

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

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

SIP

Systematic Investment Plan

From CEO's Desk



December is here and new-year is less than thirty days away! Since the last month, the Sensex has moved up by around 5% and is trading well above the psychological 13000 mark.... What is relevant

is that the FII participation has been ever increasing and this liquidity has kept the valuation of the Indian markets at a premium to most other emerging economies. FII investments in the months of October and November have been around US\$ 1.73 bn and US\$ 1.64 bn respectively which has also been instrumental in an appreciating rupee. The market mood seems to be that of cautious optimism. The recent RBI guidelines, which limits bank lending at Rs 10 lakhs to those subscribing to IPO and to Rs. 20 lakh to those seeking loan against stocks (irrespective of the value of the underlying equity) underscores this point. This highlights the fact that the central bank is circumspect about the quality of the exposure banks are taking in the equity market.

Despite stretched valuations, Indian equity markets remains lucrative over long term albeit short-term gyrations could exist. The 2nd quarter GDP growth at 9.2% - the fastest half-year rise since 1991, further underscores this point. India story definitely calls for a re-rating and can be aptly summarized by the adage 'Quality comes at a

price'. Debt markets too have been buoyant last month, with the 10-year benchmark yield breaching the 7.5% psychological barrier. This rally is largely an outcome of forex flows and increased government spending that has led to a surfeit of liquidity in the money markets, bringing down the overnight rates below the reverse repos rate.

We at Kotak Mahindra Mutual Fund always endeavor to initiate ideas across varied asset classes. In anticipation of the ever changing and overlapping requirements of the investors, we attempt to design and innovate product structure schemes to suit various investor profiles. Our current emphasis on Kotak Tax Saver scheme is pertinent to note. This consideration stems from the fact that our investor segment which forms a part of the salaried class, would require to undertake tax-planning activity for the financial year. Launched in November 2005, with a NAV of Rs 10 on 24th Nov '05, the NAV as on 30th November 2006 now stands at Rs 13.64. I urge each one of you to combine the twin benefits of tax planning as well as equity growth participation by investing in this scheme.

Warm Regards

Sandesh Kirkire
Chief Executive Officer.

Before investing, please read the Offer Document.

Foreword

From the Equity Fund Management Team

Last month Another month of strong gains.

After strong gains in the month of August, September and October, November also proved to be a good month for equity investors. Upward trend in the market continued with Sensex gaining 5.67%, closing at 13696 and NIFTY gaining 5.62%, closing at 3954 levels. Midcaps continued to be laggards with NIFTY junior gaining only 2.11%. The best performing sector in the month was banking sector with BSE Bankex index gaining by 10.73% during the month. FMCG, Auto and Metal sectors were laggards with respective indices in negative.

International connections: US Senate passes Indo-US N-deal

The US Senate has overwhelmingly passed long-stalled legislation on the Indo-US civilian nuclear agreement, opening the door to Indo-US nuclear cooperation for the first time in three decades. In another event, **Chinese president proposes measures to expand economic relations.** The Chinese President, Hu Jintao, who visited India this month, has proposed a free trade area between India and China and a slew of measures to expand economic relations and speed up efforts to resolve border disputes.

Retailer giant Wal-Mart ties up with Bharti Enterprises

Sunil Mittal-led Bharti Enterprises has signed a Memorandum of Understanding with Wal-Mart Stores for foraying in the retail business. According to the deal Bharti would manage the front-end of the retail business through a 100 % subsidiary owned by Bharti Enterprise, and a JV between Wal-Mart and Bharti Enterprise would take care of the cash and carry, cold chain, logistics and other back-end operations. The Bharti-Wal-Mart venture will initially invest US\$100 mn, which will go up to \$1.46 bn.

Economy is on fire: During the month we got various indications which shows that underlying strength of economy continues

India's industrial production output grew 11.4% YoY in Sep, higher than August's revised 9.9%, on strong manufacturing and electricity output. September growth was over 9.5% YoY for the sixth straight month, taking industrial growth for 1HFY07 to 10.9%, much stronger than 8.5% a year ago.

Also the gross domestic product (GDP) growth for the Q2FY07 stands at 9.2% as compared to 8.4% in corresponding period last year. The main growth was due to the thrust from services and manufacturing which grew by 10.9% and 11.3% respectively against 10% and 8.1% in same period the previous year. This GDP growth in the second quarter has been the best ever second quarter growth in last many years

Institutional Activity

FIs were major buyers with net inflows for the month being US\$2.05bn (cash segment, up to 29th Nov) compared to inflows of US\$1.5bn (cash segment) in Oct'06. Mutual funds were marginal buyers with inflows at US\$14mn (up to 29th Nov) compared to net outflows of US\$1mn in Oct'06.

Going Forward:

Given that the structural drivers for India are in place, the outlook for economic growth remains healthy and that should enable the corporate sector to deliver robust revenue and profit growth rates. However after the sharp rally over last four months, valuations relative to long term average are once again not entirely in investor's favor, in the short term.

However, the long term India growth story remains intact. Indian economy remains on track for around 8-9% growth on the back of changing demographics led consumerism, infrastructure development, and global competitiveness. Longer term investors should continue to look to invest through the SIP route.

From the Debt Fund Management Team

Major Economic indicators

	Current Month#	Last Month	Change
Inflation (11/Nov/06)	5.29%	5.26%	0.03%
WPI (Points)	208.9	208.2	0.34%
10 YR IGB (Yield)	7.43%	7.63%	-0.20%
10 YR UST (Yield)	4.45%	4.60%	-0.15%
Avg. LAF Bal. With RBI under Reverse Repo (Rs. cr)	10060	14000	-3940
USD/INR	44.74	45.01	-0.60%
India's Forex Reserve (billion \$) (17/Nov/06)	170.36	166.15	4.21

#Current reported period in the month

The month of November witnessed a sharp rally in gilt prices, with the 10 year sovereign bond touching a seven month low of 7.36% intra month. Improved buying sentiments from banks and insurance companies, softer global crude oil prices, rallying US treasuries along with improved liquidity conditions contributed to the smart rally in domestic gilts.

On the global front, the ECB left its benchmark rate unchanged to 3.25% but signaled a rise in credit costs in December in order to counter inflation. While its European counterpart, the Bank of England raised its interest rates to 5.00%, their highest level in five years.

On the contrary, the US economic reports displayed mixed trends, which kept its treasuries volatile. At the beginning of the month, its unemployment rate fell to a five year low of 4.4%, which caused the treasuries to remain firm. However data released intra month, which reported a fall in new home constructions to its lowest level in over six years, led to the belief that Fed would soon cut rates. Also a weakening dollar against the euro during month end, saw flight of funds from US stocks to US treasuries, which propelled the 10 yr US treasuries to touch a 10 month low of 4.45%.

On the domestic front, India's Index of Industrial Production (IIP) rose by 11.4% in September 2006 as compared to a 7.2% rise in the same month of the previous year. The manufacturing sector continued to grow robustly, registering 12% growth in Sept 2006 against 11.1% rise in August 2006. India's GDP for the first half of FY07 grew strongly by 9.1% and for the second quarter (July - September) by 9.2%, its highest since the Central Statistical Organisation started compiling quarterly GDP data 1996-97 onwards. Also the fiscal deficit as at the end of Oct 2006 shrank by 5.4%, when compared with corresponding period last year, due to robust tax collections. India's fiscal deficit between April - October 2006 stood at Rs. 87,100 crs i.e. 58.6% of the budget estimate for 2006-07. As on Nov 10, the broad money supply (M3) grew by 18.7%.

Outlook

In the absence of any major negative news, gilt prices are expected to remain in positive territory.

Improved buying sentiments from banks and insurance companies, rallying US treasuries, lower fiscal deficit along with comfortable interbank liquidity conditions are expected to keep prices supported. However rising global crude oil prices along with advance tax outflows mid month may play spoilt sport, which shall keep sentiments cautious. Market participants shall closely monitor the domestic inflation numbers after the WPI reached the upper band of RBI's comfort zone of 5.50%. We expect the 10 year sovereign bond to remain in the range of 7.30% - 7.60%.

Source of information :

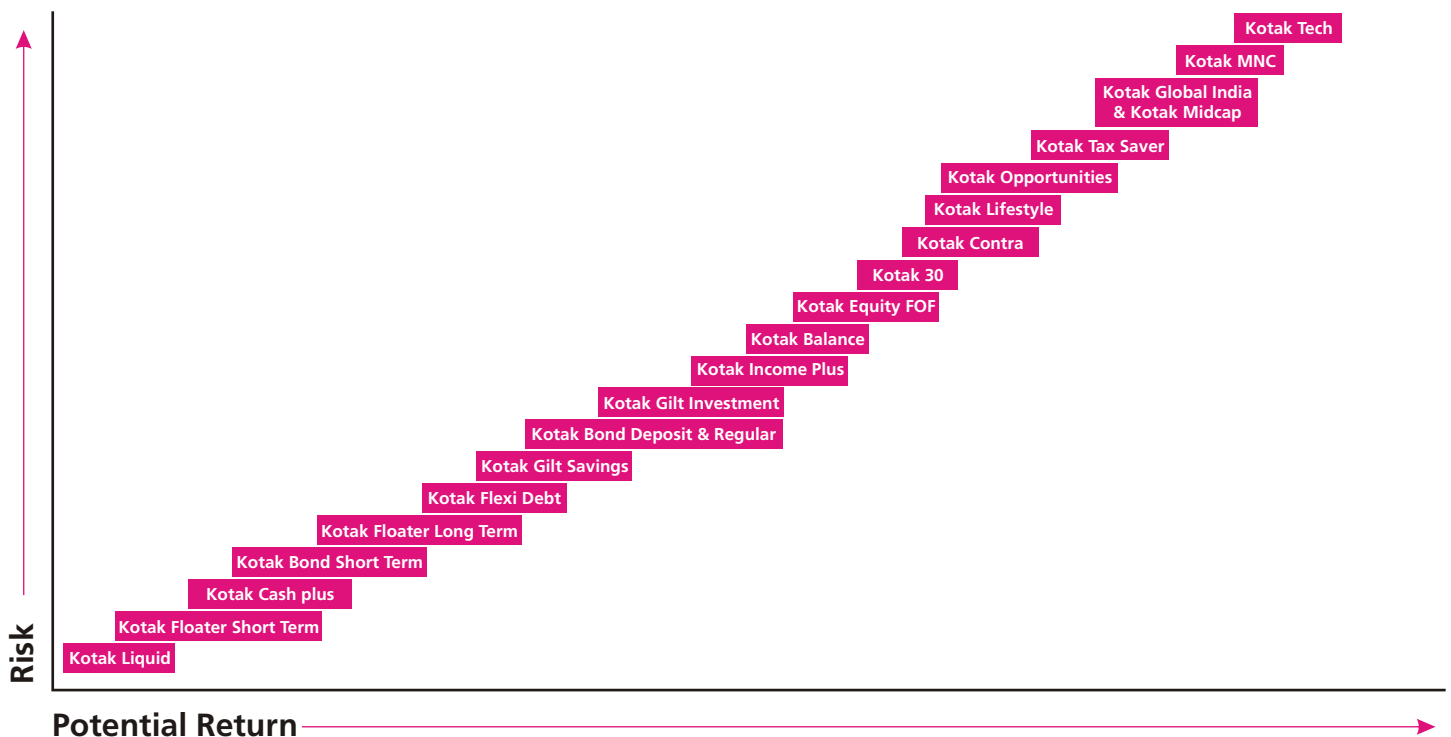
• www.rbi.org.in • www.sebi.gov.in • www.eaindustry.nic.in • Bloomberg • Moneyline telerate • Economic Times • Reuters

Assets under Management as on November 30, 2006 - Rs. 14284.45 Crores

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Risk Return Stack Up



KOTAK 30

Open-Ended Equity Growth Scheme

Equity Investment
Philosophy



About the Scheme

A large cap diversified scheme, which invests in companies with a medium to long-term view. The scheme follows a bottom-up approach to stock selection. The investment strategy is to take balanced exposure across sectors while maintaining less than 30% exposure to mid-cap stocks.

Ideal Investment Horizon

1-3 years

Corpus

Rs. 400.36 crores

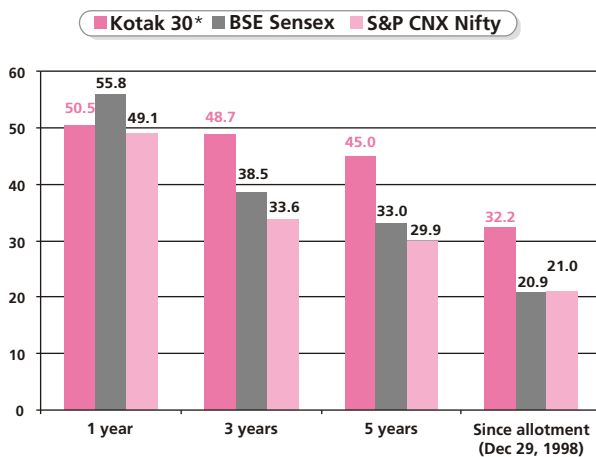
Ratios

Beta* : 0.90

Sharpe* : 0.47

*Source: Value Research

Performance as on November 30, 2006



Kotak 30 NAV: Rs. 38.287 (Div. Option)

* Returns assumed reinvestment of the tax free dividend declared.

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

Past performance may or may not be sustained in future.

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity Related (Listed/Awaiting listing)		
Infosys Technologies Ltd.	Software	6.88
Reliance Industries Ltd.	Petroleum Products	6.44
Bharti Airtel Ltd.	Telecom - Services	6.20
Tata Consultancy Services Ltd.	Software	4.84
Larsen And Toubro Ltd.	Industrial Capital Goods	4.81
Zee Telefilms Ltd.	Media and Entertainment	4.43
ICICI Bank Ltd.	Banks	4.22
Grasim Industries Ltd.	Cement	4.17
Bharat Heavy Electricals Ltd.	Industrial Capital Goods	4.01
ITC Ltd.	Consumer Non Durables	3.73
Jaiprakash Associates Ltd	Construction	3.70
Punjab National Bank	Banks	3.36
HDFC Ltd.	Finance	3.32
Steel Authority of India Ltd.	Ferrous Metals	3.23
Wipro Ltd.	Software	3.13
Mahindra & Mahindra Ltd.	Auto	3.08
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	2.57
Deccan Chronicle Holdings Ltd.	Media and Entertainment	2.29
Mphasis Ltd	Software	2.28
Aditya Birla Nuvo Ltd.	Textile Products	2.26
Dabur India Ltd	Consumer Non Durables	2.20
Lupin Ltd.	Pharmaceuticals	2.05
Amtek Auto Ltd.	Auto Ancillaries	2.02
Pidilite Industries Ltd.	Chemicals	1.99
Maruti Udyog Ltd	Auto	1.87
Hindustan Petroleum Corporation Ltd	Petroleum Products	1.76
Indian Oil Corporation Ltd	Petroleum Products	1.68
Parsvnath Developers Ltd.	Construction	0.32
Total		92.84
Collateral Borrowing & Lending obligation		8.49
Net Current Assets/(Liabilities)		-1.33
GRAND TOTAL		100.00

Total NPAs provided for and percentage to NAV: Nil

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

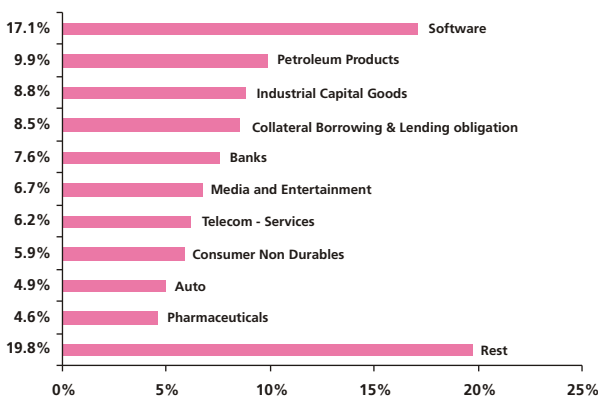
All ratings other than by CRISIL are by ICRA or CARE or Fitch.

SIP Returns

	1 year	3 years	5 years	7 years
Investment Amt.	Rs. 12000	Rs. 36000	Rs. 60000	Rs. 84000
Investment Value	Rs. 14701	Rs. 71671	Rs. 205412	Rs. 324603
XIRR	44.20%	50.27%	51.56%	38.22%

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

Sector Allocation



KOTAK MID-CAP

Open-Ended Equity Growth Scheme

Equity Investment
Philosophy



About the Scheme

A scheme that invests predominantly in midcap companies, which are expected to be tomorrow's large cap companies. The Scheme follows a bottom up approach to stock selection. The investment strategy is to have 65%-100% investments in midcap companies, upto 35% in large cap / small cap

companies, 0%-35% in debt and money market securities with a portfolio diversified across sectors.

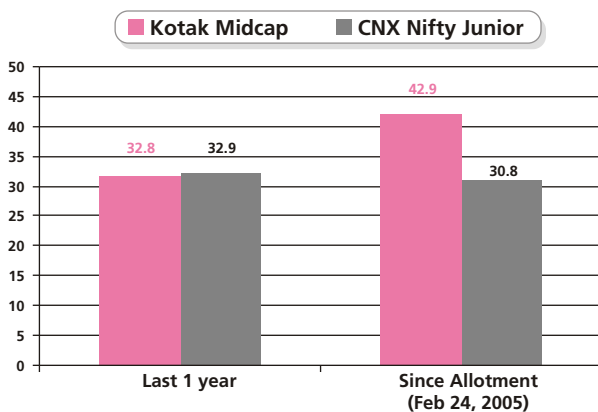
Ideal Investment Horizon

1-3 years

Corpus

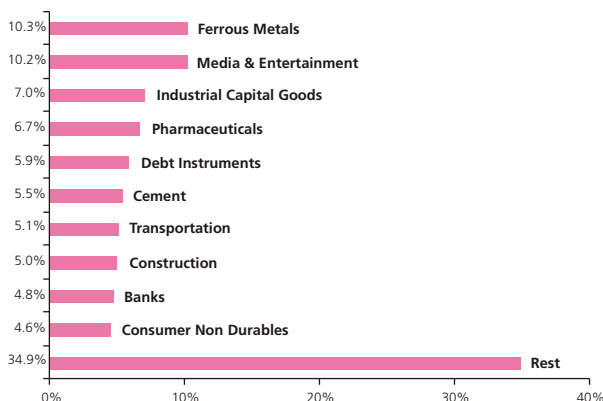
Rs. 256.96 crores

Performance as on November 30, 2006



Kotak Midcap NAV: Rs. 19.021 (Growth Option)
Returns = 1 year : Absolute. Returns > 1 year : CAGR (Compounded Annualised Growth Rate)
Past performance may or may not be sustained in future.

