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Fund factsheet

July 31, 2007



Mexico
Philippines
Malaysia
South Africa
Argentina
China
South Korea
Taiwan

**Good for tourists.
Great for investors.**

Time to invest overseas.

Just like India, countries like South Africa, Russia, Turkey, Egypt and Brazil are emerging as great investment destinations. You can now look to benefit from this boom overseas by investing in the Kotak Global Emerging Market Fund. This fund is

brought to you in association with T. Rowe Price* (a U.S. investment firm that manages an AUM of \$349.9 billion worldwide as on 31.03.2007). SMS 'GLOBAL' TO 676788 or call to invest. You'll see these places in a different light.



**KOTAK GLOBAL EMERGING
MARKET FUND**

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*The investment vehicle is managed by Kotak Mutual Fund and the underlying investment is in the T. Rowe Price Fund SICAV- Global Emerging Markets Equity Fund.

Risk Factors on Page 23



From CEO's Desk



Dear Friends,

The severe stock market volatility witnessed in the last week of July - with key Indian stock indices swinging nearly 5% in both directions might have been disconcerting to many of the investors. This bout of volatility was in tandem with other markets elsewhere in the world, with

major markets like Dow Jones, Nikkei, Kospi, Hang Seng, FTSE etc displaying same wariness as seen in India. The source of this volatility largely stemmed from the increasing uncertainty over credit quality and credit practices followed in the US bond market.

In the early start of the decade, significant credit leveraging had been done in the US on back of booming housing sector. However, with increasing delinquencies in the US housing sector (esp in subprime mortgage) and decreasing appetite of the US consumer for new properties; the sub-prime mortgage woes are expected to only increase in the US market for some time. It was the immediate effect of these changes that had an implicit impact on other markets globally.

Fortunately this time, the risk perception of emerging markets as an asset class has changed fundamentally and they are increasingly seen as a low-risk high-growth destination by the international financial community. The emerging markets today control nearly 60% of the global foreign exchange reserve that gives them the necessary cushion to meet any financial eventuality, if they may see. This has been made possible by the comparative wage advantage and a robust industrial establishment that they have been able to put into place to cater to the global demand and garner an ever growing trade surplus from it. The consequent growth rate witnessed in these emerging markets has been around 50% higher than that in the developed markets.

This 'high-growth' 'high-potential' environment has seen the corporate sectors of the emerging nations outperform the market expectations for a good period of time. This in turn has fueled the stocks of the emerging markets, which have grown the fastest in the last 3 years. The long sustaining bull-run in the emerging markets gets easily depicted by the fact that MSCI Emerging Markets Index has grown by around 36% CAGR in the last three years. In fact, the benchmark indices of the key emerging markets like China, Mexico, Egypt, Brazil, have far outperformed the MSCI Index, giving return of nearly 81%, 43%, 46%, and 61% respectively in the last year alone.

In fact, today, the emerging markets constitute about 25% of the free-float global market capitalization.

The Indian stock market performance (which forms a part of the larger emerging market) too has been highly commendable in the intervening period, providing 60% return in the last one year. But the specter of growth in and around the globe provides Indian investors with a tangible option of obtaining additional exposure to other high growth markets with adequate diversification. So while the short-run volatility may be dampening, yet the prospects of growth in the long run remain strong. In fact, these market volatilities offer an opportunity to invest in high-quality assets at relatively low prices.

Kotak Global Emerging Market Fund (KGEM) is such an opportunity that allows the Indian investors to invest in emerging markets and benefit from portfolio management skills of T Rowe Price the source fund in which we invest.

The equity allocation of our scheme is framed to be exclusively invested in T Rowe Price Funds SICAV Global Emerging Markets Equity Fund (GEMEF). This consequently enables us to reflect the performance of the latter mentioned scheme. Here, it is worthy to mention that GEMEF has an established performance history and is one of the top performing funds in its category.

As with all overseas investment, the associated currency risk too is to be factored in with this investment. However, our fund structure enables us to mitigate that risk to a great extent due to the fact that investments would be largely made in countries whose currency movements vis-à-vis dollar have been in line with that of the Rupee.

We are confident that our channel partners would appreciate the changing investment scenario in India and prepare themselves to make full benefit of the opportunities that keep arising from time to time elsewhere in the world.

Regards

Sandesh Kirkire

Chief Executive Officer.

Before investing, please read the Offer Document.

From the Equity Fund Management Team

Falling inflation, satisfactory progress of monsoon and continuing liquidity flows propelled the Indian stock markets to higher levels. For the month Sensex reported gain of 6.2% to close at 15551 and CNX Midcap reported rise of 3.38% to close at 6177. The equity markets however had its share of volatility when it crashed 542 points in a single day led by global sell-off. FIIs were net buyers at US\$ 5.85 bn. Mutual funds were net sellers at US \$ 265 mn (upto July 30).

Globally the markets were impacted by worries arising from default expectations from the sub-prime market (lending to riskier customer segment) in US. While there is no direct impact of the sub-prime issue on the Indian economy & the stock markets, the near term movements in the global equity markets will drive the Indian markets. We continue to believe that the growth in Indian economy; being oriented on domestic consumption & infrastructure theme, will remain insulated from global worries and will remain attractive investment destination in long term.

Economic Indicators

- Index of Industrial Production grew at 11.1% in May 2007.
- Wholesale Price Index stood at 4.3% for the week ended July 7.
- Gross tax receipts were up 28% at Rs. 65237 crores while net collections were up 45.6% at 53397 crores during the period April - July 2007.

Results Season

The corporate sector declared earnings for the quarter ended June 30, 2007. The corporate earnings have kept pace with the economic growth as reflected by 15% growth in sales for a sample of 1674 companies vis a vis the same quarter for previous financial year. The operating performances have also improved as reflected by increasing margins; operating margins were up (at 19% from 17.45%) and net profit margins were up (at 10.25% from 7.93%). At the sector level, the best performances came from energy, telecoms and financials. The laggards versus the aggregate numbers were consumer discretionary, consumer staples and utilities.

The corporate sector's quarterly earnings are broadly in line with the consensus estimates barring a few disappointments and hence provide a case for buoyant domestic equity markets.

Key Events during the month

- India and the USA completed negotiations on the bilateral agreement for peaceful nuclear cooperation, also known as the "123 agreement".
- The government withdrew the additional customs duty on imported wines and spirits in an effort to resolve a dispute with the European Union and other leading trading partners over high duties on these items.
- RBI at the monetary policy raised the Cash Reserve ratio by 0.5% to 7.0%
- MRTPC (Indian anti-monopoly regulator) has issued notices to 14 cement firms after its investigative arm DGIR pointed toward cartelization by these companies.

Corporate Developments

- IT Sector reported a healthy growth in revenues but the growth in profits was impacted on account of appreciation in rupee against the US \$.
- L&T announced plans to form new companies for its power, ports and shipbuilding businesses, which will help it raise funds by selling shares in some of them.
- Reliance Communications announced that it has placed a 5% stake in its Tower subsidiary with seven global investors for about USD 338 mn to seven global investors. Reliance communication also announced acquisition of US data communications company Yipes Holdings in an all-cash deal for \$300mn.
- HDFC Bank raised nearly 1 bn \$ by issuing fresh equity to foreign investors by way of American Depository Issue and preferential allotment to HDFC.
- Reliance Power (associate company of Reliance Energy) bagged the 4,000 Mw Sasan ultra mega power project after it offered to match the tariff of Rs 1.196 per unit quoted by the earlier bidder who was disqualified.
- Infosys announced plans to buy Philips Global's finance BPO for assured revenue of \$200mn spread over five years.
- GMR Infrastructure has secured the tender for developing the Sabiha Gokcen International (SGA) airport in Istanbul, Turkey. GMR will hold 40% in the consortium along with Malaysian Airport (20%) with local company in Turkey owning remaining 40%.

Market Outlook

We continue to maintain that equities remain a preferred asset class for investors considering India's economic potential and corporate sector's growth plans. While the longer term outlook being positive, the near term market movements will mainly take cues from global equity markets which are under pressure from interest rate & credit concerns in debt markets. We would recommend investors to use any dip in the equity markets as an opportunity to invest with a 2-3 year horizon.

From the Debt Fund Management Team

Major Economic indicators

	Current Month#	Last Month	Change
Inflation (16/Jun/07)	4.41%	4.03%	0.38%
WPI (Points)	212.9	211.7	0.57%
10 YR IGB (Yield)	7.83%	8.11%	-0.28%
10 YR UST (Yield)	4.75%	5.04%	-0.29%
Avg. LAF Bal. With RBI under Reverse Repo (Rs.cr)	30,058	3874	26184
USD/INR (29/Jun/07)	40.58	40.72	-0.34%
India's Forex Reserve (billion \$) (20/Apr/07)	222.043	212.55	9.493

#Current reported period in the month

The month of July saw movement in gilt prices, with the yield on 10 year sovereign bond trading in the range of 7.80% - 8.05%, before settling at 7.83% on month end.

During the previous month, the liquidity in the system was surplus for most of the month with bids in the LAF numbers showing Reverse Repo amount bid in excess of Rs.60,000 crores. This was despite auctions from the central banks and advance tax outflows to the tune of Rs. 40,000 crores. The liquidity in the system can be attributed due to the RBI intervention in the forex market, increased Government spending and slow down in the credit off take.

The inflation for the whole month increased close to a percentage from 4.03% to 4.41%. This was a result of increase in the food and cement prices. Despite the increase in the inflation, the trader sentiment was not affected much as it was still below the RBI's comfort level of 5.00%.

On the global front, Bank of England policy makers raised interest rates for the fifth time since August and said they're concerned inflation will stay above target, adding to investor speculation that at least one more increase is likely this year. The nine-member Monetary Policy Committee increased the bank rate by a quarter-point to 5.75 percent, the highest since April 2001. The panel, led by Governor Mervyn King, said in a statement that "the balance of risks" to price stability still "lie to the upside."

The European Central Bank left interest rates at a six-year high and signaled it's prepared to raise them again as soon as September to prevent economic growth from fanning inflation. The ECB president Jean Claude Trichet said that ECB has "no intention to change in any respect the present expectations of the market and would act in firmly and timely manner to ensure price stability".

Bank of Japan's policy board voted 8-1, to keep the benchmark interest rate unchanged at 0.5%. In the following press conference, Governor Fukui said that even as he firmly believed that core inflation would rise gradually, majority of the board members agreed that they need to watch more economic data and more evidence that the economy and prices will continue moving as they expected. Two thirds of market participants however expect a rate hike in the next meet in August according to a Bloomberg survey.

Amidst fears that a tight labor market and rising oil and food prices could continue to fuel inflation the Reserve Bank of New Zealand hiked interest rates a fourth successive time to 8.25%. However, it indicated that no more rate hikes are in the offing. In the following interview Governor Alan Bollard said, "New Zealanders have been showing early signs of moderating their borrowing. Provided they keep up, and the pressures on resources continue to ease, we think the four successive increases we have delivered will be sufficient to contain inflation." The New Zealand dollar fell in response. New Zealand has been suffering from strong capital flows coming from yen carry trades and the recent unwinding of carry trades could make things easier for its central bank.

While in the U.S., treasuries saw some buying interest early in the month due to bomb scare in UK but with the firm stock markets and strong factory and payroll data, the yields climbed up to 5.16%. However, during the month, with S&P revising the rating methodology for sub prime CDO's amidst indication of large scale downgrades and swap spreads widening together with the VIX index reached a four year high, there were renewed interest in the treasuries. The weak housing data and PCE falling to 1.4%, increasing the bets of a rate cut by the FED. The yields were trading at 4.75%.

Outlook

In the first quarter review of the Credit & Monetary policy, RB kept benchmark rates constant but hiked the CRR by 50 bps and removed the ceiling on reverse repo acceptance. The policy takes comfort from past policy actions affecting a slowdown in credit offtake and a fall in inflation to within RBI's comfort zone. It gives no rate signal and just attempts to remove the excess liquidity in the system and bring overnight rates within the LAF corridor. Liquidity in the system will still remain adequate though not excessive and inflation too will remain in RBI's comfort zone even if the government hikes petrol and diesel prices. Even as the market gradually adjusts to the changed liquidity scenario we expect the 10 year G Sc to range between 7.75% - 8.00%.

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 July 31, 2007 - Rs. 23369.92 Crores

KOTAK 30

Open - Ended Equity Growth Scheme

About The Scheme

Investment Objective - To generate capital appreciation from a portfolio of predominantly equity and equity related securities with investment in, generally, not more than 30 stocks.
Available Options - DP, DR & G **Fund Managers** - Krishna Sanghvi and Sanjib Guha.
Loads - Entry: Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores: Nil. Where the switch in is from an Equity/Balanced/Equity FOF scheme to an Equity/Balanced/Equity FOF scheme: Nil. Where investment is made by FIIs or sub a/c of FIIs: Nil. Where investments is made by fund of funds as defined under SEBI Regulations: Nil. Where units are allotted upon reinvestment of Dividends: Nil. Cases not covered above: 2.25% Exit: For exit within 6 months for investments less than Rs. 5 crore: 1%. Cases not covered above: Nil. **Minimum Initial Investment:** Rs. 5000. **Additional Investment:** Rs. 1000 & in Multiples of Re.1.
Ideal Investments Horizon - 1-3 years **Corpus:** Rs. 488.14 crores **Ratios:** Beta*: 0.93 Sharpe*: 0.54 Standard Deviation*: 5.91 Alpha*: 0.73
*** Source:** Value Research

Performance as on July 31, 2007

	1 Yr	3 Yr	5 Yr	Since Allotment (Dec 29, 1998)
Kotak 30*	49.1	49.5	49.1	31.9
S&P CNX Nifty	44.1	40.5	36.4	21.1

Kotak 30 NAV: Rs 35.765 (Div.Option)

* Returns assumed reinvestment of the tax free dividend declared. Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future.

