

SMALL ON SAVINGS. BIG ON BENEFITS.

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# SIP

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IT'S A GOOD HABIT.

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Systematic Investment Plan is a smart way to create wealth. It doesn't demand lump sum investments. Just a little, every month. What's more? With SIP, you don't need to time the market. And over a long period, your investment averages out the

market highs and lows. Hence you buy more units when the market is low and less when the market is high. SIP is truly small on savings and big on benefits. So, develop a good habit of regular savings. Invest in Kotak SIP.

The Kotak SIP Advantage: • Auto-debit feature • Simple structure: Minimum 6 instalments, minimum investment amount Rs. 1000.

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Systematic Investment Plan

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**Dear Friends,**

The ripple effects of the global financial meltdown has given the Indian equities market its worst year so far. What started as a subprime crisis, has developed into a full-blown credit crunch with liquidity becoming increasingly scarce in the global financial system.

This credit crunch has increased the risk-premium on 3 month US Certificates of Deposits (218 bps), AAA Commercial Paper(165 bps), & Euro-dollar deposit rates(295 bps) and reflects on the crisis of confidence the investors are facing with respect to other asset classes. The global deleveraging is happening at a fast pace. The global bailout trend continues with large banks getting access to funding/guarantees from the central banks globally. This trend has now reached a mammoth proportion of almost 12% of the global GDP. At core of the concerted effort of the central bankers the world over, has been the aim to restrict the impact of the global financial meltdown from spill over into larger sections of economic activity.

The resultant disruption in the global savings and investment cycle due to high investment costs has led to slowdown in demand for various industrial commodities; esp. Oil, Metals, Minerals, and other primary commodities. The commensurate impact of this larger industrial slowdown in US, Europe, & Japan has reflected across the larger emerging world; with the growth forecasts of many exports oriented nations coming under duress.

At home, the Indian economy too hasn't remained unscathed by the events unfolding globally. The domestic GDP has witnessed a rapid moderation in growth since Mar-2008. As per the latest report, the Indian economy expanded by 7.6% in Q2-FY09. This is in sharp contrast to 9.3% GDP growth witnessed in the same period last year. Of the economy sub-groups, the moderation in growth has been more pronounced in public utilities, manufacturing and agriculture.

It was this anticipated slowdown in the Indian economy that accentuated the PE contraction in the Indian equities market. The 12-month trailing PE in Sensex has fallen to 10x levels from its high of 27x in early January. This earning and PE contraction, in many aspects, indicates of the culmination of various factors : namely high interest rates, global liquidity crunch, FII capital outflow, high energy prices, investment slowdown, and RBI's forex market intervention.

However, the business cycle is now coming to full circle. The Repo rates have declined by 150 bps in last few weeks. Added to that, the rapid decline(358 bps) in inflation in last two months has provided RBI with addition headroom to adopt a more dovish credit policy.

In this backdrop, the long duration funds, especially gilt and bonds portend higher risk-adjusted return potential in the next 6 to 12 months. The credit spread between a 10 year-gilt and a similar-term AAA corporate paper is at one of the widest ever(around 400 bps).

In consequence, with the interest rate cycle on decline, the bullish phase in the gilt market will invariably extend into the corporate debt segment. For an investor, this provides a significant investment opportunity to tap the potential of the given circumstances and obtain annualized double-digit return.

In conclusion, with US & EU officially in recession and experiencing negative economic growth; the fact that India has managed to grow at '7.5% plus' in FY09 (and is expected to grow at 6.5%-7% in FY10) comes as a rejoinder to the strength and resilience of the economy. With the US economic recession expected to end by mid-2009, the expectation of a much sooner market-bounce back in India cannot be ruled out. I remain optimistic that the next year holds a promising outlook and a brighter possibility than what has been thus far.

**Thanks and regards,**

**Sandesh Kirkire**

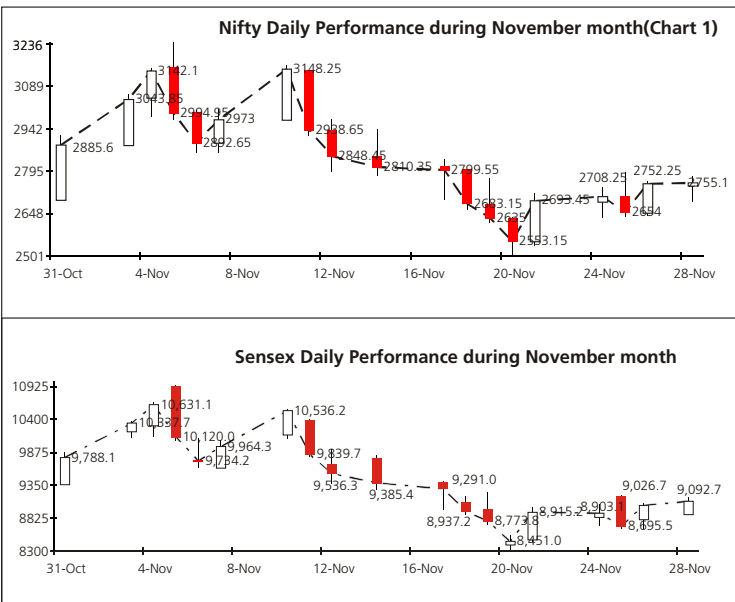
**Mutual Fund investments are subject to market risk. Please read offer document carefully before investing.**

## Equity Market View

The Indian equities market continued to remain volatile in the November month with significant performance variation across sectors. The market remained susceptible to the cues from the overseas markets as also to the RBI measures to induce liquidity while ensuring currency stability.

The Sensex began the month on a positive note as RBI announced 100 bps cut in CRR; a 50 bps cut in repo rate; and reduced the SLR by 100 basis points. However, the market could not sustain the momentum, and Sensex fell by 511 points on 5th Nov due to a general deterioration in sentiments regarding the prospects of the US economy.

Ever since, the market continued to remain in declining mode for next two weeks, with Sensex shedding nearly 2480 points, touching a low of 8316 on 20th Nov. Though, in the subsequent sessions, the Sensex regained some ground, closing the month at 9092 points, a decline of 7.10% over the previous month's close. The Nifty too, in the similar display of circumstances,



closed the month at 2755 points, a 4.52% decline from the previous month.

**Source: nseindia.com & bseindia.com**

The various sectoral components of the market displayed varying performance as the prices fluctuated according to the internal dynamics of the sector. The sectoral indices of Realty (-21.09%), Metals (-18.34%) and Consumer durables(-13.48%) declined most significantly on the one end of the spectrum. while the FMCG (7.6%), Health-care (3.9%), Power (3.05%), & PSU (0.46%) indices showed considerable gains during the month.

The Sensex and Nifty performance displayed the daily returns variance (risk) of 3.75% & 3.73% respectively during the November month. This is more than a 100 bps decline from the returns variance witnessed in October month, which was recorded at 5.01% and 4.82% respectively. This decline in risk from the previous month indicates of reduced volatility and uncertainty in the market during the said period from the previous month.

The average daily cash volume in Nifty during November month was at Rs 9,617 crs. This is a 11.02% decline in volume from the previous month. On the y-o-y basis, the average daily cash volume in Nifty declined by 48.94%. The aggregate cash volume in Nifty during November was recorded at Rs 173122.84 crs - a decline of 19.94% over the same period previous year.

The aggregate turnover in F&O market was recorded at Rs 7,45,356.17 crs - a decline of 20.85% over the previous month. In average terms, the F&O volumes reduced by 12.05% over October 08.

During the November month, the FII participation remained negative as they made net sales of US\$ 644 mn in Indian equities market. On the other hand, the Domestic Mutual Funds segment too remained a net seller in the Indian equities market during the November month, selling around Rs 975.5 crs during the period.

## Market Outlook

The deteriorating global economic landscape has been further accentuated by the tenuous security situation evolving in the Indian neighborhood. However, the institutional resilience of the Indian financial industry provides good reasons to believe that it will easily overcome any such development.

The markets would further be tested by the negative economic news emanating from the US economy. The unemployment numbers in US has already reached a million mark, and is expanding at a seasonally adjusted rate of 6.1%. The American manufacturing too is facing the steepest slump in 26 years. Given these conditions - in absence of a tangible growth oriented policy initiative - Indian markets may continue to face a bearish bias.

In this context, the increasing RBI wariness regarding the declining Dollar-Rupee exchange equation and its associated step to rectify the situation may be of importance to the market. It is worthy to note that, the Rupee has declined by 1.18% in the last one month, and is currently trading in the 49.25-50.25 range against the dollar.