Sector Allocation



Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity Related (Listed/Awaiting listing)		
HT Media Ltd.	Media and Entertainment	3.47
Areva T and D India Ltd.	Industrial Capital Goods	3.42
Jindal Steel & Power Ltd.	Ferrous Metals	3.30
Deccan Chronicle Holdings Ltd.	Media and Entertainment	3.28
Amtek Auto Ltd.	Auto Ancillaries	2.83
Maharashtra Seamless Ltd.	Ferrous Metals	2.73
Bharat Earth Movers Ltd.	Industrial Capital Goods	2.60
Kirloskar Oil Engines Ltd.	Industrial Products	2.60
Gujarat Gas Company Ltd	Gas	2.59
Madras Cements Ltd.	Cement	2.56
Pidilite Industries Ltd.	Chemicals	2.51
Ipca Laboratories Ltd.	Pharmaceuticals	2.25
Aban Offshore Ltd.	Industrial Services	2.24
Jaiprakash Associates Ltd	Construction	2.14
EID Parry (India) Ltd.	Consumer Non Durables	2.06
Panacea Biotec Ltd.	Pharmaceuticals	2.03
Vardhman Textiles Ltd.	Textiles - Cotton	2.01
Mphasis Ltd	Software	2.00
TajGVK Hotels & Resorts Ltd.	Hotels	1.97
Shree Cement Ltd.	Cement	1.91
Television Eighteen India Ltd.	Media and Entertainment	1.87
Allcargo Global Logistics Ltd.	Transportation	1.84
SKF India Ltd	Industrial Products	1.83
Aventis Pharma Ltd.	Pharmaceuticals	1.75
Elecon Engineering Co.Ltd	Engineering	1.74
Bank of India	Banks	1.72
Network 18 Fincap Ltd.	Media and Entertainment	1.61
Nahar Spinning Mills Ltd.	Textiles - Synthetic	1.55
Jubilant Oraganosys Ltd	Pharmaceuticals	1.54
Britannia Industries Ltd.	Consumer Non Durables	1.50
JSW Steel Ltd.	Ferrous Metals	1.46
TATA Metaliks Ltd.	Ferrous Metals	1.39
Patel Engineering Ltd.	Construction	1.38
Kamdhenu Ispat Ltd.	Ferrous Metals	1.36
Infotech Enterprises Ltd.	Software	1.25
Sical Logistics Ltd.	Transportation	1.22
Kalpataru Power Transmission Ltd.	Power	1.21
Lupin Ltd.	Pharmaceuticals	1.18
Great Eastern Shipping Company Ltd	Transportation	1.09
Indian Overseas Bank	Banks	1.08
Andhra Bank	Banks	1.04
Birla Corporation Ltd.	Cement	1.03
3i Infotech Ltd.	Software	1.01
Alstom Projects India Ltd.	Industrial Capital Goods	1.00
Great Offshore Ltd.	Transportation	0.99
ING Vysya Bank Ltd.	Banks	0.99
Eveready Industries India Ltd.	Consumer Non Durables	0.97
Ansal Housing & Construction Ltd.	Construction	0.96
Gammon India Ltd.	Construction	0.56
Nahar Exports Ltd.	Textiles - Cotton	0.44
Total		89.06
Debt Instruments		
Debentures and Bonds		
Corporate Debt / Financial Institutions		
Citicorp Finance (India) Ltd.	AAA	1.56
LIC Housing Finance Ltd.	AAA	0.40
Total		1.96
Public Sector Undertakings		
Power Finance Corporation Ltd.	AAA	3.91
Total		3.91
Collateral Borrowing & Lending obligation		3.70
Net Current Assets/(Liabilites)		1.37
Grand Total		100.00

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

KOTAK OPPORTUNITIES

Open-Ended Equity Growth Scheme

Equity Investment
Philosophy



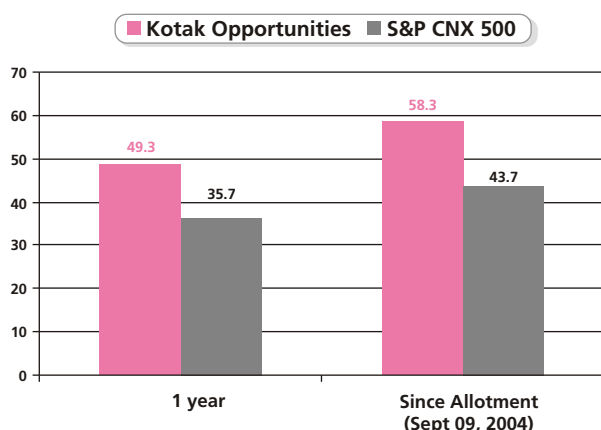
About the Scheme

A diversified aggressive equity scheme that has a flexibility to invest across market capitalisation and sectors. The investment strategy is to make strategic use of debt and money market securities, upto 35% with flexibility for large exposure in select sectors.

Ideal Investment Horizon
1-3 years

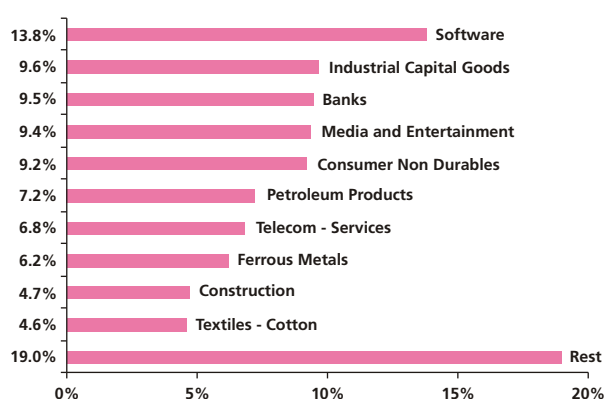
Corpus
Rs. 289.21 crores

Performance as on November 30, 2006



Kotak Opportunities NAV: Rs. 27.772 (Growth Option)
Returns = 1 year : Absolute. Returns > 1 year: CAGR (Compounded Annualised Growth Rate)
Past performance may or may not be sustained in future.

Sector Allocation



Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity Related (Listed/Awaiting listing)		
Infosys Technologies Ltd.	Software	7.01
Reliance Industries Ltd.	Petroleum Products	5.38
HT Media Ltd.	Media and Entertainment	4.93
Jaiprakash Associates Ltd	Construction	4.70
Larsen And Toubro Ltd.	Industrial Capital Goods	4.10
Dabur India Ltd	Consumer Non Durables	3.54
Bharti Airtel Ltd.	Telecom - Services	3.49
Punjab National Bank	Banks	3.39
Reliance Communication Ventures Ltd.	Telecom - Services	3.33
ICICI Bank Ltd.	Banks	3.32
Mahindra & Mahindra Ltd.	Auto	3.24
Jindal Steel & Power Ltd.	Ferrous Metals	3.21
Bharat Heavy Electricals Ltd.	Industrial Capital Goods	3.12
ITC Ltd.	Consumer Non Durables	3.04
Steel Authority of India Ltd.	Ferrous Metals	2.97
Andhra Bank	Banks	2.77
Ipca Laboratories Ltd.	Pharmaceuticals	2.72
Marico Ltd.	Consumer Non Durables	2.65
Madras Cements Ltd.	Cement	2.55
Vardhman Textiles Ltd.	Textiles - Cotton	2.49
ABG Heavy Industries Ltd.	Industrial Capital Goods	2.44
Zee Telefilms Ltd.	Media and Entertainment	2.26
Infotech Enterprises Ltd.	Software	2.12
Hcl Technologies Ltd.	Software	2.11
Nahar Industrial Enterprises Ltd.	Textiles - Cotton	2.09
Satyam Computer Services Ltd.	Software	2.07
Hindustan Petroleum Corporation Ltd	Petroleum Products	1.85
Aban Offshore Ltd.	Industrial Services	1.49
Atlas Copco (India) Ltd	Industrial Products	1.44
Television Eighteen India Ltd.	Media and Entertainment	1.17
Network 18 Fincap Ltd.	Media and Entertainment	1.00
Info Edge (India) Ltd.	Software	0.50
Total		92.49
Debt Instruments		
Debentures and Bonds		
Corporate Debt / Financial Institutions		
Citicorp Finance (India) Ltd.	AAA	1.73
Total		1.73
Collateral Borrowing & Lending obligation		2.42
Term Deposits		1.04
Net Current Assets/(Liabilities)		2.32
Grand Total		100.00

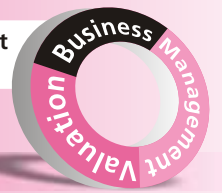
Total NPAs provided for and percentage to NAV: Nil

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

KOTAK LIFESTYLE

Open-Ended Equity Growth Scheme

Equity Investment
Philosophy



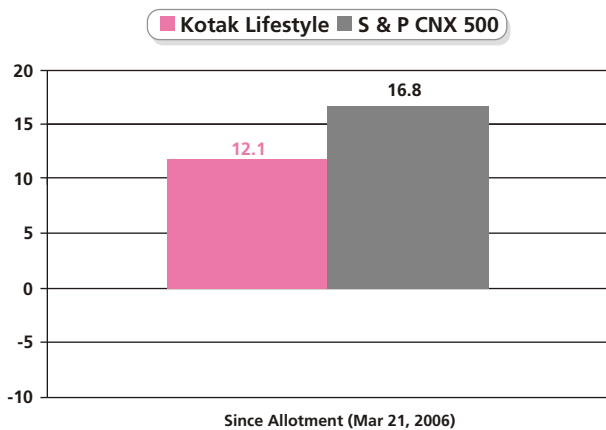
About the Scheme

A scheme that invests in equity and equity linked instruments across the market irrespective of capitalisation. The scheme follows a bottom-up stock selection and invests across industries and companies, which are expected to benefit from the rising household spending on consumer

goods and services in India.
Ideal Investment Horizon
1 - 3 years

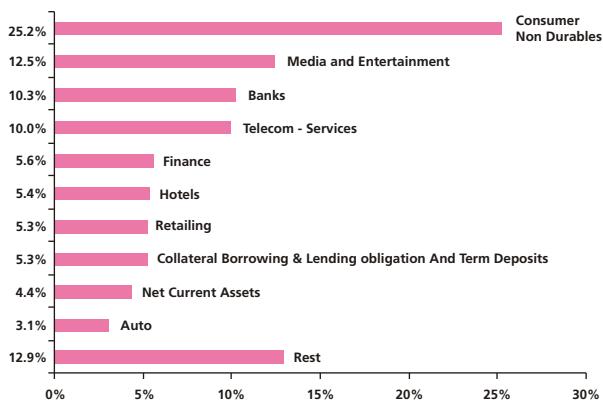
Corpus
Rs. 424.25 crores

Performance as on November 30, 2006



Kotak Lifestyle NAV: Rs. 11.346 (Growth Option)
Returns <= 1 year : Absolute
The Annualised Return is not shown as Scheme has not completed one year.
Past performance may or may not be sustained in future.

Sector Allocation



Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity Related (Listed/Awaiting listing)		
Bharti Airtel Ltd.	Telecom - Services	5.46
Zee Telefilms Ltd.	Media and Entertainment	5.45
Indian Hotels Company Ltd.	Hotels	5.41
Pantaloon Retail (india) Ltd.	Retailing	5.32
ICICI Bank Ltd.	Banks	5.25
United Spirits Ltd.	Consumer Non Durables	4.71
Reliance Communication Ventures Ltd.	Telecom - Services	4.54
ITC Ltd.	Consumer Non Durables	3.73
Mahindra & Mahindra Ltd.	Auto	3.10
Television Eighteen India Ltd.	Media and Entertainment	3.02
Dabur India Ltd	Consumer Non Durables	2.90
Network 18 Fincap Ltd.	Media and Entertainment	2.59
Hindustan Lever Ltd.	Consumer Non Durables	2.33
Marico Ltd.	Consumer Non Durables	2.22
Radico Khaitan Ltd.	Consumer Non Durables	2.11
Indiabulls Financial Services Ltd	Finance	2.09
Mahindra Gesco Developers Ltd.	Construction	2.08
HDFC Ltd.	Finance	2.02
Centurion Bank of Punjab Ltd.	Banks	2.02
UTI Bank Ltd.	Banks	1.96
Pidilite Industries Ltd.	Chemicals	1.94
Champagne Indage Ltd.	Consumer Non Durables	1.93
Raymond Ltd	Textile Products	1.88
Nitco Tiles Ltd.	Consumer Non Durables	1.68
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	1.54
Asian Paints Ltd.	Consumer Non Durables	1.51
United Breweries (Holdings) Ltd.	Finance	1.49
Adlabs Films Ltd.	Media and Entertainment	1.42
Rajesh Exports Ltd.	Consumer Non Durables	1.12
Punjab National Bank	Banks	1.03
Gitanjali Gems Ltd.	Consumer Non Durables	0.98
Aventis Pharma Ltd.	Pharmaceuticals	0.88
International Travel House Ltd	Travel	0.54
Info Edge (India) Ltd.	Software	0.29
Total		86.54
Futures		
Sun Pharmaceuticals Industries Ltd.-NOV2006		2.37
Total		2.37
Debt Instruments		
Debentures and Bonds		
Corporate Debt / Financial Institutions		
Citicorp Finance (India) Ltd.	AAA	0.94
Citifinancial Consumer Finance India Ltd.	AAA	0.48
Total		1.42
Collateral Borrowing & Lending obligation		3.89
Term Deposits		1.41
Net Current Assets/(Liabilites)		4.37
GRAND TOTAL		100.00

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



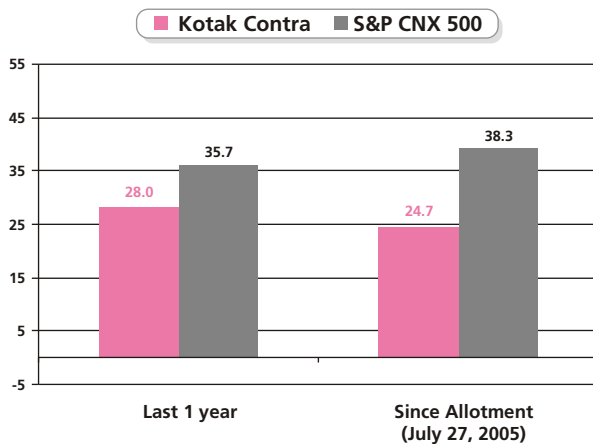
About the Scheme

A diversified equity scheme that invest in fundamentally strong companies which are currently under-valued due to temporary/non-recurring reasons, thus following the Contrarian Style of Investing. The Investment Strategy is to have 65% - 100% in Equity and equity related securities, 0%- 35% in Debt & Money market securities.

Ideal Investment Horizon
1-3 years

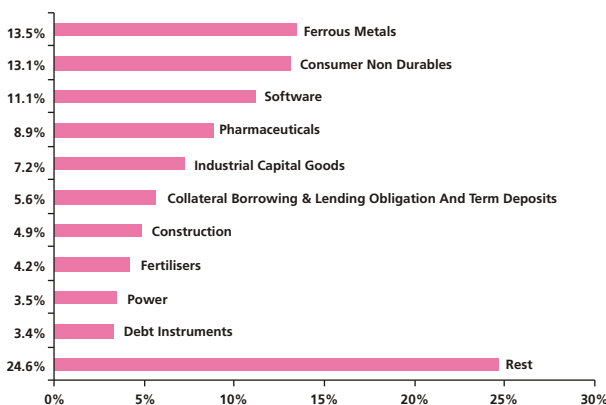
Corpus
Rs. 178.85 crores

Performance as on November 30, 2006



Kotak Contra NAV: Rs. 13.913 (Growth Option)
Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate)
Past performance may or may not be sustained in future.

Sector Allocation



Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity Related (Listed/Awaiting listing)		
Jaiprakash Associates Ltd	Construction	4.90
Ipca Laboratories Ltd.	Pharmaceuticals	4.59
Jindal Steel & Power Ltd.	Ferrous Metals	4.22
Nestle India Ltd.	Consumer Non Durables	4.09
Mphasis Ltd	Software	3.97
Sasken Communication Technologies Ltd.	Software	3.95
Navin Fluorine International Ltd.	Chemicals	3.33
Nahar Spinning Mills Ltd.	Textiles - Synthetic	3.32
TATA Metaliks Ltd.	Ferrous Metals	3.28
I-Flex Solutions Ltd.	Software	3.24
Vardhman Holdings Ltd.	Finance	3.05
Steel Authority of India Ltd.	Ferrous Metals	3.00
JSW Steel Ltd.	Ferrous Metals	2.98
Alembic Ltd.	Pharmaceuticals	2.90
Ahmednagar Forgings Ltd.	Industrial Products	2.79
ABG Heavy Industries Ltd.	Industrial Capital Goods	2.72
Asian Paints Ltd.	Consumer Non Durables	2.72
Aditya Birla Nuvo Ltd.	Textile Products	2.63
Nitco Tiles Ltd.	Consumer Non Durables	2.55
Coromandel Fertilisers Ltd.	Fertilisers	2.27
Revathi Equipment Ltd.	Industrial Capital Goods	2.18
Ultratech Cement Ltd.	Cement	2.15
Sterlite Industries (India) Ltd	Non - Ferrous Metals	2.11
Reliance Energy Ltd.	Power	2.07
Tata Chemicals Ltd.	Fertilisers	1.94
Apollo Tyres Ltd.	Auto Ancillaries	1.94
Monsanto India Ltd.	Pesticides	1.93
Eveready Industries India Ltd.	Consumer Non Durables	1.81
EID Parry (India) Ltd.	Consumer Non Durables	1.75
Gujarat Gas Company Ltd	Gas	1.58
Abbott India Ltd.	Pharmaceuticals	1.40
Power Trading Corporation of India Ltd.	Power	1.39
Hindustan Dorr-Oliver Ltd.	Industrial Capital Goods	1.20
Bharat Electronics Ltd	Industrial Capital Goods	1.11
Sical Logistics Ltd.	Transportation	0.57
Ugar Sugar Works Ltd	Consumer Non Durables	0.22
Total		91.85
Debt Instruments		
Debentures and Bonds		
Corporate Debt / Financial Institutions		
Citicorp Finance (India) Ltd.	AAA	3.36
Total		3.36
Collateral Borrowing & Lending obligation		3.91
Term Deposits		1.68
Net Current Assets/(Liabilities)		-0.80
Grand Total		100.00

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

KOTAK TAX SAVER

Open-Ended Equity Linked Savings Scheme

Equity Investment
Philosophy



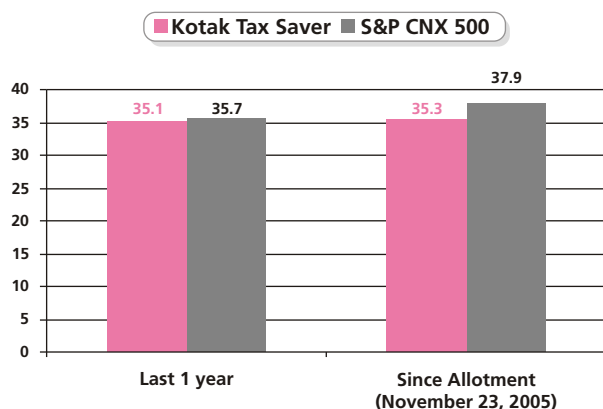
About the Scheme

A diversified equity scheme that invests in equity and equity related securities and enable investors to avail the income tax rebate, as permitted from time to time. The investment strategy is to have 80 - 100% in equity portion and 0 - 20% in non equity portion.

