HDFC Ltd.	AAA	12.69
Sundaram Finance Ltd.	AA+	7.91
Credit Asset Trust Ser VI PTC Class A	F1+(ind)	5.26
Indian Retail ABS Trust Series 56 PTC A2	AAA	4.68

ICICI Securities Primary Dealership Ltd.	AAA	2.61
Citifinancial Consumer Finance India Ltd.	AAA	2.18
Infrastruture Leasing & Financial Services Limited	AAA(ind)	1.45
Infrastruture Leasing & Financial Services Limited	LAAA	1.25

Total **68.27**

Government Dated Securities		
7.49% Government Stock - 2017	SOV	10.06

Total **10.06**

Collateral Borrowing & Lending obligation 14.36

Net Current Assets/(Liabilities) **7.31**

Grand Total **100.00**

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments : 2.85

Total NPA provided for and percentage to NAV : Nil
All ratings other than by CRISIL are by ICRA or CARE or Fitch

Sector Allocation

Debentures and Bonds	68.3%
Collateral Borrowing & Lending obligation	14.4%
Government Dated Securities	10.1%
Net Current Assets	7.3%

Rating Profile

AAA, F1+ and SOV	57.2%
AA+	21.2%
Collateral Borrowing & Lending obligation	14.4%
Net Current Assets	7.3%

KOTAK BOND SHORT TERM PLAN

Open-Ended Debt Scheme

About the Scheme

Investment Objective - To provide reasonable returns and high level of liquidity by investing in debt & money market instruments of different maturities, so as to spread the risk across different kinds of issuers in the debt market. • **Plan** - Short Term • **Available Options** - DR & G • **Fund Managers** - Ritesh Jain & Abhishek Bisen • **Loads** - Entry: Nil Exit: For Investments <= Rs. 2 crores: a) For redemptions/switchouts within 6 months: 1% b) For redemptions/switchouts after 6 months upto 1 year: 0.50% c) For redemptions after 1 year : Nil For Investments > than Rs. 2 crores: Nil. • **Minimum Initial Investment** : Rs. 5000 • **Additional Investment**: In multiples of Rs. 1000.

Ideal Investment Horizon - 6 months and above • **Corpus**: Rs. 69.56 crores

Ratios: Sharpe* : 0.66 Standard Deviation*: 0.06 YTM: 9.00 *Source: Value Research

Performance as on June 29, 2007

	1 year	3 years	5 years	Since Allotment (May 02, 2002)
Short Term Plan	7.8	6.3	6.4	6.4
Crisil Short-Term Bond Fund Index	6.7	5.1	5.3	5.4

Kotak Bond Short Term NAV : Rs.13.8006 (Growth Option) # June 30, 2007 being a non - business day. Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future.

Portfolio - Short Term Plan

Issuer/ Instrument	Industry /Rating	% to Net Assets
Debt Instruments		
Debentures & Bonds		
Corporate Debt / Financial Institutions		
TAS Trust Series III, TML Fin. Ser. A1	AA+(so)	7.23
Sundaram Finance Ltd.	AA+	7.10
BHPC Auto Sec. Trust JUNE 2005 PTC A3	AAA(so)	4.29
Total		18.62
Public Sector Undertakings		
Loan Sec. Trust Series XII	LAAA	6.38
Total		6.38
Money Market Instruments		
Commercial Paper (CP)/Certificate of Deposits (CD)		
Corporate Debt / Financial Institutions		
Hongkong & Shanghai Banking Corporation	P1+	13.38
HDFC Bank Ltd.	P1+	7.12
ICICI Bank Ltd.	P1+	6.60
Total		27.10
Public Sector Undertakings		
Canara Bank	P1+	6.79
State Bank of Saurashtra	P1+	6.77
Union Bank of India	A1+	6.77
Corporation Bank	P1+	6.63
Total		26.96
Collateral Borrowing & Lending obligation		18.68
Net Current Assets/(Liabilities)		2.26
Grand Total		100.00

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments : 0.77

Total NPA provided for and percentage to NAV : Nil

Sector Allocation

Commercial Paper / Certificate of Deposits	54.1%
Debentures and Bonds	25.0%
Collateral Borrowing & Lending obligation	18.7%
Net Current Assets	2.3%

Rating Profile

AAA, P1+ and A1+	64.7%
AA+	14.3%
Collateral Borrowing & Lending obligation	18.7%
Net Current Assets	2.3%

KOTAK GILT SAVINGS

Open-Ended Dedicated Gilt Scheme

About the Scheme

• **Investment Objective** - To generate risk-free returns through investments in sovereign securities issued by the Central Government and/or State Governments and/or reverse repos in such securities. • **Available Options** - DP, DR & G • **Fund Managers** - Ritesh Jain & Abhishek Bisen • **Loads** - Entry: Nil Exit: Nil. • **Minimum Initial Investment** : Rs. 5000 • **Additional Investment**: In multiples of Rs. 1000.

