



Think Investments. Think Kotak.®

Fund Factsheet

September 30, 2006

A pick of the *choicest* stocks



With a compounded annualised return of 31%* (Performance as on page 5) since inception, Kotak 30 has proved its capability in creating wealth for its investors.

*Past performance may or may not be sustained in the future. Risk Factors on Page 31.

KOTAK 30

From CEO's Desk



The monsoons are over, officially atleast. And as we move into October, the forthcoming festivities and the consequent consumer spree is on the anvil. The current figures of the Finance Ministry estimate that the Indian economy has grown by 8.9% in the 1st quarter of FY07. If this

is any indicator, then one can safely assume continued demand and growth potential during the upcoming months.

This optimism about the future is also fairly evident in the Indian capital markets. The 12000-point mark has been breached yet again. The noteworthy fact is that markets are exhibiting credible signs of stable growth, as compared with May 2006. For one, the rollovers have been attractive in the month of September with overall 82% positions getting rolled over to October, while Nifty rollover was 71%.

Indian stock markets seem to have again emerged as lucrative FII destination with around US\$ 1.3 bn pouring in during September. With some evident signs of yen carry trade coming back, this could mean good news for global liquidity. Corporate earnings too have been robust (up 30% over corresponding period last year), reinforcing the fact that India Inc continues to be in good health. All these factors provide a strong impetus for growth in stock market. With valuations still looking good, one can benefit from investments in stock market with a long-term perspective.

Domestic debt markets have been basking in the glory of global easing of interest rates. Two consecutive pauses by the US Federal Reserve have had a cascading effect on interest rates across the globe. Our 10 - year benchmark gilt touched a nine-month low of 7.56% in the last week of September. However, with a decade high money supply growth (19.7%) and an equally unprecedented credit growth, it is logical to expect that RBI would take corrective measures to temper inflationary expectations. The 10 - year gilt could trade in the range of 7.50%-8.00% ahead of the credit policy.

In a regulatory development, SEBI has reinstated the T+1 facility for purchase and redemption in liquid fund schemes (hitherto t+0). This is in line with the market norm, which trades government securities on a T+1 basis. Investors in liquid funds will now have to plan cash management on a more proactive basis and this would also improve operational efficiencies.

The Mutual Fund industry reckons this initiative from SEBI as a welcome measure as we march ahead towards achieving international standards in all our endeavor.

Wishing You all a Happy Diwali /EID and a Prosperous New Year.

Warm Regards

Sandesh Kirkire
Chief Executive Officer.

Before investing, please read the Offer Document.

Foreword

From the Equity Fund Management Team

Last month -Joy for investors continue

After strong gain in the month of August, September also was a good month for equity investors. Upward trend in the market continued with Sensex gaining 6.46% during the month. Mid cap stocks continued to outperform with CNX Midcap index gaining 8.93% during the month. The best performing sector in the month was banking sector (on the back of expectation of benign interest rates going forward) with BSE Bankex gaining by 13.77% during the month, whereas IT (+2.5%) and FMCG (+1.78%) were worst performing sectors.

Main story of the month would be falling global crude prices. On fears of slowdown in the US, global oil prices have started coming off falling below \$60 a barrel this month, from highs of \$78 a barrel in July and from \$70 as on last month end. However, the current weakness in crude is primarily on account of poor seasonal demand and high inventory in US. However, real test for crude prices would be in Jan. when the heating oil requirements and summer demand expectation would decide the future of oil prices.

Another highlight of the month is strong GDP growth. The Central Statistical Organization (CSO) announced that GDP growth in the quarter ended (QE) June 2006 (QE Jun-2006) was at 8.9% YoY. Manufacturing segment growth accelerated to a new high (since quarterly data has been made available) of 11.3% in QE Jun-06. As a result, the industrial segment accelerated to 10.2% in QE Jun-06 from 9.5% in the previous quarter. The services segment growth stayed strong at 10.6% in QE Jun-06 compared with 10.9% in the previous quarter. Agriculture segment growth decelerated to 3.4% in QE Jun-06 from the 5.4% registered in QE Mar-06.

FIs continued to be aggressive buyers for the month at US\$1.34bn compared to net inflows of US\$1.0bn in Aug'06. Mutual funds were buyers with inflows at US\$198mn compared to net inflows of US\$93mn in Aug'06.

Going Forward:

Falling crude price, benign Interest rate scenario and strong sustainable GDP growth rate - very attractive scenario for equity investors.

However, one needs to be aware of risks also. Infrastructure continues to be big bottleneck and India needs to spend significantly in road, power, ports and airports sector to achieve sustainable GDP growth rate of 7-8%. Also to keep our competitive strength in manufacturing and services sector intact, we need to spend substantial amounts on education and healthcare in order to maintain availability of skilled manpower without significant inflation in wage costs. The performance, in the past, on above agenda were substantially lower and needs to improve significantly in the future.

Also after the sharp rally over last two months, valuations are once again not entirely in investor's favour, in the short term. However, the long term India growth story remains intact. Indian economy remains on track for around 7-8% growth on the back of changing demographics led consumerism, capex cycle, and global competitiveness. Longer term investors should continue to invest through the SIP route.

From the Debt Fund Management Team

Major Economic indicators

| | Current Month# | Last Month | Change |
|--|----------------|------------|--------|
| Inflation (16/Sept/06) | 4.56% | 4.92% | -0.36% |
| WPI (Points) | 206.30 | 204.70 | 0.78% |
| 10 YR IGB (Yield) | 7.64% | 7.89% | -0.25% |
| 10 YR UST (Yield) | 4.60% | 4.75% | -0.15% |
| Avg. LAF Bal. With RBI under Reverse Repo (Rs. cr) | 25473 | 36856 | -11383 |
| Currency (Rs./\$) | 45.93 | 46.54 | -1.31% |
| India's Forex Reserve (billion \$) (22/Sept/06) | 166.48 | 165.37 | 1.11 |

#Current reported period in the month

The month of September witnessed a sharp rally in gilt prices, tracking falling US treasury yields and receding global crude oil prices. A benign inflation rate of below 5% along with improved liquidity conditions towards the end of the month, turned market sentiments positive. However mid month the WPI touched 5.01%. Advance corporate tax up to Sept 15 rose by 30.33% to Rs. 30898 crs, causing a strain on interbank liquidity mid month.

The debt market staged a smart rally with the yields on 10 - year sovereign bond falling from 7.88% at the start of the month to 7.64% as at the end of the month. Intra month, the 10 year gilt touched a nine - month low of 7.56% on the back of sharply lower global crude oil prices and softer US economic data. Moderating economic growth partly reflecting a cooling housing market coupled with expectations of inflation moderating over time led the Fed Reserve to keep its key rate unchanged to 5.25% at its Sept 20 rate setting meet.

On the economic front, India's Index of Industrial Production soared to decade high of 12.4% yoy due to robust growth across all sectors led by manufacturing sector. India's Q1 GDP grew by 8.9% backed by a stellar 11.3% growth in the manufacturing sector. Current Account Balance for the April - June quarter posted a deficit of \$6.099 bln compared with an unexpected surplus of \$1.815 bln in Jan - Mar quarter. The broad money supply (M3) grew by 19.6% well above RBI's comfort zone of 15%.

Outlook

The outlook looks positive on the back of a sharp fall in international crude oil prices and slowing economic growth in the US. However concerns remain in the form of liquidity tightening due to festive demands and hawkish statements made by RBI Governor, who commented that the long-term real interest rate had changed but not in the desired direction and that credit growth needed to be monitored.

RBI is to auction Rs. 9,000 crs of gilt between Oct 6 - 13. We expect the auction to sail through smoothly given comfortable liquidity position. As it is the only auction scheduled for the month, we expect gilt prices to remain supported with a positive bias. Market participants shall await the outcome of Oct 31 mid term review of RBI Credit Policy. Higher credit and money supply growth rate could prompt RBI to take firm measures at its mid term policy review.

Source of information :

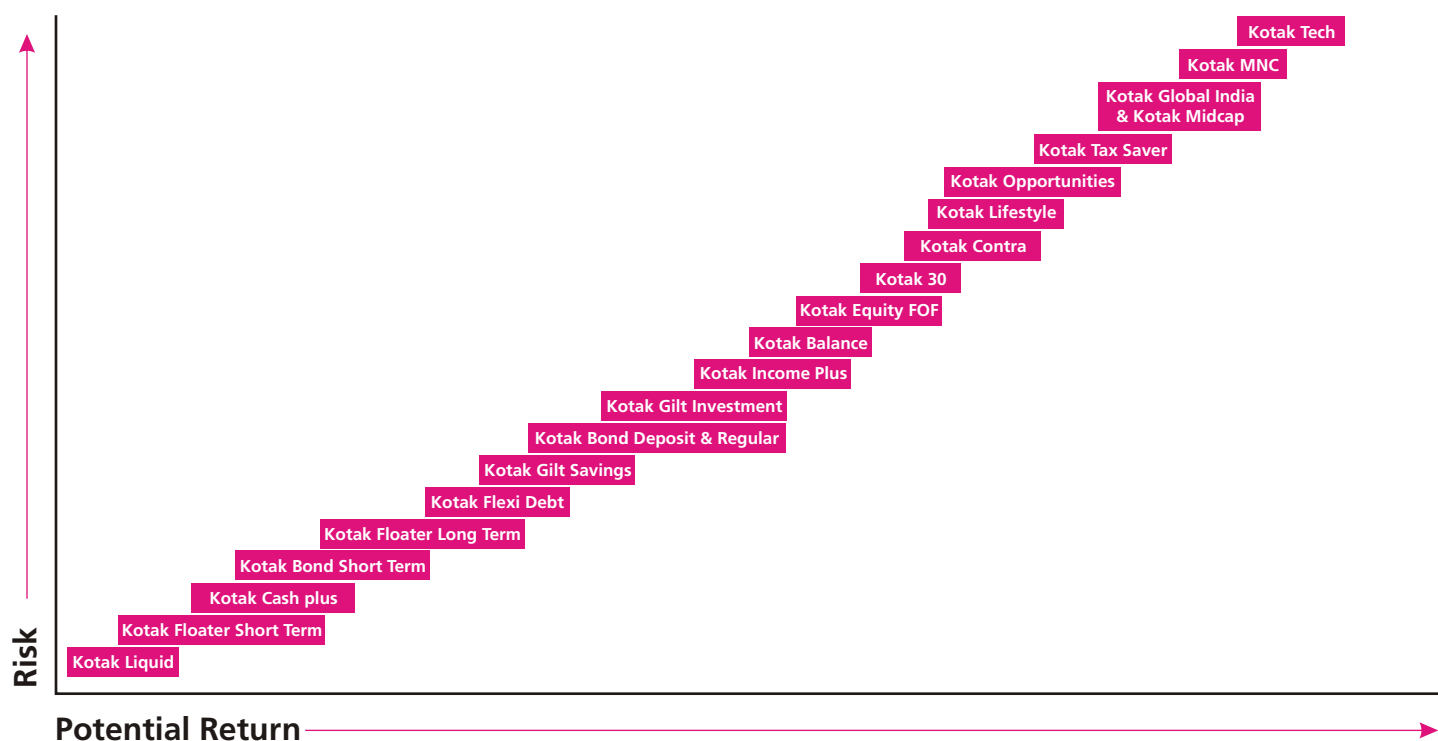
• www.rbi.org.in • www.sebi.gov.in • www.eaindustry.nic.in • Bloomberg • Moneyline telerate • Economic Times • Reuters

Assets under Management as on September 30, 2006 - Rs. 11702.17 Crores

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Risk Return Stack Up



Potential Return

The above chart is meant only to show relative positioning and should not be construed as absolute risk return relationships among different products.

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. 377.10 crores

Ratios

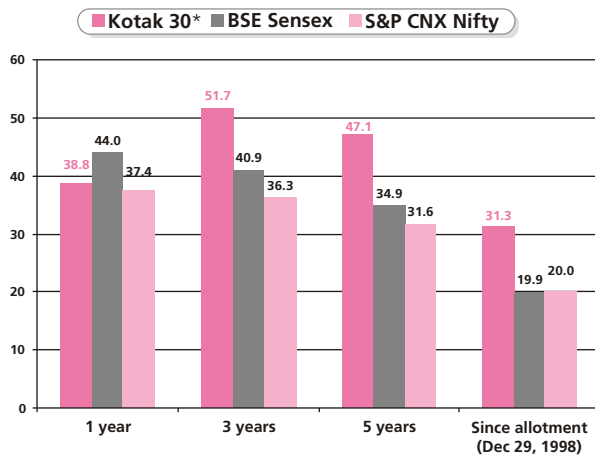
Beta* : 0.91

Sharpe* : 0.49

Portfolio P/E: 19.13

*Source: Value Research

Performance as on September 29, 2006~



Kotak 30 NAV: Rs. 34.700 (Div. Option)

~ September 30, 2006 being a non - business day.

* Returns assumed reinvestment of the tax free dividend declared.

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

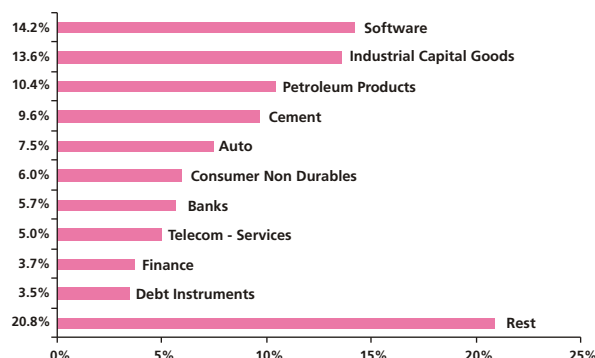
Past performance may or may not be sustained in future.

SIP Returns

| | 1 year | 3 years | 5 years | 7 years |
|------------------|-----------|-----------|------------|------------|
| Investment Amt. | Rs. 12000 | Rs. 36000 | Rs. 60000 | Rs. 84000 |
| Investment Value | Rs. 14276 | Rs. 68597 | Rs. 192254 | Rs. 290139 |
| XIRR | 36.98% | 46.69% | 48.57% | 34.97% |

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

Sector Allocation



Portfolio

| Name of the Instrument | Industry / Rating | % to Net Assets |
|--|--------------------------|-----------------|
| Equity & Equity Related (Listed/Awaiting listing) | | |
| Reliance Industries Ltd. | Petroleum Products | 7.52 |
| Infosys Technologies Ltd. | Software | 6.77 |
| ITC Ltd. | Consumer Non Durables | 5.97 |
| Bharat Heavy Electricals Ltd. | Industrial Capital Goods | 5.92 |
| Grasim Industries Ltd. | Cement | 5.69 |
| Larsen And Toubro Ltd. | Industrial Capital Goods | 5.60 |
| Punjab National Bank | Banks | 5.58 |
| Bharti Airtel Ltd. | Telecom - Services | 4.98 |
| Bajaj Auto Ltd. | Auto | 4.37 |
| ACC Ltd. | Cement | 3.95 |
| HDFC Ltd. | Finance | 3.66 |
| Steel Authority of India Ltd. | Ferrous Metals | 3.51 |
| Maruti Udyog Ltd | Auto | 3.12 |
| Indian Oil Corporation Ltd | Petroleum Products | 2.91 |
| Wipro Ltd. | Software | 2.78 |
| Tata Consultancy Services Ltd. | Software | 2.71 |
| Aditya Birla Nuvo Ltd. | Textile Products | 2.14 |
| Siemens Ltd. | Industrial Capital Goods | 2.08 |
| Lupin Ltd. | Pharmaceuticals | 1.91 |
| I-Flex Solutions Ltd. | Software | 1.91 |
| Deccan Chronicle Holdings Ltd. | Media and Entertainment | 1.73 |
| Sun Pharmaceuticals Industries Ltd. | Pharmaceuticals | 1.23 |
| ICICI Bank Ltd. | Banks | 0.09 |
| Total | | 86.13 |
| Futures | | |
| ICICI Bank Ltd.-OCT2006 | | 3.94 |
| Sun Pharmaceuticals Industries Ltd.-OCT2006 | | 1.74 |
| Total | | 5.68 |
| Debt Instruments | | |
| Debentures and Bonds | | |
| Corporate Debt / Financial Institutions | | |
| ILIC Housing Finance Ltd. | AAA | 0.81 |
| Total | | 0.81 |
| Public Sector Undertakings | | |
| Industrial Development Bank Of India. | AA+ | 1.37 |
| Export-Import Bank of India. | AAA | 1.33 |
| Total | | 2.70 |
| Money Market Instruments | | |
| Commercial Paper (CP)/Certificate of Deposits (CD) | | |
| Corporate Debt / Financial Institutions | | |
| ICICI Bank Ltd. | P1+ | 1.56 |
| Total | | 1.56 |
| Term Deposits | | 1.86 |
| Collateral Borrowing & Lending obligation | | 0.66 |
| Net Current Assets/(Liabilities) | | 0.60 |
| 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 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

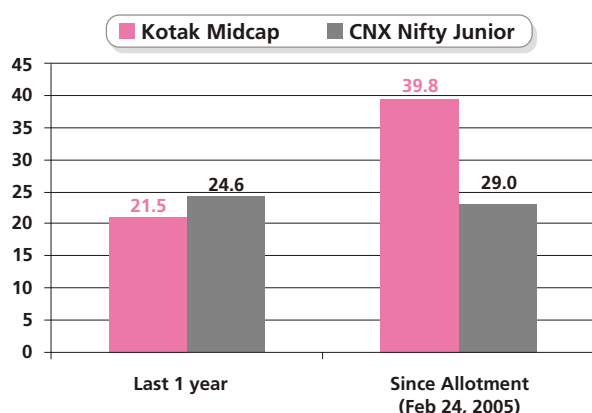
Corpus

Rs.258.11 crores

Ratio

Portfolio P/E: 21.27

Performance as on September 29, 2006~



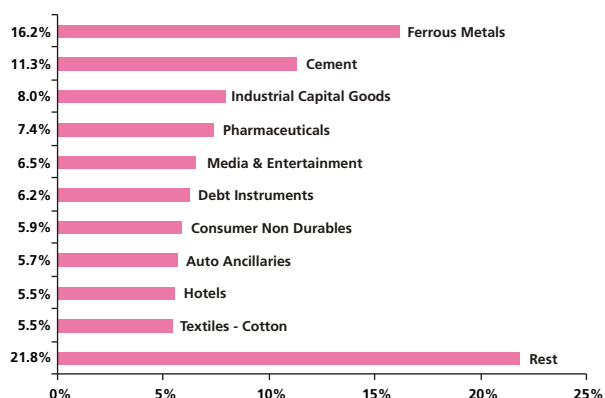
Kotak Midcap NAV: Rs. 17.291 (Growth Option)

~ September 30, 2006 being a non-business day.