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity related (Listed / Awaiting listing)		
Reliance Industries Ltd.	Petroleum Products	8.15
Bharti Airtel Ltd.	Telecom - Services	6.00
Larsen And Toubro Ltd.	Industrial Capital Goods	5.61
ICICI Bank Ltd.	Banks	4.75
Reliance Communications Ltd.	Telecom - Services	4.35
State Bank Of India	Banks	4.08
Bharat Heavy Electricals Ltd.	Industrial Capital Goods	3.54
Infosys Technologies Ltd.	Software	3.44
Jaiprakash Associates Ltd	Construction	3.35
Tata Steel Ltd.	Ferrous Metals	3.09
Crompton Greaves Ltd.	Industrial Capital Goods	3.01
Tata Consultancy Services Ltd.	Software	2.96
Sterlite Industries (India) Ltd	Non - Ferrous Metals	2.91
Hcl Technologies Ltd.	Software	2.76
HDFC Ltd.	Finance	2.48
Deccan Chronicle Holdings Ltd.	Media and Entertainment	2.42
ITC Ltd.	Consumer Non Durables	2.28
Grasim Industries Ltd.	Cement	2.24
Mahindra & Mahindra Ltd.	Auto	2.24
Hindustan Unilever Ltd.	Diversified	2.23
Satyam Computer Services Ltd.	Software	2.21
Lupin Ltd.	Pharmaceuticals	2.18
Aditya Birla Nuvo Ltd	Textile Products	2.05
Jindal Saw Ltd.	Ferrous Metals	2.05
Bank Of Baroda	Banks	2.00
Patel Engineering Ltd.	Construction	1.88
HDFC Bank Ltd.	Banks	1.74
GMR Infrastructure Ltd.	Construction	1.72
ABG Shipyard Ltd	Industrial Capital Goods	0.54
ONGC	Oil	0.46
Total		88.72
Futures		
Oil & Natural Gas Corporation Ltd.-AUG2007		3.56
HDFC Bank Ltd.-AUG2007		1.04
Total		4.60

Term Deposit

Kotak Mahindra Bank	1.64
Total	1.64

Net Current Assets/(Liabilities) 5.04

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

Industrial Capital Goods	12.70
Banks	12.56
Software	11.38
Telecom - Services	10.35
Petroleum Products	8.15
Construction	6.95
Ferrous Metals	5.14
Non - Ferrous Metals	2.91
Finance	2.48
Rest	27.38

SIP Returns

	1 Year	3 Year	5 Year	7 Year
Investment Amt.	Rs. 12000	Rs. 36000	Rs. 60000	Rs. 84000
Investment Value	Rs. 14630	Rs. 66838	Rs. 194199	Rs. 356730
XIRR	43.21%	44.71%	48.08%	41.00%

Assumption: 1) 1000 Investment done on the 7th or the subsequent working day of the month. 2) Loads not considered.

KOTAK MID-CAP

Open - Ended Equity Growth Scheme

About The Scheme

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

Available Options - DP, DR & G **Fund Managers** - Nikunj Doshi and Anurag Jain.

Loads - Entry: Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores: Nil. Where the switch in is from an Equity/Balanced/Equity FOF scheme to an Equity/Balanced/Equity FOF scheme: Nil. Where investment is made by FIIs or sub a/c of FIIs: Nil. Where investments is made by fund of funds as defined under SEBI Regulations: NIL. Where units are allotted upon reinvestment of Dividends: Nil. Cases not covered above: 2.25% Exit: For exit within 6 months for investments less than Rs. 5 crores: 1%. Cases not covered above: Nil. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in Multiples of Re.1.

Ideal Investments Horizon - 1-3 years **Corpus:** Rs. 303.92 crores.

Performance as on July 31, 2007

	Last 1 Year	Since Allotment (Feb 24, 2005)
Kotack Midcap	55.8	42.1
CNX Midcap	59.3	48.8

Kotak Midcap NAV : Rs.23.791 (Growth Option)

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

Portfolio

Name of the Instrument	Industry / Rating	to Net Assets
Equity & Equity Related (Listed/Awaiting listing on Stock Exchange)		
SKF India Ltd	Industrial Products	4.17
Kirloskar Oil Engines Ltd.	Industrial Products	4.01
Deccan Chronicle Holdings Ltd.	Media and Entertainment	4.00
Patel Engineering Ltd.	Construction	3.98
Maharashtra Seamless Ltd.	Ferrous Metals	3.91
Kalpataru Power Transmission Ltd.	Power	3.76
Crompton Greaves Ltd.	Industrial Capital Goods	3.38
Jubilant Oraganosys Ltd	Pharmaceuticals	3.22
Panacea Biotech Ltd.	Pharmaceuticals	3.15
Allcargo Global Logistics Ltd.	Transportation	3.14
Indian Overseas Bank	Banks	2.93
IDFC Ltd.	Finance	2.90
Union Bank Of India	Banks	2.90
Mphasis Ltd	Software	2.65
Elecon Engineering Co.Ltd	Engineering	2.40
Andhra Bank	Banks	2.38
Ruchi Soya Industries Ltd.	Consumer Non Durables	2.29
JSW Steel Ltd.	Ferrous Metals	2.19
Bharat Earth Movers Ltd.	Industrial Capital Goods	2.18
Finolex Cables Ltd.	Industrial Products	2.17
Man Industries (India) Ltd.	Ferrous Metals	2.13
Biocon Ltd.	Pharmaceuticals	2.11
Aban Offshore Ltd.	Industrial Services	2.09
Amtek Auto Ltd.	Auto Ancillaries	2.06
Megasoft Ltd	Software	1.99
Jaiprakash Associates Ltd	Construction	1.98
ING Vysya Bank Ltd.	Banks	1.84
Wire & Wireless (India) Ltd.	Media and Entertainment	1.78
Gammon India Ltd.	Construction	1.74
TajGVK Hotels & Resorts Ltd	Hotels	1.71
Jindal Steel & Power Ltd.	Ferrous Metals	1.66
United Phosphorus Ltd	Pesticides	1.62
Television Eighteen India Ltd.	Media and Entertainment	1.52
Financial Technologies (India) Ltd.	Software	1.42
Alstom Projects India Ltd.	Industrial Capital Goods	1.41
IVR Prime Urban Developers Ltd	Construction	1.19
Zensar Technologies Ltd.	Software	1.02
Kamdhenu Ispat Ltd.	Ferrous Metals	0.88
Gujarat Gas Company Ltd	Gas	0.82
Bilcare Ltd.	Industrial Products	0.80
EID Parry (India) Ltd.	Consumer Non Durables	0.47
Nahar Capital & Financial Services Ltd	Finance	0.09
C and C Constructions Ltd	Construction	0.08
Everonn Systems India Ltd.	Software	0.01
Total		94.13
Debt Instruments		
Debentures and Bonds		
Corporate Debt/ Financial Institutions		
Cholamandalam DBS Finance Ltd.	LAA	1.65
Total		1.65
Term Deposit		
Kotak Mahindra Bank Ltd.		1.65
Total		1.65
Net Current Assets/(Liabilities)		2.57
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

Industrial Products	11.14
Ferrous Metals	10.76
Banks	10.05
Construction	8.98
Pharmaceuticals	8.48
Media and Entertainment	7.30
Software	7.09
Industrial Capital Goods	6.96
Power	3.76
Transportation	3.14
Rest	22.34

KOTAK OPPORTUNITIES

Open - Ended Equity Growth Scheme

About the Scheme

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

Available Options - DP, DR & G **Fund Managers** Krishna Sanghvi and Anurag Jain.

Loads - Entry: Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores: Nil. Where the switch in is from an Equity/Balanced/Equity FOF scheme to an Equity/Balanced/Equity FOF scheme: Nil. Where investment is made by FIIs or sub a/c of FIIs: Nil. Where investments is made by fund of funds as defined under SEBI Regulations: NIL. Where units are allotted upon reinvestment of Dividends: Nil. Cases not covered above: 2.25% **Exit:** For exit within 6 months for investments less than Rs. 5 crores: 1 %. Cases not covered above: Nil. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in Multiples of Re.1. **Ideal Investments Horizon** - 1-3 years
Corpus: Rs. 194.84 crores.

Performance as on July 31, 2007

	Last 1 Year	Since Allotment (Sep 09, 2004)
Kotak Opportunities	50.5	52.4
S&P CNX 500	47.7	41.1

Kotak Opportunities NAV: Rs. 33.776 (Growth Option)

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

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity Related		
Listed/Awaiting listing on Stock Exchange		
Reliance Industries Ltd.	Petroleum Products	6.66
Larsen And Toubro Ltd.	Industrial Capital Goods	5.49
Bharti Airtel Ltd.	Telecom - Services	4.25
Reliance Communications Ltd.	Telecom - Services	3.96
GVK Power & Infrastructure Ltd.	Power	3.49
ICICI Bank Ltd.	Banks	3.33
Infosys Technologies Ltd.	Software	3.14
Union Bank Of India	Banks	2.68
Jaiprakash Associates Ltd	Construction	2.58
Hindustan Unilever Ltd.	Diversified	2.49
Hcl Technologies Ltd.	Software	2.41
Hindustan Construction Co.Ltd	Construction	2.32
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	2.25
Andhra Bank	Banks	2.19
Jindal Saw Ltd.	Ferrous Metals	2.09
ABG Heavy Industries Ltd.	Industrial Capital Goods	2.09
State Bank Of India	Banks	2.08
Sterlite Industries (India) Ltd	Non - Ferrous Metals	2.03
HDFC Ltd.	Finance	2.02
Mahindra & Mahindra Ltd.	Auto	1.98
Ashapura Minechem Ltd	Minerals/Mining	1.98
Satyam Computer Services Ltd.	Software	1.97
Kirloskar Oil Engines Ltd.	Industrial Products	1.89
Jindal Steel & Power Ltd.	Ferrous Metals	1.83
ITC Ltd.	Consumer Non Durables	1.76

Deccan Chronicle Holdings Ltd.	Media and Entertainment	1.70
Idea Cellular Ltd.	Telecom - Services	1.66
United Phosphorus Ltd	Pesticides	1.58
Aban Offshore Ltd.	Industrial Services	1.55
Kalpataru Power Transmission Ltd.	Power	1.52
India Cements Ltd.	Cement	1.51
IVRCL Infrastructures & Projects Ltd.	Construction	1.49
Television Eighteen India Ltd.	Media and Entertainment	1.42
Info Edge (India) Ltd.	Software	1.32
Atlas Copco (India) Ltd	Industrial Products	1.32
Wire & Wireless (India) Ltd.	Media and Entertainment	1.32
Tech Mahindra Ltd.	Software	1.29
Tata Consultancy Services Ltd.	Software	1.19
IVR Prime Urban Developers Ltd	Construction	1.17
Mphasis Ltd	Software	1.09
Nahar Industrial Enterprises Ltd.	Textiles - Cotton	1.03
Reliance Energy Ltd.	Power	1.02
C and C Constructions Ltd	Construction	0.14
Everonn Systems India Ltd.	Software	0.01
Total		92.29

Term Deposits

Kotak Mahindra Bank Ltd.	0.77
Total	0.77

Net Current Assets/(Liabilities)

Grand Total	100.00
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Total NPAs provided for and percentage to NAV : Nil

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

Sector Allocation

Software	12.43
Banks	10.28
Telecom - Services	9.88
Construction	7.70
Industrial Capital Goods	7.58
Petroleum Products	6.66
Power	6.03
Media and Entertainment	4.43
Ferrous Metals	3.92
Rest	31.09

KOTAK LIFESTYLE

Open - Ended Equity Growth Scheme

About The Scheme

Investment Objective - 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. **Available Options** - DP,DR & G. **Fund Managers** Nikunj Doshi and Krishna Sanghvi. **Loads - Entry:** Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores: Nil. Where the switch in is from an Equity/Balanced/Equity FOF scheme to an Equity/Balanced/Equity FOF scheme: Nil. Where investment is made by FIIs or sub a/c of FIIs: Nil. Where investments is made by fund of funds as defined under SEBI Regulations: NIL. Where units are allotted upon reinvestment of Dividends: Nil. Cases not covered above: 2.25% **Exit:** For exit within 6 months for investments less than Rs. 5 crores: 1 %. Cases not covered above: Nil **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in Multiples of Re.1. **Ideal Investments Horizon** - 1-3 years **Corpus:** Rs. 332.11 crores. **Performance As on July 31, 2007**

	Last 1 Year	Since Alloted (Mar 21, 2006)
Kotak Lifestyle	57.6	22.5
S & P CNX 500	47.7	24.4

Kotak Lifestyle NAV: Rs. 13.336 (Growth Option)

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

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity related Listed/Awaiting listing on Stock Exchange		
Bharti Airtel Ltd.	Telecom - Services	5.29
Indian Hotels Company Ltd.	Hotels	5.04
Reliance Communications Ltd.	Telecom - Services	4.88
ICICI Bank Ltd.	Banks	4.75
United Spirits Ltd.	Consumer Non Durables	4.58
Deccan Chronicle Holdings Ltd.	Media and Entertainment	3.98
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	3.83
Reliance Capital Ltd.	Finance	2.97
Hindustan Unilever Ltd.	Diversified	2.80
HCL Infosystems Ltd.	Hardware	2.63
Asian Paints Ltd.	Consumer Non Durables	2.54
ITC Ltd.	Consumer Non Durables	2.45
Maruti Udyog Ltd	Auto	2.42
Mahindra & Mahindra Ltd.	Auto	2.41
Aditya Birla Nuvo Ltd	Textile Products	2.39
Raymond Ltd	Textile Products	2.23
HDFC Ltd.	Finance	2.19
Mahindra Gesco Developers Ltd.	Construction	2.18
Radico Khaitan Ltd.	Consumer Non Durables	2.04
Zee Entertainment Enterprises Ltd	Media and Entertainment	1.98
Champagne Indage Ltd.	Consumer Non Durables	1.95
Hinduja TMT Ltd.	Software	1.92
Television Eighteen India Ltd.	Media and Entertainment	1.89
Adlabs Films Ltd.	Media and Entertainment	1.85
Deccan Aviation Ltd	Transportation	1.77
Info Edge (India) Ltd.	Software	1.68
Network 18 Fincap Ltd.	Finance	1.59
Wire & Wireless (India) Ltd.	Media and Entertainment	1.54
HDFC Bank Ltd.	Banks	1.51
Centurion Bank of Punjab Ltd.	Banks	1.50
Royal Orchid Hotels Ltd	Hotels	1.46
Pyramid Saimira Theatre Ltd.	Media and Entertainment	1.28
Nitco Tiles Ltd.	Consumer Non Durables	1.20
Housing Development and Infrastructure Ltd	Construction	1.19
IVR Prime Urban Developers Ltd	Construction	1.15
Everonn Systems India Ltd.	Software	0.01
Total		87.07

Futures

HDFC Bank Ltd.-AUG2007	0.47
Total	0.47

Debt Instruments

Debentures and Bonds

Corporate Debt/ Financial Institutions

Citicorp Finance (India) Ltd.	AAA	1.21
Corporate Debt / Financial Institutions - Total		1.21

Term Deposits

Kotak Mahindra Bank Ltd.	1.51
Total	1.51

Net Current Assets/(Liabilities)

Grand Total	100.00
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Total NPAs provided for and percentage to NAV : Nil

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

Sector Allocation

Consumer Non Durables	14.76
Media and Entertainment	12.53
Telecom - Services	10.17
Banks	7.76
Finance	6.74
Hotels	6.50
Auto	4.83
Textile Products	4.61
Construction	4.52
Rest	27.58

KOTAK EMERGING EQUITY

Close - Ended Equity Growth Scheme

About The Scheme

Investment Objective The investment objective of the scheme is to generate long-term capital appreciation from a portfolio of equity and equity related securities, by investing predominantly in mid and small cap companies. **Available Options** -DP, DR & G. **Fund Managers** Nikunj Doshi & Sanjib Guha. **Unamortised Expenses:** As per SEBI circular dated April 4, 2006, balance proportionate unamortised issue expenses shall be recovered from existing unit holders. **Loads - Exit:** Nil. (During liquidity window).

