We’ll stay committed to the most promising sectors.
You stay committed to your investment goal.

Kotak Select Focus carefully identifies the better-performing sectors and invests your money in the promising ones amongst them. The best part is, we closely monitor their performance and switch between sectors accordingly. Just so that the better performing ones power your portfolio and help you achieve your investment goal. Invest in Kotak Select Focus today and look forward to reaping the benefits of staying committed.

Dear Friends,

I am sure many of us know that since 1st Jan 2009, the performance of Sensex and Nifty has been 15.38% cagr and 14.68% cagr respectively. In other words, the investments have more than doubled in around five years. But this performance usually gets subdued applause. And that is because many retail investors may not have availed this benefit due to the experiences of 2008.

The performance of CNX Nifty and BSE Sensex between 1st Jan 2008 and 2014 was around -0.28% cagr and -0.35% cagr respectively. The sharp decline from those heady days may have deterred many investors.

But this does not mean that market did not present investment opportunities even in 2008 peaks. For instance, the FMCG, Pharma, Healthcare, IT, Auto and Dividend sector indices, all, provided more than 12% cagr return during this 6 year period. Some of these sectors even grew in the 15-17% mark, implying that investments in them may have grown by more than two and a half times.

No doubt that the broad market got pulled down since 2008 because sectors like, Realty, Infra, Metals etc got beaten real bad. But the point must not be lost that the investment opportunities were readily available, and even in a very difficult market. Yet many of the retail investors may have lost out on this.

This has to do with the herd investment psychology observable in the retail investors segment. Herein, the retail investor waits for the market momentum to occur; then allows the investment climate to convert into the exuberance; and then, when climate is almost on a crescendo, rushes into the market on speculative advices. Thus, the retail investors usually end up buying at the market peaks.

On the other side, when the market is on a downward trend, the investor holds onto the investment on hope and faith, and continues to absorb loses, and sells it in despair, mostly when the bottom is being reached. Such experience can effectively exhaust the investor from any further investment ventures. And it is for this very reason, that objective-driven investments; backed by a well-thought out and disciplined asset allocation strategy is a must.

We are saying this because the upcoming years present sizeable investment opportunities in the equities market. In the immediate, while the repo-rate has been increased to 8% mark, what is being missed out is that fiscal deficit is being reinvested. Therefore, once the inflation is reined-in; and the policy issues with respect to infra-investments realized, Indian economy and Indian markets can look at next phase of the growth boom.

We believe that CPI core inflation is increasingly converging with RBI’s expectation level; and therefore any further rate action (not likely before April - 14) would be dependent on inflation and fiscal deficit numbers. More vitally, the central banker seems to have identified inflation as a structural issue plaguing growth sustainability. That is because high CPI inflation, inevitably mandates high deposit rate regime to attract depositors. This factor in-turn pushes up the cost of bank lending higher up, thus deterring industrial investments and individual expenditures. Ergo, to induce growth, reduced cost of lending is necessary. Therefore a more moderate deposit rate, as also a more moderate inflation rate, is vital. It is from this school of thought that RBI is addressing inflation.

From the Mutual funds perspective, it has become vitally important that the retail investors’ trust in the efficacy of the markets, is reinstated. While a part of it has occurred; then allows the investment climate to convert into the exuberance; and therefore any further rate action (not likely before April - 2015) is also improving structurally; with non essential imports declining - and exports expanding. Therefore, once the inflation is reined-in; and the policy issues with respect to infra-investments realized, Indian economy and Indian markets can look at next phase of the growth boom.

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The equities market witnessed sizeable volatility in the January month as key benchmark indices, Sensex and Nifty declined by -3.10% and -3.40% respectively. The volatility in the market was attributable to narrowing performance expectation between developed and Emerging markets; additional taper of US$ 10 bn reduction in QE3 stimulus; and a 25 bps hike by RBI in the Repo rates.

The market remains pegged to liquidity flow requirements. Therefore, FIIs flow volatilities in wake of foreign exchange fluctuations, occurring due to QE3 tapering event, would be a major issue to watch for. Amongst the sectoral outperformers, IT, Healthcare and Pharma were the outperformers during the period, while Realty, Power and Banking sector underperformed the broad market during January month.

<table>
<thead>
<tr>
<th>Sectoral Performance in January 14</th>
<th>1 month</th>
</tr>
</thead>
<tbody>
<tr>
<td>CNX IT</td>
<td>4.6187</td>
</tr>
<tr>
<td>S&amp;P BSE HC</td>
<td>1.4399</td>
</tr>
<tr>
<td>CNX Pharma</td>
<td>0.8677</td>
</tr>
<tr>
<td>S&amp;P BSE FMCG</td>
<td>-0.7474</td>
</tr>
<tr>
<td>CNX FMCG</td>
<td>-0.9569</td>
</tr>
<tr>
<td>S&amp;P BSE Sensex</td>
<td>-3.1025</td>
</tr>
<tr>
<td>CNX Nifty Index</td>
<td>-3.4026</td>
</tr>
<tr>
<td>S&amp;P BSE 100</td>
<td>-4.0416</td>
</tr>
<tr>
<td>S&amp;P BSE Carbonex</td>
<td>-4.0655</td>
</tr>
<tr>
<td>S&amp;P BSE 200</td>
<td>-4.154</td>
</tr>
<tr>
<td>CNX 500 Index</td>
<td>-4.1853</td>
</tr>
<tr>
<td>S&amp;P BSE 500</td>
<td>-4.2068</td>
</tr>
<tr>
<td>S&amp;P BSE Oil &amp; Gas</td>
<td>-4.3168</td>
</tr>
<tr>
<td>S&amp;P BSE SMALL CAP</td>
<td>-4.3928</td>
</tr>
<tr>
<td>S&amp;P BSE CD</td>
<td>-4.6924</td>
</tr>
<tr>
<td>CNX Media</td>
<td>-5.1602</td>
</tr>
<tr>
<td>CNX Energy</td>
<td>-5.5884</td>
</tr>
<tr>
<td>S&amp;P BSE AUTO</td>
<td>-5.6283</td>
</tr>
<tr>
<td>S&amp;P BSE PSU</td>
<td>-6.0036</td>
</tr>
<tr>
<td>CNX Midcap</td>
<td>-6.5826</td>
</tr>
<tr>
<td>CNX Commodities</td>
<td>-7.325</td>
</tr>
<tr>
<td>CNX Finance</td>
<td>-7.5323</td>
</tr>
<tr>
<td>S&amp;P BSE CG</td>
<td>-7.5761</td>
</tr>
<tr>
<td>CNX Metal</td>
<td>-8.3226</td>
</tr>
<tr>
<td>CNX Infrastructure</td>
<td>-8.9087</td>
</tr>
<tr>
<td>CNX Bank Nifty</td>
<td>-10.0788</td>
</tr>
<tr>
<td>S&amp;P BSE Power Index</td>
<td>-10.3137</td>
</tr>
<tr>
<td>CNX Realty</td>
<td>-16.2784</td>
</tr>
</tbody>
</table>

(Source: ICRA)

Other News

- **RBI hikes repo rate by 25 bps**: RBI hikes the repo rate by 25 bps to 8% in its January policy in contrast to expectation of status quo in policy. Accordingly, the MSF rate has also gone up to 9%
- **RBI ups foreign investors’ sub-limit in govt bonds to $10 bn from $5 bn**: RBI ups foreign investors’ sub-limit in govt bonds to $10 bn. However, the overall foreign investment limit cap remains at $30 billion.
- **Fiscal Deficit crosses 95% of the full year target**: India’s fiscal deficit touched 5.2 billion rupees ($83bn) during April- December, or 95% of the full-year target.
- **Manufacturing Data dropped slightly in December**: The manufacturing sector dropped in December with HSBC India Manufacturing PMI falling to 50.7 in December from 51.3 in November.
- **Dec WPI at 6.16% and CPI at 9.87%**: The wholesale price index (WPI) dipped to 6.16% in December against 7.52% previous month on lower vegetable prices. CPI also eased to 9.87% against 11.24 %.
- **Core sector growth subdued at 2.1% in December 2013**: Growth in the eight crucial sectors of the economy was muted in December, expanding 2.1% against a 1.7% growth in the previous month.
- **Trade deficit at $9.2bn**: India’s exports grew by 5.9% to $24.6 billion in Nov, while imports down by 16.4% to $33.8bn, leaving a trade deficit of $9.2bn (vs. USD10.6bn previous month).
- **Nov IIP contracts by 2.1%**: The IIP contracted by 2.1% in November at its six month low. This was due to weak festive demand and sluggish investment activity which led to factory slumps.
● FDI inflow rises in November: FDI for the month of November increased by 14.3% to USD 2.5bn.
● Forex reserves decreased by $3.5bn: Forex reserves decreased by ~$3bn at US$292.1bn in Jan.
● Money supply growth: Money supply (M3) growth decreased from 15.1% in December to 14.5% in Jan.

(Source: Internal Research)

Market Outlook

The long term outlook continues to remain positive for Indian equities as the economic growth momentum remains healthy with real GDP growth remaining at around 5-7%. China disappointed on various fronts leading to the sell-off in global markets. The Fed also continued with its tapering of $10 bn. India also hiked rates by 25 bps to control inflation. Overall even though the index may not change levels much, sectors can generate huge outperformance. We maintain our view that markets will remain range bound till inflation is brought under control.

Debt Market View

<table>
<thead>
<tr>
<th>Items</th>
<th>Jan-14</th>
<th>Dec-13</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reverse Repo</td>
<td>7.00%</td>
<td>6.75%</td>
<td>25 bps</td>
</tr>
<tr>
<td>Repo</td>
<td>8.00%</td>
<td>7.75%</td>
<td>25 bps</td>
</tr>
<tr>
<td>CRR</td>
<td>4.00%</td>
<td>4.00%</td>
<td>Nil</td>
</tr>
<tr>
<td>SLR</td>
<td>23.00%</td>
<td>23.00%</td>
<td>Nil</td>
</tr>
<tr>
<td>Mibor Overnight</td>
<td>8.00%</td>
<td>9.07%</td>
<td>-94 bps</td>
</tr>
<tr>
<td>Call(O/N)</td>
<td>8.25%</td>
<td>8.91%</td>
<td>-66 bps</td>
</tr>
<tr>
<td>CBLO</td>
<td>8.03%</td>
<td>8.87%</td>
<td>-84 bps</td>
</tr>
<tr>
<td>1 yr T Bill</td>
<td>8.52%</td>
<td>8.83%</td>
<td>-30 bps</td>
</tr>
<tr>
<td>10 G Sec</td>
<td>8.80%</td>
<td>8.83%</td>
<td>-3 bps</td>
</tr>
<tr>
<td>USDINR</td>
<td>62.66</td>
<td>61.83</td>
<td>0.83</td>
</tr>
</tbody>
</table>

Source: RBI; Icraonline.

Inflation

The WPI inflation for Dec-13 stood at 6.16% yoy; down by nearly 136 bps over the Nov-13 month inflation figure of 7.52%. The inflation in the Primary Commodities, Fuel & Power, and Manufacturing stood at 10.78% yoy, 10.98% yoy, and 2.64% yoy respectively. The core inflation on the other hand stood at 2.7%. The decline in the WPI inflation is attributable to the 21% sharp decline in the vegetable and fruit prices since the November month. This was largely on expected lines as the supply of fresh farm produce started to ameliorate the price skewness. The downward trend in the WPI is expected to continue on account of moderating demand and improving supply conditions in the agri-based commodities. The WPI inflation since the beginning of the financial year (FY14) has grown by 5.35% as against the growth of 4.84% in the similar period in FY13.

