

March 31, 2008



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Introducing Kotak Star Kid facility.
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KOTAK STAR KID

From the CEO's Desk



Dear Friends,

The wavering fortunes of the previous financial year provided a wholesome script for a solo act. The year started with high anxiety on unwinding of yen-carry trade, and then, went on to rejoice the Indian economic & corporate expansion during the year. From mid-year onwards, the markets took a brief decoupled march from the

global bourses - only to realize later - that the pain in the global system was far too deep, and needed significant 'factoring-in' before the next cycle could begin afresh.

In some respects, the FY08 proved to be a short respite for an otherwise bullish phase of 4 years. However, despite the short term volatility in the last quarter, Sensex still managed to concede 19.68% returns on y-o-y basis. This may be seen as an underperformance in contrast to last year's return history but still goes to prove that equity remains a rewarding proposition for the long term investor.

In the short term, the volatility witnessed in the markets ever since January 08, stems primarily from host of factors, internal and external. The nearly US\$ 179 bn write-offs by US financial institutions, and the consequent risk-premium reassessment led to a short term flight of capital from world bourses - including that of India. More so, the palpable slowdown in the IIP numbers, coupled with the reinvigorated inflation, has also contributed in increasing the short-term wariness of the equities market. Something that has garnered significant government attention.

However, the current form of inflation remains largely unwieldy since the genesis of this rise is based in the high international commodity prices, rather than the domestic monetary flux. The diminishing confidence of the international investors in the world's reserve currency viz. dollar has seen liquidity pursue 'value' in various commodities: namely gold, oil, wheat etc. These commodities, having an inherent demand (and therefore, value) of their own are emerging as an alternative to dollar based investment.

In such a backdrop, the only long term alternative in rectifying the scenario shall be to strengthen the dollar - an issue that requires synchronized efforts of all the major central banks. However, in the short term, the RBI may allow the Rupee to appreciate in a calibrated manner against the dollar so as to cheapen the imports of commodities (especially oil).

At home, Kotak Mahindra Mutual Fund also had a good year to commemorate. With an array of innovations being rolled out from the stable, we saw our portfolio and our investor family expand significantly over the previous year. Of the many innovations, Kotak Star kid was one such innovative facility that caught the imagination of the investor community. In the similar vein, I am of the firm opinion, that

in the coming year, the performance legacy and management caliber of the existing schemes shall be of more significance than the novelty of a NFO. In this context, it is heartening to note that Kotak Fund House, with its acclaimed history shall remain a focus of investor interest in the long run.

Regards,
Sandesh Kirkire

Mutual Fund investments are subject to market risk. Please read offer document carefully before investing.

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From the Equity Fund Management Team

The Indian equity markets remained inert and on a decline throughout the month of March; and underperformed the emerging markets in almost all categories. The Sensex & Nifty opened the month of March on a month high of 17227.56 & 5222.8 respectively. Thenceforth, the markets witnessed a steady decline in capitalization, falling to as low as 14809.4 & 4503.1 on 17th March, respectively. The Sensex and Nifty then regained some ground and went on to close at 15644.44 & 4734.5 points on March end. Thus giving a return of -11% & -9.36% respectively for the month of March. The increasing investor concern regarding the unfolding crisis in the US financial market and the uncertainty regarding the currency derivative positions by various corporates were the main reason for the sentiment decline in the market.

The decline in the equities market was coupled with approximately 9% reduction in cash and 8.6% reduction in future volumes (m-o-m basis). The daily returns volatility increased by nearly one-third over the previous month. Consumer staples, healthcare and IT sectors remained relative outperformers during the month while sectors like Financials and Utilities ended up last in the performance chart.

During the said period, the institutional participation remained largely bearish. FIIs remained net sellers in the equities market for the month of March with net sales of US\$ 32 mn. Domestic Mutual funds on the other side too emerged as the net-seller of equities, with net sales of Rs 1847.8 crs during the period.

Corporate News

- Tata confirmed the deal to buy luxury brands Jaguar & Land Rover from Ford Motor company. The deal is valued at approximately US\$ 2.3 bn in cash. The transfer of the ownership is anticipated to be concluded by the end of next quarter.
- Vedanta Group entered into a Memorandum of Development' with West Bengal Government to set up aluminium manufacturing capacities in Burdwan district at an investment of Rs 20,000 crore. As part of its roadmap, the Vedanta Group has acquired, and will revive, the West Bengal Aluminium Corporation with an installed capacity of 30,000 tpa. Along with this, Vedanta will also set up new capacities with a view to taking the total smelter capacity to 6.5 lakh tpa. Additionally, a power plant of 3000 MW capacity would be set up in two phases of 1,500 MW each
- Thomas cook announced that that it would acquire a majority stake in Thomas Cook India from Dubai Financial Group for up to Rs 1,336 crore. Thomas Cook has agreed through its UK subsidiary to acquire at least 61.8 per cent and up to 74.9 per cent of TCIL's share capital.
- Indiabulls Power Services Ltd., the Indian energy company part owned by billionaire Lakshmi Mittal announced that it won a contract to build a 1,600 megawatt thermal plant. The utility also won the right to a 350 mn ton coal mine. The plant will be built in three years and Indiabulls Power will get a yield of 2 rupees (5 U.S cents) a unit on its sale of electricity.
- Mahindra & Mahindra announced that it will be investing an additional Rs 1,500 cr at its proposed manufacturing plant at Chakan near Pune to double its overall capacity. The company signed a MoU with the Maharashtra Government to this effect. At present, M&M has a capacity to make 3 lakh vehicles a year. With the Chakan plant, the capacity would rise to 6 lakh vehicles per year
- In one of the largest land deal in the country, real estate company BPTP bagged 95 acres of prime commercial land in Noida. It paid Rs.5006 Cr. for the land outbidding well known developers like DLF, Omaxe & Ansal Properties to clinch the deal.

Macro- Economic News

- January Industrial Production released by government showed that it has slowed to 5.3%, which was below expectations and lower than the 11.6% growth seen last January 2007 as well as 7.7% growth seen in December 2007. Growth was lower across the board with only non-durables posting better numbers in January 2008 versus January 2007. On a cumulative basis, industrial growth during April-January 2008 was 8.7% versus 11.2% recorded last year
- Government announced that it is cutting import duties on some edible oil, including crude palm to improve supplies and ease inflationary pressure. The import duty on crude palm oil was cut to 20-45% while that on refined palm oil was trimmed to 27.5% from 52.5%. Import duty on sunflower was reduced to 27.5% from 50%, while on crude sunflower it was reduced from 40% to 20%
- India's exports grew by 20.47 % in January to US\$ 13.14 bn as compared to US\$ 10.90 bn in the same month last year. Imports during the month stood at 22.5 bn dollars, registering a growth of 63.57 % over 13.75 bn dollars in January 2007. For the April-January period of the current fiscal, exports grew by 21.62 % to 124.19 bn dollars as compared to 102.11 bn dollars in the year ago period. Imports during the period expanded 29.63 % to 191.6 bn dollars from 147.8 bn dollars in a year ago. Trade deficit for

April-January is estimated at 67.4 bn dollars, higher than 45.7 bn dollars deficit in during the same period last fiscal

Market Outlook

With the earnings season on the anvil, the investors may wait for the revelation of the derivative exposure by the corporates to measure the impact of derivative positions. Resultantly, we may see the market trade in a range, sparing any negative surprise handed out by the corporate disclosures. Also, the gestated governmental response to high inflation rate may impact the market sentiment in the short run. Therefore, going forward, investors are advised to continue to increase equity exposure in a staggered manner and with a long term perspective.

From the Debt Fund Management Team

The Indian government woke up last month to the sound of a scouring genie! Something government had assumed it had bottled long ago, re-surfaced in guise of high inflation.

The resurgence of inflation in the current phase has its genesis largely in the runaway prices of the international traded commodities: especially oil. But a fact also remains that, inflation in India, from its very origin, remained a supply side issue, while the government response was largely monetary and dwelt on dissuading consumption.

The current phase of inflation, as marked by WPI numbers saw its commencement in the mid-week of October 07, with the lowest point recorded on 13th October at 3.07%. Ever since then, the inflation numbers have noticed an incessant upward trend, crossing the 5% psychological mark in February. As on 15th March 08, the inflation stood at 6.68% - a seasonal repetition of similar performance last year when inflation stood at 6.56%. (17th Mar 07).

In a way, the October 07 proved to be the tipping point for renewed inflationary pressure in India. Its overlapping with the fulsome crisis in the US financial market (and with the commencement of the rate cuts by the US Fed) was no way incidental. This common period of origin for both the problems, underscores the point that the origin of current inflation and of the high international commodity prices, lies largely in the erosion of value in US dollar.

The US Fed rate cuts since Sept-07 made the dollar less attractive proposition to hold. Additionally, the decline in the US dollar value required commodities to be re-priced (increased in dollar denomination) to obtain the 'original' exchange value of the commodity. But most importantly, as confidence in the world's major reserve currency declined; we saw a scrambling of liquidity to acquire assets that have inherent utility value, i.e commodities. Thus triggering a bull run in almost all the major commodities of the world. We have in consequence witnessed a 34% increase in crude, 35% increase in gold and 55% increase in wheat prices since October 07 internationally.

In India's case, a sharp upsurge in inflation figures was observed from February onwards, when all the key components of inflation estimate viz, Primary Articles, Manufactured Goods & Fuel showed sharp y-o-y increase. These numbers take an upsetting implication if read in conjunction with the IIP numbers. As per the IIP press release on 12th March, a significant reduction in industrial activity is revealed - especially in the capital goods, and in the basic goods sector.

In this backdrop it shall be essential that future monetary measures factor in the reality of a slowing economic activity while regulating inflation. The deliberate negligence of the Rupee-Dollar exchange rate by RBI to allow Rupee appreciation can be an effective measure in addressing import induced inflation. Though it is clear that the pressure to be seen acting effectively may provoke RBI to re-assess CRR in upward direction and squeeze liquidity from the system.

Debt Market Outlook

With inflation nearing the 7% mark in an election year, the government will try to take all steps possible to bring it back under control and that might include pressurizing RBI to take monetary steps. Even though the current inflation is a supply side problem, RBI might still feel duty bound to act to halt any second stage pass through of the current high inflation. The most appropriate action in that case would be a CRR hike to remove excess liquidity from the system, which is expected to build up in April. The bond market will be under pressure from high inflation numbers, expectations of an RBI action and a front loaded auction calendar

Assets Under Management as on March 31, 2008 - Rs. 16,135.52 Crores

About our Fund Managers

FUND MANAGER

Name: Mr. Krishna Sanghavi

Scheme (experience in managing this fund since)

Kotak 30 (Jul 11, '07), Kotak Midcap (Sep 11, '07), Kotak Opportunities (Jul 11, '07), Kotak Lifestyle (Sep 11, '07), Kotak Tax Saver (Sep 11, '07), Kotak MNC (Sep 11, '07), Kotak Balance (Jul 11, '07), Kotak Income Plus (Sep 11, '07).

BUSINESS EXPERIENCE

Mr. Sanghavi more than 11 years of experience in Credit Appraisal & Credit Risk Management, Dealer Finance, Business Planning and Fund Management. He joined Kotak Group in 1997 and has worked with Kotak Mahindra Primus Ltd., Kotak Mahindra Finance Ltd. & Kotak Mahindra Old Mutual Life Insurance Ltd. Before joining Kotak group he had worked with IDBI for nearly 2 years.

Name: Mr. Sajit Pisharodi

Scheme (experience in managing this fund since)

Kotak Equity Arbitrage (Sep 29, '05), Kotak Equity FOF (Aug 31, '05)

Experience of nearly 11 years in the field of financial services. Joined the AMC in February, 2004. Prior to that, Mr. Pisharodi was involved in the equity dealing function at SBI Funds Management Pvt. Ltd. He started his career with Stock Holding Corporation of India Ltd., where he was involved in objections clearance in the custodial services division and moved on to IDBI Capital Markets Pvt. Ltd., where he was part of the broking arm, and involved in equity sales and dealing.

Name: Mr. Anurag Jain

Scheme (experience in managing this fund)

Kotak Midcap (Sept 11, '07), Kotak Opportunities (Jul 11, '07), Kotak Contra (Jul 11, '07), Kotak Tax Saver (Sept 11, '07), Kotak Global India (Sept 11, '07), Kotak MNC (Sept 11, '07), Kotak Tech (Sept 11, '07)

Mr. Jain has close to 6 years of experience in financial engineering and equity research. He joined the equity markets in 2001 working with SBI Mutual Fund, ICICI Bank followed with SSKI securities. He joined the AMC in August 2005, as a part of the equity fund management team for evaluating investment opportunities in equities.