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) | | |
| Jindal Steel & Power Ltd. | Ferrous Metals | 5.97 |
| Madras Cements Ltd. | Cement | 5.97 |
| Mphasis Bfl Ltd. | Software | 4.31 |
| Vardhman Textiles Ltd. | Textiles - Cotton | 3.91 |
| Pidilite Industries Ltd. | Chemicals | 3.80 |
| Areva T and D India Ltd. | Industrial Capital Goods | 3.75 |
| TajGVK Hotels & Resorts Ltd. | Hotels | 3.62 |
| MRF Ltd. | Auto Ancillaries | 3.60 |
| HT Media Ltd. | Media and Entertainment | 3.35 |
| Birla Corporation Ltd. | Cement | 3.30 |
| Deccan Chronicle Holdings Ltd. | Media and Entertainment | 3.15 |
| Aban Offshore Ltd. | Industrial Capital Goods | 3.07 |
| JSW Steel Ltd. | Ferrous Metals | 2.95 |
| Ipca Laboratories Ltd. | Pharmaceuticals | 2.90 |
| EID Parry (India) Ltd. | Consumer Non Durables | 2.90 |
| Maharashtra Seamless Ltd. | Ferrous Metals | 2.76 |
| TATA Metaliks Ltd. | Ferrous Metals | 2.71 |
| Alembic Ltd. | Pharmaceuticals | 2.60 |
| Gujarat Gas Company Ltd. | Gas | 2.59 |
| Amtek Auto Ltd. | Auto Ancillaries | 2.11 |
| Kirloskar Oil Engines Ltd. | Industrial Products | 2.08 |
| Shree Cement Ltd. | Cement | 1.99 |
| EIH Ltd. | Hotels | 1.93 |
| Aventis Pharma Ltd. | Pharmaceuticals | 1.88 |
| SKF India Ltd | Industrial Products | 1.83 |
| Nahar Exports Ltd. | Textiles - Cotton | 1.56 |
| Britannia Industries Ltd. | Consumer Non Durables | 1.50 |
| Eveready Industries India Ltd. | Consumer Non Durables | 1.46 |
| Kamdhenu Ispat Ltd. | Ferrous Metals | 1.43 |
| Sical Logistics Ltd. | Transportation | 1.27 |
| Hindustan Dorr-Oliver Ltd. | Industrial Capital Goods | 1.15 |
| Nahar Spinning Mills Ltd. | Textiles - Synthetic | 1.10 |
| Patel Engineering Ltd. | Construction | 1.03 |
| Avaya GlobalConnect Ltd. | Telecom - Equipment & Accessories | 0.51 |
| Monnet Ispat and Energy Ltd. | Ferrous Metals | 0.39 |
| Total | | 90.43 |
| Debt Instruments | | |
| Debentures and Bonds | | |
| Corporate Debt / Financial Institutions | | |
| Citicorp Finance (India) Ltd. | AAA | 1.94 |
| LIC Housing Finance Ltd. | AAA | 0.39 |
| Total | | 2.33 |
| Public Sector Undertakings | | |
| Power Finance Corporation Ltd. | AAA | 3.89 |
| Total | | 3.89 |
| Money Market Instruments | | |
| Commercial Paper (CP)/Certificate of Deposits (CD) | | |
| Corporate Debt / Financial Institutions | | |
| Mahindra & Mahindra Financial Services Ltd. | P1+ | 3.84 |
| Total | | 3.84 |
| Net Current Assets/(Liabilities) | | |
| | | -0.49 |
| 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

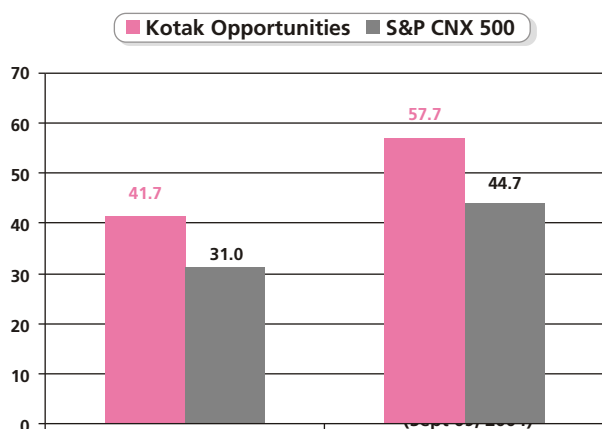
Corpus

Rs. 301.10 crores

Ratio

Portfolio P/E: 21.86

Performance as on September 29, 2006~



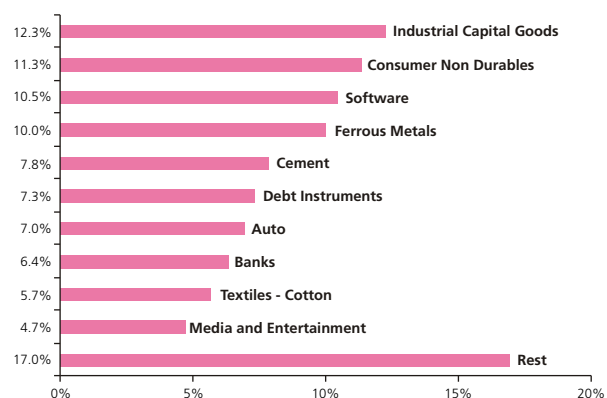
Kotak Opportunities NAV: Rs. 25.490 (Growth Option)

~ September 30, 2006 being a non - business day.

Returns = 1 year : Absolute. Returns > 1year: 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 | 6.39 |
| ITC Ltd. | Consumer Non Durables | 5.30 |
| Jindal Steel & Power Ltd. | Ferrous Metals | 5.23 |
| Madras Cements Ltd. | Cement | 4.60 |
| Suzlon Energy Ltd. | Industrial Capital Goods | 4.10 |
| Jaiprakash Associates Ltd | Construction | 4.09 |
| Satyam Computer Services Ltd. | Software | 4.08 |
| Larsen And Toubro Ltd. | Industrial Capital Goods | 3.67 |
| Mahindra & Mahindra Ltd. | Auto | 3.49 |
| Hero Honda Motors Ltd. | Auto | 3.47 |
| Vardhman Textiles Ltd. | Textiles - Cotton | 3.41 |
| HT Media Limited. | Media and Entertainment | 3.39 |
| Ultratech Cement Ltd. | Cement | 3.25 |
| Reliance Industries Ltd. | Petroleum Products | 2.92 |
| Eveready Industries India Ltd. | Consumer Non Durables | 2.79 |
| ABG Heavy Industries Ltd. | Industrial Capital Goods | 2.41 |
| ICICI Bank Ltd. | Banks | 2.32 |
| Tata Chemicals Ltd. | Fertilisers | 2.29 |
| Bank of India | Banks | 2.29 |
| Nahar Industrial Enterprises Ltd. | Textiles - Cotton | 2.28 |
| Alembic Ltd. | Pharmaceuticals | 2.18 |
| Maharashtra Seamless Ltd. | Ferrous Metals | 2.14 |
| Aban Offshore Ltd. | Industrial Capital Goods | 2.12 |
| Steel Authority of India Ltd. | Ferrous Metals | 1.94 |
| Sterlite Industries (India) Ltd | Non - Ferrous Metals | 1.89 |
| Punjab National Bank | Banks | 1.75 |
| Procter & Gamble Hygiene and Health Care Ltd. | Consumer Non Durables | 1.65 |
| Dabur India Ltd | Consumer Non Durables | 1.61 |
| Television Eighteen India Ltd. | Media and Entertainment | 1.33 |
| Atlas Copco (India) Ltd | Industrial Products | 1.27 |
| JSW Steel Ltd. | Ferrous Metals | 0.70 |
| Solar Explosives Ltd. | Chemicals | 0.53 |
| ITD Cementation India Ltd. | Construction | 0.39 |
| ITD Cementation (I) Ltd. Right Shares | Construction | 0.00 |
| Total | | 91.27 |
| Futures | | |
| Hero Honda Motors Ltd.-OCT2006 | | 0.65 |
| Total | | 0.65 |
| Debt Instruments | | |
| Debentures and Bonds | | |
| Corporate Debt / Financial Institutions | | |
| Electrosteel Castings Ltd. | P1+ | 3.32 |
| Citifinancial Consumer Finance India Ltd. | AAA | 1.68 |
| Citicorp Finance (India) Ltd. | AAA | 1.66 |
| LIC Housing Finance Ltd. | AAA | 0.67 |
| Total | | 7.33 |
| Money Market Instruments | | |
| Commercial Paper (CP)/Certificate of Deposits (CD) | | |
| Corporate Debt / Financial Institutions | | |
| Standard Chartered Investment & Loan India Ltd. | P1+ | 1.09 |
| Total | | 1.09 |
| Public Sector Undertakings | | |
| State Bank of Mysore | A1+ | 0.66 |
| State Bank of Indore | P1+ | 0.65 |
| Total | | 1.31 |
| Term Deposits | | 2.32 |
| Net Current Assets/(Liabilities) | | -3.97 |
| 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

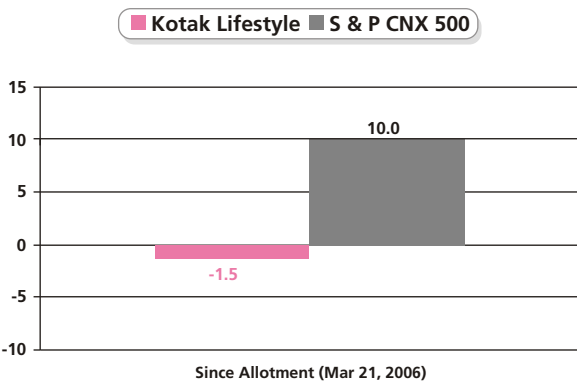
Corpus

Rs. 541.71 crores

Ratio

Portfolio P/E: 39.27

Performance as on September 29, 2006~



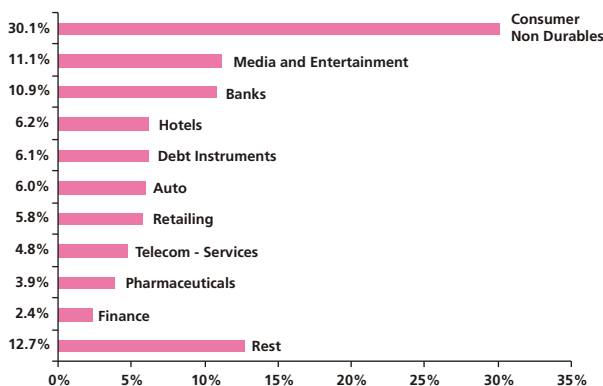
Kotak Lifestyle NAV: Rs. 9.969 (Growth Option)
~ September 30, 2006 being a non-business day.
Returns <= 1 year : Absolute
The Annualised Return is not shown as Scheme has not completed one year.
Past performance may or may not be sustained in future.

Portfolio

| Name of the Instrument | Industry / Rating | % to Net Assets |
|--|-------------------------|-----------------|
| Equity & Equity Related (Listed/Awaiting listing) | | |
| Indian Hotels Company Ltd. | Hotels | 5.43 |
| ITC Ltd. | Consumer Non Durables | 4.88 |
| Bharti Airtel Ltd. | Telecom - Services | 4.82 |
| Pantaloon Retail (India) Ltd. | Retailing | 4.70 |
| Mcdowell & Company Ltd. | Consumer Non Durables | 4.29 |
| Television Eighteen India Ltd. | Media and Entertainment | 3.91 |
| Zee Telefilms Ltd. | Media and Entertainment | 3.67 |
| Mahindra & Mahindra Ltd. | Auto | 3.54 |
| Punjab National Bank | Banks | 3.47 |
| Hindustan Lever Ltd. | Consumer Non Durables | 3.23 |
| Sun Pharmaceuticals Industries Ltd. | Pharmaceuticals | 3.12 |
| Marico Ltd. | Consumer Non Durables | 2.99 |
| Nestle India Ltd. | Consumer Non Durables | 2.85 |
| Tata Motors Ltd. | Auto | 2.47 |
| ICICI Bank Ltd. | Banks | 2.38 |
| McLeod Russel India Ltd | Consumer Non Durables | 2.32 |
| Dabur India Ltd | Consumer Non Durables | 2.27 |
| PVR Ltd. | Media and Entertainment | 1.98 |
| Mahindra Gesco Developers Ltd. | Construction | 1.94 |
| HDFC Bank Ltd. | Banks | 1.79 |
| Nitco Tiles Ltd. | Consumer Non Durables | 1.77 |
| Radico Khaitan Ltd. | Consumer Non Durables | 1.71 |
| UTI Bank Ltd. | Banks | 1.68 |
| Raymond Limited | Textile Products | 1.65 |
| Gitanjali Gems Ltd. | Consumer Non Durables | 1.56 |
| Centurion Bank of Punjab Ltd. | Banks | 1.55 |
| Pidilite Industries Ltd. | Chemicals | 1.42 |
| Indiabulls Financial Services Ltd | Finance | 1.41 |
| Champagne Indage Ltd. | Consumer Non Durables | 1.14 |
| Asian Paints (India) Ltd. | Consumer Non Durables | 1.12 |
| Shoppers Stop Ltd. | Retailing | 1.07 |
| Gati Ltd. | Courier | 1.02 |
| United Breweries (Holdings) Ltd. | Finance | 0.97 |
| Aventis Pharma Ltd. | Pharmaceuticals | 0.74 |
| Viceroy Hotels Ltd. | Hotels | 0.74 |
| UTV Software Communications Ltd. | Media and Entertainment | 0.67 |
| SpiceJet Ltd. | Transportation | 0.66 |
| Saregama India Ltd. | Media and Entertainment | 0.64 |
| International Travel House Ltd. | Travel | 0.49 |
| Balaji Telefilms Ltd | Media and Entertainment | 0.26 |
| Total | | 88.32 |
| Futures | | |
| ICICI Bank Ltd.-OCT2006 | | 2.78 |
| Sun Pharmaceuticals Industries Ltd.-OCT2006 | | 0.27 |
| Total | | 3.05 |
| Option | | |
| Tata Motors Ltd. - 880.00 - Call Option - OCT2006 | | 0.00 |
| Total | | 0.00 |
| Debt Instruments | | |
| Debentures and Bonds | | |
| Corporate Debt / Financial Institutions | | |
| Citicorp Finance (India) Ltd. | AAA | 1.85 |
| Citifinancial Consumer Finance India Ltd. | AAA | 0.93 |
| Infrastructure Development Finance Co. Ltd | AAA | 0.93 |
| LIC Housing Finance Ltd. | AAA | 0.56 |
| Total | | 4.27 |
| Public Sector Undertakings | | |
| Export-Import Bank of India. | AAA | 1.85 |
| Total | | 1.85 |
| Term Deposits | | 1.66 |
| Net Current Assets/(Liabilities) | | 0.85 |
| 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.