Gold Corner

After the Gold suffered its worst year of trading in decades in 2013, Gold Prices jumped in Jan 2014. For the month, spot gold closed at $1246.50 per ounce, up $45 per ounce or 3.75%. During the month, Gold extended gains after a surprisingly weak U.S. jobs report stoked expectations that the Federal Reserve could temper the pace of its stimulus wind-down. Moreover, since it’s earnings season for U.S. equities, large disappointments in company earnings may also direct some funds back to gold. A weaker U.S. dollar also supported gold prices. Find below the movement of US Dollar Index vs. Gold USD for the month of Jan-14.

During the month, gold price premiums in India fell due to lack of demand even as supplies trickled in from a few importers. Traders quoted a premium of $105 an ounce on London prices, down 12.5 percent from last month. Also demand in China (the world’s biggest bullion consumer) dropped off due to the rally in prices.

In the month-end FOMC meeting, the decision to cut further its asset purchase program by another $10 billion to $65 billion a month may have contributed to the rally of the US dollar and the decline of precious metals prices. February month is be packed with many news items, decisions, reports and events that could stir up the markets again. These include: U.S non-farm payroll report, Reserve Bank of Australia, European Central Bank and Bank Of England rate decisions, U.S, Canada, and Australia trade balance reports, U.S ISM manufacturing and non-manufacturing PMI, Canada’s employment report, EU and Australia retail sales updates, and U.S factory orders. Also going forward, seasonal factors, especially the marriage season and associated rise in gold demand in India and a pick-up in central-bank acquisitions, may contribute positive trend in demand.

(Source: ibma.org.uk & tradingnrg)
**KOTAK 50**

An Open-Ended Equity Scheme

**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 59 companies but will not exceed 59 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)
  - 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: 1% on 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 off Service Tax, if any) shall be credited back to the respective Sogee. (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 and in multiples of Re. 1 for purchase and for Re 0.01 for switches
  - Additional Investment: Rs. 10000 & in multiples of Rs. 1

- AAUM (in Crores) & %
  - AAUM as on December 31, 2013: Rs. 31,735 (Dividend Option), Rs. 31,920 (Direct Dividend Option), Rs. 114,867 (Growth Option), Rs. 115,513 (Direct Growth Option)
  - N.A stands for data not available.

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

- **Benchmark**
  - CNX Nifty Index

- **Inception Date**
  - December 29, 1998

**Performance as on December 31, 2013**

<table>
<thead>
<tr>
<th>Scheme</th>
<th>Scheme Return (%)</th>
<th>CIX Nifty (%)</th>
<th>S&amp;P BSE Sensex Base (%)</th>
<th>Current Value of Standard Investment of Rs. 10000 in the Scheme as on</th>
<th>Benchmark Benchmark US Dollar # (Rs)</th>
<th>Additional Benchmark # (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>KOTAK 50 - Direct Plan</td>
<td>20.50</td>
<td>14.07</td>
<td>13.78</td>
<td>155052</td>
<td>72196</td>
<td>69488</td>
</tr>
<tr>
<td>KOTAK 50 - Non Direct Plan</td>
<td>2.37</td>
<td>1.41</td>
<td>1.38</td>
<td>155052</td>
<td>72196</td>
<td>69488</td>
</tr>
</tbody>
</table>

- **Notes:**
  - Term Deposit as provided above is towards margin for derivatives transactions
  - Subject to exit load (applicable for all plans)
  - 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).
  - 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: 1%
    - 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 off Service Tax, if any) shall be credited back to the respective Sogee. (applicable for all plans) Bonus units and units issued on reinvestment of dividends shall not be subject to exit load (applicable for all plans)

**Portfolio**

<table>
<thead>
<tr>
<th>Equity &amp; Equity related (Listed/ Awaiting listing on Stock Exchange)</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infosys Ltd.</td>
<td>8.81%</td>
</tr>
<tr>
<td>ITC Ltd.</td>
<td>6.17%</td>
</tr>
<tr>
<td>HDFC Bank Ltd</td>
<td>7.14%</td>
</tr>
<tr>
<td>Tata Consultancy Services Ltd.</td>
<td>6.50%</td>
</tr>
<tr>
<td>ICICI Bank Ltd.</td>
<td>6.02%</td>
</tr>
<tr>
<td>Reliance Industries Ltd.</td>
<td>7.47%</td>
</tr>
<tr>
<td>Reliance Industries Ltd.</td>
<td>5.01%</td>
</tr>
<tr>
<td>HDFC Bank Ltd.</td>
<td>4.26%</td>
</tr>
<tr>
<td>Tatas Retail Ltd.</td>
<td>4.25%</td>
</tr>
<tr>
<td>Bharti Airtel Ltd.</td>
<td>3.60%</td>
</tr>
<tr>
<td>Mahindra &amp; Mahindra Ltd.</td>
<td>2.81%</td>
</tr>
<tr>
<td>Larsen &amp; Toubro Ltd.</td>
<td>2.72%</td>
</tr>
<tr>
<td>Others</td>
<td>40.39%</td>
</tr>
<tr>
<td>Listed/Awaiting Listing on Stock Exchange - Total</td>
<td>97.18%</td>
</tr>
<tr>
<td>Term Deposits - Total</td>
<td>0.30%</td>
</tr>
<tr>
<td>Collateral Borrowing &amp; Lending obligation</td>
<td>2.82%</td>
</tr>
<tr>
<td>Net Current Assets/(Liabilities)</td>
<td>-3.03%</td>
</tr>
<tr>
<td>Grand Total</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

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

**EQUITY FUNDS**

**KOTAK OPPORTUNITIES**

An Open - Ended Equity Growth Scheme

**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. Harsh Krishnan

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

- Minimum Investment Amount
  - Initial Investment: Rs. 5000 and in multiples of Re. 1 for purchase and for Re 0.01 for switches
  - Additional Investment: Rs. 10000 & in multiples of Rs. 1

- AAUM (in Crores) & %
  - AAUM as on December 31, 2013: Rs. 583.51 (Direct Plan), Rs. 2.86 (Non Direct Plan)

- **Notes:**
  - Portfolio Turnover: 110.87% Beta*: 0.87 Sharpe*: -0.08 Alpha*: 0.17

- **Portfolio**

<table>
<thead>
<tr>
<th>Sector Allocation</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Project</td>
<td>1.32</td>
</tr>
<tr>
<td>CBLO &amp; Term Deposits &amp; Rev.Repo</td>
<td>2.72</td>
</tr>
<tr>
<td>Telecom - Services</td>
<td>4.67</td>
</tr>
<tr>
<td>Finance</td>
<td>5.09</td>
</tr>
<tr>
<td>Autos</td>
<td>8.33</td>
</tr>
<tr>
<td>Consumer Non Durables</td>
<td>10.40</td>
</tr>
<tr>
<td>Software</td>
<td>10.40</td>
</tr>
<tr>
<td>Banks</td>
<td>18.40</td>
</tr>
<tr>
<td>Others</td>
<td>19.98</td>
</tr>
</tbody>
</table>

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

- **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: 1%
  - 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 off Service Tax, if any) shall be credited back to the respective Sogee. (applicable for all plans) Bonus 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. 10000 & in multiples of Rs. 1

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

- **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.
**KOTAK TAX SAVER**

An Open-Ended Equity Linked Saving Scheme

**Objective**

To generate long-term capital appreciation from a diversified portfolio of equity and equity related securities and enable investors to avail the income tax rebate, as permitted from time to time.

**Minimum Investment Amount**

Rs. 500 and in multiples of Rs. 1 for purchase and for Rs. 0.01 for switches

**Exit Load**

Nil. (applicable for all plans)

**Initial Investment**

Rs. 500 & in multiples of Rs. 500

**Ideal Investments Horizon**

3 years & above

---

**KOTAK MID-CAP**

An Open - Ended Equity Growth Scheme

**Objective**

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

**Minimum Investment Amount**

Rs. 1000 & in multiples of Rs. 1

**Ideal Investments Horizon**

5 years & above

---

**Portfolio**

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

- Infosys Ltd. Software
  - 7.35%
- ICICI Bank Ltd. Banks
  - 6.64%
- Tata Consultancy Services Ltd. Software
  - 5.48%
- HDFC Bank Ltd. Banks
  - 5.07%
- Reliance Industries Ltd. Petroleum Products
  - 4.95%
- Tata Motors Ltd. Auto
  - 3.55%
- ITI Ltd. Consumer Durables
  - 2.83%
- HDFC Ltd Finance
  - 2.72%
- HCL Technologies Ltd. Software
  - 2.55%
- Wipro Ltd. India Ltd. Consumer Durables
  - 2.51%
- Others
  - 49.96%
- Listed/Awaiting Listing on Stock Exchange - Total
  - 93.59%
- Collateral Borrowing & Lending obligation
  - 6.72%
- Net Current Assets/(Liabilities)
  - -0.31%
- Grand Total
  - 100.00%

**This product is suitable for investors who are seeking**: long term capital growth with a 3 year lock in.

**Notes**: Total NPA's provided for and percentage to NAV: Nil

---

**Sector Allocation**

**Consumer Durables**

- 3.03

**Finance**

- 4.78

**Petroleum Products**

- 4.95

**Media and Entertainment**

- 5.74

**Consumer Non Durables**

- 6.00

**CBLLO & Term Deposits & Rev-Repo**

- 6.72

**Auto**

- 9.44

**Software**

- 17.61

**Others**

- 14.33

---

**Exit Load**

Nil. (applicable for all plans)

**Initial Investment**

Rs. 5000 & in multiples of Rs. 1

**Ideal Investments Horizon**

3 years & above

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

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

**Investment Objective:**
- To generate capital appreciation from a diversified portfolio of equity and equity related instruments.

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

**Load Structure:**
- Mr. Emmanuel Elangie and Mr. Abhishek Bisen

**Performance:**
- Since inception till 31/12/2013

<table>
<thead>
<tr>
<th>Date</th>
<th>KOTAK Classic Equity - Growth</th>
<th>Scheme Returns (%)</th>
<th>CNX Nifty # (%)</th>
<th>Current Value of Standard of Rs 10000 in the Scheme (%)</th>
<th>Additional Benchmark # (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Since inception III</td>
<td>11.47</td>
<td>11.00</td>
<td>12.55</td>
<td>24992</td>
<td>24117</td>
</tr>
<tr>
<td>31/12/2011 to 31/12/2012</td>
<td>7.01</td>
<td>2.93</td>
<td>8.03</td>
<td>20809</td>
<td>20309</td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013</td>
<td>8.10</td>
<td>2.54</td>
<td>7.66</td>
<td>22336</td>
<td>21777</td>
</tr>
</tbody>
</table>

**Notes:**
- Past performance may or may not be sustained in the future.
- For the period ended 31st January, 2014 other than hedging transactions through futures which have been segregated/displaced as follows:
  - Total Number of contracts where futures were bought 144, Total number of contracts where futures were sold 144, Net profit/(loss) value on all these contracts combined net profit Rs.16.44 lacs.
  - Total Number of contracts where futures were bought 121, Total number of contracts where futures were sold 121, Net profit/(loss) value on all these contracts combined net profit Rs.25.65 lacs.

**Additional Information:**
- Additional Investment: Rs. 10000 in multiples of Rs. 1
- Ideal Investments Horizon: 3 years & above

**Ideal Investments Horizon:**
- Investors should consult their financial advisors if in doubt about whether the product is suitable for them.
- Low risk (Green) investors understand that their principal will be safe at low risk
- Medium risk (Yellow) investors understand that their principal will be at medium risk
- High risk (Brown) investors understand that their principal will be at high risk

**Notes:**
- Term Deposit as provided above is towards margin for derivatives transactions.
### 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 created by investing predominantly in open-ended diversified equity schemes of Mutual Funds registered with SEBI.

