FOR TOMORROW TO BE AS CAREFREE. SIP.
Dear Friends,

Indian equity markets witnessed a fair degree of volatility in the month of September 2014. The events that the market focused on included (1) The Prime Minister’s visit to the USA (2) The Supreme Court’s decision to de-allocate 214 of 218 coal blocks, illegally allocated post 1993 and (3) Splits in two major political alliances in Maharashtra and resignation of the Maharashtra Chief Minister.

The benchmark Nifty Index (large cap) ended the month up by a marginal 0.13% while the CNX Midcap Index was up with gains of 2.73%. During the month, FIIs inflows were to the tune of USD 845 mn in the equity markets. On a cumulative basis (CYTD), net FIIs flows into equities stood at USD 13.8 bn while net FIIs inflows into debt stood at USD 19.6 bn. FIIs investment in debt in the current fiscal year is in sharp contrast to the outflow of USD 8 bn seen in 2013. RBI has been gradually liberalising the foreign investment limit into debt (corporate bonds and Government securities) and this limit currently stands at USD 81 bn on an overall basis.

The new Government’s policy intent is positive for the Indian economy. The economy is now at the cusp of a revival and a lot is dependent on the pace of execution by the new Government...The Government of India has also announced its ambitious project “Make in India”. The Make in India program includes major new initiatives designed to facilitate investment, foster innovation, protect intellectual property and build best-in-class manufacturing infrastructure. The process of doing business in India will likely be simplified to facilitate these initiatives. The Union Government over the last few months has focussed on improving governance, pushing for financial inclusion, a clean India, inter-ministerial and Centre–State collaboration, and foreign policy.

Coal block de-allocation by Supreme Court had many Implications. While it is difficult to quantify the exact impact of the coal block de-allocation, We believe that the economy as a whole, May see limited disruption in production from the 40 coal mines already in production. However the approval process for the balance mines would get stalled and their lead time to get into production may increase over a period of time.

RBI left key policy rates unchanged at its bi-monthly policy review. The medium term focus of RBI remains to bring down the SLR requirements for banks especially as central government finances improve (with the SLR being consistent with the appropriate levels of liquidity and inflation). With the Government appearing to be committed towards meeting the fiscal deficit target, G-Sec yields are expected to stay largely stable with the 10 year paper trading in the band of 8.35 - 8.60%. We do not expect RBI to cut policy rates in CY14. If the likely inflation trajectory is in line with RBI’s target of reaching 6% as per January 2016, a rate cut is possible in the first half of CY15 which would be supportive of yields. The good news is that monsoon deficiency at the end of the season stood at 12% of the Long Period Average (LPA) which bodes well for food inflation.

The S&P revised its India sovereign ratings outlook to “stable” from “negative” with a view that the improved political setting would provide for a conducive atmosphere for reforms and hence would uplift growth and correct the fiscal gap. The S&P had cut India’s outlook to “negative” in April 2012. The change in outlook to stable follows in the footsteps of other rating agencies which had already done the same earlier.

Wishing you Seasons Greetings,

Regards,

Alozy Lobo
Chief Strategist and Global Head Equities Asset Management

Kotak Mutual Fund

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

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**Equity Market View**

During the month, the key benchmark indices S&P BSE Sensex and CNX Nifty remained largely flat at -0.02% and 0.13% respectively. The lackluster performance was attributable to profit-booking at higher levels. However, the midcap segment (CNX Midcap) fared better with gains of 2.74% during the month.

The top three outperforming sectors during the month were Pharma, Consumer Durables and Media with the respective performance of 7.59%, 7.30%, and 7.15%. On the downside, the bottom three underperforming sectors during the month were Realty, Metal and Capital Goods with the respective performance of -8.46%, -6.98% and -4.33%.

**Other News**

- **RBI kept repo rates unchanged in its monetary policy:** The RBI kept repo rates unchanged at 8% in its monetary policy review. Also the SLR was kept the same at 22%.
- **India’s fiscal deficit at 75% of FY15 estimate:** Fiscal deficit in first five months stood at 75% of the budgeted estimate for FY15 which is in levels as that of last year.
- **Government has cut the borrowing target for FY15 by Rs 80bn:** The borrowing target has been reduced by Rs. 80 bn as revenue picks up due to economic recovery and in anticipation of asset sale program.
- **Core sector growth came in at 5.8% for August against 4.7% previous year:** Growth in the coal output was up 13.4 percent against 6.2 percent month-on-month. The government April-August core industries growth came in at 4.4 percent year-on-year.
- **India receives 11% below average rainfall upto 24th September:** As per IMD data, India received 11% below rainfall on cumulative basis from 1st June-to 24th September. Out of the 36 sub divisions, 25 received normal rainfall whereas 10 received deficient rainfall.
- **India’s August 2014 trade deficit stood at $10.8bn:** India’s trade deficit stood at $10.8bn which was higher than $10.7 bn a year earlier with exports rising 2.4% and imports growing 2.1%.
- **India HSBC service PMI fell to 50.6 and manufacturing PMI fell to 52.4 in August:** India’s HSBC service PMI fell to 50.6 in August from 52.2 in July and manufacturing PMI fell to 52.4 from 53.0 in July.
- **August WPI at 3.7% and CPI at 7.8%:** The wholesale price index (WPI) declined to 3.7% in July (lowest since Oct ’09) against 5.2% previous month. CPI also fell to 7.8% in August against 7.9% in the July.
- **July IIP comes at 0.5%:** The Index of Industrial Production (IIP) slipped to 0.5% as compared to 3.9% in the previous month (which was revised higher from 3.4%).
- **Money supply growth:** Money supply (M3) growth decreased from 13.3% in July to 13.2% in August.

Source: Kotak MF Internal Research
Outlook

The long term outlook continues to remain positive for Indian equities. The corporate earnings growth trajectory has improved quite substantially, and is expected to maintain upward momentum going forward. Sharp fall in prices of global commodities, especially crude oil augurs very well for domestic economy. It will also aid in bringing down inflation to desired levels. In the short term, the market is expected to take cues from upcoming quarterly earnings season and global market moves.

Debt Market View

<table>
<thead>
<tr>
<th>Items</th>
<th>Sept-14</th>
<th>Aug-14</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reverse Repo</td>
<td>7.00%</td>
<td>7.00%</td>
<td>Nil</td>
</tr>
<tr>
<td>Repo</td>
<td>8.00%</td>
<td>8.00%</td>
<td>Nil</td>
</tr>
<tr>
<td>CRR</td>
<td>4.00%</td>
<td>4.00%</td>
<td>Nil</td>
</tr>
<tr>
<td>SLR</td>
<td>22.00%</td>
<td>22.00%</td>
<td>Nil</td>
</tr>
<tr>
<td>Mibor Overnight</td>
<td>6.19%</td>
<td>7.97%</td>
<td>-178 bps</td>
</tr>
<tr>
<td>Call(O/N)</td>
<td>8.09%</td>
<td>7.87%</td>
<td>22 bps</td>
</tr>
<tr>
<td>CBLO</td>
<td>7.66%</td>
<td>7.74%</td>
<td>-8 bps</td>
</tr>
<tr>
<td>1 yr T Bill</td>
<td>8.63%</td>
<td>8.68%</td>
<td>-5 bps</td>
</tr>
<tr>
<td>10 G Sec</td>
<td>8.66%</td>
<td>8.56%</td>
<td>10 bps</td>
</tr>
<tr>
<td>USD/INR</td>
<td>61.61</td>
<td>60.47</td>
<td>1.14</td>
</tr>
</tbody>
</table>

Source: RBI; Icraonline.

Inflation

The inflation trajectory continues to be on the downward trend. The WPI index declined steeply and was at 3.7% yoy for Aug-14. The growth in the similar period in CPI index was at 7.80% yoy.

The core WPI inflation posted a growth of 3.5% and is showing signs of rising purchasing power in the manufacturing sector. The core CPI inflation has moderated sharply to 6.89% yoy.

The index for fuel & power group rose by 4.5% yoy. This decline is attributable to the pass through of the price decline in the international crude oil rates. The WPI index for manufacturing products group rose by 3.5% yoy in the same period.

The CPI inflation is being pushed up by inflation in fruits, vegetables and milk products. The year-on-year growth rate in these segments was at 24.27%, 15.15% and 11.70% respectively. The moderating growth in pulses, fats, sugar, non-alcoholic beverages helped moderate the index on month on month basis. We believe we are on track of softening inflation. Monsoon progress is much better than expected sometime back and govt can take care of supply bottlenecks if any.

IIP

July 2014 month IIP was up by 0.5% as compared to the level in the month of July 2013. The cumulative growth for the period of April-July over the corresponding period of the previous year stands at 3.3%. The growth rate in the mining, manufacturing and electricity sectors for July-2014 was at 2.1%, -1.0% and 11.7% respectively as compared to July-2013. The cumulative growth in the three sectors during April-July period over the corresponding period last year has been 2.8%, 2.3% and 11.4% respectively.

As per Use-based classification, the growth rates in July 2014 over July 2013 are 7.6% in Basic goods, -3.8% in Capital goods and 2.6% in Intermediate goods. The Consumer durables and Consumer non-durables have recorded growth of -20.9% and 2.9% respectively, with the overall growth in Consumer goods being -7.4%.

Outlook

The policy was on expected lines. For now, managing the inflationary pressure seems to be the primary policy impetus. With oil prices declining and food remaining stable, inflation seems to be on the downward trend. However, the base-effect and erratic monsoon impact is expected to cause uptick in CPI inflation during the Nov-Jan period. Moreover, the US Fed also seems to be on a path of reversing its policy stance. In fact, there is a likelihood that US fed may give a rate hike by around June-Sept 15 period. This has a potentially disruptive consequence for the forex inflows; and would weigh down the Rupee. The sum-product of these issues may be reining back RBI from giving a more accommodative policy.

Going forward, we believe that we are in for gradual decline in the CPI numbers. The RBI target could well be achieved before time. Systemic liquidity is comfortable and it could improve further. Demand for sovereign bonds is likely to outstrip supply. India remains one of the most attractive destination for FIIs. The sovereign limits are near full and corporate bond limits are likely to see utilization. With gradual decline in the CPI trend, we could see gsec rates coming off followed by corporate bonds.

Gold Corner

For the month, spot gold closed at $1210 per ounce, down $ 77.25 per ounce or 6%. During the month the metal continued to struggle near an eight-month low due to weak physical demand, dollar strength and fears the Federal Reserve may signal an early interest rate increase at its policy meeting. In the month, gold futures tumbled to the lowest since June as U.S. manufacturing in August expanded at the fastest pace in three years, boosting prospects for the economy and curbing demand for the metal.

The decline in the gold prices during the month was also due to reducing tensions between Ukraine and Russian as Ukraine and pro-Russian rebels agreed on a ceasefire. This is seen as the first step towards ending a conflict in eastern Ukraine.

In September the US dollar jumped to the highest since January against a basket of 10 currencies. Find below the YTD movement for Gold vs. US dollar.

Gold coin sales out of the Perth Mint, Australia’s largest gold refiner, rose to 68,781 ounces in September, the highest level since October of last year. The increase in buying comes primarily from Asian buyers, who account for 80 percent of Perth Mint’s sales. This trend of increasing gold coin sales is playing out in the United States as well, where September sales roughly doubled to 58,000 ounces from August. Despite weak Indian gold imports in the first half of the year, demand in the second half is expected to be stronger due to the majority of the Indian holiday season falling during this time period. Gold demand in China is still on the rise. In the past four weeks, withdrawals from the Shanghai Gold Exchange amounted to over 170 tonnes. The increasing purchases out of China and the rest of Asia underline the resilience of gold demand as prices have pulled back. (Source: tradingnrg.com and usfunds.com)
Scheme Name: **KOTAK 50**

**Fund Details**

- **Investment Objective**
  - To generate capital appreciation from a portfolio of predominantly equity and equity related securities. The portfolio will generally comprise of equity and equity related instruments of around 50 companies which may go up to 90 companies but will not exceed 95 at any point in time.
  - Available Plans/ Options
    - A) Non Direct Plan I) Direct Plan
      - Options: Dividend Payout, Dividend Reinvestment & Growth (applicable for all plans)
  - Dividend Freq.: Trustee’s Discretion
  - Fund Managers: Mr. Harsh Krishnan
  - Load Structure: Entry Load: Nil (applicable for all plans)

**Performance**

- **Performance as on September 30, 2014**
  - Kotak 50 NAV as on September 30, 2014: Rs. 40.921 (Direct Option), Rs. 50.982 (Direct Dividend Option), Rs. 151.462 (Growth Option). N.A stands for data not available.

**Portfolio**

- **Equity & Equity related (Listed/Awaiting listing on Stock Exchange)**
  - Infosys Ltd.: 114.96
  - HDFC Bank Ltd.: 1.22
  - ICICI Bank Ltd.: 7.32
  - I-Tel Consultancy Services Ltd.: 6.29
  - Reliance Industries Ltd.: 5.52
  - Larsen & Toubro Ltd.: 4.76
  - Tata Motors Ltd.: 4.12
  - Wipro Ltd.: 3.93
  - Maruti Suzuki India Limited: 3.07
  - HDFC Ltd.: 3.05

**Issuer/Instrument**

- **% to Net Assets**
  - Listed/Awaiting Listing on Stock Exchange: 44.90%
  - Total Vage of existing assets non hedged through futures: 98.14%
  - Total Value of existing assets non hedged through futures: 98.14%
  - Term Deposits: 44.90%
  - Grand Total: 100.00%

**Notes:**

- Term Deposit as provided above is towards margin for derivatives transactions

This product is suitable for investors who are seeking:

- Long term capital growth
- Investment in portfolio of predominantly equity & equity related securities
- High risk (Brown)

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

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Scheme Name: **KOTAK CLASSIC EQUITY**

**Fund Details**

- **Investment Objective**
  - To generate capital appreciation from a diversified portfolio of equity and equity related securities.
  - Available Plans/ Options
    - A) Non Direct Plan I) Direct Plan
      - Options: Dividend Payout, Dividend Reinvestment & Growth (applicable for all plans)
  - Dividend Freq.: Trustee’s Discretion
  - Fund Managers: Mr. Emmanuel Eliane
  - Load Structure: Entry Load: Nil (applicable for all plans)

**Performance**

- **Performance as on September 30, 2014**
  - Kotak Classic Equity NAV as on September 30, 2014: Rs. 17.743 (Dividend Option), Rs. 32.025 (Growth Option), Rs. 32.398 (Direct Growth Option), Rs. 18.092 (Direct Dividend Option). N.A stands for data not available.