Given these set of variables, short bouts of volatility may be witnessed in the market from time to time. The market would continue to take cues from developing financial situation globally and in India. It is therefore recommended that the investors allocate their investible corpus in accordance with prudent risk management practices, and with a 3-4 year investment horizon. Also, to mitigate the possibilities of short term pricing volatility, investment through means of SIP to obtain 'competitive risk adjusted return' on their investments is advisable.

## Debt Market View

Particular	Nov End	Oct End	Change
Inflation (15th /November/ 2008)	8.84%	10.68%	-1.84%
WPI (Points)	235.1	238.3	-3.20
10 YR IGB (Yield) (28th/November/2008)	7.05%	7.50%	-0.45%
10 YR UST (Yield) (28th/November/2008)	2.92%	3.96%	-1.04%
Avg. LAF Surplus / Deficit (Rs. Cr)	6165	-32890	39055.00
Currency (Rs. /\$) (28th/November/2008)	50.1	49.45	0.65
India's Forex Reserve (Billion \$) (21st /Nov/2008)	245.8	258.4	-12.60

Source: RBI

The bull-run in the Indian secondary gilt market continued unabated in the November month as the yields on the 10 year G-sec declined intermittently, but persistently through the month. The yield on the 10 year G-sec decreased by more than 45 bps during the month as the RBI induced liquidity enhancing measure; like extension of the special repo auction and buy-back of the MSS paper. Most importantly, it was the steep decline of 184 bps in inflation that significantly bolstered the debt market sentiment leading the 10-year yield to close at 7.07% as on 28th Nov.

### Inflation: Steep declining Trend

The inflationary trend in the Indian economy continued to show a structural moderation as the inflation, as reflected by WPI, reduced to 8.84% during the month. The average inflation for the last 4 weeks (as of 15th November) stood at 9.36%. This is down by 189 bps from the previous month.

The inflation in primary goods segment showed a renewed upward trend as the inflation in primary commodities rose by 97 bps during the month to 11.90% (as of 15th Nov). The inflation in this segment is largely due to the price rise in commodities like Rice, Bajra, pulses, and fruits & vegetables.

However, the deceleration in prices of 'Fuel & Power' segment continued unabated. The weekly inflation in this segment reduced by nearly 628 bps in the last 4 weeks and stood at 7.81%. Originally, it was the rapid hike in this segment of the WPI that had led to overall appreciation in the composite inflation index.

The inflation in the Manufacturing segment decreased from 9.26% in Oct, to 8.01% (as on 15th Nov) - A 124 bps reduction from the previous figure. The decline in this major segment was attributable to a general reduction in prices over a large range of industry products like food products, beverage & tobacco products, textiles, chemicals, metals & mineral products.

### Money-Supply: Easing Trend

The money supply expansion has started has to moderated, as depicted by M3. The m-o-m growth in the M3 for the month ended 7th Nov was at 1.48%. This is lesser than the 2.64% m-o-m expansion seen in the previous observation. In absolute terms, the system added nearly 63700 crs in a month's time; largely by way of time deposit with banks, and increase in currency holding with the public. In annual terms, M3 grew at 19.2%, an

increase of Rs 7.06 trillion during the said period. The yoy growth in M3 components: namely currency, Demand Deposits, & time deposits was at 17.6%, 5.3% & 22.1% respectively.

Money Supply & Components (In crs)	7-Nov-08	10-Oct-08	9-Nov-07	% over last month	% over last year
M3	4377847	4314125	3671498	1.48%	19.2%
Currency with the public	622198	603709	529237	3.1%	17.6%
Demand Deposits with Banks	501658	535656	476591	-6.3%	5.3%
Time Deposits with Banks	3247535	3169925	2660478	2.4%	22.1%
'Other' Deposits with Reserve Bank	6456	4835	5192	33.5%	24.3%

Source : RBI

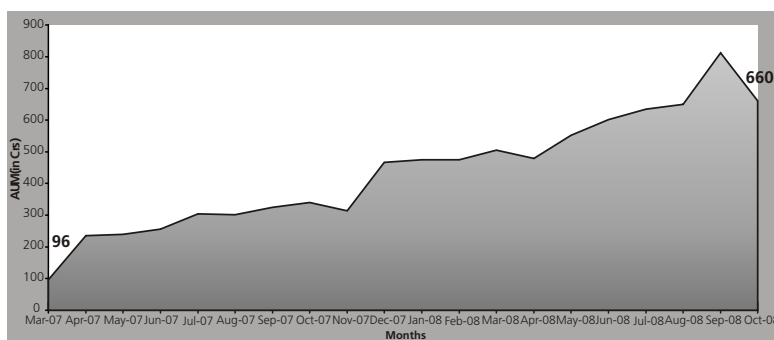
### Outlook

The rapidly moderating inflation has provided significant for the Central banker to calibrate a more aggressive interest rate cut in the coming months. As per the available projections, WPI may go down to around 7.30% by year-end. This has allowed the incumbent administration to concentrate more keenly on padding economic growth of the country in the remaining 4 months of the present tenure. Compounded with the fact that risk-premium on the non-gilt paper is at a historical high, a declining interest rate regime portends significant performance potential for long duration funds especially gilt and bond. In such a backdrop, the bullish sentiment in the debt market is expected to continue and the 10-year benchmark gilt may hover in the 6.75-7.00% range in the coming period.

## Gold Corner

The yellow metal surged almost 11% during the month of November. The gold prices opened the month at \$734/oz and touched a high of \$814/oz on last trading day of the month. This increase could be attributed to the turmoil of Citibank, which almost came near to bankruptcy. Interestingly, November proved to be the best month for gold since 1999, after Oct proved to be the worst month since 1983.

*The assets managed by Gold Exchange Traded Funds in the country decreased to Rs. 660 crore as on Oct 31, 08 from Rs. 813 crore as on Sep 30, 08 (See: Industry ETF AUM).*



### Outlook

The US Federal Reserve is meeting on December 16 and it is expected that it may again cut key lending rates. Also the increasing negative real interest rates globally, and the massive injection of trillions of dollars, pounds, yen, euro and other fiat currencies into the global economy is very bullish for gold in the medium to long term as the purchasing power of all fiat currencies is likely to fall sharply in the coming months.

**Assets Under Management as on November 30, 2008 - Rs. 14,902.77 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 Balance (Jul 11, '07), Kotak Income Plus (Sep 11, '07)

**Name: Mr. Sajit Pisharodi**

**Scheme (experience in managing this fund since)**

Kotak Equity Arbitrage (Sep 29, '05), Kotak Equity FOF (Aug 31, '05), Kotak Income Plus (Sep 11, '07), Kotak MNC (Aug 29, '08), Kotak Tech (Aug 29, '08), Kotak Balance (Aug 29, '08)

**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)

**Name: Mr. Abhishek Bisen**

**Scheme (experience in managing this fund)**

Kotak Equity Arbitrage Fund (Apr 15, 2008), Kotak Balance (Apr 15, 2008), Kotak Income Plus (Apr 15, 2008), Kotak Bond Short Term (Apr 15, 2008), Kotak Bond (Regular & Deposit) (Apr 15, 2008), Kotak Gilt Savings (Apr 15, 2008), Kotak Gilt Investment (Regular & PF-Trust) (Apr 15, 2008), Kotak Flexi Debt (Apr 15, 2008), Kotak Floater Long Term (Apr 15, 2008) Kotak Floater Short Term (Apr 15, 2008), Kotak Liquid (Regular, Institutional & Institutional Premium) (Apr 15, 2008)

**Name: Mr. Emmanuel Elango**

**Scheme (experience in managing this fund)**

Kotak 30 (Sept 1, '08), Kotak Lifestyle (Sept 1, '08), Kotak Contra (Sept 1, '08), Kotak Global India (Sept 1, '08)

**Name: Mr. Deepak Agrawal**

**Scheme (experience in managing this fund)**

Kotak Bond Short Term (Apr 14, '08), Kotak Flexi Debt (Jul 11, '07), Kotak Floater Short Term (Jul 11, '07), Kotak Liquid (Jul 11, '07), Kotak Bond (Regular & Deposit) (Apr 14, '08), Kotak Gilt – Savings (Apr 14, '08), Kotak Gilt - Investment & PF-Trust Plan (Apr 14, '08), Kotak Floater Long Term (Jul 11, '07)

**Name: Mr. Deepak Gupta**

**Scheme (experience in managing this fund)**

Kotak Equity Arbitrage (Aug 29, '08), Kotak Equity FOF (Aug 29, '08)

### BUSINESS EXPERIENCE

Mr. Sanghvi nearly 13 years of experience spanning various functions like 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.