Ideal Investment Horizon
3 years and above

Corpus
Rs. 157.85 crores

Performance as on November 30, 2006



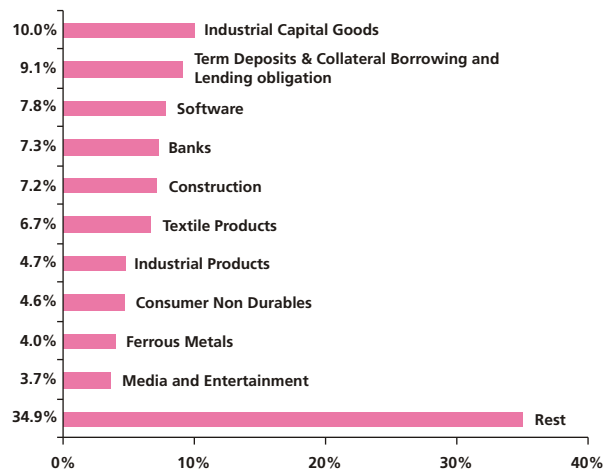
Kotak Tax Saver NAV: Rs. 13.637 (Growth Option)
Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate)
Past performance may or may not be sustained in future.

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity Related (Listed/Awaiting listing)		
Jaiprakash Associates Ltd	Construction	5.04
ICICI Bank Ltd.	Banks	4.70
Infosys Technologies Ltd.	Software	3.45
Amtek Auto Ltd.	Auto Ancillaries	3.37
United Spirits Ltd.	Consumer Non Durables	3.14
Pantaloon Retail (India) Ltd.	Retailing	3.00
Aditya Birla Nuvo Ltd.	Textile Products	2.97
Reliance Industries Ltd.	Petroleum Products	2.76
United Phosphorus Ltd	Pesticides	2.59
Centurion Bank of Punjab Ltd.	Banks	2.55
Areva T and D India Ltd.	Industrial Capital Goods	2.46
Sasken Communication Technologies Ltd.	Software	2.42
Bombay Rayon Fashions Ltd.	Textile Products	2.36
Jindal Steel & Power Ltd.	Ferrous Metals	2.19
Bilcare Ltd.	Industrial Products	2.05
Ultratech Cement Ltd.	Cement	1.99
Panacea Biotech Ltd.	Pharmaceuticals	1.98
Television Eighteen India Ltd.	Media and Entertainment	1.98
Satyam Computer Services Ltd.	Software	1.95
Prajay Engineers Syndicate Ltd	Industrial Capital Goods	1.94
Vardhman Textiles Ltd.	Textiles - Cotton	1.83
Godawari Power and Ispat Ltd.	Ferrous Metals	1.77
Texmaco Ltd.	Industrial Capital Goods	1.75
Elecon Engineering Co.Ltd	Engineering	1.74
Network 18 Fincap Ltd.	Media and Entertainment	1.70
Jubilant Organosys Ltd	Pharmaceuticals	1.69
Nahar Industrial Enterprises Ltd.	Textiles - Cotton	1.69
SKF India Ltd	Industrial Products	1.68
Shree Cement Ltd.	Cement	1.65
EID Parry (India) Ltd.	Consumer Non Durables	1.51
Bharat Bijlee Ltd	Industrial Capital Goods	1.49
Thermax Ltd.	Industrial Capital Goods	1.45
Raymond Limited	Textile Products	1.38
Dolphin Offshore Enterprises (India) Ltd.	Oil & Gas	1.31
B L Kashyap and Sons Ltd.	Construction	1.23
Allcargo Global Logistics Ltd.	Transportation	1.12
Bharti Airtel Ltd.	Telecom - Services	1.12
Great Eastern Shipping Company Ltd	Transportation	1.11
Reliance Communication Ventures Ltd.	Telecom - Services	1.08
Great Offshore Ltd.	Transportation	1.00
Nilkamal Plastics Ltd.	Industrial Products	0.98
Alstom Projects India Ltd.	Industrial Capital Goods	0.95
Ansal Housing & Construction Ltd.	Construction	0.88
Viceroy Hotels Ltd.	Hotels	0.52
Total		87.52
Collateral Borrowing & Lending obligation		8.46
Term Deposits		0.63
Net Current Assets/(Liabilities)		3.39
Grand Total		100.00

Total NPAs provided for and percentage to NAV: Nil
Total value and percentage to Net Asset of Illiquid Equity Shares : Nil
Indicates % to net assets less than 0.01%

Sector Allocation





KOTAK GLOBAL INDIA

Open-Ended Equity Growth Scheme

About the Scheme

A diversified equity scheme which aims at capturing the growth potential of globally competitive Indian companies. The scheme follows a bottom up approach to stock selection with focus on Indian companies with a clear global expansion / export

strategy for incremental growth. The investment strategy is to have a portfolio diversified across sectors.

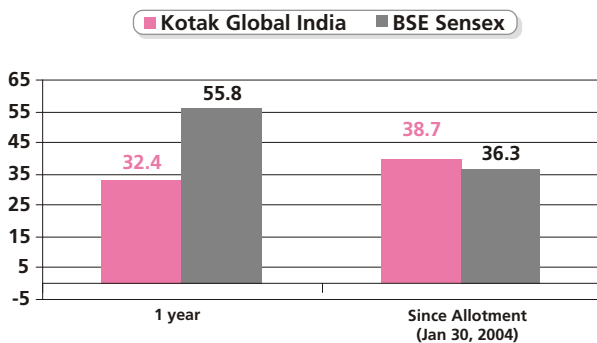
Ideal Investment Horizon

1-3 years

Corpus

Rs. 129.78 crores

Performance as on November 30, 2006

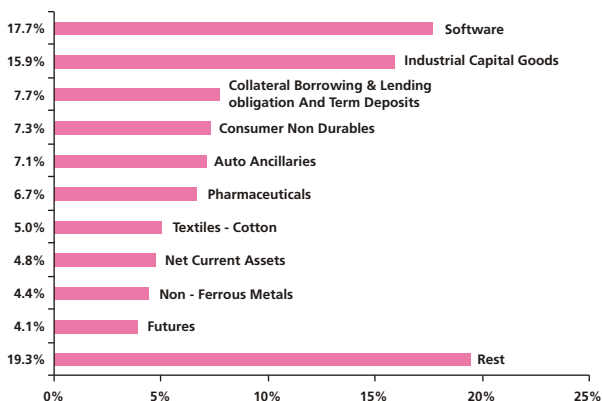


Kotak Global India NAV: Rs. 25.303 (Growth Option)
Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate)
Past performance may or may not be sustained in future.

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity Related (Listed/Awaiting listing)		
Infosys Technologies Ltd.	Software	6.80
Larsen And Toubro Ltd.	Industrial Capital Goods	5.26
Sterlite Industries (India) Ltd	Non - Ferrous Metals	4.37
Tata Consultancy Services Ltd.	Software	4.16
Tata Tea Ltd.	Consumer Non Durables	4.15
Sundaram Fasteners Ltd.	Auto Ancillaries	4.00
Mahindra & Mahindra Ltd.	Auto	3.92
Subex Azure Ltd.	Software	3.82
Thermax Ltd.	Industrial Capital Goods	3.66
Amtek Auto Ltd.	Auto Ancillaries	3.10
Raymond Ltd.	Textile Products	3.02
Sasken Communication Technologies Ltd.	Software	2.94
Vardhman Textiles Ltd.	Textiles - Cotton	2.83
ICICI Bank Ltd.	Banks	2.35
Ipca Laboratories Ltd.	Pharmaceuticals	2.23
Zee Telefilms Ltd.	Media and Entertainment	2.23
Nahar Industrial Enterprises Ltd.	Textiles - Cotton	2.20
Siemens Ltd.	Industrial Capital Goods	2.17
Bilcare Ltd.	Industrial Products	2.10
Asian Paints Ltd.	Consumer Non Durables	2.03
ABB Ltd.	Industrial Capital Goods	2.02
JSW Steel Ltd.	Ferrous Metals	2.02
Reliance Communication Ventures Ltd.	Telecom - Services	1.98
Lupin Ltd.	Pharmaceuticals	1.95
Allcargo Global Logistics Ltd.	Transportation	1.71
Crompton Greaves Ltd.	Industrial Capital Goods	1.58
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	1.51
Suzlon Energy Ltd.	Industrial Capital Goods	1.23
Rajesh Exports Ltd.	Consumer Non Durables	1.15
Jubilant Oraganosys Ltd	Pharmaceuticals	1.00
Total		83.49
Futures		
Sun Pharmaceuticals Industries Ltd.-OCT2006		4.06
Total		4.06
Collateral Borrowing & Lending obligation		5.39
Term Deposits		2.31
Net Current Assets/(Liabilites)		4.75
GRAND TOTAL		100.00

Sector Allocation



Total NPAs provided for and percentage to NAV: Nil

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

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



About the Scheme

A scheme diversified across sectors, that invests in Multinational companies having business in India. The scheme follows a bottom-up approach to stock selection and the investment strategy is to make aggressive allocation across select sectors.

Ideal Investment Horizon

1-3 years

Corpus

Rs. 51.86 crores

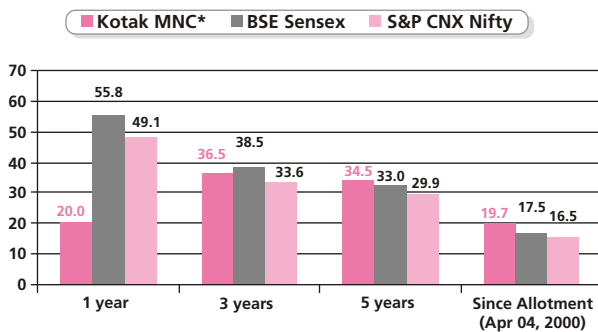
Ratios

Beta* : 0.79

Sharpe* : 0.37

*Source: Value Research

Performance as on November 30, 2006



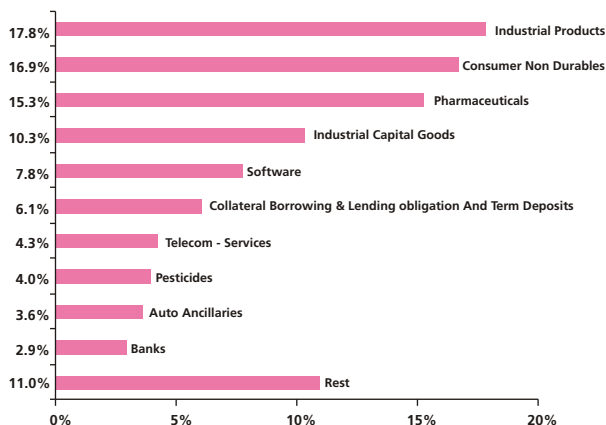
Kotak MNC NAV: Rs. 25.869

*Returns assumed reinvestment of the tax free dividend declared.

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

Past performance may or may not be sustained in future.

Sector Allocation



Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity Related (Listed/Awaiting listing)		
Atlas Copco (India) Ltd	Industrial Products	7.55
Astrazeneca Pharma (I) Ltd.	Pharmaceuticals	5.85
ITC Ltd.	Consumer Non Durables	5.46
KSB Pump Ltd	Industrial Products	4.26
Bharti Airtel Ltd.	Telecom - Services	4.26
Aventis Pharma Ltd.	Pharmaceuticals	4.15
Gillette India Ltd	Consumer Non Durables	4.05
I-Flex Solutions Ltd.	Software	4.00
Mphasis Ltd	Software	3.80
GlaxoSmithKline Pharmaceuticals Ltd.	Pharmaceuticals	3.34
Siemens Ltd.	Industrial Capital Goods	3.15
SKF India Ltd	Industrial Products	3.04
GlaxoSmithkline Consumer Healthcare Ltd	Consumer Non Durables	2.98
Kennametal India Ltd.	Industrial Products	2.97
ING Vysya Bank Ltd.	Banks	2.93
3M India Ltd.	Trading	2.90
ABB Ltd.	Industrial Capital Goods	2.87
Amara Raja Batteries Ltd.	Auto Ancillaries	2.53
Maruti Udyog Ltd	Auto	2.50
Hindustan Lever Ltd.	Consumer Non Durables	2.49
Solectron Centum Electronics Ltd.	Industrial Capital Goods	2.47
ACC Ltd.	Cement	2.07
Castrol (India) Ltd.	Petroleum Products	2.05
Syngenta India Ltd.	Pesticides	2.02
Bata India Ltd.	Consumer Non Durables	1.96
Pfizer Ltd.	Pharmaceuticals	1.94
Monsanto India Ltd.	Pesticides	1.94
Ciba Speciality Chemicals Ltd.	Chemicals	1.80
Z F Steering Gear (India) Ltd	Auto Ancillaries	1.12
Alstom Projects India Ltd.	Industrial Capital Goods	0.99
Disa India Ltd.	Industrial Capital Goods	0.84
Total		94.28
Collateral Borrowing & Lending obligation		5.11
Term Deposits		0.96
Net Current Assets/(Liabilities)		-0.35
GRAND TOTAL		100.00

Total NPAs provided for and percentage to NAV: Nil

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

KOTAK TECH

Open-Ended Equity Growth Scheme

Equity Investment
Philosophy



About the Scheme

A sector scheme, investing only in IT sector companies. The scheme follows a bottom-up approach to stock selection. The investment strategy is to invest with medium to long term view on companies.

Ideal Investment Horizon

1 - 3 years

Corpus

Rs. 49.58 crores

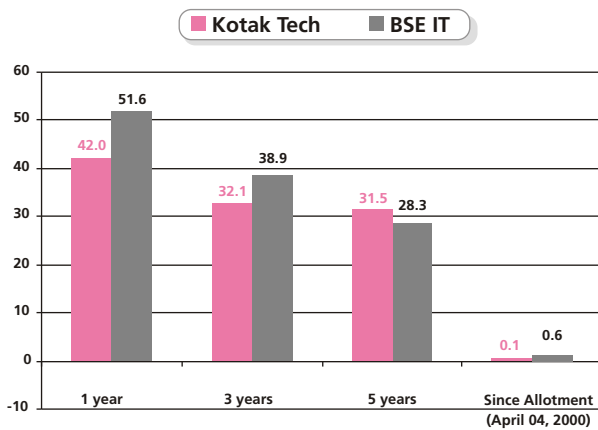
Ratios

Beta* : 0.89

Sharpe* : 0.37

*Source: Value Research

Performance as on November 30, 2006

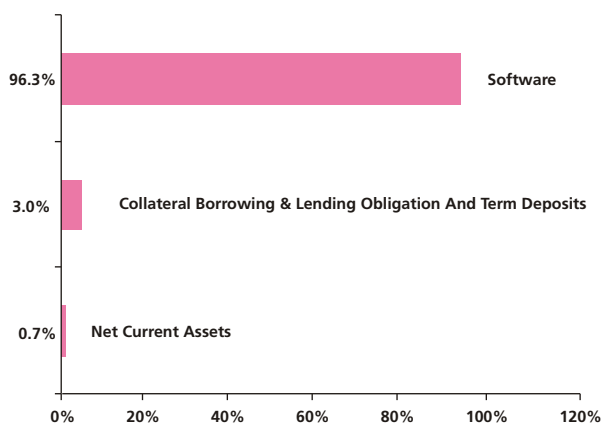


Kotak Tech NAV: Rs. 10.096

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

Past performance may or may not be sustained in future.

Sector Allocation



Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity Related (Listed/Awaiting listing)		
Infosys Technologies Ltd.	Software	29.02%
Tata Consultancy Services Ltd.	Software	10.04%
Wipro Ltd.	Software	9.02%
Satyam Computer Services Ltd.	Software	7.51%
I-Flex Solutions Ltd.	Software	6.43%
Mphasis Ltd	Software	5.30%
Hcl Technologies Ltd.	Software	5.09%
Sasken Communication Technologies Ltd.	Software	3.85%
Hexaware Technologies Ltd.	Software	3.81%
Infotech Enterprises Ltd.	Software	3.64%
Subex Azure Ltd.	Software	3.59%
Financial Technologies (India) Ltd.	Software	2.33%
Megasoft Ltd	Software	2.31%
Tech Mahindra Ltd.	Software	2.26%
Sonata Software Ltd.	Software	1.09%
Aztecsoft Ltd	Software	0.99%
Total		96.28
Virtual Dynamics Software Ltd. @	Software	#
SRM Radiant Infotech Ltd. @	Software	#
Total		0.00
Collateral Borrowing & Lending obligation		2.02
Term Deposits		1.01
Net Current Assets/(Liabilities)		0.69
GRAND TOTAL		100.00

Total NPAs provided for and percentage to NAV: Nil

Total percentage to Net Asset of Illiquid Equity Shares : Nil

@ Privately Placed Securities.

Indicates % to net assets less than 0.01%



KOTAK EQUITY FOF

Open-Ended Equity Fund of Funds Scheme

About the Scheme

A multi manager FOF scheme that invests 90-100% in diversified equity schemes and rest in liquid schemes. The Scheme invests across multiple fund houses which invests

65%-75% of their portfolio in diversified large cap schemes and 15%-25% in diversified aggressive equity schemes.