**Portfolio**

- **Equity & Equity related (Listed/Awaiting listing on Stock Exchange)**
  - Infosys Ltd.: 114.96
  - HDFC Bank Ltd.: 1.22
  - ICICI Bank Ltd.: 7.32
  - I-Tel Consultancy Services Ltd.: 6.29
  - Reliance Industries Ltd.: 5.52
  - Larsen & Toubro Ltd.: 4.76
  - Tata Motors Ltd.: 4.12
  - Wipro Ltd.: 3.93
  - Maruti Suzuki India Limited: 3.07
  - HDFC Ltd.: 3.05

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**Issuer/Instrument**

- **% to Net Assets**
  - Listed/Awaiting Listing on Stock Exchange: 95.42%
  - Total Vage of existing assets non hedged through futures: 3.65%
  - Term Deposits: 44.90%
  - Grand Total: 100.00%

**Notes:**

- Term Deposit as provided above is towards margin for derivatives transactions

This product is suitable for investors who are seeking:

- Long term capital growth
- Investment in portfolio of predominantly equity & equity related securities
- High risk (Brown)

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

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This product is suitable for investors who are seeking:

- Long term capital growth
- Investment in portfolio of predominantly equity & equity related securities
- High risk (Brown)

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**Sector Allocation**

- **(BLUE) investors understand that their principal will be at low risk**
  - Industrial Products: 3.37
  - Construction Project: 4.76
  - Pharmaceuticals: 5.07
  - Consumer Non Durables: 5.43
  - Cement: 5.90
  - Software: 6.69
  - Others: 12.85

- **(TEAL) investors understand that their principal will be at medium risk**
  - Industrial Products: 3.37
  - Construction Project: 4.67
  - Pharmaceuticals: 5.07
  - Consumer Non Durables: 5.43
  - Cement: 5.90
  - Software: 6.69
  - Others: 17.41

- **(BROWN) investors understand that their principal will be at high risk**
  - Industrial Products: 3.37
  - Construction Project: 4.76
  - Pharmaceuticals: 5.07
  - Consumer Non Durables: 5.43
  - Cement: 5.90
  - Software: 6.69
  - Others: 23.47
## Scheme Name

**KOTAK SELECT FOCUS FUND**

An Open - Ended Equity Scheme

The investment objective of the scheme is to generate long-term capital appreciation from a portfolio of equity and equity related securities, generally focused on a few selected sectors.

### Fund Details

**Option:**
- A) Non Direct Plan B) Direct Plan

**Dividend Freq.:**
- Trustee’s Discretion

**Fund Managers:**
- Mr. Harsha Upadhyaya

**Load Structure:**
- Nil (applicable for all plans)

**Exit Load:**
- i) For redemptions / switch outs (including SIP/STP) within 1 year from the date of allotment of units, irrespective of the amount of investment: Nil
- ii) For redemptions / switch outs (including SIP/STP) after 1 year from the date of allotment of units, irrespective of the amount of investment: Nil
- iii) Any exit load charged (net of Service Tax, if any) shall be credited back to the respective SIP investor (applicable for all plans) and units and units issued on reinvestment of dividends shall not be subject to exit load (applicable for all plans)

**Initial Investment:**
- Rs. 5000 and in multiples of Re. 1 for purchase and for Re 0.01 for switches

**Additional Investment:**
- Rs. 1000 & in multiples of Rs. 1

**Ideal Investments Horizon:**
- 3 years & above

**Minimum Investment Amount:**
- N.A

**AAUM (In Crores) & Ratios:**
- AAUM as on September 30, 2014: 881.06
- N.A

**Benchmark:**
- CNX 200

**Inception Date:**
- September 11, 2009

---

## Portfolio

**Performance as on September 30, 2014**

<table>
<thead>
<tr>
<th>Date</th>
<th>Scheme Returns (%)</th>
<th>CNX 299 (%)</th>
<th>CNX Nifty Index # (%)</th>
<th>Current Value of Standard Benchmark (Rs)</th>
<th>Additional Benchmark # (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Since inception till Sept 30, 2014</td>
<td>14.48</td>
<td>10.04</td>
<td>10.40</td>
<td>19809</td>
<td>16219</td>
</tr>
<tr>
<td>30/09/2013 to 30/09/2014</td>
<td>58.04</td>
<td>42.81</td>
<td>38.87</td>
<td>N.A</td>
<td>N.A</td>
</tr>
<tr>
<td>30/09/2012 to 30/09/2013</td>
<td>1.66</td>
<td>-1.26</td>
<td>Not applicable</td>
<td>N.A</td>
<td>N.A</td>
</tr>
</tbody>
</table>

**Kotak Select Focus NAV as on September 30, 2014:**
- Rs. 16.875 (Dividend Option), Rs. 17.108 (Direct Dividend Option), Rs. 19.807 (Growth Option), Rs. 20.070 (Direct Growth Option)

**Notes:**
- N.A stands for data not available.
- Note: Point to Point (PTP) Returns in INR show the value of Rs. 10,000 investment made at inception. Source: ICRAMFI Explorer # Name of Scheme Benchmark. ## Name of Additional Benchmark. # Past performance may or may not be sustained in the future.

---

## Performance

**Equity & Equity related (Listed/ Awaiting listing on Stock Exchange)**

<table>
<thead>
<tr>
<th>Sector</th>
<th>% in Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tech Mahindra Ltd.</td>
<td>Software 8.64%</td>
</tr>
<tr>
<td>ICICI Bank Ltd.</td>
<td>Banks 5.41%</td>
</tr>
<tr>
<td>Infosys Ltd.</td>
<td>Software 4.42%</td>
</tr>
<tr>
<td>HDFC Bank Ltd.</td>
<td>Banks 3.71%</td>
</tr>
<tr>
<td>Tata Consultancy Services Ltd.</td>
<td>Software 3.62%</td>
</tr>
<tr>
<td>State Bank Of India</td>
<td>Banks 3.52%</td>
</tr>
<tr>
<td>Bosch Limited</td>
<td>Auto Ancillaries 3.12%</td>
</tr>
<tr>
<td>Maruti Suzuki India Limited</td>
<td>Auto 2.89%</td>
</tr>
<tr>
<td>Bharat Petroleum Corporation Ltd.</td>
<td>Petroleum Products 2.88%</td>
</tr>
<tr>
<td>UltraTech Cement Ltd.</td>
<td>Cement 2.86%</td>
</tr>
<tr>
<td>Others</td>
<td>55.41%</td>
</tr>
<tr>
<td>Listed/Awaiting Listing on Stock Exchange - Total</td>
<td>93.19%</td>
</tr>
<tr>
<td>Total S^age of existing assets non hedged through futures</td>
<td>1.12%</td>
</tr>
<tr>
<td>Term Deposits - Total</td>
<td>0.57%</td>
</tr>
<tr>
<td>Collateral Borrowing &amp; Lending obligation</td>
<td>0.37%</td>
</tr>
<tr>
<td>Net Current Assets/(Liabilities)</td>
<td>-1.25%</td>
</tr>
<tr>
<td>Grand Total</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

**Term Deposit as provided above is towards margin for derivatives transactions**

**Notes:**
- For the month ended 30th September,2014 other than hedging transactions through futures which have been squared off/expire as are follows:
- Total Number of contracts where futures were bought 580, Total number of contracts where futures were sold 640, Gross Notional value of contracts where futures were bought Rs.2523.26 lacs and Net profit/(loss) value on all these contracts combined Rs.53.41 lacs

**This product is suitable for investors who are seeking:**
- Long term capital growth
- Investment in portfolio of predominantly equity & equity related securities generally focussed on a few selected sectors.
- High risk (Brown) *Investors should consult their financial advisors if doubt about whether the product is suitable for them.

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## Sector Allocation

**EQUITY FUNDS

KOTAK OPPORTUNITIES**

An Open - Ended Equity Growth Scheme

To generate capital appreciation from a diversified portfolio of equity and equity related securities.

A) Non Direct Plan B) Direct Plan

**Dividend Freq.:**
- Trustee’s Discretion

**Fund Managers:**
- Mr. Harsha Upadhyaya

**Load Structure:**
- Nil (applicable for all plans)

**Exit Load:**
- i) For redemptions / switch outs (including SIP/STP) within 1 year from the date of allotment of units, irrespective of the amount of investment: Nil
- ii) For redemptions / switch outs (including SIP/STP) after 1 year from the date of allotment of units, irrespective of the amount of investment: Nil
- iii) Any exit load charged (net of Service Tax, if any) shall be credited back to the respective SIP investor (applicable for all plans) and units and units issued on reinvestment of dividends shall not be subject to exit load (applicable for all plans)

**Initial Investment:**
- Rs. 5000 and in multiples of Re. 1 for purchase and for Re 0.01 for switches

**Additional Investment:**
- Rs. 1000 & in multiples of Rs. 1

**Ideal Investments Horizon:**
- 3 years & above

**Minimum Investment Amount:**
- N.A

**AAUM (In Crores) & Ratios:**
- AAUM as on September 30, 2014: 638.18
- N.A

**Benchmark:**
- Portfolio Turnover: 53.55% Beta: 0.91 Sharpe: 0.80 Alpha: 3.15

**Inception Date:**
- September 9, 2004

---

## Performance

**Equity & Equity related (Listed/ Awaiting Listing on Stock Exchange)**

<table>
<thead>
<tr>
<th>Industry/Rating</th>
<th>% in Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>ICICI Bank Ltd.</td>
<td>Banks 6.41%</td>
</tr>
<tr>
<td>HDFC Bank Ltd.</td>
<td>Banks 4.98%</td>
</tr>
<tr>
<td>Tata Consultancy Services Ltd.</td>
<td>Software 4.64%</td>
</tr>
<tr>
<td>State Bank Of India</td>
<td>Banks 3.71%</td>
</tr>
<tr>
<td>Tech Mahindra Ltd.</td>
<td>Software 4.61%</td>
</tr>
<tr>
<td>Reliance Industries Ltd.</td>
<td>Petroleum Products 3.35%</td>
</tr>
<tr>
<td>Reliance Industries Ltd.</td>
<td>Consumer Non Durables 3.33%</td>
</tr>
<tr>
<td>Airtel Bank Ltd</td>
<td>Banks 2.89%</td>
</tr>
<tr>
<td>Others</td>
<td>54.61%</td>
</tr>
<tr>
<td>Listed/Awaiting Listing on Stock Exchange - Total</td>
<td>96.77%</td>
</tr>
<tr>
<td>Term Deposits - Total</td>
<td>0.54%</td>
</tr>
<tr>
<td>Collateral Borrowing &amp; Lending obligation</td>
<td>2.70%</td>
</tr>
<tr>
<td>Net Current Assets/(Liabilities)</td>
<td>0.11%</td>
</tr>
<tr>
<td>Grand Total</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

**Term Deposit as provided above is towards margin for derivatives transactions**

**Notes:**
- For the month ended 30th September,2014 other than hedging transactions through futures which have been squared off/expire as are follows:
- Total Number of contracts where futures were bought 130, Total number of contracts where futures were sold 130, Gross Notional value of contracts where futures were sold Rs.564.63 lacs and Net profit/(loss) value on all these contracts combined Rs.(40.95) lacs

**This product is suitable for investors who are seeking:**
- Long term capital growth
- Investment in portfolio of predominantly equity & equity related securities
- High risk (Brown) *Investors should consult their financial advisors if doubt about whether the product is suitable for them.

---

## Portfolio

**Performance as on September 30, 2014**

<table>
<thead>
<tr>
<th>Scheme Returns (%)</th>
<th>CNX 399 (%)</th>
<th>CNX Nifty Index # (%)</th>
<th>Current Value of Standard Benchmark (Rs)</th>
<th>Additional Benchmark # (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Since inception till Sept 30, 2014</td>
<td>21.53</td>
<td>16.35</td>
<td>16.94</td>
<td>71149</td>
</tr>
<tr>
<td>30/09/2013 to 30/09/2014</td>
<td>43.95</td>
<td>46.06</td>
<td>38.87</td>
<td>N.A</td>
</tr>
<tr>
<td>30/09/2012 to 30/09/2013</td>
<td>0.05</td>
<td>-2.49</td>
<td>0.56</td>
<td>N.A</td>
</tr>
<tr>
<td>30/09/2011 to 30/09/2012</td>
<td>15.25</td>
<td>13.22</td>
<td>13.18</td>
<td>N.A</td>
</tr>
</tbody>
</table>

**Kotak Opportunities NAV as on June 30, 2014:**
- Rs. 21.136 (Dividend Option), Rs. 21.350 (Direct Dividend Option), Rs. 71.130 (Growth Option), Rs. 71.813 (Direct Growth Option)

**Notes:**
- N.A stands for data not available.
- Note: Point to Point (PTP) Returns in INR show the value of Rs. 10,000 investment made at inception. Source: ICRAMFI Explorer # Name of Scheme Benchmark. ## Name of Additional Benchmark. # Past performance may or may not be sustained in the future.

---

## Market Value

<table>
<thead>
<tr>
<th>Sector</th>
<th>% in Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>CBLO &amp; Term Deposits &amp; Rev.Repo</td>
<td>3.24</td>
</tr>
<tr>
<td>Finance</td>
<td>3.34</td>
</tr>
<tr>
<td>Pharmaceuticals</td>
<td>4.54</td>
</tr>
<tr>
<td>Consumer Non Durables</td>
<td>5.76</td>
</tr>
<tr>
<td>Cement</td>
<td>5.99</td>
</tr>
<tr>
<td>Auto Ancillaries</td>
<td>6.71</td>
</tr>
<tr>
<td>Petroleum Products</td>
<td>6.78</td>
</tr>
<tr>
<td>Software</td>
<td>8.56</td>
</tr>
<tr>
<td>Bank</td>
<td>13.87</td>
</tr>
<tr>
<td>Others</td>
<td>23.81</td>
</tr>
<tr>
<td>Total</td>
<td>17.40</td>
</tr>
</tbody>
</table>
EQUITY FUNDS

KOTAK BALANCE

An Open - Ended Balanced Scheme

To achieve growth by investing in equity & equity related instruments, balanced with income generation by investing in debt & money market instruments.