Sector Allocation



KOTAK CONTRA

Open-Ended Equity Growth Scheme

Equity Investment
Philosophy



About the Scheme

A diversified equity scheme that invests 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

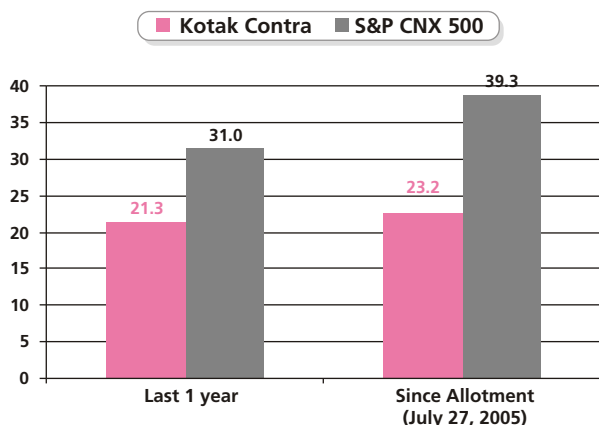
Corpus

Rs. 210.36 crores

Ratio

Portfolio P/E: 27.72

Performance as on September 29, 2006~



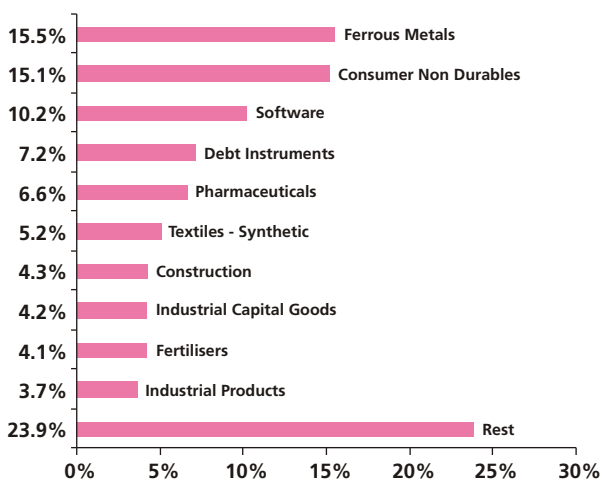
Kotak Contra NAV: Rs. 13.219 (Growth Option)

~ September 30, 2006 being a non-business day.

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) | | |
| Jindal Steel & Power Ltd. | Ferrous Metals | 5.84 |
| Nahar Spinning Mills Ltd. | Textiles - Synthetic | 5.15 |
| Jaiprakash Associates Ltd | Construction | 4.29 |
| Nestle India Ltd. | Consumer Non Durables | 4.29 |
| Mphasis Bfl Ltd. | Software | 4.22 |
| TATA Metaliks Ltd. | Ferrous Metals | 3.72 |
| JSW Steel Ltd. | Ferrous Metals | 3.26 |
| I-Flex Solutions Ltd. | Software | 3.21 |
| Aditya Birla Nuvo Ltd. | Textile Products | 3.02 |
| ABG Heavy Industries Ltd. | Industrial Capital Goods | 3.01 |
| Vardhman Holdings Ltd. | Textiles - Cotton | 2.83 |
| Sasken Communication Technologies Ltd. | Software | 2.77 |
| Ipca Laboratories Ltd. | Pharmaceuticals | 2.63 |
| Steel Authority of India Ltd. | Ferrous Metals | 2.59 |
| Nitco Tiles Ltd. | Consumer Non Durables | 2.59 |
| Eveready Industries India Ltd. | Consumer Non Durables | 2.58 |
| Tata Chemicals Ltd. | Fertilisers | 2.50 |
| Ultratech Cement Ltd. | Cement | 2.49 |
| Alembic Ltd. | Pharmaceuticals | 2.39 |
| Gujarat Gas Company Ltd | Gas | 2.32 |
| Navin Fluorine International Ltd. | Chemicals | 2.23 |
| Asian Paints (India) Ltd. | Consumer Non Durables | 2.19 |
| Revathi Equipment Ltd. | Industrial Products | 2.13 |
| Monsanto India Ltd. | Pesticides | 2.11 |
| EID Parry (India) Ltd. | Consumer Non Durables | 2.10 |
| Sterilite Industries (India) Ltd | Non - Ferrous Metals | 2.08 |
| Coromandel Fertilisers Ltd. | Fertilisers | 1.64 |
| Abbott India Ltd. | Pharmaceuticals | 1.62 |
| Ahmednagar Forgings Ltd. | Industrial Products | 1.53 |
| Power Trading Corporation of India Ltd. | Power | 1.51 |
| Apollo Tyres Ltd. | Auto Ancillaries | 1.47 |
| Sical Logistics Ltd. | Transportation | 1.41 |
| Ugar Sugar Works Ltd | Consumer Non Durables | 1.39 |
| Hindalco Industries Ltd. Partly Paid shares | Non - Ferrous Metals | 1.30 |
| Hindustan Dorr-Oliver Ltd. | Industrial Capital Goods | 1.19 |
| Vardhman Textiles Ltd. | Textiles - Cotton | 0.64 |
| Rathi Udyog Ltd. | Ferrous Metals | 0.13 |
| Total | | 92.37 |
| Futures | | |
| Tata Chemicals Ltd.-OCT2006 | | 0.02 |
| Total | | 0.02 |
| Debt Instruments | | |
| Debentures and Bonds | | |
| Corporate Debt / Financial Institutions | | |
| Citicorp Finance (India) Ltd. | AAA | 4.76 |
| Total | | 4.76 |
| Public Sector Undertakings | | |
| Export-Import Bank of India. | AAA | 2.44 |
| Total | | 2.44 |
| Term Deposits | | 1.43 |
| Collateral Borrowing & Lending obligation | | 0.48 |
| Net Current Assets/(Liabilities) | | -1.50 |
| 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

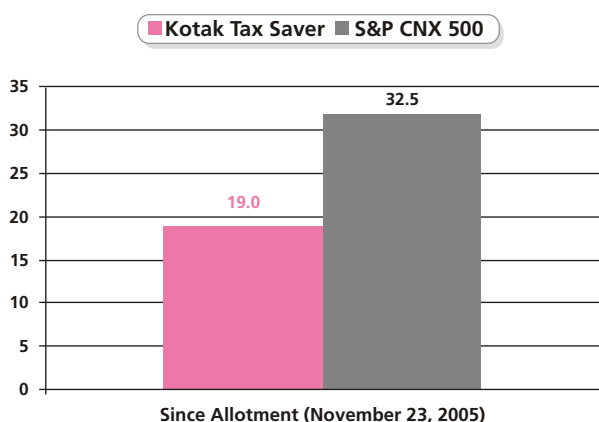
Corpus

Rs. 135.74 crores

Ratio

Portfolio P/E: 25.17

Performance as on September 29, 2006~



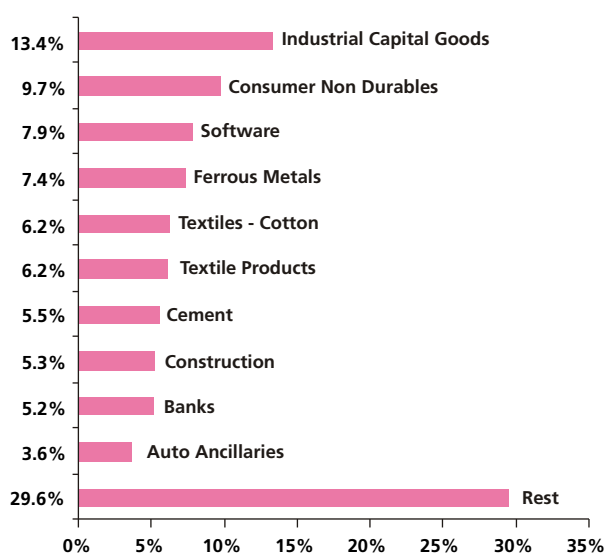
Kotak Tax Saver NAV: Rs. 11.933 (Growth Option)
~ September 30, 2006 being a non-business day.
Returns <= 1 year : Absolute
The Annualised Return is not shown as Scheme has not completed one year.
Past performance may or may not be sustained in future.

Portfolio

| Name of the Instrument | Industry / Rating | % to Net Assets |
|--|--------------------------|-----------------|
| Equity & Equity Related (Listed/Awaiting listing) | | |
| Jaiprakash Associates Ltd | Construction | 4.20 |
| Jindal Steel & Power Ltd. | Ferrous Metals | 3.71 |
| Amtek Auto Ltd. | Auto Ancillaries | 3.65 |
| Ultratech Cement Ltd. | Cement | 3.60 |
| Nahar Industrial Enterprises Ltd. | Textiles - Cotton | 3.54 |
| Infosys Technologies Ltd. | Software | 3.41 |
| Alembic Ltd. | Pharmaceuticals | 3.34 |
| ICICI Bank Ltd. | Banks | 3.18 |
| Reliance Industries Ltd. | Petroleum Products | 3.02 |
| Pantaloon Retail (India) Ltd. | Retailing | 2.92 |
| Thermax Ltd. | Industrial Capital Goods | 2.89 |
| Mcdowell & Company Ltd. | Consumer Non Durables | 2.79 |
| Areva T and D India Ltd. | Industrial Capital Goods | 2.76 |
| Vardhman Textiles Ltd. | Textiles - Cotton | 2.70 |
| Television Eighteen India Ltd. | Media and Entertainment | 2.66 |
| Aditya Birla Nuvo Limited | Textile Products | 2.58 |
| Satyam Computer Services Ltd. | Software | 2.53 |
| Nestle India Ltd. | Consumer Non Durables | 2.46 |
| Great Eastern Shipping Company Ltd | Transportation | 2.28 |
| United Phosphorus Ltd | Pesticides | 2.16 |
| Texmaco Ltd. | Industrial Capital Goods | 2.06 |
| EID Parry (India) Ltd. | Consumer Non Durables | 2.04 |
| Centurion Bank of Punjab Ltd. | Banks | 2.01 |
| Siemens Ltd. | Industrial Capital Goods | 1.98 |
| Bombay Rayon Fashions Ltd. | Textile Products | 1.96 |
| Sasken Communication Technologies Ltd. | Software | 1.96 |
| Shree Cement Ltd. | Cement | 1.93 |
| Godawari Power and Ispat Ltd. | Ferrous Metals | 1.89 |
| Bharat Bijlee Ltd | Industrial Capital Goods | 1.85 |
| Prajay Engineers Syndicate Ltd | Industrial Capital Goods | 1.83 |
| Viceroy Hotels Ltd. | Hotels | 1.83 |
| SKF India Ltd | Industrial Products | 1.80 |
| Raymond Limited | Textile Products | 1.67 |
| Nilkamal Plastics Ltd. | Industrial Products | 1.62 |
| Dolphin Offshore Enterprises (India) Ltd. | OIL AND GAS | 1.36 |
| Shree Renuka Sugars Ltd. | Consumer Non Durables | 1.32 |
| Britannia Industries Ltd. | Consumer Non Durables | 1.11 |
| B L Kashyap and Sons Ltd. | Construction | 1.08 |
| Monnet Ispat and Energy Ltd. | Ferrous Metals | 1.00 |
| Adhunik Metaliks Ltd. | Ferrous Metals | 0.75 |
| GVK Power & Infrastructure Ltd. | Power | 0.58 |
| Total | | 94.01 |
| Futures | | |
| ICICI Bank Ltd.-OCT2006 | | 0.68 |
| Total | | 0.68 |
| Debt Instruments | | |
| Debentures and Bonds | | |
| Corporate Debt / Financial Institutions | | |
| LIC Housing Finance Ltd. | AAA | 2.99 |
| Total | | 2.99 |
| Term Deposits | | 0.37 |
| Net Current Assets/(Liabilities) | | 1.95 |
| 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



KOTAK GLOBAL INDIA

Open-Ended Equity Growth Scheme

Equity Investment
Philosophy



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

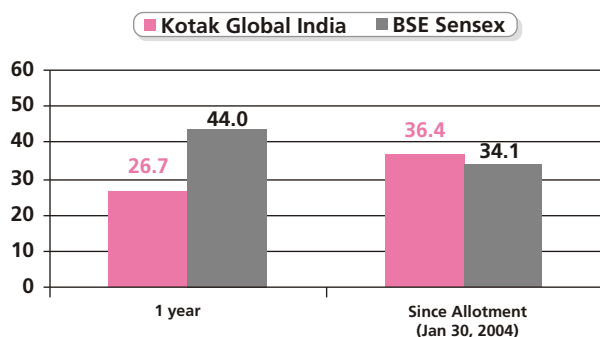
Corpus

Rs. 126.23 crores

Ratio

Portfolio P/E: 25.69

Performance as on September 29, 2006~



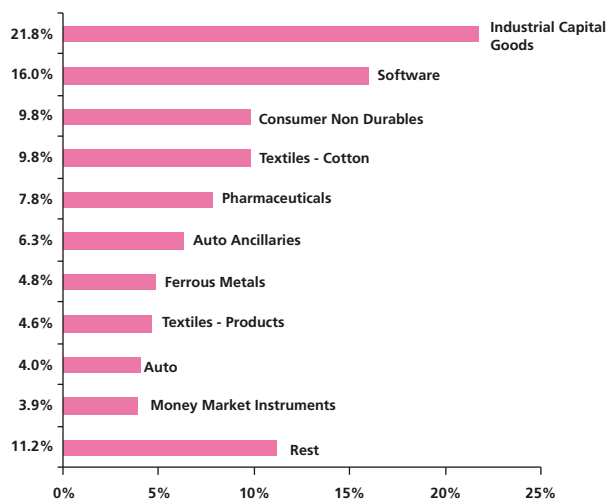
Kotak Global India NAV: Rs. 22.869 (Growth Option)

~ September 30, 2006 being a non - business day.

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 | 7.33 |
| Siemens Ltd. | Industrial Capital Goods | 5.95 |
| Asian Paints (India) Ltd. | Consumer Non Durables | 5.36 |
| Vardhman Textiles Ltd. | Textiles - Cotton | 5.15 |
| Larsen And Toubro Ltd. | Industrial Capital Goods | 5.04 |
| Thermax Ltd. | Industrial Capital Goods | 4.99 |
| Nahar Industrial Enterprises Ltd. | Textiles - Cotton | 4.67 |
| Tata Tea Ltd. | Consumer Non Durables | 4.46 |
| Raymond Ltd. | Textile Products | 4.30 |
| Ipsa Laboratories Ltd. | Pharmaceuticals | 4.12 |
| Mahindra & Mahindra Ltd. | Auto | 4.04 |
| Sun Pharmaceuticals Industries Ltd. | Pharmaceuticals | 3.71 |
| Tata Consultancy Services Ltd. | Software | 3.56 |
| Sundaram Fasteners Ltd. | Auto Ancillaries | 3.34 |
| Suzlon Energy Ltd. | Industrial Capital Goods | 3.03 |
| Amtek Auto Ltd. | Auto Ancillaries | 2.97 |
| Subex Azure Ltd. | Software | 2.92 |
| ABB Ltd. | Industrial Capital Goods | 2.73 |
| Tata Steel Limited. | Ferrous Metals | 2.55 |
| Sterlite Industries (India) Ltd | Non - Ferrous Metals | 2.42 |
| JSW Steel Ltd. | Ferrous Metals | 2.26 |
| Sasken Communication Technologies Ltd. | Software | 2.18 |
| Hindalco Industries Ltd. Partly Paid shares | Non - Ferrous Metals | 1.22 |
| SPL Industries Ltd. | Textile Products | 0.33 |
| Total | | 88.63 |
| Futures | | |
| Sun Pharmaceuticals Industries Ltd.-OCT2006 | | 1.51 |
| Total | | 1.51 |
| Money Market Instruments | | |
| Commercial Paper (CP)/Certificate of Deposits (CD) | | |
| Corporate Debt / Financial Institutions | | |
| ICICI Bank Ltd. | P1+ | 3.90 |
| Total | | 3.90 |
| Term Deposits | | 2.38 |
| Net Current Assets/(Liabilities) | | 3.58 |
| 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.