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

<table>
<thead>
<tr>
<th>Scheme Name</th>
<th>Benchmark</th>
<th>Minimum Investment Amount</th>
<th>AAUM (In Crores) &amp; Ratios</th>
<th>Inception Date</th>
<th>Performance</th>
<th>Portfolio</th>
<th>Sector Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>KOTAK SELECT FOCUS NAV</td>
<td>CNX 200</td>
<td>31/12/2013</td>
<td>0.77</td>
<td>September 11, 2009</td>
<td>Since inception till 31/12/2013</td>
<td>Equity &amp; Equity related</td>
<td>92.48</td>
</tr>
<tr>
<td></td>
<td></td>
<td>31/12/2012 to 31/12/2013 (Direct Plan)</td>
<td>5.63</td>
<td>3.52</td>
<td>7.97</td>
<td>Not applicable</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>31/12/2012 to 31/12/2013 (Direct Plan)</td>
<td>5.13</td>
<td>4.44</td>
<td>9.98</td>
<td>Not applicable</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>31/12/2011 to 31/12/2012</td>
<td>33.45</td>
<td>31.64</td>
<td>25.70</td>
<td>Not applicable</td>
<td></td>
</tr>
</tbody>
</table>

#### Notes:
- **Issuer/Instrument**
  - Infosys Ltd.: Software
  - ICICI Bank Ltd.: Banks
  - Tata Consultancy Services Ltd.: Software
  - Reliance Industries Ltd.: Petroleum Products
  - HDFC Bank Ltd.: Banks
  - L&T International Ltd.: Finance
  - HCL Technologies Ltd.: Software

#### Portfolio
- **Equity & Equity related (Listed/Awaiting listing on Stock Exchange)**
- **% to Net Assets**

#### Sector Allocation
- **Media and Entertainment**: 2.80
- **Consumer Non Durables**: 4.74
- **Auto Ancillaries**: 5.20
- **Finance**: 5.38
- **Pharmaceuticals**: 6.39
- **Oil & Gas**: 4.11
- **CBIL & Term Deposits & Repo**: 8.49
- **Auto**: 10.82
- **Software**: 17.31
- **Banks**: 19.43
- **Others**: 13.03

#### EQUITY FUNDS

### KOTAK EQUITY FOF

**An Open - Ended Equity Fund of Funds Scheme**

The Investment Objective of the Scheme is to generate long term capital appreciation from a portfolio created by investing predominantly in open-ended diversified equity schemes of Mutual Funds registered with SEBI.

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

<table>
<thead>
<tr>
<th>Scheme Name</th>
<th>Benchmark</th>
<th>Minimum Investment Amount</th>
<th>AAUM (In Crores) &amp; Ratios</th>
<th>Inception Date</th>
<th>Performance</th>
<th>Portfolio</th>
<th>Sector Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>KOTAK EQUITY FOF NAV</td>
<td>CNX 200</td>
<td>31/12/2013</td>
<td>0.77</td>
<td>September 11, 2009</td>
<td>Since inception till 31/12/2013</td>
<td>Equity &amp; Equity related</td>
<td>99.04</td>
</tr>
<tr>
<td></td>
<td></td>
<td>31/12/2012 to 31/12/2013 (Direct Plan)</td>
<td>5.63</td>
<td>3.52</td>
<td>7.97</td>
<td>Not applicable</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>31/12/2012 to 31/12/2013 (Direct Plan)</td>
<td>5.13</td>
<td>4.44</td>
<td>9.98</td>
<td>Not applicable</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>31/12/2011 to 31/12/2012</td>
<td>33.45</td>
<td>31.64</td>
<td>25.70</td>
<td>Not applicable</td>
<td></td>
</tr>
</tbody>
</table>

#### Notes:
- **Issuer/Instrument**
  - Infosys Ltd.: Software
  - ICICI Bank Ltd.: Banks
  - Tata Consultancy Services Ltd.: Software
  - Reliance Industries Ltd.: Petroleum Products
  - HDFC Bank Ltd.: Banks
  - L&T International Ltd.: Finance
  - HCL Technologies Ltd.: Software

#### Portfolio
- **Equity & Equity related (Listed/Awaiting listing on Stock Exchange)**
- **% to Net Assets**

#### Sector Allocation
- **Media and Entertainment**: 2.80
- **Consumer Non Durables**: 4.74
- **Auto Ancillaries**: 5.20
- **Finance**: 5.38
- **Pharmaceuticals**: 6.39
- **Oil & Gas**: 4.11
- **CBIL & Term Deposits & Repo**: 8.49
- **Auto**: 10.82
- **Software**: 17.31
- **Banks**: 19.43
- **Others**: 13.03

#### EQUITY FUNDS
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 as prescribed by SEBI from time to time in global emerging markets.

### Summary
- **Objective**: Long term capital growth
- **Investment**: Overseas mutual fund schemes
- **Risks**:
  - High risk (Brown)
  - Medium risk (Medium)
  - Low risk (Yellow)

### Table: Portfolio

<table>
<thead>
<tr>
<th>Equity &amp; Related</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>MG Asian Small Equity Fund</td>
<td>69.14%</td>
</tr>
<tr>
<td>iShares MSCI Emerging Markets ETF</td>
<td>36.02%</td>
</tr>
<tr>
<td>T Rowe Global Emerging Markets Equity Class A USD</td>
<td>13.96%</td>
</tr>
</tbody>
</table>

### Additional Information
- **Exit Load**:
  - Entry Load: Nil
  - Exit Load: Nil (applicable for all plans)

- **Minimum Investment Amount**:
  - 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.

- **Performance**:
  - Since inception till December 31, 2013: Rs. 13.899 (Dividend Option), Rs. 14.002 (Direct Dividend Option), Rs. 13.895 (Growth Option), Rs. 13.957 (Direct Growth Option).
  - N.A. stands for data not available.

- **Risk**:
  - High risk (Brown)
  - Medium risk (Medium)
  - Low risk (Yellow)

- **Investors** should consider 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.

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

Fund Managers
Mr. Deepak Gupta

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

Minimum Investment Amount

AAUM (in Crores) & Ratios

Benchmark
CRISIL Liquid Fund Index

Performance

Performance as on December 31, 2013

Portfolio

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

<table>
<thead>
<tr>
<th>Scheme Returns (%)</th>
<th>Crisil Liquid Fund Index (%)</th>
<th>CNX Nifty # (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.71</td>
<td>11.26</td>
<td>18497</td>
</tr>
<tr>
<td>9.65</td>
<td>9.01</td>
<td>17636</td>
</tr>
<tr>
<td>9.19</td>
<td>9.04</td>
<td>Not applicable</td>
</tr>
<tr>
<td>9.54</td>
<td>8.70</td>
<td>24142</td>
</tr>
</tbody>
</table>

Hedging Positions through Futures as on 31st January, 2014

Portfolio Allocation

<table>
<thead>
<tr>
<th>Sector Allocation</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cement</td>
<td>3.28</td>
</tr>
<tr>
<td>Power</td>
<td>3.37</td>
</tr>
<tr>
<td>Auto Ancillaries</td>
<td>3.38</td>
</tr>
<tr>
<td>Commercial Paper (CP)/Certificate of Deposits (CD)</td>
<td>3.83</td>
</tr>
<tr>
<td>Finance</td>
<td>3.89</td>
</tr>
<tr>
<td>Banks</td>
<td>9.73</td>
</tr>
<tr>
<td>Consumer Non Durables</td>
<td>9.89</td>
</tr>
<tr>
<td>Software</td>
<td>10.27</td>
</tr>
<tr>
<td>Pharmacetical</td>
<td>11.91</td>
</tr>
<tr>
<td>CBL &amp; Term Deposits &amp; Rev.Rape</td>
<td>29.05</td>
</tr>
<tr>
<td>Others</td>
<td>11.40</td>
</tr>
</tbody>
</table>

Notes:
- Term Deposit as provided above is towards margin for derivatives transactions
- For the period ended 31st January, 2014 hedging transactions through futures which have been squared off/or settled are as follows:
- Total Number of contracts where futures were bought 18563. Total number of contracts where futures were sold 2722. Gross National value of contracts where futures were bought Rs.5497.87 lacs, Gross National value of contracts where futures were sold Rs.8973.09 lacs and Net profit/(loss) value on all these contracts combined Rs.2707.61 lacs

*Source: Value Research.

(47.64%)
**KOTAK BANKING AND PSU DEBT FUND**

**Scheme Name:** An Open - Ended Debt Scheme  
**Earlier known as Kotak Mahindra Gilt Savings Scheme - 98 - Savings Plan.**

**Fund Details**

**Investment Objective:** To generate income by predominantly investing in debt & money market securities issued by Banks & PSUs and Reverse repos in such securities, sovereign securities issued by the Central Government and State Governments, and / or any security unconditionally guaranteed by the Govt. of India.

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

**Dividend Freq.:** Daily, Monthly (12th of every Month) & Annual

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

**Load Structure:** Entry Load: NIL (applicable for all plans).

**Minimum Investment Amount:** Initial Investment: Dividend Payout, Dividend Re-investment & Growth - Rs. 5000 & above. Additional Investment: Rs. 1000 & in multiples of Rs. 1.

**AAUM (In Crores) & Ratios:** AAUM as on December 31, 2013: A) Non Direct Plan: 115.58 B) Direct Plan: 23.87 Ratios: Beta*: 0.47 Sharpe*: 1.16 Alpha*: 1.49 Standard Deviation*: 8.44% *Source: Value Research. Portfolio Modified Duration: 0.14 yrs

**Benchmark:** Crisil Liquid Fund Index

**Inception Date:** December 29, 1998

**Performance**

**Performance as on December 31, 2013**

- **Top Holdings:**
  - Indiabank Ltd. CRISIL A1+ 12.45%
  - Axis Bank Ltd. CRISIL A1+ 12.20%
  - Federal Bank Ltd. CRISIL A1+ 9.04%
  - Karur Vysya Bank Ltd. CRISIL A1+ 9.04%
  - Vijaya Bank 9.02%
  - Oriental Bank of Commerce 6.80%
  - Punjab National Bank 6.80%
  - The sou/ini iainl iaini Limite 5.71%
  - Export-Import Bank of India CRISIL A1+ 5.64%
  - Andhra Bank CRISIL A1+ 4.85%

- **Corporate Debt/Financial Institutions - Total:** 46.14%
- **Public Sector Undertakings - Total:** 41.09%
- **Term Deposits - Total:** 5.71%
- **Collateral Borrowing & Lending obligation:** 7.31%
- **Net Current Assets/(Liabilities):** -0.25%
- **Grand Total:** 100.00%

This product is suitable for investors who are seeking:
- Income over a short to medium term investment horizon
- Investment in debt & money market securities of PSUs, Banks & government securities
- Low risk (Blue)

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

**Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments:** 0.11 years

Total NPA provided and percentage to NAV: NIL

**Date**

- **Since inception till December 31, 2013:**
  - 31/12/2011 to 31/12/2012: 14.63 1 1.09 10.67
  - 31/12/2012 to 31/12/2013: 14.63 1 1.09 10.67

- **Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments:** 0.11 years

Total NPA provided and percentage to NAV: NIL

---

**KOTAK GILT INVESTMENT**

**Scheme Name:** An Open - Ended Dedicated Gilt Unit Scheme  
**Earlier known as Kotak Mahindra Gilt Savings Scheme – 98 – Savings Plan.**

**Fund Details**

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

**Available Plans/ Options:** (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)

**Dividend Freq.:** Quarterly (20th of Mar/Jun/Sept/Dec)

**Fund Managers:**

**Load Structure:** Entry Load: (a) Regular Plan - Entry: NIL (applicable for all plans)

**Minimum Investment Amount:** Initial Investment: Rs. 5000 and in multiple of Rs. 1 for purchase and for Rs. 0.01 for switches


**Benchmark:** CRISIL 10 Year Gilt Index

**Inception Date:** December 29, 1998

**Performance**

**Performance as on December 31, 2013**

- **Top Holdings:**
  - Andhra Bank CRISIL A1+ 4.85%
  - Oriental Bank of Commerce CRISIL A1+ 6.80%
  - Vijaya Bank CRISIL A1+ 9.02%
  - Central Government SOV 25.02%
  - Central Government 3.58%
  - Central Government 6.35%
  - Central Government 6.46%
  - Central Government 25.02%
  - Central Government 23.17%
  - Central Government 23.17%
  - Central Government 6.46%
  - Central Government 6.35%
  - Central Government 4.32%
  - Central Government 3.58%
  - Central Government 0.26%
  - Central Government 0.26%
  - Central Government 0.26%
  - Central Government 0.26%

This product is suitable for investors who are seeking:
- Income over a long investment horizon
- Principal will be at medium risk
- Low risk (Blue)

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

**Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments:** 11.90 years

Total NPA provided and percentage to NAV: NIL
KOTAK MULTI ASSET ALLOCATION FUND

An Open - Ended Debt Scheme

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 to provide diversification by investing in Gold ETFs.