Name: Mr. Ritesh Jain

Scheme (experience in managing this fund)

Kotak Equity Arbitrage (Sept 29, '05), Kotak Balance (Jul 11, '07), Kotak Income Plus (Sept 11, '07), Kotak Bond Short Term (May 16, '05), Kotak Bond (Regular & Deposit) (May 16, '05), Kotak Gilt Savings (May 16, '05), Kotak Gilt Investment (Regular & PF-Trust) (Dec 20, '98), Kotak Flexi Debt (May 16, '05), Kotak Floater Long Term (Aug 13, '04), Kotak Floater Short Term (May 16, '05), Kotak Liquid (May 16, '05)

Experience of 7 years. Having begun his career in foreign exchange banking at Corporation Bank, he then moved to IDBI Bank Ltd., where he managed money market treasury (trading and ALM management). Prior to joining the Kotak Mahindra group, he also worked briefly at Ranbaxy Laboratories Ltd., managing US\$ 500 Million of foreign exchange treasury. Mr. Jain joined the AMC in 2003 as part of the Fund Management team.

Name: Mr. Sanjib Guha

Scheme (experience in managing this fund)

Kotak 30 (Jul 11, '07), Kotak Lifestyle (Sep 11, '07), Kotak Emerging Equity (Sept 11, '07), Kotak Contra (Jul 11, '07), Kotak Global India (Sep 11, '07), Kotak Tech (Sep 11, '07), Kotak Balance (Jul 11, '07), Kotak Income Plus (Sep 11, '07),

Past experience of over 6 years in Equity Research & Fund Management. Covered Oil & Gas, Auto, FMCG & Media as Equity Research Analyst. Last assignment was with UTI AMC (2001 – Jun 2007).

Name: Mr. Imran Sayed

Scheme (experience in managing this fund)

Kotak Bond (Regular & Deposit) (Jul 11, '07), Kotak Gilt Savings (Jul 11, '07), Kotak Gilt Invest (Regular & PF-Trust) (Jul 11, '07), Kotak Floater Long Term (Jul 11, '07)

Over six years of experience in the debt market. Before joining Kotak MF was working at Sahara India Financial Corporation managing the debt portfolio. Prior to that was working at Darashaw securities as an IRS dealer.

Name: Mr. Deepak Agrawal

Scheme (experience in managing this fund)

Kotak Bond Short Term (Jul 11, '07), Kotak Flexi Debt (Jul 11, '07), Kotak Floater Short Term (Nov 1, '06), Kotak Liquid (Jul 11, '07),

Mr. Agrawal started his career with the AMC in September 2000 and moved to Debt Fund Management Team as research analyst in September 2001. Since April 2004, Mr Agrawal was Dealer in the debt fund management team

KOTAK 30

Open-Ended Equity Growth Scheme

About The Scheme

Investment Objective - to generate capital appreciation from a portfolio of predominantly equity related securities. The portfolio will generally comprise of equity and equity related instruments of around 30 companies which may go up to 39 companies.

▪ **Available Options** - DPDR & G. **Fund Managers** - Krishna Sanghvi and Sanjib Guha. **Loads - Entry:** a) No entry load shall be charged on: i) For "all direct" applications received by AMC i.e. applications received through internet facility offered (www.kotakmutual.com), on application forms that are not routed through any distributor/agent/broker and submitted to AMC office or collection centre / investment service centre. ii) On additional purchases done directly by the investor under the same folio and switch-in to the scheme from other scheme if such transaction is done directly by the investor: iii) Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores iv) Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme. v) Where switch in is from a close ended scheme (excluding Fixed Maturity Plans and Interval Plans) during the pre-defined liquidity window of the scheme as defined in the respective offer documents or on maturity to an Equity/Balanced/Equity FOF Schemes: vi) Where the switch in is from any other scheme apart from point iv and v above to an Equity/ Balanced/ Equity FOF Scheme for investments equal to or more than Rs. 5 crores vii) Where investments is made by Fund of Funds as defined under SEBI Regulations viii) Where units are allotted upon reinvestment of Dividends b) Cases not covered above: 2.25%. **Exit:** For exit within 6 months from the date of allotment of units for investments of less than Rs. 5 crores: 1%. For exit after 6 months upto 1 year from the date of allotment of units for investments of less than Rs. 5 crores: 0.50%. 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: Nil. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in multiples of Re.1 **Ideal Investments Horizon** - 1-3 years **Corpus:** Rs. 585.99 crores **Ratios:** Portfolio Turnover: 266.74% Total Expense Ratio: 2.23% Beta*: 0.94 Sharpe*:1.22 Standard Deviation*: 25.73 Alpha*: 6.11 * Source: Value Research.

Performance as on March 31, 2008

	6 Months	1 Yr	3 Yr	5 Yr	Since allotment (Dec 29, 1998)
Kotak 30*	-2.55	31.18	38.49	49.03	25.99
S&P CNX Nifty	-5.56	23.76	32.47	37.05	20.04

Kotak 30 NAV : Rs.31.307 (Div. Option). The performance of the dividend plan for the investor would be net of the dividend distribution tax, as applicable.* 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

Issuer / Instrument	Industry / Rating	% to Net Assets
Equity & Equity related (Listed/Awaiting listing on Stock Exchange)		
Reliance Industries Ltd.	Petroleum Products	7.48%
Larsen & Toubro Ltd.	Diversified	4.62%
Bharat Heavy Electricals Ltd.	Industrial Capital Goods	4.54%
HDFC Ltd.	Finance	4.43%
Oil & Natural Gas Corporation Ltd.	Oil	4.07%
Bharti Airtel Ltd.	Telecom - Services	3.95%
State Bank Of India	Banks	3.52%
Infosys Technologies Ltd.	Software	3.28%
Tata Consultancy Services Ltd.	Software	3.26%
ITC Ltd.	Consumer Non Durables	2.97%
Others		47.80%
Listed/Awaiting listing on Stock Exchange - Total		89.92%

Futures

DLF Limited-APR2008	0.34%
United Spirits Ltd.-APR2008	0.05%

Futures (Market value represents Notional Value) - Total

0.39%

Term Deposits

Kotak Mahindra Bank Ltd. 1.82%

Term Deposits - Total 1.82%

Collateral Borrowing & Lending obligation

6.68%

Net Current Assets/ (Liabilities)

1.19%

Grand Total 100.00%

Notes:

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

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

SECTOR ALLOCATION

Banks	10.68%
Petroleum Products	9.20%
CBLO & Term Deposits & Rev.Repo	8.50%
Software	6.54%
Construction	6.47%
Industrial Capital Goods	6.15%
Telecom - Services	6.11%
Finance	5.15%
Ferrous Metals	5.04%
Diversified	4.62%
Others	31.54%

SIP Returns	1 Year	3 Year	5 Year	7 Year
Investment Amt.	Rs.12,000	Rs.36,000	Rs.60,000	Rs.84,000
Investment Value	Rs.12,288	Rs. 54,613	Rs.1,56,421	Rs.3,36,541
XIRR	2.93%	29.01%	39.49%	39.28%

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** - Krishna Sanghvi and Anurag Jain. **Loads - Entry:** a) No entry load shall be charged on: i) For "all direct" applications received by AMC i.e. applications received through internet facility offered (www.kotakmutual.com), on application forms that are not routed through any distributor/agent/broker and submitted to AMC office or collection centre / investment service centre. ii) On additional purchases done directly by the investor under the same

folio and switch-in to the scheme from other scheme if such transaction is done directly by the investor: iii) Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores iv) Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme. v) Where switch in is from a close ended scheme (excluding Fixed Maturity Plans and Interval Plans) during the pre-defined liquidity window of the scheme as defined in the respective offer documents or on maturity to an Equity/Balanced/Equity FOF Schemes: vi) Where the switch in is from any other scheme apart from point iv and v above to an Equity/ Balanced/ Equity FOF Scheme for investments equal to or more than Rs. 5 crores vii) Where investments is made by Fund of Funds as defined under SEBI Regulations viii) Where units are allotted upon reinvestment of Dividends b) Cases not covered above: 2.25%. **Exit:** For exit within 6 months from the date of allotment of units for investments of less than Rs. 5 crores: 1%. For exit after 6 months upto 1 year from the date of allotment of units for investments of less than Rs. 5 crores: 0.50%. 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: Nil. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in multiples of Re.1 **Ideal Investments Horizon** - 1-3 years **Corpus:** Rs. 167.19 crores. **Ratios:** Beta*: 0.86 Sharpe*: 0.82 Standard Deviation*: 28.24 Alpha*: 0.09 Portfolio Turnover: 179.42% Total Expense Ratio: 2.34% **Value Research.**

Performance as on March 31, 2008

	6 Months	1 Yr	3 Yr	Since Allotment (Feb. 24, 2005)
Kotak Mid-Cap	-14.83	6.97	26.80	25.35
CNX Midcap	-8.88	28.52	28.69	27.08

Kotak Midcap NAV : Rs.20.592 (Growth Option). Returns = 1 year : Absolute. Returns > 1 year : CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.

PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets
Equity & Equity related (Listed/Awaiting listing on Stock Exchange)		
Welspun Gujarat Stahl Rohren Ltd.	Ferrous Metals	5.16%
HDFC Ltd.	Finance	2.85%
Hindustan Construction Co.Ltd	Construction	2.77%
Pantaloon Retail (india) Ltd.	Retailing	2.55%
Canara Bank	Banks	2.52%
Bharat Earth Movers Ltd.	Industrial Capital Goods	2.49%
GVK Power & Infrastructure Ltd.	Power	2.40%
Godrej Industries Ltd	Chemicals	2.28%
Gammon India Ltd.	Construction	2.26%
Simplex Infrastructures Ltd	Construction	2.20%
Others		64.89%
Listed/Awaiting listing on Stock Exchange - Total		92.37%

Term Deposits

Kotak Mahindra Bank Ltd. 2.99%

Term Deposits - Total 2.99%

Collateral Borrowing & Lending obligation

11.52%

Net Current Assets/ (Liabilities) -6.88%

Grand Total 100.00%

Notes:

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

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

SECTOR ALLOCATION

Construction	14.65%
CBLO & Term Deposits & Rev.Repo	14.51%
Banks	14.30%
Industrial Capital Goods	10.08%
Pharmaceuticals	6.90%
Ferrous Metals	6.85%
Power	6.52%
Media and Entertainment	4.50%
Finance	2.85%
Fertilisers	2.72%
Others	16.12%

Midcap Stocks as a percentage of Net Assets - 69.04

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:** a) No entry load shall be charged on: i) For "all direct" applications received by AMC i.e. applications received through internet facility offered (www.kotakmutual.com), on application forms that are not routed through any distributor/agent/broker and submitted to AMC office or collection centre / investment service centre. ii) On additional purchases done directly by the investor under the same folio and switch-in to the scheme from other scheme if such transaction is done directly by the investor: iii) Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores iv) Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme. v) Where switch in is from a close ended scheme (excluding Fixed Maturity Plans and Interval Plans) during the pre-defined liquidity window of the scheme as defined in the respective offer documents or on maturity to an Equity/ Balanced/ Equity FOF Schemes: vi) Where the switch in is from any other scheme apart from point iv and v above to an Equity/ Balanced/ Equity FOF Scheme for investments equal to or more than Rs. 5 crores vii) Where investments is made by Fund of Funds as defined under SEBI Regulations viii) Where units are allotted upon reinvestment of Dividends b) Cases not covered above: 2.25%. **Exit:** For exit within 6 months from the date of allotment of units for investments of less than Rs. 5 crores: 1%. For exit after 6 months upto 1 year from the date of allotment of units for investments of less than Rs. 5 crores: 0.50%. 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: Nil. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in multiples of Re.1 **Ideal Investments Horizon** - 1-3 years **Corpus:** Rs. 687.10 crores. **Ratios:** Portfolio Turnover: 219.77% Total Expense Ratio: 2.26% Beta*: 0.94 Sharpe*: 1.26 Standard Deviation*: 28.16 Alpha*: 10.41 * Source: Value Research.