Ideal Investments Horizon - 3 years **Corpus:** Rs. 279.66 crores.

Performance as on July 31, 2007

Since Allotment (March 30, 2007)

Kotak Emerging Equity	17.9
BSE Midcap	24.8

Kotak Emerging Equity NAV: Rs. 11.793 (Growth Option)

Returns = 1 year: Absolute; Annualised return is not shown as scheme has not completed 1 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 on Stock Exchange		
ICICI Bank Ltd.	Banks	5.14
Punj Lloyd Ltd.	Construction	5.08
Hindustan Construction Co.Ltd	Construction	4.97
Jindal Saw Ltd.	Ferrous Metals	4.95
Reliance Capital Ltd.	Finance	4.95
Kirloskar Brothers Ltd.	Industrial Products	4.38
Kalpataru Power Transmission Ltd.	Power	3.97
Godrej Industries Ltd	Chemicals	3.94
GVK Power & Infrastructure Ltd.	Power	3.83
ABG Shipyard Ltd	Industrial Capital Goods	3.76
Mphasis Ltd	Software	3.54
Reliance Petroleum Ltd.	Oil & Gas Exploration & Production	3.39
ING Vysya Bank Ltd.	Banks	3.23
Asahi India Glass Ltd	Auto Ancillaries	3.07
GMR Infrastructure Ltd.	Construction	3.00
3i Infotech Ltd.	Software	2.96
Bharat Bijlee Ltd	Industrial Capital Goods	2.14
Megasoft Ltd	Software	2.12
JMC Projects (India) Ltd	Construction	2.04
Sical Logistics Ltd.	Transportation	1.99
Great Eastern Shipping Co. Ltd	Transportation	1.95
Global Broadcast News Ltd	Media and Entertainment	1.89

ANG Auto Ltd	Auto	1.88
Pyramid Saimira Theatre Ltd.	Media and Entertainment	1.82
Hinduja TMT Ltd.	Software	1.79
HTMT Global Solutions Ltd	Software	1.77
Nitin Fire Protection industries Ltd	Industrial Equipment	1.73
IVR Prime Urban Developers Ltd	Construction	1.15
Gujarat Ambuja Exports Ltd.	Trading	0.82
Geometric Software Solutions Co Ltd	Software	0.60
Everonn Systems India Ltd.	Software	0.01
Total		87.86

Term Deposit

Kotak Mahindra Bank Ltd.	1.07
Total	1.07

Net Current Assets/(Liabilities)	11.07
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

Construction	16.24
Software	12.78
Banks	8.37
Power	7.80
Industrial Capital Goods	5.89
Ferrous Metals	4.95
Finance	4.95
Industrial Products	4.38
Chemicals	3.94
Rest	30.70

KOTAK CONTRA

Open - Ended Equity Growth Scheme

About The Scheme

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

Available Options - DP, DR & G. **Fund Managers** Sanjib Guha & Anurag Jain

Loads - Entry: Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores: Nil. Where the switch in is from an Equity/Balanced/Equity FOF scheme to an Equity/Balanced/Equity FOF scheme: Nil. Where investment is made by FIIs or sub a/c of FIIs: Nil. Where investments is made by fund of funds as defined under SEBI Regulations: NIL Where units are allotted upon reinvestment of Dividends: Nil. Cases not covered above: 2.25% **Exit:** For exit within 6 months for investments less than Rs. 5 crores: 1 %.

Cases not covered above: Nil
Minimum Initial Investment: Rs. 5000 **Additional Investment:** Rs. 1000 & in Multiples of Re.1. **Ideal Investments Horizon** - 1-3 years **Corpus:** Rs. 125.62 crores.

Performance as on July 31, 2007

	Last 1 year	Since Allotment (July 27, 2005)
Kotak Contra	42.1	25.5
S&P CNX 500	47.7	36.5

Kotak Contra NAV: Rs. 16.313 (Growth Option)

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

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity related		
Listed/Awaiting listing on Stock Exchange		
Hindustan Unilever Ltd.	Diversified	5.40
Navin Fluorine International Ltd.	Chemicals	3.92
Mphasis Ltd	Software	3.71
Patel Engineering Ltd.	Construction	3.39
Asian Paints Ltd.	Consumer Non Durables	3.31
Ahmednagar Forgings Ltd.	Industrial Products	3.31
Apollo Tyres Ltd.	Auto Ancillaries	3.17
I-Flex Solutions Ltd	Software	3.13
Bharat Electronics Ltd	Industrial Capital Goods	3.10
Gujarat Gas Company Ltd	Gas	3.06
Ipcalaboratories Ltd.	Pharmaceuticals	3.01
Gammon India Ltd.	Construction	2.98
Deccan Aviation Ltd	Transportation	2.69
Nestle India Ltd.	Consumer Non Durables	2.65
Jindal Steel & Power Ltd.	Ferrous Metals	2.34
ABG Heavy Industries Ltd.	Industrial Capital Goods	2.28
EID Parry (India) Ltd.	Consumer Non Durables	2.18
Nitco Tiles Ltd.	Consumer Non Durables	2.18
Coromandel Fertilisers Ltd.	Fertilisers	2.16
Steel Authority of India Ltd.	Ferrous Metals	2.09
Monsanto India Ltd.	Pesticides	2.03
Reliance Energy Ltd.	Power	1.90
Hinduja TMT Ltd.	Software	1.89
Aditya Birla Nuvo Ltd	Textile Products	1.89
Eveready Industries India Ltd.	Consumer Non Durables	1.87
TATA Metaliks Ltd.	Ferrous Metals	1.72
Britannia Industries Ltd.	Consumer Non Durables	1.59
Tata Chemicals Ltd.	Fertilisers	1.57
Nahar Capital & Financial Services Ltd	Finance	1.52
Great Eastern Shipping Company Ltd	Transportation	1.49
Godrej Industries Ltd	Chemicals	1.47
Housing Development and Infrastructure Ltd	Construction	1.26
IVR Prime Urban Developers Ltd	Construction	1.21
India Cements Ltd.	Cement	1.20
Kesoram Industries Ltd	Auto Ancillaries	1.10
Hindustan Petroleum Corporation Ltd	Petroleum Products	1.03
Vardhman Holdings Ltd	Finance	0.95
Infosys Technologies Ltd.	Software	0.94
Nahar Spinning Mills Ltd	Textiles - Synthetic	0.94
Sasken Communication Technologies Ltd.	Software	0.90
C and C Constructions Ltd	Construction	0.13
Everonn Systems India Ltd.	Software	0.01
Total		88.67

Term Deposit

Kotak Mahindra Bank Ltd.	1.19
Total	1.19

Net Current Assets/(Liabilities)

Grand Total	100.00
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Total NPAs provided for and percentage to NAV : Nil
Total Value and percentage to Net Asset of Illiquid Equity Shares: Nil

Sector Allocation

Consumer Non Durables	13.79
Software	10.60
Construction	8.97
Ferrous Metals	6.15

Diversified	5.40
Chemicals	5.39
Industrial Capital Goods	5.38
Auto Ancillaries	4.27
Transportation	4.19
Rest	35.36

KOTAK EQUITY ARBITRAGE

Open - Ended Equity Oriented Scheme

About The Scheme

Investment Objective - The investment objective of the scheme is to generate capital appreciation and income by predominantly investing in arbitrage opportunities in the cash and derivatives segment of the equity market, and by investing the balance in debt and money market instruments. **Available Options** DP, DR & G. **Fund Managers** - Ritesh Jain & Sajit Pisharodi. **Loads Entry:** Nil. **Exit:** 0.50 % if redeemed within 30 days from the date of allotment of units. **Minimum Initial Investment:** Rs. 5000. **Additional Investment:** Rs. 1000 & in Multiples of Re.1. **Ideal Investments Horizon** 1-3 Months **Corpus:** Rs. 55.59 crores. **Ratios:** Standard Deviation*: 0.14 Sharpe*: 0.43 YTM: 6.75
* **Source:** Value Research.

Performance as on July 31, 2007

	Last 1 Year	Since Allotment (Sep 29, 2005)
Kotak Equity Arbitrage Fund	8.6	8.0
CRISIL Liquid Fund Index	7.4	5.4

Kotak Equity Arbitrage NAV Rs. 11.525 (Growth Option)
Returns = 1 year Absolute; Returns > 1 year; CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future.

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity related		
Listed/Awaiting listing on Stock Exchange		
ICICI Bank Ltd.	Banks	4.03
State Bank Of India	Banks	3.94
Mahanagar Telephone Nigam Ltd.	Telecom - Services	3.46
Patni Computers Systems Ltd.	Software	3.42
Gateway Distriparks Ltd.	Transportation	3.31
Dena Bank	Banks	3.23
Reliance Energy Ltd.	Power	3.22
GTL Ltd	IT Consulting and Services	3.15
Tata Teleservices Ltd	Telecom - Services	3.01
New Delhi Television Ltd.	Media and Entertainment	2.80
IFCI Ltd.	Finance	2.52
Oswal Chemicals & Fertilizers Ltd.	Fertilisers	2.40
SRF Ltd.	Auto Ancillaries	2.18
Pantaloon Retail (india) Ltd.	Retailing	2.17
IndusInd Bank Ltd.	Banks	1.74
Essar Oil Ltd.	Petroleum Products	1.67
Arvind Mills Ltd.	Textile Products	1.54
Birla Corporation Ltd.	Cement	1.52
IDBI Ltd.	Banks	1.36
Great Eastern Shipping Company Ltd	Transportation	1.33
Shipping Corporation of India Ltd.	Transportation	1.32
Allahabad Bank.	Banks	1.31
Neyveli Lignite Corporation Ltd.	Power	1.30
Lupin Ltd.	Pharmaceuticals	1.22
Divi s Laboratories Limited	Pharmaceuticals	1.12
Praj Industries Ltd.	Industrial Capital Goods	1.12
Indian Bank	Banks	0.89
Bombay Rayon Fashions Ltd.	Textile Products	0.83
Gujarat Alkalies & Chemicals Ltd.	Chemicals	0.71

Rajesh Exports Ltd.	Consumer Non Durables	0.67
Ultratech Cement Ltd.	Cement	0.44
Mphasis Ltd	Software	0.41
Parsvnath Developers Ltd.	Construction	0.41
Escorts Ltd.	Auto	0.36
Federal Bank Ltd.	Banks	0.33
Orchid Chemicals & Pharmaceuticals Ltd.	Pharmaceuticals	0.26
Wockhardt Ltd.	Pharmaceuticals	0.21
Union Bank Of India	Banks	0.18
Century Textiles & Industries Ltd.	Cement	0.17
Alok Industries Ltd.	Textile Products	0.16
AIA Engineering Limited	Industrial Capital Goods	0.11
Ballarpur Industries Ltd.	Paper	0.09
Chambal Fertilisers & Chemicals Ltd	Fertilisers	0.04
Total		65.66