Portfolio

<table>
<thead>
<tr>
<th>Issuer/Instrument</th>
<th>Industry/Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tata Capital Housing Finance Ltd</td>
<td>CRISIL AA+</td>
<td>11.16</td>
</tr>
<tr>
<td>India Infoline Housing Finance Ltd</td>
<td>CRISIL AA</td>
<td>11.11</td>
</tr>
<tr>
<td>Gujarat State Petronet Distribution Networks Ltd</td>
<td>CARE AA+</td>
<td>11.03</td>
</tr>
<tr>
<td>Corporate Debt/Financial Institutions – Total</td>
<td>16.54</td>
<td></td>
</tr>
<tr>
<td>Public Sector Undertakings – Total</td>
<td>13.23</td>
<td></td>
</tr>
<tr>
<td>Government Dated Securities – Total</td>
<td>23.58</td>
<td></td>
</tr>
<tr>
<td>Term Deposits - Total</td>
<td>2.16</td>
<td></td>
</tr>
<tr>
<td>Net Current Assets/Liabilities</td>
<td>3.95</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>100.00</td>
<td></td>
</tr>
</tbody>
</table>

This product is suitable for investors who are seeking:
- Income & capital growth over a long term horizon
- Investment in a portfolio of debt instruments with a moderate exposure in equity & equity related instruments and provides diversification by investing in Gold ETFs
- Medium risk (Yellow)

Average Maturity of the portfolio is based on original maturity of fixed rate and immediate reset date of floating rate instruments - 3.37 years.

Net Current Assets/Liabilities

Derivatives -2.30
Equity 14.98
Government Dated Securities 26.53
CBLO & Term Deposits & Rev-Repo 15.61
Net Current Assets 3.39
Unrated 6.29
Urea 28.58
CBLO & Term Deposits & Rev-Repo 2.69
Equity 15.61
Net Current Assets 3.39
Derivatives -2.30

KOTAK MONTHLY INCOME PLAN

An Open Ended Income Scheme. Monthly Income is not assured & is subject to availability of distributable surplus.

To enhance returns over a portfolio of Debt Instruments with a moderate exposure in Equity and Equity related instruments.

Rating Profile

<table>
<thead>
<tr>
<th>Category</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>AA+, AA, AA(ind), AA-</td>
<td>45.57</td>
</tr>
<tr>
<td>AAA, SOV</td>
<td>30.88</td>
</tr>
<tr>
<td>Equities</td>
<td>19.95</td>
</tr>
<tr>
<td>CBLO &amp; Term Deposits &amp; Rev-Repo</td>
<td>5.01</td>
</tr>
<tr>
<td>Net Current Assets</td>
<td>1.42</td>
</tr>
</tbody>
</table>
KOTAK BOND

An Open - Ended Debt Scheme

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)

Dividend Freq.

Quarterly (20th of Mar./Jun./Sep./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: 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%. II) For redemptions / switch outs (including SIP/STP) after 180 days 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 Scheme. (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 multiple of Rs. 1 for purchase and for Rs. 0.01 for switches

Additional Investment: Rs. 1000 & in multiples of Rs1

Ideal Investments Horizon: 1 year & above

AAUM (In Crores) & Ratios

AAUM as on December 31, 2013: a) Deposit plan: 203.63 b) Plan A: 5628.41 c) Direct Plan: 213.31

Ratios: Sharpe*: -0.33 Beta*: 1.40 Alpha*: -1.13 Standard Deviation*: 5.69 YTM: 9.63%

*Source: Value Research. Portfolio Modified Duration: 5.56 yrs

Benchmark

Crisil Composite Bond Fund Index

Inception Date

November 25, 1999

Performance

Performance as on December 31, 2013

<table>
<thead>
<tr>
<th>Date</th>
<th>Scheme Returns (%)*</th>
<th>Crisil Composite Bond Fund Index # (%)</th>
<th>CRISIL 10 Year Gilt Index # (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Since inception till December 31, 2013</td>
<td>9.03</td>
<td>NA</td>
<td>NA</td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013 (Direct Plan)</td>
<td>2.35</td>
<td>3.58</td>
<td>-1.06</td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013 (Direct Plan)</td>
<td>2.10</td>
<td>3.62</td>
<td>-0.68</td>
</tr>
<tr>
<td>31/12/2011 to 31/12/2012 (Direct Plan)</td>
<td>12.88</td>
<td>9.33</td>
<td>10.67</td>
</tr>
<tr>
<td>31/12/2010 to 31/12/2011 (Direct Plan)</td>
<td>6.28</td>
<td>6.93</td>
<td>1.91</td>
</tr>
</tbody>
</table>

Kotak Bond Plan A NAV as on December 31, 2013: a) Deposit plan: Rs. 33.8727 (Growth Option), Rs. 34.0976 (Direct Growth Option), Rs. 10.0429 (Quarterly Dividend), Rs. 10.1852 (Direct Quarterly Dividend), Rs. 21.0290 (Annual Dividend), Rs. 21.1238 (Direct annual Dividend), Rs. 22.5794 (Bonus & Dividend)

Portfolios

Issuer/Instrument

<table>
<thead>
<tr>
<th>Top 10 Holdings</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.16% Central Government SOV</td>
</tr>
<tr>
<td>8.24% Central Government SOV</td>
</tr>
<tr>
<td>8.28% Central Government SOV</td>
</tr>
<tr>
<td>Sterlite Industries (India) Ltd CRISIL AA-</td>
</tr>
<tr>
<td>HPCL Mittal Energy Ltd. ICRA AA-</td>
</tr>
<tr>
<td>9.49% State Government SOV</td>
</tr>
<tr>
<td>HPCL Mittal Pipelines Ltd. ICRA AA-</td>
</tr>
<tr>
<td>1.44% Central Government SOV</td>
</tr>
<tr>
<td>9.39% State Government SOV</td>
</tr>
<tr>
<td>Reliance Utilities And Power Private Limited CRISIL AAA</td>
</tr>
</tbody>
</table>

Corporate Debt/Financial Institutions - Total 26.04%

Public Sector Undertakings - Total 1.85%

Government Rated Securities - Total 67.66%

Corporate Debt/Financial Institutions - Total 0.20%

Public Sector Undertakings - Total 0.06%

Collateral Borrowing & Lending obligation 0.61%

Net Current Assets/Liabilities 3.58%

Grand Total 100.00%

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 9.05 years.

Total NPA provided and percentage to NAV: NIL

Sector Allocation

|商
|Commercial Paper (CP)/Certificate of Deposits (CD) | 0.26 |
|CBLO & Term Deposits & RevRepo | 0.61 |
|Net Current Assets | 3.58 |
|Debentures and Bonds | 27.89 |
|Government Rated Securities | 67.66 |

Rating Profile

AAA, A1+, SOV

BWR AA+(SO), AA+(SO), AA, AA+(so), AA, AA(ind), AA-

Net Current Assets

CBLO & Term Deposits & Rev Repo 0.61

Note: 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).

Risk

This product is suitable for investors who are seeking:

- Income over a long investment horizon
- Low risk (Blue)

*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.
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:**
  - Non Direct Plan
  - Direct Plan
- **Dividend Freq.:** Monthly (12th of every Month), Half Yearly (20th of Mar/Sept) - w.e.f Oct 10, 2013
- **Fund Managers:** Mr Abhishek Bisen & Mr Deepak Agrawal

Load Structure

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

Minimum Investment Amount

- **AAUM (In Crores) & Ratios:**
  - AAA, A1+, SOV 68.33
  - CBLO & Term Deposits & Rev.Repo 8.09
  - BWR AA+(SO), AA+, AA, AA(ind) 19.01
- **Net Current Assets:** 4.57%
- **Collateral Borrowing & Lending obligation:** 8.09%

Minimum Investment Date

- **AAUM as on December 31, 2013: Non Direct Plan: Direct Plan:**
  - Kotak Bond Short Term NAV as on : Rs. 23.3043 (Direct Growth Option), Rs. 10.1769 (Direct Dividend Option), Rs. 10.1234 (Direct Half Yearly Dividend Option)

Rating Profile

- **AAA, A1+, SOV:** 68.33
- **BWR AA+(SO), AA, AA(ind):** 10.01
- **CBLO & Term Deposits & Rev Repo:** 8.09
- **Net Current Assets:** 4.57

Top 10 Holdings

- **Portfolio:**
  - Issuer/Instrument/Industry/Rating: % to Net Assets
  - Rural Electrification Corporation Ltd. CRISIL AAA: 11.04%
  - HDB Financial Services Ltd. CRISIL AAA: 10.29%
  - Oriental Bank of Commerce CRISIL A1+: 7.66%
  - Mandava Holdings Private Limited BRICKWORK BWR AA+(SO): 6.64%
  - Cholamaladam Investment and Finance Company Ltd ICRA AA: 5.11%
  - LIC Housing Finance Ltd. CRISIL AAA: 4.85%
  - Sterlite Industries (India) Ltd CRISIL AA+: 4.42%
  - Vijaya Bank CRISIL A1+: 3.90%
  - IDFC Limited CRISIL AAA: 3.36%
  - State Bank of Hyderabad CRISIL A1+: 3.27%

Corporate Debt/Financial Institutions - Total: 48.45%
- **This product is suitable for investors who are seeking:**
  - Income over a medium term horizon
  - Investment in debt & money market securities
  - Low risk (Blue)

Government Dated Securities - Total: 15.10%
- **Investors should consult their financial advisors if in doubt about whether the product is suitable for them.**
- **Medium risk (Yellow)**

Corporate Debt/Financial Institutions - Total: 20.99%
- **Investors should consult their financial advisors if in doubt about whether the product is suitable for them.**
- **High risk (Brown)**

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments : 1.93 years.