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. 53.56 crores

Ratios

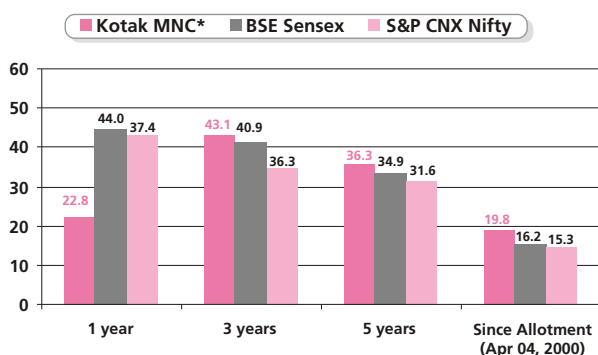
Beta* : 0.79

Sharpe* : 0.41

Portfolio P/E: 32.73

*Source: Value Research

Performance as on September 29, 2006~



Kotak MNC NAV: Rs. 25.167

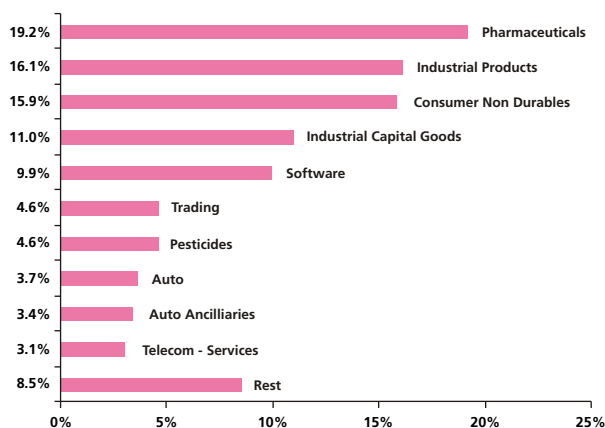
~ September 30, 2006 being a non-business day.

*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) | | |
| Astrazeneca Pharma (I) Ltd. | Pharmaceuticals | 8.37 |
| Atlas Copco (India) Ltd | Industrial Products | 6.73 |
| I-Flex Solutions Ltd. | Software | 5.90 |
| ITC Ltd. | Consumer Non Durables | 5.36 |
| ABB Ltd. | Industrial Capital Goods | 4.99 |
| 3M India Ltd. | Trading | 4.65 |
| Aventis Pharma Ltd. | Pharmaceuticals | 4.33 |
| KSB Pump Ltd | Industrial Products | 4.06 |
| Mphasis Bfl Ltd. | Software | 4.01 |
| GlaxoSmithkline Consumer Healthcare Ltd. | Consumer Non Durables | 3.96 |
| Gillette India Ltd | Consumer Non Durables | 3.90 |
| GlaxoSmithKline Pharmaceuticals Ltd. | Pharmaceuticals | 3.41 |
| Kennametal India Ltd. | Industrial Products | 3.15 |
| Pfizer Ltd. | Pharmaceuticals | 3.10 |
| Bharti Airtel Ltd. | Telecom - Services | 3.07 |
| Siemens Ltd. | Industrial Capital Goods | 2.71 |
| Hindustan Lever Ltd. | Consumer Non Durables | 2.64 |
| Maruti Udyog Ltd. | Auto | 2.57 |
| Syngenta India Ltd. | Pesticides | 2.45 |
| SKF India Ltd. | Industrial Products | 2.18 |
| Monsanto India Ltd. | Pesticides | 2.15 |
| ACC Ltd. | Cement | 2.13 |
| Igarashi Motors India Ltd. | Auto Ancillaries | 2.10 |
| Ciba Speciality Chemicals Ltd. | Chemicals | 2.05 |
| Disa India Ltd. | Industrial Capital Goods | 1.72 |
| Soletron Centum Electronics Ltd. | Industrial Capital Goods | 1.58 |
| Z F Steering Gear (India) Ltd. | Auto Ancillaries | 1.33 |
| Hero Honda Motors Ltd. | Auto | 1.09 |
| ITD Cementation India Ltd. | Construction | 0.92 |
| ITD Cementation (I) Ltd. Right Shares | Construction | 0.00 |
| Total | | 96.61 |
| Collateral Borrowing & Lending obligation | | 1.87 |
| Term Deposits | | 0.93 |
| Net Current Assets/(Liabilities) | | 0.59 |
| 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. 46.26 crores

Ratios

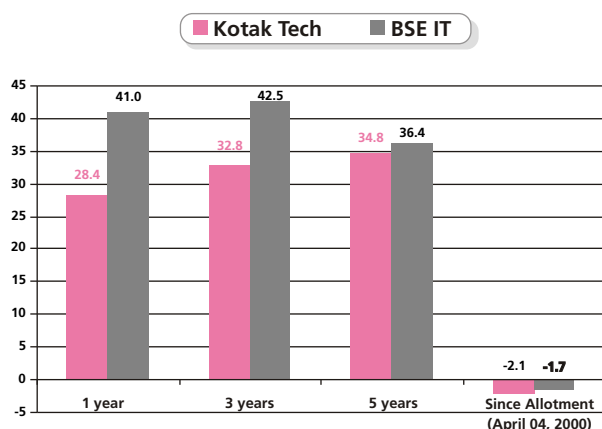
Beta* : 0.88

Sharpe*: 0.35

Portfolio P/E: 27.46

*Source: Value Research

Performance as on September 29, 2006~



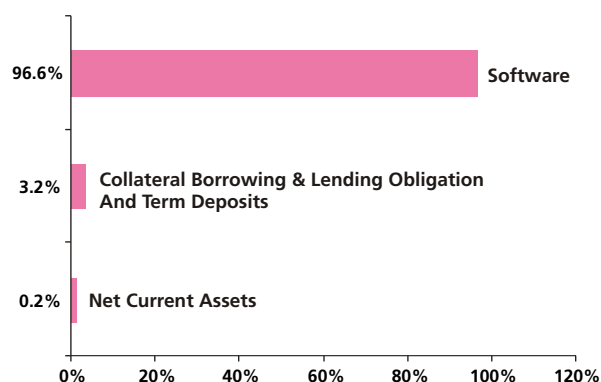
Kotak Tech NAV: Rs. 8.703

~ September 30, 2006 being a non-business day.

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 | 27.63 |
| Satyam Computer Services Ltd. | Software | 14.33 |
| I-Flex Solutions Ltd. | Software | 8.39 |
| Tata Consultancy Services Ltd. | Software | 6.41 |
| Wipro Ltd. | Software | 6.30 |
| Subex Azure Ltd. | Software | 5.23 |
| Mastek Ltd. | Software | 4.85 |
| Mphasis Bfl Ltd. | Software | 4.81 |
| Allsec Technologies Ltd. | Software | 4.73 |
| Megasoft Ltd. | Software | 4.58 |
| Infotech Enterprises Ltd. | Software | 3.43 |
| Sasken Communication Technologies Ltd. | Software | 3.40 |
| Hcl Technologies Ltd. | Software | 2.50 |
| Total | | 96.59 |
| Privately placed / Unlisted | | |
| Virtual Dynamics Software Ltd. @ | Software | # |
| SRM Radiant Infotech Ltd. @ | Software | # |
| Total | | 0.00 |
| Collateral Borrowing & Lending obligation | | 2.16 |
| Term Deposits | | 1.08 |
| Net Current Assets/(Liabilities) | | 0.17 |
| 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

Equity Investment
Philosophy



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.

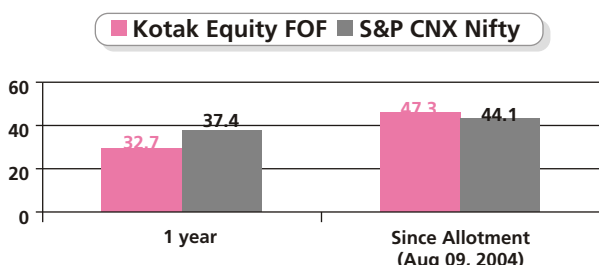
Ideal Investment Horizon

1 - 3 years

Corpus

Rs. 77.00 crores

Performance as on September 29, 2006~



Kotak Equity FOF NAV: Rs. 22.896 (Growth Option)

~ September 30, 2006 being a non-business day.

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

Past performance may or may not be sustained in future.

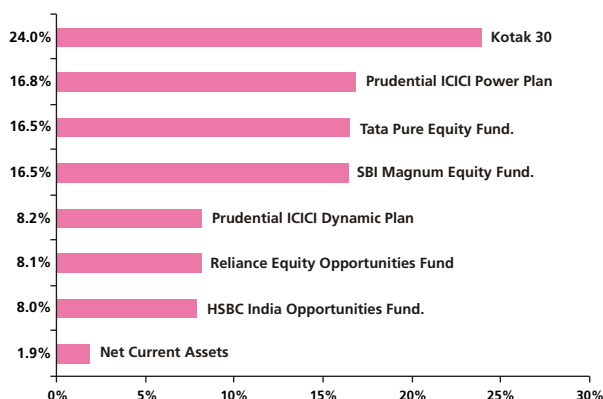
Portfolio

| Issuer / Instrument | Industry / Rating | % to Net Assets |
|---|-------------------|-----------------|
| Mutual Fund Units | | |
| Kotak 30. | Equity Scheme | 23.95 |
| Prudential ICICI Power Plan. | Equity Scheme | 16.85 |
| Tata Pure Equity Fund. | Equity Scheme | 16.51 |
| SBI Megnum Equity Fund. | Equity Scheme | 16.47 |
| Prudential ICICI Dynamic Plan. | Equity Scheme | 8.22 |
| Reliance Equity Opportunities Fund. | Equity Scheme | 8.14 |
| HSBC India Opportunities Fund. | Equity Scheme | 7.96 |
| Total | | 98.10 |
| Net Current Assets/(Liabilities) | | 1.90 |
| 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

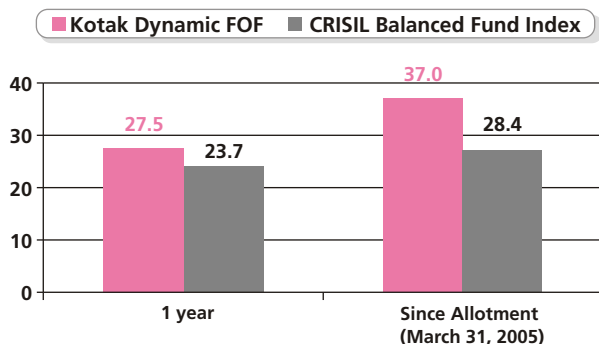
A close-ended multi-manager FOF scheme, with a maturity period of three years. The scheme allocates assets across the diversified large cap schemes and liquid

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

Corpus

Rs. 31.15 crores

Performance as on September 29, 2006~



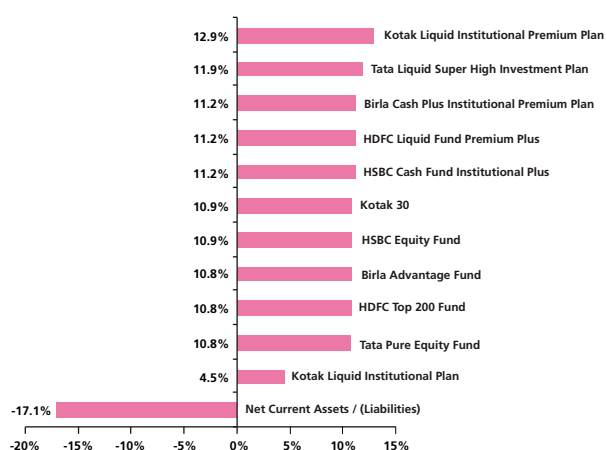
Kotak Dynamic FOF NAV: Rs. 16.020 (Growth Option)

~ September 30, 2006 being a non-business day.

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

| Issuer / Instrument | Industry / Rating | % to Net Assets |
|---|-------------------|-----------------|
| Mutual Fund Units | | |
| Kotak Liquid Institutional Premium Plan | Debt Scheme | 12.86 |
| Tata Liquid Super High Investment Plan | Debt Scheme | 11.88 |
| Birla Cash Plus Institutional Premium Plan. | Debt Scheme | 11.21 |
| HDFC Liquid Fund Premium Plus | Debt Scheme | 11.21 |
| HSBC Cash Fund Institutional Plus | Debt Scheme | 11.21 |
| Kotak 30 | Equity Scheme | 10.88 |
| HSBC Equity Fund | Equity Scheme | 10.87 |
| Birla Advantage Fund | Equity Scheme | 10.83 |
| HDFC Top 200 Fund | Equity Scheme | 10.83 |
| Tata Pure Equity Fund | Equity Scheme | 10.82 |
| Kotak Liquid Institutional Plan | Debt Scheme | 4.53 |
| Total | | 117.13 |
| Net Current Assets/(Liabilities) | | -17.13 |
| 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

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.

KOTAK FLEXI FOF

Close-Ended Fund of Funds Scheme

Equity Investment
Philosophy



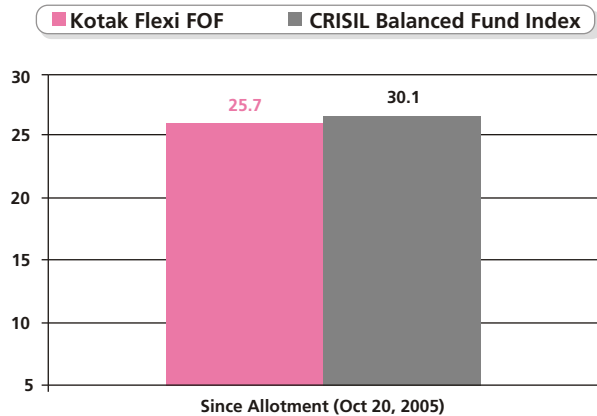
About the Scheme

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. 183.06 crores

Performance as on September 29, 2006~



Kotak Flexi FOF NAV: Rs. 12.588 (Growth Option)
~ September 30, 2006 being a non - business day.
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.

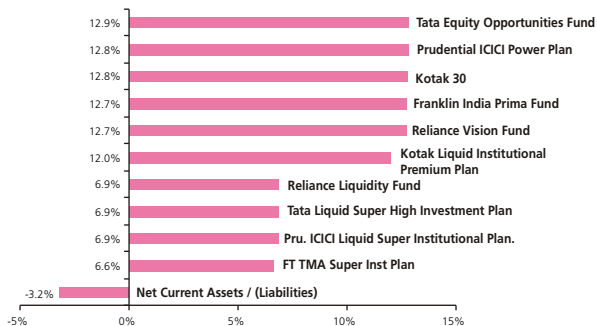
Portfolio

| Issuer / Instrument | Industry / Rating | % to Net Assets |
|--|-------------------|-----------------|
| Mutual Fund Units | | |
| Tata Equity Opportunities Fund | Equity Scheme | 12.85 |
| Prudential ICICI Power Plan | Equity Scheme | 12.83 |
| Kotak 30 | Equity Scheme | 12.77 |
| Franklin India Prima Fund | Equity Scheme | 12.73 |
| Reliance Vision Fund | Equity Scheme | 12.71 |
| Kotak Liquid Institutional Premium Plan | Debt Scheme | 11.98 |
| Reliance Liquidity Fund | Debt Scheme | 6.88 |
| Tata Liquid Super High Investment Plan | Debt Scheme | 6.88 |
| Pru. ICICI Liquid Super Institutional Plan | Debt Scheme | 6.88 |
| FT TMA Super Institutional Plan | Debt Scheme | 6.65 |
| Total | | 103.16 |
| Net Current Assets/(Liabilities) | | -3.16 |
| 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 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.

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. 107.97 crores

Ratios

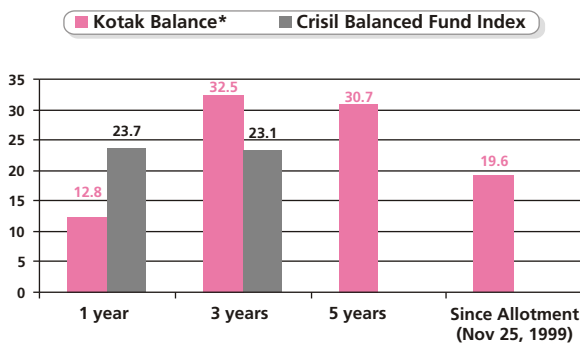
Beta*: 1.20

Sharpe*: 0.47

Portfolio P / E: 14.39

*Source: Value Research

Performance as on September 29, 2006~



Kotak Balance NAV: Rs. 21.999

~ September 30, 2006 being a non-business day.

* Returns assumed reinvestment of the tax free dividend declared.

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

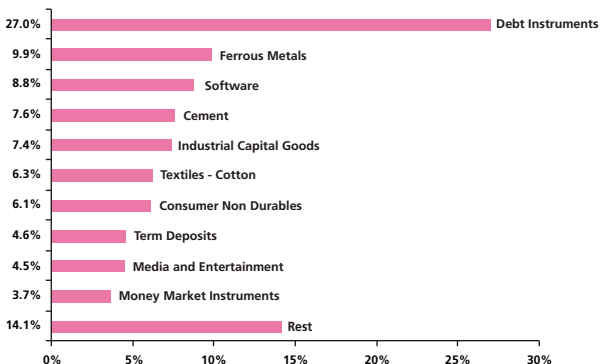
Past performance may or may not be sustained in future.

