

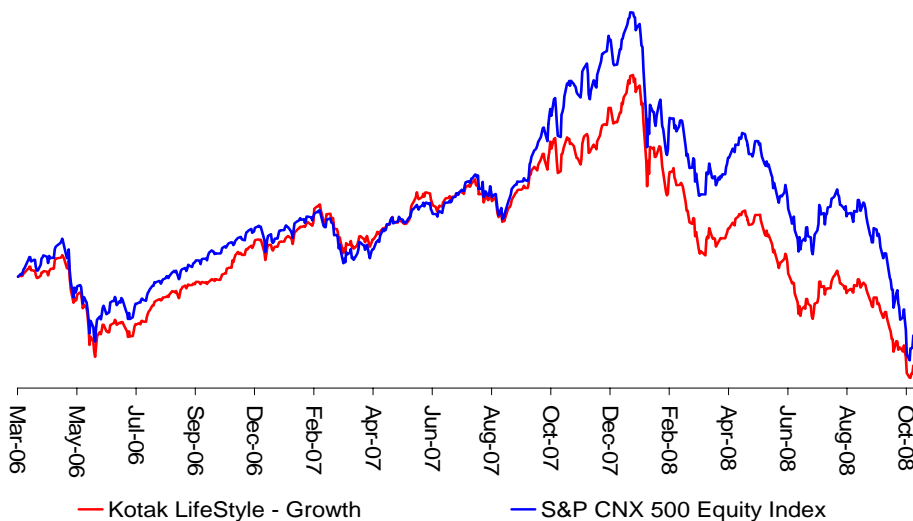
About Kotak Lifestyle

Kotak Lifestyle seeks to capitalize on the growing and sustainable consumption boom in India. The key drivers for the lifestyle theme are 4 A's viz Awareness, Availability, Aspiration and Affordability. 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 boom.

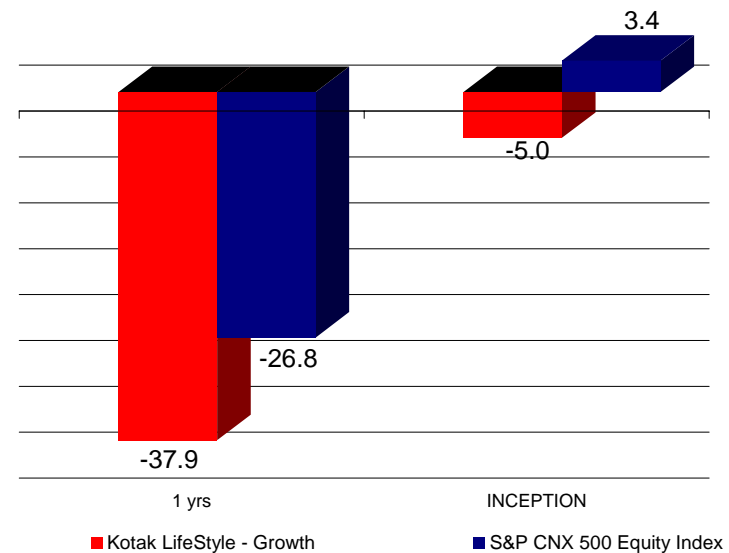
Returns Profile: -

The following chart provides an insight into the historical performance of Kotak Lifestyle vis-à-vis its benchmark –S&P CNX 500.

Trend: Kotak Lifestyle v/s S&P CNX 500



Returns Profile: Kotak Lifestyle v/s S&P CNX 500



Kotak Lifestyle growth NAV as on 31st October 2008: 6.913. Returns ≤ 1 yr: absolute. Returns > 1 yr compounded annualized growth rate (CAGR). Past performance may or may not be sustained in future. Scheme in inception since Mar 21st 2006. Scheme Benchmark: S&P CNX 500