Government Dated Securities: 0.03
- **(BLUE) 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**

Net Current Assets: 4.57
- **Commercial Paper (CP) / Certificate of Deposits (CD):** 8.09
- **Debentures and Bonds:** 63.55

Sector Allocation

- **Commercial Paper (CP) / Certificate of Deposits (CD):** 22.04

Rating Profile

- **AAA, A1+, SOV:** 68.33
- **BWR AA+(SO), AA, AA(ind):** 10.01
- **CBLO & Term Deposits & Rev Repo:** 8.09
- **Net Current Assets:** 4.57

Performance as on December 31, 2013

- **Performance as on December 31, 2013:**
  - Since Inception till December 31, 2013
  - 31/12/2012 to 31/12/2013
  - 31/12/2011 to 31/12/2012
  - 31/12/2012 to 31/12/2011

**Benchmark:**

- **Crisil Short Term Bond Fund Index**
- **Kotak Bond Short Term**
- **Additional Benchmark:**

<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 Scheme (Rs)</th>
<th>Benchmark # (Rs)</th>
<th>Additional Benchmark # (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Since Inception till December 2013</td>
<td>7.47</td>
<td>6.71</td>
<td>5.45</td>
<td>23187</td>
<td>21344</td>
<td>18580</td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013 (Direct Plan)</td>
<td>7.86</td>
<td>8.23</td>
<td>5.82</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013</td>
<td>7.26</td>
<td>8.24</td>
<td>5.86</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31/12/2011 to 31/12/2012</td>
<td>9.72</td>
<td>9.15</td>
<td>8.08</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2011</td>
<td>8.22</td>
<td>7.84</td>
<td>6.45</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Growth Option, Dividend Option, Direct Half Yearly Dividend 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 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 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).
KOTAK INCOME OPPORTUNITIES FUND
An Open - Ended Debt Scheme

Fund Details
The investment objective of the scheme is to generate income by investing in debt and 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

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 out of (including SIP/STP) within 1 year from the date of allotment of units, irrespective of the amount of investment: 2%
For redemptions/switch out (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 multiples of Re. 1 for purchase and for Re 0.01 for switches
Additional Investment: Rs. 1000 and in multiples of Re 1

Ideal Investments Horizon: 1 year & above

AAUM (in Crores) & Ratios:
AAUM as on December 31, 2013: 13152
AAUM as on January 31, 2014: 13081

Ratios:
Beta*: 0.22 Sharpe*: 0.53 Alpha*: 1.62 Standard Deviation*: 2.25 YTM: 10.68%

Portfolio:
Top 10 Holdings

Issuer/Instrument | Industry/Rating | % to Net Assets
---|---|---
HPCL Mittal Energy Ltd. | ICRA:AAA | 14.20%
Sesa Sterlite Ltd. | CRISIL A1+ | 12.15%
Shapoorji Pallonji & Co. Ltd. | ICRA:AAA | 12.05%
Indiabulls Capital Finance Pvt. Ltd. | CARE AA+ | 9.74%
L&T Seafood Pvt Ltd. | CARE AA+(SO) | 7.21%
Suraksha Realty Ltd | Unrated | 6.49%
Magma Fincorp Ltd. | CARE AA+ | 3.89%
Reliance Jio Infocomm Ltd | CRISIL AAA | 3.71%
HDB Financial Services Ltd | CARE AAA | 3.15%
India Infralogistics Pvt Ltd. | CARE AA | 3.14%

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 3.25 years.

Portfolio Allocation:
- Net Current Assets: 1.91
- CBLO & Term Deposits & Rev.Repo: 3.25
- Commercial Paper (CP)/Certificate of Deposits (CD): 27.09
- Debentures and Bonds: 67.75

Top 10 Holdings (% to Net Assets)

- HPCL Mittal Energy Ltd. | ICRA:AAA | 14.20%
- Sesa Sterlite Ltd. | CRISIL A1+ | 12.15%
- Shapoorji Pallonji & Co. Ltd. | ICRA:AAA | 12.05%
- Indiabulls Capital Finance Pvt. Ltd. | CARE AA+ | 9.74%
- L&T Seafood Pvt Ltd. | CARE AA+(SO) | 7.21%
- Suraksha Realty Ltd | Unrated | 6.49%
- Magma Fincorp Ltd. | CARE AA+ | 3.89%
- Reliance Jio Infocomm Ltd | CRISIL AAA | 3.71%
- HDB Financial Services Ltd | CARE AAA | 3.15%
- India Infralogistics Pvt Ltd. | CARE AA | 3.14%

This product is suitable for investors who are seeking:
- Income over a medium term 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.

Ratio:
- Net Current Assets (As on January 31, 2014): 1.91
- CBLO & Term Deposits & Rev.Repo: 3.25
- Commercial Paper (CP)/Certificate of Deposits (CD): 27.09
- Debentures and Bonds: 67.75

Rating Profile:

<table>
<thead>
<tr>
<th>Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
</table>
| AAA, AA+(SO), AA, AA(ind), AA- | 45.01%
| AAA, A1+ | 40.99%
| Unrated | 6.49%
| CBLO & Term Deposits & Rev.Repo | 3.25%
| A+ | 2.35%
| Net Current Assets | 1.91%
**KOTAK FLOATER LONG TERM**

An Open - Ended Debt Scheme

**Objective**: To reduce the interest rate risk associated with investments in fixed rate instruments by investing predominantly in floating rate securities, money market instruments and using appropriate derivatives.

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

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

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

**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: (i) Dividend Re-investment & Growth - Rs. 500 & above (ii) Dividend Payout (Weekly) - Rs. 1,00,00,000 & above
- Additional Investment: Rs. 1,000 & in multiples of Re1

**Ideal Investment Horizon**: 15 – 30 Days

**Beta**: 0.23

**Sharpe**: 2.69

**Alpha**: 1.74

**YTM**: 9.30%

**Portfolio Modified Duration**: 0.29 yrs

**Rating Profile**

<table>
<thead>
<tr>
<th>Rating</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1+, AAA, AAA(SO), SOV</td>
<td>71.69</td>
</tr>
<tr>
<td>BWR A-(SO), AA+, AA+(SO), AA, AA(ind), CARE AA-</td>
<td>19.52</td>
</tr>
<tr>
<td>CBLO &amp; Term Deposits &amp; Rev Repo</td>
<td>5.77</td>
</tr>
<tr>
<td>Net Current Assets</td>
<td>3.02</td>
</tr>
</tbody>
</table>

**Portfolio**

<table>
<thead>
<tr>
<th>Top 10 Holdings</th>
<th>Industry/Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indian Oil Corporation Ltd.</td>
<td>ICRA A1+</td>
<td>13.08%</td>
</tr>
<tr>
<td>HDFC Ltd.</td>
<td>ICRA A1+</td>
<td>10.63%</td>
</tr>
<tr>
<td>Bajaj Finance Limited</td>
<td>CRISIL A1+</td>
<td>9.50%</td>
</tr>
<tr>
<td>Bahadur Chand Investments Private Limited</td>
<td>ICRA AA</td>
<td>4.82%</td>
</tr>
<tr>
<td>91 Day Treasury Bill 13/02/2014</td>
<td>SOV</td>
<td>4.80%</td>
</tr>
<tr>
<td>AXIS Bank Ltd.</td>
<td>CRISIL A1+</td>
<td>4.76%</td>
</tr>
<tr>
<td>IDBI Bank Ltd.</td>
<td>CRISIL A1+</td>
<td>4.76%</td>
</tr>
<tr>
<td>Vijaya Bank</td>
<td>CRISIL A1+</td>
<td>4.76%</td>
</tr>
<tr>
<td>Essel Mining &amp; Industries Ltd.</td>
<td>ICRA A1+</td>
<td>4.62%</td>
</tr>
<tr>
<td>L&amp;T Seawood Pvt Ltd.</td>
<td>CARE AA+(SO)</td>
<td>3.69%</td>
</tr>
</tbody>
</table>

**Corporate Debt/Financial Institutions - Total**
- % to Net Assets: 20.38%

**Public Sector Undertakings - Total**
- % to Net Assets: 0.48%

**Public Sector Undertakings - Total**
- % to Net Assets: 35.07%

**Treaursy Bills - Total**
- % to Net Assets: 35.07%

**Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments**: 9.31 years.

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

**Performance**

<table>
<thead>
<tr>
<th>Performance as on December 31, 2013</th>
<th>Scheme Returns (%)</th>
<th>Crisil Liquid Fund Index # (%)</th>
<th>Crisil 1 Year T-Bill Index # &amp; (%)</th>
<th>Current Value of Standard Investment of Rs 10000 in the</th>
</tr>
</thead>
<tbody>
<tr>
<td>Since inception till December 31, 2013</td>
<td>7.61</td>
<td>6.79</td>
<td>5.46</td>
<td>19910</td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013 (Direct Plan)</td>
<td>9.15</td>
<td>9.03</td>
<td>8.86</td>
<td>18530</td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013</td>
<td>8.94</td>
<td>8.94</td>
<td>6.64</td>
<td>Not applicable</td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013</td>
<td>9.63</td>
<td>9.54</td>
<td>8.08</td>
<td></td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013</td>
<td>9.20</td>
<td>9.15</td>
<td>6.45</td>
<td></td>
</tr>
</tbody>
</table>

Kotak Floater Long Term NAV as on December 31, 2013 - Rs. 19.9105 (Growth Option), Rs. 19.9574 (Direct Growth Option), Rs. 10.0798 (Daily Dividend), Rs. 10.0798 (Direct Daily Dividend), Rs. 11.26 (Weekly Dividend), Rs. 10.0928 (Monthly Dividend), Rs. 10.1495 (Direct Weekly Dividend), Rs. 10.1926 (Direct Monthly Dividend)

**Returns <= 1 year**: Absolute

**Returns > 1 year**: CAGR (Compounded Annualised Growth Rate)

**Date**

<table>
<thead>
<tr>
<th>Date</th>
<th>Scheme</th>
<th>Benchmark</th>
<th>Additional Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/12/2012 to 31/12/2013 (Direct Plan)</td>
<td>9.15</td>
<td>9.03</td>
<td>8.86</td>
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<td>9.54</td>
<td>8.08</td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013</td>
<td>9.20</td>
<td>9.15</td>
<td>6.45</td>
</tr>
</tbody>
</table>

**Inception Date**
- August 13, 2004

**Rating**
- Beta: 0.23
- Sharpe: 2.69
- Alpha: 1.74
- YTM: 9.30%
- Portfolio Modified Duration: 0.29 yrs

**AAUM as on December 31, 2013: Non Direct Plan: Direct Plan:**
- Non Direct Plan: Rs. 19.9105 (Growth Option), Rs. 19.9574 (Direct Growth Option), Rs. 10.0798 (Daily Dividend), Rs. 10.0798 (Direct Daily Dividend), Rs. 10.0798 (Weekly Dividend), Rs. 10.0928 (Monthly Dividend), Rs. 10.1495 (Direct Weekly Dividend), Rs. 10.1926 (Direct Monthly Dividend)
- Direct Plan: Rs. 10.0798 (Weekly Dividend), Rs. 10.0928 (Monthly Dividend), Rs. 10.1495 (Direct Weekly Dividend), Rs. 10.1926 (Direct Monthly Dividend)

**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 benchmarks (Debt Schemes): classification of schemes in short term & long term is based on the average maturity of the scheme.

**Ideal Investment Horizon**: 15 – 30 Days

**Minimum Investment Amount**: Initial Investment: (i) Dividend Re-investment & Growth - Rs. 500 & above (ii) Dividend Payout (Weekly) - Rs. 1,00,00,000 & above

**Additional Investment**: Rs. 1,000 & in multiples of Re1

**Ideal Investment Horizon**: 15 – 30 Days

**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)

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

<table>
<thead>
<tr>
<th>Name of Scheme</th>
<th>Benchmark</th>
<th>Additional Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kotak Floater Long Term</td>
<td>Rs. 19.9105 (Growth Option), Rs. 19.9574 (Direct Growth Option), Rs. 10.0798 (Daily Dividend), Rs. 10.0798 (Direct Daily Dividend), Rs. 10.0798 (Weekly Dividend), Rs. 10.0928 (Monthly Dividend), Rs. 10.1495 (Direct Weekly Dividend), Rs. 10.1926 (Direct Monthly Dividend)</td>
<td></td>
</tr>
</tbody>
</table>

**Ideal Investment Horizon**: 15 – 30 Days

**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)

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

<table>
<thead>
<tr>
<th>Date</th>
<th>Scheme</th>
<th>Benchmark</th>
<th>Additional Benchmark</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/12/2012 to 31/12/2013 (Direct Plan)</td>
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<td>9.03</td>
<td>8.86</td>
</tr>
<tr>
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<td>8.94</td>
<td>8.94</td>
<td>6.64</td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013</td>
<td>9.63</td>
<td>9.54</td>
<td>8.08</td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013</td>
<td>9.20</td>
<td>9.15</td>
<td>6.45</td>
</tr>
</tbody>
</table>

**Inception Date**: August 13, 2004
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.

**Investment Objective**

Mr. Deepak Agrawal & Mr. Abhishek Bisen.

**Fund Managers**

**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)

**DEBT FUNDS**

**KOTAK FLOATER SHORT TERM**

An Open - Ended Debt Scheme

**Scheme Name**

**Fund Details**

**Investment Objective**

To reduce the interest rate risk associated with investments in fixed rate instruments by investing predominantly in floating rate securities, money market instruments and using appropriate derivatives.