SIP Returns

| | 1 year | 3 years | 5 years |
|------------------|-----------|-----------|------------|
| Investment Amt. | Rs. 12000 | Rs. 36000 | Rs. 60000 |
| Investment Value | Rs. 13538 | Rs. 61181 | Rs. 147313 |
| XIRR | 24.61% | 37.65% | 36.86% |

- 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) | | |
| Infosys Technologies Ltd. | Software | 4.80 |
| Satyam Computer Services Ltd. | Software | 4.02 |
| Grasim Industries Ltd. | Cement | 3.86 |
| Madras Cements Ltd. | Cement | 3.72 |
| Bharat Heavy Electricals Ltd. | Industrial Capital Goods | 3.38 |
| Reliance Industries Ltd. | Petroleum Products | 3.26 |
| Vardhman Textiles Ltd. | Textiles - Cotton | 3.26 |
| Steel Authority of India Ltd. | Ferrous Metals | 3.25 |
| Nahar Industrial Enterprises Ltd. | Textiles - Cotton | 2.99 |
| HT Media Ltd. | Media and Entertainment | 2.91 |
| Larsen And Toubro Ltd. | Industrial Capital Goods | 2.89 |
| Jaiprakash Associates Ltd | Construction | 2.86 |
| ITC Ltd. | Consumer Non Durables | 2.61 |
| TATA Metaliks Ltd. | Ferrous Metals | 2.45 |
| Maharashtra Seamless Ltd. | Ferrous Metals | 2.23 |
| Punjab National Bank | Banks | 2.19 |
| Maruti Udyog Ltd | Auto | 2.14 |
| Procter & Gamble Hygiene and Health Care Ltd. | Consumer Non Durables | 2.09 |
| Amtek Auto Ltd. | Auto Ancillaries | 1.99 |
| Monnet Ispat and Energy Ltd. | Ferrous Metals | 1.96 |
| Coromandel Fertilisers Ltd. | Fertilisers | 1.75 |
| Deccan Chronicle Holdings Ltd. | Media and Entertainment | 1.63 |
| Marico Ltd. | Consumer Non Durables | 1.45 |
| Alembic Ltd. | Pharmaceuticals | 1.45 |
| Bajaj Auto Ltd. | Auto | 1.39 |
| Voltamp Transformers Ltd. | Industrial Capital Goods | 1.13 |
| Total | | 67.66 |
| Debt Instruments | | |
| Debentures & Bonds | | |
| Corporate Debt / Financial Institutions | | |
| HDFC Ltd. | AAA | 4.64 |
| Total | | 4.64 |
| Public Sector Undertakings | | |
| Export-Import Bank of India. | AAA | 9.36 |
| Indian Railway Finance Corporation Ltd. | AAA | 8.34 |
| Power Finance Corporation Ltd. | AAA | 4.65 |
| Total | | 22.35 |
| Money Market Instruments | | |
| Commercial Paper (CP)/Certificate of Deposits (CD) | | |
| Public Sector Undertakings | | |
| State Bank of Indore | P1+ | 3.65 |
| Total | | 3.65 |
| Term Deposits | | 4.63 |
| Net Current Assets/(Liabilities) | | -2.93 |
| 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

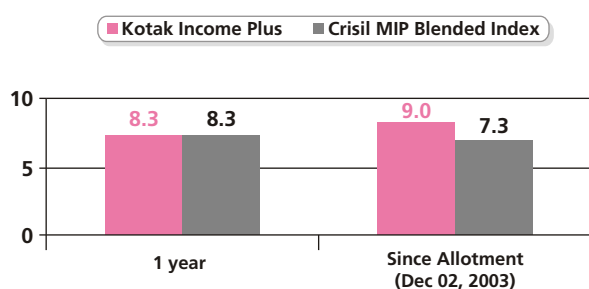
Corpus

Rs. 112.09 crores

Ratio

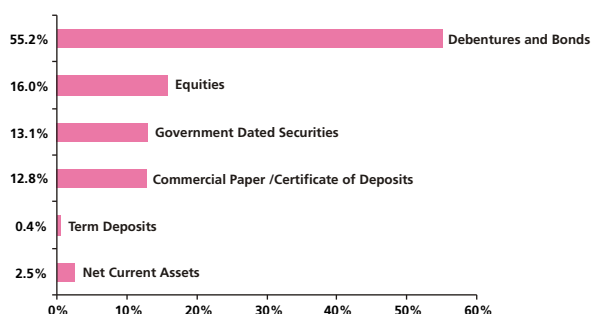
YTM : 6.79

Performance as on September 29, 2006~



Kotak Income Plus NAV: Rs. 12.7452 (Growth Option)
~ September 30, 2006 being a non - business day.
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

| Issuer / Instrument | Industry / Rating | % to Net Assets |
|--|--------------------------|-----------------|
| Equity & Equity related (Listed/Awaiting listing) | | |
| Infosys Technologies Ltd. | Software | 1.40 |
| Bharat Heavy Electricals Ltd. | Industrial Capital Goods | 1.07 |
| Reliance Industries Ltd. | Petroleum Products | 1.05 |
| Satyam Computer Services Ltd. | Software | 1.02 |
| ICICI Bank Ltd. | Banks | 0.94 |
| Tata Consultancy Services Ltd. | Software | 0.82 |
| Grasim Industries Ltd. | Cement | 0.79 |
| ITC Ltd. | Consumer Non Durables | 0.67 |
| Mahindra & Mahindra Ltd. | Auto | 0.67 |
| Nahar Industrial Enterprises Ltd. | Textiles - Cotton | 0.66 |
| Bharti Airtel Ltd. | Telecom - Services | 0.63 |
| Larsen And Toubro Ltd. | Industrial Capital Goods | 0.57 |
| Bajaj Auto Ltd. | Auto | 0.53 |
| Steel Authority of India Ltd. | Ferrous Metals | 0.45 |
| Nahar Exports Ltd. | Textiles - Cotton | 0.44 |
| Hindustan Lever Ltd. | Consumer Non Durables | 0.41 |
| GlaxoSmithKline Consumer Healthcare Ltd. | Consumer Non Durables | 0.40 |
| Sterlite Industries (India) Ltd. | Non - Ferrous Metals | 0.39 |
| Voltamp Transformers Ltd. | Industrial Capital Goods | 0.34 |
| Hindalco Industries Ltd. Partly Paid shares | Non - Ferrous Metals | 0.32 |
| Megasoft Ltd. | Software | 0.32 |
| Nitco Tiles Ltd. | Consumer Non Durables | 0.31 |
| Hero Honda Motors Ltd. | Auto | 0.28 |
| GlaxoSmithKline Pharmaceuticals Ltd. | Pharmaceuticals | 0.27 |
| ABG Heavy Industries Ltd. | Industrial Capital Goods | 0.27 |
| Kamdhenu Ispat Ltd. | Ferrous Metals | 0.27 |
| Bharat Earth Movers Ltd. | Industrial Capital Goods | 0.25 |
| Aventis Pharma Ltd. | Pharmaceuticals | 0.21 |
| Oil & Natural Gas Corporation Ltd. | Oil | 0.21 |
| Total | | 15.96 |
| Debt Instruments | | |
| Debentures & Bonds | | |
| Corporate Debt / Financial Institutions | | |
| LIC Housing Finance Ltd. | AAA | 9.11 |
| UTI Bank Ltd. | LAA+ | 4.55 |
| Citicorp Maruti Finance Ltd. | P1+ | 4.46 |
| Mahindra & Mahindra Financial Services Ltd. | AA+ | 4.46 |
| Citifinancial Consumer Finance India Ltd. | AAA | 4.46 |
| Total | | 27.04 |
| Public Sector Undertakings | | |
| Indian Railway Finance Corporation Ltd. | AAA | 10.20 |
| Export-Import Bank of India. | AAA | 9.00 |
| Power Finance Corporation Ltd. | AAA | 8.94 |
| Total | | 28.14 |
| Government Dated Securities | | |
| 11.90% Government Stock - 2007 | SOV | 9.22 |
| 12.00% Government Stock - 2008 | SOV | 3.84 |
| Total | | 13.06 |
| Money Market Instruments | | |
| Commercial Paper (CP)/Certificate of Deposits (CD) | | |
| Corporate Debt / Financial Institutions | | |
| American Express Bank Ltd. | A1+ | 4.34 |
| Total | | 4.34 |
| Public Sector Undertakings | | |
| Corporation Bank | P1+ | 8.49 |
| Total | | 8.49 |
| Term Deposits | | 0.45 |
| Net Current Assets/(Liabilities) | | 2.52 |
| Grand Total | | 100.00 |

Average Maturity based on total maturity of fixed rate and immediate reset date of floating rate instruments of the portfolio : 0.30 years

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 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. 37.45 crores

Ratios (For Bond Regular Plan)

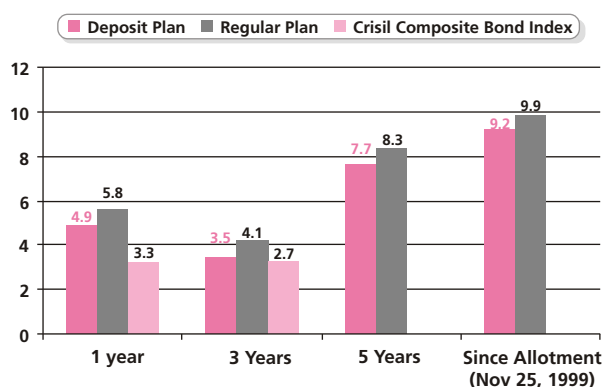
Sharpe*: 0.0.13

Standard Deviation*: 0.13

YTM: 7.52

*Source: Value Research

Performance as on September 29, 2006~



Kotak Bond Deposit Plan NAV: Rs. 18.2713 (Growth options)

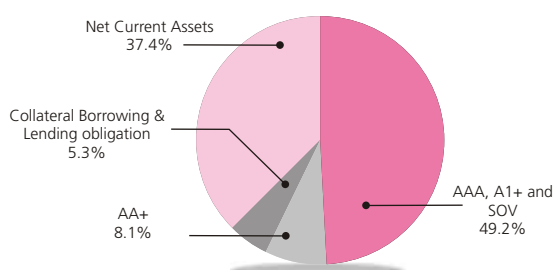
Kotak Bond Regular Plan NAV: Rs. 19.0557 (Growth options)

~ September 30, 2006 being a non-business day.

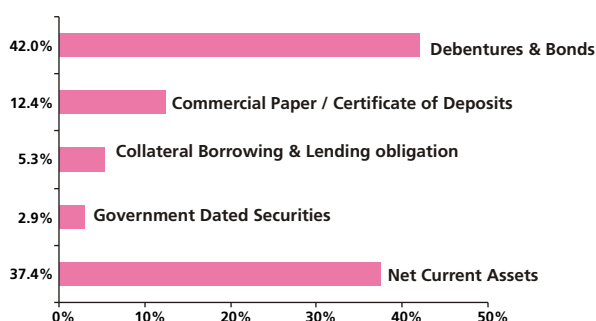
Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate)

Past performance may or may not be sustained in future.

Rating Profile



Sector Allocation



Portfolio - Deposit & Regular Plans

| Issuer/ Instrument | Industry / Rating | % to Net Assets |
|---|-------------------|-----------------|
| Debt Instruments | | |
| Debentures & Bonds | | |
| Corporate Debt / Financial Institutions | | |
| Associated Cement Companies Ltd. | LAA+ | 5.40 |
| ICICI Bank Ltd. | AAA | 5.29 |
| Sundaram Finance Ltd. | AA+ | 2.67 |
| Citifinancial Consumer Finance India Ltd. | AAA | 2.09 |
| Total | | 15.45 |
| Public Sector Undertakings | | |
| National Thermal Power Corporation Ltd. | LAAA | 10.49 |
| Punjab National Bank | AAA | 8.08 |
| Export-Import Bank of India. | AAA | 8.01 |
| Total | | 26.58 |
| Government Dated Securities | | |
| 12.00% Government Stock - 2008 | SOV | 2.87 |
| Total | | 2.87 |
| Money Market Instruments | | |
| Commercial Paper (CP)/Certificate of Deposits (CD) | | |
| Corporate Debt / Financial Institutions | | |
| ICICI Home Finance Company Limited | A1+ | 12.35 |
| Total | | 12.35 |
| Collateral Borrowing & Lending obligation | | 5.34 |
| Net Current Assets/(Liabilities) | | 37.41 |
| Grand Total | | 100.00 |

Average Maturity based on total maturity of fixed rate and immediate reset date of floating rate instruments of the portfolio: 1.87 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. 96.38 crores

Ratios

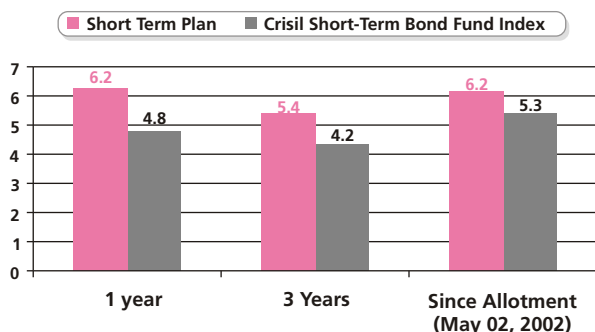
Sharpe* : 0.87

Standard Deviation*: 0.03

YTM: 7.75

*Source: Value Research

Performance as on September 29, 2006~

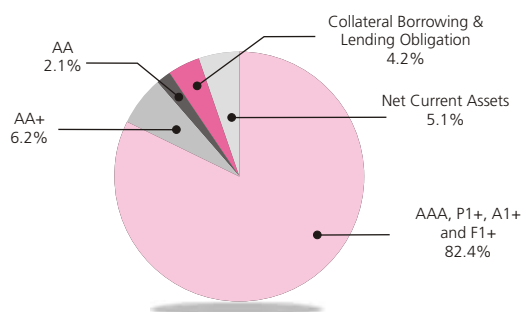


Kotak Bond Short Term NAV: Rs. 13.0498 (Growth Option)
~ September 30, 2006 being a non-business day.
Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate)
Past performance may or may not be sustained in future.

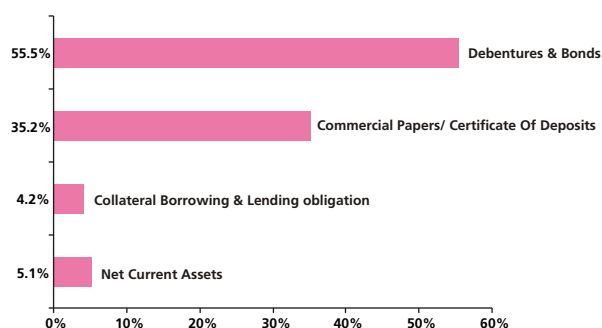
Portfolio - Short Term Plan

| Issuer/ Instrument | Industry / Rating | % to Net Assets |
|--|-------------------|-----------------|
| Debt Instruments | | |
| Debentures & Bonds | | |
| Corporate Debt / Financial Institutions | | |
| Citicorp Finance (India) Ltd. | AAA | 9.33 |
| GE Countrywide Consumer Financial Services Ltd. | AAA | 8.30 |
| Sundaram Finance Ltd. | AA+ | 6.23 |
| HDFC Ltd. | AAA | 5.18 |
| Citifinancial Consumer Finance India Ltd. | AAA | 5.09 |
| Tata Motors Ltd. | AAA(so) | 4.38 |
| Sundaram Finance Ltd. | MAAA | 4.15 |
| ICICI Bank Ltd. | AAA | 3.08 |
| Cholamandalam DBS Finance Limited. | LAA | 2.05 |
| ICICI Securities Ltd. | AAA | 1.03 |
| ICICI Bank Ltd. | AAA(so) | 0.43 |
| Total | | 49.25 |
| Public Sector Undertakings | | |
| Punjab National Bank | LAAA | 4.17 |
| Export-Import Bank of India. | AAA | 2.07 |
| Total | | 6.24 |
| Money Market Instruments | | |
| Commercial Paper /Certificate of Deposits | | |
| Corporate Debt / Financial Institutions | | |
| ICICI Home Finance Company Limited | A1+ | 9.60 |
| DSP ML Capital Ltd. | P1+ | 4.99 |
| Federal Bank Ltd. | P1+ | 4.93 |
| ICICI Bank Ltd. | A1+ | 4.00 |
| Total | | 23.52 |
| Public Sector Undertakings | | |
| UCO Bank | P1+ | 6.84 |
| Indian Bank | F1+(ind) | 4.88 |
| Total | | 11.72 |
| Collateral Borrowing & Lending obligation | | 4.15 |
| Net Current Assets/(Liabilities) | | 5.12 |
| 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: 1.29 years

Total NPA provided for and percentage to NAV : NIL

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

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. 16.24 crores

Ratios

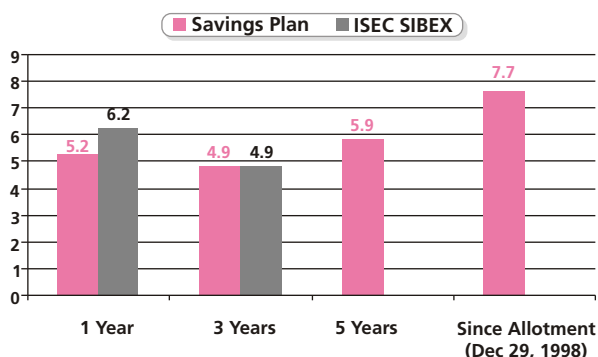
Sharpe* : 0.13

Standard Deviation* : 0.09

YTM: 6.80

*Source: Value Research

Performance as on September 29, 2006~



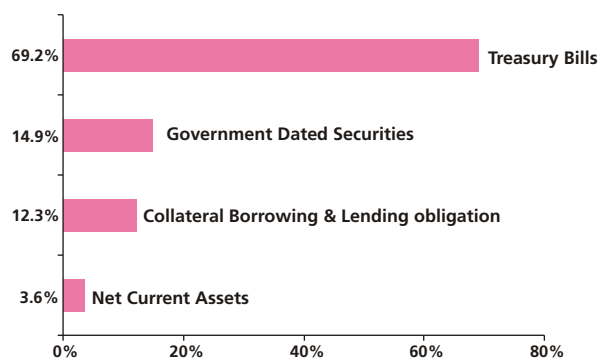
Kotak Gilt Savings Plan NAV: Rs. 17.7400 (Growth Option)

~ September 30, 2006 being a non - business day.