Total experience of nearly 15 years in financial services. Sajit started his career with SHCIL where he was part of Custodial Services. After SHCIL he joined IDBI Capital Markets where he set up the Equity desk and was responsible for Institutional Equity sales. Later on he moved into the fund management team of SBI Funds Management Pvt. Ltd., where his primary responsibility included portfolio management and equity dealing. In 2004 he joined Kotak Mutual Fund and has been part of the Funds management team and has been managing various equity funds and other structured funds.

Mr. Jain has close to 7 years of experience in financial engineering, equity research and Fund Management. 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.

Mr. Abhishek Bisen, who holds a Bachelors Degree In Management and Masters Degree in Business Administration with Specialisation in Finance, Joined the AMC in October 2006. Prior to joining Fund Management team Mr. Bisen was Manager with Portfolio Advisory Group of Kotak AMC. Prior to joining Kotak AMC he was working with Securities Trading Corporation of India Limited and was involved in Managing Non SLR Trading book (AUM about INR 10 Bn) and was responsible for all trading positions of Corporate Bonds/PSU Bonds as well as Advising Clients under portfolio Advisory Services. He also has 2 Years Merchant Banking experience. Mr. Bisen has Total work experience of 7 Years in the Fixed Income / Debt Market.

Past experience of 4 years in Institutional Equities. Worked as Equity research analyst (Oil and Gas, Oil services, Auto Ancillaries, Shipping, Textiles, Transport/Logistics/Aviation), at Franklin Templeton Mutual Fund, India for 2 years. His prior assignment was with J P Morgan Chase as an Equity research analyst. Before his management studies Mr. Elango worked with Bosch as a Design Engineer.

Mr. Agrawal started his career with the AMC in September 2000 and moved to Debt Fund Management Team as research analyst in September 2001 and performed the role of dealer from October 2004 Since November 2006, Mr Agrawal was Fund Manager in the debt fund management team.

Post his CA qualification; Deepak Gupta joined the Kotak AMC in April, 2005 as a Management Trainee in the 'NAV and Fund Accounting' team. In April, 2007 he moved to the Equity Fund Management team as a research analyst.



# 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** - DP, DR & G. **Fund Managers** - Krishna Sanghvi and Emmanuel Elango. **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 1 year from the date of allotment of units for investments of less than Rs. 5 crores: 1%. For exit on or after 1 year from the date of allotment of units for investments of less than Rs. 5 crores: Nil. Where investments is made by Fund of Funds as defined under SEBI Regulations: Nil. Where units are allotted upon reinvestment of Dividends: Nil. Cases not covered above: Nil. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in multiples of Re1 **Ideal Investments Horizon** - 1-3 years **Corpus:** Rs. 571.46 crores **Ratios:** Portfolio Turnover: 180.71% Total Expense Ratio: 2.19% Beta\*: 0.94 Sharpe\*: 0.19 Standard Deviation\*: 30.30 Alpha\*: 4.47 \* Source: Value Research.

**Performance as on November 28, 2008#** (Figures in %)

	6 Months	1 Yr	3 Yr	5 Yr	Since allotment (Dec 29, 1998)
Kotak 30*	-38.45	-47.62	5.71	21.67	18.42
S&P CNX Nifty	-43.03	-50.82	0.53	11.26	12.28

Kotak 30 NAV : Rs.19.700 (Div. Option). \* Returns assumed reinvestment of the tax free dividend declared. Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future. #November 29, 2008 & November 30, 2008 being non-working days.

### PORTFOLIO

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

Oil & Natural Gas Corporation Ltd.	Oil	6.10%
Bharti Airtel Ltd.	Telecom - Services	5.54%
Reliance Industries Ltd.	Petroleum Products	5.45%
Infosys Technologies Ltd.	Software	4.57%
Larsen And Toubro Ltd.	Diversified	3.31%
ITC Ltd.	Consumer Non Durables	3.27%
ICICI Bank Ltd.	Banks	3.26%
State Bank Of India	Banks	3.15%
Hindustan Unilever Ltd.	Diversified	3.13%
HDFC Ltd.	Finance	3.08%
Others		35.10%

#### Listed/Awaiting Listing on Stock Exchange - Total

**Futures**

Hero Honda Motors Ltd.-DEC2008 1.32%

National Thermal Power Corporation Limited-DEC2008 0.83%

Bharat Heavy Electricals Ltd.-DEC2008 0.78%

Lupin Ltd.-DEC2008 0.55%

Punjab National Bank-DEC2008 -0.06%

**Futures (Market value represents Notional Value) - Total** 3.42%

#### Debt Instruments

##### Debentures and Bonds

##### Corporate Debt/Financial Institutions

Indian Corporate Loan Securitization Trust Series 9 Series A P1+(so) 0.18%

**Corporate Debt/Financial Institutions - Total** 0.18%

##### Money Market Instruments

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

Reliance Capital Ltd. A1+ 3.33%

GE Capital Transportation Financial Services Limited P1+ 2.26%

Gruh Finance Ltd. P1+ 0.68%

ICICI Home Finance Company Limited A1+ 0.52%

**Corporate Debt/Financial Institutions - Total** 6.79%

##### TERM DEPOSITS

Kotak Mahindra Bank Ltd. 7.65%

**Term Deposits - Total** 7.65%

**Collateral Borrowing & Lending obligation** 7.87%

**Net Current Assets/(Liabilities)** -1.87%

**Grand Total** 100%

### 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	15.52%
Banks	10.85%
Software	7.21%
Telecom - Services	6.91%
Commercial Paper (CP)/Certificate of Deposits (CD)	6.79%
Diversified	6.44%
Oil	6.10%
Petroleum Products	5.45%
Pharmaceuticals	5.37%
Power	5.34%
Others	24.02%

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. 7,674	Rs. 28,031	Rs. 74,211	Rs. 1,79,999
XIRR	-59.43%	-15.64%	8.45%	21.42%

# 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 1 year from the date of allotment of units for investments of less than Rs. 5 crores: 1%. For exit on or after 1 year from the date of allotment of units for investments of less than Rs. 5 crores: Nil. Where investments is made by Fund of Funds as defined under SEBI Regulations: Nil. Where units are allotted upon reinvestment of Dividends: Nil. Cases not covered above: Nil. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in multiples of Re.1 **Ideal Investments Horizon** - 1-3 years **Corpus:** Rs. 576.67 crores. **Ratios:** Portfolio Turnover: 162.40% Total Expense Ratio: 2.14% Beta\*: 1.06 Sharpe\*: 0.18 Standard Deviation\*: 34.73 Alpha\*: 5.04 \* Source: Value Research.

**Performance as on November 28, 2008#** (Figures in %)

	6 Months	1 Yr	3 Yr	Since allotment (Sep 09, 2004)
Kotak Opportunities	-44.29	-52.82	5.38	20.30
S&P CNX 500	-46.53	-55.83	-3.74	10.03

Kotak Opportunities NAV : Rs. 21.821 (Growth Option) Returns = 1 year : Absolute. Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future. #November 29, 2008 & November 30, 2008 being non-working days.

### PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets
---------------------	-------------------	-----------------

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

Bharti Airtel Ltd.	Telecom - Services	5.59%
Oil & Natural Gas Corporation Ltd.	Oil	4.72%
Reliance Industries Ltd.	Petroleum Products	4.13%
ITC Ltd.	Consumer Non Durables	3.31%
ICICI Bank Ltd.	Banks	3.30%
Infosys Technologies Ltd.	Software	3.12%
Bharat Heavy Electricals Ltd.	Industrial Capital Goods	2.86%
HDFC Ltd.	Finance	2.85%
Divi s Laboratories Limited	Pharmaceuticals	2.83%
Larsen And Toubro Ltd.	Diversified	2.79%
Others		46.66%

#### Listed/Awaiting Listing on Stock Exchange - Total

**Futures** 82.16%

Bharat Heavy Electricals Ltd.-DEC2008 0.89%

United Spirits Ltd.-DEC2008 0.11%

**Futures (Market value represents Notional Value) - Total** 1%

#### Debt Instruments

##### Debentures and Bonds

##### Corporate Debt/Financial Institutions

Ultratech Cement Ltd. AAA 0.35%

Infrastructure Development Finance Co. Ltd. LAAA 0.17%

**Corporate Debt/Financial Institutions - Total** 0.52%

##### Money Market Instruments

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

Reliance Capital Ltd. A1+ 3.23%

GE Capital Services India. P1+ 1.63%

Reliance Capital Ltd. A1+ 1.01%

Gruh Finance Ltd. P1+ 0.17%

**Corporate Debt/Financial Institutions - Total** 6.04%

##### TERM DEPOSITS

Kotak Mahindra Bank Ltd. 6.57%

**Term Deposits - Total** 6.57%

**Collateral Borrowing & Lending obligation** 7.07%

**Net Current Assets/(Liabilities)** -3.36%

**Grand Total** 100%

### 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	13.64%
Banks	11.48%
Telecom - Services	7.10%
Software	6.87%
Consumer Non Durables	6.43%
Commercial Paper (CP)/Certificate of Deposits (CD)	6.04%
Petroleum Products	5.69%
Diversified	5.25%
Pharmaceuticals	5.11%
Oil	5.02%
Others	27.37%