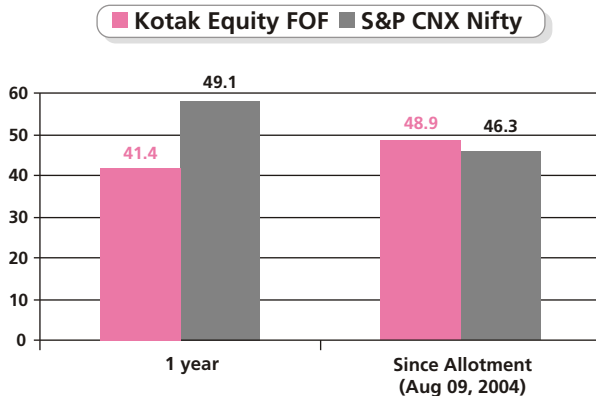
Ideal Investment Horizon

1 - 3 years

Corpus

Rs. 80.36 crores

Performance as on November 30, 2006



Kotak Equity FOF NAV: Rs. 25.074 (Growth Option)
Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate)
Past performance may or may not be sustained in future.

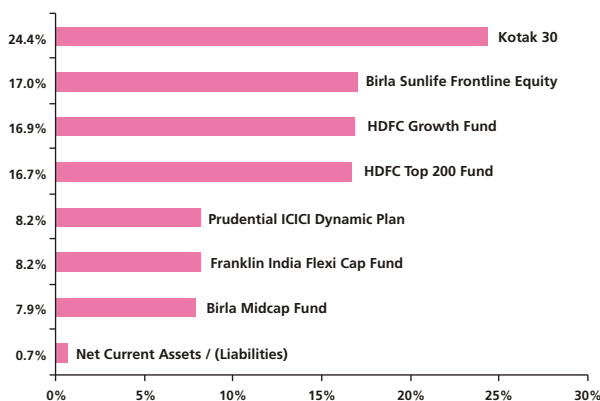
Portfolio

Issuer / Instrument	Industry / Rating	% to Net Assets
Mutual Fund Units		
Kotak 30.	Equity Scheme	24.37
Birla Sunlife Frontline Equity.	Equity Scheme	17.04
HDFC Growth Fund.	Equity Scheme	16.90
HDFC Top 200 Fund.	Equity Scheme	16.70
Prudential ICICI Dynamic Plan.	Equity Scheme	8.19
Franklin India Flexi Cap Fund.	Equity Scheme	8.16
Birla Midcap Fund.	Equity Scheme	7.96
Total		99.32
Net Current Assets/(Liabilities)		0.68
Grand Total		100.00

Total NPAs provided for and percentage to NAV: Nil

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

Sector Allocation



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

KOTAK DYNAMIC FOF

Close-Ended Fund of Funds Scheme

Equity Investment
Philosophy



About the Scheme

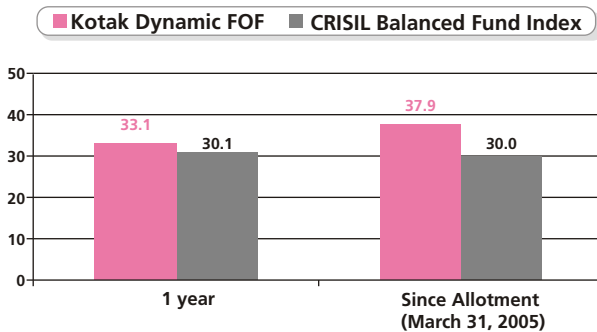
A close-ended multi-manager FOF scheme, with a maturity period of three years. The scheme allocates assets across the diversified large cap schemes and liquid

schemes in a specific proportion, based on the recommendation received by the designated advisor*.

Corpus

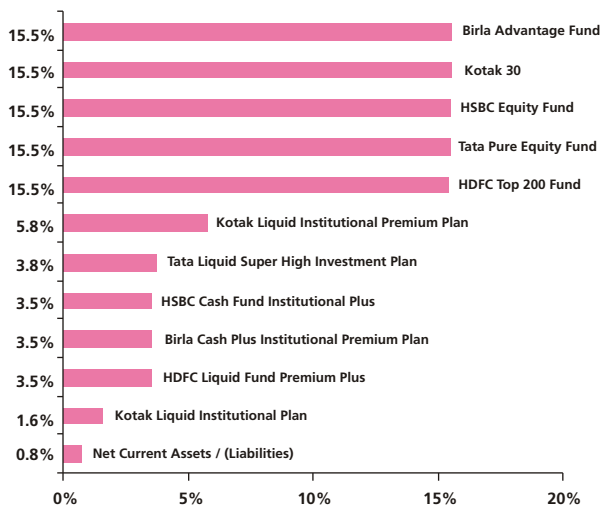
Rs. 31.89 crores

Performance as on November 30, 2006



Kotak Dynamic FOF NAV: Rs. 17.098 (Growth Option)
Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate)
Past performance may or may not be sustained in future.

Sector Allocation



Specific Risk Factors :

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

Portfolio

Issuer / Instrument	Industry / Rating	% to Net Assets
Mutual Fund Units		
Birla Advantage Fund.	Equity Scheme	15.54
Kotak 30.	Equity Scheme	15.54
HSBC Equity Fund.	Equity Scheme	15.52
Tata Pure Equity Fund.	Equity Scheme	15.50
HDFC Top 200 Fund.	Equity Scheme	15.45
Kotak Liquid Institutional Premium Plan.	Debt Scheme	5.80
Tata Liquid Super High Investment Plan.	Debt Scheme	3.77
HSBC Cash Fund Institutional Plus.	Debt Scheme	3.51
Birla Cash Plus Institutional Premium Plan.	Debt Scheme	3.51
HDFC Liquid Fund Premium Plus	Debt Scheme	3.51
Kotak Liquid Institutional Plan	Debt Scheme	1.58
Total		99.23
Net Current Assets/(Liabilities)		0.77
Grand Total		100.00

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

* Designated Advisor: Kotak Securities Limited

KOTAK FLEXI FOF

Close-Ended Fund of Funds Scheme

Equity Investment
Philosophy



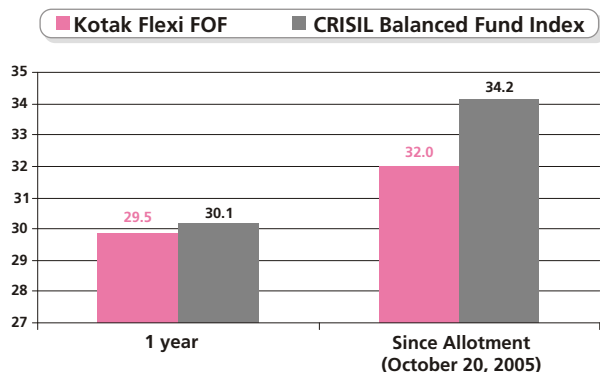
About the Scheme

A close ended multi manager FOF scheme, with a maturity period of 3 years. The scheme allocates assets across equity

(diversified large cap and aggressive scheme) and liquid schemes.

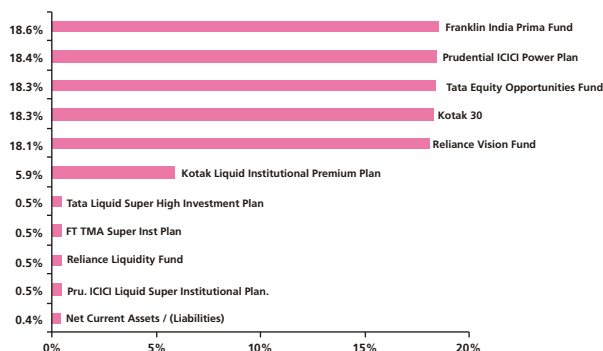
Corpus
Rs. 161.41 crores

Performance as on November 30, 2006



Kotak Flexi FOF NAV: Rs. 13.641 (Growth Option)
Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate)
Past performance may or may not be sustained in future.

Sector Allocation



Specific Risk Factors :

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

Portfolio

Issuer / Instrument	Industry / Rating	% to Net Assets
Mutual Fund Units		
Franklin India Prima Fund.	Equity Scheme	18.56
Prudential ICICI Power Plan.	Equity Scheme	18.44
Tata Equity Opportunities Fund.	Equity Scheme	18.36
Kotak 30.	Equity Scheme	18.32
Reliance Vision Fund.	Equity Scheme	18.08
Kotak Liquid Institutional Premium Plan.	Debt Scheme	5.91
Tata Liquid Super High Investment Plan.	Debt Scheme	0.48
FT TMA Super Inst Plan.	Debt Scheme	0.48
Reliance Liquidity Fund.	Debt Scheme	0.48
Pru. ICICI Liquid Super Institutional Plan.	Debt Scheme	0.48
Total		99.59
Net Current Assets/(Liabilites)		0.41
Grand Total		100.00

Total NPAs provided for and percentage to NAV: Nil

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

KOTAK BALANCE

Open-Ended Balanced Scheme

Equity Investment
Philosophy



Debt Investment
Philosophy



About the Scheme

A Scheme, investing in equity, debt and money market instruments. The investment strategy is to have 51%-70% in equity portion and 30%-50% in non-equity portion.

Ideal Investment Horizon

more than 1 year

Corpus

Rs. 104.59 crores

Ratios

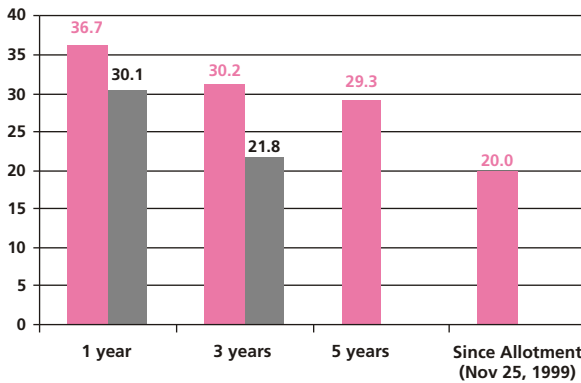
Beta*: 1.18

Sharpe*: 0.45

*Source: Value Research

Performance as on November 30, 2006

■ Kotak Balance* ■ Crisil Balanced Fund Index



Kotak Balance NAV: Rs. 23.24

* Returns assumed reinvestment of the tax free dividend declared.

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

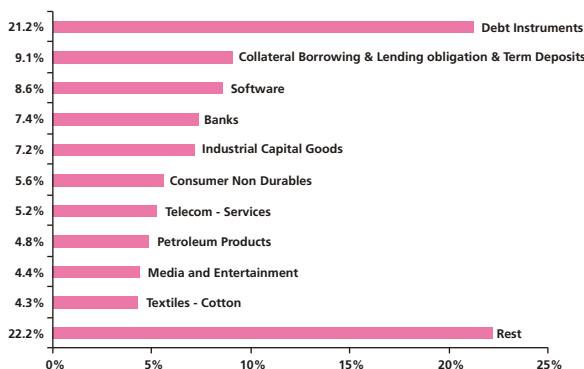
Past performance may or may not be sustained in future.

SIP Returns

	1 year	3 years	5 years	7 years
Investment Amt.	Rs. 12000	Rs. 36000	Rs. 60000	Rs. 84000
Investment Value	Rs. 13538	Rs. 61467	Rs. 150360	Rs. 243773
XIRR	24.59%	38.04%	51.56%	38.22%

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

Sector Allocation



Portfolio

Issuer/ Instrument	Industry / Rating	% to Net Assets
Equity & Equity related (Listed/Awaiting listing)		
Reliance Industries Ltd.	Petroleum Products	3.45
Punjab National Bank	Banks	3.39
Bharti Airtel Ltd.	Telecom - Services	3.20
HT Media Ltd.	Media and Entertainment	2.96
Infosys Technologies Ltd.	Software	2.88
Bharat Heavy Electricals Ltd.	Industrial Capital Goods	2.64
Larsen And Toubro Ltd.	Industrial Capital Goods	2.61
Jaiprakash Associates Ltd	Construction	2.54
Mahindra & Mahindra Ltd.	Auto	2.43
Vardhman Textiles Ltd.	Textiles - Cotton	2.38
Tata Consultancy Services Ltd.	Software	2.29
Steel Authority of India Ltd.	Ferrous Metals	2.27
ICICI Bank Ltd.	Banks	2.09
Reliance Communication Ventures Ltd.	Telecom - Services	2.05
ITC Ltd.	Consumer Non Durables	2.04
Marico Ltd.	Consumer Non Durables	2.00
Coromandel Fertilisers Ltd.	Fertilisers	1.93
Andhra Bank	Banks	1.92
ABG Heavy Industries Ltd.	Industrial Capital Goods	1.91
Satyam Computer Services Ltd.	Software	1.89
Nahar Industrial Enterprises Ltd.	Textiles - Cotton	1.88
Jindal Steel & Power Ltd.	Ferrous Metals	1.65
Grasim Industries Ltd.	Cement	1.60
Dabur India Ltd	Consumer Non Durables	1.56
Infotech Enterprises Ltd.	Software	1.54
Madras Cements Ltd.	Cement	1.53
Navin Fluorine International Ltd.	Chemicals	1.51
Deccan Chronicle Holdings Ltd.	Media and Entertainment	1.40
Amtek Auto Ltd.	Auto Ancillaries	1.36
Indian Oil Corporation Ltd	Petroleum Products	1.35
Alembic Ltd.	Pharmaceuticals	1.27
Global Vectra Helicorp Ltd.	Transportation	1.26
Maruti Udyog Ltd	Auto	1.06
Total		67.84
Debt Instruments		
Debentures & Bonds		
Corporate Debt / Financial Institutions		
UTI Bank Ltd.	LAA+	4.89
Citicorp Finance (India) Ltd.	AAA	2.87
Total		7.76
Public Sector Undertakings		
Power Finance Corporation Ltd.	AAA	5.75
Industrial Development Bank Of India.	AA+	4.92
Export-Import Bank of India.	AAA	2.83
Total		13.50
Collateral Borrowing & Lending Obligation		5.74
Term Deposits		3.35
Net Current Assets/(Liabilities)		1.81
Grand Total		100.00

Total NPAs provided for and percentage to NAV: Nil

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

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

KOTAK INCOME PLUS

Open-Ended Income Scheme

Debt Investment
Philosophy



Equity Investment
Philosophy



About the Scheme

A Scheme, investing in equity, debt and money market instruments. The investment strategy is to have 80%-100% in debt and money market instruments and 0%-20% in equity and equity related instruments.

Ideal Investment Horizon

more than 1 year

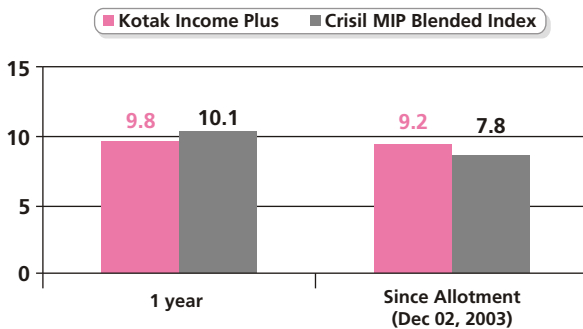
Ratio

YTM : 6.97

Corpus

Rs. 111.53 crores

Performance as on November 30, 2006



Kotak Income Plus NAV: Rs. 13.0098 (Growth Option)
Returns = 1 year : Absolute; Returns > 1 year : CAGR
(Compounded Annualised Growth Rate)
Past performance may or may not be sustained in future.

Portfolio

Issuer/ Instrument	Industry / Rating	% to Net Assets
Equity & Equity related (Listed/Awaiting listing)		
Infosys Technologies Ltd.	Software	1.31
Bharti Airtel Ltd.	Telecom - Services	1.19
Jaiprakash Associates Ltd	Construction	1.13
Reliance Industries Ltd.	Petroleum Products	0.89
Punjab National Bank	Banks	0.83
ICICI Bank Ltd.	Banks	0.78
Larsen And Toubro Ltd.	Industrial Capital Goods	0.73
Ipca Laboratories Ltd.	Pharmaceuticals	0.61
HT Media Ltd.	Media and Entertainment	0.59
Mahindra & Mahindra Ltd.	Auto	0.59
Zee Telefilms Ltd.	Media and Entertainment	0.59
Bharat Heavy Electricals Ltd.	Industrial Capital Goods	0.56
Tata Consultancy Services Ltd.	Software	0.54
Satyam Computer Services Ltd.	Software	0.51
Oil & Natural Gas Corporation Ltd.	Oil	0.50
Grasim Industries Ltd.	Cement	0.50
Pidilite Industries Ltd.	Chemicals	0.43
Nahar Exports Ltd.	Textiles - Cotton	0.42
GlaxoSmithKline Consumer Healthcare Ltd	Consumer Non Durables	0.41
Nahar Industrial Enterprises Ltd.	Textiles - Cotton	0.40
Hindustan Lever Ltd.	Consumer Non Durables	0.38
Dabur India Ltd	Consumer Non Durables	0.37
Infotech Enterprises Ltd.	Software	0.36
Steel Authority of India Ltd.	Ferrous Metals	0.35
Andhra Bank	Banks	0.34
Sterlite Industries (India) Ltd	Non - Ferrous Metals	0.34
ITC Ltd.	Consumer Non Durables	0.33
Hindustan Petroleum Corporation Ltd	Petroleum Products	0.32
ABG Heavy Industries Ltd.	Industrial Capital Goods	0.29
Bharat Earth Movers Ltd.	Industrial Capital Goods	0.28
GlaxoSmithKline Pharmaceuticals Ltd.	Pharmaceuticals	0.26
Kamdhenu Ispat Ltd.	Ferrous Metals	0.26
Total		17.39
Debt Instruments		
Debtures & Bonds		
Corporate Debt / Financial Institutions		
Citifinancial Consumer Finance India Ltd.	AAA	11.72
LIC Housing Finance Ltd.	AAA	10.06
UTI Bank Ltd.	LAA+	9.16
Citicorp Maruti Finance Ltd.	P1+	4.48
GE Money Financial Services Limited	AAA	3.59
Mahindra & Mahindra Financial Services Ltd.	AA+	3.59
Total		42.60
Public Sector Undertakings		
Indian Railway Finance Corporation Ltd.	AAA	12.11
Power Finance Corporation Ltd.	AAA	8.99
Union Bank of India	AA+	4.70
Total		25.80
Collateral Borrowing & Lending obligation		10.76
Term Deposits		0.45
Net Current Assets/(Liabilities)		3.00
Grand Total		100.00

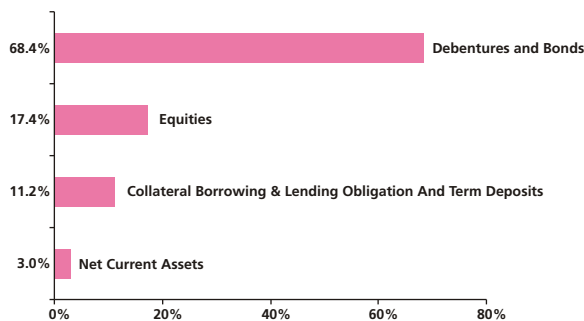
Average Maturity based on total maturity of fixed rate and immediate reset date of floating rate instruments of the portfolio : 0.13years

Total NPAs provided for and percentage to NAV: Nil

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

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

Sector Allocation



KOTAK BOND

Open-Ended Debt Scheme

Debt Investment
Philosophy



About the Scheme

The portfolio of the scheme consists of debt and money market securities, having two plans: Deposit Plan and Regular Plan. The investment strategy is to invest across wide maturity horizons and different kinds of issuers in the debt market, the G-Sec component is normally maintained

between 30% to 50% and it generally does not invest in corporate bonds with less than AA rating.