Market Outlook: -

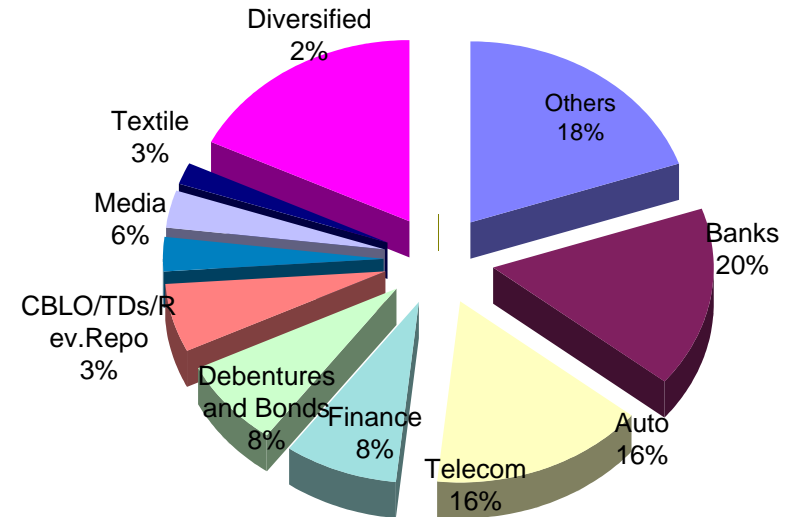
The global equity markets have come under considerable pressure in last few months as every unraveling data is indicating of an impending recession in US. With Euro zone also announcing its economy in recession; and forecasting economic stagnation for 2009(growth predicted at 0.1%), the markets would be further tested in the near future. On the other hand, the RBI measures to ensure growth and financial stability too would cast its impact on the Indian equity market. Given these set of variables, the market would continue to take cues from both: the unraveling situation in the US; and the regulatory actions back home. In such an environment, markets may remain susceptible to short bouts of high volatility. It is therefore recommended that the investors allocate their investible corpus in accordance with prudent risk management practices, and with a medium to long term investment horizon.

Portfolio Holdings as on 31st October 2008: -

Top Ten Company Holdings

Company	% To NAV
Bharti Airtel Ltd.	6.67%
Colgate Palmolive (India) Ltd.	6.43%
Reliance Communications Ltd.	6.18%
Maruti Udyog Ltd	5.86%
HDFC Ltd.	5.42%
Hero Honda Motors Ltd.	5.30%
HDFC Bank Ltd.	4.84%
State Bank Of India	4.07%
Dabur India Ltd	3.40%
Zee Entertainment	3.20%

Kotak Lifestyle: Sectoral Allocation



Portfolio position and Performance as on 31st October 2008. Kotak Lifestyle growth NAV as on 31st October 2008: Rs 6.913.

Scheme Features

- Minimum Investment: Rs. 5000 (growth and dividend options available)/ SIP, STP, SWP facilities available subject to applicable conditions as per the offer document

Entry Load:

a) No entry load shall be charged on:

- For "all direct" applications received by AMC i.e. applications received through internet facility offered (www.kotakmutual.com), on application forms that are not routed through any distributor/agent/broker and submitted to AMC office or collection centre / investment service centre.
- On additional purchases done directly by the investor under the same folio and switch-in to the scheme from other scheme if such transaction is done directly by the investor:
- Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores
- Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme
- Where switch in is from a close ended scheme (excluding Fixed Maturity Plans and Interval Plans) during the pre-defined liquidity window of the scheme as defined in the respective offer documents or on maturity to an Equity/ Balanced/Equity FOF Schemes:
- Where the switch in is from any other scheme apart from point iv and v above to an Equity/Balanced/Equity FOF Scheme for investments equal to or more than Rs. 5 crores
- Where investments is made by Fund of Funds as defined under SEBI Regulations
- Where units are allotted upon reinvestment of Dividends

b) Cases not covered above: 2.25%

Exit Load:

- For exit within 1 year from the date of allotment of units for investments of less than Rs. 5 crores: 1%.
- For exit on or after 1 year from the date of allotment of units for investments of less than Rs. 5 crores: 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: Nil

Risk Factors: 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 lifestyle and rising consumerism in India. Risk Factors: Mutual Fund 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 Scheme's name and does not indicate its quality, future prospects or returns. Statutory: Kotak Mahindra Mutual fund is a Trust (Indian Trust act, 1882) Investment Manager: Kotak Mahindra Asset Management Company Ltd. Sponsor: Kotak Mahindra Bank Ltd. (Liability Rs. Nil) Trustee: Kotak Mahindra Trustee Company Ltd. **Before investing, please read the Offer Document.**