Performance as on March 31, 2008

	6 Months	1 Yr	3 Yr	Since allotment (Sep 09, 2004)
Kotak Opportunities	-0.21	34.78	43.47	45.21
S&P CNX 500	-8.43	21.52	29.21	32.69

Kotak Opportunities NAV :Rs.37.715 (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 follows:

Issuer / Instrument	Industry / Rating	% to Net Assets
Equity & Equity related (Listed/Awaiting listing on Stock Exchange)		
Reliance Industries Ltd.	Petroleum Products	4.37%
Larsen And Toubro Ltd.	Diversified	3.03%
Bharti Airtel Ltd.	Telecom - Services	2.85%
ITC Ltd.	Consumer Non Durables	2.71%
HDFC Ltd.	Finance	2.63%
Infrastructure Development Fin Co. Ltd	Finance	2.46%
Tata Consultancy Services Ltd.	Software	2.43%
Aditya Birla Nuvo Limited	Textile Products	2.39%
Jindal Steel & Power Ltd.	Ferrous Metals	2.36%
State Bank Of India	Banks	2.33%
Others		61.53%
Listed/Awaiting listing on Stock Exchange - Total		89.09%

Futures		
DLF Limited-APR2008		0.02%
Futures (Market value represents Notional Value) - Total		0.02%
Money Market Instruments		
Commercial Paper (CP)/Certificate of Deposits (CD)		
Corporate Debt / Financial Institutions		
ICICI Bank Ltd.	P1+	1.82%
Karur Vysya Bank Ltd.	F1+(ind)	0.70%
Corporate Debt / Financial Institutions - Total		2.52%
Public Sector Undertakings		
State Bank of Patiala	A1+	2.12%
Indian Bank	F1+(ind)	0.70%
Public Sector Undertakings - Total		2.82%
Term Deposits		
Term Deposits - Total		
Kotak Mahindra Bank Ltd.		1.21%
Collateral Borrowing & Lending obligation		6.99%
Net Current Assets/ (Liabilities)		-2.65%
Grand Total		100.00%

Notes:
Total NPA's provided for and percentage to NAV: Nil
Total value and percentage to Net Asset of Illiquid Equity Shares: Nil

SECTOR ALLOCATION

Construction	11.99%
Banks	9.21%
CBLO & Term Deposits & Rev.Repo	8.20%
Ferrous Metals	8.12%
Finance	7.76%
Consumer Non Durables	5.91%
Petroleum Products	5.83%
Software	5.76%
Commercial Paper (CP)/Certificate of Deposits (CD)	5.34%
Telecom - Services	4.38%
Others	27.50%

*Kotak Opportunities is one of the 5-star rated funds by Value Research in the Equity: Diversified category considering 88 open-ended schemes as on December 31, 2007 on the basis of weighted average monthly returns for the last 3 years. Value Research Fund Ratings are a composite measure of historical risk-adjusted returns. Five-Stars indicate that a fund is in the top 10 per cent of its category in terms of historical risk-adjusted returns. These ratings do not take into consideration any entry or exit load. The Value Research Ratings are published in Monthly Mutual Fund Performance Report and Mutual Fund Insight, which are subject to change every month. A detailed methodology of the above rating is available at www.valueresearchonline.com.

#Kotak Opportunities - Growth has secured a world rank of 56th (one-year total return of 91.01% as on December 31 07) among the World's Top 100 equity performing funds for the Year ended 2007. The World's Top 100 performing equity funds Lipper Report is based on the study of universe of all global funds classified as 'Equity' with a track record of at least one year, as on December 2007. In total 24,887 global equity funds (primary) have qualified for the study. World's Top 100 performing equity funds ranking is based on One year total returns denominated in INR for the period ending on 31st December 2007. Data source by global fund intelligence firm: Lipper, a Reuters Company (www.lipperweb.com)

KOTAK LIFESTYLE

Open - Ended Equity Growth Scheme

About the Scheme

Investment Objective - The investment objective of the fund is to generate longterm 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 Krishna Sanghvi and Sanjib Guha.
Loads - Entry: a) No entry load shall be charged on: i) For "all direct" applications received by AMC i.e. applications received through internet facility offered (www.kotakmutual.com), on application forms that are not routed through any distributor/agent/broker and submitted to AMC office or collection centre / investment service centre. ii) On additional purchases done directly by the investor under the same folio and switch-in to the scheme from other scheme if such transaction is done directly by the investor: iii) Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores iv) Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme. v) Where switch in is from a close ended scheme (excluding Fixed Maturity Plans and Interval Plans) during the pre-defined liquidity window of the scheme as defined in the respective offer documents or on maturity to an Equity/Balanced/Equity FOF Schemes: vi) Where the switch in is from any other scheme apart from point iv and v above to an Equity/ Balanced/Equity FOF Scheme for investments equal to or more than Rs. 5 crores vii) Where investments is made by Fund of Funds as defined under SEBI Regulations viii) Where units are allotted upon reinvestment of Dividends b) Cases not covered above: 2.25%. **Exit:** For exit within 6 months from the date of allotment of units for investments of less than Rs. 5 crores: 1%. For exit after 6 months upto 1 year from the date of allotment of units for investments of less than Rs. 5 crores: 0.50%. 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: Nil. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in multiples of Re. 1. **Ideal Investments Horizon** - 1-3 years **Corpus:** Rs. 176.87 crore. **Ratios:** Portfolio Turnover: 110.24% Total Expense Ratio: 2.24%.

Performance as on March 31, 2008

	6 Months	1 Yr	Since Allotment (Mar 21, 2006)
Kotak Lifestyle	-17.93	-0.30	7.60
S&P CNX 500	-8.43	21.32	16.43

Kotak Lifestyle NAV: Rs.11.603 (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 follows:

Issuer / Instrument	Industry / Rating	% to Net Assets
Equity & Equity related (Listed/Awaiting listing on Stock Exchange)		
HDFC Ltd.	Finance	6.13%
Bharti Airtel Ltd.	Telecom - Services	6.08%
United Spirits Ltd.	Consumer Non Durables	5.57%
ITC Ltd.	Consumer Non Durables	5.26%
Pantaloon Retail (india) Ltd.	Retailing	4.85%
Zee Entertainment Enterprises Ltd	Media and Entertainment	3.90%
Asian Paints Ltd.	Consumer Non Durables	3.53%
Indian Hotels Company Ltd.	Hotels	3.41%
ICICI Bank Ltd.	Banks	3.40%
Maruti Udyog Ltd	Auto	3.40%
Others		45.11%
Listed/Awaiting listing on Stock Exchange - Total		90.64%

Debt Instruments

Debentures and Bonds

Corporate Debt / Financial Institutions

Citicorp Finance (India) Ltd. AAA 0.57%

Corporate Debt / Financial Institutions - Total

0.57%

Term Deposits

Term Deposits

Kotak Mahindra Bank Ltd. 1.13%

Term Deposits - Total

1.13%

Collateral Borrowing & Lending obligation

5.52%

Net Current Assets/ (Liabilities)

2.14%

Grand Total 100.00%

Notes:
Total NPA's provided for and percentage to NAV: Nil
Total value and percentage to Net Asset of Illiquid Equity Shares: Nil

SECTOR ALLOCATION

Consumer Non Durables	19.54%
Finance	17.79%
Media and Entertainment	14.19%
Telecom - Services	9.26%
CBLO & Term Deposits & Rev.Repo	6.65%
Auto	6.14%
Banks	6.08%
Hotels	5.25%
Retailing	4.85%
Construction	4.46%
Others	5.79%

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 Anurag Jain and Sanjib Guha. **Loads - Entry:** a) No entry load shall be charged on: i) For "all direct" applications received by AMC i.e. applications received through internet facility offered (www.kotakmutual.com), on application forms that are not routed through any distributor/agent/broker and submitted to AMC office or collection centre / investment service centre. ii) On additional purchases done directly by the investor under the same folio and switch-in to the scheme from other scheme if such transaction is done directly by the investor: iii) Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores iv) Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme. v) Where switch in is from a close ended scheme (excluding Fixed Maturity Plans and Interval Plans) during the pre-defined liquidity window of the scheme as defined in the respective offer documents or on maturity to an Equity/ Balanced/Equity FOF Schemes: vi) Where the switch in is from any other scheme apart from point iv and v above to an Equity/ Balanced/Equity FOF Scheme for investments equal to or more than Rs. 5 crores vii) Where investments is made by Fund of Funds as defined under SEBI Regulations viii) Where units are allotted upon reinvestment of Dividends b) Cases not covered above: 2.25%. **Exit:** For exit within 6 months from the date of allotment of units for investments of less than Rs. 5 crores: 1%. For exit after 6 months upto 1 year from the date of allotment of units for investments of less than Rs. 5 crores: 0.50%. 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: Nil. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in multiples of Re. 1 **Ideal Investments Horizon** - 1-3 years **Corpus:** Rs. 95.11 crores. **Ratios:** Portfolio Turnover: 97.84% Total Expense Ratio: 2.41%

Performance as on March 31, 2008

	6 Months	1 Yr	Since Allotment (July 27, 2005)
Kotak Contra	-10.00	13.10	17.29
S&P CNX 500	-8.43	21.52	26.49

Kotak Contra NAV: Rs.15.675 (Growth Option). Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.

PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets
Equity & Equity related (Listed/Awaiting listing on Stock Exchange)		
ITC Ltd.	Consumer Non Durables	6.21%
Jindal Steel & Power Ltd.	Ferrous Metals	4.35%
Punjab National Bank	Banks	4.29%
ICICI Bank Ltd.	Banks	3.89%
Asian Paints Ltd.	Consumer Non Durables	3.78%
Reliance Energy Ltd.	Power	3.65%
Tata Chemicals Ltd.	Fertilisers	3.60%
ABG Infralogistics Ltd	Industrial Capital Goods	3.29%
Bharti Airtel Ltd.	Telecom - Services	3.04%
Gammon India Ltd.	Construction	2.73%
Coromandel Fertilisers Ltd.	Fertilisers	2.63%
Others		48.61%
Listed/Awaiting listing on Stock Exchange - Total		90.07%

Term Deposits

Term Deposits

Kotak Mahindra Bank Ltd. 1.58%

Term Deposits - Total

1.58%

Collateral Borrowing & Lending obligation

7.36%

Net Current Assets/ (Liabilities)

0.99%

Grand Total 100.00%

Notes:
Total NPA's provided for and percentage to NAV: Nil
Total value and percentage to Net Asset of Illiquid Equity Shares: Nil

SECTOR ALLOCATION

Consumer Non Durables	17.79%
Banks	15.81%
CBLO & Term Deposits & Rev.Repo	8.94%
Fertilisers	7.54%
Petroleum Products	5.87%
Ferrous Metals	5.81%
Power	4.76%
Pharmaceuticals	4.38%
Industrial Capital Goods	4.16%
Construction	3.93%
Others	21.01%

KOTAK EQUITY ARBITRAGE

Open - Ended Equity Growth 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:** For Investments <= Rs. 50 lacs: a. If redeemed within 3 months from the date of allotment of units: 0.60%. b. If redeemed after 3 months, within 6 months from the date of allotment of units: 0.50%. c. If redeemed after 6 months from the date of allotment of units: Nil. d. Where investments is made by Fund of Funds as defined under SEBI Regulations: Nil. e. Where units are allotted upon reinvestment of Dividends: Nil. For Investments > Rs. 50 lacs: a. If redeemed on or before 30 days from the date of allotment of units: 0.50%. b. If redeemed after 30 days from the date of allotment of units: Nil. c. Where investments is made by Fund of Funds as defined under SEBI Regulations: Nil. d. Where units are allotted upon reinvestment of Dividends: Nil. **Minimum Initial Investment:** Rs.5000. **Additional Investment:** Rs.1000 & in multiples of Re.1. **Ideal Investments Horizon:** Above 3 Months **Corpus:** Rs. 293.24 crores. **Ratios:** Total Expense Ratio: 1.08% Standard Deviation*: 1.12 Sharpe*: 2.89 Beta*: 0.11 Alpha*: 3.07 YTM: 7.25% * Source: Value Research.

Performance as on March 31, 2008

	6 Months	1 Yr	Since Allotment (Sept 29, 2005)
Kotak Equity Arbitrage Fund	4.59	9.26	8.24
CRISIL Liquid Fund Index	3.35	7.43	6.55

Kotak Equity Arbitrage NAV : Rs.12.2147 (Growth Option). Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.

PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets
Equity & Equity related (Listed/Awaiting listing on Stock Exchange)		
Reliance Industries Ltd.	Petroleum Products	7.06%
Rural Electrification Corporation Ltd	Electric Utilities	4.44%
Jindal Steel & Power Ltd.	Ferrous Metals	3.79%
Steel Authority of India Ltd.	Ferrous Metals	3.21%
Jaiprakash Associates Ltd	Construction	2.92%
Oil & Natural Gas Corporation Ltd.	Oil	2.30%
Reliance Capital Ltd.	Finance	2.25%
Ispat Industries Ltd	Ferrous Metals	1.81%
Pantaloon Retail (India) Ltd.	Retailing	1.43%
Industrial Development Bank of India Ltd.	Banks	1.38%
Others		37.19%
Listed/Awaiting listing on Stock Exchange - Total		67.78%

FUTURES

Bombay Dyeing & Manufacturing Company Ltd-APR2008	-0.02%
State Bank Of India-APR2008	-0.02%
3i Infotech Ltd.-APR2008	-0.03%
Bata India Ltd.-APR2008	-0.03%
Jindal Saw Ltd.-APR2008	-0.03%
Global Broadcast News Ltd-APR2008	-0.04%
NIIT Ltd.-APR2008	-0.04%
Allahabad Bank.-APR2008	-0.05%
Chennai Petroleum Corporation Ltd.-APR2008	-0.05%
Bhushan Steel Ltd-APR2008	-0.09%
I-Flex Solutions Limited-APR2008	-0.09%
Triveni Engineering & Industries Ltd.-APR2008	-0.09%
Sterlite Industries (India) Ltd-APR2008	-0.09%
Andhra Bank-APR2008	-0.09%
Sterling Biotech Ltd-APR2008	-0.10%
Punjab National Bank-APR2008	-0.13%
Bharat Heavy Electricals Ltd.-APR2008	-0.13%
Sterlite Optical Technologies Ltd-APR2008	-0.13%
Union Bank Of India-APR2008	-0.15%
Adlabs Films Ltd.-APR2008	-0.17%
Colgate Palmolive (India) Ltd.-APR2008	-0.17%
Bharat Electronics Ltd-APR2008	-0.17%
Jindal Stainless Ltd.-APR2008	-0.18%
Patni Computers Systems Ltd.-APR2008	-0.18%
Praj Industries Ltd.-APR2008	-0.18%
Aurobindo Pharma Ltd.-APR2008	-0.19%
Deccan Aviation Ltd-APR2008	-0.19%
ABB Ltd.-APR2008	-0.21%
Wire & Wireless (India) Ltd.-APR2008	-0.21%
Power Finance Corporation Ltd.-APR2008	-0.22%
Polaris Software Lab Ltd.-APR2008	-0.24%
Cairn India Limited-APR2008	-0.24%
Tata Motors Ltd.-APR2008	-0.25%
GTL Ltd-APR2008	-0.26%
NIIT Technologies Ltd-APR2008	-0.26%
Escorts Ltd.-APR2008	-0.30%
Aptech Ltd.-APR2008	-0.31%
Nagarjuna Fertilizers & Chemicals Ltd.-APR2008	-0.33%
National Thermal Power Corporation Limited-APR2008	-0.37%
ICICI Bank Ltd.-APR2008	-0.38%
S.Kumars Nationwide Ltd.-APR2008	-0.38%
Bank Of Baroda-APR2008	-0.40%
Hinduja Ventures Ltd-APR2008	-0.40%
Oswal Chemicals & Fertilizers Ltd.-APR2008	-0.40%