Ideal Investment Horizon

1-2 years

Corpus:

Rs. 47.58 crores

Ratios (For Bond Regular Plan)

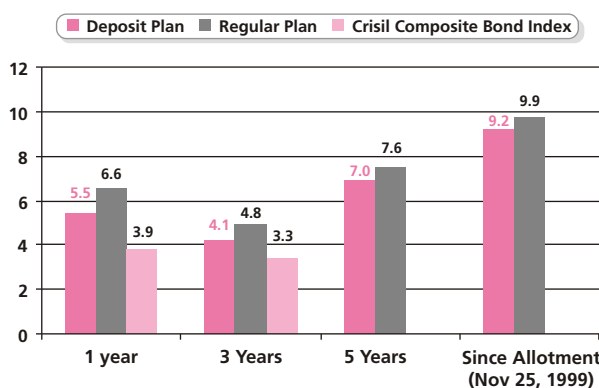
Sharpe*: 0.05

Standard Deviation*: 0.14

YTM: 8.10

*Source: Value Research

Performance as on November 30, 2006



Kotak Bond Deposit Plan NAV: Rs. 18.5324 (Growth options)

Kotak Bond Regular Plan NAV: Rs. 19.3857 (Growth options)

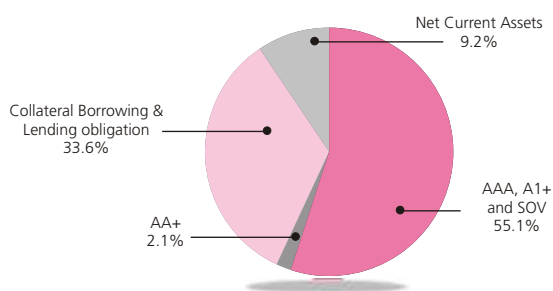
Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate)

Past performance may or may not be sustained in future.

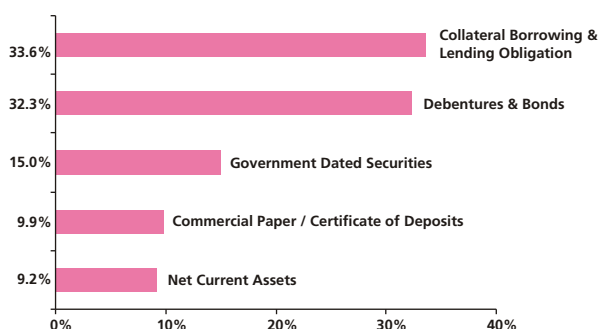
Portfolio - Deposit & Regular Plans

Issuer/ Instrument	Industry / Rating	% to Net Assets
Debt Instruments		
Debentures & Bonds		
Corporate Debt / Financial Institutions		
Tata Sons Ltd.	AAA	8.31
HDFC Ltd.	AAA	4.21
Indian Retail ABS Trust Series 56 PTC A2	AAA	4.08
HEL Trust Series V Discounted PTC NOTE 4	A1+	2.91
Sundaram Finance Ltd.	AA+	2.10
Citifinancial Consumer Finance India Ltd.	AAA	1.67
HEL Trust Series V Discounted PTC NOTE 5	A1+	1.62
Total		24.90
Public Sector Undertakings		
Loan Sec Trust Series XII	LAAA	7.41
Total		7.41
Government Dated Securities		
7.40% Government Stock - 2012	SOV	6.34
8.07% Government Stock - 2017	SOV	4.40
8.15% Government Stock - 2022	SOV	4.29
Total		15.03
Money Market Instruments		
Commercial Paper (CP)/Certificate of Deposits (CD)		
Corporate Debt / Financial Institutions		
ICICI Home Finance Company Limited	A1+	9.86
Total		9.86
Collateral Borrowing & Lending obligation		33.62
Net Current Assets/(Liabilities)		9.18
Grand Total		100.00

Rating Profile



Sector Allocation



Average Maturity based on total maturity of fixed rate and immediate reset date of floating rate instruments of the portfolio: 2.56 years

Total NPA provided for and percentage to NAV : Nil

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

KOTAK BOND SHORT TERM PLAN

Open-Ended Debt Scheme

Debt Investment
Philosophy



About the Scheme

A short-term income plan that invests in debt and money market securities. The investment strategy involves investments in CPs, T-Bills, Corporate Bonds and Gilts with a dynamic approach to duration management within the prescribed limit.

The average maturity of the plan is capped at 3 years.

Ideal Investment Horizon

1 month and above

Corpus:

Rs. 526.78 crores

Ratios

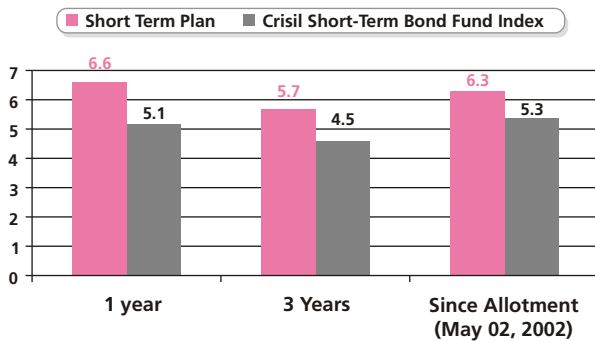
Sharpe* : 0.90

Standard Deviation*: 0.03

YTM: 8.00

*Source: Value Research

Performance as on November 30, 2006



Kotak Bond Short Term NAV: Rs. 13.2202 (Growth Option)
Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate)
Past performance may or may not be sustained in future.

Portfolio - Short Term Plan

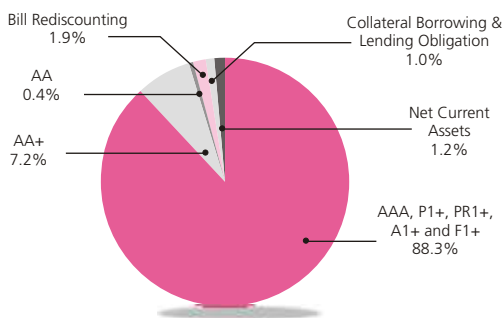
Issuer/ Instrument	Industry / Rating	% to Net Assets
Debt Instruments		
Debentures & Bonds		
Corporate Debt / Financial Institutions		
Citicorp Finance (India) Ltd.	AAA	9.30
HDFC Ltd.	AAA	7.95
Infrastructure Development Finance Co. Ltd	LAAA	5.70
Deccan Chronicle Holding Ltd.	P1+	4.75
L&T Finance limited	CARE AA+	3.80
Sundaram Finance Ltd.	AA+	3.05
Tata Sons Ltd.	AAA	3.00
Global Trade Finance Ltd.	P1+	2.28
Century Textiles & Industries Ltd.	F1+(ind)	1.90
Hindustan National Glass and Industries Ltd	PR1+	1.90
Long Bond Receivables NMBR 400BP 2006 IV PTC A1	AAA(so)	1.89
GE Money Financial Services Limited	AAA	1.52
Reliance Energy Ltd.	AAA	0.95
Reliance Industries Ltd.	AAA	0.95
Sundaram Finance Ltd.	MAAAA	0.76
BHPC Auto Sec. Trust JUNE 2005 PTC A3	AAA(so)	0.74
Indian Retail ABS Trust Series 56 PTC A2	AAA	0.55
Associated Cement Companies Ltd.	LAA+	0.38
Cholamandalam DBS Finance Limited.	LAA	0.38
ICICI Securities Ltd.	AAA	0.19
Indian Retail ABS Series XXXIII PTC A1	AAA(so)	0.02
Total		51.96
Public Sector Undertakings		
Export-Import Bank of India.	AAA	5.12
Indian Corporate Loan Sec. Trust XI PTC A1	AAA	4.76
Indian Railway Finance Corporation Ltd.	AAA	0.95
State Bank of Hyderabad	LAAA	0.95
Punjab National Bank	LAAA	0.76
Total		12.54
Money Market Instruments		
Bill Rediscounting		
HDFC Bill Rediscounting 22/12/2006		1.89
Total		1.89
Commercial Paper (CP)/Certificate of Deposits (CD)		
Corporate Debt / Financial Institutions		
ING Vysya Bank Ltd	P1+	2.81
ICICI Home Finance Company Limited	A1+	2.73
Sundaram Finance Ltd.	P1+	1.86
DSP ML Capital Ltd.	P1+	1.48
American Express Bank Ltd	A1+	0.94
Federal Bank Ltd.	P1+	0.91
BHW Home Finance Ltd	P1+	0.88
ICICI Bank Ltd.	A1+	0.74
HDFC Bank Ltd.	PR1+	0.37
Total		12.72
Public Sector Undertakings		
Allahabad Bank	PR1+	4.65
UCO Bank	P1+	3.08
State Bank of Travancore	P1+	2.72
Union Bank of India	A1+	1.86
State Bank of Mysore	A1+	1.83
Corporation Bank	P1+	1.82
IDBI Bank Ltd.	A1+	1.81
Indian Bank	F1+(ind)	0.90
Total		18.67
Collateral Borrowing & Lending obligation		1.04
Net Current Assets/(Liabilities)		1.18
Grand Total		100.00

Average Maturity based on total maturity of fixed rate and immediate reset date of floating rate instruments of the portfolio: 1.26 years

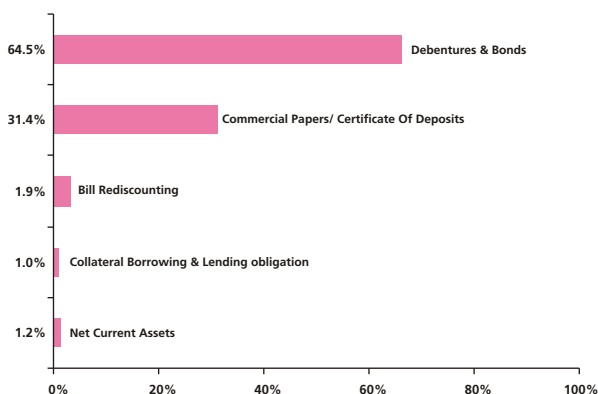
Total NPA provided for and percentage to NAV : NIL

All ratings other than by CRISIL are by ICRA, CARE or FITCH

Rating Profile



Sector Allocation



KOTAK GILT SAVINGS

Open-Ended Dedicated Gilt Scheme

Debt Investment
Philosophy



About the Scheme

India's first dedicated gilt scheme, with an objective to generate risk free returns through predominant investments in the Government of India securities with short-term outstanding maturity and with low interest rate/price risk. The investment strategy involves the average portfolio

maturity being capped at 4 years and a reasonable cash component in bearish markets.

Ideal Investment Horizon

6 months and above

Corpus

Rs. 14.21 crores

Ratios

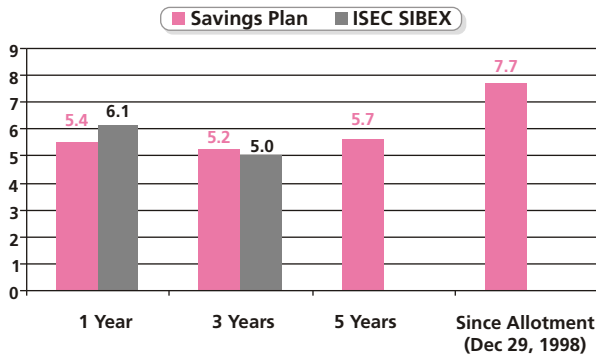
Sharpe* : 0.15

Standard Deviation* : 0.10

YTM: 6.80

*Source: Value Research

Performance as on November 30, 2006

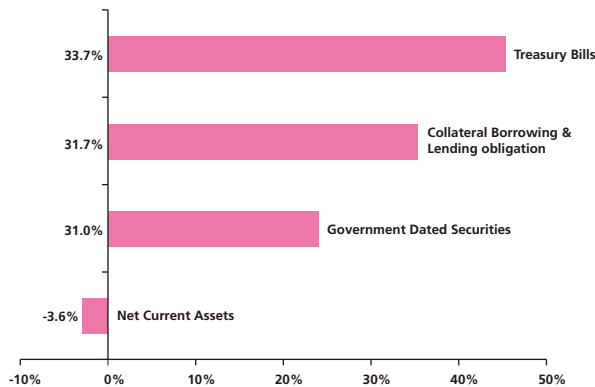


Kotak Gilt Savings Plan NAV: Rs. 17.9377 (Growth Option)

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

Past performance may or may not be sustained in future.

Sector Allocation



Portfolio - Savings Plan

Issuer / Instrument	Industry / Rating	% to Net Assets
Debt Instruments		
Government Dated Securities		
11.90% Government Stock - 2007	SOV	16.89
7.40% Government Stock - 2012	SOV	14.16
Total		31.05
Money Market Instruments		
Treasury Bills		
364 Days Treasury Bill 03/08/2007	SOV	33.67
Total		33.67
Collateral Borrowing & Lending obligation		31.67
Net Current Assets/(Liabilities)		3.61
Grand Total		100.00

Average Maturity of the portfolio: 1.08years

Total NPA provided for and percentage to NAV : NIL

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

KOTAK GILT INVESTMENT

Open-Ended Dedicated Gilt Scheme

Debt Investment
Philosophy



About the Scheme

India's first dedicated gilt scheme, which has two plans: Regular Plan and PF & Trust Plan. The objective of the scheme is to generate risk free returns through investments in the Government of India securities. The investment strategy concentrates on aggressive asset allocation

and the scheme does not have any restriction on the portfolio maturity.

Ideal Investment Horizon

More than 1 year

Corpus

Rs. 35.10 crores

Ratios (For Gilt Investment Regular Plan)

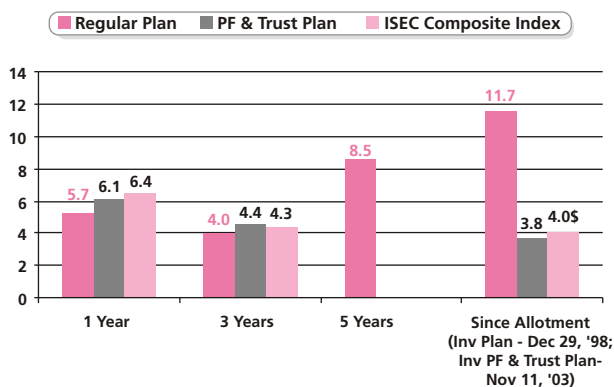
Sharpe* : 0.01

Standard Deviation* : 0.33

YTM: 7.35

*Source: Value Research

Performance as on November 30, 2006



Kotak Gilt Investment Regular Plan NAV: Rs. 23.9498 (Growth Option)
 Kotak Gilt Investment PF & Trust Plan NAV: Rs. 24.2339 (Growth Option)
 Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate)
 \$ The benchmark return corresponds only to Investment - PF and Trust Plan
 Past performance may or may not be sustained in future.

Portfolio-Investment-Regular, Provident Fund & Trust Plans

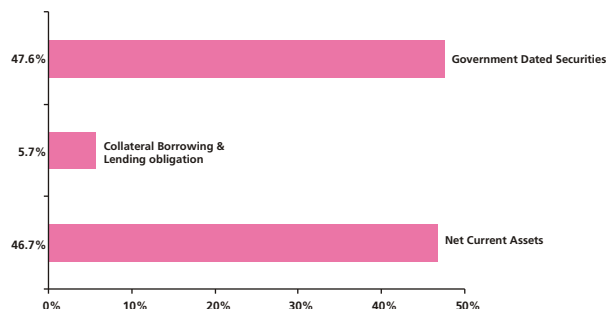
Issuer / Instrument	Industry / Rating	% to Net Assets
Debt Instruments		
Government Dated Securities		
8.15% Government Stock - 2022	SOV	23.25
9.39% Government Stock - 2011	SOV	15.38
8.07% Government Stock - 2017	SOV	8.94
Total		47.57
Collateral Borrowing & Lending obligation		5.70
Net Current Assets/(Liabilites)		46.73
Grand Total		100.00

Average Maturity of the portfolio: 5.31 years

Total NPA provided for and percentage to NAV : NIL

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

Sector Allocation



KOTAK FLEXI DEBT

Open-Ended Debt Scheme

Debt Investment
Philosophy



About the Scheme

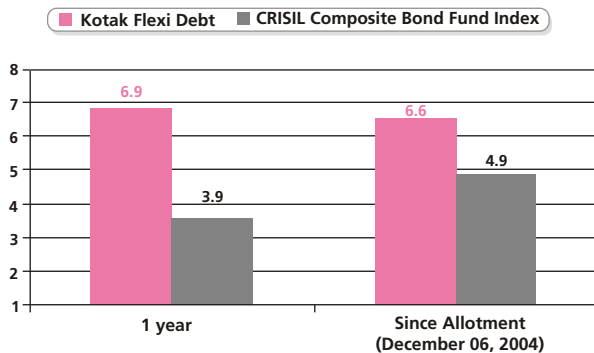
An income scheme, which invests dynamically, moves the portfolio maturity across the maturity spectrum so as to maximise return. The investment strategy involves investing in Corporate Bonds, Gilts, cash and cash equivalents etc. The scheme endeavors to capitalize on trading opportunities in the market

with active arbitrage across asset classes and yield curve. The internal average maturity is capped at 2 years and 10-20% of the portfolio is traded with the rest in assets carrying higher yields.