A) Non Direct Plan | Direct Plan
Options: Dividend Payout, Dividend Reinvestment (applicable for all plans)

Investment Objective

Available Plans/ Options

Dividend Freq.
Half Yearly (25th of Mar/Sept)

Fund Managers
Mr. Emmanuel Elango and Mr. Abhishek Bisen

Load Structure
Entry Load: Nil (applicable for all plans)

Exit Load:
(i) For redemptions / switch outs (including SIP/STP) within a period of 1 year from the date of allotment of units, irrespective of the amount of investment: Nil
(ii) For redemptions / switch outs (including SIP/STP) after a period of 1 year from the date of allotment of units, irrespective of the amount of investment: Nil

Minimum Investment Amount
Rs. 5000 and in multiple of Rs. 1

AAUM (In Crores) & Ratios
AAUM as on September 30, 2014: A) Non Direct Plan: 178.84 B) Direct Plan: 1.37

Ratios:
Portfolio Turnover: 139.41% Beta*: 0.83 Sharpe*: 0.76 Alpha*: 2.21

Standard Deviation*: 10.94 *Source: Value Research.

Note: Past performance may or may not be sustained in the future.

Inception Date
November 25, 1999

Performance

Since inception till Sept 30, 2014
15.68 N.A. 12.37 87089 N.A. 56964
3/30/2013 to 3/30/2014 29.57 28.84 38.87
3/30/2012 to 3/30/2013 1.31 1.66 0.56
3/30/2011 to 3/30/2012 17.19 17.34 15.38

Kotak Balance NAV as on September 30, 2014: Rs. 16.824 (Dividend Option) Rs.17.053 (Direct Dividend Option) N.A. stands for data not available. Note: Point to Point (PTP) Returns in INR show the change in value of Rs. 10,000 investment made at inception. Source: ICRA MFI Explorer.

Portfolio

Issuer/Instrument Industry/Rating % to Net Assets
Equity & Equity related (Listed/ Awaiting listing on Stock Exchange)

ICICI Bank Ltd | Banks | 6.15% | 6.15%
Larsen And Toubro Ltd | Construction Project | 4.80% | 4.80%
HDFC Bank Ltd | Banks | 4.65% | 4.65%
Tech Mahindra Ltd | Software | 4.33% | 4.33%
Tata Consultancy Services Ltd | Software | 4.12% | 4.12%
Sun Pharmaceutical Industries Ltd | Pharmaceuticals | 3.83% | 3.83%
Maruti Suzuki India Limited | Auto | 3.48% | 3.48%
Infosys Ltd | Software | 3.07% | 3.07%
Lupin Ltd | Pharmaceuticals | 2.96% | 2.96%
HDFC Ltd | Banks | 2.91% | 2.91%
Infosys Ltd | Software | 2.87% | 2.87%
HDFC Bank Ltd | Banks | 2.79% | 2.79%
Others | 30.65% | 30.65%
Listed/Awaiting Listing on Stock Exchange - Total | 60.07% | 60.07%
Corporate Debt/Financial Institutions - Total | 7.86% | 7.86%
Public Sector Undertakings - Total | 5.21% | 5.21%
Government Gated Securities - Total | 7.33% | 7.33%
Public Sector Undertakings - Total | 1.12% | 1.12%
Term Deposits - Total | 2.63% | 2.63%
Collateral Borrowing & Lending obligation | 8.38% | 8.38%
Net Current Assets/(Liabilities) | 1.26% | 1.26%
Grand Total | 100.65% | 100.65%

Notes:
Term Deposits as provided above is towards margin for derivatives transactions.
For the month ended 30th September 2014 other than hedging transactions through options which have already been entered into and non-converted and are as follows:
Total number of contracts entered into were 19620. Gross Notional Value of contracts is Rs 4349.00 lacs and Net Profit/(Loss) on all contracts is (13.87) lacs.

Kotak Tax Saver

An Open - Ended Equity Linked Saving Scheme

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, permitted from time to time.

A) Non Direct Plan | Direct Plan
Options: Dividend Payout, Dividend Reinvestment & Growth (applicable for all plans)

Trustee’s Discretion
Mr. Deepak Gupta

Minimum Initial Investment
Rs. 500 and in multiple of Rs. 500

AAUM as on September 30, 2014: A) Non Direct Plan: 412.11 B) Direct Plan: 1.40

Ratios:
Portfolio Turnover: 57.14% Beta*: 1.35 Sharpe*: 0.59 Alpha*: -0.19

Standard Deviation*: 18.61 *Source: Value Research.

CNX 500 Index
November 23, 2005

Performance

Since inception till Sept 30, 2014
11.47 12.53 13.43 26164 2842 30352
3/30/2013 to 3/30/2014 55.6 46.08 38.87
3/30/2012 to 3/30/2013 11.72 -2.49 0.56
3/30/2011 to 3/30/2012 17.49 13.22 15.38

Kotak Tax Saver NAV as on September 30, 2014: Rs. 16.023 (Direct Dividend Option), Rs. 16.201 (Direct Dividend Option) Rs. 26.166 (Growth Option), Rs. 26.709 (Direct Growth Option)
N.A. stands for data not available. Note: Point to Point (PTP) Returns in INR show the value of Rs. 10,000 investment made at inception. Source: ICRA MFI Explorer.

Notes:
Total NPA’s provided and percentage to NAV: Nil. (applicable for all plans)
Net Current Assets/(Liabilities): -0.27%
Grand Total: 100.00%

This product is suitable for investors who are seeking:
• Long term capital growth
• Investment in equity & equity related securities balanced with income generation by investing in debt & money market instruments
• High risk (Brown)

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

## Portfolio

<table>
<thead>
<tr>
<th>Issue/Instrument</th>
<th>Industry/Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity &amp; Equity related (Listed/ Awaiting listing on Stock Exchange)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Solar Industries India Limited</td>
<td>Chemicals</td>
<td>3.64%</td>
</tr>
<tr>
<td>V-Guard Industries Ltd</td>
<td>Industrial Capital Goods</td>
<td>3.18%</td>
</tr>
<tr>
<td>Whirlpool of India Ltd</td>
<td>Consumer Durables</td>
<td>2.52%</td>
</tr>
<tr>
<td>Bajaj Finance Limited</td>
<td>Bank</td>
<td>2.47%</td>
</tr>
<tr>
<td>Other</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Listed/Awaiting Listing on Stock Exchange - Total</td>
<td>97.93%</td>
<td></td>
</tr>
<tr>
<td>Collateral Borrowing &amp; Lending obligation</td>
<td>1.97%</td>
<td></td>
</tr>
<tr>
<td>Net Current Assets/(Liabilities)</td>
<td>0.10%</td>
<td></td>
</tr>
<tr>
<td>Grand Total</td>
<td>100.00%</td>
<td></td>
</tr>
</tbody>
</table>

**Notes:**
- Total NPA's provided and percentage to NAV: Nil
- Total value and percentage to Net Asset of illiquid Equity Shares: Nil

**This product is suitable for investors who are seeking:**
- Long term capital growth
- Investment in equity & equity related securities predominantly in mid to small cap companies
- High risk (brown)

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

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**EQUITY FUNDS**

**KOTAK MID-CAP**

**An Open - Ended Equity Growth Scheme**

The investment objective of the scheme is to generate long-term capital appreciation from a diversified portfolio of equity and equity related securities.

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity &amp; Equity related (Listed/ Awaiting listing on Stock Exchange)</td>
<td></td>
</tr>
<tr>
<td>Solar Industries India Limited</td>
<td>Chemicals</td>
</tr>
<tr>
<td>V-Guard Industries Ltd</td>
<td>Industrial Capital Goods</td>
</tr>
<tr>
<td>Whirlpool of India Ltd</td>
<td>Consumer Durables</td>
</tr>
<tr>
<td>Bajaj Finance Limited</td>
<td>Bank</td>
</tr>
<tr>
<td>Others</td>
<td></td>
</tr>
<tr>
<td>Total Listed/Awaiting Listing on Stock Exchange - Total</td>
<td>97.93%</td>
</tr>
<tr>
<td>Collateral Borrowing &amp; Lending obligation</td>
<td>1.97%</td>
</tr>
<tr>
<td>Net Current Assets/(Liabilities)</td>
<td>0.10%</td>
</tr>
<tr>
<td>Grand Total</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

**Notes:**
- Total NPA's provided and percentage to NAV: Nil
- Total value and percentage to Net Asset of illiquid Equity Shares: Nil

**This product is suitable for investors who are seeking:**
- Long term capital growth
- Investment in equity & equity related securities predominantly in mid to small cap companies
- High risk (brown)

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

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**KOTAK EMERGING EQUITY**

**An Open - Ended Equity Growth Scheme**

The investment objective of the scheme is to generate capital appreciation from a diversified portfolio of equity and equity related securities, by investing predominantly in mid and small cap companies.

<table>
<thead>
<tr>
<th>Portfolio</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity &amp; Equity related (Listed/ Awaiting listing on Stock Exchange)</td>
<td></td>
</tr>
<tr>
<td>Solar Industries India Limited</td>
<td>Chemicals</td>
</tr>
<tr>
<td>V-Guard Industries Ltd</td>
<td>Industrial Capital Goods</td>
</tr>
<tr>
<td>Whirlpool of India Ltd</td>
<td>Consumer Durables</td>
</tr>
<tr>
<td>Bajaj Finance Limited</td>
<td>Bank</td>
</tr>
<tr>
<td>Others</td>
<td></td>
</tr>
<tr>
<td>Total Listed/Awaiting Listing on Stock Exchange - Total</td>
<td>97.93%</td>
</tr>
<tr>
<td>Collateral Borrowing &amp; Lending obligation</td>
<td>1.97%</td>
</tr>
<tr>
<td>Net Current Assets/(Liabilities)</td>
<td>0.10%</td>
</tr>
<tr>
<td>Grand Total</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

**Notes:**
- Total NPA's provided and percentage to NAV: Nil
- Total value and percentage to Net Asset of illiquid Equity Shares: Nil

**This product is suitable for investors who are seeking:**
- Long term capital growth
- Investment in equity & equity related securities predominantly in mid to small cap companies
- High risk (brown)

**Investors should consult their financial advisors if in doubt about whether the product is suitable for them.**
KOTAK GLOBAL EMERGING MARKET FUND

An Open-Ended Equity Scheme

The investment objective of the scheme is to generate long-term capital appreciation by investing in an overseas mutual fund scheme that invest in a diversified portfolio of securities in global emerging markets.

Available Plans/Options:
- A) Non Direct Plan (B) Direct Plan
- Options: Dividend Payout, Dividend Reinvestment & Growth (applicable for all plans)

Minimum Investment Amount:
- AAUM (In Crores)
- September as on 30, 2014: A) Rs. 5000 & in multiples of Re. 1
- B) Rs. 5000 & in multiples of Re. 1

Benchmark:
- MSCI Emerging Market Index

Inception Date:
- September 26, 2007

Performance:
- Since inception till Sept 30, 2014: 5.18
- Portfolio Breakdown:
  - Equity & Equity related: 63.76%
  - Debt: 30.87%
- Mutual Fund Units - Total: 94.63%
- Notes:
  - Total NPA's provided and percentage to NAV: Nil
  - Total value and percentage to Net Asset of illiquid Equity Shares: Nil

This product is suitable for investors who are seeking:
- Long term capital growth
- Investment in overseas mutual fund schemes that invest in a diversified portfolio of securities in global emerging markets

High risk

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

KOTAK ASSET ALLOCATOR FUND

An Open – Ended Fund of Funds Scheme

(Earlier known as Kotak Equity Fund of Funds Scheme)

The investment objective of the scheme is to generate long-term capital appreciation from a portfolio created by investing in specified open-ended, and debt schemes of Kotak Mahindra Mutual Fund. However, there is no assurance that the investment objective of the scheme will be realized.

Available Plans/Options:
- A) Regular Plan (B) Direct Plan
- Option: Dividend Payout, Dividend Reinvestment & Growth (applicable for all plans)

Minimum Investment Amount:
- AAUM as on September 30, 2014: A) Non Direct Plan: 47.60 B) Direct Plan: 0.23
- Ratios: Beta*: 0.19 Sharpe*: 0.99 Alpha*: 7.65 Standard Deviation*: 9.73

Performance:
- Since inception till Sept 30, 2014: 5.59
- Portfolio Breakdown:
  - Equity & Equity related: 94.63%
- Notes:
  - Total NPA's provided and percentage to NAV: Nil
  - Total value and percentage to Net Asset of illiquid Equity Shares: Nil

This product is suitable for investors who are seeking:
- Long term capital growth
- Investment in open-ended diversified equity schemes and debt schemes of Kotak Mahindra Mutual Fund

High risk

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

### Fund Details

<table>
<thead>
<tr>
<th>Scheme Name</th>
<th>KOTAK EQUITY ARBITRAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Investment Objective</strong></td>
<td>An Open - Ended Equity Growth Scheme</td>
</tr>
</tbody>
</table>

### Available Plans/Options

- **Non Direct Plan**
- **Direct Plan**
- **Options**: Dividend Payout, Dividend Reinvestment & Growth (applicable for all plans)

### Load Structure

**Mr. Deepak Gupta**

**Exit Load:** Nil (applicable for all plans)

**Entry Load:** Nil (applicable for all plans)

### Minimum Investment Amount

**AUM (in Crores) & Ratios**

**AAUM as on September 30, 2014:**

### Benchmark

**CRISIL Liquid Fund Index**

**Inception Date**

September 29, 2005

### Performance as on September 30, 2014

**Portfolio**

### Equity & Equity related (Listed/Awaiting listing on Stock Exchange)

**Other**

**34.76%**

**Total Listed/Awaiting listing on Stock Exchange - Total**

**73.34%**

**Corporate Debentures/Institutions - Total**

**3.92%**

**Public Sector Undertakings - Total**

**2.63%**

**Treasury Bills - Total**

**Term Deposit - Total**

**15.26%**

**Collaterals Borrowing & Lending obligation**

**3.44%**

**Net Current Assets/(Liabilities)**

**1.15%**

**Grand Total**

**100.00%**

**Notes:**

- Term Deposit as provided above is towards margin for derivatives transactions
- For the month ended 30th September, 2014 hedging transactions through futures which have been squared off are as follows:
- Total Number of contracts where futures were bought is 5187. Total number of contracts where futures were sold is 1234. Gross Notional value of contracts where futures were bought was Rs. 189008.32 lacs. Gross Notional value of contracts where futures were sold was Rs. 51312.86 lacs and Net profit/(loss) value on all these contracts combined was Rs. 1609.25 lacs
- This product is suitable for investors who are seeking:
  - Income from arbitrage opportunities in the equity market
  - Investment in arbitrage opportunities in the cash & derivatives segment of the equity market
  - **Low Risk** (Blue)
- **Let us consider their financial advisors if in doubt about whether the product is suitable for them.**

### Hedging Positions through Futures as on 30th September, 2014

<table>
<thead>
<tr>
<th>Hedging Category</th>
<th>Short Price When Purchased</th>
<th>Current Price of Standard Maintained in Lacs</th>
</tr>
</thead>
<tbody>
<tr>
<td>CBLO &amp; Term Deposits &amp; Rev.Repo</td>
<td>-73.84%</td>
<td>Total Saise of existing assets hedged through futures</td>
</tr>
</tbody>
</table>
KOTAK GILT INVESTMENT
An Open - Ended Dedicated Gilt Unit Scheme

To generate risk-free returns in investments in sovereign securities issued by the Central and/or State Government(s) and/or reverse repos in such securities.