SIP Returns	1 Year	2 Year	3 Year
Investment Amt.	Rs. 12,000	Rs. 24,000	Rs. 36,000
Investment Value	Rs. 7,124	Rs. 15,465	Rs. 26,621
XIRR	-65.57%	-36.79%	-18.71%

## 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:** Exit Load is not applicable for Kotak Tax Saver Scheme. **Minimum Initial Investment:** Rs. 500 **Additional Investment:** Rs. 500 & in Multiples of Rs. 500. **Ideal Investments Horizon** - 3 years **Corpus:** Rs. 262.31 crores. **Ratios:** Beta\*: 0.99 Sharpe\*: -0.10 Standard Deviation\*: 33.71 Alpha\*: -4.81 Portfolio Turnover: 149.81 % Total Expense Ratio: 2.30%

**Performance as on November 28, 2008#** (Figures in %)

	6 Months	1 Yr	3 Yr	Since Allotment (November 23, 2005)
Kotak Tax Saver	-46.44	-55.86	-4.26	-3.92
S&P CNX 500	-46.53	-55.83	-3.74	-2.45

Kotak Tax Saver NAV: Rs.8.863 (Growth Option) Returns = 1 year : Absolute. Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future. #November 29, 2008 & November 30, 2008 being non-working days.

#### PORTFOLIO

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

Oil & Natural Gas Corporation Ltd.	Oil	4.50%
Bharti Airtel Ltd.	Telecom - Services	4.48%
HDFC Ltd.	Finance	3.22%
Infosys Technologies Ltd.	Software	3.13%
Larsen And Toubro Ltd.	Diversified	2.91%
Hindustan Unilever Ltd.	Diversified	2.70%
ITC Ltd.	Consumer Non Durables	2.65%
Reliance Industries Ltd.	Petroleum Products	2.58%
State Bank Of India	Banks	2.53%
ICICI Bank Ltd.	Banks	2.49%
Others		51.33%
<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>82.52%</b>

#### Debt Instruments

##### Debentures and Bonds

##### Corporate Debt/Financial Institutions

AXIS Bank Ltd.	LAA+	3.55%
Ultratech Cement Ltd.	AAA	0.76%

Indian Corporate Loan Securitization

Trust Series 9 Series A	P1+(so)	0.38%
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**Corporate Debt/Financial Institutions - Total** **4.69%**

##### Public Sector Undertakings

Indian Railway Finance Corporation Ltd.	AAA	1.93%
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**Public Sector Undertakings - Total** **1.93%**

##### Money Market Instruments

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

##### Corporate Debt/Financial Institutions

Standard Chartered Investment & Loan India Ltd.	P1+	1.90%
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**Corporate Debt/Financial Institutions - Total** **1.90%**

##### Public Sector Undertakings

State Bank Of India.	P1+	0.37%
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**Public Sector Undertakings - Total** **0.37%**

##### Collateral Borrowing & Lending obligation

**Net Current Assets/(Liabilities)** **0.58%**

**Grand Total** **100%**

#### 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	10.44%
Consumer Non Durables	9.36%
CBLO & Term Deposits & Rev.Repo	8.01%
Debentures and Bonds	6.62%
Software	6.39%
Pharmaceuticals	5.86%
Industrial Capital Goods	5.80%
Diversified	5.61%
Telecom - Services	5.04%
Oil	4.50%
Others	32.37%

## 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 1 year from the date of allotment of units for investments of less than Rs. 5 crores: 1%. For exit on or after 1 year from the date of allotment of units for investments of less than Rs. 5 crores: Nil. Where investments is made by Fund of Funds as defined under SEBI Regulations: Nil. Where units are allotted upon reinvestment of Dividends: Nil. Cases not covered above: Nil. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in multiples of Re. 1. **Ratios:** Beta\*: 1.01 Sharpe\*: -0.25 Standard Deviation\*: 35.07 Alpha\*: -10.01 Portfolio Turnover: 202.81 % Total Expense Ratio: 2.43% **Ideal Investments Horizon** - 1-3 years **Corpus:** Rs. 76.28 crores.

**Performance as on November 28, 2008#** (Figures in %)

	6 Months	1 Yr	3 Yr	Since Allotment (Feb. 24, 2005)
Kotak Mid-Cap	-49.21	-60.38	-9.90	0.85
CNX Midcap	-48.60	-57.12	-5.00	2.92

Kotak Midcap NAV : Rs. 10.556 (Growth Option) Returns = 1 year : Absolute. Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future. #November 29, 2008 & November 30, 2008 being non-working days.

#### PORTFOLIO

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

Divi s Laboratories Limited	Pharmaceuticals	5.63%
Asian Paints Ltd.	Consumer Non Durables	5.23%
Marico Ltd.	Consumer Non Durables	4.09%
Mphasis Ltd	Software	3.48%
Lupin Ltd.	Pharmaceuticals	3.46%
Hindustan Petroleum Corporation Ltd	Petroleum Products	3.33%
Punj Lloyd Ltd.	Construction	3.23%
Union Bank Of India	Banks	3.22%
Exide Industries Ltd	Auto Ancillaries	3.10%
Glenmark Pharmaceuticals Ltd	Pharmaceuticals	2.92%
Others		37.31%
<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>75%</b>

#### Futures

Titan Industries Ltd.-DEC2008		1.09%
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Tata Tea Ltd.-DEC2008		0.52%
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**Futures (Market value represents Notional Value) - Total** **1.61%**

#### Debt Instruments

##### Debentures and Bonds

##### Public Sector Undertakings

Export-Import Bank of India.	AAA	7.96%
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**Public Sector Undertakings - Total** **7.96%**

##### TERM DEPOSITS

Kotak Mahindra Bank Ltd.		9.05%
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**Term Deposits - Total** **9.05%**

##### Collateral Borrowing & Lending obligation

**Net Current Assets/(Liabilities)** **-1.49%**

**Grand Total** **100%**

#### 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	16.92%
Consumer Non Durables	16.12%
Pharmaceuticals	14.09%
Banks	12.26%
Debentures and Bonds	7.96%
Industrial Capital Goods	4.71%
Construction	4.38%
Petroleum Products	3.85%
Finance	3.59%
Software	3.48%
Others	12.64%

Midcap Stocks as a percentage of Net Assets - 65.41

## 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, Sajit Pisharodi & Abhishek Bisen. **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 1 year from the date of allotment of units for investments of less than Rs. 5 crores: 1%. For exit on or after 1 year from the date of allotment of units for investments of less than Rs. 5 crores: Nil. Where investments is made by Fund of Funds as defined under SEBI Regulations: Nil. Where units are allotted upon reinvestment of Dividends: Nil. Cases not covered above: Nil. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in Multiples of Rs. 1. **Ideal Investments Horizon** - 1-3 years **Corpus:** Rs. 55.43 crores. **Ratios:** Portfolio Turnover: 164.79% Total Expense Ratio: 2.50% Sharpe\*: 0.12 Standard Deviation\*: 23.62 \*Source: Value Research

**Performance as on November 28, 2008#** (Figures in %)

	6 Months	1 Yr	3 Yr	5 Yr	Since Allotment (Nov 25, 1999)
Kotak Balance*	-29.63	-38.94	4.93	17.05	14.98
Crisil Balanced Fund Index	-29.49	-34.73	2.51	9.01	NA

Kotak Balance NAV - Rs. 15.514. \* 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. #November 29, 2008 & November 30, 2008 being non-working days.

#### PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets
<b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b>		
Reliance Industries Ltd.	Petroleum Products	4.91%
Oil & Natural Gas Corporation Ltd.	Oil	3.40%
Bharti Airtel Ltd.	Telecom - Services	3.39%
Hindustan Unilever Ltd.	Diversified	3.07%
ITC Ltd.	Consumer Non Durables	3.04%
Infosys Technologies Ltd.	Software	2.92%
ICICI Bank Ltd.	Banks	2.60%
Bharat Heavy Electricals Ltd.	Industrial Capital Goods	2.38%
Divi s Laboratories Limited	Pharmaceuticals	1.79%
Larsen And Toubro Ltd.	Diversified	1.71%
Network18 Preference Shares	Finance	0.04%
Others		37.42%
<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		
<b>Futures</b>		
Tata Power Co. Ltd.-DEC2008		-0.15%
Crompton Greaves Ltd.-DEC2008		-0.17%
ICICI Bank Ltd.-DEC2008		-0.19%
Reliance Communications Ltd.-DEC2008		-0.31%
Bharti Airtel Ltd.-DEC2008		-0.36%
Infosys Technologies Ltd.-DEC2008		-0.67%
Reliance Industries Ltd.-DEC2008		-1.01%
<b>Futures (Market value represents Notional Value) - Total</b>		
<b>Debt Instruments</b>		
<b>Debentures and Bonds</b>		
<b>Corporate Debt/Financial Institutions</b>		
Kotak Mahindra Prime Ltd.	LAA	6.96%
Ultratech Cement Ltd.	AAA	5.41%
<b>Corporate Debt/Financial Institutions - Total</b>		
<b>Public Sector Undertakings</b>		
Indian Railway Finance Corporation Ltd.	AAA	9.08%
<b>Public Sector Undertakings - Total</b>		
<b>Money Market Instruments</b>		
<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>		
<b>Corporate Debt/Financial Institutions</b>		
Gruh Finance Ltd.	P1+	5.26%
Tata Motors Finance Ltd.	A1+	1.74%
<b>Corporate Debt/Financial Institutions - Total</b>		
<b>Public Sector Undertakings</b>		
State Bank Of India.	P1+	1.74%
<b>Public Sector Undertakings - Total</b>		
<b>TERM DEPOSITS</b>		
Kotak Mahindra Bank Ltd.		3.61%
<b>Term Deposits - Total</b>		
<b>Collateral Borrowing &amp; Lending obligation</b>		
<b>Net Current Assets/(Liabilities)</b>		
<b>Grand Total</b>		

#### 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	21.45%
CBLO & Term Deposits & Rev.Repo	10.83%
Banks	9.49%
Commercial Paper (CP)/Certificate of Deposits (CD)	8.74%
Consumer Non Durables	5.96%
Software	5.66%
Petroleum Products	4.91%
Diversified	4.78%
Oil	4.52%
Telecom - Services	4.37%
Others	19.29%

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. 8,609	Rs. 29,504	Rs. 69,456	Rs. 1,45,878
XIRR	-48.14%	-12.55%	5.89%	15.51%

## 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 Emmanuel Elango.  
**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 1 year from the date of allotment of units for investments of less than Rs. 5 crores: 1%. For exit on or after 1 year from the date of allotment of units for investments of less than Rs. 5 crores: Nil. Where investments is made by Fund of Funds as defined under SEBI Regulations: Nil. Where units are allotted upon reinvestment of Dividends: Nil. Cases not covered above: Nil. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in multiples of Re.1. **Ideal Investments Horizon - 1-3 years** **Corpus:** Rs. 91.15 crore. **Ratios:** Portfolio Turnover: 122.57% Total Expense Ratio: 2.35%.

Performance as on November 28, 2008# (Figures in %)

	6 Months	1 Yr	Since Allotment (Mar 21, 2006)
Kotak Lifestyle	-43.45	-55.64	-14.41
S&P CNX 500	-46.53	-55.83	-10.35

Kotak Lifestyle NAV: Rs. 6.577 (Growth Option) Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future. #November 29, 2008 & November 30, 2008 being non-working days.

#### PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets
<b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b>		
Bharti Airtel Ltd.	Telecom - Services	7.73%
Hero Honda Motors Ltd.	Auto	6.94%
Colgate Palmolive (India ) Ltd.	Consumer Non Durables	6.90%
Maruti Udyog Ltd	Auto	5.85%
Reliance Communications Ltd.	Telecom - Services	5.79%
Hindustan Unilever Ltd.	Diversified	4.15%
Dabur India Ltd	Consumer Non Durables	3.60%
State Bank Of India	Banks	3.02%
Marico Ltd.	Consumer Non Durables	2.92%
ITC Ltd.	Consumer Non Durables	2.48%
Network18 Preference Shares	Finance	0.14%
Network 18 Fincap Ltd. Warrants	Finance	0.02%
Others		21.24%
<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		
<b>Futures</b>		
Hero Honda Motors Ltd.-DEC2008		1.67%
<b>Futures (Market value represents Notional Value) - Total</b>		
<b>Debt Instruments</b>		
<b>Debentures and Bonds</b>		
<b>Corporate Debt/Financial Institutions</b>		
GE Capital Services India.	AAA	5.47%
Citifinancial Consumer Finance India Ltd.	AAA	3.29%
LIC Housing Finance Ltd.	AAA	2.23%
Credit Asset Trust Series XLVIII Class A2	F1+(ind)(SO)	1.10%
<b>Corporate Debt/Financial Institutions - Total</b>		
<b>Money Market Instruments</b>		
<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>		
<b>Corporate Debt/Financial Institutions</b>		
HDFC Ltd.	A1+	6.13%
<b>Corporate Debt/Financial Institutions - Total</b>		
<b>TERM DEPOSITS</b>		
Kotak Mahindra Bank Ltd.		2.74%
<b>Term Deposits - Total</b>		
<b>Collateral Borrowing &amp; Lending obligation</b>		
<b>Net Current Assets/(Liabilities)</b>		
<b>Grand Total</b>		

#### 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	20.44%
Auto	13.85%
Telecom - Services	13.52%
Debentures and Bonds	12.09%
Banks	7.59%
Commercial Paper (CP)/Certificate of Deposits (CD)	6.13%
CBLO & Term Deposits & Rev.Repo	6.03%
Diversified	4.15%
Media and Entertainment	4.02%
Finance	2.86%
Others	9.32%

## 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 Emmanuel Elango.  
**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 1 year from the date of allotment of units for investments of less than Rs. 5 crores: 1%. For exit on or after 1 year from the date of allotment of units for investments of less than Rs. 5 crores: Nil. Where investments is made by Fund of Funds as defined under SEBI Regulations: Nil. Where units are allotted upon reinvestment of Dividends: Nil. Cases not covered above: Nil. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in multiples of Re.1. **Ideal Investments Horizon - 1-3 years** **Corpus:** Rs. 59.67 crores. **Ratios:** Portfolio Turnover: 129.15% Total Expense Ratio: 2.49% Beta\*: 0.88 Sharpe\*: -0.05 Standard Deviation\*: 30.19 Alpha\*: -2.68

Performance as on November 28, 2008# (Figures in %)

	6 Months	1 Yr	3 Yr	Since Allotment ( July 27, 2005)
Kotak Contra	-36.51	-45.80	-1.16	0.85
S&P CNX 500	-46.53	-55.83	-3.74	0.01

Kotak Contra NAV: Rs.10.517 (Growth Option). Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate). Past performance may or may not be sustained in future.#November 29, 2008 & November 30, 2008 being non-working days.



**PORTFOLIO**

Issuer / Instrument	Industry / Rating	% to Net Assets
<b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b>		
Bharti Airtel Ltd.	Telecom - Services	6.13%
Reliance Industries Ltd.	Petroleum Products	5.40%
Oil & Natural Gas Corporation Ltd.	Oil	5.23%
Dabur India Ltd	Consumer Non Durables	4.17%
Tata Consultancy Services Ltd.	Software	3.98%
Infosys Technologies Ltd.	Software	3.96%
Union Bank Of India	Banks	3.12%
Asian Paints Ltd.	Consumer Non Durables	2.96%
ITC Ltd.	Consumer Non Durables	2.91%
Reliance Communications Ltd.	Telecom - Services	2.69%
Others		30.57%
Listed/Awaiting Listing on Stock Exchange - Total		<b>71.12%</b>
Futures		
Hero Honda Motors Ltd.-DEC2008		3.90%
<b>Futures (Market value represents Notional Value) - Total</b>		<b>3.90%</b>
<b>Debt Instruments</b>		
<b>Debentures and Bonds</b>		
<b>Corporate Debt/Financial Institutions</b>		
Ultratech Cement Ltd.	AAA	1.68%
<b>Corporate Debt/Financial Institutions - Total</b>		<b>1.68%</b>
<b>Money Market Instruments</b>		
<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>		
<b>Corporate Debt/Financial Institutions</b>		
TATA Capital Ltd.	A1+	8.16%
ICICI Bank Ltd.	A1+	1.64%
<b>Corporate Debt/Financial Institutions - Total</b>		<b>9.80%</b>
<b>TERM DEPOSITS</b>		
Kotak Mahindra Bank Ltd.		5.03%
<b>Term Deposits - Total</b>		<b>5.03%</b>
<b>Collateral Borrowing &amp; Lending obligation</b>		
<b>Net Current Assets/(Liabilities)</b>		<b>-3.26%</b>
<b>Grand Total</b>		<b>100%</b>