Ideal Investment Horizon
3 months & above

Corpus
Rs. 550.66 crores
Ratio
YTM: 7.70

Performance as on November 30, 2006



Kotak Flexi Debt NAV : Rs. 11.3406 (Growth Option)
Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate)
Past performance may or may not be sustained in future.

Portfolio

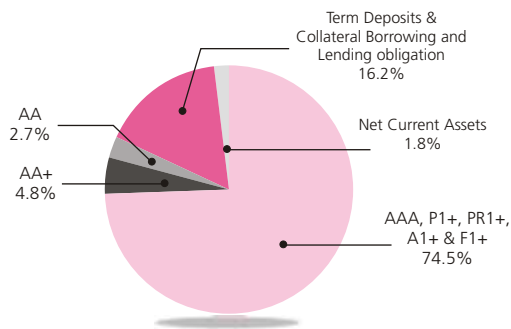
Issuer/ Instrument	Industry / Rating	% to Net Assets
Debt Instruments		
Debentures & Bonds		
Corporate Debt / Financial Institutions		
Long Bond Receivables NMBR 400BP 2006 III PTC A	AAA(ind)	9.07
ICICI Bank Ltd.	CARE AAA	4.55
Citicorp Finance (India) Ltd.	AAA	3.99
Credit Asset Trust Ser VI PTC Class A	F1+(ind)	3.11
Cholamandalam DBS Finance Limited.	LAA	2.72
Global Trade Finance Ltd.	P1+	2.36
Citifinancial Consumer Finance India Ltd.	AAA	1.82
Long Bond Receivables NMBR 400BP 2006 IV PTC A1	AAA(so)	1.81
LIC Housing Finance Ltd.	AAA	0.91
Mahindra & Mahindra Financial Services Ltd.	AA+	0.73
Indian Retail ABS Trust Series 56 PTC A2	AAA	0.70
UTI Bank Ltd.	LAA+	0.55
BHPC Auto Sec Trust SEP 05 Series A1	LAAA(SO)	0.42
HDFC Ltd.	AAA	0.18
Indian Retail ABS Trust Ser. 39 PTC A2	LAAA(SO)	0.05
Total		32.97
Public Sector Undertakings		
Loan Sec Trust Series XII	LAAA	7.62
Industrial Development Bank Of India.	AA+	2.61
Indian Corporate Loan Sec Trust XI PTC A1	AAA	1.82
Export-Import Bank of India.	AAA	1.29
Union Bank of India	AA+	0.95
Total		14.29
Money Market Instruments		
Commercial Paper (CP)/Certificate of Deposits (CD)		
Corporate Debt / Financial Institutions		
ABN Amro Bank N.V	A1+	3.45
BHW Home Finance Ltd	P1+	3.36
HDFC Bank Ltd.	PR1+	2.67
Karur Vysya Bank Ltd.	F1+(ind)	0.88
Tata Sons Ltd.	P1+	0.87
Total		11.23
Public Sector Undertakings		
State Bank Of India.	P1+	7.91
State Bank of Indore	P1+	5.27
Export-Import Bank of India.	P1+	3.46
UCO Bank	P1+	2.64
State Bank of Saurashtra	P1+	1.80
State Bank of Bikaner & Jaipur	P1+	1.57
State Bank of Patiala	A1+	0.89
Total		23.54
Term Deposits		13.44
Collateral Borrowing & Lending obligation		2.72
Net Current Assets/(Liabilities)		1.81
Grand Total		100.00

Average Maturity based on total maturity of fixed rate and immediate reset date of floating rate instruments of the portfolio: 0.54 years

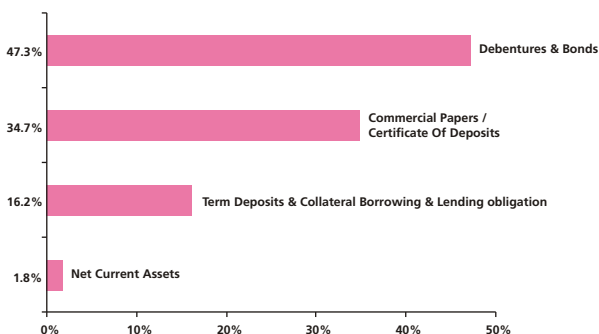
Total NPA provided for and percentage to NAV : Nil

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

Rating Profile



Sector Allocation



KOTAK FLOATER LONG TERM

Open-Ended Debt Scheme

Debt Investment
Philosophy



About the Scheme

An income scheme, which invests predominantly in floating rate securities and money market instruments to contain the interest rate risk. The investment strategy provides flexibility to invest up to 35% in fixed debt securities with

outstanding maturity above 1 year. The floating rate debt securities include floating rate debt securities and fixed rate debt securities with interest rate swap.

Ideal Investment Horizon
3 months & above

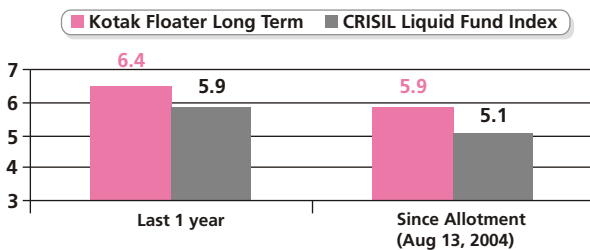
Corpus

Rs.202.48 crores

Ratio

YTM: 7.80

Performance as on November 30, 2006



Kotak Floater Long Term NAV : Rs. 11.4022 (Growth Option)
Returns= 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate)
Past performance may or may not be sustained in future.

Portfolio - Long Term

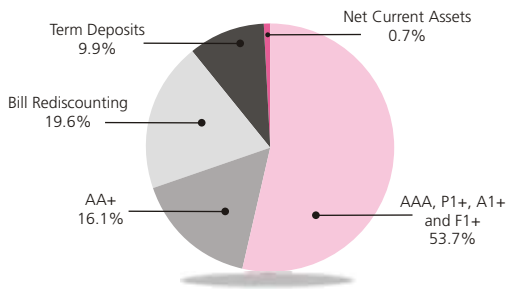
Issuer/ Instrument	Industry / Rating	% to Net Assets
Debt Instruments		
Debentures & Bonds		
Corporate Debt / Financial Institutions		
Sundaram Finance Ltd.	AA+	9.89
Citicorp Finance (India) Ltd.	AAA	5.44
ICICI Bank Ltd.	CARE AAA	4.94
Mahindra & Mahindra Financial Services Ltd.	AA+	3.72
UTI Bank Ltd.	LAA+	2.52
Shriram Transport Finance Co Ltd.	AAA(so)	2.46
Indian Retail ABS Trust Series 56 PTC A2	AAA	1.44
BHPC Auto Sec Trust AUG 05 Series A	AAA(so)	1.32
Indian Retail ABS Series XXXIII PTC A1	AAA(so)	0.08
Total		31.81
Money Market Instruments		
Bill Rediscounting		
Deutsche Bank Bill Rediscounting 28/12/2006		19.64
Total		19.64
Commercial Paper (CP)/Certificate of Deposits (CD)		
Corporate Debt / Financial Institutions		
SBI Cards & Payment Services Pvt. Ltd.	P1+	9.13
American Express Bank Ltd	A1+	5.22
Tata Sons Ltd.	P1+	4.72
ICICI Home Finance Company Limited	A1+	4.63
DSP ML Capital Ltd.	P1+	3.86
Federal Bank Ltd.	P1+	2.38
ABN Amro Bank N.V	A1+	0.49
Total		30.43
Public Sector Undertakings		
UCO Bank	P1+	4.77
State Bank of Bikaner & Jaipur	P1+	2.37
Indian Bank	F1+(ind)	0.47
Total		7.61
Term Deposits		9.88
Net Current Assets/(Liabilities)		0.63
Grand Total		100.00

Average Maturity based on total maturity of fixed rate and immediate reset date of floating rate instruments of the portfolio: 0.54 years

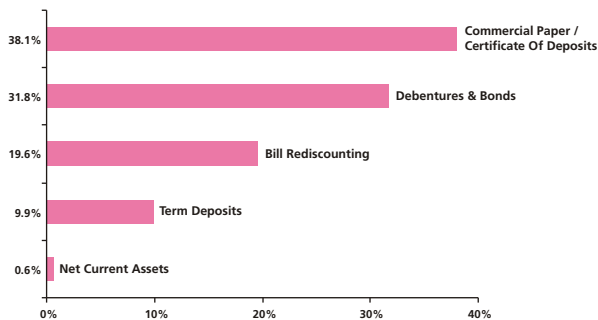
Total NPA provided for and percentage to NAV : Nil

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

Rating Profile



Sector Allocation



KOTAK CASH PLUS

Open-Ended Income Oriented Scheme

Debt Investment
Philosophy



About the Scheme

An Open-ended arbitrage scheme, that aims to generate income from investment in debt and money market securities and by availing arbitrage opportunities between price of spot and derivatives markets.

Ideal Investment Horizon

1 - 3 months

Corpus

Rs. 148.63 crores

Ratio

YTM: 6.91

Portfolio - Cash Plus

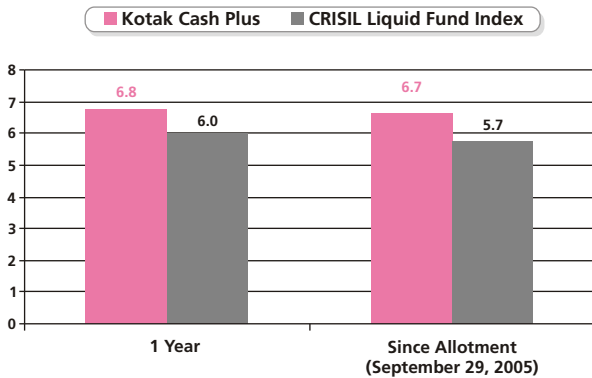
Issuer/ Instrument	Industry / Rating	% to Net Assets
Equity & Equity related		
Listed/Awaiting listing on Stock Exchange		
Tata Steel Ltd.	Ferrous Metals	6.18
Bank Of Baroda	Banks	5.45
Sterlite Industries (India) Ltd	Non - Ferrous Metals	5.13
Infrastructure Development Finance Co. Ltd	Finance	4.57
New Delhi Television Ltd.	Media and Entertainment	2.81
Indian Petrochemicals Corporation Ltd.	Chemicals	2.61
Tata Tea Ltd.	Consumer Non Durables	2.44
India Cements Ltd.	Cement	2.34
Orchid Chemicals & Pharmaceuticals Ltd.	Pharmaceuticals	2.31
Divi s Laboratories Ltd.	Pharmaceuticals	2.22
Jindal Stainless Ltd.	Ferrous Metals	1.81
SRF Ltd.	Auto Ancillaries	1.73
Vijaya Bank	Banks	1.71
Punj Lloyd Ltd.	Construction	1.69
Gujarat Narmada Valley Fertilisers Company Ltd.	Fertilisers	1.27
Reliance Capital Ltd.	Finance	1.21
Jaiprakash Hydro Power Ltd.	Power	1.20
TVS Motors Company Ltd	Auto	1.12
IFCI Ltd.	Finance	1.12
Mahanagar Telephone Nigam Ltd.	Telecom - Services	1.06
Polaris Software Lab Ltd.	Software	1.03
Hindalco Industries Ltd.	Non - Ferrous Metals	0.98
IndusInd Bank Ltd.	Banks	0.97
Karnataka Bank Ltd	Banks	0.85
Escorts Ltd.	Auto	0.76
Mphasis Ltd.	Software	0.65
Arvind Mills Ltd.	Textile Products	0.56
Essar Oil Ltd.	Petroleum Products	0.46
National Thermal Power Corporation Ltd.	Power	0.42
Neyveli Lignite Corporation Ltd.	Power	0.37
Colgate Palmolive (India) Ltd.	Consumer Non Durables	0.35
Zee Telefilms Ltd.	Media and Entertainment	0.33
LIC Housing Finance Ltd.	Finance	0.26
Federal Bank Ltd.	Banks	0.23
Allahabad Bank.	Banks	0.15
Nicholas Piramal India Ltd.	Pharmaceuticals	0.10
Century Textiles & Industries Ltd.	Cement	0.07
Industrial Development Bank of India Ltd.	Banks	0.07
Alok Industries Ltd.	Textile Products	0.06
Ballarpur Industries Ltd.	Paper	0.06
Wockhardt Ltd.	Pharmaceuticals	0.05
Bongaigaon Refinery & Petrochemicals Ltd.	Petroleum Products	0.04
Bharat Forge Ltd.	Industrial Products	0.02
Chambal Fertilisers & Chemicals Ltd	Fertilisers	0.02
Total		58.84
Futures		
Chambal Fertilisers & Chemicals Ltd-DEC2006		-0.02
Bharat Forge Ltd.-DEC2006		-0.02
Bongaigaon Refinery & Petrochemicals Ltd.-DEC2006		-0.04
Wockhardt Ltd.-DEC2006		-0.05
Ballarpur Industries Ltd.-DEC2006		-0.06
Alok Industries Ltd.-DEC2006		-0.06
Industrial Development Bank of India Ltd.-DEC2006		-0.07
Century Textiles & Industries Ltd.-DEC2006		-0.07
Nicholas Piramal India Ltd.-DEC2006		-0.10
Allahabad Bank.-DEC2006		-0.15
Federal Bank Ltd.-DEC2006		-0.23
LIC Housing Finance Ltd.-DEC2006		-0.26
Zee Telefilms Ltd.-DEC2006		-0.34
Colgate Palmolive (India) Ltd.-DEC2006		-0.35
Neyveli Lignite Corporation Ltd.-DEC2006		-0.38
National Thermal Power Corporation Ltd.-DEC2006		-0.42
Essar Oil Ltd.-DEC2006		-0.47
Arvind Mills Ltd.-DEC2006		-0.57
Mphasis Ltd.-DEC2006		-0.66
Escorts Ltd.-DEC2006		-0.77
Karnataka Bank Ltd-DEC2006		-0.86
IndusInd Bank Ltd.-DEC2006		-0.98
Hindalco Industries Ltd-DEC2006		-0.99
Polaris Software Lab Ltd.-DEC2006F		-1.05
Mahanagar Telephone Nigam Ltd.-DEC2006		-1.08
TVS Motors Company Ltd-DEC2006		-1.14
IFCI Ltd.-DEC2006		-1.15
Jaiprakash Hydro Power Ltd.-DEC2006		-1.21
Reliance Capital Ltd.-DEC2006		-1.22
Gujarat Narmada Valley Fertilisers Company Ltd.-DEC2006		-1.28
Bank Of Baroda-JAN2007		-1.59
Punj Lloyd Ltd.-DEC2006		-1.71
Vijaya Bank-DEC2006		-1.73
SRF Ltd.-DEC2006		-1.76
Jindal Stainless Ltd.-DEC2006		-1.83
Divi s Laboratories Ltd.-DEC2006		-2.25
Orchid Chemicals & Pharmaceuticals Ltd.-DEC2006		-2.34
India Cements Ltd.-DEC2006		-2.37
Tata Tea Ltd.-DEC2006		-2.47
Indian Petrochemicals Corporation Ltd.-DEC2006		-2.65
New Delhi Television Ltd.-DEC2006		-2.84
Bank Of Baroda-DEC2006		-3.93
Infrastructure Development Finance Co. Ltd-DEC2006		-4.62
Sterlite Industries (India) Ltd-DEC2006		-5.16
Tata Steel Ltd.-DEC2006		-6.26
Total		-59.56
Debt Instruments		
Debentures & Bonds		
Corporate Debt / Financial Institutions		
Citicorp Finance (India) Ltd.	AAA	4.73
Mahindra & Mahindra Financial Services Ltd.	AA+	1.35
Sundaram Finance Ltd.	MAAA	0.67
Total		6.75
Public Sector Undertakings		
Indian Railway Finance Corporation Ltd.	AAA	3.88
Export-Import Bank of India.	AAA	0.69
Total		4.57
Money Market Instruments		
Commercial Paper/Certificate of Deposits		
Corporate Debt / Financial Institutions		
American Express Bank Ltd	A1+	3.35
Total		3.35
Term Deposits		20.18
Collateral Borrowing & Lending obligation		0.34
Net Current Assets/(Liabilities)		65.53
Grand Total		100.00

Average Maturity based on total maturity of fixed rate and immediate reset date of floating rate instruments of the portfolio: 0.05 years

Total NPA provided for and percentage to NAV : Nil

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

Performance as on November 30, 2006

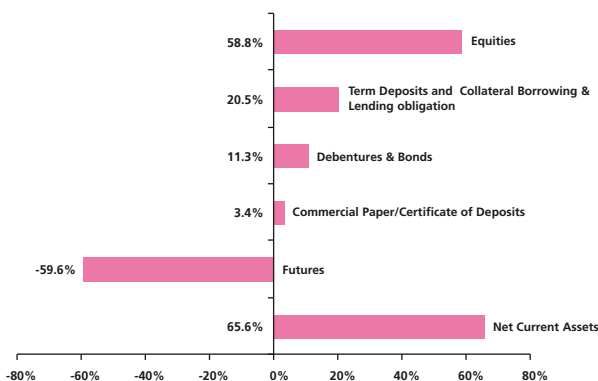


Kotak Cash Plus NAV : Rs. 10.8034 (Growth Option)

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

Past performance may or may not be sustained in future.

Sector Allocation



KOTAK FLOATER SHORT TERM

Open-Ended Debt Scheme

Debt Investment
Philosophy



About the Scheme

A liquid scheme, which invests predominantly in floating rate securities and money market instruments to contain the interest rate risk. Not more than 10% of the portfolio is exposed to market risk.