Plans:
A) Regular Plan, B) PF & Trust Plan, C) Regular Direct Plan, D) PF & Trust Direct Plan.

Options:
Dividend Payout, Dividend Reinvestment & Growth (applicable for all plans)

Quarterly (20th of Mar/Jun/Sep/Dec)

Mr. Abhishek Bisen & Mr. Deepak Agrawal

Entry Load: (a) Regular Plan - Entry: Nil (b) PF & Trust Plan - Entry: Nil

Exit Load: (a) Regular Plan - Exit: Nil (b) PF&Trust Plan - Exit: Nil (applicable for all plans)

Minimum Initial Investment Amount
Rs. 5000 and in multiples of Re. 1 for purchase and for Re 0.01 for switches

AAUM as on September 30, 2014:

Since inception till Sept 30, 2014
9.74 N.A N.A 43284 N.A N.A

Top Holdings
<table>
<thead>
<tr>
<th>Sector</th>
<th>Name</th>
<th>Exposure (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Power</td>
<td>Central Bank Of India</td>
<td>10.05</td>
</tr>
<tr>
<td>Bank</td>
<td>State Bank of Patiala</td>
<td>9.99</td>
</tr>
<tr>
<td>Bank</td>
<td>Allahabad Bank</td>
<td>9.79</td>
</tr>
<tr>
<td>Bank</td>
<td>State Bank of Patiala</td>
<td>2.69</td>
</tr>
<tr>
<td>Bank</td>
<td>Central Bank Of India</td>
<td>2.52</td>
</tr>
<tr>
<td>Bank</td>
<td>91 Days Treasury Bill 11/12/2014</td>
<td>2.37</td>
</tr>
</tbody>
</table>

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments : 0.13 years

Notes:
Total NPA provided and percentage to NAV: N.A

This product is suitable for investors who are seeking:
- Income over a short to medium term investment horizon
-产品的收益是可信任的。

This product is suitable for investors who are seeking:
- Income over a short term investment horizon
- The benchmark return corresponds only to Kotak Gilt Investment PF and Trust Plan. Kotak Gilt Investment Regular Plan NAV as on September 30, 2014, Rs. 43.2660 (Growth Option). Rs. 11.7360 (Dividend Option), Rs. 43.7458 (Direct Growth Option). Rs. 11.8111 (Direct Dividend Option) Kotak Gilt Investment PF & Trust Plan NAV as on September 30, 2014, Rs. 44.2133 (Growth Option), Rs. 11.7573 (Dividend Option), Rs. 44.6630 (Direct Growth Option). N.A stands for data not available. Note: Point to Point (PTP) Returns in INR show the value of Rs. 10,000/- investment made at inception. Source: ICRA MFI Explorer. For Additional Debt Schemes; classification of schemes in short term long term is based on the average maturity of the scheme. # Name of Scheme Benchmark, # Name of Additional Benchmark. *Past performance may or may not be sustained in the future. All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns <= 1 year: Absolute; Returns > 1 year: CAGR (Compounded Annualised Growth Rate)
**DEBT FUNDS**

**KOTAK MULTI ASSET ALLOCATION FUND**

An Open - Ended Debt Scheme

- **Scheme Name**: KOTAK MULTI ASSET ALLOCATION FUND
- **Objective**: The investment objective of the scheme is to generate income by investing predominantly in debt and money market securities, to generate growth by taking moderate exposure to equity and equity related instruments and provide diversification by investing in Gold ETFs.

**Portfolio**

- **Equity & Equity related (Listed/ Awaiting listing on Stock Exchange)**
- **Top 10 Holdings**
  - Tata Capital Housing Finance Ltd: CRISIL AA*
  - 9.2% Central Government
  - Bank of India
  - 9.23% Indira Infotech Housing Finance Ltd: CRISIL AA
  - Power Finance Corporation Ltd: CRISIL AA
  - Kotak Mahindra Gold Fund: Mutual Fund Units
  - Vodafone India Limited: CRISIL AA+1
  - Larsen & Toubro Ltd: Construction Project
  - HCL Technologies Ltd: Software
  - ICICI Bank Ltd: Banks

**Risk & Return**

- **Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments**: 5.13 years.
- **Standard Deviation**: 4.54
- **Sharpe Ratio**: 0.29
- **Beta**: 0.28
- **Alpha**: -0.81

**Notes**:
- Total NAV provided and percentage to NAV: NIL
- Term Deposit as provided above is towards margin for derivative transactions
- For the month ended September 30, 2014 other than hedging transactions
- Total number of contracts where futures were bought 44. Total number of contracts where futures were sold 31.
- Gross National value of futures bought for the month ended September 30, 2014: 11,377,81,769. Gross National value of contracts where futures were sold Rs.1,72,49,840. Total National Value of contracts where futures were bought Rs.1,72,49,840 (As on September 30, 2014).
- Derivatives are used by the scheme for hedging interest rate risk and for investment purposes.
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.

**Fund Details**

**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.

**Available Plans/Options**

Plans: a) Deposit (discontinued for further subscriptions w.e.f. October 1, 2012) b) Plan A (Previously known as Regular Plan) c) Direct Plan

Options: Dividend Payout, Dividend Reinvestment, Growth & Bonus (applicable for all plans)

**DividendFreq.**

Quarterly (20th of Mar/Jun/Sept/Dec), Half Yearly (20th of Mar/Sept) - w.e.f Oct 10, 2013, Annual (12th of Mar) (applicable for all plans)

**Fund Managers**

Mr Abhishek Bisen & Mr Deepak Agrawal

**Load Structure**

Entry Load: Nil. (applicable for all plans)

Exit Load: Nil. Bonus units and units issued on reinvestment of dividends shall not be subject to exit load (applicable for all plans)

**Minimum Investment Amount**

Initial Investment: Plan A- Rs. 5000 and in multiple of Rs. 1 for purchase and for Rs 0.01 for switches

Additional Investment: Rs. 1000 & in multiples of Re1

Ideal Investments Horizon: 1 year & above

**AAUM (In Crores) & Ratios**

AAUM as on September 30, 2014: a) 80.64 b) Plan A: 2857.56 c) Direct Plan: 172.37

Ratios: Sharpe*: -0.23 Beta*: 1.51 Alpha*: 0.20 Standard Deviation*: 6.07 YTM: 9.30%

*Source: Value Research. Portfolio Modified Duration: 6.99 yrs

**Benchmark**

Crisl Composite Bond Fund Index

**Inception Date**

November 25, 1999

**Performance**

**Performance as on September 30, 2014**

<table>
<thead>
<tr>
<th>Date</th>
<th>Scheme Returns (%)</th>
<th>Crisil Composite Bond Fund Index # (%)</th>
<th>CRISIL 10 Year Gilt Index # (%)</th>
<th>Current Value of Standard Investment of Rs. 10000 in the</th>
</tr>
</thead>
<tbody>
<tr>
<td>Since inception till Sept 2014</td>
<td>5.11</td>
<td>6.33</td>
<td>-</td>
<td>36554</td>
</tr>
<tr>
<td>30/09/2013 to 30/09/2014</td>
<td>9.86</td>
<td>11.65</td>
<td>6.97</td>
<td>25760</td>
</tr>
<tr>
<td>30/09/2012 to 30/09/2013</td>
<td>2.83</td>
<td>3.45</td>
<td>2.38</td>
<td>Not applicable</td>
</tr>
<tr>
<td>30/09/2011 to 30/09/2012</td>
<td>13.52</td>
<td>9.55</td>
<td>8.07</td>
<td></td>
</tr>
</tbody>
</table>

Kotak Bond Plan A NAV as on September 30, 2014: Rs. 36.5413 (Growth Option), Rs. 36.9412 (Direct Growth Option), Rs. 10.5749 (Quarterly Dividend), Rs. 10.7467 (Direct Quarterly Dividend), Rs. 22.3907 (Annual Dividend), Rs. 22.5657 (Direct annual Dividend), Rs. 24.3583 (Bonus). N.A stands for data not available. Note: Point to Point (PTP) Returns in INR show the value of Rs. 10,000/ investment made at inception. Source: ICRA MFI Explorer. For Additional Benchmark (Debt Schemes): classification of schemes in short term & long term is based on the average maturity of the scheme. # Name of Scheme Benchmark. ## Name of Additional Benchmark. * Past performance may or may not be sustained in the future. All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns <= 1 year: Absolute; Returns > 1 year: CAGR (Compounded Annualised Growth Rate).

**Portfolio**

<table>
<thead>
<tr>
<th>Top 10 Holdings</th>
<th>Industry/Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>9.2% Central Government</td>
<td>SOV</td>
<td>25.33%</td>
</tr>
<tr>
<td>8.6% Central Government</td>
<td>SOV</td>
<td>21.51%</td>
</tr>
<tr>
<td>8.32% Central Government</td>
<td>SOV</td>
<td>13.54%</td>
</tr>
<tr>
<td>1.44% Central Government</td>
<td>SOV</td>
<td>6.63%</td>
</tr>
<tr>
<td>HPCL Mittal Pipelines Ltd.</td>
<td>ICRA AA-</td>
<td>5.93%</td>
</tr>
<tr>
<td>HPCL Mittal Energy Ltd.</td>
<td>ICRAAA-</td>
<td>4.53%</td>
</tr>
<tr>
<td>Reliance Utilities And Power Private Limited</td>
<td>CRISIL AAA</td>
<td>3.48%</td>
</tr>
<tr>
<td>9.23% Central Government</td>
<td>SOV</td>
<td>2.88%</td>
</tr>
<tr>
<td>Reliance Jio Infocomm Limited</td>
<td>CRISIL AAA</td>
<td>2.50%</td>
</tr>
<tr>
<td>8.4% Central Government</td>
<td>SOV</td>
<td>2.23%</td>
</tr>
</tbody>
</table>

Corporate Debt/Financial Institutions - Total 20.31%

Public Sector Undertakings - Total 3.59%

Government Dated Securities - Total 74.03%

Collateral Borrowing & Lending obligation 1.54%

Net Current Assets/(Liabilities) 0.53%

Grand Total 100.00%

**Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments : 12.78 years.**

Notes:

Total NPA provided and percentage to NAV/ NIL

This product is suitable for investors who are seeking:

- Income over a long investment horizon
- Investment in debt & money market securities
- Low risk (Blue)

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

**Sector Allocation**

- Net Current Assets 0.53
- CBLO & Term Deposits & Rev.Repo 1.54
- Debentures and Bonds 23.90
- Government Dated Securities 74.03

**Rating Profile**

- BWR AAA, AAA, AAA(co), SOV 82.23
- AAA, AAA+(ind), AA, AA- 13.60
- A (SO) 2.10
- CBLO & Term Deposits & Rev Repo 1.54
- Net Current Assets 0.53
## KOTAK BOND SHORT TERM

### An Open - Ended Debt Scheme

**Fund Details**

- **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.

- **Available Plans/Options:**
  - A) Non Direct Plan
  - B) Direct Plan

- **Dividend Freq.:** Monthly (12th of every Month), Half Yearly (20th of Mar/Sep)

- **Fund Managers:** Mr Abhishek Bisen & Mr Deepak Agrawal

### Load Structure

- **Entry Load:** Nil (applicable for all plans)

- **Exit Load:**
  - i) For redemptions/switch outs (including SIP/STP) within 30 days from the date of allotment of units, irrespective of the amount of investment: 0.50%
  - ii) For redemptions/switch outs (including SIP/STP) after 30 days from the date of allotment of units, irrespective of the amount of investment: Nil

- **Minimum Investment Amount:**
  - Initial Investment: (i) Dividend Re-investment & Growth - Rs. 5000 & above (ii) Dividend Payout (Monthly Dividend) - Rs. 50,000 & above
  - Additional Investment: Rs. 1000 & in multiples of Rs. 1

- **Ideal Investments Horizon:** 6 Months & above

### AAUM (In Crores) & Ratios

<table>
<thead>
<tr>
<th>Benchmark</th>
<th>AAUM as on September 30, 2014:</th>
<th>A) Non Direct Plan: 781.45</th>
<th>B) Direct Plan: 644.48</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ratios:</td>
<td>Beta*: 0.18 Sharpe*: 0.43 Alpha*: 1.24 Standard Deviation*: 2.16</td>
<td>YTM: 9.40%</td>
<td></td>
</tr>
</tbody>
</table>

### Portfolio

#### Top 10 Holdings

<table>
<thead>
<tr>
<th>Issuer/Instrument</th>
<th>Industry/Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>HDB Financial Services Ltd.</td>
<td>CRISIL AAA</td>
<td>9.39%</td>
</tr>
<tr>
<td>HPCL Mittal Energy Ltd.</td>
<td>ICRA AA-</td>
<td>8.14%</td>
</tr>
<tr>
<td>Power Finance Corporation Ltd.</td>
<td>CRISIL AAA</td>
<td>8.07%</td>
</tr>
<tr>
<td>Dewan Housing Finance Corporation Ltd.</td>
<td>CARE AAA</td>
<td>7.11%</td>
</tr>
<tr>
<td>HDFC Ltd.</td>
<td>ICRA A1+</td>
<td>6.29%</td>
</tr>
<tr>
<td>IOT Utkal Energy Services Ltd.</td>
<td>CRISIL AAA(so)</td>
<td>5.95%</td>
</tr>
<tr>
<td>Lands End Properties Private Limited</td>
<td>CARE AA+(so)</td>
<td>4.85%</td>
</tr>
<tr>
<td>Shiram Transport Finance Co Ltd.</td>
<td>CRISIL AA</td>
<td>4.51%</td>
</tr>
<tr>
<td>Talwandi Sabo Power Limited</td>
<td>CRISIL AA+(so)</td>
<td>4.31%</td>
</tr>
<tr>
<td>HDB Financial Services Ltd.</td>
<td>CARE AAA</td>
<td>4.02%</td>
</tr>
</tbody>
</table>

#### Corporate Debt/Financial Institutions - Total

- 59.48%

#### Public Sector Undertakings - Total

- 10.91%

#### Government Dated Securities - Total

- 9.13%

#### Corporate Debt/Financial Institutions - Total

- 10.74%

#### Public Sector Undertakings - Total

- 2.36%

#### Treasury Bills - Total

- 3.53%

#### Net Current Assets/Liabilities

- 3.85%

#### Grand Total

- 100.00%

### Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 2.47 years.