Futures

Chambal Fertilisers & Chemicals Ltd-AUG2007	-0.04
Ballarpur Industries Ltd.-AUG2007	-0.09
AIA Engineering Limited-AUG2007	-0.11
Alok Industries Ltd.-AUG2007	-0.17
Century Textiles & Industries Ltd.-AUG2007	-0.17
Union Bank Of India-AUG2007	-0.18
Wockhardt Ltd.-AUG2007	-0.21
Orchid Chemicals & Pharmaceuticals Ltd.-AUG2007	-0.26
Federal Bank Ltd.-AUG2007	-0.33
Escorts Ltd.-AUG2007	-0.36
Mphasis Ltd-AUG2007	-0.41
Parsvnath Developers Ltd.-AUG2007	-0.41
Ultratech Cement Ltd.-AUG2007	-0.44
Rajesh Exports Ltd.-AUG2007	-0.68
Gujarat Alkalies & Chemicals Ltd.-AUG2007	-0.72
Bombay Rayon Fashions Ltd.-AUG2007	-0.84
Indian Bank-AUG2007	-0.90
Praj Industries Ltd.-AUG2007	-1.13
Divi s Laboratories Limited-AUG2007	-1.13
Lupin Ltd.-AUG2007	-1.22
Neyveli Lignite Corporation Ltd.-AUG2007	-1.29
Allahabad Bank.-AUG2007	-1.32
Great Eastern Shipping Company Ltd-AUG2007	-1.33
Shipping Corporation of India Ltd.-AUG2007	-1.34
Industrial Development Bank of India Ltd.-AUG2007	-1.37
Birla Corporation Ltd.-AUG2007	-1.53
Arvind Mills Ltd.-AUG2007	-1.55
Essar Oil Ltd.-AUG2007	-1.69
IndusInd Bank Ltd.-AUG2007	-1.75
Pantaloon Retail (India) Ltd.-AUG2007	-2.19
SRF Ltd.-AUG2007	-2.20
Oswal Chemicals & Fertilizers Ltd.-AUG2007	-2.43
IFCI Ltd.-AUG2007	-2.55
New Delhi Television Ltd.-AUG2007	-2.83
Tata Teleservices Ltd-AUG2007	-3.05
GTL Ltd-AUG2007	-3.17
Reliance Energy Ltd.-AUG2007	-3.25
Dena Bank-AUG2007	-3.27
Gateway Distriparks Ltd.-AUG2007	-3.33
Patni Computers Systems Ltd.-AUG2007	-3.46
Mahanagar Telephone Nigam Ltd.-AUG2007	-3.50
State Bank Of India-AUG2007	-3.98
ICICI Bank Ltd.-AUG2007	-4.06
Total	-66.24

Money Market Instruments

Commercial Paper (CP)/Certificate of Deposits (CD)

Corporate Debt/ Financial Institutions

L & T Finance Limited	PR1+	4.98
Standard Chartered Investment & Loan India Ltd.	P1+	1.74
Total		6.72

Public Sector Undertakings

Punjab National Bank	P1+	7.11
State Bank of Patiala	P1+	5.35
Total		12.46

Term Deposit

Kotak Mahindra Bank Ltd.		15.29
Total		15.29

Net Current Assets/(Liabilities)

66.11

Grand Total

100.00

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

Sector Allocation

Net Current Assets	66.08
Money Market Instruments	19.19
Banks	17.01
CBLO & TERM DEPOSITS & REV. REPO	15.29
Telecom - Services	6.48
Transportation	5.96
Power	4.52
Software	3.83
IT Consulting and Services	3.15
Media and Entertainment	2.80
Rest	-44.31

KOTAK TAX SAVER

Open - Ended Equity Linked Saving Scheme

About The Scheme

Investment Objective - To generate long-term capital appreciation from a diversified portfolio of equity and equity related securities and enable investors to avail the income tax rebate, as permitted from time to time. **Available Options** -DP, DR & G. **Fund Manager** Nikunj Doshi & Anurag Jain. **Loads - Entry:** Where the Purchase amount /Switch in amount is equal to or more than Rs.5 crores: NIL. Where the Switch in is from Equity /Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme: NIL . Where investments are made by FIIs or sub a/c of FIIs: NIL . Where investments are made by Fund of Funds as defined under SEBI Regulations: NIL. Where units are allotted upon reinvestment of dividends: NIL. Cases not covered above: 2.25%. **Exit:** Nil. **Minimum Initial Investment:** Rs. 500 **Additional Investment:** Rs. 500 & in Multiples of Rs. 500.

Ideal Investments Horizon - 1-3 years **Corpus:** Rs. 275.20 crores.

Performance as on July 31, 2007

	Last 1 year	Since Allotment (Nov 23, 2005)
Kotak Tax Saver	65.5	47.7
S&P CNX 500	35.9	22.5

Kotak Tax Saver NAV: Rs. 17.085 (Growth Option)

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

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity related		
Listed/Awaiting listing on Stock Exchange		
Bharti Airtel Ltd.	Telecom - Services	4.09
Reliance Industries Ltd.	Petroleum Products	4.06
Infosys Technologies Ltd.	Software	3.81
ICICI Bank Ltd.	Banks	3.73
Reliance Communications Ltd.	Telecom - Services	3.55
Panacea Biotec Ltd.	Pharmaceuticals	3.06
SKF India Ltd	Industrial Products	3.06
Jubilant Oraganosys Ltd	Pharmaceuticals	3.06
Jaiprakash Associates Ltd	Construction	2.75
HDFC Ltd.	Finance	2.49
Thermax Ltd.	Industrial Capital Goods	2.45
Texmaco Ltd.	Industrial Capital Goods	2.45
Ruchi Soya Industries Ltd.	Consumer Non Durables	2.45
Allcargo Global Logistics Ltd.	Transportation	2.39
United Spirits Ltd.	Consumer Non Durables	2.20
Bharat Bijlee Ltd	Industrial Capital Goods	2.19
Man Industries (India) Ltd.	Ferrous Metals	2.15
Deccan Chronicle Holdings Ltd.	Media and Entertainment	2.15
Godrej Industries Ltd	Chemicals	2.11
Hindustan Unilever Ltd.	Diversified	2.03
Bank Of Baroda	Banks	2.02
Aban Offshore Ltd.	Industrial Services	1.97
Tata Consultancy Services Ltd.	Software	1.89
Bilcare Ltd.	Industrial Products	1.87
Gammon India Ltd.	Construction	1.84
Aditya Birla Nuvo Ltd	Textile Products	1.83
Navin Fluorine International Ltd.	Chemicals	1.74
GVK Power & Infrastructure Ltd.	Power	1.58
Jindal Steel & Power Ltd.	Ferrous Metals	1.53
Grasim Industries Ltd.	Cement	1.50
Satyam Computer Services Ltd.	Software	1.48
Alstom Projects India Ltd.	Industrial Capital Goods	1.47
Television Eighteen India Ltd.	Media and Entertainment	1.46
United Phosphorus Ltd	Pesticides	1.46
Royal Orchid Hotels Ltd	Hotels	1.45
Hinduja TMT Ltd.	Software	1.42
Wire & Wireless (India) Ltd.	Media and Entertainment	1.35
IVR Prime Urban Developers Ltd	Construction	1.16
Housing Development and Infrastructure Ltd	Construction	1.14
Godawari Power and Ispat Ltd	Ferrous Metals	1.09
Nahar Industrial Enterprises Ltd.	Textiles - Cotton	0.87
Raymond Ltd	Textile Products	0.86
Centurion Bank of Punjab Ltd.	Banks	0.82
Sasken Communication Technologies Ltd.	Software	0.41
C and C Constructions Ltd	Construction	0.07
Everonn Systems India Ltd.	Software	0.01
Total		90.52
Money Market Instruments		
Commercial Paper (CP)/Certificate of Deposits (CD)		
Public Sector Undertakings		
IDBI Bank Ltd.	P1+	1.77
Total		1.77
Term Deposit		
Kotak Mahindra Bank Ltd.		1.09
Total		1.09
Net Current Assets/(Liabilities)		
		6.62
Grand Total		100.00

Total NPAs provided for and percentage to NAV: Nil

Total Value and percentage to Met Asset of Illiquid Equity Shares: Nil

Sector Allocation

Software	9.02
Industrial Capital Goods	8.57
Telecom - Services	7.65
Construction	6.96
Banks	6.57
Pharmaceuticals	6.12
Media and Entertainment	4.95
Industrial Products	4.93
Ferrous Metals	4.77
Rest	40.46

KOTAK GLOBAL INDIA

Open Ended Equity Growth Scheme

About the Scheme

Investment Objective - To generate capital appreciation from a diversified portfolio of predominantly equity and equity related securities issued by globally competitive Indian Companies. **Available Options** - DP, DR & G. **Fund Managers** - Nikunj Doshi & Anurag Jain. **Loads - Entry**: Where the Purchase amount /Switch in amount is equal to or more than Rs.5 crores: NIL. Where the Switch in is from Equity /Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme: NIL. Where investments are made by FIIs or sub a/c of FIIs: NIL. Where investments are made by Fund of Funds as defined under SEBI Regulations: NIL Where units are allotted upon reinvestment of dividend: NIL. Cases not covered above: 2.25% **Exit**: For exit within 6 months for investments less than Rs. 5 crores: 1 % Cases not covered above: NIL **Minimum Initial Investment**: Rs. 5000 **Additional Investment**: Rs. 1000 & in Multiples of Re.1. **Ideal Investments Horizon** - 1-3 years **Corpus**: Rs. 116.58 crores. **Ratios**: Standard Deviation*: 5.41 Sharpe*: 0.52 Beta*: 0.82 Alpha*: 0.66 * **Source**: Value Research.

Performance as on July 31, 2007

	1 year	3 year	Since Allotment (Jan 30, 2004)
Kotak Global India	43.7	44.0	37.4
S&P CNX 500	47.7	40.9	31.3

Kotak Global India NAV:Rs. 29.873 (Growth Option)

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

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity related		
Listed/Awaiting listing on Stock Exchange		
Larsen And Toubro Ltd.	Industrial Capital Goods	5.03
Thermax Ltd.	Industrial Capital Goods	5.01
Reliance Communications Ltd.	Telecom - Services	4.94
Crompton Greaves Ltd.	Industrial Capital Goods	4.03
Sterlite Industries (India) Ltd	Non - Ferrous Metals	3.96
Reliance Industries Ltd.	Petroleum Products	3.74
United Phosphorus Ltd	Pesticides	3.55
Jubilant Oraganosys Ltd	Pharmaceuticals	3.46
Amttek Auto Ltd.	Auto Ancillaries	3.41
Hcl Technologies Ltd.	Software	3.23
Dr Reddys Laboratories Ltd	Pharmaceuticals	3.05
Allcargo Global Logistics Ltd.	Transportation	3.03
Infosys Technologies Ltd.	Software	2.88
Sun Pharmaceuticals Industries Ltd.	Pharmaceuticals	2.80
Asian Paints Ltd.	Consumer Non Durables	2.78
ABB Ltd.	Industrial Capital Goods	2.76
Aban Offshore Ltd.	Industrial Services	2.59
Jindal Saw Ltd.	Ferrous Metals	2.42
Bilcare Ltd.	Industrial Products	2.36

Tata Tea Ltd.	Consumer Non Durables	2.31
Hanung Toys and Textiles Ltd.	Consumer Non Durables	2.28
Tech Mahindra Ltd.	Software	2.27
Mahindra & Mahindra Ltd.	Auto	2.00
Ipcal Laboratories Ltd.	Pharmaceuticals	1.94
Siemens Ltd.	Industrial Capital Goods	1.93
Subex Azure Ltd.	Software	1.75
ANG Auto Ltd	Auto	1.72
Zee Entertainment Enterprises Ltd	Media and Entertainment	1.69
Nahar Industrial Enterprises Ltd.	Textiles - Cotton	1.68
Sasken Communication Technologies Ltd.	Software	0.65
Total		85.25

Term Deposit

Kotak Mahindra Bank Ltd.	1.29
Total	1.29

Net Current Assets/(Liabilities) 13.46

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

Industrial Capital Goods	18.75
Pharmaceuticals	11.24
Software	10.78
Consumer Non Durables	7.38
Telecom - Services	4.94
Non - Ferrous Metals	3.96
Petroleum Products	3.74
Auto	3.72
Pesticides	3.55
Rest	31.94

KOTAK MNC

Open - Ended Equity Growth Scheme

About the Scheme

Investment Objective - To generate capital appreciation from a portfolio of predominantly equity and equity related securities issued by multinational companies.

Available Options – DP & DR. **Fund Managers** – Nikunj Doshi & Anurag Jain.

Loads - Entry: Where the Purchase amount /Switch in amount is equal to or more than Rs.5 crores: NIL. Where the Switch in is from Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme: NIL. Where investments are made by FIIs or sub a/c of FIIs: NIL. Where investments are made by Fund of Funds as defined under SEBI Regulations: NIL. Where units are allotted upon reinvestment of dividend: NIL. Cases not covered above: 2.25% **Exit:** For exit within 6 months for investments less than Rs. 5 crores: 1 % .Cases not covered above: NIL. **Minimum Initial Investment** : Rs.5000 **Additional Investment:** Rs. 1000 & in Multiples of Re.1. **Ideal Investments Horizon:** 1-3 years **Corpus:** Rs.46.66 crores **Ratios** : **Beta***: 0.72 **Sharpe***:0.43 **Alpha***: 0.66 **Standard Deviation***: 5.90 * **Source:** Value Research

Performance as on July 31, 2007

	1 yr	3 yr	5 yr	Since Allotment (Apr 04, 2000)
Kotak MNC	39.5	44.3	37.7	20.4
S&P CNX Nifty	44.1	31.2	36.4	17.1
BSE Sensex	44.7	40.5	39.2	17.8

Kotak MNC NAV: Rs. 30.440

Returns assumed reinvestment of the tax free dividend declared. Returns = 1 year: Absolute; Returns > 1 year: CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity related		
Listed/Awaiting Listing on Stock Exchange		
Atlas Copco (India) Ltd	Industrial Products	5.16

SKF India Ltd	Industrial Products	5.06
Amara Raja Batteries Ltd.	Auto Ancillaries	5.01
Castrol (India) Ltd.	Petroleum Products	4.69
Mphasis Ltd	Software	4.36
Bharti Airtel Ltd.	Telecom - Services	4.35
Kennametal India Ltd.	Industrial Products	4.20
ING Vysya Bank Ltd.	Banks	4.15
ITC Ltd.	Consumer Non Durables	4.03
Hindustan Unilever Ltd.	Diversified	3.99
KSB Pump Ltd	Industrial Products	3.57
ABB Ltd.	Industrial Capital Goods	3.38
Alstom Projects India Ltd.	Industrial Capital Goods	3.33
3M India Ltd.	Trading	3.12
Grindwell Norton Ltd.	Industrial Products	3.11
Aventis Pharma Ltd.	Pharmaceuticals	3.09
I-Flex Solutions Ltd	Software	3.08
GlaxoSmithKline Pharmaceuticals Ltd.	Pharmaceuticals	3.00
Gillette India Ltd	Consumer Non Durables	2.93
Siemens Ltd.	Industrial Capital Goods	2.61
South East Asia Marine Engg & Construction Ltd	Oil	2.40
Kansai Nerolac Paints Ltd	Consumer Non Durables	2.25
Monsanto India Ltd.	Pesticides	2.25
Asahi India Glass Ltd	Auto Ancillaries	2.09
Pfizer Ltd.	Pharmaceuticals	2.06
Soletron Centum Electronics Ltd.	Industrial Capital Goods	2.05
Bata India Ltd.	Consumer Non Durables	1.82
Micro Inks Ltd.	Chemicals	1.80
Gujarat Gas Company Ltd	Gas	1.60
Motor Industries Company Ltd.	Auto Ancillaries	1.41
Total		95.95

Debt Instruments

Debentures and Bonds

Corporate Debt/ Financial Institutions

Disa India Ltd. *	Unrated	0.13
Total		0.13

Money Market Instruments

Commercial Paper (CP)/Certificate of Deposits (CD)

Corporate Debt/ Financial Institutions

ICICI Home Finance Company Limited	A1+	2.12
Total		2.12

Term Deposits

Kotak Mahindra Bank Ltd.	0.54
Total	0.54

Net Current Assets/(Liabilities)

Grand Total	100.00
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* Bonus Debenture issued

Total NPAs provided for and percentage to NAV : Nil

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

Sector Allocation

Industrial Products	21.09
Industrial Capital Goods	11.37
Consumer Non Durables	11.03
Auto Ancillaries	8.51
Pharmaceuticals	8.15
Software	7.44
Petroleum Products	4.69
Telecom - Services	4.35
Banks	4.15
Diversified	3.99
Rest	15.23

KOTAK TECH

Open - Ended Equity Growth Scheme

About the Scheme

Investment Objective - To generate capital appreciation from a portfolio of predominantly equity and equity related securities in technology, other technology enabled companies and related sectors as given in the investment strategy.

