

About Kotak Lifestyle

The investment objective of Kotak Lifestyle 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 lifestyles and rising consumerism in India. This together facilitates the consumption boom - the basic premise on which the scheme evolves. The scheme endeavors to invest across sectors and companies, which would be the beneficiaries of this theme.

Portfolio Action

The long term outlook continues to remain positive for Indian equities as the economic growth momentum remains healthy with real GDP growth remaining at around 8%. We expect this growth to result in healthy corporate earnings and the earnings growth to translate on growth in equity markets. While the long term positive outlook remaining intact, the near term challenges can influence markets as it gets impacted by events / newsflows that can have a near term negative implications.

For India inflation could continue to remain an issue, especially with the fuel price hikes. If the monsoon is good then we can see some easing of inflation. The results season is also about to start which will provide the next direction for markets.

However, in the overall context of positive demography, economic growth & earnings momentum, we continue to remain positive with a medium term outlook.

Market Cap. %

Market Cap.	%
Large Cap	54.79
Mid Cap	35.91
Debt & Cash	9.3
Others	-

Market capitalisation of the 100th largest scrip (on the bases of market capitalisation) is the cutoff to determine the large cap and midcap segment.

Scheme Facts

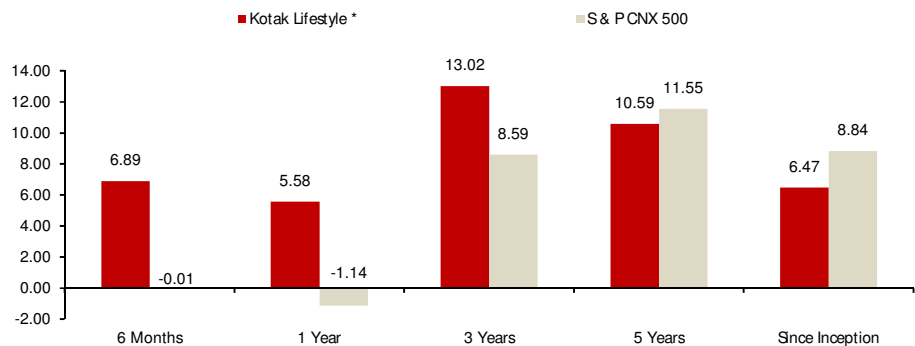
Structure	An Open Ended Growth Scheme
AUM*	₹ 85.03 crs
NAV*	
Dividend Option	₹.12.117
Growth Option	₹.13.991
Launch Date	21st March 2006
Benchmark	S&P CNX 500
Min. Initial Inv.	₹. 5000
Additional Inv.	₹ 1000 & in multiples of ₹ 1
Standard Deviation[^]	25.18
Beta[^]	0.78
Sharpe[^]	0.43

*As on 29th July 2011

[^] data considered from 31/07/2008 to 29/07/2011.

Source: Value Research and MFI Explorer.

Kotak Lifestyle Performance (%) as on 29th July 2011



Kotak Lifestyle NAV: ₹.13.991 (Growth Option), ₹.12.117 (Dividend Option) Returns <= 1 year : Absolute; Returns > 1 year :CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future. Scheme is in inception since 21st March 2006. Scheme Benchmark: S&P CNX 500. # 30th July 2011 and 31st July 2011 being non-working days.* All Payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV.

SIP Returns

SIP Returns	1yr	3 yrs	5 yrs	7 yrs
Investment Amt (₹)	60,000	1,80,000	3,00,000	4,20,000
Investment Value (₹)	59,931	2,43,836	3,84,727	4,27,996
XIRR (%)	-0.22	20.86	9.92	9.41

SIP Returns assume (1) ₹ 5000 invested on 1st or subsequent working day of the month. (2) Loads not considered. XIRR is the Internal Rate of Return on the cash flows. SIP returns calculated on 29th July 2011. Returns upto 1 yr: Absolute. Returns > 1 yr Compounded Annualized Growth Rate (CAGR).Past performance may or may not be sustained in future.

Top 10 Companies

IITC Ltd.	Consumer Non Durables	7.33%
HDFC Bank Ltd.	Banks	6%
ICICI Bank Ltd.	Banks	5.35%
HDFC Ltd.	Finance	5.17%
Hindustan Unilever Ltd.	Consumer Non Durables	4.45%
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	4.25%
Asian Paints Ltd.	Consumer Non Durables	3.68%
Lupin Ltd.	Pharmaceuticals	3.63%
Emami Ltd.	Consumer Non Durables	3.42%
GlaxoSmithkline Consumer Healthcare Ltd	Consumer Non Durables	3.19%

Top 10 Sectors

Sector	% Weight		Underweight/overweight against benchmark
	Portfolio	Benchmark	
Banking & Finance	22.15	24.84	-2.69
FMCG	19.1	7.55	11.55
Pharma	13.81	4.59	9.22
Media	11.75	0.73	11.03
Auto & Auto Ancillary	6.86	6.65	0.22
Oil & Gas	4.6	11.75	-7.15
Real Estate	3.45	1.28	2.17
Paints	2.92	0.59	2.33
Retailing	0.76	0.26	0.49
Packaging	0	0.07	-0.07

Dividend History

Date	CUM Dividend NAV	Rs/unit
Jun-29-07	13.067	1.75

Load Structure

Entry Load:	Exit Load:
Nil	For redemptions / switch outs (including SIP/STP) within 1 year from the date of allotment of units, irrespective of the amount of investment: 1%. For redemption/switch outs (including SIP/STP) after 1 year from the date of allotment of units, irrespective of the amount of investment: Nil.

About Kotak Mutual Fund

Kotak Mahindra Asset Management Company Limited (KMAMC) is a wholly owned subsidiary of Kotak Mahindra Bank Limited (KMBL). KMBL has over two decades of experience in financial services and services 6.7 million customers. KMBL has a market capitalization of USD 7.44 billion* (as on 29th July 2011). KMAMC is the Asset Manager for Kotak Mahindra Mutual Fund (KMMF). It started operations in December 1998 and has over one million investors in various schemes. KMMF offers schemes catering to investors with varying risk - return profiles and was the first fund house in the country to launch a dedicated gilt scheme. KMAMC manages assets worth USD 7.65 billion* as of 29th July 2011. (Source: kotak.com & amfiindia.com)

* The numbers are converted using the Rupee- USD reference rate published by the Reserve Bank of India as on the respective dates.

To know more

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Disclaimer

Kotak Lifestyle is an open-ended equity growth scheme. **Investment Objective:** 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 lifestyles and rising consumerism in India. **General Risks:** - Mutual Funds and securities investments are subject to market risks. There is no assurance that the Scheme's objective will be achieved. NAV of the Scheme's Units can go up / down depending on factors and forces affecting securities markets. Past performance of Sponsor / AMC / Fund does not indicate the scheme's future performance. **Kotak Lifestyle is only the name of the scheme and does not in any manner indicate either the quality of the scheme, future prospects or returns.** **Statutory details:** Kotak Mahindra Mutual Fund is a Trust (Indian Trust act, 1882); **Investment Manager:** Kotak Mahindra Asset Management Company Ltd.; **Sponsor:** Kotak Mahindra Bank Ltd. (Liability ₹. Nil); **Trustee:** Kotak Mahindra Trustee Company Ltd. **Please read the Scheme Information Document (SID) and Statement of Additional Information (SAI) carefully before investing. SID and SAI available on mutualfund.kotak.com.**