**Available 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 Re.1.

**Ideal Investments Horizon:**

1- 15 Days

**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>Bank of India</td>
<td>CRISIL A1+</td>
<td>13.06%</td>
</tr>
<tr>
<td>Indian Oil Corp. Ltd.</td>
<td>ICRA A1+</td>
<td>8.71%</td>
</tr>
<tr>
<td>Allahabad Bank</td>
<td>CRISIL A1+</td>
<td>7.49%</td>
</tr>
<tr>
<td>Indian Bank</td>
<td>ICRA A1+</td>
<td>6.22%</td>
</tr>
<tr>
<td>Reliance Capital Ltd.</td>
<td>CRISIL A1+</td>
<td>5.69%</td>
</tr>
<tr>
<td>ECL Finance Ltd.</td>
<td>CRISIL A1+</td>
<td>4.98%</td>
</tr>
<tr>
<td>HDFC Ltd.</td>
<td>CRISIL A1+</td>
<td>3.75%</td>
</tr>
<tr>
<td>Allahabad Bank</td>
<td>ICRA A1+</td>
<td>3.74%</td>
</tr>
<tr>
<td>Aditya Birla Finance Ltd.</td>
<td>ICRA A1+</td>
<td>3.72%</td>
</tr>
<tr>
<td>Bank Of Baroda</td>
<td>CRISIL A1+</td>
<td>3.12%</td>
</tr>
</tbody>
</table>

Corporate Debt/Financial Institutions - Total 0.20%

Corporate Debt/Financial Institutions - Total 33.15%

Public Sector Undertakings - Total 49.55%

Treasury Bills - Total 7.28%

Term Deposits - Total 6.89%

Collateral Borrowing & Lending obligation 2.83%

Net Current Assets/Liabilities 0.10%

Grand Total 100.00%

**Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments : 0.09 years**

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

**Sector Allocation**

<table>
<thead>
<tr>
<th>Sector</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Current Assets</td>
<td>0.10</td>
</tr>
<tr>
<td>Debentures and Bonds</td>
<td>0.20</td>
</tr>
<tr>
<td>Treasury Bills</td>
<td>7.28</td>
</tr>
<tr>
<td>CBLO &amp; Term Deposits &amp; Rev.Repo</td>
<td>9.72</td>
</tr>
<tr>
<td>Commercial Paper (CP)/Certificate of Deposits (CD)</td>
<td>82.70</td>
</tr>
</tbody>
</table>

**Rating Profile**

A1+, AAA, SOV

CBLO & Term Deposits & Rev.Repo 9.72

Net Current Assets 0.10

**Performance**

**Performance as on December 31, 2013**

Date | Scheme Returns (%) | Crisil Liquid Fund Index # (%) | Crisil 1 Year T-Bill Index ## (%) | Current Value of Standard Investment of Rs 10000 in the

<table>
<thead>
<tr>
<th>Date</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</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/12/2012 to 31/12/2013 (Direct Plan)</td>
<td>7.13</td>
<td>6.90</td>
<td>5.35</td>
<td>20573</td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013 (Direct Plan)</td>
<td>9.32</td>
<td>9.03</td>
<td>5.86</td>
<td>19340</td>
</tr>
<tr>
<td>31/12/2011 to 31/12/2012</td>
<td>9.29</td>
<td>9.04</td>
<td>5.86</td>
<td>17261</td>
</tr>
<tr>
<td>31/12/2011 to 31/12/2012</td>
<td>9.79</td>
<td>9.54</td>
<td>8.08</td>
<td>Not applicable</td>
</tr>
<tr>
<td>31/12/2010 to 31/12/2011</td>
<td>9.06</td>
<td>8.15</td>
<td>6.45</td>
<td></td>
</tr>
</tbody>
</table>

Kotak Floater Short Term NAV as on December 31, 2013: Rs. 2056.5111 (Growth Option), Rs. 1011.6200 (Daily Dividend), Rs. 1012.2139 (Weekly Dividend), Rs. 1006.0087 (Monthly Dividend), Rs. 1006.0087 (Direct Dividend), Rs. 1011.3632 (Direct Monthly 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. 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.

**Rating Profile**

A1+, AAA, SOV

CBLO & Term Deposits & Rev.Repo 9.72

Net Current Assets 0.10

**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.

Past performance may or may not be sustained in future.
DEBT FUNDS

KOTAK FLEXI DEBT
An Open - Ended Debt Scheme

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

Investment Objective

Available Plans/Options
A) Regular (discontinued for further subscriptions w.e.f. October 1, 2012) b) Plan A (Previously known as Institutional Plan) c) Direct Plan

Dividend Frequency
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

Rating Profile
AA+, AA+(SO), AA, AA(ind), AA- A1+, AAA, SOV

Director

Date
Kotak Flexi Debt
Fund - Plan A - Growth

Scheme Returns (%)*
8.07
9.29
8.83
9.66
9.29

Crisil Composite Bond Fund Index #
6.38
3.58
3.62
9.38
6.90

CRISIL 1 Year T-Bond Index # (%)
5.73
5.82
5.86
8.08
6.45

Current Value of Standard Investment of Rs 1000 in the

<table>
<thead>
<tr>
<th>Scheme (Rs)</th>
<th>Benchmark (Rs)</th>
<th>Additional Benchmark (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>15447</td>
<td>14141</td>
<td>13660</td>
</tr>
</tbody>
</table>

The benchmark returns corresponds to Kotak Flexi Plan A.

Kotak Flexi Debt Plan A NAV as on December 31, 2013 - Rs. 15.4408 (Growth Option), Rs. 15.5135 (Direct Growth Option), Rs. 10.0475 (Daily Dividend), Rs. 10.0475 (Direct Dividend), 10.3570 (Weekly Dividend), Rs. 10.4099 (Quarterly Dividend), Rs. 11.0350 (Quarterly Dividend), Rs. 11.0864 (Quarterly Dividend)

Portfolio

Top 10 Holdings

- 91 Days Treasury Bill 2702/2014 SOV 8.99%
- 91 Days Treasury Bill 1303/2014 SOV 8.96%
- The South Indian Bank Ltd. CARE AA+ 8.93%
- Tata Motors Ltd. CRISIL A1+ 8.48%
- Indiabulls Housing Finance Limited CARE AA+ 7.75%
- Bahadur Chand Investments Private Limited ICRA AA 7.60%
- L&T Seawood Pvt Ltd. CARE AA+(SO) 7.13%
- Vizag General Cargo Berth Private Limited CRISIL AA+(SO) 5.91%
- Magma Fincorp Limited CARE AA- 5.41%
- Shriram City Union Finance Ltd. CRISIL AA- 5.37%

Corporate Debt/Financial Institutions - Total 42.08%
Public Sector Undertakings - Total 5.92%
Government Dated Securities - Total 2.08%
Corporate Debt/Financial Institutions - Total 24.25%
Treasury Bills - Total 17.95%
Collateral Borrowing & Lending obligation 5.78%
Net Current Assets/(Liabilities) 1.94%
Grand Total 100.00%

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.75 years.

This product is suitable for investors who are seeking:
- Income over a medium term 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.

Net Current Assets 1.94%
Government Dated Securities 2.08%
CBLO & Term Deposits & Rev Repo 5.78%
Treasury Bills 17.95%
Commercial Paper (CP)/Certificate of Deposits (CD) 24.25%
Debentures and Bonds 48.00%

Rating Profile
AA+, AA+(SO), AA, AA(ind), AA- A1+, AAA, SOV

Net Current Assets 47.39%
CBLO & Term Deposits & Rev Repo 44.29%
Treasury Bills 5.78%
Commercial Paper (CP)/Certificate of Deposits (CD) 1.94%
DEBT FUNDS

KOTAK LIQUID

An Open - Ended Debt Scheme

**Scheme Name**

KOTAK LIQUID

**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**

Plans: a) Regular & b) Institutional (discontinued for further subscription w.e.f. October 1, 2012) c) Plan A (previously known as Institutional Premium Plan) d) Direct Plan Options: Dividend Payout, Dividend Reinvestment, Growth & Bonus (applicable for all plans)

**Dividend Freq.**

Daily, Weekly (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 Rs 0.01 for switches

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

Ideal Investments Horizon: 1 - 15 days

**AAUM (in Crores)**


**Benchmark**

CRISIL Liquid Fund Index

**Inception Date**


**Performance**

Performance as on December 31, 2013

<table>
<thead>
<tr>
<th>Date</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 Dec 31, 2013</td>
<td>7.27</td>
<td>6.57</td>
<td>5.35</td>
<td>20408</td>
<td>19094</td>
<td>16985</td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013</td>
<td>9.28</td>
<td>9.01</td>
<td>8.52</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013</td>
<td>9.25</td>
<td>9.04</td>
<td>8.56</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31/12/2011 to 31/12/2012</td>
<td>9.69</td>
<td>9.54</td>
<td>8.58</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31/12/2010 to 31/12/2011</td>
<td>8.38</td>
<td>8.15</td>
<td>8.45</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The benchmark returns corresponds to Kotak Liquid Plan A NAV as on December 31, 2013: Rs. 2545.4945 (Growth Option), Rs. 2546.6890 (Direct Growth Option), Rs. 1222.8100 (Daily Dividend), Rs. 1222.8100 (Direct Daily Dividend), Rs. 1000.2478 (Weekly Dividend), Rs. 1001.8694 (Direct Weekly Dividend)

N.A stands for data not available.

Source: ICRA MFI Explorer.

**Portfolio**

<table>
<thead>
<tr>
<th>Top 10 Holdings</th>
<th>Industry/Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Steel Authority of India Ltd.</td>
<td>CARE A1+</td>
<td>20.27%</td>
</tr>
<tr>
<td>Indian Oil Corporation Ltd.</td>
<td>ICRA A1+</td>
<td>17.44%</td>
</tr>
<tr>
<td>Punjab National Bank</td>
<td>CRISIL A1+</td>
<td>8.01%</td>
</tr>
<tr>
<td>Bank Of Baroda</td>
<td>CRISIL A1+</td>
<td>6.17%</td>
</tr>
<tr>
<td>Sesa Sterlite Ltd.</td>
<td>CRISIL A1+</td>
<td>5.47%</td>
</tr>
<tr>
<td>91 Days Treasury Bill 06/02/2014</td>
<td>SOV</td>
<td>5.42%</td>
</tr>
<tr>
<td>91 Day Treasury Bill 13/02/2014</td>
<td>SOV</td>
<td>4.33%</td>
</tr>
<tr>
<td>Piramal Enterprises Limited</td>
<td>ICRA A1+</td>
<td>4.24%</td>
</tr>
<tr>
<td>HPCL Mittal Energy Ltd.</td>
<td>ICRA A1+</td>
<td>4.15%</td>
</tr>
<tr>
<td>Chennai Petroleum Corporation Ltd.</td>
<td>ICRA A1+</td>
<td>3.95%</td>
</tr>
</tbody>
</table>

**Corporate Debt/Financial Institutions - Total** 1.78% This product is suitable for investors who are seeking:

- Income over a short term investment horizon
- Low risk (Blue)

**Corporate Debt/Financial Institutions - Total** 28.38%

- Investment in debt & money market securities
- Investors should consult their financial advisors if in doubt about whether the product is suitable for them.