Available Options DP & DR. **Fund Managers** Nikunj Doshi & Anurag Jain

Loads - Entry: Where the Purchase amount/Switch in amount is equal to or more than Rs.5 crores: NIL. Where the Switch in is from Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme: NIL. Where investments are made by FIIs or sub a/c of FIIs: NIL. Where investments are made by Fund of Funds as defined under SEBI Regulations: NIL. Where units are allotted upon reinvestment of dividends: NIL. Cases not Covered above: 2.25% **Exit:** For exit within 6 months for investments less than Rs. 5 cr: 1%. Cases not covered above: NIL. **Minimum Initial Investment:** Rs. 5000.

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

Ideal Investments Horizon - 1-3 years **Corpus:** Rs. 39.08 crores. **Ratios: Beta*:** 0.94

Sharpe*: 0.35 **Alpha*:** -0.07 **Standard Deviation*:** 5.99 **Source:** Value Research

Performance as on July 31, 2007

	1 yr	3 yr	5 yr	Since Allotment (Apr 04, 2000)
Kotak Tech	28.9	31.2	31.4	0.3
BSE Teck	48.8	43.1	39.7	3.9

Kotak Tech NAV: Rs.10.208

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

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity related		
Listed/Awaiting Listing on Stock Exchange		
Infosys Technologies Ltd.	Software	17.70
Hcl Technologies Ltd.	Software	8.02
Mphasis Ltd	Software	6.15
Wipro Ltd.	Software	6.11
Bharti Airtel Ltd.	Telecom - Services	4.61
Reliance Communications Ltd.	Telecom - Services	4.15
I-Flex Solutions Ltd	Software	3.96
Deccan Chronicle Holdings Ltd.	Media and Entertainment	3.45
Financial Technologies (India) Ltd.	Software	3.31
Megasoft Ltd	Software	2.86
Hinduja TMT Ltd.	Software	2.56
Zee Entertainment Enterprises Ltd	Media and Entertainment	2.52
Satyam Computer Services Ltd.	Software	2.46
Patni Computers Systems Ltd.	Software	2.41
Subex Azure Ltd.	Software	2.31
Pyramid Saimira Theatre Ltd.	Media and Entertainment	2.17
Tech Mahindra Ltd.	Software	2.04
Infotech Enterprises Ltd.	Software	1.97
Aurionpro Solutions Ltd.	Software	1.63
Tanla Solutions Ltd	Software	1.41
Info Edge (India) Ltd.	Software	1.10
Tata Consultancy Services Ltd.	Software	1.04
Sasken Communication Technologies Ltd.	Software	1.01
Everonn Systems India Ltd.	Software	0.02
Total		84.97
Privately placed/ Unlisted		
Virtual Dynamics Software Ltd. @	Software	#
SRM Radiant Infotech Ltd. @	Software	#
Total		0.00
Money Market Instruments		
Commercial Paper (CP)/Certificate of Deposits (CD)		
Corporate Debt/ Financial Institutions		
ICICI Home Finance Company Ltd	A1+	2.53
Total		2.53

Term Deposit

Kotak Mahindra Bank Ltd.	1.28
Total	1.28
Net Current Assets/(Liabilities)	
	11.22
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

@Private Placed Securities

Indicates % to Net assets Less than 0.01%

Sector Allocation

Software	68.06
Telecom - Services	8.76
Media and Entertainment	8.14
Rest	15.04

KOTAK EQUITY FOF

Open - Ended Equity Fund of Funds Scheme

About the Scheme

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

Available Options - DP, DR & G. **Fund Manager** - Sajit Pisharodi.

Loads - Entry: Where the Purchase amount /Switch in amount is equal to or more than Rs.5 crores: NIL. Where the Switch in is from Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme: NIL. Where investments are made by FIIs or sub a/c of FIIs: NIL. Where investments are made by Fund of Funds as defined under SEBI Regulations: NIL. Where units are allotted upon reinvestment of dividends: NIL. Cases not covered above: 2.25% **Exit:** For exit within 6 months for investments less than Rs. 5 crores: 1%. Cases not covered above: NIL. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in Multiples of Re.1.

Ideal Investments Horizon - 1-3 years **Corpus:** Rs. 77.17 Cr

Performance as on July 31, 2007

	Last 1 year	Since Allotment (Aug 09, 2004)
Kotak Equity FOF	46.4	43.4
S&P CNX Nifty	44.1	40.6

Kotak Equity FOF NAV : Rs. 29.242 (Growth Option)

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

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Mutual Fund Units		
Kotak 30	Equity Scheme	24.86
SBI Magnum Equity Fund Growth	Equity Scheme	16.89
Birla Top 100 Fund	Equity Scheme	16.48
Birla Sunlife Frontline Equity	Equity Scheme	16.44
Birla Sunlife Equity Fund	Equity Scheme	8.48
Franklin India Prima Plus	Equity Scheme	8.12
Prudential ICICI Dynamic Plan	Equity Scheme	7.78
Total		99.05
Net Current Assets/(Liabilities)		0.95
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		
Mutual Fund Equity Schemes		99.05
Net Current Assets		0.95

Specific Risk Factors : The investors of the scheme shall bear the recurring expenses of the Scheme in addition to 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 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

About the Scheme

Investment Objective - The investment objective of the scheme is 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.

Available Option - G. **Fund Manager** Sajit Pisharodi **Loads - Exit:** Nil (During Liquidity window) : Unit holders of the scheme have the option of switch in out all or part of their investment in the Scheme/Plan/Option of the Fund, during the Liquidity window. However, no switch-in is allowed in the scheme **Minimum Initial Investment:** Rs. 5000

Ideal Investments Horizon - 1-3 years **Corpus:** Rs. 26.99 crores.

Performance as on July 31, 2007

	Last 1 year	Since Allotment (Mar 31, 2005)
Kotak Dynamic FOF	22.3	30.5
CRISIL Balance Fund Index	28.6	26.1

Kotak Dynamic FOF NAV Rs. 18.608 (Growth Option)

Returns = 1 year Absolute; Returns > 1 year; CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Kotak 30	Equity Scheme	15.56
Tata Pure Equity Fund	Equity Scheme	15.55
HDFC Top 200 Fund	Equity Scheme	15.51
HSBC Equity Fund	Equity Scheme	15.48
Birla Advantage Fund	Equity Scheme	15.43
Kotak Liquid Institutional Premium Plan	Debt Scheme	3.47
Tata Liquid Super High Investment Plan	Debt Scheme	1.20
HDFC Liquid Fund Premium Plus	Debt Scheme	1.09
HSBC Cash Fund Institutional Plus	Debt Scheme	1.09
Birla Cash Plus Institutional Premium Plan	Debt Scheme	1.09
Kotak Liquid Institutional Plan	Debt Scheme	0.97
Total		86.44
Net Current Assets		13.56
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

Mutual Fund Equity Schemes	77.52
Mutual Fund Debt Schemes	8.91
Net Current Assets	13.57

Specific Risk factor: 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 risk associated with such underlying schemes including changes in credit rating, trading volumes, settlement periods and transfer procedures; Prices/Interest Rate Risk and credit risk, volatility and liquidity in money markets, pressure on the exchange rate of the rupee, Basis Risk, spread Risk and Reinvestment risk, offshore 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. The dynamic asset allocation may result in higher transaction costs. The Scheme is a closed-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

About the Scheme

Investment Objective - The investment objective of the scheme is 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.

Available Options DR & G. **Fund Manager** Sajit Pisharodi.

Loads - Entry: For investments <=Rs. 10 lakhs: 2.25%; otherwise NIL Exit: Nil (during liquidity window). **Minimum Initial Investment** : Rs. 5000

Ideal Investments Horizon - 1-3 years **Corpus:** Rs. 87.62 crores.

Performance as on July 31, 2007

	Last 1 year	Since Allotment (Oct 20, 2005)
Kotak Flexi FOF	34.1	29.0
CRISIL Balance Fund Index	28.6	27.4

Kotak Flexi FOF NAV Rs. 15.746 (Growth Option)

Returns = 1 year Absolute; Returns > 1 year; CAGR (Compounded Annualised

Growth Rate) Past performance may or may not be sustained in future

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Mutual Funds Units		
Kotak 30	Equity Scheme	23.70
Franklin India Prima Fund	Equity Scheme	19.53
Reliance Vision Fund	Equity Scheme	19.32
Tata Equity Opportunities Fund	Equity Scheme	18.85
Prudential ICICI Power Plan	Equity Scheme	18.09
Total		99.49
Net Current Assets		0.51
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

Mutual Fund Equity Schemes	99.49
Net Current Assets	0.51

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 schemes will have all the risks associated with the underlying equity schemes including performance of underlying stocks, derivative investment ,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 ;PriceInterest-Rate Risk and credit Risk, volatility and liquidity in the money markets , pressure on the exchange rate of the rupee, Basic 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 underlying schemes. Hence the investors 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

About the Scheme

Investment Objective - To achieve growth by investing in equity & equity related instruments, balanced with income generation by investing in debt & money market instruments. **Available Options** DP & DR. **Fund Managers** Krishna Sanghvi, Sanjib Guha & Ritesh Jain. **Loads - Entry:** Where the Purchase amount /Switch in amount is equal to or more than Rs.5 crores: NIL. Where the Switch in is from Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme: NIL. Where investments are made by FIs or sub a/c of FIs: NIL. Where investments are made by Fund of Funds as defined under SEBI Regulations: NIL. Where units are allotted upon reinvestment of dividends: NIL. Cases not covered above: 2.25%. **Exit:** For exit within 6 months for investments less than Rs. 5 crores: 1%. Cases not covered above: NIL. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in Multiples of Re.1.

Ideal Investments Horizon - 1-3 years **Corpus:** Rs. 89.09 crores. **Ratios:** Beta*: 0.99 Sharpe*: 0.59 Alpha*: 1.04 Standard Deviation*: 4.14 *Source: Value Research

Performance as on July 31, 2007

	1 yr	3 yr	5 yr	Since Allotment (Nov 25, 1999)
Kotak Balance *	30.1	38.6	35.6	21.5
Crisil Balanced Fund Index	28.6	25.1	24.1	20.4

Kotak Balance NAV Rs. 26.406

*Returns assumed reinvestment of the tax free dividend declared. Returns = 1 year Absolute; Returns > 1 year; CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future.