### Notes:

- Past performance may or may not be sustained in future.

### Rating Profile

| AAA, A1+, AAA, AAA(so), A1+, AAA, SOV | 74.07 |
| A1+(so), AA, AA+(so), AA+(ind), AA, AA- | 22.08 |
| Net Current Assets | 3.85 |

### Performance

**Performance as on September 30, 2014**

<table>
<thead>
<tr>
<th>Date</th>
<th>Kotak Bond Short Term Plan - Growth</th>
<th>Scheme Returns (%)</th>
<th>CRISIL Short Term Bond Fund Index (%)</th>
<th>CRISIL 1 Year T-Bill Index # (%)</th>
<th>Current Value of Standard Investment of Rs 10000 in the Scheme (Rs)</th>
<th>Benchmark # (%)</th>
<th>Additional Benchmark # (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Since inception till Sept 30, 2014</td>
<td>7.61</td>
<td>6.91</td>
<td>5.62</td>
<td>24870</td>
<td>22933</td>
<td>19723</td>
<td></td>
</tr>
<tr>
<td>30/09/2013 to 30/09/2014</td>
<td>9.64</td>
<td>10.08</td>
<td>8.32</td>
<td>Not applicable</td>
<td>24870</td>
<td>22933</td>
<td>19723</td>
</tr>
<tr>
<td>30/09/2012 to 30/09/2013</td>
<td>7.17</td>
<td>7.73</td>
<td>5.65</td>
<td>24870</td>
<td>22933</td>
<td>19723</td>
<td></td>
</tr>
<tr>
<td>30/09/2011 to 30/09/2012</td>
<td>9.64</td>
<td>9.23</td>
<td>8.16</td>
<td>24870</td>
<td>22933</td>
<td>19723</td>
<td></td>
</tr>
</tbody>
</table>

### Notes:

- Point to Point (PTP) Returns in INR show the value of Rs. 10,000/- investment made at inception.

### Sector Allocation

- Treasury Bills: 3.53
- Net Current Assets: 3.85
- Government Dated Securities: 9.13
- Commercial Paper (CP)/Certificate of Deposits (CD): 13.1
- Debentures and Bonds: 70.39

This product is suitable for investors who are seeking:

- Income over a medium term horizon
- Investment in debt & money market securities
- Low risk (Blue)

Investors should consult their financial advisors if in doubt about whether the product is suitable for them.
**KOTAK INCOME OPPORTUNITIES FUND**

An Open - Ended Debt Scheme

**Scheme Name**

**Fund Details**

**Investment Objective**

The investment objective of the scheme is to generate income by investing in debt and/or money market securities across the yield curve and credit spectrum. The scheme would also seek to maintain reasonable liquidity within the fund.

**Available Plans/ Options**

A) Non Direct Plan  
B) Direct Plan

Options: Dividend Payout, Dividend Reinvestment & Growth (applicable for all plans)

**Dividend Freq.**

Weekly (Every Monday), Monthly (12th of every Month), Quarterly (20th of March/June/September/December), Annual (12th of March).

**Fund Managers**

Mr Deepak Agrawal & Mr Abhishek Bisen

**Load Structure**

Entry Load: Nil. (applicable for all plans)

Exit Load: For redemptions/switch outs (including SIP/STP) within 1 year from the date of allotment of units, irrespective of the amount of investment: 2%.

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

**Minimum Investment Amount**

Initial Investment: Rs. 5000 and in multiple of Re. 1 for purchase and for Re. 0.01 for switches

Additional Investment: Rs. 1000 & in multiples of Re. 1

Ideal Investments Horizon: 1 year & above

**AAUM (In Crores) & Ratios**

<table>
<thead>
<tr>
<th>Scheme</th>
<th>Benchmark</th>
<th>Additional Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non Direct Plan</td>
<td>Direct Plan</td>
<td>Direct Plan</td>
</tr>
<tr>
<td>936.90</td>
<td>10.62</td>
<td>Not applicable</td>
</tr>
<tr>
<td>3.05</td>
<td>10.08</td>
<td></td>
</tr>
<tr>
<td>6.38</td>
<td>8.32</td>
<td></td>
</tr>
</tbody>
</table>

**Portfolio**

**Issuer/Instrument Industry/Rating**

<table>
<thead>
<tr>
<th>HPCL Mittal Energy Ltd.</th>
<th>ICRAAA</th>
<th>12.85%</th>
</tr>
</thead>
<tbody>
<tr>
<td>DLF Emporio Ltd</td>
<td>ICRAAA</td>
<td>10.60%</td>
</tr>
<tr>
<td>Larsen &amp; Toubro Shipbuilding Ltd</td>
<td>ICRAAA</td>
<td>7.29%</td>
</tr>
<tr>
<td>Dewan Housing Finance Corporation Ltd.</td>
<td>CARE A</td>
<td>6.93%</td>
</tr>
<tr>
<td>Gerah Enterprises Private Limited</td>
<td>ICRAA+</td>
<td>5.32%</td>
</tr>
<tr>
<td>Sesa Sterlite Ltd.</td>
<td>CRISIL A+</td>
<td>5.20%</td>
</tr>
<tr>
<td>HDFC Ltd.</td>
<td>ICRAA1+</td>
<td>5.15%</td>
</tr>
<tr>
<td>Hero Realty Ltd</td>
<td>ICRAA+</td>
<td>3.91%</td>
</tr>
<tr>
<td>Indistar Capital Finance Private Limited</td>
<td>CARE A</td>
<td>3.70%</td>
</tr>
<tr>
<td>Bank of India</td>
<td>BRICKWOR BWA AAR</td>
<td>2.71%</td>
</tr>
</tbody>
</table>

**Top 10 Holdings**

<table>
<thead>
<tr>
<th>Corporate Debt/Financial Institutions - Total</th>
<th>72.05%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Sector Undertakings - Total</td>
<td>5.40%</td>
</tr>
<tr>
<td>Corporate Debt/Financial Institutions - Total</td>
<td>14.01%</td>
</tr>
<tr>
<td>Collateral Borrowing &amp; Lending obligation</td>
<td>1.59%</td>
</tr>
<tr>
<td>Net Current Assets/(Liabilities)</td>
<td>6.95%</td>
</tr>
<tr>
<td>Grand Total</td>
<td>100%</td>
</tr>
</tbody>
</table>

**Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments**: 2.45 years.

**Notes:** Total NPA provided and percentage to NAV: NIL

**Sector Allocation**

<table>
<thead>
<tr>
<th>CBLO &amp; Term Deposits &amp; Rev Repo</th>
<th>1.59</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Current Assets</td>
<td>6.95</td>
</tr>
<tr>
<td>Commercial Paper (CP)/Certificate of Deposits (CD)</td>
<td>14.01</td>
</tr>
<tr>
<td>Debentures and Bonds</td>
<td>77.46</td>
</tr>
</tbody>
</table>

**Rating Profile**

<table>
<thead>
<tr>
<th>BWR AAA, AAA, A1+, AAA, A1+, AAA</th>
<th>37.2</th>
</tr>
</thead>
<tbody>
<tr>
<td>AA+(pc), AA+(nc), AA, A+</td>
<td>37.05</td>
</tr>
<tr>
<td>A+, A-(SO)</td>
<td>11.9</td>
</tr>
<tr>
<td>Net Current Assets</td>
<td>6.95</td>
</tr>
<tr>
<td>Unrated</td>
<td>5.31</td>
</tr>
<tr>
<td>CBLO &amp; Term Deposits &amp; Rev Repo</td>
<td>1.59</td>
</tr>
</tbody>
</table>
**Kotak Floater Long Term**

An Open - Ended Debt Scheme

### Inception Date
August 13, 2004

### Performance

<table>
<thead>
<tr>
<th>Date</th>
<th>Kotak Floater</th>
<th>Scheme Returns (%)</th>
<th>Crisil Liquid Fund Index (%)</th>
<th>CRISIL 1 Year T-Bill Index (#) (%)</th>
<th>Current Value of Standard Investment of Rs 10000 in the Scheme (Rs)</th>
<th>Benchmark (Rs)</th>
<th>Additional Benchmark (#) (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Since inception till Sept 2014</td>
<td>7.75</td>
<td>6.98</td>
<td>5.67</td>
<td>21311</td>
<td>19817</td>
<td>17490</td>
<td></td>
</tr>
<tr>
<td>30/09/2013 to 30/09/2014</td>
<td>9.66</td>
<td>9.44</td>
<td>8.32</td>
<td>Not applicable</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>30/09/2012 to 30/09/2013</td>
<td>8.62</td>
<td>8.54</td>
<td>5.65</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>30/09/2011 to 30/09/2012</td>
<td>9.72</td>
<td>8.69</td>
<td>8.16</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Kotak Floater Long Term NAV as on September 30, 2014:
- Rs. 21.3050 (Growth Option), Rs. 21.3819 (Direct Growth Option), Rs. 10.0798 (Daily Dividend), Rs. 10.0798 (Direct Daily Dividend), Rs. 10.1020 (Weekly Dividend), Rs. 10.1619 (Direct Weekly Dividend), Rs. 10.1159 (Monthly Dividend), Rs. 10.4395 (Direct Monthly Dividend).

### Portfolio

<table>
<thead>
<tr>
<th>Issuer/Instrument</th>
<th>Industry/Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allahabad Bank</td>
<td>CRISIL A1+</td>
<td>9.56%</td>
</tr>
<tr>
<td>Tata Power Company Ltd.</td>
<td>ICRA A1+</td>
<td>8.88%</td>
</tr>
<tr>
<td>Mandava Holdings Private Limited</td>
<td>BRICKWORK BWR AA+(SO)</td>
<td>8.63%</td>
</tr>
<tr>
<td>HDFC Ltd.</td>
<td>ICRA A1+</td>
<td>8.55%</td>
</tr>
<tr>
<td>Bahadur Chand Investments Private Limited</td>
<td>ICRA AA</td>
<td>5.38%</td>
</tr>
<tr>
<td>National Bank for Agriculture and Rural Development</td>
<td>CRISIL A1+ +</td>
<td>4.66%</td>
</tr>
<tr>
<td>IOT Utkai Energy Services Ltd.</td>
<td>CRISIL AAA(ind)</td>
<td>4.63%</td>
</tr>
<tr>
<td>Cholamandalam Investment and Finance Company Ltd</td>
<td>ICRA A1+</td>
<td>4.63%</td>
</tr>
<tr>
<td>Kotak Mahindra Prme Ltd.</td>
<td>CRISIL AAA</td>
<td>4.33%</td>
</tr>
<tr>
<td>Indiabulls Housing Finance Limited</td>
<td>CARE AAA</td>
<td>4.30%</td>
</tr>
</tbody>
</table>

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments : 0.55 years.

### Notes:
- Total NPA provided and percentage to NAV: NIL
- This product is suitable for investors who are seeking:
  - Income over a short term investment horizon
  - Investors should consult their financial advisors if in doubt about whether the product is suitable for them.

### Sector Allocation

<table>
<thead>
<tr>
<th>Category</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Current Assets</td>
<td>1.88</td>
</tr>
<tr>
<td>Treasury Bills</td>
<td>2.34</td>
</tr>
<tr>
<td>CBLO &amp; Term Deposits &amp; Rev/Repo</td>
<td>5.54</td>
</tr>
<tr>
<td>Debentures and Bonds</td>
<td>42.21</td>
</tr>
<tr>
<td>Commercial Paper (CP)/Certificate of Deposits (CD)</td>
<td>48.03</td>
</tr>
</tbody>
</table>

### Rating Profile

| AAA, A1+, AAA, AAA(+), A1+, AAA, SOV | 68.08 |
| BWR AA+(SO), AA+(SO), AA+, AA+(ind), AA, AA+, CARE AA, AA- | 23.53 |
| CBLO & Term Deposits & Rev Repo | 5.54 |
| Net Current Assets | 1.88 |
| Unrated | 0.97 |
**KOTAK FLOATER SHORT TERM**

An Open - Ended Debt Scheme

**Fund Objectives**
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 Plans/ Options**
- A) Non Direct Plan
- B) Direct Plan
Options: Dividend Reinvestment & Growth (applicable for all plans)

**Dividend Freq.**
Daily Weekly (Every Monday), Monthly (12th of every Month)

**Fund Managers**
Mr. Deepak Agrawal & Mr. Abhishek Bisen.

**Load Structure**
Entry Load: Nil. (applicable for all plans)
Exit Load: Nil. (applicable for all plans) Bonus units and units issued on reinvestment of dividends shall not be subject to exit load (applicable for all plans)

**Minimum Investment Amount**
Initial Investment: Rs. 5000 Under growth, weekly dividend and monthly dividend option & Rs. 1,00,000 under Daily Dividend Reinvestment option, Additional Investment: Rs. 1000 & in multiples of Rs.1.
Ideal Investments Horizon: 1- 15 Days

**AAUM (In Crores)**
AAUM as on September 30, 2014: Non Direct Plan: Direct Plan:

**Portfolio**

<table>
<thead>
<tr>
<th>Issuer/Instrument</th>
<th>Industry/Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Export-Import Bank of India.</td>
<td>CRISIL A1+</td>
<td>10.39%</td>
</tr>
<tr>
<td>Allahabad Bank</td>
<td>CRISIL A1+</td>
<td>8.95%</td>
</tr>
<tr>
<td>91 Days Treasury Bill 13/11/2014</td>
<td>SOV</td>
<td>8.86%</td>
</tr>
<tr>
<td>State Bank of Mysore</td>
<td>CRISIL A1+</td>
<td>8.26%</td>
</tr>
<tr>
<td>Larsen and Toubro Ltd.</td>
<td>CRISIL A1+</td>
<td>8.21%</td>
</tr>
<tr>
<td>Andhra Bank</td>
<td>CRISIL A1+</td>
<td>6.69%</td>
</tr>
<tr>
<td>India Infoline Finance Limited</td>
<td>ICRA A1+</td>
<td>6.21%</td>
</tr>
<tr>
<td>182 Days Treasury Bill 20/11/2014</td>
<td>SOV</td>
<td>5.40%</td>
</tr>
<tr>
<td>91 Days TBill 16/10/2014</td>
<td>SOV</td>
<td>4.81%</td>
</tr>
<tr>
<td>The South Indian Bank Ltd.</td>
<td>CARE A1+</td>
<td>4.02%</td>
</tr>
</tbody>
</table>

**Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments : 0.14 years**

Notes: Total NPA provided and percentage to NAV: NIL

**Rating Profile**
A1+, AAA, SOV
CBLO & Term Deposits & Rev/Repo
AA- Net Current Assets

94.3
13.95
-2.37
-10.62
### Scheme Name

**KOTAK FLEXI DEBT**

An Open - Ended Debt Scheme

### Investment Objective

To maximize returns through an active management of a portfolio of debt and money market securities.