Ideal Investment Horizon - 6 months and above • **Corpus**: Rs. 11.30 crores
• **Ratio**: Sharpe* : 0.01 • Standard Deviation* : 0.11 YTM: 7.25 *Source: Value Research

Performance as on June 29, 2007

	1 year	3 years	5 years	Since Allotment (Dec 29, 1998)
Savings Plan	5.6	5.3	5.5	7.5
ISEC SIBEX	7.3	5.4	6.1	-

Kotak Gilt Savings Plan :Rs.18.427 (Growth Option) # June 30, 2007 being a non - business day. Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future.

Portfolio - Savings Plan

Issuer/ Instrument	Industry /Rating	% to Net Assets
Money Market Instruments		
Treasury Bills		
364 Days Treasury Bill 03/08/2007	SOV	17.59
Total		17.59
Collateral Borrowing & Lending obligation		81.82
Net Current Assets/(Liabilities)		0.59
Grand Total		100.00
Average Maturity of the Portfolio : 0.02 years		
Total NPA provided for and percentage to NAV : NIL		

Sector Allocation

Treasury Bills	17.6%
Collateral Borrowing & Lending obligation	81.8%
Net Current Assets	0.6%

KOTAK GILT INVESTMENT

Open-Ended Dedicated Gilt Scheme

About the Scheme

• **Investment Objective** - To generate risk-free returns through investments in sovereign securities issued by the Central Government and/or State Governments and/or reverse repos in such securities. • **Plans** - Regular, PF & Trust • **Available Options** - DP, DR & G • **Fund Manager** - Ritesh Jain • **Loads** - Entry: Nil. Exit: Nil. • **Minimum Initial Investment** : Rs. 5000 • **Additional Investment**: In multiples of Rs. 1000.

Ideal Investment Horizon - More than 1 year • **Corpus**: Rs. 26.36 crores
• **Ratios** (For Regular Plan): Sharpe* : -0.10 YTM: 7.10 • Standard Deviation* : 0.40
*Source: Value Research

Performance as on June 29, 2007

	1 year	3 years	5 years	Since Allotment (Inv Plan - Dec 29, '98; Inv PF & Trust Plan - Nov 11, '03)
Investment Plan	4.3	3.4	7.0	10.7
Investment-PF & Trust Plan	4.7	3.8	-	3.0
ISEC Composite Index	8.3	4.5	7.0	3.0 \$

Kotak Gilt Investment Regular Plan : Rs.23.742 (Growth Option)
Kotak Gilt Investment PF & Trust Plan : Rs. 24.0792 (Growth Option) # June 30, 2007 being a non - business day. Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate)

\$ The benchmark return corresponds only to Investment - PF and Trust Plan
Past performance may or may not be sustained in future

Portfolio-Investment-Regular, Provident Fund & Trust Plans

Issuer/ Instrument	Industry /Rating	% to Net Assets
Debt Instruments		
Government Dated Securities		
7.49% Government Stock - 2017	SOV	39.79
Total		39.79
Money Market Instruments		
Treasury Bills		
182 Days Treasury Bill 14/12/2007	SOV	36.72
364 Days Treasury Bill 03/08/2007	SOV	11.31
Total		48.03
Collateral Borrowing & Lending obligation		5.69
Net Current Assets/(Liabilities)		6.49
Grand Total		100.00
Average Maturity of the Portfolio : 4.08 years		
Total NPA provided for and percentage to NAV : NIL		

Sector Allocation

Government Dated Securities	39.8%
Treasury Bills	48.0%
Collateral Borrowing & Lending obligation	5.7%
Net Current Assets	6.5%

KOTAK FLEXI DEBT

Open-Ended Debt Scheme

About the Scheme

• **Investment Objective** - To maximise returns through an active management of a portfolio of debt and money securities. • **Available Options** - DP, DR & G • **Fund Manager** - Ritesh Jain
• **Loads** - Entry: Nil Exit: 0.10% if redeemed within 7 days from date of allotment of units.
• **Minimum Initial Investment**: Rs. 5000 • **Additional Investment**: In multiples of Rs. 1000.

Ideal Investment Horizon - 7 days • **Corpus**: Rs. 3173.37 crores • **Ratio**: YTM: 8.50

Performance as on June 29, 2007

	last 1 year	Since Allotment (Dec 06, 2004)
Kotak Flexi Debt	8.0	7.0
CRISIL Composite Bond Fund Index	4.5	4.4

Kotak Flexi Debt NAV: Rs.11.8854 (Growth Option) # June 30, 2007 being a non - business day. Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future.