**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	16.76%
Consumer Non Durables	14.14%
Telecom - Services	10.61%
Banks	9.87%
Commercial Paper (CP)/Certificate of Deposits (CD)	9.80%
Software	8.73%
Petroleum Products	5.40%
Oil	5.23%
Derivatives	3.90%
Pharmaceuticals	2.73%
Others	12.83%

## 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** - Anurag Jain & Emmanuel Elango.  
**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 if such transaction is done directly by the investor: i) 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 Schemes 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 1 year from the date of allotment of units for investments of less than Rs. 5 crores: 1%. For exit on or after 1 year from the date of allotment of units for investments of less than Rs. 5 crores: Nil. Where investments is made by Fund of Funds as defined under SEBI Regulations: Nil. Where units are allotted upon reinvestment of Dividends: Nil. Cases not covered above: Nil. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000. & in Multiples of Rs.1. **Ideal Investments Horizon** - 1-3 years **Corpus:** Rs. 39.26 crores. **Ratios:** Portfolio Turnover: 88.46% Total Expense Ratio: 2.46% Standard Deviation\*: 30.47 Sharpe\*: -0.32 Beta\*: 0.93 Alpha\*: -10.96 Source: Value Research.  
**Performance as on November 28, 2008#** (Figures in %)

	6 Months	1 Yr	3 Yrs	Since Allotment (Jan 30, 2004)
Kotak Global India	-48.60	-57.97	-9.49	7.70
S&P CNX 500	-46.53	-55.83	-3.74	7.74

Kotak Global India NAV: Rs. 14.314 (Growth Option) Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future. #November 29, 2008 & November 30, 2008 being non-working days.

**PORTFOLIO**

Issuer / Instrument	Industry / Rating	% to Net Assets
<b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b>		
ICICI Bank Ltd.	Banks	6.72%
Oil & Natural Gas Corporation Ltd.	Oil	6.18%
Reliance Industries Ltd.	Petroleum Products	5.78%
Divi s Laboratories Limited	Pharmaceuticals	5.62%
Tata Power Co. Ltd.	Power	4.60%
Tata Consultancy Services Ltd.	Software	4.32%
Zee Entertainment Enterprises Ltd	Media and Entertainment	3.47%
United Spirits Ltd.	Consumer Non Durables	3.25%
United Phosphorus Ltd	Pesticides	3.13%

Crompton Greaves Ltd.	Industrial Capital Goods	3.07%
Others		28.81%
<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>74.95%</b>
<b>Debt Instruments</b>		
<b>Debentures and Bonds</b>		
<b>Corporate Debt/Financial Institutions</b>		
Citifinancial Consumer Finance India Ltd.	AAA	7.64%
<b>Corporate Debt/Financial Institutions - Total</b>		<b>7.64%</b>
<b>Money Market Instruments</b>		
<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>		
<b>Corporate Debt/Financial Institutions</b>		
Reliance Capital Ltd.	P1+	12.41%
<b>Corporate Debt/Financial Institutions - Total</b>		<b>12.41%</b>
<b>TERM DEPOSITS</b>		
Kotak Mahindra Bank Ltd.		5.73%
<b>Term Deposits - Total</b>		<b>5.73%</b>
<b>Net Current Assets/(Liabilities)</b>		<b>-0.73%</b>
<b>Grand Total</b>		<b>100%</b>

**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**

Pharmaceuticals	15.39%
Commercial Paper (CP)/Certificate of Deposits (CD)	12.41%
Consumer Non Durables	8.22%
Debentures and Bonds	7.64%
Oil	7.32%
Banks	6.72%
Petroleum Products	5.78%
CBLO & Term Deposits & Rev.Repo	5.73%
Software	5.71%
Industrial Capital Goods	5.16%
Others	19.92%

## 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** - Anurag Jain & 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: i) 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 1 year from the date of allotment of units for investments of less than Rs. 5 crores: 1%. For exit on or after 1 year from the date of allotment of units for investments of less than Rs. 5 crores: Nil. Where investments is made by Fund of Funds as defined under SEBI Regulations: Nil. Where units are allotted upon reinvestment of Dividends: Nil. Cases not covered above: Nil. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in Multiples of Rs.1. **Ideal Investments Horizon** - 1-3 years **Corpus** : Rs. 18.86 crores. **Ratios:** Portfolio Turnover: 65.30% Total Expense Ratio: 2.50% Beta\*: 0.76 Sharpe\*: -0.30 Alpha\*: -9.22 Standard Deviation\*: 27.40 \* Source: Value Research  
**Performance as on November 28, 2008#** (Figures in %)

	6 Months	1 Yr	3 Yrs	5 Yrs	Since Allotment (Apr 04, 2000)
Kotak MNC*	-35.22	-45.61	-6.90	11.88	9.75
BSE Sensex	-44.00	-51.85	0.36	12.49	7.94
S&P CNX Nifty	-43.03	-50.82	0.53	11.26	7.89

Kotak MNC NAV : Rs. 17.485 \* 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. #November 29, 2008 & November 30, 2008 being non-working days.

**PORTFOLIO**

Issuer / Instrument	Industry / Rating	% to Net Assets
<b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b>		
ITC Ltd.	Consumer Non Durables	11.39%
Hindustan Unilever Ltd.	Diversified	8.15%
Bharti Airtel Ltd.	Telecom - Services	5.34%
Nestle India Ltd.	Consumer Non Durables	5.20%
Mphasis Ltd	Software	3.79%
Colgate Palmolive (India ) Ltd.	Consumer Non Durables	3.69%
Areva T and D India Ltd.	Industrial Capital Goods	3.32%
3M India Ltd.	Trading	3.27%
Gillette India Ltd	Consumer Non Durables	3.21%
ING Vysya Bank Ltd.	Banks	3.21%
Others		30.76%
<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>81.33%</b>
<b>Debt Instruments</b>		
<b>Debentures and Bonds</b>		
<b>Corporate Debt/Financial Institutions</b>		
Infrastructure Development Finance Co. Ltd	LA AA	10.60%
<b>Corporate Debt/Financial Institutions - Total</b>		<b>10.60%</b>
<b>Money Market Instruments</b>		
<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>		
<b>Corporate Debt/Financial Institutions</b>		
ICICI Home Finance Company Limited	A1+	5.26%
<b>Corporate Debt/Financial Institutions - Total</b>		<b>5.26%</b>
<b>TERM DEPOSITS</b>		
Kotak Mahindra Bank Ltd.		2.65%
<b>Term Deposits - Total</b>		<b>2.65%</b>
<b>Net Current Assets/(Liabilities)</b>		<b>0.16%</b>
<b>Grand Total</b>		<b>100%</b>



**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	27.47%
Debentures and Bonds	10.60%
Industrial Capital Goods	9.04%
Diversified	8.15%
Industrial Products	8.14%
Telecom - Services	5.34%
Commercial Paper (CP)/Certificate of Deposits (CD)	5.26%
Software	3.79%
Auto	3.29%
Trading	3.27%
Others	15.65%

**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** - Anurag Jain & 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 1 year from the date of allotment of units for investments of less than Rs. 5 crores: 1%. For exit on or after 1 year from the date of allotment of units for investments of less than Rs. 5 crores: Nil. Where investments is made by Fund of Funds as defined under SEBI Regulations: Nil. Where units are allotted upon reinvestment of Dividends: Nil. Cases not covered above: Nil. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in Multiples of Rs. 1. **Investments Horizon Ideal** - 1-3 years **Corpus:** Rs. 13.29 crores. **Ratios:** Portfolio Turnover: 103.56% Total Expense Ratio: 2.25% Beta\*: 0.81 Sharpe\*: -0.63 Alpha\*: -9.99 Standard Deviation\*: 28.33 \*Source: Value Research **Performance as on November 28, 2008#** (Figures in %)

	6 Months	1 Yr	3 Yr	5 Yr	Since Allotment (April 04, 2000)
Kotak Tech	-46.94	-55.48	-15.96	0.47	-9.34
BSE Teck Index	-42.98	-44.01	-4.63	11.81	-4.32

Kotak Tech NAV: Rs. 4.278 Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future. #November 29, 2008 & November 30, 2008 being non-working days.