### Available Plans/Options

- Regular (discontinued for further subscriptions w.e.f. October 1, 2012)
- Plan A (Previously known as Institutional Plan)
- Direct Plan (applicable for all plans)

### Dividend Freq.

- Daily Dividend Reinvestment, Weekly Dividend Reinvestment (Every Monday), Quarterly Dividend Payout and Reinvestment (20th of March, June, September and December of every year)

### Fund Managers

Mr. Deepak Agrawal & Mr. Abhishek Bisen

### Load Structure

- **Entry Load:** Nil (applicable for all plans)

### Minimum Investment Amount

- Initial Investment: Plan A - Rs. 5000 and in multiples of Re. 1 for purchase and for Re 0.01 for switches
- Additional Investment: Rs. 1000 & in multiples of Re.1

### Exit Load

- i) For redemptions/switch outs (including SIP/STP) within 180 days from the date of allotment of units, irrespective of the amount of investment: 1.00%
- ii) Any exit load charged (net off Service Tax, if any) shall be credited back to the Scheme. (applicable for all plans)

### Portfolio

<table>
<thead>
<tr>
<th>Issue/Instrument</th>
<th>Industry/Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>91 Days Treasury Bill 11/12/2014</td>
<td>SOV</td>
<td>18.14%</td>
</tr>
<tr>
<td>1.44% Central Government</td>
<td>SOV</td>
<td>13.76%</td>
</tr>
<tr>
<td>Bank of India</td>
<td>BRICKWORK BWR</td>
<td>10.09%</td>
</tr>
<tr>
<td>Bahadur Chand Investments Private Limited</td>
<td>ICRA AA</td>
<td>9.34%</td>
</tr>
<tr>
<td>8.6% Central Government</td>
<td>SOV</td>
<td>8.56%</td>
</tr>
<tr>
<td>Hero FintCorp Ltd.</td>
<td>CRISIL AA+</td>
<td>6.18%</td>
</tr>
<tr>
<td>Larsen &amp; Toubro Shipbuilding Ltd.</td>
<td>CRISIL AAA</td>
<td>6.09%</td>
</tr>
<tr>
<td>Kotak Mahindra Prime Ltd.</td>
<td>CRISIL AAA</td>
<td>4.44%</td>
</tr>
<tr>
<td>Karur Vysya Bank Ltd.</td>
<td>CRISIL A1+</td>
<td>2.92%</td>
</tr>
<tr>
<td>HDFC Ltd.</td>
<td>ICRA A1+</td>
<td>2.39%</td>
</tr>
</tbody>
</table>

### Corporate Debt/Financial Institutions - Total

- Public Sector Undertakings - Total: 10.11%
- Government Dated Securities - Total: 23.62%
- Corporate Debt/Financial Institutions - Total: 5.31%
- Public Sector Undertakings - Total: 1.54%
- Treasury Bills - Total: 18.14%
- Collateral Borrowing & Lending obligation: 0.18%
- Net Current Assets/(Liabilities): 15.08%
- Grand Total: 100.00%

### Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 2.78 years.

### Rating Profile

<table>
<thead>
<tr>
<th>Rating</th>
<th>Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>BWR A1+, AAA, A1+, SOV</td>
<td>69.22</td>
</tr>
<tr>
<td>AA+, AA</td>
<td>15.52</td>
</tr>
<tr>
<td>Net Current Assets</td>
<td>15.08</td>
</tr>
<tr>
<td>CBLO &amp; Term Deposits &amp; Rev Repo</td>
<td>0.18</td>
</tr>
</tbody>
</table>

The benchmark returns corresponds to Kotak Flexi Plan A.

The ideal investment horizon is 30 - 45 Days.

### Options:

- A) (discontinued for further subscriptions w.e.f. October 1, 2012)
- b) (Previously known as Institutional Plan)
- c) Direct Plan (applicable for all plans)

### Benchmark

CRISIL Composite Bond Index

### Inception Date


### Performance as of September 30, 2014

<table>
<thead>
<tr>
<th>Date</th>
<th>Kotak Flexi Debt Fund - Plan A -Growth</th>
<th>Scheme Returns (%)</th>
<th>CRISIL Composite Bond Fund Index #</th>
<th>CRISIL 1 Year T-Bill Index #</th>
<th>Current Value of Standard Investment of Rs 10000 in the</th>
</tr>
</thead>
<tbody>
<tr>
<td>Since inception till Sep 30, 2014</td>
<td>8.22</td>
<td>7.04</td>
<td>6.03</td>
<td>16515</td>
<td>15404</td>
</tr>
<tr>
<td>30/09/2013 to 30/09/2014</td>
<td>9.51</td>
<td>11.65</td>
<td>8.32</td>
<td>Not applicable</td>
<td></td>
</tr>
<tr>
<td>30/09/2012 to 30/09/2013</td>
<td>8.61</td>
<td>3.45</td>
<td>5.65</td>
<td></td>
<td></td>
</tr>
<tr>
<td>30/09/2012 to 30/09/2012</td>
<td>9.75</td>
<td>9.55</td>
<td>8.16</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Notes:
- Point to Point (PTP) Returns in INR show the value of Rs. 10,000/- investment made at inception.
- Past performance may or may not be sustained in the future.
- All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns <= 1 year: Absolute; Returns > 1 year: CAGR (Compounded Annualised Growth Rate).
- No benefits/claims arising out of any other plan shall be transferred to this scheme.
- This product is suitable for investors who are seeking:
  - Income over a medium term investment horizon (BLUE) investors understand that their principal will be at low risk
  - Income over a medium term investment horizon (GREEN) investors understand that their principal will be at medium risk
  - Investment in debt & money market securities (YELLOW) investors understand that their principal will be at high risk
  - Low risk (BLUE)
  - *Investors should consult their financial advisors if in doubt about whether the product is suitable for them*
### Scheme Name

**KOTAK LIQUID**

An Open - Ended Debt Scheme

### Fund Details

**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 risk across different kinds of issuers in the debt markets.

**Available Plans/Options**

- **Regular Plan**
- **Institutional Plan**
- **Plan A**

**Dividend Freq.**

Daily (Every Monday) (applicable for all plans)

**Fund Managers**

Mr Deepak Agrawal & Mr. Abhishek Bisen.

**Load Structure**

- **Entry Load:** Nil. (applicable for all plans)
- **Exit Load:** Nil. (applicable for all plans) Bonus units and units issued on reinvestment of dividends shall not be subject to exit load (applicable for all plans)

**Minimum Investment Amount**

Initial Investment: **Plan A:** Rs. 5000 and in multiples of Rs. 1 for purchase and for Re 0.01 for switches

**Additional Investment:** Rs. 1000 & in multiples of Re1

**Ideal Investments Horizon:** 1 - 15 days

**AAUM (In Crores) & Ratios**

- **AAUM as on September 30, 2014:** 17

**Rating Profile**

- **A1+, SOV**
- **CBLO & Term Deposits & Rev Repo**
- **Net Current Assets**

**Risk free rate of returns for Sharp ratio:** 8.55%

### Performance as on September 30, 2014

**Date**

- **Kotak Liquid - Plan A - Growth**
- **Crisil Liquid Fund Index # (%)**
- **Crisil Liquid Fund Index # (%)**
- **Crisil Liquid Fund Index # (%)**
- **Crisil Liquid Fund Index # (%)**

<table>
<thead>
<tr>
<th>Date</th>
<th>Scheme Returns (%)</th>
<th>Crisil Liquid Fund Index # (%)</th>
<th>CRISSIL 1 Year T-Bill Index # (%)</th>
<th>Current Value of Standard Investment of Rs 10000 in the</th>
</tr>
</thead>
<tbody>
<tr>
<td>Since inception till Sep 30, 2014</td>
<td>7.39</td>
<td>6.76</td>
<td>5.55</td>
<td>21171</td>
</tr>
<tr>
<td>30/09/2013 to 30/09/2014</td>
<td>9.35</td>
<td>9.44</td>
<td>8.32</td>
<td></td>
</tr>
<tr>
<td>30/09/2012 to 30/09/2013</td>
<td>8.96</td>
<td>8.54</td>
<td>5.65</td>
<td></td>
</tr>
<tr>
<td>30/09/2011 to 30/09/2012</td>
<td>9.87</td>
<td>8.69</td>
<td>8.16</td>
<td></td>
</tr>
</tbody>
</table>

The benchmark returns correspond to Kotak Liquid Plan A NAV as on September 30, 2014: Rs. 2718.0839 (Growth Option), Rs. 2720.4050 (Direct Growth Option), Rs. 1222.8100 (Daily Dividend), Rs. 1222.8100 (Direct Daily Dividend), Rs. 1000.2731 (Weekly Dividend), Rs. 1002.8239 (DirectWeekly Dividend).

N.A stands for data not available. **Note:** Point to Point (PTP) Returns in INR show the value of Rs. 10,000/- investment made at inception.

### Portfolio

**Top 10 Holdings**

<table>
<thead>
<tr>
<th>Issuer/Instrument</th>
<th>Industry/Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>IndusInd Bank Ltd.</td>
<td>CRISIL A1+</td>
<td>15.30%</td>
</tr>
<tr>
<td>HDFC Ltd.</td>
<td>ICRA A1+</td>
<td>12.00%</td>
</tr>
<tr>
<td>Allahabad Bank</td>
<td>CRISIL A1+</td>
<td>9.97%</td>
</tr>
<tr>
<td>Canara Bank</td>
<td>CRISIL A1+</td>
<td>9.08%</td>
</tr>
<tr>
<td>National Bank for Agriculture and Rural Development</td>
<td>CRISIL A1+</td>
<td>8.26%</td>
</tr>
<tr>
<td>Sesa Sterlite Ltd.</td>
<td>CRISIL A1+</td>
<td>7.52%</td>
</tr>
<tr>
<td>UCO Bank</td>
<td>CRISIL A1+</td>
<td>4.96%</td>
</tr>
<tr>
<td>91 Days TBill 23/10/2014</td>
<td>SOV</td>
<td>4.68%</td>
</tr>
<tr>
<td>Andhra Bank</td>
<td>CRISIL A1+</td>
<td>4.48%</td>
</tr>
<tr>
<td>91 Days Treasury Bill 13/11/2014</td>
<td>SOV</td>
<td>4.23%</td>
</tr>
</tbody>
</table>

**Corporate Debt/Financial Institutions - Total**

- **Public Sector Undertakings - Total**
- **Treasury Bills - Total**
- **Term Deposits - Total**
- **Net Current Assets/ (Liabilities)**
- **Grand Total**

- **Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments:** 0.15 years.

**Notes:** Total NPA provided and percentage to NAV: NIL

### Rating Profile

- **A1+, SOV**
- **CBLO & Term Deposits & Rev Repo**
- **Net Current Assets**

**Risk free rate of returns for Sharp ratio:** 8.55%
**ETF SCHEMES**

---

**KOTAK GOLD ETF**

**An Open Ended Gold Exchange Traded Fund**

The investment objective of Kotak Gold ETF is to generate returns that are in line with the returns on investment in physical gold, subject to tracking error.

**Available Plans/ Options**

A) Non Direct Plan I (Direct Plan

**Fund Managers**

Mr. Abhishek Bisen

**Entry Load:** Nil (applicable for all plans)

**Exit Load:** Nil (applicable for all plans)

**Sector Allocation**

<table>
<thead>
<tr>
<th>Sector</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gold</td>
<td>99.88</td>
</tr>
<tr>
<td>Others</td>
<td>0.12</td>
</tr>
</tbody>
</table>

**Minimum Investment Amount**

Through Exchange: 1 Unit, Through AMC: 1000 Units, Ideal Investments Horizon: 1 year and above

**Benchmark**

Physical Gold

**Inception Date**

July 27, 2007

**Performance**

<table>
<thead>
<tr>
<th>Date</th>
<th>Kotak Gold ETF</th>
<th>Scheme Returns (%)</th>
<th>Physical Gold Price (%)</th>
<th>Current Value of Standard Index of Rs 10000 in $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Since Inception to Sept 30, 2014</td>
<td>-9.82</td>
<td>2.92</td>
<td>14932</td>
<td></td>
</tr>
<tr>
<td>30/09/2013 to 30/09/2014</td>
<td>-12.22</td>
<td>-11.13</td>
<td>6.97</td>
<td></td>
</tr>
<tr>
<td>30/09/2013 to 30/09/2013</td>
<td>1.64</td>
<td>-6.15</td>
<td>2.38</td>
<td></td>
</tr>
<tr>
<td>30/09/2011 to 30/09/2012</td>
<td>31.06</td>
<td>-2.82</td>
<td>8.07</td>
<td></td>
</tr>
</tbody>
</table>

Kotak Gold ETF NAV as on September 30, 2014: Rs. 24.77.8623

N.A stands for data not available. Note: Point to Point (PTP) Returns in INR show the value of Rs. 10,000/- investment made at inception. Source: ICRAMFI Explorer. A) Name of Scheme Benchmark, # Name of Additional Benchmark. * Past performance may or may not be sustained in the future.

All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns <= 1 year: Absolute; Returns > 1 year: CAGR (Compounded Annualised Growth Rate).

**Issuer/Instrument**

<table>
<thead>
<tr>
<th>Commodity</th>
<th>Industry/Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gold Fineness</td>
<td>99.53</td>
<td>99.86%</td>
</tr>
<tr>
<td>Commodities</td>
<td></td>
<td>99.88%</td>
</tr>
<tr>
<td>Commodities Grand Total</td>
<td>0.12</td>
<td>100.00%</td>
</tr>
<tr>
<td>Net Current Assets/Liabilities</td>
<td>0.12</td>
<td>100.00%</td>
</tr>
<tr>
<td>Grand Total</td>
<td></td>
<td>100.00%</td>
</tr>
</tbody>
</table>

---

**KOTAK PSU BANK ETF**

**An Open Ended Exchange Traded Fund**

The investment objective of the scheme is to provide returns that closely correspond to the total returns of CNX PSU Bank Index, subject to tracking errors.