Portfolio

Issuer/ Instrument	Industry /Rating	% to Net Assets
Debt Instruments		
Debentures & Bonds		
Corporate Debt / Financial Institutions		
Mahindra & Mahindra Financial Services Ltd.	P1+	2.52
Global Trade Finance Ltd.	P1+	2.36
LIC Housing Finance Ltd.	AAA	1.07
Graphite India Limited.	A1+	0.95
Long Bond Receivables NMBR 400BP 2006 III PTC A	AAA(ind)	0.91
Deccan Chronicle Holding Ltd.	P1+	0.79
L&T Finance limited	Unrated	0.79
L & T Finance Limited	Unrated	0.79
Kotak Mahindra Prime Ltd.	LAA	0.78
Collateralised Trust Ser 9 CL-A1	AA(ind)	0.71
Madras Cements Ltd.	A1+	0.63
Mahindra & Mahindra Financial Services Ltd.	AA+	0.60
CREDIT ASSET TRUST Ser VIII Class A Cert	F1+(ind)	0.48
GE Capital Services India.	AAA	0.47
Rabo India Finance Pvt Ltd.	P1+	0.47
GE Money Financial Services Limited	AAA	0.35
TAS Trust Series III, TML Fin. Ser. A1	AA+(so)	0.32
HDFC Ltd.	AAA	0.31
ICICI Bank Ltd.	CARE AAA	0.31
Citicorp Finance (India) Ltd.	AAA	0.16
DSP ML Capital Ltd.	AAA	0.16
Infrastructure Development Finance Co. Ltd	AAA	0.15
Bajaj Auto Finance Limited	AA+	0.14
Citifinancial Consumer Finance India Ltd.	AAA	0.12
Indian Retail ABS Trust Series 56 PTC A2	AAA	0.11
Collateralised Trust Ser 9 CL-A2	AA(ind)	0.09
Credit Asset Trust Ser VI PTC Class A	F1+(ind)	0.09
UTI Bank Ltd.	LAA+	0.06
Indian Retail ABS Trust Ser 39 PTC A2	LAAA(SO)	0.00
Total		16.69
Public Sector Undertakings		
National Bank for Agriculture and Rural Development	AAA	7.40
Loan Sec. Trust Series XII	LAAA	0.66
Indian Railway Finance Corporation Ltd.	AAA	0.32
National Bank for Agriculture and Rural Development	CARE AAA	0.16
Total		8.54
Money Market Instruments		
Bill Rediscounting		
Standard Chartered Bank Bill Rediscounting 30/07/07		1.25
Total		1.25
Commercial Paper (CP)/Certificate of Deposits (CD)		
Corporate Debt / Financial Institutions		
Jammu & Kashmir Bank	P1+	4.55
Federal Bank Ltd.	P1+	4.35
IndusInd Bank Ltd.	A1+	3.09
Karur Vysya Bank Ltd.	F1+(ind)	2.44
YES Bank Ltd.	P1+	1.92
ICICI Bank Ltd.	A1+	1.33
ABN Amro Bank N.V	A1+	1.23
Citibank N.A.	P1+	1.09
UTI Bank Ltd.	P1+	1.09
Infrastructure Development Finance Co. Ltd	A1+	0.78
Rabo India Finance Pvt Ltd.	P1+	0.78
ICICI Home Finance Company Limited	A1+	0.77
ING Vysya Bank Ltd	A1+	0.75
ING Vysya Bank Ltd	P1+	0.75
Bank of Nova Scotia	P1+	0.74
ICICI Bank Ltd.	P1+	0.74
HDFC Bank Ltd.	P1+	0.63
Adlabs Films Ltd.	A1+	0.62
Sundaram Finance Ltd.	P1+	0.61
Micro Inks	PR1+	0.46
L & T Finance Limited	PR1+	0.45
Development Credit Bank Ltd.	P1+	0.43
ABN Amro Bank N.V	P1+	0.31
Redington (India) Ltd.	P1+	0.31
UTI Bank Ltd.	A1+	0.31
EDELWEISS Securities Private Limited	P1+	0.30
UTI Securities Limited	A1+	0.30
Total		31.13
Public Sector Undertakings		
Punjab National Bank	P1+	9.20
State Bank Of India.	P1+	5.08
Union Bank of India	A1+	3.78
Indian Bank	F1+(ind)	2.52
UCO Bank	P1+	1.98
State Bank of Saurashtra	A1+	1.87
Canara Bank	P1+	1.78
State Bank of Bikaner & Jaipur	P1+	1.54
State Bank of Mysore	A1+	1.52
Union Bank of India	P1+	1.23
IDBI Bank Ltd.	P1+	0.73
State Bank of Patiala	A1+	0.73

State Bank of Indore	P1+	0.63
State Bank of Patiala	P1+	0.62
State Bank of Travancore	P1+	0.45
Punjab National Bank	A1+	0.43
Allahabad Bank	PR1+	0.15
Corporation Bank	P1+	0.14
Total		34.38
Treasury Bills		
91 Days Treasury Bill 12/09/2007	SOV	1.56
91 Days Treasury Bill 26/09/2007	SOV	1.24
91 Days Treasury Bill 03/08/2007	SOV	0.78
364 Day TBILL 20/06/2008	SOV	0.73
182 Days Treasury Bill 14/12/2007	SOV	0.46
Total		4.77
Term Deposits		
State Bank of India		4.41
UTI Bank Ltd		3.62
HDFC Bank Ltd		0.88
Total		8.91
Net Current Assets/(Liabilities)		-5.67
Grand Total		100.00

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments : 0.43

Total NPA provided for and percentage to NAV : Nil
All ratings other than by CRISIL are by ICRA or CARE or Fitch.