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity Related (Listed/Awaiting listing)		
Larsen And Toubro Ltd.	Industrial Capital Goods	4.39
Reliance Industries Ltd.	Petroleum Products	4.25
Bharti Airtel Ltd.	Telecom - Services	3.29
ICICI Bank Ltd.	Banks	3.12
Deccan Chronicle Holdings Ltd.	Media and Entertainment	2.65
Reliance Communications Ltd.	Telecom - Services	2.51
Hindustan Unilever Ltd.	Diversified	2.09
Kirloskar Oil Engines Ltd.	Industrial Products	1.97
Jindal Steel & Power Ltd.	Ferrous Metals	1.89
Man Industries (India) Ltd.	Ferrous Metals	1.81
Union Bank Of India	Banks	1.75
Bharat Heavy Electricals Ltd.	Industrial Capital Goods	1.75
Jaiprakash Associates Ltd	Construction	1.69
Sterlite Industries (India) Ltd	Non - Ferrous Metals	1.63
Allcargo Global Logistics Ltd.	Transportation	1.61
Hcl Technologies Ltd.	Software	1.58
Gammon India Ltd.	Construction	1.46
Info Edge (India) Ltd.	Software	1.45
GVK Power & Infrastructure Ltd.	Power	1.44
Cipla Ltd.	Pharmaceuticals	1.39
Infosys Technologies Ltd.	Software	1.33
AIA Engineering Ltd	Industrial Capital Goods	1.29
United Phosphorus Ltd	Pesticides	1.25
JSW Steel Ltd.	Ferrous Metals	1.24
Hinduja TMT Ltd.	Software	1.17
IVR Prime Urban Developers Ltd	Construction	1.17
Aditya Birla Nuvo Ltd	Textile Products	1.16
Andhra Bank	Banks	1.15
HDFC Ltd.	Finance	1.13
Bank Of Baroda	Banks	1.08
Indian Overseas Bank	Banks	1.07
Reliance Petroleum Ltd.	Oil & Gas Exploration & Production	1.07
Kalpataru Power Transmission Ltd.	Power	1.06
Amtek Auto Ltd.	Auto Ancillaries	1.02
Asian Paints Ltd.	Consumer Non Durables	0.99
ABG Heavy Industries Ltd.	Industrial Capital Goods	0.93

Tata Consultancy Services Ltd.	Software	0.91
Mahindra & Mahindra Ltd.	Auto	0.90
Tech Mahindra Ltd.	Software	0.89
Jubilant Oraganosys Ltd	Pharmaceuticals	0.69
ITC Ltd.	Consumer Non Durables	0.67
Network 18 Fincap Ltd.	Finance	0.54
Global Vectra Helicorp Ltd.	Transportation	0.51
Grasim Industries Ltd.	Cement	0.33
Everonn Systems India Ltd.	Software	0.01
Total		67.28

Debt Instruments

Debentures and Bonds

Corporate Debt/ Financial Institutions

Mahindra & Mahindra Financial Services Ltd.	P1+	5.61
Citicorp Finance (India) Ltd.	AAA	4.50
ICICI Bank Ltd.	CARE AAA	3.39
Total		13.50

Public Sector Undertakings

Indian Railway Finance Corporation Ltd.	AAA	6.81
Total		6.81

Money Market Instruments

Commercial Paper (CP)/Certificate of Deposits (CD)

Public Sector Undertakings

State Bank of Mysore	A1+	1.58
Total		1.58

Term Deposits

Kotak Mahindra Bank Ltd.	2.81
Total	2.81

Net Current Assets/(Liabilities)

Grand Total	100.00
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Total NPAs provided for and percentage to NAV: Nil

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

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

Sector Allocation

Debt Instruments	20.30
Industrial Capital Goods	8.36
Banks	8.17
Net Current Assets	8.00
Software	7.35
Telecom - Services	5.80
Ferrous Metals	4.94
Construction	4.32
Petroleum Products	4.25
CBLO & Term Deposits & Rev. Repo	2.81
Rest	25.70

SIP Returns

	1 year	3 years	5 years	7 years
Investment Amt.	Rs. 12000	Rs. 36000	Rs. 60000	Rs. 84000
Investment Value	Rs. 13764	Rs. 56788	Rs. 143144	Rs. 253877
XIRR	28.47%	32.03%	35.67%	31.17%

Assumptions: 1) Rs. 1000 investment done on the 7th or the subsequent working day of the month. 2) Loads not considered.

KOTAK INCOME PLUS

Open - Ended Income Scheme

About the Scheme

Investment Objective - To enhance returns over a portfolio of Debt Instruments with a moderate exposure in Equity and Equity related Instruments. **Available Options** DP, DR & G. **Fund Managers** - Krishna Sanghvi, Sanjib Guha & Ritesh Jain. **Loads - Entry:** NIL. **Exit:** 1% for redemptions within 1 year where investment amount \leq Rs. 25 lacs. NIL for investment amount $>$ Rs. 25 lacs. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in Multiples of Re.1.

Ideal Investments Horizon - 1-3 years **Corpus:** Rs. 55.33 crores. **Ratios:** Standard Deviation*: 0.55 Beta*: 0.18 Sharpe*: 0.08 Alpha*: 0.04 YTM: 7.00 *Source: Value Research

Performance as on July 31, 2007

	1 yr	Since Allotment (Dec 02, 2003)	
Kotak Income Plus	9.9	10.6	8.9
Crisil MIP Blended Index	11.7	9.5	7.9

Kotak Income Plus NAV Rs. 13.6798 (Growth Option)

Returns = 1 year Absolute; Returns $>$ 1 year; CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Equity & Equity Related (Listed/Awaiting listing)		
Reliance Industries Ltd.	Petroleum Products	1.71
Bharti Airtel Ltd.	Telecom - Services	1.30
Larsen And Toubro Ltd.	Industrial Capital Goods	1.18
IVR Prime Urban Developers Ltd	Construction	1.16
ICICI Bank Ltd.	Banks	1.01
Reliance Communications Ltd.	Telecom - Services	0.92
Deccan Chronicle Holdings Ltd.	Media and Entertainment	0.73
Sterlite Industries (India) Ltd	Non - Ferrous Metals	0.72
Jaiprakash Associates Ltd	Construction	0.68
Hindustan Unilever Ltd.	Diversified	0.67
Reliance Petroleum Ltd.	Oil & Gas Exploration & Production	0.61
Indian Overseas Bank	Banks	0.57
Jindal Steel & Power Ltd.	Ferrous Metals	0.57
Infosys Technologies Ltd.	Software	0.55
JSW Steel Ltd.	Ferrous Metals	0.53
Mahindra & Mahindra Ltd.	Auto	0.53
Tata Consultancy Services Ltd.	Software	0.52
Cipla Ltd.	Pharmaceuticals	0.52
Andhra Bank	Banks	0.46
Kirloskar Oil Engines Ltd.	Industrial Products	0.46
ABG Heavy Industries Ltd.	Industrial Capital Goods	0.42
Aditya Birla Nuvo Limited	Textile Products	0.40
HDFC Ltd.	Finance	0.36
Info Edge (India) Ltd.	Software	0.31
AIA Engineering Limited	Industrial Capital Goods	0.28
Kalpataru Power Transmission Ltd.	Power	0.27
Tech Mahindra Ltd.	Software	0.24
Hcl Technologies Ltd.	Software	0.23
GVK Power & Infrastructure Ltd.	Power	0.10
Everonn Systems India Ltd.	Software	0.01
Oil & Natural Gas Corporation Ltd.	Oil	0.00
Total		18.02
Futures		
Oil & Natural Gas Corporation Ltd.-AUG2007		0.40
Total		0.40

Debt Instruments

Debentures and Bonds

Corporate Debt/ Financial Institutions

HDFC Ltd.	AAA	9.13
GE Money Financial Services Limited	AAA	7.23

Mahindra & Mahindra Financial Services Ltd. AA+	7.23
Citicorp Finance (India) Ltd. AAA	3.62
Total	27.21

Public Sector Undertakings

Indian Railway Finance Corporation Ltd. AAA	18.87
Power Finance Corporation Ltd. AAA	18.11
Union Bank of India AA+	9.48
Total	46.46

Term Deposits

Kotak Mahindra Bank Ltd.	0.90
Total	0.90

Net Current Assets/(Liabilities)

7.01

Grand Total

100.00

Average Maturity based on total maturity of fixed rate and immediate reset date of floating rate instruments of the portfolio. 0.94 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.

Sector Allocation

Debentures and Bonds	73.45
Equities	18.02
Net Current Assets	7.23
CBLO & Term Deposits & Rev.	0.90
Repo	0.90
Futures	0.40

KOTAK BOND

Open - Ended Debt Scheme

About the Scheme

Investment Objective - To create a portfolio of debt and money market instruments of different maturities so as to spread the risk across a wide maturity horizon & different kinds of issuers in the debt market. **Plan** (a) Deposit (b) Regular **Available Options** (a) DP, DR & G (b) DP, DR, G & B. **Fund Managers** Ritesh Jain & Imran Sayed **Loads** (a) **Entry:** NIL. **Exit:** 0.5% for redemptions within 6 months where investments amount \leq Rs.10 Lacs NIL for investment amount $>$ 10 Lacs. (b) **Entry:** NIL. **Exit:** NIL. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in Multiples of Re.1.

Ideal Investments Horizon - 1-2 years **Corpus:** Rs. 38.74 crores. **Ratios:** Sharpe*: (a) 0.09 (b) 0.25 Standard Deviation*: (a) & (b) 0.17 Beta*: (a) & (b) 0.21 Alpha* (a) 0.01 (b) 0.04 YTM: 8.00 * **Source:** Value Research

Performance as on July 31, 2007

	1 yr	3 yr	5 yr	Since Allotment (Nov 25, 1999)
Deposit Plan	6.7	5.1	6.2	8.8
Regular Plan	8.6	6.1	7.0	9.6
Crisil MIP Blended Index	6.5	4.5	5.5	5.8

Kotak Bond Deposit NAV Rs. 19.2002 (Growth Option)

Kotak Bond Regular NAV Rs. 20.3195 (Growth Option)

Returns = 1 year: Absolute; Returns $>$ 1 year: CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.

Portfolio – Deposit & Regular Plan

Name of the Instrument	Industry / Rating	% to Net Assets
Debt Instrument		
Debentures & Bonds		
Corporate Debt/ Financial Institutions		
TAS Trust Series III, TML Fin. Ser. A1	AA+(so)	13.14
Credit Asset Trust Ser VI PTC Class A	F1+(ind)	5.15
Indian Retail ABS Trust Series 56 PTC A2	AAA	4.59
Citifinancial Consumer Finance India Ltd.	AAA	2.19
Infrastructure Leasing & Financial Services Limited	LAAA	1.30
Total		26.37
Public Sector Undertakings		
Power Finance Corporation Ltd.	AAA	13.33
Total		13.33
Government Dated Securities		
8.33% Government Stock – 2036	SOV	25.74
7.49% Government Stock – 2017	SOV	12.60
Total		38.34
Money Market Instruments		
Commercial Paper (CP)/Certificate of Deposits (CD)		
Corporate Debt/ Financial Institutions		
Jindal Steel & Power Ltd	A1+	15.44
Total		15.44
Net Current Assets/(Liabilities)		6.52
Grand Total		100.00

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset of floating rate instrument: 10.41 years

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

Sector Allocation

Debentures and Bonds	39.70
Government Dated Securities	38.33
Commercial Paper (CP)/Certificate of	15.44
Net Current Assets	6.53

Rating Profile

SOV	38.33
AAA	20.10
A1+	15.44
AA+(so)	13.14
Net Current Assets	6.54
F1+(ind)	5.15
LAAA	1.30

KOTAK BOND SHORT TERM PLAN

Open - Ended Debt Scheme

About the Scheme

Investment Objective - To provide reasonable returns and high level of liquidity by investing in debt & money market instruments of different maturities, so as to spread the risk across different kinds of issuers in the debt market. **Plan** Short Term **Available Options:** DR & G. **Fund Managers** Ritesh Jain & Imran Sayed. **Loads Entry** NIL. **Exit:** For investments <= Rs. 2 crores. a) For redemptions/switchout within 6 months 1% b) For redemptions/switchout after 6 months up to 1 year: 0.50% c) For redemptions after 1 year NIL. For investments > than Rs.2 crores: NIL. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in Multiples of Re.1.

Ideal Investments Horizon 6 Months and above. **Corpus:** Rs. 207.60 crores. **Ratios** (For Bond Regular Plan) : Sharpe* : 0.65 Standard Deviation* : 0.08 YTM : 8.50

* Source : Value Research

Performance as on July 31, 2007

	1 yr	3 yr	5 yr	Since Allotment (May 02, 2002)
Short Term Plan	8.8	6.7	6.5	6.6
Crisil Short Term Bond Fund Index	7.4	5.5	5.4	5.6

Kotak Bond Short Term NAV Rs. 14.0162 (Growth Option)

Returns = 1 year Absolute; Returns > 1 year; CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.

Portfolio – Short Term Plan

Name of the Instrument	Industry / Rating	% to Net Assets
Debt Instrument		
Debentures and Bonds		
Corporate Debt/ Financial Institutions		
Tata Sons Ltd.	AAA	7.22
DSP ML Capital Ltd.	AAA	4.84
Sundaram Finance Ltd.	LAAA+	4.83
HDFC Ltd.	AAA	3.71
KPI LOAN TRUST SER. A1, OPT -A ;SREI Infrastructure	AA-(ind)	3.40
Long Bond Receivables NMBR 400BP 2006 IV PTC A1	AA A(so)	3.10
Mahindra & Mahindra Financial Services Ltd.	P1+	2.89
TAS Trust Series III, TML Fin. Ser. A1	AA+(so)	2.45
Sundaram Finance Ltd.	AA+	2.38
Indian Cor Loan Sec.Trust Sr XXXVIII TML Sr A1	P1+(so)	2.21
BHPC Auto Sec. Trust JUNE 2005 PTC A3	AAA(so)	1.40
Citifinancial Consumer Finance India Ltd.	AAA	0.48
ICICI Securities Primary Dealership Ltd.	AAA	0.48
Total		39.39
Public Sector Undertakings		
Indian Railway Finance Corporation Ltd.	AAA	2.47
Power Finance Corporation Ltd.	AAA	2.47
Power Grid Corporation of India Ltd.	AAA	1.93
Loan Sec. Trust Series XII	LAAA	1.82
Housing & Urban Development Corporation Ltd.	PR1+	0.48
Total		9.17
Government Dated Securities		
6.65% Government Stock - 2009	SOV	2.38
Total		2.38
Money Market Instruments		
Commercial Paper (CP)/Certificate of Deposits (CD)		
Corporate Debt/ Financial Institutions		
Citibank N.A.	P1+	8.94
ABN Amro Bank N.V	A1+	5.89
Jindal Steel & Power Ltd	A1+	4.32
Karur Vysya Bank Ltd.	F1+(ind)	2.41
HDFC Bank Ltd.	P1+	2.40
Rabo India Finance Pvt Ltd.	P1+	2.40
ICICI Bank Ltd.	P1+	2.23
ABN Amro Bank N.V	P1+	0.96
Jammu & Kashmir Bank	P1+	0.96
Total		30.51
Public Sector Undertakings		
UCO Bank	P1+	4.71
State Bank of Patiala	A1+	4.53
Union Bank of India	A1+	4.53
Corporation Bank	P1+	2.24
Punjab National Bank	P1+	0.48
Total		16.49
Net Current Assets/(Liabilities)		2.06
Grand Total		100.00

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset of floating rate instrument: 1.17 years

Total NPAs provided for and percentage to NAV : Nil

Sector Allocation

Debentures and Bonds	48.58
Commercial Paper (CP)/Certificate of	47.00
Government Dated Securities	2.38
Rest	2.04

Rating Profile

P1+	28.20
AAA, AA+	26.00
A1+	19.28
LAAA, LAA+	6.65
AAA(so)	4.50
AA-(ind)	3.40
AA+(so)	2.45
F1+(ind)	2.41
SOV	2.38
P1+(so)	2.21
PR1+	0.48

KOTAK GILT INVESTMENT

Open - Ended Dedicated Gilt Scheme

About The Scheme

Investment Objective - To generate risk-free returns through investments in sovereign securities issued by the Central and /or State Government(s) and /or reverse repos in such securities. **Plans** - (a) Regular, (b) PF & Trust **Available Options:** DP, DR & G.