Bajaj Hindusthan Limited-APR2008	-0.41%
Balrampur Chini Mills Ltd-APR2008	-0.42%
Dena Bank-APR2008	-0.45%
Bharti Airtel Ltd.-APR2008	-0.47%
Ashok Leyland Ltd.-APR2008	-0.47%
Neyveli Lignite Corporation Ltd.-APR2008	-0.50%
Omaxe Ltd.-APR2008	-0.50%
Hotel Leela Venture Ltd-APR2008	-0.54%
Orchid Chemicals & Pharmaceuticals Ltd.-APR2008	-0.58%
Jet Airways (India) Ltd.-APR2008	-0.61%
Indian Overseas Bank-APR2008	-0.61%
Jaiprakash Hydro Power Ltd.-APR2008	-0.63%
TVS Motors Company Ltd-APR2008	-0.63%
Vijaya Bank-APR2008	-0.66%
Alok Industries Ltd.-APR2008	-0.66%
Gateway Distriparks Ltd.-APR2008	-0.68%
Hindustan Oil Exploration Company Ltd.-APR2008	-0.74%
Ballarpur Industries Ltd.-APR2008	-0.74%
India Cements Ltd.-APR2008	-0.75%
Divi s Laboratories Limited-APR2008	-0.79%
Tata Consultancy Services Ltd.-APR2008	-0.82%
ACC Ltd.-APR2008	-0.83%
New Delhi Television Ltd.-APR2008	-0.86%
Indian Oil Corporation Ltd-APR2008	-0.88%
LIC Housing Finance Ltd.-APR2008	-0.94%
Reliance Petroleum Ltd.-APR2008	-0.97%
Oriental Bank of Commerce-APR2008	-1.06%
Tata Teleservices Ltd-APR2008	-1.14%
Infrastructure Development Finance Co. Ltd-APR2008	-1.17%
Reliance Natural Resources Ltd-APR2008	-1.17%
Maharashtra Seamless Ltd.-APR2008	-1.17%
Larsen And Toubro Ltd.-APR2008	-1.23%
Welspun Gujarat Stahl Rohren Ltd.-APR2008	-1.24%
Reliance Energy Ltd.-APR2008	-1.27%
Mahanagar Telephone Nigam Ltd.-APR2008	-1.31%
IFCI Ltd.-APR2008	-1.31%
Industrial Development Bank of India Ltd.-APR2008	-1.38%
Pantaloon Retail (India) Ltd.-APR2008	-1.42%
Ispat Industries Ltd-APR2008	-1.82%
Reliance Capital Ltd.-APR2008	-2.26%
Oil & Natural Gas Corporation Ltd.-APR2008	-2.31%
Jaiprakash Associates Ltd-APR2008	-2.92%
Steel Authority of India Ltd.-APR2008	-3.21%
Jindal Steel & Power Ltd.-APR2008	-3.80%
Rural Electrification Corporation Ltd-APR2008	-4.43%
Reliance Industries Ltd.-APR2008	-7.07%

Money Market Instruments

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

Public Sector Undertakings		
State Bank of Travancore	P1+	1.71%
Public Sector Undertakings - Total		1.71%
Term Deposits		
Term Deposits		
Kotak Mahindra Bank Ltd.		37.24%
Term Deposits - Total		37.24%
Collateral Borrowing & Lending obligation		1.04%
Net Current Assets/(Liabilities)		-7.77%
Grand Total		100.00%

Notes:

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

SECTOR ALLOCATION

CBLO & Term Deposits & Rev.Repo	38.28%
Ferrous Metals	10.36%
Petroleum Products	8.95%
Finance	5.90%
Banks	5.36%
Electric Utilities	4.44%
Construction	3.42%
Oil	3.28%
Telecom - Services	2.92%
Auto	2.82%
Others	14.27%

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 Managers** - Krishna Sanghvi & Anurag Jain. **Loads - Entry:** a) No entry load shall be charged on: i) For "all direct" applications received by AMC i.e. applications received through internet facility offered (www.kotakmutual.com), on application forms that are not routed through any distributor/agent/broker and submitted to AMC office or collection centre / investment service centre. ii) On additional purchases done directly by the investor under the same folio and switch-in to the scheme from other scheme if such transaction is done directly by the investor: iii) Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores iv) Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme. v) Where switch in is from a close ended scheme (excluding Fixed Maturity Plans and Interval Plans) during the pre-defined liquidity window of the scheme as defined in the respective offer documents or on maturity to an Equity/Balanced/Equity FOF Schemes: vi) Where the switch in is from any other scheme apart from point iv and v above to an Equity/ Balanced/ Equity FOF Scheme for investments equal to or more than Rs. 5 crores vii) Where investments is made by Fund of Funds as defined under SEBI Regulations viii) Where units are allotted upon reinvestment of Dividends b) Cases not covered above: 2.25%. **Exit:** For exit within 6 months from the date of allotment of units for investments of less than Rs. 5 crores: 1%. For exit after 6 months upto 1 year from the date of allotment of units for investments of less than Rs. 5 crores: 0.50%. 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: Nil. **Minimum Initial Investment:** Rs. 500 **Additional Investment:** Rs. 500 & in Multiples of Rs. 500. **Ideal Investments Horizon** - 3 years **Corpus:** Rs. 409.00 crores. **Ratios:** Portfolio Turnover: 167.98 Total Expense Ratio: 2.31%

Performance as on March 31, 2008

	6 Months	1 Yr	Since Allotment (November 23, 2005)
Kotak Tax Saver	-9.54	17.85	23.14
S&P CNX 500	-8.43	21.52	25.17

Kotak Tax Saver NAV:Rs.16.340 (Growth Option). Returns = 1 year : Absolute. Returns > 1

year : CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.

PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets
Equity & Equity related (Listed/Awaiting listing on Stock Exchange)		
Reliance Industries Ltd.	Petroleum Products	3.83%
Larsen And Toubro Ltd.	Diversified	2.71%
Infrastructure Develpt Finance Co. Ltd	Finance	2.52%
Jindal Steel & Power Ltd.	Ferrous Metals	2.46%
National Thermal Power Corporation Ltd	Power	2.46%
Axis Bank Ltd	Banks	2.45%
Jubilant Organosols Ltd	Pharmaceuticals	2.34%
Thermax Ltd.	Industrial Capital Goods	2.31%
Sesa Goa Ltd.	Minerals/Mining	2.28%
HDFC Ltd.	Finance	2.18%
Others		64.46%
Listed/Awaiting listing on Stock Exchange - Total		90.00%

Collateral Borrowing & Lending obligation

Net Current Assets/ (Liabilities)	-1.19%
Grand Total	100.00%

Notes:

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

SECTOR ALLOCATION

CBLO & Term Deposits & Rev.Repo	11.19%
Banks	9.12%
Industrial Capital Goods	8.17%
Construction	8.05%
Power	6.94%
Finance	6.59%
Ferrous Metals	6.29%
Petroleum Products	5.58%
Pharmaceuticals	4.53%
Software	4.42%
Others	29.12%

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** - Sanjib Guha & Anurag Jain. **Loads - Entry:** a) No entry load shall be charged on: i) For "all direct" applications received by AMC i.e. applications received through internet facility offered (www.kotakmutual.com), on application forms that are not routed through any distributor/agent/broker and submitted to AMC office or collection centre / investment service centre. ii) On additional purchases done directly by the investor under the same folio and switch-in to the scheme from other scheme if such transaction is done directly by the investor: iii) Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores iv) Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme. v) Where switch in is from a close ended scheme (excluding Fixed Maturity Plans and Interval Plans) during the pre-defined liquidity window of the scheme as defined in the respective offer documents or on maturity to an Equity/ Balanced/Equity FOF Schemes: vi) Where the switch in is from any other scheme apart from point iv and v above to an Equity/ Balanced/ Equity FOF Scheme for investments equal to or more than Rs. 5 crores vii) Where investments is made by Fund of Funds as defined under SEBI Regulations viii) Where units are allotted upon reinvestment of Dividends b) Cases not covered above: 2.25%. **Exit:** For exit within 6 months from the date of allotment of units for investments of less than Rs. 5 crores: 1%. For exit after 6 months upto 1 year from the date of allotment of units for investments of less than Rs. 5 crores: 0.50%. 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: Nil. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000. & in Multiples of Rs.1. **Ideal Investments Horizon - 1-3 years Corpus:** Rs. 83.61 crores. **Ratios:** Portfolio Turnover: 92.79% Total Expense Ratio: 2.41% Standard Deviation*: 23.73 Sharpe*: 0.85 Beta*: 0.85 Alpha*: -2.48 Source: Value Research.

Performance as on March 31, 2008

	6 Months	1 Yr	3 Yrs	Since Allotment (Jan 30, 2004)
Kotak Global India	-14.29	4.84	24.75	26.80
S&P CNX 500	-8.43	21.52	29.21	25.99

Kotak Global India NAV:Rs. 26.919 (Growth Option). Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.

PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets
Equity & Equity related (Listed/Awaiting listing on Stock Exchange)		
Reliance Industries Ltd.	Petroleum Products	6.78%
Reliance Communications Ltd.	Telecom - Services	6.28%
Welspun Gujarat Stahl Rohren Ltd.	Ferrous Metals	5.04%
United Spirits Ltd.	Consumer Non Durables	4.49%
ABB Ltd.	Industrial Capital Goods	4.24%
Punj Lloyd Ltd.	Construction	4.19%
United Phosphorus Ltd	Pesticides	3.92%
Siemens Ltd.	Industrial Capital Goods	3.91%
Sesa Goa Ltd.	Minerals/Mining	3.77%
Oil & Natural Gas Corporation Ltd.	Oil	3.70%
Others		43.92%
Listed/Awaiting listing on Stock Exchange - Total		90.24%

Collateral Borrowing & Lending obligation

Net Current Assets/ (Liabilities)	0.78%
Grand Total	100.00%

Notes:

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

SECTOR ALLOCATION

Industrial Capital Goods	14.39%
Consumer Non Durables	9.27%
Ferrous Metals	9.25%

SECTOR ALLOCATION (Cont.)