Sector Allocation

Commercial Paper /Certificate of Deposits	65.5%
Debentures and Bonds	25.2%
Term Deposits	8.9%
Treasury Bills	4.8%
Bill Rediscounting	1.3%
Net Current Assets	-5.7%

Rating Profile

AAA,P1+, PR1+, A1+, F1+ and SOV	91.2%
AA+	1.1%
AA	1.6%
Unrated	1.6%
Bill Rediscounting	1.3%
Term Deposits	8.9%
Net Current Assets	-5.7%

KOTAK FLOATER LONG TERM

Open-Ended Debt Scheme

About the Scheme

• **Investment Objective** - To reduce the interest rate risk associated with investments in fixed rate instruments by investing predominantly in floating rate securities, money market instrument and using appropriate derivatives. • **Available Options** - DP, DR & G • **Fund Managers** - Ritesh Jain & Abhishek Bisen • **Loads** - Entry: Nil Exit: 0.5% for redemptions within 6 months where investment amount <= Rs. 10 lacs. Nil for investment amount > Rs. 10 lacs. • **Minimum Initial Investment** : Rs. 5000 • **Additional Investment**: In multiples of Rs. 1000.

Ideal Investment Horizon - 3 months & above • **Corpus**: Rs. 61.97 crores • **Ratio**: YTM: 8.25

Performance as on June 29, 2007

	Last 1 year	Since Allotment (Aug 13, 2004)
Kotak Floater Long Term	7.7	6.3
CRISIL Liquid Fund Index	7.3	5.7

Kotak Floater Long Term NAV : Rs. 11.919 (Growth Option) # June 30, 2007 being a non - business day Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future.

Portfolio - Long Term

Issuer/ Instrument	Industry /Rating	% to Net Assets
Debt Instruments		
Debentures & Bonds		
Corporate Debt / Financial Institutions		
Mahindra & Mahindra Financial Services Ltd.	AA+	12.10
TAS Trust Series III, TML Fin. Ser. A1	AA+(so)	8.12
ICICI Bank Ltd.	CARE AAA	8.08
Loan Securitisation Trust Ser XLIV PTC B	A1+(SO)	8.07
Citicorp Maruti Finance Ltd.	AAA	8.05
Shriram Transport Finance Co Ltd.	AAA(so)	8.00
UTI Bank Ltd.	LAA+	4.94
Sundaram Finance Ltd.	AA+	4.84
Indian Retail ABS Trust Series 56 PTC A2	AAA	4.29
Total		66.49
Money Market Instruments		
Commercial Paper (CP)/Certificate of Deposits (CD)		
Corporate Debt / Financial Institutions		
Jindal Steel & Power Ltd	A1+	8.02
ABN Amro Bank N.V	A1+	6.32
UTI Bank Ltd.	P1+	1.59
Total		15.93
Public Sector Undertakings		
State Bank of Saurashtra	P1+	7.60
UCO Bank	P1+	6.41
Total		14.01
Collateral Borrowing & Lending obligation		4.27
Net Current Assets/(Liabilities)		-0.70
Grand Total		100.00

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments : 0.39

Total NPA provided for and percentage to NAV : Nil
All ratings other than by CRISIL are by ICRA or CARE or Fitch.

Sector Allocation

Debentures and Bonds	66.5%
Commercial Paper / Certificate of Deposits	29.9%
Collateral Borrowing & Lending obligation	4.3%
Net Current Assets	-0.7%

Rating Profile

AAA, P1+ and A1+	66.4%
AA+	30.0%
Collateral Borrowing & Lending obligation	4.3%
Net Current Assets	-0.7%

KOTAK FLOATER SHORT TERM

Open-Ended Debt Scheme

About the Scheme

• **Investment Objective** - To reduce the interest rate risk associated with investments in fixed rate instruments by investing predominantly in floating rate securities, money market instruments and using appropriate derivatives. • **Available Options** - DR & G • **Fund Managers** - Ritesh Jain & Deepak Agrawal • **Loads** - Entry: Nil - Exit: Nil. • **Minimum Initial Investment** : Rs. 5000 • **Additional Investment**: In multiples of Rs. 1000.

Ideal Investment Horizon - 1 month to 3 months • **Corpus**: Rs. 173.52 crores

• **Ratio**: Standard Deviation*: 0.02 YTM: 7.75 *Source : Value Research

Performance as on June 29, 2007

	1 year	3 years	Since Allotment (July 14, 2003)
Kotak Floater Short Term	7.5	6.2	5.9
CRISIL Liquid Fund Index	7.3	5.7	5.3

Kotak Floater Short Term NAV : Rs. 12.5468 (Growth Option) # June 30, 2007 being a non - business day. Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future.

Portfolio

Issuer/ Instrument	Industry /Rating	% to Net Assets
Debt Instruments		
Debentures & Bonds		
Corporate Debt / Financial Institutions		
Global Trade Finance Ltd.	P1+	8.64
Credit Asset Trust Ser VI PTC Class A	F1+(ind)	5.17
LIC Housing Finance Ltd.	AAA	3.78
Citicorp Finance (India) Ltd.	AAA	2.88
Mahindra & Mahindra	P1+	2.88
Financial Services Ltd.		
Shriram Transport Finance Co Ltd.	F1+(ind)	2.31
Sundaram Finance Ltd.	AA+	2.31
BHPC Auto Sec. Trust JUNE 2005 PTC A1	AAA(so)	0.44
Total		28.41
Public Sector Undertakings		
Indian Railway Finance Corporation Ltd.	AAA	8.67
Industrial Development Bank Of India.	AA+	6.49
Total		15.16
Money Market Instruments		
Commercial Paper (CP)/Certificate of Deposits (CD)		
Corporate Debt / Financial Institutions		
Karur Vysya Bank Ltd.	F1+(ind)	8.58
ICICI Bank Ltd.	P1+	7.93
ING Vysya Bank Ltd	P1+	5.65
Jammu & Kashmir Bank	P1+	2.84
Total		25.00
Public Sector Undertakings		
State Bank of Travancore	P1+	8.60
UCO Bank	P1+	5.96
Union Bank of India	P1+	5.28
State Bank of Patiala	P1+	2.84
Total		22.68
Treasury Bills		
182 Days Treasury Bill 07/09/2007	SOV	5.69
Total		5.69
Collateral Borrowing & Lending obligation		4.18
Net Current Assets/(Liabilities)		-1.12
Grand Total		100.00