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 | 14.91 |
| Total | | 14.91 |
| Money Market Instruments | | |
| Treasury Bills | | |
| 91 Days Treasury Bill 13/10/2006 | SOV | 29.99 |
| 364 Days Treasury Bill 03/08/2007 | SOV | 29.13 |
| 182 Days Treasury Bill 17/11/2006 | SOV | 10.03 |
| Total | | 69.15 |
| Collateral Borrowing & Lending obligation | | 12.31 |
| Net Current Assets/(Liabilities) | | 3.63 |
| Grand Total | | 100.00 |

Average Maturity of the portfolio: 0.37 years

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. 41.96 crores

Ratios (For Gilt Investment Regular Plan)

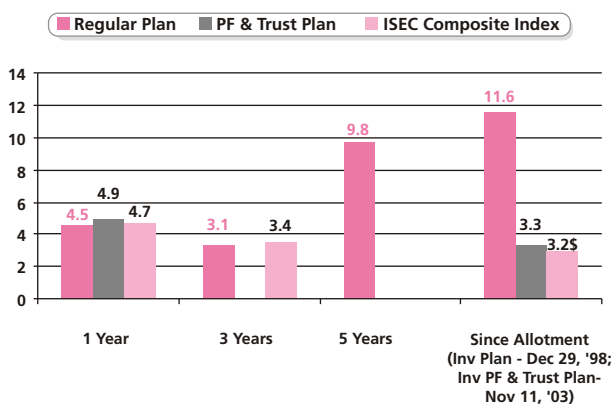
Sharpe* : 0.13

Standard Deviation* : 0.09

YTM: 7.01

*Source: Value Research

Performance as on September 29, 2006~



Kotak Gilt Investment Regular Plan NAV: Rs. 23.4656 (Growth Option)
Kotak Gilt Investment PF & Trust Plan NAV: Rs. 23.7278 (Growth Option)

~ September 30, 2006 being a non - business day.

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

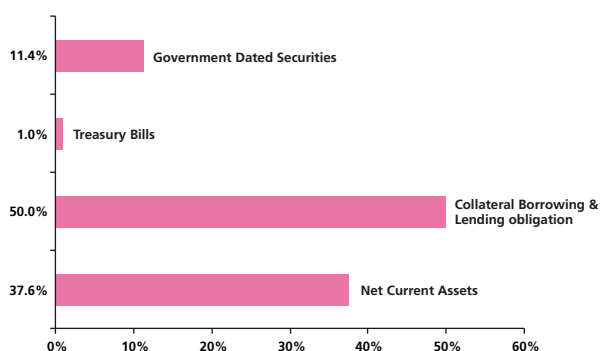
| Issuer / Instrument | Industry / Rating | % to Net Assets |
|---|-------------------|-----------------|
| Debt Instruments | | |
| Government Dated Securities | | |
| 7.59% Government Stock - 2016 | SOV | 11.40 |
| Total | | 11.40 |
| Money Market Instruments | | |
| Treasury Bills | | |
| 91 Day Treasury Bill 20/10/2006 | SOV | 1.02 |
| Total | | 1.02 |
| Collateral Borrowing & Lending obligation | | 50.03 |
| Net Current Assets/(Liabilities) | | 37.55 |
| Grand Total | | 100.00 |

Average Maturity of the portfolio: 0.97 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

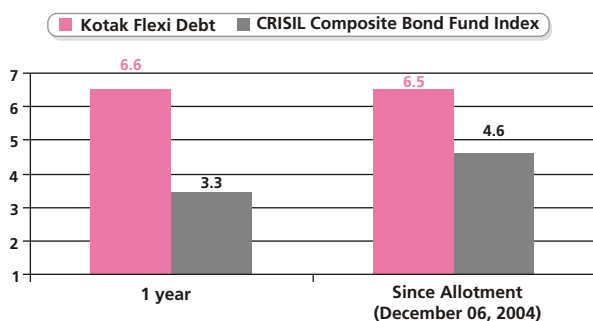
Corpus

Rs. 780.63 crores

Ratio

YTM: 7.80

Performance as on September 29, 2006~

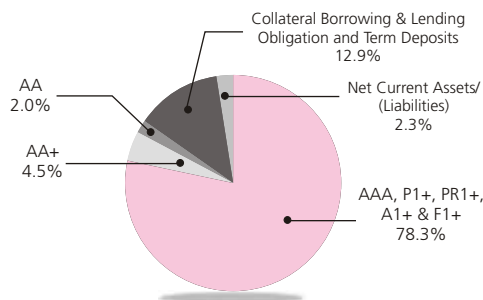


Kotak Flexi Debt NAV : Rs. 11.2020 (Growth Option)
~ September 30, 2006 being a non-business day.

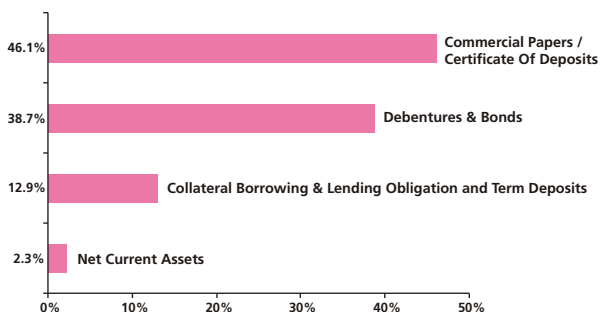
Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate)

Past performance may or may not be sustained in future.

Rating Profile



Sector Allocation



Portfolio

| Issuer/ Instrument | Industry / Rating | % to Net Assets |
|---|-------------------|-----------------|
| Debt Instruments | | |
| Debentures & Bonds | | |
| Corporate Debt / Financial Institutions | | |
| Standard Chartered Bank | AAA(SO) | 6.39 |
| ICICI Bank Ltd. | CARE AAA | 3.21 |
| Cholamandalam DBS Finance Limited. | LAA | 1.92 |
| GE Countrywide Consumer Financial Services Ltd. | AAA | 1.92 |
| Citifinancial Consumer Finance India Ltd. | AAA | 1.29 |
| Sundaram Finance Ltd. | AA+ | 1.29 |
| HDFC Ltd. | AAA | 1.28 |
| Hindustan Construction Company Ltd. | PR1+ | 1.28 |
| Manaksia Ltd | PR1+ | 1.28 |
| Mahindra & Mahindra Financial Services Ltd. | AA+ | 1.02 |
| Tata Motors Ltd. | LAAA(SO) | 1.00 |
| Citicorp Finance (India) Ltd. | AAA | 0.90 |
| LIC Housing Finance Ltd. | AAA | 0.64 |
| ICICI Bank Ltd. | AAA | 0.51 |
| UTI Bank Ltd. | LAA+ | 0.39 |
| Sundaram Finance Ltd. | MAAA | 0.13 |
| ICICI Bank Ltd. | LAAA(SO) | 0.05 |
| Total | | 24.50 |
| Public Sector Undertakings | | |
| National Thermal Power Corporation Ltd. | LAAA | 5.99 |
| Power Finance Corporation Ltd. | AAA | 4.50 |
| Canbank Factors Ltd. | P1+ | 1.92 |
| Industrial Development Bank Of India. | AA+ | 1.84 |
| Total | | 14.25 |
| Money Market Instruments | | |
| Commercial Paper (CP)/Certificate of Deposits (CD) | | |
| Corporate Debt / Financial Institutions | | |
| ABN Amro Bank N.V | A1+ | 8.60 |
| United Phosphorus Ltd. | PR1+ | 3.18 |
| GE Capital Services India. | P1+ | 3.11 |
| IndusInd Bank Ltd. | P1+ | 2.52 |
| Federal Bank Ltd. | P1+ | 1.19 |
| ICICI Bank Ltd. | P1+ | 0.63 |
| Karur Vysya Bank Ltd. | F1+(ind) | 0.61 |
| HDFC Bank Ltd. | PR1+ | 0.60 |
| Tata Sons Ltd. | P1+ | 0.60 |
| ICICI Bank Ltd. | PR1+ | 0.50 |
| Total | | 21.54 |
| Public Sector Undertakings | | |
| State Bank Of India. | P1+ | 8.57 |
| State Bank of Hyderabad | A1+ | 4.26 |
| State Bank of Mysore | A1+ | 3.06 |
| Indian Bank | F1+(ind) | 3.04 |
| Export-Import Bank of India. | P1+ | 2.41 |
| UCO Bank | P1+ | 2.06 |
| State Bank of Bikaner & Jaipur | P1+ | 1.09 |
| Total | | 24.49 |
| Term Deposits | | 12.04 |
| Collateral Borrowing & Lending obligation | | 0.90 |
| Net Current Assets/(Liabilities) | | 2.28 |
| Grand Total | | 100.00 |

Average Maturity based on total maturity of fixed rate and immediate reset date of floating rate instruments of the portfolio: 0.66 years

Total NPA provided for and percentage to NAV : Nil

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

KOTAK FLOATER LONG TERM

Open-Ended Debt Scheme

Debt Investment
Philosophy



About the Scheme

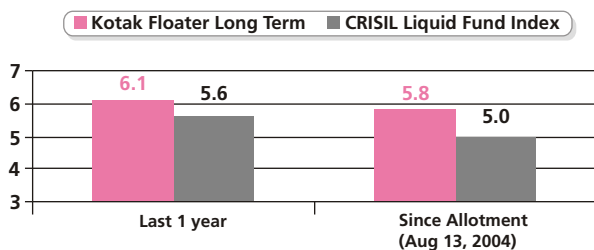
An income scheme, which invests predominantly in floating rate securities and money market instruments to contain the interest rate risk. The investment strategy provides flexibility to invest up to 35% in fixed debt securities with

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

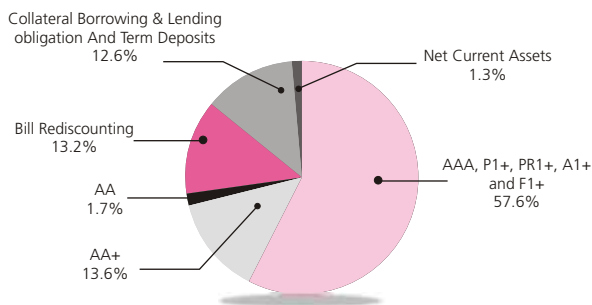
Corpus
Rs.298.4 crores
Ratio
YTM: 7.60

Performance as on September 29, 2006~

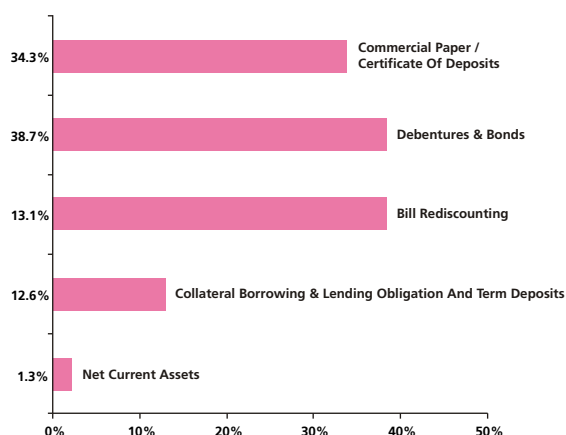


Kotak Floater Long Term NAV : Rs. 11.2639 (Growth Option)
~ September 30, 2006 being a non - business day.
Returns= 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate)
Past performance may or may not be sustained in future.

Rating Profile



Sector Allocation



Portfolio - Long Term

| Issuer/ Instrument | Industry / Rating | % to Net Assets |
|---|-------------------|-----------------|
| Debt Instruments | | |
| Debentures & Bonds | | |
| Corporate Debt / Financial Institutions | | |
| Citicorp Finance (India) Ltd. | AAA | 10.03 |
| Sundaram Finance Ltd. | AA+ | 6.71 |
| Mahindra & Mahindra Financial Services Ltd. | AA+ | 4.20 |
| ICICI Bank Ltd. | CARE AAA | 3.35 |
| Tata Motors Ltd. | AAA(so) | 2.65 |
| Citicorp Maruti Finance Ltd. | AAA | 1.68 |
| Reliance Energy Ltd. | AAA | 1.68 |
| Reliance Industries Ltd. | AAA | 1.68 |
| Gruh Finance Ltd | AA | 1.68 |
| ICICI Bank Ltd. | AAA | 1.00 |
| ICICI Bank Ltd. | AAA(so) | 0.28 |
| Total | | 34.94 |
| Public Sector Undertakings | | |
| Industrial Development Bank Of India. | AA+ | 2.74 |
| National Bank for Agriculture and Rural Development | CARE AAA | 1.00 |
| Total | | 3.74 |
| Money Market Instruments | | |
| Bill Rediscounting | | |
| Deutsche Bank Bill Rediscounting 28/12/2006 | | 13.15 |
| Total | | 13.15 |
| Commercial Paper (CP)/Certificate of Deposits (CD) | | |
| Corporate Debt / Financial Institutions | | |
| SBI Cards & Payment Services Pvt. Ltd. | P1+ | 6.12 |
| American Express Bank Ltd | A1+ | 3.50 |
| Karur Vysya Bank Ltd. | F1+(ind) | 3.22 |
| Tata Sons Ltd. | P1+ | 3.16 |
| ICICI Home Finance Company Limited | A1+ | 3.10 |
| DSP ML Capital Ltd. | P1+ | 2.58 |
| ICICI Bank Ltd. | P1+ | 1.65 |
| Federal Bank Ltd. | P1+ | 1.59 |
| ICICI Bank Ltd. | A1+ | 1.29 |
| HDFC Bank Ltd. | PR1+ | 0.65 |
| Total | | 26.86 |
| Public Sector Undertakings | | |
| UCO Bank | P1+ | 3.19 |
| State Bank of Patiala | A1+ | 1.62 |
| State Bank of Bikaner & Jaipur | P1+ | 1.59 |
| State Bank of Indore | P1+ | 0.99 |
| Total | | 7.39 |
| Term Deposits | | 11.73 |
| Collateral Borrowing & Lending obligation | | 0.84 |
| Net Current Assets/(Liabilities) | | 1.35 |
| Grand Total | | 100.00 |

Average Maturity based on total maturity of fixed rate and immediate reset date of floating rate instruments of the portfolio: 0.70 years