**PORTFOLIO**

Issuer / Instrument	Industry / Rating	% to Net Assets
<b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b>		
Infosys Technologies Ltd.	Software	17.78%
Bharti Airtel Ltd.	Telecom - Services	14.52%
Tata Consultancy Services Ltd.	Software	6.31%
Reliance Communications Ltd.	Telecom - Services	4.71%
Zee Entertainment Enterprises Ltd	Media and Entertainment	4.51%
Mphasis Ltd	Software	4.46%
IBN 18 Broadcast Limited	Media and Entertainment	2.79%
Satyam Computer Services Ltd.	Software	2.74%
Allied Digital Services Limited	Hardware	2.31%
Sun TV Limited.	Media and Entertainment	2.10%
Others		12.96%
<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>75.19%</b>
<b>Privately Placed/Unlisted</b>		
Virtual Dynamics Software Ltd. @	Software	#
SRM Radiant Infotech Ltd. @	Software	#
<b>Money Market Instruments</b>		
<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>		
<b>Public Sector Undertakings</b>		
State Bank Of India.	P1+	7.28%
<b>Public Sector Undertakings - Total</b>		<b>7.28%</b>
<b>TERM DEPOSITS</b>		
Kotak Mahindra Bank Ltd.		5.34%
<b>Term Deposits - Total</b>		<b>5.34%</b>
<b>Collateral Borrowing &amp; Lending obligation</b>		<b>7.53%</b>
<b>Net Current Assets/(Liabilities)</b>		<b>4.66%</b>
<b>Grand Total</b>		<b>100%</b>

**Notes:**

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

# indicates % to Net Assets less than 0.01%

@ Privately Placed

**SECTOR ALLOCATION**

Software	38.42%
Telecom - Services	19.23%
Media and Entertainment	14.24%
CBLO & Term Deposits & Rev.Repo	12.87%
Commercial Paper (CP)/Certificate of Deposits (CD)	7.28%
Hardware	2.31%
Telecom - Equipment & Accessories	0.99%
Others	4.66%

**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 & Deepak Gupta. **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 1 year from the date of allotment of units for investments of less than Rs. 5 crores: 1%. For exit on or after 1 year from the date of allotment of units for investments of less than Rs. 5 crores: Nil. Where investments is made by Fund of Funds as defined under SEBI Regulations: Nil. Where units are allotted upon reinvestment of Dividends: Nil. Cases not covered above: Nil. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in Multiples of Re. 1. **Ideal Investments Horizon** - 1-3 years **Corpus:** Rs. 32.65 crores. **Ratios:** Total Expense Ratio: 0.75% Beta\*: 0.92 Sharpe\*: -0.03 Alpha\*: -2.08 Standard Deviation\*: 29.48\* Source: Value Research **Performance as on November 28, 2008#** (Figures in %)

	6 Months	1 Yr	3 Yr	Since Allotment (Aug 09, 2004)
Kotak Equity FOF	-39.96	-50.39	-0.73	14.02
S & P CNX Nifty	-43.03	-50.82	0.53	12.93

Kotak Equity FOF NAV: Rs.17.595 (Growth Option) Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future. #November 29, 2008 & November 30, 2008 being non-working days.

**PORTFOLIO**

Issuer / Instrument	Industry / Rating	% to Net Assets
<b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b>		
<b>Mutual Fund Units</b>		
Kotak 30	Equity Schemes	22.21%
HDFC Top 200 Fund	Equity Schemes	20.81%
Prudential ICICI Dynamic Plan	Equity Schemes	19.73%
Birla Sunlife Frontline Equity	Equity Schemes	19.55%
Tata Equity Opportunities Fund	Equity Schemes	16.95%
<b>Mutual Fund Units - Total</b>		<b>99.25%</b>
<b>Net Current Assets/(Liabilities)</b>		<b>0.75%</b>
<b>Grand Total</b>		<b>100%</b>

**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	99.25%
Others	0.75%

**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.

**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** - Sajit Pisharodi, Abhishek Bisen and Deepak Gupta. **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. 218.84 crores. **Ratios:** Total Expense Ratio: 1.10% Standard Deviation\*:1.01 Sharpe\*:2.58 YTM: 7.50%\* Source: Value Research. **Performance as on November 28, 2008#** (Figures in %)

	6 Months	1 Yr	3 Yr	Since Allotment (Sept 29, 2005)
Kotak Equity Arbitrage Fund	3.67	7.64	8.03	7.95
CRISIL Liquid Fund Index	4.24	8.15	7.12	6.98

Kotak Equity Arbitrage NAV : Rs.12.7431 (Growth Option) Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future. #November 29, 2008 & November 30, 2008 being non-working days.

**PORTFOLIO**

Issuer / Instrument	Industry / Rating	% to Net Assets
<b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b>		
ITC Ltd.	Consumer Non Durables	5.57%
Wipro Ltd.	Software	5.33%
GTL Ltd.	Telecom - Equipment & Accessories	4.50%
Punjab Lloyed Ltd.	Construction	4.20%

Oil & Natural Gas Corporation Ltd.	Oil	3.95%
GAIL (India) Ltd.	Gas	3.87%
Ranbaxy Laboratories Ltd.	Pharmaceuticals	3.82%
Tata Power Co. Ltd.	Power	2.78%
Infrastructure Development Finance Co. Ltd.	Finance	2.66%
Satyam Computer Services Ltd.	Software	2.62%
Others		32.60%
<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>71.90%</b>