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments : 0.27

Total NPA provided for and percentage to NAV : Nil

All ratings other than by CRISIL are by ICRA or CARE or Fitch.

Sector Allocation

Commercial Paper / Certificate of Deposits	47.7%
Debentures and Bonds	43.5%
Treasury Bills	5.7%
Collateral Borrowing & Lending obligation	4.2%
Net Current Assets	-1.1%

Rating Profile

AAA, P1+, F1+ and SOV	88.1%
AA+	8.8%
Collateral Borrowing & Lending obligation	4.2%
Net Current Assets	-1.1%

KOTAK LIQUID

Open-Ended Debt Scheme

About the Scheme

• **Investment Objective** - To provide reasonable returns and high level of liquidity by investing in debt and money market instruments of different maturities so as to spread the risk across different kinds of issuers in the debt markets. • **Plans** - (a) Regular (b) Institutional (c) Institutional Premium • **Available Options** - (a) DR & G (b) DR & G (c) DP, DR & G • **Fund Manager** - Ritesh Jain • **Loads** - Entry: Nil, Exit: Nil. **Minimum Initial Investment** : Regular: Rs. 5000, Institutional: Rs. 1 crore, Institutional Premium: Rs. 5 crores • **Additional Investment** : In Multiples of Rs. 1000.

Ideal Investment Horizon - 7 days to 15 days • **Corpus**: Rs. 5116.32 crores

• **Ratios** (For Liquid Institutional Premium Plan) • **Sharpe*** : 2.30 **Standard Deviation*** : 0.02

• **YTM**: 8.00 *Source : Value Research

Performance as on June 29, 2007

	1 year	3 years	5 years	Since Allotment (Reg. - Oct 05, '00; Instl - Mar 14, '03, Instl Prem - Nov 04, '03)
Kotak Liquid Regular Plan	6.9	5.6	7.7	7.3
Kotak Liquid Institutional Plan	7.3	5.7	5.7	5.7
Kotak Liquid Institutional Premium Plan	7.7	5.7	-	5.3
CRISIL Liquid Fund Index	7.3	5.7	6.0	5.4**

Kotak Liquid Regular Plan NAV: Rs.15.0689 (Growth Option); Kotak Liquid Institutional Plan NAV : Rs.15.3143 (Growth Option); Kotak Liquid Institutional Premium Plan NAV: Rs.15.4491 (Growth Option) # June 30, 2007 being a non - business day. Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) **The Benchmark Return corresponds only to Liquid - Institutional & Institutional Premium Plans. Past performance may or may not be sustained in future.