Ideal Investment Horizon

1 month to 3 months

Corpus

Rs. 815.72 crores

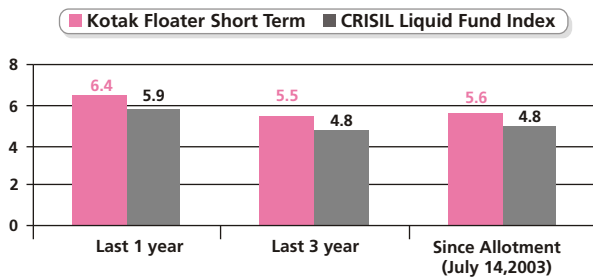
Ratio

Standard Deviation*: 0.01

YTM: 7.60

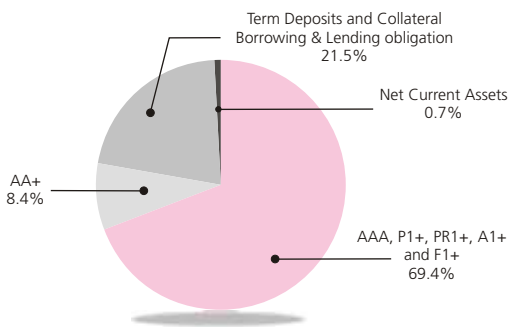
*Source: Value Research

Performance as on November 30, 2006

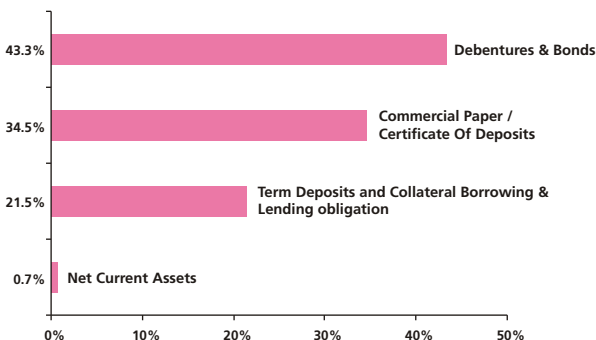


Kotak Floater Short Term NAV : Rs. 12.0036 (Growth Option)
Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate)
Past performance may or may not be sustained in future.

Rating Profile



Sector Allocation



Portfolio - Short Term

Issuer/ Instrument	Industry / Rating	% to Net Assets
Debt Instruments		
Debentures & Bonds		
Corporate Debt / Financial Institutions		
DSP ML Capital Ltd.	P1+	6.13
The Indian Hotels Company Ltd.	LAA+	5.28
Grasim Industries Ltd.	PR1+	3.43
Bajaj Hindusthan Limited	F1+(ind)	3.06
SBI Factors & Commercial Pvt. Ltd.	A1+	3.06
Century Textiles & Industries Ltd.	F1+(ind)	2.45
Long Bond Receivables NMBR 400BP 2006 IV PTC A1	AAA(so)	2.44
DSP ML Capital Ltd.	AAA	1.86
DSP ML Capital Ltd.	P1+(so)	1.84
Credit Asset Trust Ser. VI PTC Class A	F1+(ind)	1.60
LIC Housing Finance Ltd.	AAA	1.48
JM Financial Products Private Limited	P1+	1.47
Finolex Cables Ltd.	P1+	1.23
Jubilant Organosys Ltd.	F1+(ind)	1.23
Hindustan National Glass and Industries Ltd	PR1+	0.61
BHPC Auto Sec. Trust JUNE 2005 PTC A1	AAA(so)	0.60
BHPC Auto Sec. Trust AUG 05 Series A	AAA(so)	0.36
Total		38.13
Public Sector Undertakings		
Industrial Development Bank Of India.	AA+	3.14
Power Finance Corporation Ltd.	AAA	0.18
Neyveli Lignite Corporation Ltd.	AAA	1.84
Total		5.16
Money Market Instruments		
Commercial Paper (CP)/Certificate of Deposits (CD)		
Corporate Debt / Financial Institutions		
Standard Chartered Bank Ltd	P1+	6.02
ICICI Bank Ltd.	A1+	4.34
Karur Vysya Bank Ltd.	F1+(ind)	3.47
Standard Chartered Investment & Loan India Ltd.	P1+	3.13
HDFC Bank Ltd.	PR1+	2.34
ICICI Home Finance Company Limited	A1+	2.30
American Express Bank Ltd	A1+	1.18
ABN Amro Bank N.V	A1+	1.16
LIC Housing Finance Ltd.	P1+	1.16
DSP ML Capital Ltd.	P1+	0.60
SBI Cards & Payment Services Pvt. Ltd.	P1+	0.60
Rabo India Finance Pvt Ltd.	P1+	0.59
Total		26.89
Public Sector Undertakings		
Indian Bank	F1+(ind)	2.92
UCO Bank	P1+	1.75
State Bank of Mysore	A1+	1.18
Export-Import Bank of India.	P1+	1.17
Punjab National Bank	F1+(ind)	0.60
Total		7.62
Term Deposits		12.26
Collateral Borrowing & Lending obligation		9.19
Net Current Assets/(Liabilities)		0.75
Grand Total		100.00

Average Maturity based on total maturity of fixed rate and immediate reset date of floating rate instruments of the portfolio: 0.22 years

Total NPA provided for and percentage to NAV : Nil

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

KOTAK LIQUID

Open-Ended Debt Scheme

Debt Investment
Philosophy



About the Scheme

A liquid scheme, which predominantly invests in money market securities and endeavors to provide reasonable returns and high level of liquidity. The scheme has four plans: Regular Plan, Sweep Plan, Institutional Plan and Institutional Premium Plan. The investment strategy reduces the interest rate/price risk to minimal levels and normally the average portfolio maturity is not more than 6 months.

Ideal Investment Horizon

7 days to 15 days

Corpus:

Rs. 5528.20 crores

Ratios (For Liquid Institutional Premium Plan)

Sharpe* : 2.36

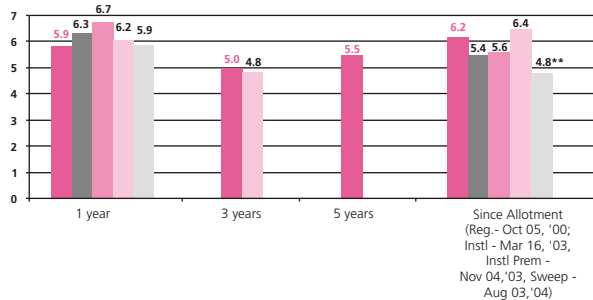
Standard Deviation* : 0.01

YTM: 7.45

*Source : Value Research

Performance as on November 30, 2006

■ Kotak Liquid Regular Plan ■ Kotak Liquid Institutional Plan
■ Kotak Liquid Institutional Premium Plan ■ Kotak Liquid Sweep Plan
■ CRISIL Liquid Fund Index



Kotak Liquid Regular Plan NAV: Rs. 14.4617 (Growth option)

Kotak Liquid Institutional Plan NAV : Rs. 14.6675 (Growth option)

Kotak Liquid Institutional Premium Plan NAV: Rs. 14.7612 (Growth option)

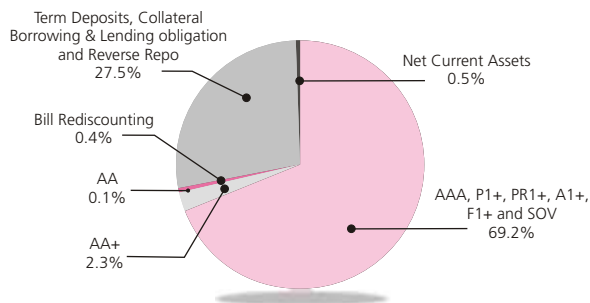
Kotak Liquid Sweep Plan NAV : 10.0071 (Daily Dividend)

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

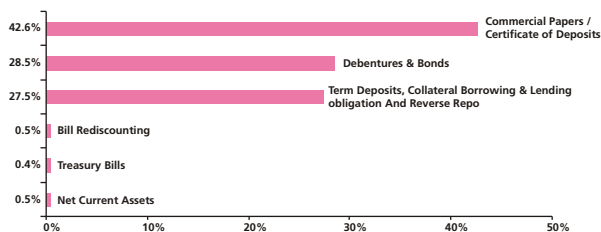
** The Benchmark Return corresponds to Liquid - Institutional, Institutional Premium & Sweep Plan

Past performance may or may not be sustained in future.

Rating Profile



Sector Allocation



Portfolio-Regular, Sweep, Institutional & Institutional Premium Plans

Issuer/ Instrument	Industry / Rating	% to Net Assets
Debt Instruments		
Debentures & Bonds		
Corporate Debt / Financial Institutions		
DSP ML Capital Ltd.	P1+	3.08
LIC Housing Finance Ltd.	AAA	1.38
HDFC Ltd.	AAA	1.00
India Loan Securitisation Trust V PTC A	AAA(so)	0.96
Chambal Fertilisers & Chemicals Ltd.	P1+	0.90
Tata Motors Ltd.	P1+	0.90
Infrastructure Development Finance Co. Ltd	LAAA	0.90
Mahindra & Mahindra Financial Services Ltd.	P1+	0.90
Global Trade Finance Ltd.	P1+	0.81
GE Money Financial Services Limited	AAA	0.78
Madras Cements Ltd.	A1+	0.72
UTI Bank Ltd.	LAA+	0.68
Citifinancial Consumer Finance India Ltd.	AAA	0.63
DSP ML Capital Ltd.	P1+(so)	0.63
Sterlite Industries (India) Ltd	P1+	0.60
Citicorp Finance (India) Ltd.	AAA	0.56
Hero Cycles Ltd.	P1+	0.54
Sundaram Finance Ltd.	MAAA	0.54
Mahindra & Mahindra Financial Services Ltd.	AA+	0.50
Deccan Chronicle Holding Ltd.	P1+	0.45
GE Capital Services India.	AAA	0.45
SBI Factors & Commercial Pvt. Ltd.	A1+	0.45
Deccan Chronicle Holding Ltd.	PR1+	0.36
Infrastructure Development Finance Co. Ltd	AAA	0.36
Manaksia Ltd	PR1+	0.27
Coromandel Fertilisers Ltd.	P1+	0.18
Crompton Greaves Ltd.	F1+(ind)	0.18
Indian Oil Tanking Limited	F1+(ind)	0.18
EID Parry (India) Ltd.	P1+	0.18
Finolex Cables Ltd.	P1+	0.18
Long Bond Receivables NMBR 400BP 2006 IV PTC A1	AAA(so)	0.18
Cholamandalam DBS Finance Limited.	LAA	0.09
ICICI Bank Ltd.	CARE AAA	0.09
Citicorp Maruti Finance Ltd.	P1+	0.09
Sundaram Finance Ltd.	P1+	0.09
Retail Trust March 2005 Series A3	AAA(so)	0.06
Indian Retail ABS Fixed XXXII PTC A11	LAAA(SO)	0.04
Indian Retail ABS Trust Ser 39 PTC A2	LAAA(SO)	0.04
Indian Retail ABS Series XXXIII PTC A1	AAA(so)	0.01
BHPC Auto Sec Trust SEP 05 Series A1	LAAA(SO)	0.01
Total		20.95
Public Sector Undertakings		
Indian Railway Finance Corporation Ltd.	AAA	3.66
Export-Import Bank of India.	AAA	1.22
Industrial Development Bank Of India.	AA+	1.15
Power Finance Corporation Ltd.	AAA	0.78
National Bank for Agriculture and Rural Development	AAA	0.54
National Bank for Agriculture and Rural Development	CARE AAA	0.04
Total		7.39
Neyveli Lignite Corporation Ltd.	AAA	0.18
Total		0.18
Money Market Instruments		
Bill Rediscountings		
HDFC Bill Rediscounting 22/12/2006		0.45
Total		0.45
Commercial Paper (CP)/Certificate of Deposits (CD)		
Corporate Debt / Financial Institutions		
ICICI Bank Ltd.	A1+	2.94
HDFC Bank Ltd.	PR1+	1.61
GE Capital Services India.	P1+	1.35
ABN Amro Bank N.V	A1+	1.20
Indusind Bank Ltd.	P1+	0.90
Standard Chartered Bank Ltd	P1+	0.89
Hongkong & Shanghai Banking Corporation	P1+	0.86
Karnataka Bank Ltd	A1+	0.66
Jammu & Kashmir Bank	P1+	0.63
Infrastructure Development Finance Co. Ltd	P1+	0.53
Karur Vysya Bank Ltd.	F1+(ind)	0.53
HDFC Ltd.	A1+	0.50
Rabo India Finance Pvt Ltd.	P1+	0.45
Standard Chartered Investment & Loan India Ltd.	P1+	0.45
Reliance Telecom Ltd.	A1+	0.44
ICICI Bank Ltd.	PR1+	0.38
Kesoram Industries Limited	PR1+	0.36
Shriram Transport Finance Co Ltd.	F1+(ind)	0.35
ICICI Bank Ltd.	P1+	0.31
American Express Bank Ltd	A1+	0.19
ING Vysya Bank Ltd	P1+	0.18
Rico Auto Industries Ltd.	A1+	0.18
Redington (India) Ltd.	P1+	0.18
PAHARPUR COOLING TOWERS LIMITED	P1+	0.18
Micro Inks	PR1+	0.18
Cholamandalam DBS Finance Limited.	P1+	0.09
DSP ML Capital Ltd.	P1+	0.03
Reliance Capital Ltd.	A1+	0.03
Total		16.58
Public Sector Undertakings		
Union Bank of India	A1+	4.87
State Bank of Travancore	P1+	3.43
State Bank of Mysore	A1+	2.50
State Bank of Bikaner & Jaipur	P1+	1.92
State Bank of Saurashtra	P1+	1.70
Allahabad Bank	PR1+	1.60
UCO Bank	P1+	1.59
State Bank of Patiala	P1+	1.55
State Bank of Indore	P1+	1.42
Punjab National Bank	P1+	1.42
State Bank of Patiala	F1+(ind)	1.34
IDBI Bank Ltd.	A1+	1.11
State Bank of Saurashtra	P1+	1.08
State Bank of India.	A1+	0.89
IDBI Bank Ltd.	P1+	0.53
Export-Import Bank of India.	A1+	0.26
Power Finance Corporation Ltd.	P1+	0.17
Total		26.03
Treasury Bills		
182 Days Treasury Bill 23/03/2007	SOV	0.44
Total		0.44
Term Deposits		
Collateral Borrowing & Lending obligation		4.34
Reverse Repo		1.81
Net Current Assets/(Liabilities)		0.50
Grand Total		100.00

Average Maturity based on total maturity of fixed rate and immediate reset date of floating rate instruments of the portfolio: 0.32 years

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

Ready Reckoner

Scheme (Allotment Date)	Investment Objective	Options Available	Loads
EQUITY			
Kotak 30 (December 29, 1998) Fund Manager Anand Shah	To generate capital appreciation from a portfolio of predominantly equity and equity related securities with investment in, generally, not more than 30 stocks.	DP, DR & G	<p>Entry</p> <p>[1] Where switch-in is made from another Equity / Balanced / FOF Scheme of the Fund [2] where purchase/switch-in amount is greater than or equal to Rs. 5 Crores (Switch-ins being from schemes other than those indicated in [1] above) [3] where Units are allotted upon reinvestment of Dividends [4] Where the investor is a Fund-of-Funds as defined under SEBI Regulations [5] Where investments are made by FIIs or sub a/c of FIIs: Nil</p> <ul style="list-style-type: none"> Where investments are made through SIP / STP of less than Rs. 25 lacs per installment and for, investments other than those indicated in [3], [4] and [5] above: 1.25% Cases not covered above: 2.25% <p>Exit:</p> <ul style="list-style-type: none"> For investment through SIP/STP for less than Rs. 25 lakhs per installment, for exit within 24 months (calculated as date to date) : 1.00% For investment through SIP/STP for greater than or equal to Rs. 25 lakhs but less than Rs. 5 crores (per installment), for exit within 6 months (calculated as date to date) : 1.00% For investment through non-SIP / non-STP, less than Rs. 5 crores, for exit within 6 months: 1.00% Cases not covered above : Nil <p>Entry: [1] Where switch-in is made from another Equity / Balanced / FOF Scheme of the Fund [2] where purchase/switch-in amount is greater than or equal to Rs. 5 Crores (Switch-ins being from schemes other than those indicated in [1] above) [3] where Units are allotted upon reinvestment of Dividends [4] Where the investor is a Fund-of-Funds as defined under SEBI Regulations [5] Where investments are made by FIIs or sub a/c of FIIs: Nil • Where investments are made through SIP / STP of less than Rs. 25 lacs per installment and for, investments other than those indicated in [3], [4] and [5] above: 1.25% • Cases not covered above: 2.25%</p> <p>Exit: Nil</p> <p>Entry: • For, (i) Units allotted on re-investments of dividends (ii) purchase by FII or sub-account of FII: Nil • [1] Where investments are made through SIP/STP of less than Rs. 25 lacs per installment [2] Where Switch - in made from any Scheme of the Fund : 1.25% • Cases not covered above: 2.25%</p> <p>Exit: • For investment through SIP/STP for less than Rs. 25 lakhs per installment, for exit within 24 months (calculated as date to date) : 1.00% • For investment through SIP/STP for greater than or equal to Rs. 25 lakhs but less than 5 crores (per installment), for exit within 6 months (calculated as date to date) : 1.00% • For investment through non-SIP / non-STP: less than Rs. 5 crores, for exit within 6 months: 1.00% • Cases not covered above : Nil</p> <p>Exit: Nil</p> <p>During Liquidity window: Unit holders of the Schemes have the option of switch-in out all or part of their investment in the Scheme/Plan/Option of the Fund, during the Liquidity window. However, no switch-in is allowed in the Scheme.</p> <p>Entry: For investments <= Rs. 10 lakhs : 2.25%; otherwise Nil</p> <p>Exit: Nil (during liquidity window)</p>
Kotak MidCap (February 24, 2005) Fund Manager Nikunj Doshi	To generate capital appreciation from a diversified portfolio of equity and equity related securities.	DP, DR & G	
Kotak Opportunities (September 9, 2004) Fund Manager Anand Shah	To generate capital appreciation from a diversified portfolio of equity and equity related securities.	DP, DR & G	
Kotak Contra (July 29, 2005) Fund Manager Anand Shah	To Generate capital appreciation from a diversified portfolio of equity and equity related securities.	DP, DR & G	
Kotak Global India (January 30, 2004) Fund Managers Nikunj Doshi & Anurag Jain	To generate capital appreciation from a diversified portfolio of predominantly equity and equity related securities issued by globally competitive Indian companies.	DP, DR & G	
Kotak MNC (April 4, 2000) Fund Managers Nikunj Doshi & Anurag	To generate capital appreciation from a portfolio of predominantly equity and equity related securities issued by multinational companies	DP & DR	
Kotak Tech (April 4, 2000) Fund Managers Nikunj Doshi & Anurag Jain	To generate capital appreciation from a portfolio of predominantly equity and equity related securities in the information technology sector.	DP & DR	
Kotak Lifestyle (March 21, 2006) Fund Manager Nikunj Doshi	The investment objective of the fund is to generate long-term capital appreciation from a portfolio of equity and equity related securities, generally diversified across companies, which are likely to benefit by changing lifestyle and rising consumerism in India.	DP, DR & G	
Kotak Tax Saver# (November 23, 2005) Fund Manager Nikunj Doshi	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.	DP, DR & G	
Kotak Equity FOF (August 9, 2004) Fund Manager Sajit Pisharodi	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.	DP, DR & G	
Kotak Dynamic FOF* (March 31, 2005) Fund Manager Sajit Pisharodi	To generate long term Capital appreciation by investing in a portfolio of diversified large cap Equity Schemes and Liquid Schemes of mutual funds registered with SEBI.	G	
Kotak Flexi FOF* (October 20, 2005) Fund Manager Sajit Pisharodi	To provide long - term capital appreciation by investing in a portfolio of diversified equity schemes and liquid / short term / floating rate schemes / plans of mutual funds registered with SEBI	DR & G	
HYBRID			
Kotak Balance (November 25, 1999) Fund Managers Anand Shah & Ritesh Jain	To achieve growth by investing in equity & equity related instruments, balanced with income generation by investing in debt & money market instruments.	DP & DR	<p>Entry: [1] Where switch-in is made from another Equity / Balanced / FOF Scheme of the Fund [2] where purchase/switch-in amount is greater than or equal to Rs. 5 Crores (Switch-ins being from schemes other than those indicated in [1] above) [3] where Units are allotted upon reinvestment of Dividends [4] Where the investor is a Fund-of-Funds as defined under SEBI Regulations [5] Where investments are made by FIIs or sub a/c of FIIs: Nil • Where investments are made through SIP / STP of less than Rs. 25 lacs per installment and for, investments other than those indicated in [3], [4] and [5] above: 1.25% • Cases not covered above: 2.25%</p> <p>Exit: • For investment through SIP/STP for less than Rs. 25 lakhs per installment, for exit within 24 months (calculated as date to date) : 1.00% • For investment through SIP/STP for greater than or equal to Rs. 25 lakhs but less than Rs. 5 crores (per installment), for exit within 6 months (calculated as date to date) : 1.00% • For investment through non-SIP / non-STP, less than Rs. 5 crores, for exit within 6 months: 1.00% • Cases not covered above : Nil</p>
Kotak Income Plus (December 2, 2003) Fund Managers Anand Shah & Ritesh Jain	To enhance returns over a portfolio of debt instruments with a moderate exposure to equity and equity related instruments.	DP, DR & G	<p>Entry: Nil</p> <p>Exit: 0.5% for redemptions within 6 months where investment amount </= Rs. 10 lacs Nil for investment amount > Rs. 10 lacs</p>