Fund Managers Ritesh Jain & Imran Sayed. **Loads** **Entry:** NIL. **Exit:** NIL **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in Multiples of Re.1.

Ideal Investments Horizon More than 1 year. **Corpus:** Rs. 40.09 crores. **Ratios** Sharpe*: (a) 0.00 (b) 0.02 Standard Deviation*: (a) & (b) 0.36 Alpha*: (a) -0.01 (b) 0.00 Beta*: (a) & (b) 0.54 YTM: 7.50 * **Source:** Value Research

Performance as on July 31, 2007

	1 yr	3 yr	5 yr	Since Allotment (Inv Plan – Dec 29, '98, Inv PF & Trust Plan – Nov 11, '03)
Regular Plan	5.8	4.2	7.0	10.8
Investment - PF & Trust Plan	6.2	4.6	-	3.4
ISEC Composite Index	11.0	5.8	7.2	7.2 \$

Kotak Gilt Investment Regular Plan NAV Rs. 24.1433 (Growth Option)

Kotak Gilt Investment PF & Trust Plan NAV Rs. 24.4947 (Growth Option)

Returns = 1 year Absolute; Returns>1 year; CAGR (Compounded Annualised Growth Rate). \$ The Benchmark return corresponds only to investment – PF and Trust Plan. Past performance may or may not be sustained in future.

Portfolio – Investment Regular, Provident Fund & Trust Plans

Name of the Instrument	Industry / Rating	% to Net Assets
Debt Instruments		
Government Dated Securities		
8.33% Government Stock - 2036	SOV	62.17
7.49% Government Stock - 2017	SOV	24.35
Total		86.52
Net Current Assets/(Liabilities)		
		13.48
Grand Total		100.00

Average Maturity of the portfolio: 20.32 years

Total NPAs provided for and percentage to NAV : Nil

Sector Allocation

Government Dated Securities	86.52
Net Current Assets	13.48

KOTAK FLEXI DEBT

Open - Ended Debt Scheme

About The Scheme

Investment Objective - The investment objective of the Scheme is to maximize returns through an active management of a portfolio of debt and money market securities. **Available Options:** DP, DR & G. **Fund Managers** Ritesh Jain & Deepak Agrawal. **Loads** **Entry:** NIL. **Exit:** 0.10% if redeemed within 7 days from date of allotment of units. **Minimum Initial Investment:** Rs. 5000. **Additional Investment:** Rs. 1000 & In multiples of Re. 1. **Ideal Investments Horizon** 7 days. **Corpus:** Rs. 5710.83 Cr. **Ratios:** YTM: 7.25 Standard Deviation: 0.02 Beta*: 0.01 Sharpe*: 2.40 Alpha*: 0.05 ***Source:** Value Research

Performance as on July 31, 2007

	1 Year	Since Allotment (Dec 06, 2004)
Kotak Flexi Debt	8.1	6.5
CRISIL Composite Bond Fund Index	7.0	5.1

Kotak Flexi Debt NAV Rs. 11.9707 (Growth Option)

Returns = 1 year Absolute; Returns>1 year; CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.

Portfolio

Name of the Instrument	Industry / Rating	% to Net Assets
Debentures and Bonds		
Corporate Debt/ Financial Institutions		
Citifinancial Consumer Finance India Ltd.	AAA	2.68
DSP ML Capital Ltd.	P1+(so)	1.75
Mahindra & Mahindra Financial Services Ltd.	P1+	1.40
Tata Sons Ltd.	AAA	1.39
Citicorp Finance (India) Ltd.	AAA	0.94
L & T Finance Limited	Unrated	0.88
Kesoram Industries Limited	PR1+	0.70
Long Bond Receivables NMBR 400BP 2006 III PTC A	AA A(ind)	0.50
Finolex Cables Ltd.	P1+	0.44
Kotak Mahindra Prime Ltd.	LAA	0.43
Indian Cor Loan Sec. Trust Sr XXXVIII TML Sr A1	P1+(so)	0.40
Collateralised Trust Ser 9 CL-A1	AA(ind)	0.39
Birla Global Finance Company Limited	A1+	0.35
Manaksia Ltd	PR1+	0.35
Madras Cements Ltd.	A1+	0.35
Infrastructure Development Finance Co. Ltd	AAA	0.33
Mahindra & Mahindra Financial Services Ltd.	AA+	0.33
CREDIT ASSET TRUST Ser VIII Class A Cert	F1+(ind)	0.27
Graphite India Limited.	A1+	0.26
Rabo India Finance Pvt Ltd.	P1+	0.26
CAT Series X Class A Certificate Shriram Trasport	AA(ind)	0.23
GE Money Financial Services Limited	AAA	0.19
Nicholas Piramal India Ltd.	A1+	0.18
TAS Trust Series III, TML Fin. Ser. A1	AA+(so)	0.18
Reliance Capital Ltd.	A1+	0.14
Credit Asset Trust Ser VI PTC Class A	F1+(ind)	0.12
DSP ML Capital Ltd.	AAA	0.09
GE Capital Services India.	AAA	0.09
KPI LOAN TRUST SER. A1, OPT -A ;SREI Infrastructue	AA-(ind)	0.09
Bajaj Auto Finance Limited	AA+	0.08
HDFC Ltd.	AAA	0.08
Indian Retail ABS Trust Series 56 PTC A2	AAA	0.06
Collateralised Trust Ser 9 CL-A2	AA(ind)	0.05
UTI Bank Ltd.	LAA+	0.04
BHPC Auto Sec. Trust JUNE 2005 PTC A1	AAA(so)	0.01
Indian Retail ABS Trust Ser 39 PTC A2	LAAA(SO)	0.00
Total		16.03
Public Sector Undertakings		
National Bank for Agriculture and Rural Development	AAA	4.66
Coll. Debt Trust Ser. 12 Class A1 OPT I, PFC	P1+(so)	0.80
Ind. Cor. Loan Sec. Trust Series XXXIX PFC A1	P1+(so)	0.80
Power Finance Corporation Ltd.	AAA	0.53
Export-Import Bank of India.	AAA	0.43
National Thermal Power Corporation Ltd.	AAA	0.36
Loan Sec. Trust Series XII	LAAA	0.31
State Bank of Travancore	AAA	0.18
Coll. Debt Trust Ser. 12 Class A2 OPT I PFC	P1+(so)	0.08
Ind. Cor. Loan Sec. Trust Series XXXIX PFC A2	P1+(so)	0.08
Indian Railway Finance Corporation Ltd.	AAA	0.08
Administrator of Specified Undertaking of UTI	SOV	0.07
Total		8.38
Money Market Instruments		
Bill Rediscounting		
Standard Chartered Bank Bill Rediscounting 01/08/07		0.88
Total		0.88

Commercial Paper (CP)/Certificate of Deposits (CD)**Corporate Debt/ Financial Institutions**

ING Vysya Bank Ltd	P1+	4.92
Jammu & Kashmir Bank	P1+	4.18
ICICI Bank Ltd.	A1+	2.75
IndusInd Bank Ltd.	A1+	2.25
Karur Vysya Bank Ltd.	F1+(ind)	2.02
YES Bank Ltd.	P1+	1.67
Tata Motors Ltd.	P1+	1.63
Federal Bank Ltd.	P1+	1.54
Citibank N.A.	P1+	0.78
ICICI Bank Ltd.	P1+	0.73
ABN Amro Bank N.V	A1+	0.70
UTI Bank Ltd.	P1+	0.61
Citifinancial Consumer Finance India Ltd.	P1+	0.59
GE Money Financial Services Limited	P1+	0.44
Aditya Birla Nuvo Limited	A1+	0.43
HDFC Bank Ltd.	P1+	0.43
Infrastructure Development Finance Co. Ltd	A1+	0.43
Redington (India) Ltd.	P1+	0.43
ICICI Home Finance Company Limited	A1+	0.43
Bank of Nova Scotia	P1+	0.42
ING Vysya Bank Ltd	A1+	0.42
L & T Finance Limited	PR1+	0.41
Adlabs Films Ltd.	A1+	0.35
Sundaram Finance Ltd.	P1+	0.34
Micro Inks	PR1+	0.26
Development Credit Bank Ltd.	P1+	0.24
ABN Amro Bank N.V	P1+	0.17
EDELWEISS Securities Private Limited	P1+	0.17
UTI Securities Limited	A1+	0.17
Apollo Tyres Ltd.	P1+	0.17
Rabo India Finance Pvt Ltd.	P1+	0.09
YES Bank Ltd.	A1+	0.09
Total		30.26

Public Sector Undertakings

Punjab National Bank	P1+	6.26
State Bank Of India.	P1+	6.07
State Bank of Hyderabad	P1+	3.30
State Bank of Saurashtra	A1+	2.18
UCO Bank	P1+	1.97
Union Bank of India	A1+	1.95
Punjab National Bank	A1+	1.47
Export-Import Bank of India.	P1+	1.44
Union Bank of India	P1+	1.10
State Bank of Mysore	A1+	1.09
Indian Bank	F1+(ind)	1.04
State Bank of Bikaner & Jaipur	P1+	1.03
Canara Bank	P1+	0.84
State Bank of Travancore	P1+	0.68
State Bank of Indore	P1+	0.43
IDBI Bank Ltd.	P1+	0.41
State Bank of Patiala	A1+	0.41
Allahabad Bank	P1+	0.25
IDBI Bank Ltd.	A1+	0.25
State Bank of Saurashtra	P1+	0.25
State Bank of Patiala	P1+	0.17
Allahabad Bank	PR1+	0.16
Corporation Bank	P1+	0.08
Total		32.83

Treasury Bills

364 Day TBill 20/06/2008	SOV	0.17
91 Days Treasury Bill 17/08/2007	SOV	0.17
Total		0.34

Term Deposits

UTI Bank Ltd	2.01
Total	2.01
Net Current Assets/(Liabilities)	9.27
Grand Total	100.00

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset of floating rate instrument: 0.53 years

Total NPAs provided for and percentage to NAV : Nil

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

Sector Allocation

Commercial Paper (CP)/Certificate of	63.12
Debentures and Bonds	24.43
Net Current Assets	9.22
CBLO & Term Deposits & Rev. Repo	2.01
Bill Rediscounting	0.88
Treasury Bills	0.34

Rating Profile

P1+, P1+(so), PR1+	51.74
AAA, A1+, AA+, AA(ind), AAA(ind)	30.34
Net Current Assets	9.23
F1+(ind)	3.46
CBLO & Term Deposits & Rev. Repo	2.01
Bill Rediscounting	0.88
LAAA, LAA, LAA+, LAAA(SO)	0.78
SOV	0.34
AA+(so), AA-(ind), AAA(so)	0.34

KOTAK FLOATER LONG TERM

Open - Ended Debt Scheme

About Scheme

Investment Objective - To reduce the interest rate risk associated with investments in fixed rate instruments by investing predominantly in floating rate securities, money market instruments and using appropriate derivatives. **Available Options:** DP, DR & G **Fund Managers** - Ritesh Jain & Imran Sayed. **Loads - Entry:** NIL. **Exit:** 0.5% for redemptions within 6 months where investment amount <= Rs. 10 lacs. NIL. For investment amount > Rs. 10 Lacs. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in Multiples of Re.1. **Ideal Investments Horizon - 3 Months & above.** **Corpus:** Rs. 67.19 crores. **Ratios:** Standard Deviation*: 0.04 Beta*: -0.09 Sharpe*: 1.06 Alpha*: 0.04 YTM: 7.75 * **Source:** Value Research

Performance as on July 31, 2007

	Last 1 Year	Since Allotment (Aug 13, 2004)
Kotak Floater Long Term	8.2	7.4
CRISIL Liquid Fund Index	6.5	5.8

Kotak Floater Long Term NAV Rs. 12.0463 (Growth Option)

Returns = 1 year Absolute; Returns > 1 year; CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future.