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

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. 170.30 crores

Ratio

YTM: 6.82

Portfolio - Cash Plus

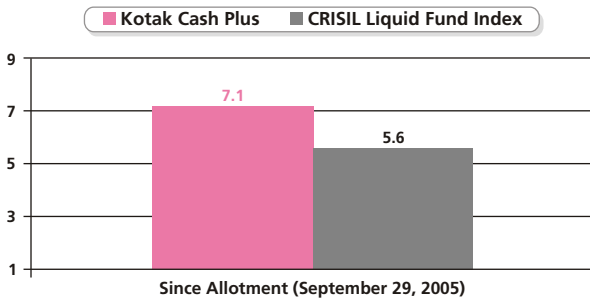
| Issuer/ Instrument | Industry / Rating | % to Net Assets |
|---|--------------------------|-----------------|
| Equity & Equity related | | |
| Listed/Awaiting listing on Stock Exchange | | |
| Bank Of Baroda | Banks | 5.31 |
| Sterile Industries (India) Ltd | Non - Ferrous Metals | 4.76 |
| Tata Tea Ltd. | Consumer Non Durables | 4.11 |
| Infrastructure Development Finance Co. Ltd | Finance | 3.44 |
| GMR Infrastructure Ltd. | Power | 2.82 |
| Indian Petrochemicals Corporation Ltd. | Chemicals | 2.74 |
| Jindal Stainless Ltd. | Ferrous Metals | 2.72 |
| Tata Steel Ltd. | Ferrous Metals | 2.19 |
| New Delhi Television Ltd. | Media and Entertainment | 2.11 |
| Orchid Chemicals & Pharmaceuticals Ltd. | Pharmaceuticals | 2.02 |
| Indian Hotels Company Ltd. | Hotels | 2.01 |
| SRF Ltd. | Auto Ancillaries | 1.74 |
| Jaiprakash Hydro Power Ltd. | Power | 1.72 |
| India Cements Ltd. | Cement | 1.68 |
| Gujarat Narmada Valley Fertilisers Company Ltd. | Fertilisers | 1.67 |
| Divi s Laboratories Ltd. | Pharmaceuticals | 1.43 |
| TVS Motors Company Ltd | Auto | 1.27 |
| Punj Lloyd Ltd. | Construction | 1.14 |
| Mahanagar Telephone Nigam Ltd. | Telecom - Services | 1.09 |
| Reliance Capital Ltd. | Finance | 1.01 |
| Indusind Bank Ltd. | Banks | 0.94 |
| Mphasis Bfl Ltd. | Software | 0.92 |
| Vijaya Bank | Banks | 0.87 |
| Polaris Software Lab Ltd. | Software | 0.87 |
| Hindalco Industries Ltd | Non - Ferrous Metals | 0.85 |
| IVRCL Infrastructures & Projects Ltd. | Construction | 0.77 |
| Anvind Mills Ltd. | Textile Products | 0.76 |
| IFCI Ltd. | Finance | 0.75 |
| Escorts Ltd. | Auto | 0.71 |
| Karnataka Bank Ltd | Banks | 0.65 |
| National Thermal Power Corporation Ltd. | Power | 0.65 |
| Hindustan Petroleum Corporation Ltd | Petroleum Products | 0.56 |
| Great Eastern Shipping Company Ltd | Transportation | 0.54 |
| Federal Bank Ltd. | Banks | 0.45 |
| Reliance Industries Ltd. | Petroleum Products | 0.33 |
| State Bank Of India | Banks | 0.30 |
| Colgate Palmolive (India) Ltd. | Consumer Non Durables | 0.29 |
| Industrial Development Bank of India Ltd. | Banks | 0.28 |
| Zee Telefilms Ltd. | Media and Entertainment | 0.24 |
| LIC Housing Finance Ltd. | Finance | 0.22 |
| Bharat Forge Ltd. | Industrial Products | 0.17 |
| Gujarat Ambuja Cements Ltd | Cement | 0.16 |
| Bharat Electronics Ltd | Industrial Capital Goods | 0.15 |
| Mangalore Refinery And Petrochemicals Ltd. | Petroleum Products | 0.15 |
| Nicholas Piramal India Ltd. | Pharmaceuticals | 0.09 |
| Allahabad Bank. | Banks | 0.08 |
| Siemens Ltd. | Industrial Capital Goods | 0.07 |
| Nevel Lignite Corporation Ltd. | Power | 0.07 |
| Ballarpur Industries Ltd. | Paper | 0.05 |
| Alok Industries Ltd. | Textile Products | 0.05 |
| Century Textiles & Industries Ltd. | Cement | 0.05 |
| Bongaigaon Refinery & Petrochemicals Ltd. | Petroleum Products | 0.04 |
| Wockhardt Ltd. | Pharmaceuticals | 0.04 |
| GlaxoSmithKline Pharmaceuticals Ltd. | Pharmaceuticals | 0.04 |
| Matrix Laboratories Ltd. | Pharmaceuticals | 0.02 |
| Strides Arcolab Ltd. | Pharmaceuticals | 0.02 |
| Total | | 60.10 |
| Futures | | |
| Strides Arcolab Ltd.-OCT2006 | | -0.02 |
| Matrix Laboratories Ltd.-OCT2006 | | -0.02 |
| GlaxoSmithKline Pharmaceuticals Ltd.-OCT2006 | | -0.02 |
| Wockhardt Ltd.-OCT2006 | | -0.04 |
| Bongaigaon Refinery & Petrochemicals Ltd.-OCT2006 | | -0.04 |
| Century Textiles & Industries Ltd.-OCT2006 | | -0.05 |
| Alok Industries Ltd.-OCT2006 | | -0.05 |
| Ballarpur Industries Ltd.-OCT2006 | | -0.05 |
| Nevel Lignite Corporation Ltd.-OCT2006 | | -0.07 |
| Siemens Ltd.-OCT2006 | | -0.07 |
| Allahabad Bank.-OCT2006 | | -0.08 |
| Nicholas Piramal India Ltd.-OCT2006 | | -0.09 |
| Mangalore Refinery And Petrochemicals Ltd.-OCT2006 | | -0.09 |
| Bharat Electronics Ltd-OCT2006 | | -0.15 |
| Gujarat Ambuja Cements Ltd-OCT2006 | | -0.16 |
| Bharat Forge Ltd.-OCT2006 | | -0.17 |
| LIC Housing Finance Ltd.-OCT2006 | | -0.22 |
| Zee Telefilms Ltd.-OCT2006 | | -0.24 |
| Industrial Development Bank of India Ltd.-OCT2006 | | -0.28 |
| Colgate Palmolive (India) Ltd.-OCT2006 | | -0.30 |
| State Bank Of India-OCT2006 | | -0.30 |
| Reliance Industries Ltd.-OCT2006 | | -0.33 |
| Federal Bank Ltd.-OCT2006 | | -0.45 |
| Great Eastern Shipping Company Ltd-OCT2006 | | -0.54 |
| Hindustan Petroleum Corporation Ltd-OCT2006 | | -0.56 |
| National Thermal Power Corporation Limited-OCT2006 | | -0.65 |
| Karnataka Bank Ltd-OCT2006 | | -0.72 |
| Escorts Ltd.-OCT2006 | | -0.76 |
| IFCI Ltd.-OCT2006 | | -0.76 |
| Anvind Mills Ltd.-OCT2006 | | -0.76 |
| IVRCL Infrastructures & Projects Ltd.-OCT2006 | | -0.78 |
| Hindalco Industries Ltd-OCT2006 | | -0.86 |
| Bank Of Baroda-OCT2006 | | -0.86 |
| Polaris Software Lab Ltd.-OCT2006 | | -0.88 |
| Vijaya Bank-OCT2006 | | -0.88 |
| Mphasis Bfl Ltd.-OCT2006 | | -0.93 |
| Indusind Bank Ltd.-OCT2006 | | -0.95 |
| Reliance Capital Ltd.-OCT2006 | | -1.02 |
| Mahanagar Telephone Nigam Ltd.-OCT2006 | | -1.09 |
| Punj Lloyd Ltd.-OCT2006 | | -1.15 |
| TVS Motors Company Ltd-OCT2006 | | -1.28 |
| Divi s Laboratories Limited-OCT2006 | | -1.44 |
| Gujarat Narmada Valley Fertilisers Company Ltd.-OCT2006 | | -1.69 |
| India Cements Ltd.-OCT2006 | | -1.69 |
| Jaiprakash Hydro Power Ltd.-OCT2006 | | -1.73 |
| SRF Ltd.-OCT2006 | | -1.75 |
| Indian Hotels Company Ltd.-OCT2006 | | -2.02 |
| Orchid Chemicals & Pharmaceuticals Ltd.-OCT2006 | | -2.04 |
| New Delhi Television Ltd.-OCT2006 | | -2.12 |
| Tata Steel Limited.-OCT2006 | | -2.20 |
| Jindal Stainless Ltd.-OCT2006 | | -2.75 |
| Indian Petrochemicals Corporation Ltd.-OCT2006 | | -2.76 |
| GMR Infrastructure Ltd.-OCT2006 | | -2.83 |
| Infrastructure Development Finance Co. Ltd-OCT2006 | | -3.47 |
| Tata Tea Ltd.-OCT2006 | | -4.14 |
| Bank Of Baroda-NOV2006 | | -4.51 |
| Sterile Industries (India) Ltd-OCT2006 | | -4.80 |
| Total | | -60.55 |
| Debt Instruments | | |
| Debtures & Bonds | | |
| Corporate Debt / Financial Institutions | | |
| Mahindra & Mahindra Financial Services Ltd. | AA+ | 4.11 |
| UTI Bank Ltd. | LAA+ | 3.00 |
| Citicorp Finance (India) Ltd. | AAA | 2.95 |
| LIC Housing Finance Ltd. | AAA | 2.94 |
| Total | | 13.00 |
| Public Sector Undertakings | | |
| Export-Import Bank of India. | AAA | 1.79 |
| Indian Railway Finance Corporation Ltd. | AAA | 1.50 |
| Total | | 3.29 |
| Money Market Instruments | | |
| Treasury Bills | | |
| 91 Day Treasury Bill 20/10/2006 | SOV | 0.59 |
| 182 Days Treasury Bill 17/11/2006 | SOV | 0.58 |
| Total | | 1.17 |
| Term Deposits | | 17.62 |
| Net Current Assets/(Liabilities) | | 65.37 |
| Grand Total | | 100.00 |

Average Maturity based on total maturity of fixed rate and immediate reset date of floating rate instruments of the portfolio: 0.08 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 September 29, 2006~



Kotak Cash Plus NAV : Rs. 10.7164 (Growth Option)

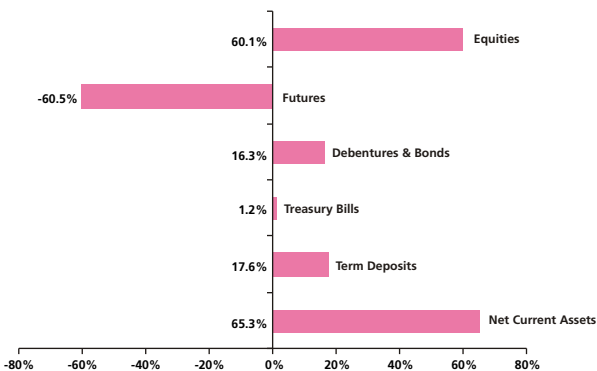
~ September 30, 2006 being a non - business day.

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



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. 262.53 crores

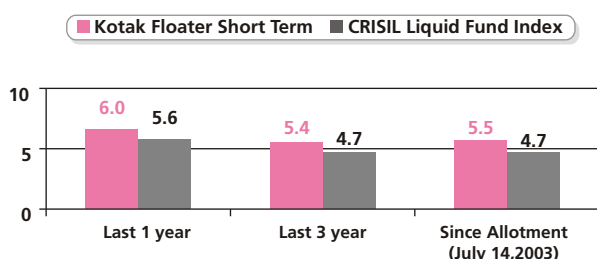
Ratio

Standard Deviation*: 0.01

YTM: 7.18

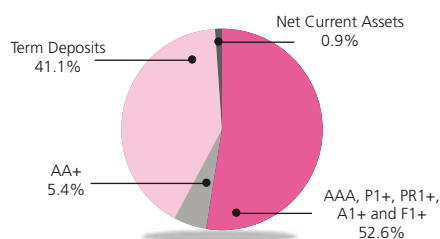
*Source: Value Research

Performance as on September 29, 2006~

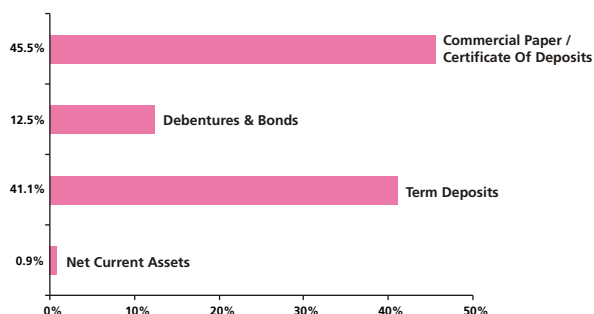


Kotak Floater Short Term NAV : Rs. 11.8647 (Growth Option)
~ September 30, 2006 being a non-business day.
Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate)
Past performance may or may not be sustained in future.

Rating Profile



Sector Allocation



Portfolio - Short Term

| Issuer/ Instrument | Industry / Rating | % to Net Assets |
|---|-------------------|-----------------|
| Debt Instruments | | |
| Debentures & Bonds | | |
| Corporate Debt / Financial Institutions | | |
| LIC Housing Finance Ltd. | AAA | 2.71 |
| Tata Motors Ltd. | AAA(so) | 2.39 |
| Total | | 5.10 |
| Public Sector Undertakings | | |
| Industrial Development Bank Of India. | AA+ | 5.47 |
| Power Finance Corporation Ltd. | AAA | 1.91 |
| Total | | 7.38 |
| Money Market Instruments | | |
| Commercial Paper (CP)/Certificate of Deposits (CD) | | |
| Corporate Debt / Financial Institutions | | |
| ICICI Bank Ltd. | A1+ | 11.11 |
| HDFC Bank Ltd. | PR1+ | 7.17 |
| American Express Bank Ltd | A1+ | 5.54 |
| Jindal Steel & Power Ltd | A1+ | 3.75 |
| ABN Amro Bank N.V | A1+ | 3.57 |
| SBI Cards & Payment Services Pvt. Ltd. | P1+ | 1.83 |
| Total | | 32.97 |
| Public Sector Undertakings | | |
| Indian Bank | F1+(ind) | 5.37 |
| State Bank of Hyderabad | A1+ | 3.62 |
| Export-Import Bank of India. | P1+ | 3.59 |
| Total | | 12.58 |
| Term Deposits | | 41.14 |
| Net Current Assets/(Liabilities) | | 0.83 |
| Grand Total | | 100.00 |

Average Maturity based on total maturity of fixed rate and immediate reset date of floating rate instruments of the portfolio: 0.38 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. 4180.48 crores

Ratios (For Liquid Institutional Premium Plan)

Sharpe* : 2.46

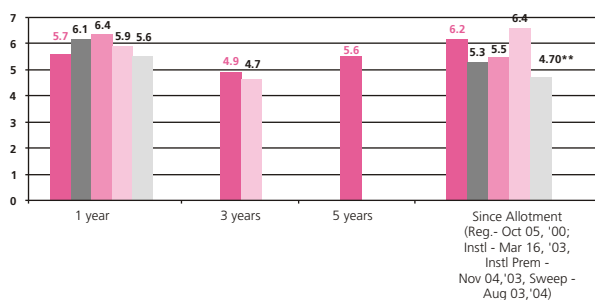
Standard Deviation* : 0.01

YTM: 7.10

*Source : Value Research

Performance as on September 29, 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. 14.3143 (Growth option)

Kotak Liquid Institutional Plan NAV: Rs. 14.5098 (Growth option)

Kotak Liquid Institutional Premium Plan NAV: Rs. 14.5916 (Growth option)

Kotak Liquid Sweep Plan NAV: 10.0071 (Daily Dividend)

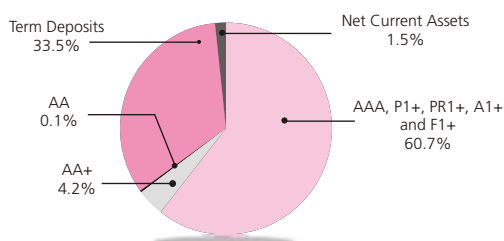
~ September 30, 2006 being a non-business day.