Portfolio-Regular, Institutional & Institutional Premium Plans

Issuer/ Instrument	Industry /Rating	% to Net Assets
Debt Instruments, Debentures & Bonds, Corporate Debt / Financial Institutions		
DSP ML Capital Ltd.	P1+	2.17
Chambal Fertilisers & Chemicals Ltd.	P1+	1.47
Citicorp Finance (India) Ltd.	AAA	1.29
LIC Housing Finance Ltd.	AAA	1.18
UTI Bank Ltd.	LAA+	1.10
Infrastructure Development Finance Co. Ltd	A1+	0.98
Kotak Mahindra Prime Ltd.	P1+	0.98
Rabo India Finance Pvt Ltd.	P1+	0.70
DSP ML Capital Ltd.	AAA	0.69
Global Trade Finance Ltd.	P1+	0.68
India Loan Securitisation Trust V PTC A	AAA(so)	0.68
GE Money Financial Services Limited	AAA	0.64
ICICI Bank Ltd.	CARE AAA	0.63
Loan Securitisation Trust Ser XLIV PTC B	A1+(SO)	0.59
Mahindra & Mahindra Financial Services Ltd.	AA+	0.58
Ballarpur Industries Ltd.	F1+(ind)	0.49
Sundaram Finance Ltd.	P1+	0.49
Shriram Transport Finance Co Ltd.	F1+(ind)	0.49
ICICI Securities Primary Dealership Ltd.	P1+	0.49
JM Financial Products Private Limited	P1+	0.48
Citifinancial Consumer Finance India Ltd.	AAA	0.30
Finolex Cables Ltd.	P1+	0.29
Raymond Ltd.	PR1+	0.23
L&T Finance limited	P1+	0.20
Whirlpool of India Ltd.	P1+	0.20
Cholamandalam DBS Finance Limited.	LAA	0.19
GE Capital Services India.	AAA	0.06
Indian Retail ABS Trust Ser 39 PTC A2	LAAA(SO)	0.01
Total		18.28
Public Sector Undertakings		
Indian Railway Finance Corporation Ltd.	AAA	3.81
Industrial Development Bank Of India.	AA+	1.28
Power Finance Corporation Ltd.	AAA	1.08
Export-Import Bank of India.	AAA	0.96
National Bank for Agriculture and Rural Development	AAA	0.78
Power Grid Corporation of India Ltd.	AAA	0.10
Union Bank of India	AA+	0.10
Housing & Urban Development Corporation Ltd.	PR1+	0.02
Total		8.13
Money Market Instruments		
Bill Rediscounting		
Standard Chartered Bank Bill Rediscounting 30/07/07		0.78
Total		0.78
Commercial Paper (CP)/Certificate of Deposits (CD) Corporate Debt / Financial Institutions		
ICICI Bank Ltd.	A1+	5.47
Jammu & Kashmir Bank	P1+	3.90
HDFC Ltd.	A1+	3.11
ABN Amro Bank N.V	A1+	1.97
ABN Amro Bank N.V	P1+	1.96
ING Vysya Bank Ltd	P1+	1.23
YES Bank Ltd.	P1+	1.10
HDFC Ltd.	P1+	0.97
Standard Chartered Bank Ltd	P1+	0.94
Citibank N.A.	P1+	0.57
Development Credit Bank Ltd.	P1+	0.48
GE Money Financial Services Limited	P1+	0.48
LIC Housing Finance Ltd.	P1+	0.48
Jindal Steel & Power Ltd	A1+	0.48
ING Vysya Bank Ltd	A1+	0.47
Karur Vysya Bank Ltd.	F1+(ind)	0.45
BHW Home Finance Ltd	P1+	0.39
First India Credit Corporation Limited	A1+	0.39
Federal Bank Ltd.	P1+	0.39
Hindustan Construction Company Ltd.	PR1+	0.38
L&T Finance limited	PR1+	0.37
Rabo India Finance Pvt Ltd.	P1+	0.29
UTI Bank Ltd.	A1+	0.29
Alembic Ltd.	P1+	0.19
Sundaram Finance Ltd.	P1+	0.19
Rico Auto Industries Ltd.	A1+	0.19
ERICSONS INDIA PRIVATE LTD	A1+	0.19
ICICI Bank Ltd.	P1+	0.18
Infrastructure Development Finance Co. Ltd	A1+	0.18
Hongkong & Shanghai Banking Corporation	P1+	0.12
HDFC Bank Ltd.	P1+	0.10
L & T Finance Limited	PR1+	0.10
Redington (India) Ltd.	P1+	0.10
DSP ML Capital Ltd.	P1+	0.08
Standard Chartered Investment & Loan India Ltd.	P1+	0.02
Tata Sons Ltd.	P1+	#
Total		28.20
Public Sector Undertakings		
Punjab National Bank	P1+	4.67
State Bank Of India.	P1+	3.87
UCO Bank	P1+	2.92
Union Bank of India	A1+	2.57
State Bank of Mysore	A1+	2.07
State Bank of Saurashtra	A1+	1.93
State Bank of Travancore	P1+	1.65
State Bank of Bikaner & Jaipur	P1+	1.49
Punjab National Bank	F1+(ind)	1.45
Corporation Bank	P1+	0.90
Union Bank of India	P1+	0.86
State Bank of Saurashtra	P1+	0.73
State Bank of Indore	P1+	0.72
IDBI Bank Ltd.	A1+	0.49

State Bank of Patiala	P1+	0.48
State Bank of Hyderabad	P1+	0.45
Indian Bank	F1+(ind)	0.40
State Bank of Patiala	A1+	0.27
IDBI Bank Ltd.	P1+	0.21
Export-Import Bank of India.	P1+	0.10%
Total		28.23
Treasury Bills		
364 Days Treasury Bill 06/06/2008	SOV	0.18
Total		0.18
Term Deposits		
Canara Bank		5.86
State Bank of Bikaner And Jaipur		3.62
UTI Bank Ltd		1.95
State Bank of India		1.37
Total		12.80
Collateral Borrowing & Lending obligation		1.47
Net Current Assets/(Liabilities)		1.93
Grand Total		100.00

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments : 0.33

Total NPA provided for and percentage to NAV : Nil

All ratings other than by CRISIL are by ICRA or CARE or Fitch.