**Public Sector Undertakings - Total** 58.65%

- Low risk (Blue)

**Treasury Bills - Total** 13.21%

- Medium risk

**Collateral Borrowing & Lending obligation** 0.13%

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

**Net Current Assets/(Liabilities)** -2.15%

- Low risk (Blue)

**Grand Total** 100.00%

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

**Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments : 0.08 years.**

Total NPA provided and percentage to NAV: NIL

**Rating Profile**

A1+, AAA(SO), AAA, SOV 102.02

CBLO & Term Deposits & Rev Repo 0.13

Net Current Assets -2.15

Risk free rate of returns for Sharp ratio : 8.67%
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
- B) Direct Plan

**Fund Managers**

Mr. Abhishek Bisen

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

**Minimum Investment Amount**

- Through Exchange: 1 Unit
- Through AMC: 1000 Units

**Inception Date:** July 27, 2007

**Performance as on December 31, 2013**

**Date**

<table>
<thead>
<tr>
<th>Scheme</th>
<th>Scheme Returns (%)</th>
<th>Physical Gold Price (%)</th>
<th>CEAAL-10 Year Gilt Index (%)</th>
<th>Scheme Returns of Rs 10000 in Rs</th>
<th>Benchmark #1 (%)</th>
<th>Benchmark #2 (%)</th>
<th>Additional Benchmarks #1 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/12/2012</td>
<td>17.59</td>
<td>20.60</td>
<td>5.27</td>
<td>28371</td>
<td>33383</td>
<td>13917</td>
<td></td>
</tr>
<tr>
<td>31/12/2013</td>
<td>-14.21</td>
<td>-4.92</td>
<td>-0.68</td>
<td>Not applicable</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31/12/2012</td>
<td>10.91</td>
<td>12.34</td>
<td>10.67</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31/12/2012</td>
<td>30.91</td>
<td>31.72</td>
<td>1.91</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Kotak Gold ETF NAV as on December 31, 2013: Rs. 2500.7197

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

**Portfolio**

- **Issuer/Instrument**
  - Gold

- **Industry/Rating**
  - Gold

- **% to Net Assets**: 100.06%

**Commodities**

- Gold: 100.06%

**Commodities Grand Total**: 100.06%

**Net Current Assets/(Liabilities)**: -0.08%

**Grand Total**: 100.05%

This product is suitable for investors who are seeking:

- Returns in line with physical gold
- Investment in physical gold
- High risk [Brown]

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

---

**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

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

**Minimum Investment Amount**

- Through Exchange: 1 Unit
- Through AMC: 1000 Units

**Inception Date:** November 8, 2007

**Performance as on December 31, 2013**

**Date**

<table>
<thead>
<tr>
<th>Scheme</th>
<th>Scheme Returns (%)</th>
<th>CNX PSU Bank Index (%)</th>
<th>Gilt Index (%)</th>
<th>Scheme Returns of Rs 10000 in Rs</th>
<th>Benchmark #1 (%)</th>
<th>Benchmark #2 (%)</th>
<th>Additional Benchmarks #1 (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>31/12/2012</td>
<td>17.72</td>
<td>-1.96</td>
<td>1.65</td>
<td>9649</td>
<td>8854</td>
<td>11059</td>
<td></td>
</tr>
<tr>
<td>31/12/2012</td>
<td>-28.67</td>
<td>-30.44</td>
<td>6.76</td>
<td>Not applicable</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31/12/2011</td>
<td>42.87</td>
<td>40.63</td>
<td>27.70</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31/12/2011</td>
<td>-41.11</td>
<td>-41.82</td>
<td>-24.62</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Kotak PSU Bank ETF NAV as on December 31, 2013: Rs. 255.6408

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

**Portfolio**

- **Issuer/Instrument**
  - Canara Bank
  - Union Bank of India
  - Bank of Baroda
  - Bank of India
  - Bank of Maharashtra
  - Allahabad Bank
  - Syndicate Bank
  - Bank of Maharashtra

- **Industry/Rating**
  - Banks

- **% to Net Assets**: 99.11%

**Commodities**

- Canara Bank: 30.91%
- Union Bank of India: 2.65%
- Bank of Baroda: 13.03%
- Bank of India: 5.19%
- Bank of Maharashtra: 5.27%
- Allahabad Bank: 10.57%
- Syndicate Bank: 2.45%
- Bank of Maharashtra: 2.18%

- **Commodities Grand Total**: 99.11%

**Net Current Assets/(Liabilities)**: 0.89%

**Grand Total**: 100.00%

This product is suitable for investors who are seeking:

- Long term capital growth
- Investment in stocks comprising the underlying index and endeavours to track the benchmark index.
- High risk [Brown]

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

<table>
<thead>
<tr>
<th>Scheme Name</th>
<th>Scheme</th>
<th>Sector/Industry/Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>KOTAK SENSEX ETF</td>
<td></td>
<td>Equity &amp; Equity related (Listed/ Awaiting listing on Stock Exchange)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Infosys Ltd.</td>
<td>Software</td>
<td>10.12%</td>
</tr>
<tr>
<td></td>
<td>ITC Ltd.</td>
<td>Consumer Non Durables</td>
<td>10.12%</td>
</tr>
<tr>
<td></td>
<td>Reliance Industries Ltd.</td>
<td>Petroleum Products</td>
<td>8.28%</td>
</tr>
<tr>
<td></td>
<td>Tata Consultancy Services Ltd.</td>
<td>Software</td>
<td>7.37%</td>
</tr>
<tr>
<td></td>
<td>HUL Ltd.</td>
<td>Finance</td>
<td>5.65%</td>
</tr>
<tr>
<td></td>
<td>HUL Ltd.</td>
<td>Banks</td>
<td>6.40%</td>
</tr>
<tr>
<td></td>
<td>Larsen &amp; Toubro Ltd.</td>
<td>Construction Project</td>
<td>4.61%</td>
</tr>
<tr>
<td></td>
<td>Tata Motors Ltd.</td>
<td>Auto</td>
<td>3.70%</td>
</tr>
<tr>
<td></td>
<td>Oil &amp; Natural Gas Corp. Ltd.</td>
<td>Oil</td>
<td>3.30%</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td></td>
<td>32.12%</td>
</tr>
<tr>
<td></td>
<td>Listed/Awaiting Listing on Stock Exchange - Total</td>
<td></td>
<td>99.93%</td>
</tr>
<tr>
<td></td>
<td>Net Current Assets/Liabilities</td>
<td></td>
<td>0.17%</td>
</tr>
<tr>
<td></td>
<td>Grand Total</td>
<td></td>
<td>100.00%</td>
</tr>
</tbody>
</table>

This product is suitable for investors who are seeking:

- Long term capital growth
- Investment in stocks comprising the underlying index and endeavours to track the benchmark index.
- High risk **(Blue)**, **(Brown)**

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

<table>
<thead>
<tr>
<th>Sector Allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Minerals/Mining &amp; Oil</td>
</tr>
<tr>
<td>Construction &amp; Project Finance</td>
</tr>
<tr>
<td>Pharmaceuticals &amp; Auto</td>
</tr>
<tr>
<td>Consumer Non Durables &amp; Banks</td>
</tr>
<tr>
<td>Software</td>
</tr>
</tbody>
</table>

**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.

<table>
<thead>
<tr>
<th>Scheme Name</th>
<th>Scheme</th>
<th>Sector/Industry/Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>KOTAK NIFTY ETF</td>
<td></td>
<td>Equity &amp; Equity related (Listed/ Awaiting listing on Stock Exchange)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ITC Ltd.</td>
<td>Consumer Non Durables</td>
<td>9.97%</td>
</tr>
<tr>
<td></td>
<td>Infosys Ltd.</td>
<td>Software</td>
<td>8.94%</td>
</tr>
<tr>
<td></td>
<td>Reliance Industries Ltd.</td>
<td>Petroleum Products</td>
<td>8.63%</td>
</tr>
<tr>
<td></td>
<td>HDFC Ltd.</td>
<td>Finance</td>
<td>8.30%</td>
</tr>
<tr>
<td></td>
<td>HDFC Bank Ltd.</td>
<td>Banks</td>
<td>9.82%</td>
</tr>
<tr>
<td></td>
<td>Tata Consultancy Services Ltd.</td>
<td>Software</td>
<td>5.72%</td>
</tr>
<tr>
<td></td>
<td>ICICI Bank Ltd.</td>
<td>Banks</td>
<td>5.70%</td>
</tr>
<tr>
<td></td>
<td>Larsen &amp; Toubro Ltd.</td>
<td>Construction Project</td>
<td>4.01%</td>
</tr>
<tr>
<td></td>
<td>Tata Motors Ltd.</td>
<td>Auto</td>
<td>3.14%</td>
</tr>
<tr>
<td></td>
<td>Oil &amp; Natural Gas Corp. Ltd.</td>
<td>Oil</td>
<td>2.44%</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td></td>
<td>41.93%</td>
</tr>
<tr>
<td></td>
<td>Listed/Awaiting Listing on Stock Exchange - Total</td>
<td></td>
<td>99.85%</td>
</tr>
<tr>
<td></td>
<td>Net Current Assets/Liabilities</td>
<td></td>
<td>0.20%</td>
</tr>
<tr>
<td></td>
<td>Grand Total</td>
<td></td>
<td>100.00%</td>
</tr>
</tbody>
</table>

This product is suitable for investors who are seeking:

- Long term capital growth
- Investment in stocks comprising the underlying index and endeavours to track the benchmark index.
- High risk **(Blue)**, **(Brown)**

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

### Scheme Performance as on December 31, 2013

<table>
<thead>
<tr>
<th>Scheme Name</th>
<th>Since inception till December 31, 2013</th>
<th>31/12/2012 to 31/12/2013</th>
<th>31/12/2011 to 31/12/2012</th>
<th>31/12/2010 to 31/12/2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kotak Gold Fund - Growth</td>
<td>10.46 %</td>
<td>-7.43 %</td>
<td>-7.67 %</td>
<td>10.94 %</td>
</tr>
<tr>
<td></td>
<td>12.79 %</td>
<td>-5.08 %</td>
<td>-4.5 %</td>
<td>12.34 %</td>
</tr>
<tr>
<td></td>
<td>3.87 %</td>
<td>-1.06 %</td>
<td>-0.68 %</td>
<td>10.67 %</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Scheme Name</th>
<th>Since inception till December 31, 2013</th>
<th>31/12/2012 to 31/12/2013</th>
<th>31/12/2011 to 31/12/2012</th>
<th>31/12/2010 to 31/12/2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kotak Hybrid FTP - Series I - Growth</td>
<td>7.86 %</td>
<td>6.63 %</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>7.31 %</td>
<td>4.24 %</td>
<td>12.12 %</td>
<td>1.72 %</td>
</tr>
<tr>
<td></td>
<td>6.89 %</td>
<td>5.86 %</td>
<td>8.08 %</td>
<td>6.45 %</td>
</tr>
</tbody>
</table>

### Current Value of Standard Investment of Rs 10000 in the

<table>
<thead>
<tr>
<th>Scheme (Rs)</th>
<th>Benchmark # (Rs)</th>
<th>Additional Benchmark ##(Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>11590</td>
<td>11475</td>
<td>11388</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 (FTP) 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).

### CRISIL 10 Year Gilt Index (%)

<table>
<thead>
<tr>
<th>Scheme Name</th>
<th>Since inception till December 31, 2013</th>
<th>31/12/2012 to 31/12/2013</th>
<th>31/12/2011 to 31/12/2012</th>
<th>31/12/2010 to 31/12/2011</th>
</tr>
</thead>
<tbody>
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<tr>
<td></td>
<td>3.87 %</td>
<td>-1.06 %</td>
<td>-0.68 %</td>
<td>10.67 %</td>
</tr>
</tbody>
</table>

### CRISIL 1 Year T-Bill Index (%)

<table>
<thead>
<tr>
<th>Scheme Name</th>
<th>Since inception till December 31, 2013</th>
<th>31/12/2012 to 31/12/2013</th>
<th>31/12/2011 to 31/12/2012</th>
<th>31/12/2010 to 31/12/2011</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kotak Hybrid FTP - Series I - Growth</td>
<td>7.86 %</td>
<td>6.63 %</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>7.31 %</td>
<td>4.24 %</td>
<td>12.12 %</td>
<td>1.72 %</td>
</tr>
<tr>
<td></td>
<td>6.89 %</td>
<td>5.86 %</td>
<td>8.08 %</td>
<td>6.45 %</td>
</tr>
</tbody>
</table>

### Current Value of Standard Investment of Rs 10000 in the

<table>
<thead>
<tr>
<th>Scheme (Rs)</th>
<th>Benchmark # (Rs)</th>
<th>Additional Benchmark ##(Rs)</th>
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</thead>
<tbody>
<tr>
<td>11590</td>
<td>11475</td>
<td>11388</td>
</tr>
</tbody>
</table>

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).
ABOUT OUR FUND MANAGERS

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)

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

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

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

BUSINESS EXPERIENCE

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.