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

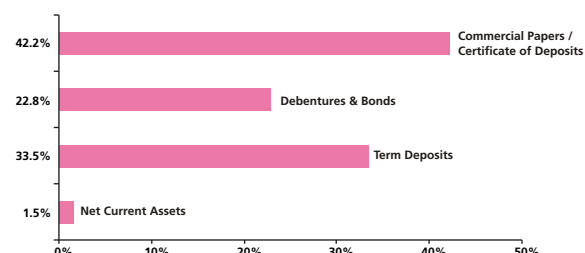
** The Benchmark Return corresponds to Liquid - Institutional, Institutional Premium & Sweep Plan

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 | | |
| HDFC Ltd. | AAA | 1.32 |
| LIC Housing Finance Ltd. | AAA | 1.21 |
| Mahindra & Mahindra Financial Services Ltd. | AA+ | 1.14 |
| Citifinancial Consumer Finance India Ltd. | AAA | 1.08 |
| GE Countrywide Consumer Financial Services Ltd. | AAA | 1.08 |
| Citicorp Finance (India) Ltd. | AAA | 0.72 |
| Sundaram Finance Ltd. | MAAA | 0.72 |
| UTI Bank Ltd. | LAA+ | 0.65 |
| GE Capital Services India. | AAA | 0.60 |
| L&T Finance limited | CARE AA+ | 0.48 |
| Global Trade Finance Pvt. Ltd. | P1+ | 0.41 |
| DSP ML Capital Ltd. | AAA | 0.36 |
| Hindustan Construction Company Ltd. | PR1+ | 0.36 |
| Electrosteel Castings Ltd. | P1+ | 0.36 |
| Manaksia Ltd | PR1+ | 0.36 |
| Infrastructure Development Finance Co. Ltd | AAA | 0.36 |
| HDFC Bank Ltd. | AAA(so) | 0.22 |
| Tata Motors Ltd. | LAAA(SO) | 0.13 |
| Cholamandalam DBS Finance Limited. | LAA | 0.12 |
| Citicorp Maruti Finance Ltd. | P1+ | 0.12 |
| ICICI Bank Ltd. | CARE AAA | 0.12 |
| Cholamandalam DBS Finance Limited. | MAAA+ | 0.12 |
| ICICI Bank Ltd. | LAAA(SO) | 0.11 |
| Tata Motors Ltd. | AAA(so) | 0.10 |
| ICICI Bank Ltd. | AAA(so) | 0.09 |
| Total | | 12.34 |
| Public Sector Undertakings | | |
| Indian Railway Finance Corporation Ltd. | AAA | 4.73 |
| Export-Import Bank of India. | AAA | 2.45 |
| Industrial Development Bank Of India. | AA+ | 1.60 |
| Power Finance Corporation Ltd. | AAA | 0.84 |
| National Bank for Agriculture and Rural Development | AAA | 0.48 |
| Union Bank of India | AA+ | 0.24 |
| National Bank for Agriculture and Rural Development | CARE AAA | 0.17 |
| Total | | 10.51 |
| Money Market Instruments | | |
| Commercial Paper (CP)/Certificate of Deposits (CD) | | |
| Corporate Debt / Financial Institutions | | |
| HDFC Bank Ltd. | PR1+ | 4.33 |
| Infrastructure Development Finance Co. Ltd | P1+ | 3.06 |
| HDFC Ltd. | A1+ | 2.37 |
| ICICI Bank Ltd. | A1+ | 2.21 |
| ABN Amro Bank N.V | A1+ | 1.92 |
| Standard Chartered Investment & Loan India Ltd. | P1+ | 1.58 |
| Hongkong & Shanghai Banking Corporation | P1+ | 1.13 |
| Standard Chartered Bank Ltd | P1+ | 0.95 |
| ICICI Bank Ltd. | P1+ | 0.71 |
| Rabo India Finance Pvt Ltd. | P1+ | 0.58 |
| ICICI Home Finance Company Limited | A1+ | 0.55 |
| Hindustan Sanitaryware & Industries Ltd. | A1+ | 0.48 |
| Karur Vysya Bank Ltd. | F1+(ind) | 0.47 |
| Mahindra & Mahindra Financial Services Ltd. | P1+ | 0.36 |
| Federal Bank Ltd. | P1+ | 0.22 |
| SBI Cards & Payment Services Pvt. Ltd. | P1+ | 0.02 |
| Total | | 20.94 |
| Public Sector Undertakings | | |
| State Bank of Mysore | A1+ | 3.93 |
| State Bank of Travancore | P1+ | 2.86 |
| State Bank of Indore | P1+ | 2.62 |
| State Bank of Bikaner & Jaipur | P1+ | 2.61 |
| UCO Bank | P1+ | 2.33 |
| State Bank of Patiala | P1+ | 1.72 |
| Power Finance Corporation Ltd. | A1+ | 1.42 |
| National Housing Bank | F1+(ind) | 1.19 |
| Indian Bank | F1+(ind) | 0.63 |
| Corporation Bank | P1+ | 0.57 |
| IDBI Bank Ltd. | A1+ | 0.56 |
| State Bank Of India. | P1+ | 0.46 |
| State Bank of Hyderabad | A1+ | 0.11 |
| State Bank of Saurashtra | P1+ | 0.11 |
| Power Finance Corporation Ltd. | P1+ | 0.09 |
| Total | | 21.21 |
| Term Deposits | | 33.47 |
| Net Current Assets/(Liabilities) | | 1.53 |
| Grand Total | | 100.00 |

Average Maturity based on total maturity of fixed rate and immediate reset date of floating rate instruments of the portfolio: 0.26 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 FILs or sub a/c of FILs: 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 |
| Kotak MidCap (February 24, 2005) Fund Manager Anand Shah | 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 Manager Sajit Pisharodi | 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 Manager Sajit Pisharodi | 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 Manager Sajit Pisharodi | 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 Nitin Jain | 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 Nitin Jain | 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 Manager 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 FILs or sub a/c of FILs: 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 Sajit Pisharodi & 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) | 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) | 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) | 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 | **** | 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.) | 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) | 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) | 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) | 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) | - do - | Providend Fund & Trust | DP, DR & G | Entry: Nil Exit: Nil |
| Kotak Gilt Savings (December 29, 1998) | - do - | **** | DP, DR & G | Entry: Nil Exit: Nil |
| Kotak Liquid (October 5, 2000) | 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) | - do - | Institutional # | DR & G | Entry: Nil Exit: Nil |
| Kotak Liquid (November 4, 2003) | - do - | Institutional Premium \$ | DP, DR & G | Entry: Nil Exit: Nil |
| Kotak Liquid (August 3, 2004) | - do - | Sweep | DR | Entry: Nil Exit: Nil |

Fund Managers (To all the above schemes): Ritesh Jain & Lakshmi Iyer except for Kotak Cash Plus: Sajit Pisharodi & Ritesh Jain

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-27-05 | 27.711 | 1.00 |
| Jun-03-05 | 20.345 | 1.00 |
| Nov-05-04 | 18.060 | 1.50 |
| Jan-31-04 | 21.093 | 5.00 |
| Oct-20-03 | 18.983 | 2.00 |
| Dec-28-01 | 11.036 | 1.00 |
| Oct-09-00 | 17.556 | 2.00 |
| Dec-11-99 | 22.954 | 2.00 |
| Kotak Global India | | |
| Feb-08-06 | 19.609 | 2.00 |
| Feb-04-05 | 13.708 | 1.50 |
| Kotak MNC | | |
| Feb-11-05 | 20.600 | 4.50 |
| Kotak Opportunities | | |
| Sept-27-06 | 17.745 | 1.50 |
| Mar-21-06 | 21.784 | 4.50 |
| Sept-28-05 | 16.816 | 1.00 |
| Feb-25-05 | 12.852 | 0.75 |
| Kotak Midcap | | |
| Apr-28-06 | 19.4377 | 4.00 |
| Aug-24-05 | 13.0267 | 0.50 |

HYBRID SCHEMES

| Record Date | Cum Dividend NAV | Rs/Unit |
|---|------------------|---|
| Kotak Balance | | |
| Sept-27-06 | 22.870 | 1.00 |
| Mar-27-06 | 26.645 | 3.50 |
| Dec-12-05 | 22.232 | 1.00 |
| May-16-05 | 18.129 | 0.75 |
| Dec-13-04 | 16.175 | 0.50 |
| Dec-12-03 | 15.559 | 2.75 |
| Mar-13-00 | 13.471 | 1.00 |
| Kotak Income Plus - Monthly Dividend | | |
| Sept-12-06 | 10.8459 | Individual / HUF : 0.0327 Others : 0.0305 |
| Aug-14-06 | 10.8648 | Individual / HUF : 0.0494 Others : 0.0460 |
| Jul-12-06 | 10.8789 | Individual / HUF : 0.0618 Others : 0.0575 |
| Jun-12-06 | 10.8019 | Individual / HUF : 0.0675 Others : 0.0629 |
| Kotak Income Plus - Quarterly Dividend | | |
| Sep-20-06 | 11.0594 | Individual / HUF : 0.1909 Others : 0.1778 |
| Jun-20-06 | 10.9942 | Individual / HUF : 0.1709 Others : 0.1591 |
| Mar-20-06 | 11.2373 | Individual / HUF : 0.1633 Others : 0.1521 |
| Dec-20-05 | 10.9792 | Individual / HUF : 0.1651 Others : 0.1537 |

DEBT SCHEMES

| Record Date | Cum Dividend NAV | Rs/Unit |
|--|------------------|--|
| Kotak Bond Deposit Plan | | |
| Jun-25-04 | 10.5647 | 0.0600 |
| Mar-25-04 | 10.7807 | 0.1058 |
| Dec-26-03 | 10.9167 | 0.1650 |
| Sep-25-03 | 11.0101 | 0.2475 |
| Kotak Bond Short Term Plan | | |
| Sept-12-06 | 10.1159 | Individual / HUF : 0.0541 thers : 0.0504 |
| Aug-14-06 | 10.1189 | Individual / HUF : 0.0568 thers : 0.0529 |
| Jul-12-06 | 10.1094 | Individual / HUF : 0.0432 thers : 0.0452 |
| Jun-12-06 | 10.1136 | Individual / HUF : 0.0522 thers : 0.0486 |
| Kotak Bond Regular Plan - Annual | | |
| Mar-12-04 | 12.2306 | 0.7798 |
| Mar-12-03 | 11.8021 | 0.7500 |
| Mar-13-02 | 13.8500 | 3.0000 |
| Kotak Bond Regular Plan - Quarterly | | |
| Sept-20-06 | 10.5812 | Individual / HUF : 0.1887 Others : 0.1757 |
| Jun-20-06 | 10.4424 | Individual / HUF : 0.0910 Others : 0.0847 |
| Mar-20-06 | 10.3510 | Individual / HUF : 0.04870 Others : 0.0454 |
| Dec-20-05 | 10.4100 | Individual / HUF : 0.1005 Others : 0.0935 |
| Kotak Floater Short Term - Monthly | | |
| Sept-12-06 | 10.0565 | Individual / HUF : 0.0480 Others : 0.0447 |
| Aug-13-06 | 10.0548 | Individual / HUF : 0.0465 Others : 0.0433 |
| Jul-12-06 | 10.0510 | Individual / HUF : 0.0432 Others : 0.0402 |
| Jun-12-06 | 10.0533 | Individual / HUF : 0.0452 Others : 0.0421 |
| Kotak Floater Short term - Weekly | | |
| Sept-25-06 | 10.0177 | Individual / HUF : 0.0113 Others : 0.0105 |
| Sept-18-06 | 10.0170 | Individual / HUF : 0.0108 Others : 0.0101 |
| Sept-11-06 | 10.0179 | Individual / HUF : 0.0117 Others : 0.0109 |
| Sept-04-06 | 10.0172 | Individual / HUF : 0.0111 Others : 0.0103 |

DEBT SCHEMES

| Record Date | Cum Dividend NAV | Rs/Unit |
|---|------------------|---|
| Kotak Floater Long Term - Monthly | | |
| Sept-12-06 | 10.0565 | Individual / HUF : 0.0480 Others : 0.0447 |
| Aug-13-06 | 10.0632 | Individual / HUF : 0.0551 Others : 0.0513 |
| Jul-12-06 | 10.0583 | Individual / HUF : 0.0509 Others : 0.0474 |
| Jun-12-06 | 10.0561 | Individual / HUF : 0.0490 Others : 0.0456 |
| Kotak Floater Long term - Weekly | | |
| Sept-25-06 | 10.0465 | Individual / HUF : 0.0122 Others : 0.0114 |
| Sept-18-06 | 10.0457 | Individual / HUF : 0.0116 Others : 0.0108 |
| Sept-11-06 | 10.0459 | Individual / HUF : 0.0118 Others : 0.0110 |
| Sept-04-06 | 10.0455 | Individual / HUF : 0.0114 Others : 0.0106 |
| Kotak Gilt Investment PF & Trust Plan | | |
| Sep/20/06 | 11.1431 | Individual / HUF : 0.2595 Others : 0.2416 |
| Dec/20/05 | 10.8621 | Individual / HUF : 0.0800 Others : 0.0745 |
| Sep/20/05 | 10.888 | Individual / HUF : 0.1027 Others : 0.0957 |
| Jun/20/05 | 10.9314 | Individual / HUF : 0.1408 Others : 0.1311 |
| Kotak Gilt Investment Regular Plan - Dividend | | |
| Mar-25-04 | 10.5848 | 0.0909 |
| Dec-26-03 | 10.7693 | 0.2050 |
| Sep-25-03 | 10.9273 | 0.3450 |
| Kotak Gilt Savings Plan - Annual Dividend | | |
| Sep-21-03 | 15.3239 | 4.5000 |
| Kotak Gilt Savings Plan - Monthly Dividend | | |
| Sept-12-06 | 10.4917 | Individual / HUF : 0.0603 Others : 0.0561 |
| Aug-14-06 | 10.4789 | Individual / HUF : 0.0491 Others : 0.0457 |
| Jul-12-06 | 10.4528 | Individual / HUF : 0.0262 Others : 0.0244 |
| Jun-12-06 | 10.4564 | Individual / HUF : 0.0293 Others : 0.0273 |
| Kotak Flexi Debt - Quarterly | | |
| Sep-20-06 | 10.2302 | Individual / HUF : 0.1462 Others : 0.1362 |
| Jun-20-06 | 10.203 | Individual / HUF : 0.1328 Others : 0.1237 |
| Mar-20-06 | 10.1661 | Individual / HUF : 0.1289 Others : 0.1200 |
| Dec-20-05 | 10.1497 | Individual / HUF : 0.1145 Others : 0.1066 |
| Kotak Flexi Debt - Daily | | |
| Sep-29-06 | 10.0311 | Individual / HUF : 0.006841 Others : 0.006371 |
| Sep-28-06 | 10.0311 | Individual / HUF : 0.001738 Others : 0.001618 |
| Sep-27-06 | 10.0311 | Individual / HUF : 0.001970 Others : 0.001835 |
| Sep-26-06 | 10.0311 | Individual / HUF : 0.001683 Others : 0.001568 |
| Kotak Cash Plus | | |
| Sept-25-06 | 10.1893 | Individual / HUF : 0.0426 Others : 0.0396 |
| Aug-28-06 | 10.1991 | Individual / HUF : 0.0512 Others : 0.0476 |
| Jul-24-06 | 10.1979 | Individual / HUF : 0.0410 Others : 0.0381 |
| Jun-26-06 | 10.2132 | Individual / HUF : 0.0513 Others : 0.0477 |
| Kotak Liquid Sweep Plan | | |
| Sep-29-06 | 10.0071 | Individual / HUF : 0.004477 Others : 0.004170 |
| Sep-28-06 | 10.0071 | Individual / HUF : 0.001580 Others : 0.001472 |
| Sep-27-06 | 10.0071 | Individual / HUF : 0.001631 Others : 0.001522 |
| Sep-26-06 | 10.0071 | Individual / HUF : 0.001589 Others : 0.001481 |
| Kotak Liquid Regular Plan | | |
| Sept-25-06 | 10.0314 | Individual / HUF : 0.0105 Others : 0.0098 |
| Sept-18-06 | 10.0310 | Individual / HUF : 0.0102 Others : 0.0095 |
| Sept-11-06 | 10.0309 | Individual / HUF : 0.0102 Others : 0.0095 |
| Sep-04-06 | 10.0305 | Individual / HUF : 0.0099 Others : 0.0092 |
| Kotak Liquid Institutional Plan - Daily | | |
| Sep-29-06 | 12.2281 | Individual / HUF : 0.005562 Others : 0.005180 |
| Sep-28-06 | 12.2281 | Individual / HUF : 0.001957 Others : 0.001823 |
| Sep-27-06 | 12.2281 | Individual / HUF : 0.002023 Others : 0.001885 |
| Sep-26-06 | 12.2281 | Individual / HUF : 0.001969 Others : 0.001836 |
| Kotak Liquid Institutional Plan - Weekly | | |
| Sept-25-06 | 10.0346 | Individual / HUF : 0.0111 Others : 0.0103 |
| Sept-18-06 | 10.0343 | Individual / HUF : 0.0108 Others : 0.0101 |
| Sept-11-06 | 10.0341 | Individual / HUF : 0.0107 Others : 0.0100 |
| Sep-04-06 | 10.0338 | Individual / HUF : 0.0105 Others : 0.0098 |
| Kotak Liquid Institutional Premium Plan - Daily | | |
| Sep-29-06 | 12.2281 | Individual / HUF : 0.005959 Others : 0.005550 |
| Sep-28-06 | 12.2281 | Individual / HUF : 0.002094 Others : 0.001951 |
| Sep-27-06 | 12.2281 | Individual / HUF : 0.002157 Others : 0.002009 |
| Sep-26-06 | 12.2281 | Individual / HUF : 0.002103 Others : 0.001960 |
| Kotak Liquid Institutional Premium Plan - Weekly | | |
| Sept-25-06 | 10.0478 | Individual / HUF : 0.01170 Others : 0.01090 |
| Sept-18-06 | 10.0474 | Individual / HUF : 0.01140 Others : 0.01060 |
| Sept-11-06 | 10.0473 | Individual / HUF : 0.01140 Others : 0.01060 |
| Sep-04-06 | 10.0470 | Individual / HUF : 0.01120 Others : 0.01040 |

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.

Services & Facilities

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

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