Sector Allocation

Commercial Paper /Certificate of Deposits	56.4%
Debentures and Bonds	26.4%
Bill Rediscounting	0.8%
Treasury Bills	0.2%
Collateral Borrowing & Lending obligation and Term Deposits	14.3%
Net Current Assets	1.9%

Rating Profile

AAA, P1+, PR1+, A1+, F1+ and SOV	79.8%
AA+	3.0%
AA	0.2%
Collateral Borrowing & Lending obligation and Term Deposits	14.3%
Bill Rediscounting	0.8%
Net Current Assets	1.9%

DIVIDEND HISTORY

EQUITY SCHEMES

Record Date	Cum Dividend NAV	Rs/Unit
Kotak 30-Dividend		
Dec-27-06	38.556	5.50
Dec-27-05	27.711	1.00
Jun-03-05	20.345	1.00
Nov-05-04	18.060	1.50
Jan-31-04	21.093	5.00
Oct-20-03	18.983	2.00
Dec-28-01	11.036	1.00
Oct-09-00	17.556	2.00
Dec-11-99	22.954	2.00
Kotak Global India		
Feb-08-07	22.292	Individual / HUF : 2.5000 Others : 2.5000
Feb-08-06	19.609	2.00
Feb-04-05	13.708	1.50
Kotak MNC		
Feb-11-05	20.600	4.50
Kotak Opportunities		
Sept-27-06	17.745	1.50
Mar-21-06	21.784	4.50
Sept-28-05	16.816	1.00
Feb-25-05	12.852	0.75
Kotak Midcap		
Apr-28-06	19.4377	4.00
Aug-24-05	13.0267	0.50
Kotak Tax Saver		
Feb-20-07	11.6407	3.00
Kotak Lifestyle		
June-29-07	13.067	Individual / HUF : 1.750 Others : 1.750

HYBRID SCHEMES

Kotak Balance		
Sept-27-06	22.870	1.00
Mar-27-06	26.645	3.50
Dec-12-05	22.232	1.00
May-16-05	18.129	0.75
Dec-13-04	16.175	0.50
Dec-12-03	15.559	2.75
Mar-13-00	13.471	1.00
Kotak Income Plus - Monthly Dividend		
June-12-07	10.8824	Individual / HUF : 0.0601 Others : 0.0559
May-14-07	10.8773	Individual / HUF : 0.0657 Others : 0.0612
Apr-12-07	10.7708	Individual / HUF : 0.0559 Others : 0.0520
Mar-12-07	10.7960	Individual / HUF : 0.0443 Others : 0.0412
Kotak Income Plus - Quarterly Dividend		
Jun-20-07	11.068	Individual / HUF : 0.1885 Others : 0.1755
Mar-20-07	10.813	Individual / HUF : 0.1174 Others : 0.1093
Dec-20-06	11.0791	Individual / HUF : 0.1896 Others : 0.1765
Sep-20-06	11.0594	Individual / HUF : 0.1909 Others : 0.1778

Face value : Rs. 10/Unit

Dividend distribution is subject to availability and adequacy of distributable surplus. After dividend is distributed, the NAV falls to the extent of the payout and statutory levy, if applicable.

Risk Factors

We declare that we, Kotak Mahindra Asset Management Company Limited, and / or are employees, have short / long positions in the security(ies) in respect of which investment advice is being rendered.

Risk Factors:

• Mutual Funds and securities investments are subject to market risks and there is no assurance or guarantee that the objectives of the Schemes will be achieved. • As with any securities investment, the NAV of the Units issued under the Schemes can go up or down depending on the factors and forces affecting the capital and money markets. Past performance of the Sponsor/AMC/Fund or that of existing Schemes of the Fund does not indicate the future performance of the Schemes. • Kotak Mahindra Gilt Unit Scheme '98 (Kotak Gilt), Kotak Mahindra Bond Unit Scheme 99 (Kotak Bond), Kotak Mahindra Liquid Scheme (Kotak Liquid), Kotak Mahindra 30 Unit Scheme (Kotak 30), Kotak Mahindra Balance Unit Scheme 99 (Kotak Balance), Kotak Mahindra Technology Scheme (Kotak Tech), Kotak Mahindra MNC Scheme (Kotak MNC), Kotak Mid-Cap Scheme (Kotak Mid-Cap), Kotak Floater Short Term Scheme, Kotak Mahindra Global India Scheme (Kotak Global India), Kotak Mahindra Income Plus Scheme (Kotak Income Plus), Kotak Equity FOF, Kotak Opportunities, Kotak Floater Long Term Scheme, Kotak Flexi Debt Scheme (Kotak Flexi Debt), Kotak Dynamic Fund of Funds, Kotak Contra Scheme, Kotak Emerging Equity, Kotak Flexi FOF, Kotak Equity Arbitrage Scheme, Kotak Tax Saver & Kotak Lifestyle scheme are only the names of the Schemes and do not in any manner indicate the quality of the Schemes, future prospects or returns. • Appreciation of the value of the Units issued under Kotak 30, Kotak Tech and Kotak MNC can be restricted in the event of a high asset allocation to cash, when stock appreciates. • The NAV of the Schemes may be affected, inter alia, by changes in the NAV / performance of the underlying schemes, market, market interest rates, Price/Interest-rate Risk and Credit Risk, Concentration or Sectoral Risk associated with derivatives trading pertaining to Equity Markets, changes in credit rating, Government policy, volatility and liquidity in the money markets, pressure on the exchange rate of the rupee, trading volumes, performance of individual stocks, settlement periods and transfer procedures, Basis Risk, Spread Risk and Re-investment Risk. • Tax laws may change, affecting the return on investment in Units. • In the event of receipt of a very large number of redemption requests or very large value redemption requests or of restructuring of the Schemes' portfolios or in case of limitation or suspension of redemption in the underlying schemes, there may be delays in the redemption of Units. Please refer to the paragraph on "Right to limit Redemption" in the Offer Documents.