CBLO & Term Deposits & Rev.Repo	8.98%
Petroleum Products	6.78%
Oil	6.41%
Telecom - Services	6.28%
Pesticides	5.79%
Construction	4.19%
Pharmaceuticals	3.97%
Others	24.69%

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** - Krishna Sanghvi & Anurag Jain. **Loads - Entry:** a) No entry load shall be charged on: i) For "all direct" applications received by AMC i.e. applications received through internet facility offered (www.kotakmutual.com), on application forms that are not routed through any distributor/agent/broker and submitted to AMC office or collection centre / investment service centre. ii) On additional purchases done directly by the investor under the same folio and switch-in to the scheme from other scheme if such transaction is done directly by the investor: iii) Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores iv) Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme. v) Where switch in is from a close ended scheme (excluding Fixed Maturity Plans and Interval Plans) during the pre-defined liquidity window of the scheme as defined in the respective offer documents or on maturity to an Equity/ Balanced/Equity FOF Schemes: vi) Where the switch in is from any other scheme apart from point iv and v above to an Equity/ Balanced/ Equity FOF Scheme for investments equal to or more than Rs. 5 crores vii) Where investments is made by Fund of Funds as defined under SEBI Regulations viii) Where units are allotted upon reinvestment of Dividends b) Cases not covered above: 2.25%. **Exit:** For exit within 6 months from the date of allotment of units for investments of less than Rs. 5 crores: 1%. For exit after 6 months upto 1 year from the date of allotment of units for investments of less than Rs. 5 crores: 0.50%. 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: Nil. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in Multiples of Rs.1. **Ideal Investments Horizon - 1-3 years Corpus:** Rs. 30.53 crores. **Ratios:** Portfolio Turnover: 75.68% Total Expense Ratio: 2.49% Beta*: 0.70 Sharpe*: 0.64 Alpha*: -3.33 Standard Deviation*: 24.31 * Source: Value Research

Performance as on March 31, 2008

	6 Months	1 Yr	3 Yrs	5 Yrs	Since Allotment (Apr 04, 2000)
Kotak MNC	-11.96	7.04	18.97	37.51	16.74
BSE Sensex	-9.27	19.57	34.04	38.67	16.26
S&P CNX Nifty	-5.56	23.76	32.47	37.05	16.17

Kotak MNC NAV :Rs. 26.932. * 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

Issuer / Instrument	Industry / Rating	% to Net Assets
Equity & Equity related (Listed/Awaiting listing on Stock Exchange)		
ITC Ltd.	Consumer Non Durables	8.36%
ING Vysya Bank Ltd.	Banks	4.93%
Amara Raja Batteries Ltd.	Auto Ancillaries	4.89%
ABB Ltd.	Industrial Capital Goods	4.64%
Sesa Goa Ltd.	Minerals/Mining	4.13%
Siemens Ltd.	Industrial Capital Goods	4.04%
3M India Ltd.	Trading	3.97%
Kennametal India Ltd.	Industrial Products	3.84%
Alstom Projects India Ltd.	Industrial Capital Goods	3.81%
Sterlite Industries (India) Ltd	Non - Ferrous Metals	3.74%
Others		45.23%
Listed/Awaiting listing on Stock Exchange - Total		91.58%

Term Deposits

ING Vysya Bank Ltd.	1.64%
Term Deposits - Total	1.64%
Collateral Borrowing & Lending obligation	7.37%
Net Current Assets/ (Liabilities)	-0.59%
Grand Total	100.00%

Notes:

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

SECTOR ALLOCATION

Consumer Non Durables	21.97%
Industrial Capital Goods	17.01%
Industrial Products	13.74%
CBLO & Term Deposits & Rev.Repo	9.01%
Auto Ancillaries	6.53%
Banks	4.93%
Minerals/Mining	4.13%
Trading	3.97%
Non - Ferrous Metals	3.74%
Telecom - Services	3.25%
Others	11.72%

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** - Sanjib Guha & Anurag Jain **Loads - Entry:** a) No entry load shall be charged on: i) For "all direct" applications received by AMC i.e. applications received through internet facility offered (www.kotakmutual.com), on application forms that are not routed through any distributor/agent/broker and submitted

to AMC office or collection centre / investment service centre. ii) On additional purchases done directly by the investor under the same folio and switch-in to the scheme from other scheme if such transaction is done directly by the investor. iii) Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores iv) Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme. v) Where switch in is from a close ended scheme (excluding Fixed Maturity Plans and Interval Plans) during the pre-defined liquidity window of the scheme as defined in the respective offer documents or on maturity to an Equity/ Balanced/Equity FOF Schemes: vi) Where the switch in is from any other scheme apart from point iv and v above to an Equity/ Balanced/ Equity FOF Scheme for investments equal to or more than Rs. 5 crores vii) Where investments is made by Fund of Funds as defined under SEBI Regulations viii) Where units are allotted upon reinvestment of Dividends b) Cases not covered above: 2.25%. **Exit:** For exit within 6 months from the date of allotment of units for investments of less than Rs. 5 crores: 1%. For exit after 6 months upto 1 year from the date of allotment of units for investments of less than Rs. 5 crores: 0.50%. 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: Nil. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000.& in Multiples of Rs. 1. **Investments Horizon Ideal - 1-3 years Corpus:** Rs. 23.69 crores. **Ratios:** Portfolio Turnover: 88.94% Total Expense Ratio: 2.24% Beta*: 0.95 Sharpe*: 0.27 Alpha*: -0.08 Standard Deviation*: 25.42 *Source: Value Research

Performance as on March 31, 2008

	6 Months	1 Yr	3 Yr	5 Yr	Since Allotment (April 04, 2000)
Kotak Tech	-24.41	-25.91	8.88	21.57	-3.44
BSE Teck Index	-19.17	-14.22	20.40	32.20	0.38

Kotak Tech NAV: Rs.7,556. 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
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Equity & Equity related (Listed/Awaiting listing on Stock Exchange)

Bharti Airtel Ltd.	Telecom - Services	10.46%
Reliance Communications Ltd.	Telecom - Services	6.46%
Infosys Technologies Ltd.	Software	4.86%
Financial Technologies (India) Ltd.	Software	4.39%
Mphasis Ltd	Software	4.26%
Tania Solutions Limited	Software	4.03%
OnMobile Global Limited	Telecom - Equipment & Accessories	4.02%
Idea Cellular Ltd.	Telecom - Services	3.90%
Deccan Chronicle Holdings Ltd.	Media and Entertainment	3.90%
Zee Entertainment Enterprises Ltd	Media and Entertainment	3.90%
Others		41.31%

Listed/Awaiting listing on Stock Exchange - Total

91.49%

Privately placed / Unlisted

Virtual Dynamics Software Limited. @	Software	#
SRM Radiant Infotech Limited. @	Software	#

Privately placed / Unlisted - Total

0.00%

Collateral Borrowing & Lending obligation

7.81%

Net Current Assets/(Liabilities)

0.70%

Grand Total

100.00%

Notes:

Indicates % to net Asset less than 0.01%

@ Privately Placed

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

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

SECTOR ALLOCATION

Software	40.72%
Media and Entertainment	21.61%
Telecom - Services	21.46%
CBLO & Term Deposits & Rev.Repo	7.81%
Telecom - Equipment & Accessories	4.02%
Hardware	3.68%
Others	0.70%

KOTAK EQUITY FOF

Open - Ended Equity Fund of Funds Scheme

About the Scheme

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

Available Options - DP, DR & G Fund Manager - Sajit Pisharodi. **Loads - Entry:** a) No entry load shall be charged on: i) For "all direct" applications received by AMC i.e. applications received through internet facility offered (www.kotakmutual.com), on application forms that are not routed through any distributor/agent/broker and submitted to AMC office or collection centre / investment service centre. ii) On additional purchases done directly by the investor under the same folio and switch-in to the scheme from other scheme if such transaction is done directly by the investor. iii) Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores iv) Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme. v) Where switch in is from a close ended scheme (excluding Fixed Maturity Plans and Interval Plans) during the pre-defined liquidity window of the scheme as defined in the respective offer documents or on maturity to an Equity/ Balanced/Equity FOF Schemes: vi) Where the switch in is from any other scheme apart from point iv and v above to an Equity/ Balanced/ Equity FOF Scheme for investments equal to or more than Rs. 5 crores vii) Where investments is made by Fund of Funds as defined under SEBI Regulations viii) Where units are allotted upon reinvestment of Dividends b) Cases not covered above: 2.25%. **Exit:** For exit within 6 months from the date of allotment of units for investments of less than Rs. 5 crores: 1%. For exit after 6 months upto 1 year from the date of allotment of units for investments of less than Rs. 5 crores: 0.50%. 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: Nil. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in Multiples of Re. 1. **Ideal Investments Horizon - 1-3 years Corpus:** Rs. 58.64 crores. **Ratios:** Total Expense Ratio: 0.75% Beta*: 0.88 Sharpe*: 1.01 Alpha*: 0.83 Standard Deviation*: 24.00* Source: Value Research

Performance as on March 31, 2008

	6 Months	1 Yr	3 Yr	Since Allotment (Aug 09, 2004)
Kotak Equity FOF	-8.34	19.16	29.75	33.66
S & P CNX Nifty	-5.56	23.76	32.47	35.02

Kotak Equity FOF NAV : Rs.28,783 (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 follows:

Issuer / Instrument	Industry / Rating	% to Net Assets
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Mutual Fund Units

Kotak 30	Equity Scheme	24.73%
Birla Sunlife Frontline Equity	Equity Scheme	16.89%
Tata Pure Equity Fund	Equity Scheme	16.10%
SBI Magnum Equity Fund Growth	Equity Scheme	16.01%
Franklin India Prima Plus	Equity Scheme	8.13%
Birla Midcap Fund	Equity Scheme	8.02%
HSBC Advantage India Fund	Equity Scheme	7.54%
Total		97.42%

Net Current Assets/(Liabilities)

2.58%

Grand Total

100.00%

Notes:

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

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

SECTOR ALLOCATION

Equity Schemes	97.42%
Net Current Assets	2.58%

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 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:** a) No entry load shall be charged on: i) For "all direct" applications received by AMC i.e. applications received through internet facility offered (www.kotakmutual.com), on application forms that are not routed through any distributor/agent/broker and submitted to AMC office or collection centre / investment service centre. ii) On additional purchases done directly by the investor under the same folio and switch-in to the scheme from other scheme if such transaction is done directly by the investor. iii) Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores iv) Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme. v) Where switch in is from a close ended scheme (excluding Fixed Maturity Plans and Interval Plans) during the pre-defined liquidity window of the scheme as defined in the respective offer documents or on maturity to an Equity/ Balanced/Equity FOF Schemes: vi) Where the switch in is from any other scheme apart from point iv and v above to an Equity/ Balanced/ Equity FOF Scheme for investments equal to or more than Rs. 5 crores vii) Where investments is made by Fund of Funds as defined under SEBI Regulations viii) Where units are allotted upon reinvestment of Dividends b) Cases not covered above: 2.25%. **Exit:** For exit within 6 months from the date of allotment of units for investments of less than Rs. 5 crores: 1%. For exit after 6 months upto 1 year from the date of allotment of units for investments of less than Rs. 5 crores: 0.50%. 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: Nil. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000.& in Multiples of Rs. 1. **Ideal Investments Horizon - 1-3 years Corpus:** Rs. 69.51 crores. **Ratios:** Portfolio Turnover: 160.45% Total Expense Ratio: 2.49% Sharpe*: 1.10 Standard Deviation*: 19.59 *Source: Value Research

Performance as on March 31, 2008

	6 Months	1 Yr	3 Yr	5 Yr	Since Allotment (Nov 25, 1999)
Kotak Balance*	-17.04	-4.94	17.76	28.72	17.55
Crisil Balanced Fund Index	-1.64	19.49	21.86	24.41	18.99

Kotak Balance NAV - Rs. 21,697. * 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

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

Reliance Industries Ltd.	Petroleum Products	3.58%
HDFC Ltd.	Finance	2.89%
Oil & Natural Gas Corporation Ltd.	Oil	2.82%
Larsen And Toubro Ltd.	Diversified	2.49%
Bharti Airtel Ltd.	Telecom - Services	2.43%
Ranbaxy Laboratories Ltd.	Pharmaceuticals	1.89%
Welspun Gujarat Stahl Rohren Ltd.	Ferrous Metals	1.82%
Allied Digital Services Limited	Hardware	1.71%
Infosys Technologies Ltd.	Software	1.55%
Nagarjuna Construction Company Ltd	Construction	1.54%
Others		43.92%

Listed/Awaiting listing on Stock Exchange - Total

66.64%

Debt Instruments

Debentures and Bonds

Corporate Debt / Financial Institutions

Citicorp Finance (India) Ltd.	AAA	5.75%
ICICI Bank Ltd.	CARE AAA	4.34%

Corporate Debt / Financial Institutions - Total

10.09%

Public Sector Undertakings

Indian Railway Finance Corporation Ltd.	AAA	7.23%
Punjab National Bank	AAA	5.70%

Public Sector Undertakings - Total

12.93%

Money Market Instruments

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

Public Sector Undertakings

State Bank Of India.	P1+	14.24%
State Bank of Patiala	A1+	5.66%

Public Sector Undertakings - Total

19.90%

Term Deposits

Kotak Mahindra Bank Ltd.		2.87%
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Term Deposits - Total	2.87%
Collateral Borrowing & Lending obligation	0.72%
Net Current Assets/ (Liabilities)	-13.15%
Grand Total	100.00%

Notes:

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

SECTOR ALLOCATION

Debentures and Bonds	23.02%
Commercial Paper (CP)/Certificate of Deposits (CD)	19.90%
Construction	7.55%
Banks	6.62%
Ferrous Metals	5.86%
Petroleum Products	5.00%
Finance	4.80%
Industrial Capital Goods	4.50%
Oil	4.16%
Telecom - Services	3.86%
Others	14.73%

SIP Returns	1 Year	3 Year	5 Year	7 Year
Investment Amt.	Rs.12,000	Rs.36,000	Rs.60,000	Rs.84,000
Investment Value	Rs.9,673	Rs.37,617	Rs.94,725	Rs.1,86,117
XIRR	-33.91%	2.88%	18.32%	22.34%

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 <= 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. 27.85 crores. **Ratios:** Total Expense Ratio: 2.21% Standard Deviation*: 5.53 Sharpe*: 0.24 YTM: 7.00% *Source: Value Research. Portfolio Modified Duration: 0.28

Performance as on March 31, 2008

	6 Months	1 Yr	3 Yr	Since Allotment (Dec 02, 2003)
Kotak Income Plus	0.73	7.62	8.72	8.03
CRISIL MIP Blended Index	2.64	11.12	9.26	7.82

Kotak Income Plus NAV - Rs.13.9724 (Growth Option). Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.

PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets
Equity & Equity related (Listed/Awaiting listing on Stock Exchange)		
Reliance Industries Ltd.	Petroleum Products	1.30%
Oil & Natural Gas Corporation Ltd.	Oil	0.70%
Larsen And Toubro Ltd.	Diversified	0.65%
HDFC Ltd.	Finance	0.60%
Bharti Airtel Ltd.	Telecom - Services	0.59%
ITC Ltd.	Consumer Non Durables	0.59%
Reliance Energy Ltd.	Power	0.58%
State Bank Of India	Banks	0.56%
Aban Offshore Ltd.	Oil	0.49%
Axis Bank Ltd.	Banks	0.48%
Sterlite Industries (India) Ltd	Non - Ferrous Metals	0.46%
Welspun Gujarat Stahl Rohren Ltd.	Ferrous Metals	0.45%
Ranbaxy Laboratories Ltd.	Pharmaceuticals	0.43%
Jindal Steel & Power Ltd.	Ferrous Metals	0.41%
Allied Digital Services Limited	Hardware	0.41%
Nagarjuna Construction Company Ltd	Construction	0.39%
Steel Authority of India Ltd.	Ferrous Metals	0.36%
Hindustan Construction Co.Ltd	Construction	0.36%
Deccan Chronicle Holdings Ltd.	Media and Entertainment	0.35%
Tata Consultancy Services Ltd.	Software	0.33%
Punjab National Bank	Construction	0.33%
Madhucon Projects Ltd	Construction	0.33%
Rural Electrification Corporation Ltd	Electric Utilities	0.33%
Mahindra & Mahindra Ltd.	Auto	0.33%
ABG Infralogistics Ltd	Industrial Capital Goods	0.32%
Nicholas Piramal India Ltd.	Pharmaceuticals	0.31%
Union Bank Of India	Banks	0.30%
Canara Bank	Banks	0.30%
Nitin Fire Protection industries Ltd	Industrial Capital Goods	0.30%
ICICI Bank Ltd.	Banks	0.28%
Reliance Communications Ltd.	Telecom - Services	0.27%
Punjab National Bank	Banks	0.27%
Patel Engineering Ltd.	Construction	0.27%
Infrastructure Develop Finance Co. Ltd	Finance	0.27%
Aditya Birla Nuvo Limited	Textile Products	0.25%
Hindustan Petroleum Corporation Ltd	Petroleum Products	0.23%
Pyramid Saimira Theatre Ltd.	Media and Entertainment	0.22%
Balaji Telefilms Ltd	Media and Entertainment	0.21%
Mundra Port & Special Economic Zone Ltd	Travel & Transportation	0.19%
Reliance Petroleum Ltd.	Petroleum Products	0.19%
Marg Constructions Ltd	Construction	0.18%
Mphasis Ltd	Software	0.17%
Infosys Technologies Ltd.	Software	0.16%
Neyveli Lignite Corporation Ltd.	Power	0.15%
Housing Development & Infrastructure Ltd	Construction	0.14%
Indiabulls Real Estate Ltd	Construction	0.12%
Piramal Life Sciences Limiteds	Pharmaceuticals	0.04%
Listed/Awaiting listing on Stock Exchange - Total		16.95%

Debt Instruments

Debentures and Bonds

Corporate Debt / Financial Institutions

Infrastructure Delt Finance Co. Ltd.	AAA	14.46%
Mahindra & Mahindra Financial Svcs. Ltd.	AA+	14.36%
Citicorp Finance (India) Ltd.	AAA	10.78%
Infrastructure Leasing & Financial Svcs Ltd	LAAA	1.80%

Corporate Debt / Financial Institutions

- Total **41.40%**

Public Sector Undertakings

Union Bank of India	AA+	18.84%
Public Sector Undertakings - Total		18.84%
Term Deposits		
Term Deposits		1.80%
Kotak Mahindra Bank Ltd.		1.80%
Term Deposits - Total		1.80%
Collateral Borrowing & Lending obligation		17.95%
Net Current Assets/ (Liabilities)		3.06%
Grand Total		100.00%

Notes:

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments. 0.33 years

Total NPA provided and percentage to NAV: Nil

SECTOR ALLOCATION

Debentures and Bonds	60.24%
CBLO & Term Deposits & Rev.Repo	19.75%
Equities	16.95%
Net Current Assets	3.06%

RATING PROFILE

AA+	33.20%
AAA, LAAA	27.04%
CBLO & Term Deposits & Rev.Repo	19.75%
Equities	16.95%
Net Current Assets	3.06%

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 & Deepak Agrawal. **Loads - Entry:** Nil. **Exit:** a) For redemptions/switchouts within 6 months: 0.50%. b) For redemptions/switchouts after 6 months: Nil

Minimum Initial Investment: Rs. 5000 **Additional Investment:** Rs. 1000 & in Multiples of Re.1. **Ideal Investments Horizon** 6 Months and above **Corpus:** Rs. 381.93 crores. **Ratios:** Total Expense Ratio: 0.60% Sharpe*: 5.20 Standard Deviation*: 0.58 Beta*: 0.49 Alpha*: 2.25 YTM : 8.75% * Source: Value Research. Portfolio Modified Duration: 1.29

Performance as on March 31, 2008

	6 Months	1 Yr	3 Yr	5 Yr	Since Allotment (May 02, 2002)
Short Term Plan	4.15	9.85	7.46	6.66	6.85
Crisil Short - Term					
Bond Fund Index	3.63	8.78	6.09	5.41	5.76

Kotak Bond Short Term NAV - Rs.14.8012 (Growth Option). Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.

PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets
Debt Instruments		
Debentures and Bonds		
Corporate Debt / Financial Institutions		
Citicorp Finance (India) Ltd.	AAA	10.93%
Infrastructure Development Finance Co. Ltd	LAAA	6.45%
Rabo India Finance Ltd.	P1+	5.48%
HDFC Ltd.	AAA	5.22%
BHW Home Finance Ltd	LAA+	3.91%
LIC Housing Finance Ltd.	AAA	2.66%
Sundaram Finance Ltd.	LAA+	2.63%
Indiabulls Financial Services Ltd	F1+(ind)(SO)	2.63%
Tata Sons Ltd.	AAA	2.61%
Long Bond Receivables 2006 IV PTC A1	AAA(so)	1.64%
RB Loan Trust Series V 2007 Series A1	F1+(ind)(SO)	1.52%
Citifinancial Consumer Finance India Ltd.	AAA	1.41%
Shriram Transport Finance Co Ltd.	AA(ind)(SO)	1.31%
ICICI Bank Ltd.	CARE AAA	1.31%
Citicorp Maruti Finance Ltd.	AAA	1.28%
Indian Cor Loan Sec.Trust Sr XXXVIII - Sr A1	P1+(so)	1.19%
BHPC Auto Sec. Trust JUNE 2005 PTC A3	AAA(so)	0.24%
Corporate Debt / Financial Institutions - Total		52.42%
Public Sector Undertakings		
IDBI Bank Ltd.	AA+	6.57%
Indian Railway Finance Corporation Ltd.	AAA	2.83%
Punjab National Bank	AAA	1.30%
State Bank of Mysore	AAA	1.29%
Public Sector Undertakings - Total		11.99%
Money Market Instruments		
Commercial Paper (CP)/Certificate of Deposits (CD)		
Corporate Debt / Financial Institutions		
Unitech Ltd.	F1+(ind)	7.51%
ICICI Bank Ltd.	P1+	7.46%
Citibank N.A.	P1+	2.56%
ICICI Bank Ltd.	A1+	1.26%
Corporate Debt / Financial Institutions - Total		18.79%
Public Sector Undertakings		
State Bank Of India.	P1+	5.17%
State Bank of Hyderabad	P1+	3.88%
State Bank of Travancore	P1+	3.85%
National Bank for Agriculture and Rural Development	CARE AAA	1.26%
Public Sector Undertakings - Total		14.16%
Collateral Borrowing & Lending obligation		0.98%
Net Current Assets/ (Liabilities)		1.66%
Grand Total		100.00%

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 1.68 years

Total NPA provided and percentage to NAV: NIL

SECTOR ALLOCATION

Debentures and Bonds	64.41%
Commercial Paper (CP)/Certificate of Deposits (CD)	32.95%
Net Current Assets	1.66%
CBLO & Term Deposits & Rev.Repo	0.98%

RATING PROFILE

A1+, AAA, AAA(so), CARE AAA, F1+(ind), F1+(ind)(SO), LAAA, P1+, P1+(so)	82.94%
AA+, LAA+, AA(ind)(SO)	14.42%
Net Current Assets	1.66%
CBLO & Term Deposits & Rev.Repo	0.98%

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**: For redemptions/switch-outs within 6 months: 0.50% • For redemptions/switch-outs after 6 months: Nil (b) **Entry**: Nil. **Exit**: Nil. **Minimum Initial Investment**: (a) Rs. 5000 (b) Rs. 5,00,000 **Additional Investment**: Rs. 1000 & in Multiples of Re.1. **Ideal Investments Horizon** - 1-2 years **Corpus**: Rs. 170.17 crores. **Ratios**: Total Expense Ratio: (a) 2.25% (b) 1.00% **Sharpe***: (a) 0.46 (b) 1.11 **Standard Deviation***: (a) 2.45 (b) 2.47 **YTM**: 8.50% *Source: Value Research. Portfolio Modified Duration: 3.77

Performance as on March 31, 2008

	6 Months	1 Yr	3 Yr	5 Yr	Since Allotment (Nov 25, 1999)
Deposit Plan	3.75	7.99	5.77	5.54	8.71
Regular Plan	4.45	9.67	6.96	6.50	9.58
Crisil Composite Bond Index	3.57	8.20	5.06	4.80	5.79

Kotak Bond Deposit NAV : Rs.20.0959 (Growth Option). Kotak Bond Regular NAV : Rs.21.4747 (Growth Option). Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.

PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets
Debt Instruments		
Debentures and Bonds		
Corporate Debt / Financial Institutions		
HDFC Ltd.	AAA	6.15%
LIC Housing Finance Ltd.	AAA	5.86%
TAS Trust Series III, Series A1	AA+(so)	2.99%
Citicorp Finance (India) Ltd.	AAA	1.76%
Corporate Debt / Financial Institutions - Total		16.76%
Public Sector Undertakings		
Power Finance Corporation Ltd.	AAA	5.89%
State Bank of Bikaner & Jaipur	AAA	2.96%
Indian Railway Finance Corporation Ltd.	AAA	2.91%
National Bank for Agriculture and Rural Development	AAA	2.50%
Punjab National Bank	AAA	0.59%
Public Sector Undertakings - Total		14.85%
Government Dated Securities		
8.33% Government Stock - 2036	SOV	12.32%
8.20% Government Stock - 2022	SOV	7.10%
7.99% Government Stock - 2017	SOV	6.65%
8.23% Government Stock - 2027	SOV	3.98%
Government Dated Securities - Total		30.05%
Collateral Borrowing & Lending obligation		26.06%
Net Current Assets/ (Liabilities)		12.28%
Grand Total		100.00%

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 7.45 years
Total NPA provided and percentage to NAV: NIL

SECTOR ALLOCATION

Debentures and Bonds	31.61%
Government Dated Securities	30.05%
CBLO & Term Deposits & Rev.Repo	26.06%
Net Current Assets	12.28%

RATING PROFILE

AAA, SOV	58.67%
CBLO & Term Deposits & Rev.Repo	26.06%
Net Current Assets	12.28%
AA+(so)	2.99%

KOTAK GILT SAVINGS

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. **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 and multiples of Re. 1. **Ideal Investments Horizon** 6 Months and above. **Corpus**: Rs.13.24 crores. **Ratios**: Total Expense Ratio: 1.00% **Beta***: 0.22 **Sharpe***: 1.03 **Standard Deviation***: 0.91 **Alpha***: 0.59 **YTM**: 7.00% *Source: Value Research. Portfolio Modified Duration: 0.82

Performance as on March 31, 2008

	6 Months	1 Yr	3 Yr	5 Yr	Since Allotment (Savings Plan Dec 29, 1998)
Gilt Investment Savings Plan	4.09	7.10	5.90	5.47	7.45
ISEC SIBEX	4.14	8.94	6.66	6.23	6.49

Kotak Gilt Investment Savings Plan : Rs.19.4746 (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 follows:

Investment Savings Plan	4.09	7.10	5.90	5.47	7.45
ISEC SIBEX	4.14	8.94	6.66	6.23	6.49

Issuer / Instrument	Industry / Rating	% to Net Assets
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Debt Instruments

Government Dated Securities			
5.87%	Government Stock - 2010	SOV	35.65%
5.48%	Government Stock - 2009	SOV	19.47%
Government Dated Securities - Total			55.12%
Collateral Borrowing & Lending obligation			34.82%
Net Current Assets/ (Liabilities)			10.06%
Grand Total			100.00%

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.89 years
Total NPA provided and percentage to NAV: NIL

SECTOR ALLOCATION

Government Dated Securities	55.12%
CBLO & Term Deposits & Rev.Repo	34.82%
Net Current Assets	10.06%

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. 30.52 crores. **Ratios**: Total Expense Ratio: (a) 1.65% (b) 1.25% **Sharpe***: (a) 0.00 (b) 0.11 **Standard Deviation***: (a) 3.78 (b) 3.78 * **YTM**: 7.50% *Source: Value Research. Portfolio Modified Duration: 4.07

Performance as on March 31, 2008

	6 Months	1 Yr	3 Yr	5 Yr	Since Allotment (Inv Plan- Dec 29, '98; Inv PF & Trust Plan - Nov 11, '03)
Investment Regular Plan	4.53	7.60	4.91	5.48	10.55
Investment - PF & Trust Plan	4.73	8.02	5.34	-	4.14
ISEC Composite Index	4.35	9.17	6.38	6.11	7.16

Kotak Gilt Investment Regular Plan : Rs.25.3661 (Growth Option). Kotak Gilt Investment PF & Trust Plan : Rs. 25.8026 (Growth Option). Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate).

PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets	
Debt Instruments			
Government Dated Securities			
7.99%	Government Stock - 2017	SOV	16.58%
8.33%	Government Stock - 2036	SOV	13.09%
8.20%	Government Stock - 2022	SOV	9.90%
8.23%	Government Stock - 2027	SOV	9.52%
Government Dated Securities - Total			49.09%
Collateral Borrowing & Lending obligation			44.63%
Net Current Assets/ (Liabilities)			6.28%
Grand Total			100.00%

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 8.33 years
Total NPA provided and percentage to NAV: NIL

SECTOR ALLOCATION

Government Dated Securities	49.09%
CBLO & Term Deposits & Rev.Repo	44.63%
Net Current Assets	6.28%

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**: Nil. **Minimum Initial Investment**: Rs. 5000 & Rs.1,00,000 under Daily Dividend Reinvestment option. **Additional Investment**: Rs.1000 & in Multiples of Re.1. **Ideal Investments Horizon** 7 days **Corpus**: Rs. 2053.93 crores. **Ratios**: Total Expense Ratio: 0.33% **Standard Deviation***: 0.12 **Sharpe***: 22.90 **YTM**: 8.75% *Source: Value Research. Portfolio Modified Duration: 0.56

Performance as on March 31, 2008

	6 Months	1 Yr	3 Yr	5 Yr	Since Allotment (Dec 06, 2004)
Kotak Flexi Debt	4.19	8.64	7.40		7.33
CRISIL Composite Bond Index	3.57	8.20	5.06		5.79

Kotak Flexi Debt NAV: Rs.12.6438 (Growth Option). Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.

PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets
Debt Instruments		
Debentures and Bonds		
Corporate Debt / Financial Institutions		
HDFC Ltd.	AAA	6.83%
Bharat Securitisation Trust 2 Ser B	AA(ind)(SO)	2.87%
Tata Sons Ltd.	AAA	2.50%
RB Loan Trust Series V 2007 Series A3	F1+(ind)(SO)	2.43%
Shriram Transport Finance Co Ltd.	AA(ind)	2.25%
Shriram Transport Finance Co Ltd.	AA(ind)(SO)	2.14%
Coll.Debt Trust Ser.15 Class A1 OPT - II	P1+(so)	2.02%
LIC Housing Finance Ltd.	AAA	1.68%
Indiabulls Financial Services Ltd	F1+(ind)(SO)	1.55%
Mahindra & Mahindra Financial Services Ltd.	AA+	1.28%

Long Bond Receivables 2006 III PTC A
Citifinancial Consumer Finance India Ltd.
Coll.Debt Trust Ser.14 Class A1
Infrastructure Development Finance Co. Ltd
Indian Loan Receivables Trust DEC07 Series E1
Religare Finvest Ltd.
Citicorp Finance (India) Ltd.
Infrastructure Development Finance Co. Ltd
Indian Cor Loan Sec.Trust Sr XXXVIII - Sr A1
RB Loan Trust Series XII, A2
Collateralised Trust Ser 9 CL-A1
CAT Series XXIII - Class A1
Credit Asset Trust Ser VIII Class A Cert
Indian Corp Loan Sec. Trust Ser L Ser A1
Loan Rec.Securitization Trust B - Ser-B2
CAT Series X Class A Certificate
Indian Corporate Loan Securitisation Trust Sr XXII
TAS Trust Series III, Series A1
Infrastructure Development Finance Co. Ltd
Cholamandalam DBS Finance Limited.
Bajaj Auto Finance Limited
RB Loan Trust Series V 2007 Series A1
KPI Loan Trust Series A1,OPT- A
KAB Loan Trust Series A1
Kotak Mahindra Prime Ltd.
DSP Merrill Lynch Capital Ltd.
Indian Retail ABS Trust Series 56 PTC A2
RB Loan Trust Series XII, A1
Indian Corp Loan Sec. Trust Ser L Ser A2
Coll.Debt Trust Ser.15 Class A2 OPT - II
Coll.Debt Trust Ser.14 Class A2
Collateralised Trust Ser 9 CL-A2
Loan Rec.Securitization Trust B-Ser-B1
ICICI Bank Ltd.

AAA(ind) 1.23%
AAA 1.22%
P1+(so) 1.22%
AAA(ind) 1.10%
P1+(so) 1.10%
A1+ 1.10%
AAA 1.09%
LAAA 1.09%
P1+(so) 1.00%
F1+(ind)(SO) 1.00%
AA(ind) 0.98%
P1+(so) 0.89%
F1+(ind) 0.67%
P1+(so) 0.60%
AA(ind)(SO) 0.59%
AA(ind) 0.58%
LAAA(SO) 0.49%
AA+(so) 0.44%
A1+ 0.44%
LAA 0.44%
AA+ 0.41%
F1+(ind)(SO) 0.26%
AA-(ind) 0.22%
A1+(SO) 0.22%
P1+ 0.22%
AAA 0.22%
AAA 0.14%
F1+(ind)(SO) 0.12%
P1+(so) 0.09%
P1+(so) 0.08%
P1+(so) 0.05%
AA(ind) 0.04%
AA(ind)(SO) 0.04%
CARE AAA 0.00%

44.93%

Corporate Debt / Financial Institutions - Total

Public Sector Undertakings

National Bank for Agriculture and Rural Development
Coll.Debt Trust Ser.12 Class A1 OPT I
Ind.Cor.Loan Sec.Trust Series XXXIX A1
Industrial Development Bank Of India.
Indian Railway Finance Corporation Ltd.
Power Finance Corporation Ltd.
Punjab National Bank
State Bank of Mysore
Ind.Cor.Loan Sec.Trust Series XXXIX A2
Coll.Debt Trust Ser.12 Class A2 OPT I

AAA 2.14%
P1+(so) 2.01%
P1+(so) 2.01%
AA+ 1.13%
AAA 1.11%
AAA 0.66%
AAA 0.44%
AAA 0.22%
P1+(so) 0.07%
P1+(so) 0.07%

9.86%

Public Sector Undertakings - Total

Money Market Instruments

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

Corporate Debt / Financial Institutions

Unitech Ltd.
Sobha Developers Ltd.
ICICI Bank Ltd.
Reliance Capital Ltd.
DLF Limited
Federal Bank Ltd.
L & T Finance Limited
Development Credit Bank Ltd.
ICICI Home Finance Company Limited
Karur Vysya Bank Ltd.
ICICI Bank Ltd.
AXIS Bank Ltd.
ING Vysya Bank Ltd
L & T Finance Limited
ABN Amro Bank N.V

F1+(ind) 7.14%
A1 2.07%
A1+ 1.87%
A1+ 1.31%
A1+ 1.07%
P1+ 1.06%
PR1+(SO) 0.86%
P1+ 0.65%
A1+ 0.64%
F1+(ind) 0.62%
P1+ 0.61%
P1+ 0.42%
P1+ 0.26%
PR1+ 0.22%
A1+ 0.08%

18.88%

Corporate Debt / Financial Institutions - Total

Public Sector Undertakings

Punjab National Bank
State Bank of Patiala
State Bank of Indore
Canara Bank
Oriental Bank of Commerce
National Bank for Agriculture and Rural Development
State Bank of Mysore
Export-Import Bank of India.

P1+ 3.12%
A1+ 2.37%
P1+ 2.11%
P1+ 2.05%
P1+ 1.12%
CARE AAA 1.00%
A1+ 0.65%
P1+ 0.44%

12.86%

Public Sector Undertakings - Total

Treasury Bills

364 Days Treasury Bill 18/07/2008
364 Days Treasury Bill 20/06/2008

SOV 2.16%
SOV 0.43%

2.59%

Treasury Bills - Total

Collateral Borrowing & Lending obligation

Net Current Assets/ (Liabilities)

Grand Total

100.00%

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.65 years
Total NPA provided and percentage to NAV: NIL

SECTOR ALLOCATION

Debentures and Bonds	54.79%
Commercial Paper (CP)/Certificate of Deposits (CD)	31.74%
Net Current Assets	10.81%
Treasury Bills	2.59%
CBLO & Term Deposits & Rev.Repo	0.07%

RATING PROFILE

A1+, A1+(SO), AAA, AAA(ind), CARE AAA, F1+(ind), F1+(ind)(SO), LAAA, LAAA(SO), P1+, P1+(so), PR1+, PR1+(SO), SOV	73.64%
A1, AA+, AA+(so), AA(ind), AA(ind)(SO), LAA, AA-(ind)	15.48%
Net Current Assets	10.81%
CBLO & Term Deposits & Rev.Repo	0.07%

KOTAK FLOATER LONG TERM

Open - Ended Debt 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 & 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 and above **Corpus:** Rs. 44.32 crores. **Ratios:** Total Expense Ratio: 0.69% Standard Deviation*: 0.29 Beta*: -0.10 Sharpe*: 10.24 Alpha*: 3.12 YTM: 8.90% *
Source: Value Research. Portfolio Modified Duration: 0.21

Performance as on March 31, 2008

	6 Months	1 Yr	3 Yr	Since Allotment (Aug 13, 2004)
Kotak Floater Long Term	4.45	9.27	7.26	6.92
CRISIL Liquid Fund Index	3.35	7.43	6.25	5.91

Kotak Floater Long Term NAV : Rs.12.7532 (Growth Option). Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.

PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets
Debt Instruments		
Debentures and Bonds		
Corporate Debt / Financial Institutions		
Tata Sons Ltd.	AAA	10.33%
Indiabulls Financial Services Ltd	F1+(ind)(SO)	10.22%
Citifinancial Consumer Finance India Ltd.	AAA	10.20%
Indian Retail ABS Trust Series 56 PTC A2	AAA	8.36%
RB Loan Trust Series V 2007 Series A3	F1+(ind)(SO)	7.37%
KPI Loan Trust Series A1,OPT- A	AA-(ind)	4.12%
Corporate Debt / Financial Institutions - Total		
Money Market Instruments		
Commercial Paper (CP)/Certificate of Deposits (CD)		
Corporate Debt / Financial Institutions		
Citibank N.A.	P1+	9.98%
L & T Finance Limited	PR1+	9.96%
Unitech Ltd.	F1+(ind)	9.68%
Corporate Debt / Financial Institutions - Total		
Collateral Borrowing & Lending obligation		
Net Current Assets/ (Liabilities)		
		11.63%
Grand Total		100.00%

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.34 years
Total NPA provided and percentage to NAV: NIL

SECTOR ALLOCATION

Debentures and Bonds	50.60%
Commercial Paper (CP)/Certificate of Deposits (CD)	29.62%
Net Current Assets	11.63%
CBLO & Term Deposits & Rev.Repo	8.15%

RATING PROFILE

AAA, F1+(ind), F1+(ind)(SO), P1+, PR1+	76.10%
Net Current Assets	11.63%
CBLO & Term Deposits & Rev.Repo	8.15%
AA-(ind)	4.12%

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 & Rs.1,00,000 under Daily Dividend Reinvestment option **Additional Investment:** Rs. 1000 & in Multiples of Re.1. **Ideal Investments Horizon** 1 Month to 3 Months. **Corpus:** Rs. 339.38 crores. **Ratios:** Total Expense Ratio: 0.42% Standard Deviation*: 0.12 Beta*: 0.04 Sharpe*: 21.49 Alpha*: 2.42 YTM: 8.80% *Source: Value Research. Portfolio Modified Duration: 0.15

Performance as on March 31, 2008

	7 Days	15 Days	1 Month	3 Months	6 Months
Kotak Floater Short Term	0.17	0.35	0.70	2.08	4.20
CRISIL Liquid Fund Index	0.23	0.40	0.70	1.69	3.35

	1 Yr	3 Yr	Since Allotment (Aug 13, 2004)
Kotak Floater Short Term	8.32	7.01	6.30
CRISIL Liquid Fund Index	7.43	6.25	5.91

Kotak Floater Short Term NAV : Rs.13.3408 (Growth Option). Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.

PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets
Debt Instruments		
Debentures and Bonds		
Corporate Debt / Financial Institutions		
Infrastructure Development Finance Co. Ltd	LAAA	7.35%
Mahindra & Mahindra Financial Services Ltd.	AA+	7.35%
CAT Series XXIII - Class A1	P1+(so)	5.93%
Indiabulls Financial Services Ltd	F1+(ind)(SO)	5.91%
CAT Series XXXVII - Class A2	F1+(ind)(SO)	5.90%
Citicorp Finance (India) Ltd.	AAA	4.41%
DSP Merrill Lynch Capital Ltd.	AAA	2.94%
LIC Housing Finance Ltd.	AAA	1.90%
AXIS Bank Ltd.	LAA+	1.52%
Shriram Transport Finance Co Ltd.	AA(ind)(SO)	1.48%
Tata Sons Ltd.	AAA	1.47%
Sundaram Finance Ltd.	AA+	1.47%
Corporate Debt / Financial Institutions - Total		
Public Sector Undertakings		
Indian Railway Finance Corporation Ltd.	AAA	4.44%
Public Sector Undertakings - Total		
Money Market Instruments		
Commercial Paper (CP)/Certificate of Deposits (CD)		
Corporate Debt / Financial Institutions		
Hongkong & Shanghai Banking Corporation	F1+(ind)	10.13%
Citibank N.A.	P1+	10.08%
Centurion Bank of Punjab Ltd.	F1+(ind)	7.05%
ING Vysya Bank Ltd	P1+	6.95%
Karur Vysya Bank Ltd.	F1+(ind)	4.29%
ICICI Bank Ltd.	P1+	1.45%

Corporate Debt / Financial Institutions - Total	39.95%	
Public Sector Undertakings		
State Bank Of India	P1+	2.03%
Union Bank of India	P1+	1.45%
State Bank of Travancore	P1+	1.44%
Public Sector Undertakings - Total	4.92%	
Collateral Borrowing & Lending obligation	1.62%	
Net Current Assets/(Liabilities)	1.44%	
Grand Total	100.00%	

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.15 years
Total NPA provided and percentage to NAV: NIL

SECTOR ALLOCATION

Debentures and Bonds	52.07%
Commercial Paper (CP)/Certificate of Deposits (CD)	44.87%
CBLO & Term Deposits & Rev.Repo	1.62%
Net Current Assets	1.44%

RATING PROFILE

AAA, F1+(ind), F1+(ind)(SO), LAAA, P1+, P1+(so)	85.12%
AA+, LAA+, AA(ind)(SO)	11.82%
CBLO & Term Deposits & Rev.Repo	1.62%
Net Current Assets	1.44%

RB Loan Trust Ser-III 2007 Ser A3	P1+(so)	2.06%
KCS Loan Trust Series A1,OPT -B	A1+(SO)	2.06%
Infrastructure Development Finance Co. Ltd	LAAA	2.05%
BHPC Auto Securitisation Trust Dec 2007 - I	AAA(so)	1.76%
LIC Housing Finance Ltd.	AAA	1.70%
ICICI Bank Ltd.	CARE AAA	1.54%
DSP Merrill Lynch Capital Ltd.	AAA	1.44%
Sundaram Finance Ltd.	MAAAA	1.44%
Mahindra & Mahindra Financial Services Ltd.	AA+	1.30%
Kotak Mahindra Investments Ltd.	A1+	1.23%
Tata Sons Ltd.	AAA	1.05%
Citifinancial Consumer Finance India Ltd.	AAA	1.03%
GE Capital Services India.	AAA	0.94%
Hero Honda Finance Ltd.	P1+	0.82%
Indian Cor Loan Sec.Trust Sr XXXVIII - Sr A1	P1+(so)	0.75%
Edelweiss Securities Private Limited	P1+	0.62%
Sundaram Finance Ltd.	AA+	0.61%
India Loan Securitisation Trust V PTC A	AAA(so)	0.24%
RB Loan Trust Series XIV A1-IO	P1+(so)	0.23%
Gruh Finance Ltd	AA	0.21%
Citicorp Maruti Finance Ltd.	AAA	0.21%
KPR Loan Trust Series A2,OPT - B	PR1+(SO)	0.20%
RB Loan Trust Series XIV A2-PO	P1+(so)	0.18%
KPR Loan Trust Series A1,OPT - B	PR1+(SO)	0.13%
Corporate Debt / Financial Institutions - Total	53.17%	

Public Sector Undertakings		
Indian Railway Finance Corporation Ltd.	AAA	7.83%
Power Finance Corporation Ltd.	AAA	2.28%
Export-Import Bank of India.	AAA	1.23%
Industrial Development Bank Of India.	AA+	1.04%
National Bank for Agriculture and Rural Development	AAA	0.21%
Union Bank of India	AA+	0.20%
Public Sector Undertakings - Total	12.79%	

Money Market Instruments	
Commercial Paper (CP)/Certificate of Deposits (CD)	
Corporate Debt / Financial Institutions	

Jammu & Kashmir Bank	P1+	4.01%
Karur Vysya Bank Ltd.	F1+(ind)	4.01%
ICICI Bank Ltd.	P1+	3.80%
DLF Limited	A1+	3.00%
ING Vysya Bank Ltd	P1+	2.63%
ABN Amro Bank N.V	P1+	2.57%
Reliance Capital Ltd.	A1+	2.05%
Tata Motors Ltd.	P1+	2.01%
Centurion Bank of Punjab Ltd.	F1+(ind)	1.18%
ICICI Bank Ltd.	A1+	1.00%
Hongkong & Shanghai Banking Corporation	F1+(ind)	0.61%
Federal Bank Ltd.	P1+	0.60%
L & T Finance Limited	PR1+	0.60%
ABN Amro Bank N.V	A1+	0.40%
ICICI Home Finance Company Limited	A1+	0.19%
Corporate Debt / Financial Institutions - Total	28.66%	

Public Sector Undertakings		
National Bank for Agriculture and Rural Development	CARE AAA	3.98%
State Bank of Patiala	A1+	1.96%
Punjab National Bank	P1+	1.02%
State Bank of Travancore	P1+	0.80%
State Bank of Bikaner & Jaipur	P1+	0.77%
Allahabad Bank	PR1+	0.63%
State Bank of Indore	P1+	0.61%
Union Bank of India	A1+	0.40%
Indian Overseas Bank	A1+	0.40%
Canara Bank	P1+	0.19%
State Bank Of India.	P1+	0.08%
Public Sector Undertakings - Total	10.84%	
Collateral Borrowing & Lending obligation	1.52%	
Net Current Assets/(Liabilities)	-6.98%	
Grand Total	100.00%	

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.22 years
Total NPA provided and percentage to NAV: NIL

SECTOR ALLOCATION

Debentures and Bonds	65.96%
Commercial Paper (CP)/Certificate of Deposits (CD)	39.50%
CBLO & Term Deposits & Rev.Repo	1.52%
Net Current Assets	-6.98%

RATING PROFILE

A1+, A1+(SO), AAA, AAA(so), CARE AAA, F1+(ind), F1+(ind)(SO), LAAA, MAAA, P1+, P1+(so), PR1+, PR1+(SO)	97.73%
AA+, LAA+, AA, AA(ind)(SO)	7.73%
CBLO & Term Deposits & Rev.Repo	1.52%
Net Current Assets	-6.98%

Risk free rate of returns for Sharpe ratio : 7.65%

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. 2638.41 crores. **Ratios:** Total Expense Ratio: (a) 1.00% (b) 0.72% (c) 0.36% Sharpe*: (a) 14.19 (b) 16.64 (c) 18.81 Alpha*: (a) 1.46 (b) 1.75 (c) 2.16 Standard Deviation*: (a) 0.11 (b) 0.12 (c) 0.12 YTM: 8.60 * Source: Value Research. Portfolio Modified Duration: 0.21

Performance as on March 31, 2008

	7 Days	15 Days	1 Month	3 Months	6 Months
Kotak Liquid Regular Plan	0.16	0.31	0.62	1.84	3.65
Kotak Liquid Institutional Plan	0.16	0.31	0.64	1.90	3.77
Kotak Liquid Institutional Premium Plan	0.17	0.33	0.68	2.02	3.99
CRISIL Liquid Fund Index	0.23	0.40	0.70	1.69	3.35

	1 Yr	3 Yr	5 Yr	Since Allotment (Reg. - Oct 05, '00; Instl - Mar 14, '03, Instl Prem- Nov 04, '03)
Kotak Liquid Regular Plan	7.31	6.32	5.61	6.37
Kotak Liquid Institutional Plan	7.60	6.70	5.99	5.99
Kotak Liquid Institutional Premium Plan	8.01	7.04	-	6.34
CRISIL Liquid Fund Index	7.43	6.25	5.44	5.57

Kotak Liquid Regular Plan NAV: Rs.15.8860 (Growth Option); Kotak Liquid Institutional Plan NAV : Rs.16.7151 (Growth Option). Kotak Liquid Institutional Premium Plan NAV: Rs.16.3647 (Growth Option). Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.

PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets
Debt Instruments		
Debentures and Bonds		
Corporate Debt / Financial Institutions		
HDFC Ltd.	AAA	6.69%
CAT Series XXIV - Class A	P1+(so)	5.15%
RB Loan Trust Series XI	F1+(ind)(SO)	4.14%
Edelweiss Capital Ltd.	P1+	3.49%
Citicorp Finance (India) Ltd.	AAA	3.27%
AXIS Bank Ltd.	LAA+	2.31%
Kotak Mahindra Prime Ltd.	P1+	2.26%
Shriram Transport Finance Co Ltd.	AA(ind)(SO)	2.06%

DIVIDEND HISTORY

EQUITY SCHEMES

Record Date	Cum Dividend NAV	Rs/Unit
Kotak 30 - Dividend		
Feb-28-08	39.091	3.00
Jan-11-08	51.398	6.00
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
Dec-11-99	22.954	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 Contra		
July-27-07	16.0365	2.00
Kotak MNC		
Feb-11-05	20.600	4.50
Kotak Opportunities		
Mar-03-08	16.975	2.00
Jan-25-08	27.090	6.00
Sept-28-07	24.293	3.00
Sept-27-06	17.745	1.50
Mar-21-06	21.783	4.50
Sept-28-05	16.816	1.00
Feb-25-05	12.852	0.75
Kotak Midcap		
Apr-28-06	19.4377	4.00
Aug-24-05	13.0267	0.50
Kotak Tax Saver		
Feb-08-08	15.1896	3.50
Feb-20-07	11.6407	3.00

Record Date	Cum Dividend NAV	Rs/Unit
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Kotak Lifestyle		
June-29-07	13.067	1.75

HYBRID SCHEMES

Kotak Balance		
Mar-25-07	25.629	4.00
Sept-25-07	28.078	2.00
Sept-27-06	22.870	1.00
Mar-27-06	26.645	3.50
Dec-12-05	22.232	1.00
May-16-05	18.129	0.75
Dec-13-04	16.175	0.50
Dec-12-03	15.559	2.75
Mar-13-00	13.471	1.00
Kotak Income Plus - Monthly Dividend		
Mar-12-08	10.9659	Individual / HUF : 0.0612 Others : 0.0570
Feb-12-08	11.0814	Individual / HUF : 0.0652 Others : 0.0607
Jan-14-08	11.7993	Individual / HUF : 0.0738 Others : 0.0687
Dec-12-07	11.7295	Individual / HUF : 0.0654 Others : 0.0609
Kotak Income Plus- Quarterly Dividend		
Mar-24-08	10.7946	Individual / HUF : 0.2093 Others : 0.1948
Dec-20-07	11.6952	Individual / HUF : 0.1907 Others : 0.1775
Sep-20-07	11.1409	Individual / HUF : 0.1916 Others : 0.1783
Jun-20-07	11.0680	Individual / HUF : 0.1885 Others : 0.1755

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.

SERVICES & FACILITIES

- **Network of Transaction Acceptance Points:** Submit transaction requests at your convenience across our 27 Investor Service Centres and 96 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, AXIS Bank, Centurion Bank of Punjab, Citibank, Corporation Bank, Deutsche Bank, HDFC Bank, HSBC, ICICI Bank, IDBI Bank, Indusind Bank Kotak Mahindra Bank, Standard Chartered Bank.
- **Systematic Investments, Withdrawals and Transfers:** Our Systematic Investment Facility provides you with the option of investing a fixed amount over a period of time, in a disciplined manner. Through this process, you benefit from Rupee Cost Averaging (buying more Units at lower NAV), and avoid the uncertainties involved with trying to time the market. Through our Systematic Withdrawal Facility, withdraw fixed amounts, or the entire appreciation on your investment, in any scheme periodically and benefit by averaging out on market fluctuations. To systematically transfer investments from one Kotak scheme to another, try our Systematic Transfer Facility. This tool also helps you manage your investment portfolio among Kotak Mutual Schemes, in line with your asset allocation plan.
- **Internet Transactions:** Switch investments across our schemes, or redeem your investments electronically, through our Internet Transaction Facility. You can also invest in our schemes online, through Kotakstreet (www.kotakstreet.com), ICICI Direct (www.icicidirect.com), and Times of Money (www.timesofmoney.com).
- **E-mail Communication:** Opt in to value-added information through e-mail: Daily NAV and Dividend Updates, Monthly Updates, weekly and more.
- **Website Utilities:** Plan and track your investments better. Use our Risk Profiler to assess your risk appetite, our Financial Planner to plan investments and financial goals and our Returns Calculator to measure your earnings from Kotak Mutual schemes. Just register, free, at www.kotakmutual.com, and access all these facilities.

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