Minimum Initial Investment : Rs. 5000 (# Rs. 500) • Additional Investment : In Multiples of Rs. 1000 except for Kotak Tax saver: In multiples of Rs. 500. * No additional investment is permissible in Kotak Dynamic FOF and Kotak Flexi FOF as they are close ended schemes.

Ready Reckoner

Scheme (Allotment Date)	Investment Objective	Plan	Options Available	Loads
DEBT				
Kotak Bond (November 25, 1999) Fund Manager Ritesh Jain	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.	Deposit	DP, DR & G	Entry: Nil Exit: 0.5% for redemptions within 6 months where investment amount \leq Rs. 10 lacs. Nil for investment amount $>$ Rs. 10 lacs
		Regular	DP, DR, G & B	Entry: Nil Exit: Nil
Kotak Bond (May 2, 2002) Fund Managers Ritesh Jain & Abhishek Bisen	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.	Short Term	DR & G	Entry: Nil Exit: Nil
Kotak Floater Long Term (August 13, 2004) Fund Managers Ritesh Jain & Abhishek Bisen	To reduce the interest rate risk associated with investments in fixed rate instruments by investing predominantly in floating rate securities, money market instrument and using appropriate derivatives	****	DP, DR & G	Entry: Nil Exit: 0.5% for redemptions within 6 months where investment amount \leq Rs. 10 lacs. Nil for investment amount $>$ Rs. 10 lacs
Kotak Cash Plus (Sep. 29, 2005.) Fund Managers Ritesh Jain & Sajit Pisharodi	To generate income from investment in debt and money market securities and by availing arbitrage opportunities between prices of spot and derivatives markets.	****	DP, DR & G	Entry: Nil Exit: 0.50% if redeems within 30 days from the date of allotment of units.
Kotak Floater Short Term (July 14, 2003) Fund Managers Ritesh Jain & Deepak Agrawal	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.	****	DR & G	Entry: Nil Exit: Nil
Kotak Flexi Debt (December 6, 2004) Fund Manager Ritesh Jain	To maximise returns through an active management of a portfolio of debt and money securities.	****	DP, DR & G	Entry: Nil Exit: Nil
Kotak Gilt Investment (December 29, 1998) Fund Manager Ritesh Jain	To generate risk-free returns through investments in sovereign securities issued by the Central Government and/or State Governments and/or reverse repos in such securities.	Regular	DP, DR & G	Entry: Nil Exit: Nil
Kotak Gilt Investment (November 11, 2003) Fund Manager Ritesh Jain	- do -	Providend Fund & Trust	DP, DR & G	Entry: Nil Exit: Nil
Kotak Gilt Savings (December 29, 1998) Fund Managers Ritesh Jain & Abhishek Bisen	- do -	****	DP, DR & G	Entry: Nil Exit: Nil
Kotak Liquid (October 5, 2000) Fund Manager Ritesh Jain	To provide reasonable returns and high level of liquidity by investing in debt and money market instruments of different maturities so as to spread the risk across different kinds of issuers in the debt markets.	Regular	DR & G	Entry: Nil Exit: Nil
Kotak Liquid (March 16, 2003) Fund Manager Ritesh Jain	- do -	Institutional #	DR & G	Entry: Nil Exit: Nil
Kotak Liquid (November 4, 2003) Fund Manager Ritesh Jain	- do -	Institutional Premium \$	DP, DR & G	Entry: Nil Exit: Nil
Kotak Liquid (August 3, 2004) Fund Manager Ritesh Jain	- do -	Sweep	DR	Entry: Nil Exit: Nil

Minimum Initial Investment : Rs. 5000 (# Rs. 1 crore, \$ Rs. 5 crores) • Additional Investment : In Multiples of Rs. 1000 except for Kotak Liquid Sweep which is not permissible
DP - Dividend Payout; DR-Dividend Reinvestment; G-Growth; B-Bonus.

Dividend History

EQUITY SCHEMES

Record Date	Cum Dividend NAV	Rs/Unit
Kotak 30-Dividend		
Dec-27-2005	27.711	1.00
Jun-03-2005	20.345	1.00
Nov-05-2004	18.060	1.50
Jan-31-2004	21.093	5.00
Oct-20-2003	18.983	2.00
Dec-28-2001	11.036	1.00
Oct-09-2000	17.556	2.00
Dec-11-1999	22.954	2.00
Kotak Global India		
Feb-08-2006	19.609	2.00
Feb-04-2005	13.708	1.50
Kotak MNC		
Feb-11-2005	20.600	4.50
Kotak Opportunities		
Sept-27-2006	17.745	1.50
Mar-21-2006	21.784	4.50
Sept-28-2005	16.816	1.00
Feb-25-2005	12.852	0.75
Kotak Midcap		
Apr-28-2006	19.4377	4.00
Aug-24-2005	13.0267	0.50

HYBRID SCHEMES

Record Date	Cum Dividend NAV	Rs/Unit
Kotak Balance		
Sept-27-2006	22.870	1.00
Mar-27-2006	26.645	3.50
Dec-12-2005	22.232	1.00
May-16-2005	18.129	0.75
Dec-13-2004	16.175	0.50
Dec-12-2003	15.559	2.75
Mar-13-2000	13.471	1.00
Kotak Income Plus - Monthly Dividend		
Oct-13-2006	11.0150	Individual / HUF : 0.0669 Others : 0.0623
Oct-12-2006	10.9463	Individual / HUF : 0.0623 Others : 0.0580
Sept-12-2006	10.8459	Individual / HUF : 0.0327 Others : 0.0305
Aug-14-2006	10.8648	Individual / HUF : 0.0494 Others : 0.0460
Kotak Income Plus - Quarterly Dividend		
Sept-20-2006	11.0594	Individual / HUF : 0.1909 Others : 0.1778
Jun-20-2006	10.9942	Individual / HUF : 0.1709 Others : 0.1591
Mar-20-2006	11.2373	Individual / HUF : 0.1633 Others : 0.1521
Dec-20-2005	10.9792	Individual / HUF : 0.1651 Others : 0.1537

DEBT SCHEMES

Record Date	Cum Dividend NAV	Rs/Unit
Kotak Bond Deposit Plan		
Jun-25-2004	10.5647	0.0600
Mar-25-2004	10.7807	0.1058
Dec-26-2003	10.9167	0.1650
Sept-25-2003	11.0101	0.2475
Kotak Bond Short Term Plan		
Nov-13-2006	10.1206	Individual / HUF : 0.0581 others:0.0541
Oct-12-2006	10.1203	Individual / HUF : 0.0579 others:0.0539
Sept-12-2006	10.1159	Individual / HUF : 0.0541 thers : 0.0504
Aug-14-2006	10.1189	Individual / HUF : 0.0568 thers : 0.0529
Kotak Bond Regular Plan - Annual		
Mar-12-2004	12.2306	0.7798
Mar-12-2003	11.8021	0.7500
Mar-13-2002	13.8500	3.0000
Kotak Bond Regular Plan - Quarterly		
Sept-20-2006	10.5812	Individual / HUF : 0.1887 Others : 0.1757
Jun-20-2006	10.4424	Individual / HUF : 0.0910 Others : 0.0847
Mar-20-2006	10.3510	Individual / HUF : 0.04870 Others : 0.0454
Dec-20-2005	10.4100	Individual / HUF : 0.1005 Others : 0.0935
Kotak Floater Short Term - Monthly		
Nov-13-2006	10.0653	Individual / HUF : 0.0556 Others : 0.0518
Oct-12-2006	10.0573	Individual / HUF : 0.0486 Others : 0.0453
Sept-12-2006	10.0565	Individual / HUF : 0.0480 Others : 0.0447
Aug-13-2006	10.0548	Individual / HUF : 0.0465 Others : 0.0433
Kotak Floater Short term - Weekly		
Nov-27-2006	10.0195	Individual / HUF : 0.0126 Others : 0.0117
Nov-20-2006	10.0194	Individual / HUF : 0.0125 Others : 0.0116
Nov-13-2006	10.0190	Individual / HUF : 0.0121 Others : 0.0113
Nov-06-2006	10.0192	Individual / HUF : 0.0124 Others : 0.0115

DEBT SCHEMES

Record Date	Cum Dividend NAV	Rs/Unit
Kotak Floater Long Term - Monthly		
Nov-13-2006	10.0633	Individual / HUF : 0.0550 Others : 0.0512
Oct-12-2006	10.0596	Individual / HUF : 0.0519 Others : 0.0483
Sept-12-2006	10.0565	Individual / HUF : 0.0480 Others : 0.0447
Aug-13-2006	10.0632	Individual / HUF : 0.0551 Others : 0.0513
Kotak Floater Long term - Weekly		
Nov-27-2006	10.0466	Individual / HUF : 0.0121 Others : 0.0112
Nov-20-2006	10.0464	Individual / HUF : 0.0119 Others : 0.0111
Nov-13-2006	10.0466	Individual / HUF : 0.0121 Others : 0.0112
Nov-06-2006	10.0461	Individual / HUF : 0.0117 Others : 0.0109
Kotak Gilt Investment PF & Trust Plan		
Sept-20-2006	11.1431	Individual / HUF : 0.2595 Others : 0.2416
Dec-20-2005	10.8621	Individual / HUF : 0.0800 Others : 0.0745
Sept-20-2005	10.888	Individual / HUF : 0.1027 Others : 0.0957
Jun-20-2005	10.9314	Individual / HUF : 0.1408 Others : 0.1311
Kotak Gilt Investment Regular Plan - Dividend		
Mar-25-2004	10.5848	0.0909
Dec-26-2003	10.7693	0.2050
Sept-25-2003	10.9273	0.3450
Kotak Gilt Savings Plan - Annual Dividend		
Sept-21-2003	15.3239	4.5000
Kotak Gilt Savings Plan - Monthly Dividend		
Nov-13-2006	10.4842	Individual / HUF : 0.0535 Others : 0.0499
Oct-12-2006	10.4839	Individual / HUF : 0.0534 Others : 0.0497
Sept-12-2006	10.4917	Individual / HUF : 0.0603 Others : 0.0561
Aug-14-2006	10.4789	Individual / HUF : 0.0491 Others : 0.0457
Kotak Flexi Debt - Quarterly		
Sept-20-2006	10.2302	Individual / HUF : 0.1462 Others : 0.1362
Jun-20-2006	10.203	Individual / HUF : 0.1328 Others : 0.1237
Mar-20-2006	10.1661	Individual / HUF : 0.1289 Others : 0.1200
Dec-20-2005	10.1497	Individual / HUF : 0.1145 Others : 0.1066
Kotak Flexi Debt - Daily		
Nov-30-2006	10.0311	Individual / HUF : 0.001697 Others : 0.001581
Nov-29-2006	10.0311	Individual / HUF : 0.001788 Others : 0.001666
Nov-28-2006	10.0311	Individual / HUF : 0.001744 Others : 0.001625
Nov-27-2006	10.0311	Individual / HUF : 0.001772 Others : 0.001651
Kotak Cash Plus		
Sept-25-2006	10.1893	Individual / HUF : 0.0426 Others : 0.0396
Aug-28-2006	10.1991	Individual / HUF : 0.0512 Others : 0.0476
Jul-24-2006	10.1979	Individual / HUF : 0.0410 Others : 0.0381
Jun-26-2006	10.2132	Individual / HUF : 0.0513 Others : 0.0477
Kotak Liquid Sweep Plan		
Nov-30-2006	10.0071	Individual / HUF : 0.001601 Others : 0.001492
Nov-29-2006	10.0071	Individual / HUF : 0.001635 Others : 0.001524
Nov-28-2006	10.0071	Individual / HUF : 0.001630 Others : 0.001518
Nov-27-2006	10.0071	Individual / HUF : 0.001614 Others : 0.001503
Kotak Liquid Regular Plan		
Nov-27-2006	10.0321	Individual / HUF : 0.0108 Others : 0.0101
Nov-20-2006	10.0323	Individual / HUF : 0.0110 Others : 0.0102
Nov-13-2006	10.0319	Individual / HUF : 0.0106 Others : 0.0099
Nov-06-2006	10.0318	Individual / HUF : 0.0106 Others : 0.0099
Kotak Liquid Institutional Plan - Daily		
Nov-30-2006	12.2281	Individual / HUF : 0.001984 Others : 0.001848
Nov-29-2006	12.2281	Individual / HUF : 0.002027 Others : 0.001888
Nov-28-2006	12.2281	Individual / HUF : 0.002018 Others : 0.001880
Nov-27-2006	12.2281	Individual / HUF : 0.002002 Others : 0.001865
Kotak Liquid Institutional Plan - Weekly		
Nov-27-2006	10.0348	Individual / HUF : 0.0114 Others : 0.0106
Nov-20-2006	10.0352	Individual / HUF : 0.0114 Others : 0.0106
Nov-13-2006	10.0350	Individual / HUF : 0.0113 Others : 0.0105
Nov-06-2006	10.0350	Individual / HUF : 0.0113 Others : 0.0105
Kotak Liquid Institutional Premium Plan - Daily		
Nov-30-2006	12.2281	Individual / HUF : 0.002115 Others : 0.001971
Nov-29-2006	12.2281	Individual / HUF : 0.002180 Others : 0.002031
Nov-28-2006	12.2281	Individual / HUF : 0.002179 Others : 0.002030
Nov-27-2006	12.2281	Individual / HUF : 0.002164 Others : 0.002016
Kotak Liquid Institutional Premium Plan - Weekly		
Nov-27-2006	10.0486	Individual / HUF : 0.01210 Others : 0.01120
Nov-20-2006	10.0489	Individual / HUF : 0.01230 Others : 0.01150
Nov-13-2006	10.0486	Individual / HUF : 0.01210 Others : 0.01120
Nov-06-2006	10.0485	Individual / HUF : 0.01210 Others : 0.01120

Face value : Rs. 10/Unit
Dividend distribution is subject to availability and adequacy of distributable surplus.
After dividend is distributed, the NAV falls to the extent of the payout and statutory levy, if applicable.

Risk Factors

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

Risk Factors :

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

Statutory :

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

Before investing, please read the Offer Documents.

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- **Network of Transaction Acceptance Points:** Submit transaction requests at your convenience across our 27 Investor Service Centres and 48 Transaction Points of CAMS. (To locate these, visit the "Locate Us" section on our website, www.kotakmutual.com).
- **Electronic Credit of Dividends and Redemption Proceeds:** Have your dividend payouts and redemption proceeds paid directly into your bank account*. No more worrying about cheques lost in transit or queuing at a bank to deposit cheques. * Available for accounts in the following banks only: ABN Amro Bank, ICICI Bank, Citibank, IDBI Bank, Deutsche Bank, Kotak Mahindra Bank, HDFC Bank, Standard Chartered Bank, HSBC & UTI Bank.
- **Systematic Investments, Withdrawals and Transfers:** Our Systematic Investment Facility provides you with the option of investing a fixed amount over a period of time, in a disciplined manner. Through this process, you benefit from Rupee Cost Averaging (buying more Units at higher NAV), and avoid the uncertainties involved with trying to time the market. Through our Systematic Withdrawal Facility, withdraw fixed amounts, or the entire appreciation on your investment, in any scheme periodically and benefit by averaging out on market fluctuations. To systematically transfer investments from one Kotak scheme to another, try our Systematic Transfer Facility. This tool also helps you manage your investment portfolio among Kotak Mutual Schemes, in line with your asset allocation plan.
- **Internet Transactions:** Switch investments across our schemes, or redeem your investments electronically, through our Internet Transaction Facility. You can also invest in our schemes online, through Kotakstreet (www.kotakstreet.com), ICICI Direct (www.icicidirect.com), and Times of Money (www.timesofmoney.com)
- **E-mail Communication :** Opt in to value-added information through e-mail: Daily NAV and Dividend Updates, Monthly Updates, weekly and more.
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