Statutory:

Kotak Mahindra Mutual Fund has been established as a trust under the Indian Trusts Act, 1882, by Kotak Mahindra Bank Limited (liability Rs. NIL) with Kotak Mahindra Trustee Company Limited as the Trustee and with Kotak Mahindra Asset Management Company Limited as the Investment Manager. Kotak Mahindra Bank Limited is not liable or responsible for any loss or shortfall resulting from the operations of the Scheme. **Before investing, please read the Offer Documents.**

Services & Facilities

• **Network of Transaction Acceptance Points:** Submit transaction requests at your convenience across our 27 Investor Service Centres and 48 Transaction Points of CAMS. (To locate these, visit the "Locate Us" section on our website, www.kotakmutual.com).

• **Electronic Credit of Dividends and Redemption Proceeds:** Have your dividend payouts and redemption proceeds paid directly into your bank account*. No more worrying about cheques lost in transit or queuing at a bank to deposit cheques. * Available for accounts in the following banks only: ABN Amro Bank, ICICI Bank, Citibank, IDBI Bank, Deutsche Bank, Kotak Mahindra Bank, HDFC Bank, Standard Chartered Bank, HSBC & UTI Bank.

• **Systematic Investments, Withdrawals and Transfers:** Our **Systematic Investment Facility** provides you with the option of investing a fixed amount over a period of time, in a disciplined manner. Through this process, you benefit from Rupee Cost Averaging (buying more Units at lower NAV), and avoid the uncertainties involved with trying to time the market. Through our **Systematic Withdrawal Facility**, withdraw fixed amounts, or the entire appreciation on your investment, in any scheme periodically and benefit by averaging out on market fluctuations. To systematically transfer investments from one Kotak scheme to another, try our **Systematic Transfer Facility**. This tool also helps you manage your investment portfolio among Kotak Mutual Schemes, in line with your asset allocation plan.

• **Internet Transactions:** Switch investments across our schemes, or redeem your investments electronically, through our Internet Transaction Facility. You can also invest in our schemes online, through Kotakstreet (www.kotakstreet.com), ICICI Direct (www.icicidirect.com), and Times of Money (www.timesofmoney.com)

• **E-mail Communication:** Opt in to value-added information through e-mail: Daily NAV and Dividend Updates, Monthly Updates, weekly and more.

• **Website Utilities:** Plan and track your investments better. Use our Risk Profiler to assess your risk appetite, our Financial Planner to plan investments and financial goals and our Returns Calculator to measure your earnings from Kotak Mutual schemes. Just register, free, at www.kotakmutual.com, and access all these facilities.

Contact Details

For details contact us at:

KOTAK MAHINDRA ASSET MANAGEMENT COMPANY LIMITED

91/92, 9th Floor, Sakhar Bhavan, 230, Nariman Point, Mumbai - 400 021. Tel.: 91-22-6638 4444 • Fax: 91-22-6638 4455

E-mail: mutual@kotak.com • Website: www.kotakmutual.com

- **Agra:** 9719222156
- **Ahmedabad:** (079) 26779888
- **Amritsar:** 9888265777
- **Aurangabad:** 9860288066
- **Bangalore:** (080) 66128050 / 51
- **Baroda:** 9825404531
- **Bhavnagar:** 9825433064
- **Bhopal:** 9827059053
- **Bhubaneshwar:** (0674) 2380616
- **Chandigarh:** (0172) 2727598
- **Chennai:** (044) 64557686 / 87
- **Coimbatore:** (0422) 6572165
- **Cochin:** (0484) 2333358
- **Cuttack:** 9937084567
- **Dehradun:** 9719401444
- **Goa:** 9850471642
- **Guntur:** 9885563131
- **Guwahati:** 9435547539
- **Hyderabad:** (040) 66682308 / 09
- **Indore:** 9826901004
- **Jalandhar:** 9888520569
- **Jaipur:** 9828510369
- **Jamshedpur:** 9934123589
- **Kanpur:** 9839900378
- **Kolkata:** (033) 22093043
- **Lucknow:** 9839874428
- **Ludhiana:** 9814818980
- **Madurai:** 9894763298
- **Mangalore:** (0824) 5283834 / 3835
- **Meerut:** 9719459071
- **Moradabad:** 9839905663
- **Mumbai:** (022) 66384444 (Mr. R. Chandrasekaran)
- **Nagpur:** 9822747585
- **Nasik:** 9881468214
- **Nellore:** 9885563131
- **New Delhi:** (011) 66306900/01/02/03
- **Patna:** 9835453534
- **Pune:** (020) 64014800 / 3395
- **Raipur:** 9826049267
- **Rajkot:** 9825413887
- **Ranchi:** 9431415168
- **Rourkela:** 9937156370
- **Surat:** (0261) 2210596
- **Trichy:** 9944055455
- **Varanasi:** (0542) 2227309
- **Vijayawada:** 9885562454
- **Visakhapatnam:** 9885745602

Toll Free Number : 1800 222 626



Think Investments. Think Kotak.

To know more about mutual funds

visit www.kotakmutual.com

For daily NAVs : Call 022-6638 4444