Portfolio- Long Term

Name of the Instrument	Industry / Rating	% to Net Assets
Debt Instruments		
Debentures and Bonds		
Corporate Debt/ Financial Institutions		
Tata Sons Ltd.	AAA	14.89
TAS Trust Series III, TML Fin. Ser. A1	AA+(so)	7.57
ICICI Bank Ltd.	CARE AAA	7.45
Shriram Transport Finance Co Ltd.	AAA(so)	7.40
UTI Bank Ltd.	LAA+	4.56
Indian Retail ABS Trust Series 56 PTC A2	AAA	3.97
KPI LOAN TRUST SER. A1, OPT -A ;SREI Infrastructue	AA-(ind)	3.00
Sundaram Finance Ltd.	AA+	2.98
Total		51.82
Public Sector Undertakings		
Power Finance Corporation Ltd.	AAA	7.64
Total		7.64

Money Market Instruments**Commercial Paper (CP)/Certificate of Deposits (CD)**

Corporate Debt/ Financial Institutions		
Gruh Finance Ltd	P1+	7.24

IndusInd Bank Ltd.	A1+	7.10
UTI Bank Ltd.	P1+	1.48
Total		15.82
Public Sector Undertakings		
State Bank of Saurashtra	P1+	7.06
State Bank of Patiala	A1+	7.00
Total		14.06
Net Current Assets/(Liabilities)		10.66
Grand Total		100.00

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset of floating rate instrument: 0.71 years
Total NPAs provided for and percentage to NAV. Nil

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

Sector Allocation

Debentures and Bonds	59.43
Commercial Paper (CP)/Certificate of	29.88
Net Current Assets	10.69

Rating Profile

A1+, AA-(ind), AA+, AA+(so), AAA, AAA(so), P1+, LAA+	89.32
Net Current Assets	10.68

KOTAK FLOATER SHORT TERM

Open Ended Debt Scheme

About the Scheme

Investment Objective - To reduce the interest rate risk associated with investments in fixed rate instruments by investing predominantly in floating rate securities, money market instruments and using appropriate derivatives. **Available Options:** DR & G **Fund Managers** - Ritesh Jain & Deepak Agrawal. **Loads** - Entry: NIL.Exit: NIL **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & In multiples of Re. 1. **Ideal Investments Horizon** - 1 Month to 3 Months. **Corpus:** Rs. 481.21 crores. **Ratios:** Standard Deviation*: 0.02 Beta*: 0.05 Sharpe*: 2.06 Alpha*: 0.03 YTM: 7.45 *Source: Value Research

Performance as on July 31, 2007

	1 Year	3 Year	Since Allotment (July 14, 2003)
Kotak Floater Short Term	7.7	6.3	5.9
CRISIL Liquid Fund Index	7.4	5.7	5.3

Kotak Floater Short Term NAV Rs. 12.6326 (Growth Option)

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

Portfolio

Issuer / Instrument	Industry/Rating	% to Net Assets
Debentures and Bonds		
Corporate Debt / Financial Institutions		
TGS Investment And Trade Private Ltd	A1+	5.20
HDFC Ltd.	AAA	4.97
Graphite India Limited.	A1+	3.12
Whirlpool of India Ltd.	P1+	2.49
Shriram Transport Finance Co Ltd.	F1+(ind)	2.29
Credit Asset Trust Ser VI PTC Class A	F1+(ind)	2.07
LIC Housing Finance Ltd.	AAA	1.15
Cholamandalam DBS Finance Limited.	LAA	1.04
Tata Sons Ltd.	AAA	1.04
Mahindra & Mahindra Financial Services Ltd.	P1+	1.04
Infrastructure Development Finance Co. Ltd	LAAA	1.04
Citicorp Finance (India) Ltd.	AAA	1.04
Sundaram Finance Ltd.	AA+	0.62
BHPC Auto Sec. Trust JUNE 2005 PTC A1	AAA(so)	0.08
Total		27.19
Public Sector Undertakings		
Indian Railway Finance Corporation Ltd.	AAA	3.13
Industrial Development Bank Of India.	AA+	2.29
Total		5.42

Money Market Instruments

Commercial Paper (CP)/Certificate of Deposits (CD)

Corporate Debt / Financial Institutions

Essel Mining & Industries Ltd.	A1+	10.11
IndusInd Bank Ltd.	A1+	4.95
Gruh Finance Ltd	P1+	4.04
ICICI Bank Ltd.	P1+	2.89
ING Vysya Bank Ltd	P1+	2.05
YES Bank Ltd.	P1+	2.00
Karnataka Bank Ltd	P1+	1.98
Jammu & Kashmir Bank	P1+	1.03
ICICI Bank Ltd.	A1+	1.00
Total		30.05

Public Sector Undertakings

Indian Bank	F1+(ind)	5.15
Union Bank of India	A1+	3.97
State Bank Of India.	P1+	2.91
UCO Bank	P1+	2.17
Punjab National Bank	P1+	1.99
Union Bank of India	P1+	1.92
Allahabad Bank	P1+	1.03
Indian Bank	P1+	1.02
State Bank of Saurashtra	P1+	0.99
Total		21.15

Treasury Bills

182 Days Treasury Bill 07/09/2007	SOV	2.07
Total		2.07

Net Current Assets/(Liabilities)

14.12

Grand Total		100.00
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Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.32 years

Total NPA provided for and percentage to NAV : Nil

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

Sector Allocation

Commercial Paper (CP)/Certificate of	51.20
Debentures and Bonds	32.58
Net Current Assets	14.15
Treasury Bills	2.07

Rating Profile

A1+, AAA(so), AA+, AAA, P1+, LAA, LAAA, F1+(ind), SOV	85.86
Net Current Assets	14.14

KOTAK LIQUID

Open Ended Debt Scheme

About The Scheme

Investment Objective - To provide reasonable returns and high level of liquidity by investing in Debt and money market instruments of different maturities so as to spread risk across different kinds of issuers in the debt markets. **Plans-** (a) Regular, (b) Institutional (c) Institutional Premium. **Available Options:** (a)DR & G (b) DR & G(c) DP, DR & G **Fund Managers** - Ritesh Jain & Deepak Agrawal. **Loads** - Entry: NIL.Exit:NIL. **Minimum Initial Investment:** (a) Rs. 5000 (b) Rs. 1 crore (c) Rs. 5 crores. **Additional Investment:** Rs. 1000 & in multiples of Re. 1.

Ideal Investments Horizon - 7 days to 15 days **Corpus:** Rs. 8882.74 crores. **Ratios:** Sharpe*: (a) 1.58 (b) 2.03 (c) 2.37 Standard Deviation*: (a) & (b) & (c) 0.02 YTM: 6.50 * Source: Value Research

Performance as on July 31, 2007

	1 Year	3 Years	5 Years	Since Allotment (Reg.- Oct05,'00; Instl- Mar 14, '03, Instl Prem - Nov 04,'03)
Kotak Liquid Regular Plan	6.9	5.7	5.5	6.3
Kotak Liquid institutional Plan	7.3	6.1	-	5.7
Kotak Liquid institutional Premium Plan	7.7	6.4	-	6.0
CRISIL Liquid Fund Index	7.4	5.7	5.3	5.4**

Kotak Liquid Institutional Plan NAV: Rs.15.3993 (Growth Option);

Kotak Liquid Institutional Premium Plan NAV: Rs.15.5357 (Growth Option)

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

** The Benchmark Return corresponds only to Liquid - Institutional & Institutional Premium Plans. Past performance may or may not be sustained in future.

Portfolio - Regular, Institutional & Institutional Premium Plans

Issuer / Instrument	Industry/Rating	% to Net Assets
Debt Instruments		
Debentures & Bonds		
Corporate Debt/ Financial Institutions		
DSP ML Capital Ltd.	P1+	1.25
Sundaram Finance Ltd.	P1+	1.23
DSP ML Capital Ltd.	P1+(so)	1.13
Citicorp Finance (India) Ltd.	AAA	0.66
UTI Bank Ltd.	LAA+	0.63
LIC Housing Finance Ltd.	AAA	0.62
Kotak Mahindra Prime Ltd.	P1+	0.57
Rabo India Finance Pvt Ltd.	P1+	0.52
Chambal Fertilisers & Chemicals Ltd.	P1+	0.51
Shriram Transport Finance Co Ltd.	F1+(ind)	0.45
GE Money Financial Services Limited	AAA	0.43
DSP ML Capital Ltd.	AAA	0.39
India Loan Securitisation Trust V PTC A	AAA(so)	0.37
Madras Cements Ltd.	A1+	0.37
ICICI Bank Ltd.	CARE AAA	0.36
JM Financial Products Private Limited	P1+	0.34
Mahindra & Mahindra Financial Services Ltd.	AA+	0.29
Ballarpur Industries Ltd.	F1+(ind)	0.28
Indian Cor Loan Sec.Trust Sr XXXVIII TML Sr A1	P1+(so)	0.21
Citifinancial Consumer Finance India Ltd.	AAA	0.17
Usha Martin Ltd.	PR1+	0.17
Raymond Ltd.	PR1+	0.14
Birla Corporation Ltd.	PR1+	0.11
Cholamandalam DBS Finance Limited.	LAA	0.11
Whirlpool of India Ltd.	P1+	0.11
GE Capital Services India.	AAA	0.03
Indian Retail ABS Trust Ser 39 PTC A2	LAAA(SO)	0.00
Total		11.45
Public Sector Undertakings		
Indian Railway Finance Corporation Ltd.	AAA	2.20
NBARD	AAA	1.81
Industrial Development Bank Of India.	AA+	0.70
Power Finance Corporation Ltd.	AAA	0.62
Export-Import Bank of India.	AAA	0.56
Union Bank of India	AA+	0.06
Housing & Urban Development Corporation Ltd.	PR1+	0.01
Total		5.96
Money Market Instruments		
Commercial Paper (CP)/Certificate of Deposits (CD)		
Corporate Debt/ Financial Institutions		
ICICI Bank Ltd.	A1+	3.46
Citibank N.A.	P1+	2.73
Tata Motors Ltd.	P1+	2.71
Global Trade Finance Ltd.	P1+	2.65
IndusInd Bank Ltd.	A1+	2.29
Jammu & Kashmir Bank	P1+	2.26
HDFC Ltd.	A1+	1.80
ABN Amro Bank N.V	P1+	1.14
ABN Amro Bank N.V	A1+	1.01
ING Vysya Bank Ltd	P1+	0.71
YES Bank Ltd.	P1+	0.64
Ashok Leyland Ltd.	P1+	0.56
Standard Chartered Bank Ltd	P1+	0.55
Federal Bank Ltd.	P1+	0.54
Deutsche Bank	P1+	0.28
Development Credit Bank Ltd.	P1+	0.28
LIC Housing Finance Ltd.	P1+	0.28
GE Money Financial Services Limited	P1+	0.28
Karur Vysya Bank Ltd.	F1+(ind)	0.26
First India Credit Corporation Limited	A1+	0.22
L&T Finance limited	PR1+	0.22
HDFC Bank Ltd.	P1+	0.22
Hindustan Construction Company Ltd.	PR1+	0.22
Hindustan Sanitaryware & Industries Ltd.	A1+	0.22
Rabo India Finance Pvt Ltd.	P1+	0.17
UTI Bank Ltd.	A1+	0.17
ICICI Bank Ltd.	P1+	0.16
Alembic Ltd.	P1+	0.11

HEG Ltd.	A1+	0.11
Sundaram Finance Ltd.	P1+	0.11
Standard Chartered Investment & Loan India Ltd.	P1+	0.11
Rico Auto Industries Ltd.	A1+	0.11
Infrastructure Development Finance Co. Ltd	A1+	0.10
Redington (India) Ltd.	P1+	0.06
Total		26.74

Public Sector Undertakings		
State Bank of Bikaner & Jaipur	P1+	3.06
Indian Bank	F1+(ind)	2.28
Union Bank of India	A1+	2.24
Allahabad Bank	P1+	1.79
UCO Bank	P1+	1.69
Punjab National Bank	P1+	1.31
State Bank of Travancore	P1+	1.05
Punjab National Bank	F1+(ind)	0.84
State Bank of Mysore	A1+	0.68
IDBI Bank Ltd.	A1+	0.66
Corporation Bank	P1+	0.52
Union Bank of India	P1+	0.50
State Bank of Patiala	A1+	0.43
State Bank of Saurashtra	P1+	0.43
State Bank of Indore	P1+	0.41
State Bank of Saurashtra	A1+	0.39
IDBI Bank Ltd.	P1+	0.12
Total		18.40

Term Deposits		
Canara Bank		3.38
State Bank of Bikaner And Jaipur		2.08
Total		5.46

Net Current Assets/(Liabilities)		31.99
Grand Total		100.00

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.25 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

Commercial Paper / Certificate of Deposits	45.13
Net Current Assets	32.02
Debentures and Bonds	17.39
CBLO & Term Deposits & Rev. Repo	5.46

Rating Profile

A1+, AA+, AAA, AAA(so), P1+, P1+(so), PR1+	57.66
Net Current Assets	32.02
CBLO & Term Deposits & Rev. Repo	5.46
F1+(ind)	4.11
LAA+, LAA	0.74

DIVIDEND HISTORY

EQUITY SCHEME

Record Date	Cum Dividend Nav	Rs./Unit
Kotak 30-Dividend		
July-20-07	38.869	3.00
Dec-27-06	38.556	5.50
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
Kotak Global India		
Feb-08-07	22.292	2.50
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
Sept-27-06	17.745	1.50
Kotak Midcap		
Apr-28-06	19.4377	4.00
Aug-24-05	13.0267	0.50
Kotak Tax Saver		
Feb-20-07	11.6407	3.00
Kotak Lifestyle		
June-29-07	13.067	1.75
Kotak Contra		
July-27-07	16.0365	2.000
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
July-12-07	11.0620	Individual / HUF : 0.0622 Others : 0.0579
June-12-07	10.8824	Individual / HUF : 0.0601 Others : 0.0559
May-14-07	10.8773	Individual / HUF : 0.0657 Others : 0.0612
Apr-12-07	10.7708	Individual / HUF : 0.0559 Others : 0.0520
Jun-20-07	11.068	Individual / HUF : 0.1885 Others : 0.1755
Mar-20-07	10.813	Individual / HUF : 0.1174 Others : 0.1093
Dec-20-06	11.0791	Individual / HUF : 0.1896 Others : 0.1765
Sep-20-06	11.0594	Individual / HUF : 0.1909 Others : 0.1778

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 Emerging Equity, Kotak Flexi FOF, Kotak Equity Arbitrage Scheme, Kotak Tax Saver & Kotak Lifestyle scheme 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. • The NAV of the Schemes may be affected, inter alia, by changes in the NAV / performance of the underlying schemes, market, market interest rates, Price/Interest-rate Risk and Credit Risk, Concentration or Sectoral Risk associated with derivatives trading pertaining to Equity Markets, changes in credit rating, Government policy, volatility and liquidity in the money markets, pressure on the exchange rate of the rupee, trading volumes, performance of individual stocks, settlement periods and transfer procedures, Basis Risk, Spread Risk and Re-investment Risk. • Tax laws may change, affecting the return on investment in Units. • In the event of receipt of a very large number of redemption requests or very large value redemption requests or of restructuring of the Schemes' portfolios or in case of limitation or suspension of redemption in the underlying schemes, there may be delays in the redemption of Units. Please refer to the paragraph on "Right to limit Redemption" in the Offer Documents.

Statutory

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

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• **Network of Transaction Acceptance Points:** Submit transaction requests at your convenience across our 27 Investor Service Centres and 92 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, AXIS Bank, Indusind Bank & Centurion Bank of Punjab.

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