**Available Plans/ Options**

A) Non Direct Plan, B) Direct Plan

**Fund Managers**

Mr. Deepak Gupta

**Entry Load:** Nil (applicable for all plans)

**Exit Load:** Nil (applicable for all plans)

**Benchmark**

Physical Gold

**Inception Date**

November 8, 2007

**Performance**

<table>
<thead>
<tr>
<th>Date</th>
<th>Kotak PSU Bank ETF</th>
<th>Scheme Returns (%)</th>
<th>CNX PSU Bank Index # (%)</th>
<th>Additional Benchmark # (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Since inception to Sept 30, 2014</td>
<td>-11.13</td>
<td>2.38</td>
<td>Not applicable</td>
<td></td>
</tr>
<tr>
<td>30/09/2013 to 30/09/2014</td>
<td>-12.22</td>
<td>-11.13</td>
<td>6.97</td>
<td></td>
</tr>
<tr>
<td>30/09/2013 to 30/09/2013</td>
<td>1.64</td>
<td>-6.15</td>
<td>2.38</td>
<td></td>
</tr>
<tr>
<td>30/09/2011 to 30/09/2012</td>
<td>31.06</td>
<td>-2.82</td>
<td>8.07</td>
<td></td>
</tr>
</tbody>
</table>

Kotak PSU Bank ETF NAV as on September 30, 2014: Rs. 24.77.8623

N.A stands for data not available. Note: Point to Point (PTP) Returns in INR show the value of Rs. 10,000/- investment made at inception. Source: ICRAMFI Explorer. A) Name of Scheme Benchmark, # Name of Additional Benchmark. * Past performance may or may not be sustained in the future.

All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns <= 1 year: Absolute; Returns > 1 year: CAGR (Compounded Annualised Growth Rate).

**Issuer/Instrument**

| State Bank Of India | 56.87% |
| Bank Of Baroda | 12.70% |
| Punjab National Bank | 9.94% |
| Canara Bank | 3.77% |
| Bank of India | 3.73% |
| Union Bank Of India | 3.74% |
| Oriental Bank of Commerce | 2.12% |
| Industrial Development Bank of India Ltd. | 1.73% |
| Allahabad Bank | 1.67% |
| Syndicate Bank | 1.62% |
| Others | 2.19% |

Listed/Awaiting Listing on Stock Exchange - Total 100.01%

Net Current Assets/Liabilities -0.01%

Grand Total 100%

---

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

(Bluel: Investors understand that their principal will be at low risk)

(Yellow): Investors understand that their principal will be at medium risk

(Brown): Investors understand that their principal will be at high risk
ETF SCHEMES

KOTAK SENSEX ETF
An Open Ended Exchange Traded Fund
[Eligible scheme under Rajiv Gandhi Equity Savings Scheme (RGESS)]

The investment objective of the scheme is to provide returns before expenses that closely correspond to the total returns of the BSE SENSEX subject to tracking errors.

- **Investment Objective**
  - Long term capital growth
  - Investment in stocks comprising the underlying index and endeavours to track the benchmark index

- **Optionality**
  - A) Non Direct Plan
  - B) Direct Plan

- **Exit Load**
  - Nil (applicable for all plans)

- **Minimum Investment (Fresh Purchase/Additional Purchase)**
  - Through Exchange: 1 Unit
  - Through AMC: 10,000 Units

- **Inception Date**
  - June 6, 2008

- **Historical Returns**
  - Since inception till Sept 30, 2014
    - Annualised Return: 38.75%
    - CAGR: 8.86%

- **Benchmark**
  - S&P BSE SENSEX

- **AAUM as on September 30, 2014:** 4,935
  - Source: ICRAMFI Explorer

- **Sector Allocation**
  - Consumer Non Durables: 7.87%
  - Finance: 5.79%
  - Banks: 5.16%

- **Contributory Factors**
  - To the Total Returns of the Benchmark

- **Ideal Investments Horizon**
  - Low Risk: 1 year
  - Medium Risk: 5 years
  - High Risk: 10 years

- **Product Suitability**
  - Suitable for investors who are seeking:
    - Long term capital growth
    - Investment in stocks comprising the underlying index and endeavours to track the benchmark index

- **Understand that their investments are subject to risks.**

---

KOTAK NIFTY ETF
An Open Ended Exchange Traded Fund
[Eligible scheme under Rajiv Gandhi Equity Savings Scheme (RGESS)]

The investment objective of the scheme is to provide returns before expenses that closely correspond to the total returns of the CNX NIFTY subject to tracking errors.

- **Investment Objective**
  - Long term capital growth
  - Investment in stocks comprising the underlying index and endeavours to track the benchmark index

- **Optionality**
  - A) Non Direct Plan
  - B) Direct Plan

- **Exit Load**
  - Nil (applicable for all plans)

- **Minimum Investment (Fresh Purchase/Additional Purchase)**
  - Through Exchange: 1 Unit
  - Through AMC: 10,000 Units

- **Inception Date**
  - February 8, 2010

- **Historical Returns**
  - Since inception till September 30, 2014
    - Annualised Return: 38.87%
    - CAGR: 8.97%

- **Benchmark**
  - CNX NIFTY

- **AAUM as on September 30, 2014:** 11,311
  - Source: ICRAMFI Explorer

- **Sector Allocation**
  - Consumer Non Durables: 7.64%
  - Finance: 6.16%
  - Banks: 5.20%

- **Contributory Factors**
  - To the Total Returns of the Benchmark

- **Ideal Investments Horizon**
  - Low Risk: 1 year
  - Medium Risk: 5 years
  - High Risk: 10 years

- **Product Suitability**
  - Suitable for investors who are seeking:
    - Long term capital growth
    - Investment in stocks comprising the underlying index and endeavours to track the benchmark index

---

ETF SCHEMES

KOTAK SENSEX ETF
An Open Ended Exchange Traded Fund
[Eligible scheme under Rajiv Gandhi Equity Savings Scheme (RGESS)]

The investment objective of the scheme is to provide returns before expenses that closely correspond to the total returns of the BSE SENSEX subject to tracking errors.

- **Investment Objective**
  - Long term capital growth
  - Investment in stocks comprising the underlying index and endeavours to track the benchmark index

- **Optionality**
  - A) Non Direct Plan
  - B) Direct Plan

- **Exit Load**
  - Nil (applicable for all plans)

- **Minimum Investment (Fresh Purchase/Additional Purchase)**
  - Through Exchange: 1 Unit
  - Through AMC: 10,000 Units

- **Inception Date**
  - June 6, 2008

- **Historical Returns**
  - Since inception till Sept 30, 2014
    - Annualised Return: 38.75%
    - CAGR: 8.86%

- **Benchmark**
  - S&P BSE SENSEX

- **AAUM as on September 30, 2014:** 4,935
  - Source: ICRAMFI Explorer

- **Sector Allocation**
  - Consumer Non Durables: 7.87%
  - Finance: 5.79%
  - Banks: 5.16%

- **Contributory Factors**
  - To the Total Returns of the Benchmark

- **Ideal Investments Horizon**
  - Low Risk: 1 year
  - Medium Risk: 5 years
  - High Risk: 10 years

- **Product Suitability**
  - Suitable for investors who are seeking:
    - Long term capital growth
    - Investment in stocks comprising the underlying index and endeavours to track the benchmark index

---

KOTAK NIFTY ETF
An Open Ended Exchange Traded Fund
[Eligible scheme under Rajiv Gandhi Equity Savings Scheme (RGESS)]

The investment objective of the scheme is to provide returns before expenses that closely correspond to the total returns of the CNX NIFTY subject to tracking errors.

- **Investment Objective**
  - Long term capital growth
  - Investment in stocks comprising the underlying index and endeavours to track the benchmark index

- **Optionality**
  - A) Non Direct Plan
  - B) Direct Plan

- **Exit Load**
  - Nil (applicable for all plans)

- **Minimum Investment (Fresh Purchase/Additional Purchase)**
  - Through Exchange: 1 Unit
  - Through AMC: 10,000 Units

- **Inception Date**
  - February 8, 2010

- **Historical Returns**
  - Since inception till September 30, 2014
    - Annualised Return: 38.87%
    - CAGR: 8.97%

- **Benchmark**
  - CNX NIFTY

- **AAUM as on September 30, 2014:** 11,311
  - Source: ICRAMFI Explorer

- **Sector Allocation**
  - Consumer Non Durables: 7.64%
  - Finance: 6.16%
  - Banks: 5.20%

- **Contributory Factors**
  - To the Total Returns of the Benchmark

- **Ideal Investments Horizon**
  - Low Risk: 1 year
  - Medium Risk: 5 years
  - High Risk: 10 years

- **Product Suitability**
  - Suitable for investors who are seeking:
    - Long term capital growth
    - Investment in stocks comprising the underlying index and endeavours to track the benchmark index

---
**FUND MANAGER**

Name: Mr. Harsha Upadhyaya  
Scheme (experience in managing these funds since)  
Kotak Opportunities (Aug 1, ‘12), Kotak Select Focus Fund (Aug 1, ‘12)  

Mr. Harsha Upadhyaya has 18 years of rich experience spread over Equity Research & Fund Management. His prior stints have been with companies such as Prabhudas Lilladher Pvt. Ltd, SG Asia Securities, Reliance Group, UTI Asset Management Co. Ltd and DSP Blackrock.

**BUSINESS EXPERIENCE**

Mr. Pankaj Tibrewal has more than 6 years experience in fund management area. Prior to joining Kotak AMC, Abhishek was working with Securities Trading Corporation Of India Ltd where he was looking at Sales & Trading of Fixed Income Products apart from doing Portfolio Advisory. His earlier assignments also include 2 years of merchant banking experience with a leading merchant banking firm.

**FUND MANAGER**

Name: Mr. Abhishek Bisen  
Scheme (experience in managing these funds since)  

Mr. Abhishek Bisen has been associated with the company since October 2006 and his key responsibilities include fund management of debt schemes. Prior to joining Kotak AMC, Abhishek was working with Securities Trading Corporation Of India Ltd where he was looking at Sales & Trading of Fixed Income Products apart from doing Portfolio Advisory. His earlier assignments also include 2 years of merchant banking experience with a leading merchant banking firm.

**FUND MANAGER**

Name: Mr. Deepak Agrawal  
Scheme (experience in managing these funds since)  

Mr. Deepak Agrawal’s career has started from Kotak AMC when he joined the organization in December 2002 where he was initially in Research, Dealing and then moved into Fund Management from November 2006.

**FUND MANAGER**

Name: Mr. Deepak Gupta  
Scheme (experience in managing these funds since)  

Mr. Deepak Gupta has 8 years of experience in the mutual fund industry and 5 years of experience in fund management related areas.

**FUND MANAGER**

Name: Mr. Mayank Prakash  
Scheme (experience in managing these funds since)  
Kotak Classic Equity (Sep. 1, ‘08), Kotak Balance (Jul. 11, ‘11)  

Mr. Mayank Prakash has been associated with the company since September 2005. He has 4 years of experience in fund management related areas.

**FUND MANAGER**

Name: Mr. Emmanuel Elango  
Scheme (experience in managing these funds since)  
Kotak Classic Equity (Sep. 1, ‘08), Kotak Balance (Jul. 11, ‘11)  

Mr. Emmanuel Elango’s association with the AMC has been since July 2008. Mr. Elango started his career as a Designer Engineer with Bosch. After his management studies, Mr. Elango has also worked with JP Morgan and Franklin Templeton AMC in India. His total experience is 10 years.

**FUND MANAGER**

Name: Mr. Pankaj Tibrewal  
Scheme (experience in managing these funds since)  
Kotak Midcap (Jan.21, ’11), Kotak Emerging Equity (May27;’10), Kotak Monthly Income Plan (Dec.20;’10)

Mr. Pankaj Tibrewal has more than 6 years experience in fund management area. Prior to joining Kotak AMC, he was in the fund management team of Principal PNB Asset Management Private Ltd.

**FUND MANAGER**

Name: Mr. Harish Krishnan  
Scheme (experience in managing this fund since)  
Kotak 50 (Nov. 15, ’13)

Mr. Harish Krishnan has 9 years of experience spread over Equity Research and Fund Management. Prior to joining Kotak Mutual Fund, he was based out of Singapore and Dubai, managing Kotak’s offshore funds. He has also worked at Infosys Technologies Ltd in his earlier stint.

**Performance of top 3 and bottom 3 schemes of the Fund Manager**

<table>
<thead>
<tr>
<th>Fund Manager</th>
<th>Mr. Abhishek Bisen</th>
<th>Refer Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top 3</td>
<td>Kotak Monthly Income Plan - Growth</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Kotak Multi Asset Allocation Fund - Growth</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Kotak Gilt Investment PF &amp; Trust Plan - Growth</td>
<td>9</td>
</tr>
<tr>
<td>Bottom 3</td>
<td>Kotak Global Emerging Market Fund - Growth</td>
<td>7</td>
</tr>
<tr>
<td></td>
<td>Kotak Gold ETF</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>Kotak Gold Fund - Growth</td>
<td>21</td>
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</table>

**Performance of top 3 and bottom 3 schemes of the Fund Manager**

<table>
<thead>
<tr>
<th>Fund Manager</th>
<th>Mr. Deepak Agrawal</th>
<th>Refer Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top 3</td>
<td>Kotak Gilt - Investment Regular Plan - Growth</td>
<td>9</td>
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<tr>
<td></td>
<td>Kotak Bond Scheme - Plan A - Growth</td>
<td>13</td>
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<tr>
<td></td>
<td>Kotak Flexi Debt Scheme - Plan A - Growth</td>
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<td>Bottom 3</td>
<td>Kotak Floater - ST - Growth</td>
<td>16</td>
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<td></td>
<td>Kotak Liquid Scheme - Plan A - Growth</td>
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**Performance of top 3 and bottom 3 schemes of the Fund Manager**

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<th>Fund Manager</th>
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<tbody>
<tr>
<td>Top 3</td>
<td>Kotak Asset Allocator Fund - Growth</td>
<td>7</td>
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<tr>
<td></td>
<td>Kotak Tax saver - Growth</td>
<td>5</td>
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<tr>
<td></td>
<td>Kotak Nifty ETF</td>
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<tr>
<td>Bottom 3</td>
<td>Kotak Multi Asset Allocation Fund - Growth</td>
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</tr>
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<td></td>
<td>Kotak Equity Arbitrage Fund - Growth</td>
<td>8</td>
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<tr>
<td></td>
<td>Kotak Global Emerging Market Fund - Growth</td>
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</table>

**Performance of top 3 and bottom 3 schemes of the Fund Manager**

<table>
<thead>
<tr>
<th>Fund Manager</th>
<th>Mr. Mayank Prakash</th>
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<tbody>
<tr>
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<td></td>
<td>Kotak FMP - Series 116 (370 Days) - Regular - Growth</td>
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<tr>
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<td>Kotak FMP - Series 108 (733 Days) - Regular - Growth</td>
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<tr>
<td>Bottom 3</td>
<td>Kotak FMP - Series 109 (370 Days) - Regular - Growth</td>
<td>21</td>
</tr>
<tr>
<td></td>
<td>Kotak FMP - Series 110 (370 Days) - Regular - Growth</td>
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<tr>
<td></td>
<td>Kotak FMP - Series 107 (370 Days) - Regular - Growth</td>
<td>21</td>
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**Performance of top 3 and bottom 3 schemes of the Fund Manager**

<table>
<thead>
<tr>
<th>Fund Manager</th>
<th>Mr. Emmanuel Elango</th>
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<tr>
<td>Bottom 3</td>
<td></td>
<td>21</td>
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**Performance of top 3 and bottom 3 schemes of the Fund Manager**

<table>
<thead>
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<tr>
<td>Bottom 3</td>
<td></td>
<td>21</td>
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**Performance of top 3 and bottom 3 schemes of the Fund Manager**

<table>
<thead>
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<th>Fund Manager</th>
<th>Mr. Harish Krishnan</th>
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</tr>
<tr>
<td>Bottom 3</td>
<td></td>
<td>21</td>
</tr>
</tbody>
</table>
If subscriptions/switch request is received under an option in the Regular Plan, the same will be processed under the same option, if any, in PlanA.