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.

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 Banking and PSU Debt Fund - Growth</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Kotak Floater - ST - Growth</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td>Kotak Liquid Scheme - Plan A - Growth</td>
<td>18</td>
</tr>
<tr>
<td>Bottom 3</td>
<td>Kotak Gilt – Investment Regular Plan - Growth</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Kotak Gold Fund - Growth</td>
<td>21</td>
</tr>
<tr>
<td></td>
<td>Kotak Gold ETF</td>
<td>19</td>
</tr>
</tbody>
</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 Floater - ST - Growth</td>
<td>16</td>
</tr>
<tr>
<td></td>
<td>Kotak Liquid Scheme - Plan A - Growth</td>
<td>18</td>
</tr>
<tr>
<td></td>
<td>Kotak Floater - LT - Growth</td>
<td>15</td>
</tr>
<tr>
<td>Bottom 3</td>
<td>Kotak Bond Scheme - Plan A - Growth</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td>Kotak Gilt - Investment Regular Plan - Growth</td>
<td>10</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Fund Manager</th>
<th>Mr. Deepak Gupta</th>
<th>Refer Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top 3</td>
<td>Kotak Sensex ETF</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>Kotak Equity Arbitrage Fund - Growth</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>Kotak Hybrid FTP - Series I - Growth</td>
<td>21</td>
</tr>
<tr>
<td>Bottom 3</td>
<td>Kotak Multi Asset Allocation Fund - Growth</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>Kotak Taxsaver - Growth</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td>Kotak PSU Bank ETF</td>
<td>19</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Fund Manager</th>
<th>Mr. Emmanuel Elango</th>
<th>Refer Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top 3</td>
<td>Kotak Classic Equity</td>
<td>20</td>
</tr>
<tr>
<td></td>
<td>Kotak Equity FOF</td>
<td>9</td>
</tr>
<tr>
<td></td>
<td>Kotak Gilt Investment PF &amp; Trust Plan</td>
<td>21</td>
</tr>
<tr>
<td>Bottom 3</td>
<td>Kotak Floater - ST</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td>Kotak Multi Asset Allocation Fund</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>Kotak PSU Bank ETF</td>
<td>19</td>
</tr>
</tbody>
</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>
<th>Refer Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top 3</td>
<td>All Fixed Maturity Plans (FMPs), All Quarterly Interval Plans (QIPs)</td>
<td>20</td>
</tr>
<tr>
<td>Bottom 3</td>
<td>All Fixed Maturity Plans (FMPs), All Quarterly Interval Plans (QIPs)</td>
<td>10</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Fund Manager</th>
<th>Mr. Pankaj Tibrewal</th>
<th>Refer Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top 3</td>
<td>Kotak Midcap (Jan.21, ’10), Kotak Emerging Equity (May27, ’10), Kotak Monthly Income Plan (Dec.20, ’10)</td>
<td>20</td>
</tr>
<tr>
<td>Bottom 3</td>
<td>Kotak Midcap (Jan.21, ’10), Kotak Emerging Equity (May27, ’10), Kotak Monthly Income Plan (Dec.20, ’10)</td>
<td>10</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Fund Manager</th>
<th>Mr. Harish Krishnan</th>
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</tr>
</thead>
<tbody>
<tr>
<td>Top 3</td>
<td>Kotak 50 (Nov. 15, ’13)</td>
<td>20</td>
</tr>
<tr>
<td>Bottom 3</td>
<td>Kotak 50 (Nov. 15, ’13)</td>
<td>10</td>
</tr>
</tbody>
</table>
Kotak Flexi Debt:

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

PlanA

Kotak Monthly Income Plan - Monthly Dividend

Record Date
Jan-13-14
Dec-12-13
Nov-12-13
Oct-14-13

Cum Dividend NAV
11.2027
11.1060
10.9293
10.9733

Rs/Unit
11.2027
11.1060
10.9293
10.9733

Kotak Monthly Income Plan - Quarterly Dividend

Record Date
Dec-20-13
Sep-25-13
Jun-20-13
Mar-20-13

Cum Dividend NAV
11.6928
11.2669
11.8033
11.6417

Rs/Unit
11.6928
11.2669
11.8033
11.6417

HYBRID SCHEMES

Kotak Balance

Record Date
Sep-30-13
Mar-25-13
Sep-27-12
Mar-26-12

Cum Dividend NAV
18.282
22.823
22.862
21.733

Rs/Unit
18.282
22.823
22.862
21.733

Kotak Equity FOF

Record Date
Aug-30-10

Cum Dividend NAV
37.774

Rs/Unit
37.774

Kotak Select Focus

Record Date
Oct-15-10

Cum Dividend NAV
12.850

Rs/Unit
12.850

Kotak Opportunities

Record Date
Nov-25-12
Dec-05-12
Jan-20-13

Cum Dividend NAV
20.200
22.745
28.153

Rs/Unit
20.200
22.745
28.153

Kotak 50 - Dividend

Record Date
Jan-09-13
Mar-22-13

Cum Dividend NAV
32.190
31.317

Rs/Unit
32.190
31.317

Kotak Flexi Debt

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 under the same option, if any, in PlanA.
4. Where the investor has units in both the Deposit Plan and Plan A at the time of redemption / switch the investor must submit separate redemption / switch request.

Kotak Bond:

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 under the same option, if any, in PlanA.
4. Where the investor has units in both the Deposit Plan and Plan A at the time of redemption / switch the investor must submit separate redemption / switch request.

Kotak Liquid:

Notes

1. W.e.f October 1, 2012, there shall be no fresh subscriptions under the Regular and Institutional Plans. Further, the Institutional Premium Plan, has been renamed as “PlanA”.
2. If subscriptions / switch request is received under an option in the Regular Plan or Institutional Plan, the same will be processed under the same option, if any, in PlanA.
3. Where the investor has units in both the Regular Plan and Plan A at the time of redemption / switch the investor must submit separate redemption / switch request.
4. Where the investor has units in both the Institutional Plan and Plan A at the time of redemption / switch the investor must submit separate redemption / switch request.

Kotak Flexi Debt:

Notes

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

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; 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 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:

- In case the investors are holding units under dividend reinvestment option in plans of the schemes which were closed for further subscriptions (discontinued plans) w.e.f. October 1, 2012 (vide KMMF notice dated September 28, 2012); the amount of dividend reinvestment shall be processed under the dividend reinvestment option of the PlanA of the respective scheme.
- In respect of Dividend Reinvestment in PlanA, 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.

<table>
<thead>
<tr>
<th>EQUITY SCHEMES</th>
<th>Record Date</th>
<th>Cum Dividend NAV</th>
<th>Rs/Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kotak 50 - Dividend</td>
<td>Jan-09-13</td>
<td>32.190</td>
<td>1.00</td>
</tr>
<tr>
<td></td>
<td>Mar-22-13</td>
<td>31.317</td>
<td>2.00</td>
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<tr>
<td></td>
<td>Nov-25-12</td>
<td>20.200</td>
<td>1.00</td>
</tr>
<tr>
<td>Kotak Flexi Debt</td>
<td>Dec-05-12</td>
<td>22.745</td>
<td>2.00</td>
</tr>
<tr>
<td></td>
<td>Jan-20-13</td>
<td>28.153</td>
<td>1.50</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>HYBRID SCHEMES</th>
<th>Record Date</th>
<th>Cum Dividend NAV</th>
<th>Rs/Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kotak Balance</td>
<td>Sep-30-13</td>
<td>18.282</td>
<td>0.50</td>
</tr>
<tr>
<td></td>
<td>Mar-25-13</td>
<td>22.823</td>
<td>4.70</td>
</tr>
<tr>
<td></td>
<td>Sep-27-12</td>
<td>22.862</td>
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<td>Mar-26-12</td>
<td>21.733</td>
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<td>Sep-27-11</td>
<td>20.634</td>
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<td>Mar-28-11</td>
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<td>24.617</td>
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<td>Sept-25-09</td>
<td>23.555</td>
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<td>Mar-25-08</td>
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<td>Sept-25-07</td>
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<td>Sept-27-06</td>
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<td>Mar-27-06</td>
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<td>Dec-12-05</td>
<td>22.232</td>
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<td>May-16-05</td>
<td>18.129</td>
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<td>Dec-13-04</td>
<td>16.175</td>
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<table>
<thead>
<tr>
<th>EQUITY SCHEMES</th>
<th>Record Date</th>
<th>Cum Dividend NAV</th>
<th>Rs/Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kotak Monthly Income Plan - Quarterly Dividend</td>
<td>Dec-20-13</td>
<td>11.6928</td>
<td>Individual/HUF: 0.0794 Others: 0.0790</td>
</tr>
<tr>
<td></td>
<td>Sep-25-13</td>
<td>11.2669</td>
<td>Individual/HUF: 0.0415 Others: 0.0397</td>
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<tr>
<td></td>
<td>Jun-20-13</td>
<td>11.8033</td>
<td>Individual/HUF: 0.0385 Others: 0.0165</td>
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<tr>
<td></td>
<td>Mar-20-13</td>
<td>11.6417</td>
<td>Individual/HUF: 0.1504 Others: 0.1289</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>IMPORTANT NOTES</th>
<th>Record Date</th>
<th>Cum Dividend NAV</th>
<th>Rs/Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kotak Flexi Debt</td>
<td>May-02-13</td>
<td>11.512</td>
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<tr>
<td></td>
<td>May-28-10</td>
<td>14.825</td>
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<tr>
<td></td>
<td>Apr-28-08</td>
<td>19.438</td>
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<td></td>
<td>Aug-24-05</td>
<td>13.027</td>
<td>0.50</td>
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<tr>
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<td>Kotak Tax Saver</td>
<td>Feb-08-08</td>
<td>15.189</td>
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<td>Feb-20-07</td>
<td>11.640</td>
<td>3.00</td>
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<td></td>
<td>Kotak Emerging Equity</td>
<td>Apr-29-11</td>
<td>10.573</td>
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<tr>
<td></td>
<td>May-02-13</td>
<td>11.512</td>
<td>0.50</td>
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</tbody>
</table>
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 not have any effect on the performance of the scheme, clement 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 investor.

IMPORTANT FACTS

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

Definition of Third Party Cheques
Where payment is made through instruments issued from 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, after-mentioned clause of investment with Third-Party Payment shall not be applicable for the below mentioned exceptional cases.

a. Payment by Parents/Grand-Parents/related persons on behalf of a minor in consideration of natural love and affection or as gift for a value not exceeding Rs. 50,000/- (each regular subscription).

b. Payment by Employer on behalf of employee under Systematic Investment Plans on lump sum / one-time subscription, through Payroll deductions. AMC shall exercise extra due diligence in terms of ensuring the authenticity of such arrangements from a fraud prevention and KYC perspectives.

c. Custodian on behalf of an FII or a client. For pre-funded instruments such as DBI/Pay order it is the onus of the investor to provide 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/accept 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 IRD/DC/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 informant 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.

SERVICES & FACILITIES

- Network of Transaction Acceptance Points: Submit transaction requests at your convenience across our 27 Investor Service Centres and 171 Transaction Points of CAMS. (To locate these, visit the “Contact Us” section on our website. assetmanagement.kotak.com

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

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

- Internet Transaction: You can now purchase, switch, redeem, view your account statement Invest in NFO, electronically through our Internet Transaction Facility. For more details please logon to: assetmanagement.kotak.com

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

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

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