2. All existing SIP/STP falling due from November 1, 2012 under the options in Regular Plan will be processed in the same options under PlanA.

1. W.e.f October 1, 2012, there shall be no fresh subscriptions under the Regular Plan. Further, the Institutional Plan, has been renamed as “PlanA”.

Notes

Kotak Flexi Debt:

4. Where the investor has units in both the Institutional Plan and PlanA at the time of redemption/switch the investor must submit separate redemption/switch request.

3. Where the investor has units in both the Regular Plan and PlanA at the time of redemption/switch the investor must submit separate redemption/switch request.

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1. W.e.f October 1, 2012, there shall be no fresh subscriptions under the Regular Plan. Further, the Institutional Plan, has been renamed as “PlanA”.

Notes

Kotak Bond:

Following changes are affected to Kotak Bond, Kotak Flexi Debt and Kotak Liquid, wherever applicable, with effect from October 1, 2012.

Pursuant to SEBI circular no. CIR/IMD/DF/21/2012 dated September 13, 2012; and Gazette Notification No. LAD-NRO/GN/2012-13/17/21502 dated September 26, 2012; the investors of discontinued plans shall be deemed to have complied with the minimum investment amount/additional investment amount criteria and the fresh investments by them can be made as per the additional minimum investment amount criteria.

### HYBRID SCHEMES

**Kotak Monthly Income Plan - Monthly Dividend**

- Aug-12-14: 11.8087 Individual/HUF: 0.0614
- July-14-14: 11.7622 Individual/HUF: 0.0646
- June-12-14: 11.9258 Individual/HUF: 0.0759
- May-12-14: 11.5402 Individual/HUF: 0.0488

**Kotak Monthly Income Plan - Quarterly Dividend**

- Sep-22-14: 12.8167 Individual/HUF: 0.1823
- June-20-14: 12.4865 Individual/HUF: 0.1673
- Mar-20-14: 11.8493 Individual/HUF: 0.1437
- Dec-20-13: 11.6928 Individual/HUF: 0.0794

### ETF SCHEMES

**Kotak PSU Bank ETF**

- Feb-21-13: 358.8668

**Kotak Sensex ETF**

- June-18-13: 201.3164

**Kotak Nifty ETF**

- May-06-13: 613.1268
- Jan-21-14: 643.8753

### IMPORTANT NOTES

Pursuant to SEBI circular no. CIR/IMD/DF/21/2012 dated September 13, 2012; and KMMF notice dated September 28, 2012; investors of Kotak Mahindra Liquid Scheme (Kotak Liquid); Kotak Flexi Debt; Kotak Mahindra Bond Unit Scheme 99 (Kotak Bond) are requested to take note the following change with effect from November 1, 2012:

1. W.e.f October 1, 2012, there shall be no fresh subscriptions under the Regular Plan. Further, the Institutional Plan, has been renamed as “PlanA”.

2. If subscriptions/switch request is received under an option in the Regular Plan, the same will be processed in the same options under PlanA.

3. If subscriptions/switch request is received under an option in the Deposit Plan, the same will be processed in the same options under PlanA.

### EQUITY SCHEMES

**Kotak Classic Equity**

- Jul-25-14: 16.227
- Jan-23-14: 19.202
- Jul-31-12: 15.413

**Kotak Opportunities**

- Aug-25-14: 21.411
- Nov-11-11: 13.682
- May-28-10: 14.625
- Sep-9-09: 14.733
- Mar-14-06: 16.793
- Jan-25-08: 27.090
- Sep-28-07: 24.293
- Mar-7-06: 16.186
- Feb-25-05: 12.852

**Kotak Midcap**

- Feb-28-14: 17.731
- Feb-28-11: 15.638
- Feb-19-10: 16.064
- Apr-28-08: 19.438
- Aug-24-05: 13.027

**Kotak Tax Saver**

- Feb-08-08: 15.189
- Feb-20-07: 11.640

**Kotak Emerging Equity**

- May-52-14: 13.073
- May-52-13: 11.491
- Apr-29-11: 12.424

**Kotak Asset Allocator Fund (Earlier Know as Kotak Equity FOF)**

- Aug-30-10: 37.774

**Kotak Select Focus**

- Sept-26-14: 17.791
- Oct-15-10: 12.850

**Record Date**

<table>
<thead>
<tr>
<th>Kotak 50 - Dividend</th>
<th>Cum Dividend NAV</th>
<th>Rs/Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Feb-07-14</td>
<td>30.575</td>
<td>1.00</td>
</tr>
<tr>
<td>Feb-04-13</td>
<td>32.190</td>
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<tr>
<td>Jan-27-11</td>
<td>31.317</td>
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<tr>
<td>Jan-22-10</td>
<td>31.038</td>
<td>3.00</td>
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<tr>
<td>Mar-30-09</td>
<td>20.021</td>
<td>3.00</td>
</tr>
<tr>
<td>Feb-28-08</td>
<td>39.089</td>
<td>0.50</td>
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<tr>
<td>Jan-11-08</td>
<td>51.399</td>
<td>0.00</td>
</tr>
<tr>
<td>July-20-07</td>
<td>38.870</td>
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<tr>
<td>Dec-27-06</td>
<td>38.556</td>
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<td>Dec-27-05</td>
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<td>Jun-03-05</td>
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<td>Nov-05-04</td>
<td>18.060</td>
<td>1.00</td>
</tr>
<tr>
<td>Jan-31-04</td>
<td>21.093</td>
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<td>Oct-20-03</td>
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<td>Dec-28-01</td>
<td>11.036</td>
<td>1.00</td>
</tr>
<tr>
<td>Uct-09-00</td>
<td>17.556</td>
<td>2.00</td>
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**Record Date**

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<th>Kotak Classic Equity</th>
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<tr>
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<td>1.00</td>
</tr>
<tr>
<td>Jan-23-14</td>
<td>19.202</td>
<td>4.30</td>
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<tr>
<td>Jul-31-12</td>
<td>15.413</td>
<td>1.00</td>
</tr>
</tbody>
</table>

**Notes**

1. W.e.f October 1, 2012, there shall be no fresh subscriptions under the Deposit Plan. Further, the Regular Plan, has been renamed as “PlanA”.

2. All existing SIP/STP falling due from November 1, 2012 under the options in Deposit Plan will be processed in the same options under PlanA.

3. If subscriptions/switch request is received under an option in the Deposit Plan, the same will be processed in the same options under the same option, if any, in PlanA.

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<thead>
<tr>
<th>Kotak Monthly Income Plan - Monthly Dividend</th>
<th>Cum Dividend NAV</th>
<th>Rs/Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aug-12-14</td>
<td>11.8087</td>
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<tr>
<td>July-14-14</td>
<td>11.7622</td>
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<tr>
<td>June-12-14</td>
<td>11.9258</td>
<td></td>
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<tr>
<td>May-12-14</td>
<td>11.5402</td>
<td></td>
</tr>
</tbody>
</table>

**Notes**

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### OTHER PERFORMANCE
Scheme Performance as on September 30, 2014

<table>
<thead>
<tr>
<th>Date</th>
<th>Scheme Returns (%)</th>
<th>Crisil Short Term Bond Fund Index (%)</th>
<th>CRISIL 1 Year T-Bill Index (%)</th>
<th>Current Value of Standard Investment of Rs 10000 in the</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kotak FMP - Series 85 (3 Years) - Reg - Growth</td>
<td>9.70</td>
<td>9.11</td>
<td>7.23</td>
<td>12577</td>
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<td>Since inception till Sept 30, 2014</td>
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<td>10.06</td>
<td>6.32</td>
<td>12410</td>
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<tr>
<td>30/09/2011 to 30/09/2013</td>
<td>8.43</td>
<td>7.73</td>
<td>5.65</td>
<td>Not applicable</td>
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<tr>
<td>30/09/2011 to 30/09/2012</td>
<td>-</td>
<td>9.23</td>
<td>8.16</td>
<td>N.A</td>
</tr>
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</table>

<table>
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<tr>
<th>Date</th>
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<th>Current Value of Standard Investment of Rs 10000 in the</th>
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</thead>
<tbody>
<tr>
<td>Kotak FMP - Series 107 (370 Days) - Reg - Growth</td>
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<td>7.73</td>
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<td>9.23</td>
<td>8.16</td>
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<tbody>
<tr>
<td>Kotak FMP - Series 108 (733 Days) - Reg - Growth</td>
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<td>7.73</td>
<td>5.65</td>
<td>Not applicable</td>
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<tr>
<td>30/09/2011 to 30/09/2012</td>
<td>-</td>
<td>9.23</td>
<td>8.16</td>
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<tbody>
<tr>
<td>Kotak FMP - Series 110 (370 Days) - Reg - Growth</td>
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<td>7.73</td>
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<tr>
<td>30/09/2011 to 30/09/2012</td>
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<tbody>
<tr>
<td>Kotak FMP - Series 111 (370 Days) - Reg - Growth</td>
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<td>10.71</td>
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<td>7.73</td>
<td>5.65</td>
<td>Not applicable</td>
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<tr>
<td>30/09/2011 to 30/09/2012</td>
<td>-</td>
<td>9.23</td>
<td>8.16</td>
<td>N.A</td>
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<tr>
<td>Kotak FMP - Series 112 (370 Days) - Reg - Growth</td>
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<td>10.74</td>
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<td>10.08</td>
<td>6.32</td>
<td>11155</td>
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<tr>
<td>30/09/2012 to 30/09/2013</td>
<td>-</td>
<td>7.73</td>
<td>5.65</td>
<td>Not applicable</td>
</tr>
<tr>
<td>30/09/2011 to 30/09/2012</td>
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</thead>
<tbody>
<tr>
<td>Kotak Gold Fund</td>
<td>5.21</td>
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<td>4.95</td>
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<td>30/09/2012 to 30/09/2013</td>
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</tr>
<tr>
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<td>21.92</td>
<td>8.07</td>
<td>N.A</td>
</tr>
</tbody>
</table>

N.A stands for data not available. Past Performance may or may not be sustained in future. Note: Point to Point (PTP) Returns in INR show the value of Rs. 10,000/- investment made at inception. Source: ICRA MFI Explorer. For Additional Benchmark (Debt Schemes): classification of schemes in short term & long term is based on the average maturity of the scheme. # Name of Scheme Benchmark ## Name of Additional Benchmark * Past performance may or may not be sustained in the future All payouts during the period have been reinvested in the units/scheme at the then prevailing NAV. Returns <= 1 year: Absolute; Returns > 1 year: CAGR (Compound Annualised Growth Rate).
Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

Disclaimer on market outlooks:
The outlook provided is only a subjective understanding of an uncertain market phenomena, which may or may not occur, and may also not have any effect on the performance of the scheme, scheme or otherwise. This outlook should not be construed as a reason for investment into the scheme based on prospect of future performance, which may not accrue as anticipated by the statement.

RISK FACTORS

THIRD PARTY PAYMENT
Reference to AMFI Best Practice Guidelines Circular No. 16/2010 -11 on Risk Mitigation process against Third Party Cheques in Mutual Funds. Subscriptions will not be accepted by the Scheme.

Definition of Third Party Cheques
Where payment is made through instruments issued froman account other than that of the beneficiary investor, the same is referred to as Third Party payment.

In case of a payment from a joint bank account, the first holder of the mutual fund folio has to be one of the joint holders of the bank account from which payment is made. If this criterion is not fulfilled, then this is also construed to be a third party payment.

However, afore-mentioned clause of investment with Third-Party Payment shall not be applicable for the below mentioned exceptional cases.

b. Payment by Employer on behalf of employee under Systematic Investment Plans or purchase or per SIP installment). However this restriction will not be applicable for the below mentioned exceptional cases.

c. Custodian on behalf of an FII or a client. For pre funded instruments such as DB/Pay order it is the onus of the investor to provided adequate supporting documents to prove that such instruments are issued by debiting the first holders account.

Kotak Mahindra Asset Management Co. Ltd. / Trustee retains the sole and absolute discretion to reject/not process application and refund subscription money if the subscription does not comply with the specified provisions of Payment Instruments

KNOW YOUR CLIENT (KYC)
With reference to SEBI Circular MIRSDC/ Cir-26/2011 dated December 23, 2011, investors may kindly note w.e.f. January 1, 2012, it is mandatory for all individual/ non individual investors to be KYC Compliant. Investors can approach any SEBI registered KRA for doing KYC. In the event of KYC Form being subsequently rejected for lack of information/deficiency/insufficiency of informat mandatory documentation, the investment transaction will be cancelled and the amount may be redeemed at applicable NAV, subject to payment of exit load, wherever applicable.

IMPORTANT FACTS

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