<b>Futures</b>		
Adlabs Films Ltd.-DEC2008		-0.01%
Dabur India Ltd.-DEC2008		-0.01%
Gujarat Narmada Valley Fertilisers Company Ltd.-DEC2008		-0.01%
Indian Oil Corporation Ltd.-DEC2008		-0.01%
NIIT Ltd.-DEC2008		-0.01%
Peninsula Land Ltd.-DEC2008		-0.01%
Sterlite Technologies Ltd.-DEC2008		-0.01%
Hotel Leela Venture Ltd.-DEC2008		-0.02%
Gujarat Alkalies & Chemicals Ltd.-DEC2008		-0.03%
Indian Overseas Bank-DEC2008		-0.03%
Bombay Dyeing & Manufacturing Company Ltd.-DEC2008		-0.04%
Hindustan Construction Co.Ltd.-DEC2008		-0.05%
Patel Engineering Ltd.-DEC2008		-0.05%
Grasim Industries Ltd.-DEC2008		-0.06%
Jindal Steel & Power Ltd.-DEC2008		-0.08%
Central Bank Of India-DEC2008		-0.09%
Petronet LNG Ltd.-DEC2008		-0.09%
Bajaj Hindusthan Limited-DEC2008		-0.10%
Biocon Ltd.-DEC2008		-0.10%
Infosys Technologies Ltd.-DEC2008		-0.10%
Bharat Electronics Ltd.-DEC2008		-0.11%
Alok Industries Ltd.-DEC2008		-0.14%
Reliance Petroleum Ltd.-DEC2008		-0.15%
Noida-Toll Bridge Co. Ltd.-DEC2008		-0.16%
Century Textiles & Industries Ltd.-DEC2008		-0.17%
India Cements Ltd.-DEC2008		-0.17%
Maharashtra Seamless Ltd.-DEC2008		-0.18%
Praj Industries Ltd.-DEC2008		-0.18%
Tata Teleservices Ltd.-DEC2008		-0.21%
3i Infotech Ltd.-DEC2008		-0.26%
Television Eighteen India Ltd.-DEC2008		-0.28%
Idea Cellular Ltd.-DEC2008		-0.29%
Escorts Ltd.-DEC2008		-0.30%
Oracle Financial Services Software Ltd.-DEC2008		-0.32%
Neyveli Lignite Corporation Ltd.-DEC2008		-0.33%
Nagarjuna Fertilizers & Chemicals Ltd.-DEC2008		-0.34%
Power Grid Corporation Of India Ltd.-DEC2008		-0.37%
Wire & Wireless (India) Ltd.-DEC2008		-0.37%
Ashok Leyland Ltd.-DEC2008		-0.38%
Oswal Chemicals & Fertilizers Ltd.-DEC2008		-0.38%
Lakshmi Machine Works Ltd.-DEC2008		-0.40%
Ambuja Cements Ltd.-DEC2008		-0.41%
Shree Renuka Sugars Ltd.-DEC2008		-0.41%
LIC Housing Finance Ltd.-DEC2008		-0.42%
Mercator Lines Ltd.-DEC2008		-0.43%
Vijaya Bank-DEC2008		-0.44%
Steel Authority of India Ltd.-DEC2008		-0.45%
Balrampur Chini Mills Ltd.-DEC2008		-0.49%
Hindustan Oil Exploration Company Ltd.-DEC2008		-0.50%
Dena Bank-DEC2008		-0.53%
Aptech Ltd.-DEC2008		-0.56%
Jaiprakash Hydro Power Ltd.-DEC2008		-0.58%
TVS Motors Company Ltd.-DEC2008		-0.58%
Triveni Engineering & Industries Ltd.-DEC2008		-0.59%
Bank of India-DEC2008		-0.62%
Ultratech Cement Ltd.-DEC2008		-0.62%
Development Credit Bank Ltd.-DEC2008		-0.69%
Rural Electrification Corporation Ltd.-DEC2008		-0.73%
K S Oils Ltd.-DEC2008		-0.76%
State Bank Of India-DEC2008		-0.84%
Syndicate Bank-DEC2008		-0.85%
Mahanagar Telephone Nigam Ltd.-DEC2008		-0.87%
Bharat Petroleum Corporation Ltd.-DEC2008		-0.89%
HDFC Ltd.-DEC2008		-0.97%
Birla Corporation Ltd.-DEC2008		-1.01%
Cairn India Limited-DEC2008		-1.10%
Ispat Industries Ltd.-DEC2008		-1.24%
Industrial Development Bank of India Ltd.-DEC2008		-1.34%
Hindalco Industries Ltd.-DEC2008		-1.45%
Cipla Ltd.-DEC2008		-1.63%
Bharat Forge Ltd.-DEC2008		-2.09%
Tata Consultancy Services Ltd.-DEC2008		-2.30%
Satyam Computer Services Ltd.-DEC2008		-2.63%
Infrastructure Development Finance Co. Ltd.-DEC2008		-2.67%
Tata Power Co. Ltd.-DEC2008		-2.79%
Ranbaxy Laboratories Ltd.-DEC2008		-3.85%
GAIL (India) Ltd.-DEC2008		-3.90%
Oil & Natural Gas Corporation Ltd.-DEC2008		-3.98%
Punjab Lloyds Ltd.-DEC2008		-4.22%
GTL Ltd.-DEC2008		-4.54%
Wipro Ltd.-DEC2008		-5.37%
ITC Ltd.-DEC2008		-5.60%
Debt Instruments		
<b>Debentures and Bonds</b>		
<b>Corporate Debt/Financial Institutions</b>		
Infrastructure Development Finance Co. Ltd.	LAAA	2.74%
Finance Co. Ltd.	AAA	1.86%
LIC Housing Finance Ltd.	AAA	1.83%
Shriram Transport Finance Co Ltd.	AA(Ind)	0.94%
ICICI Bank Ltd.	CARE AAA	0.94%
Ultratech Cement Ltd.	AAA	0.47%
<b>Corporate Debt/Financial Institutions - Total</b>		<b>7.84%</b>
<b>Money Market Instruments</b>		
<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>		
<b>Corporate Debt/Financial Institutions</b>		
DLF Limited	A1	4.55%
<b>Corporate Debt/Financial Institutions - Total</b>		<b>4.55%</b>
<b>TERM DEPOSITS</b>		
Kotak Mahindra Bank Ltd.		32.89%
<b>Term Deposits - Total</b>		<b>32.89%</b>
<b>Collateral Borrowing &amp; Lending obligation</b>		<b>0.46%</b>
<b>Net Current Assets/(Liabilities)</b>		<b>-17.64%</b>
<b>Grand Total</b>		<b>100%</b>

**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	33.35%
Software	11.51%
Consumer Non Durables	7.92%
Debentures and Bonds	7.84%
Oil	5.54%
Pharmaceuticals	5.52%
Banks	5.41%
Commercial Paper (CP)/Certificate of Deposits (CD)	4.55%
Telecom - Equipment & Accessories	4.51%
Construction	4.31%
Others	9.54%

## 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, Sajit Pisharodi & Abhishek Bisen. **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. 20.92 crores. **Ratios:** Total Expense Ratio: 2.23% Standard Deviation\*: 6.27 Sharpe\*: -0.99 Beta\*: -0.04 Alpha\*: -6.04 YTM: 7.50% \*Source: Value Research. Portfolio Modified Duration: 0.22

**Performance as on November 28, 2008#** (Figures in %)

	6 Months	1 Yr	3 Yr	Since Allotment ( Dec 02, 2003)
Kotak Income Plus	-6.99	-9.62	3.35	5.56
CRISIL MIP Blended Index	-6.58	-6.01	4.59	5.52

Kotak Income Plus NAV - Rs.13.1019 (Growth Option) Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future. #November 29, 2008 & November 30, 2008 being non-working days.

#### PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets
<b>Equity &amp; Equity related (Listed/Awaiting listing on Stock Exchange)</b>		
Bharti Airtel Ltd.	Telecom - Services	0.83%
Reliance Industries Ltd.	Petroleum Products	0.81%
ITC Ltd.	Consumer Non Durables	0.75%
Hindustan Unilever Ltd.	Diversified	0.68%
Oil & Natural Gas Corporation Ltd.	Oil	0.61%
Divi s Laboratories Limited	Pharmaceuticals	0.47%
Bharat Heavy Electricals Ltd.	Industrial Capital Goods	0.45%
HDFC Bank Ltd.	Banks	0.44%
Lupin Ltd.	Pharmaceuticals	0.31%
Mphasis Ltd	Software	0.29%
Others		4.32%
<b>Listed/Awaiting Listing on Stock Exchange - Total</b>		<b>9.96%</b>
<b>Futures</b>		
Hero Honda Motors Ltd.-DEC2008		0.15%
<b>Futures (Market value represents Notional Value) - Total</b>		<b>0.15%</b>
<b>Debt Instruments</b>		
<b>Debentures and Bonds</b>		
<b>Corporate Debt/Financial Institutions</b>		
Infrastructure Development Finance Co. Ltd	AAA	19.25%
Indian Corporate Loan Securitization Trust Series 9 Series A	P1+(so)	14.35%
ICICI Bank Ltd.	CARE AAA	9.89%
Ultratech Cement Ltd.	AAA	9.74%
Infrastructure Leasing & Financial Services Ltd.	LAAA	2.16%
<b>Corporate Debt/Financial Institutions - Total</b>		<b>55.39%</b>
<b>Public Sector Undertakings</b>		
Union Bank of India	AA+	25.08%
<b>Public Sector Undertakings - Total</b>		<b>25.08%</b>
<b>TERM DEPOSITS</b>		
Kotak Mahindra Bank Ltd.		2.39%
<b>Term Deposits - Total</b>		<b>2.39%</b>
<b>Collateral Borrowing &amp; Lending obligation</b>		<b>4.78%</b>
<b>Net Current Assets/(Liabilities)</b>		<b>2.25%</b>
<b>Grand Total</b>		<b>100%</b>

**Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments. 0.29 years**  
Total NPA provided and percentage to NAV: Nil

#### Notes:

\* Indicates % to net Asset less than 0.01%

## SECTOR ALLOCATION

Debentures and Bonds	80.47%
Equities	9.96%
CBLO & Term Deposits & Rev.Repo	7.17%
Net Current Assets	2.25%
Derivatives	0.15%

## RATING PROFILE

AAA, CARE AAA, LAAA, P1+(so)	55.39%
AA+	25.08%
Equities	9.96%
CBLO & Term Deposits & Rev.Repo	7.17%
Net Current Assets	2.25%
Derivatives	0.15%

# 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** Deepak Agrawal & Abhishek Bisen. **Loads - Entry:** Nil. **Exit:** Nil

**Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in Multiples of Re.1. **Ideal Investments Horizon** 6 Months and above **Corpus:** Rs. 47.49 crores. **Ratios:** Total Expense Ratio: 0.62% Sharpe\*: 2.54 Standard Deviation\*: 1.01 YTM: 8.65% \*Source: Value Research. Portfolio Modified Duration: 1.93

**Performance as on November 28, 2008#** (Figures in %)

	6 Months	1 Yr	3 Yr	5 Yr	Since Allotment (May 02, 2002)
Short Term Plan	2.32	6.68	7.42	6.54	6.75
Crisil Short - Term Bond Fund Index	2.92	6.80	6.41	5.48	5.84

Kotak Bond Short Term NAV : Rs.15.3696 (Growth Option) Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future. #November 29, 2008 & November 30, 2008 being non-working days.

## PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets
---------------------	-------------------	-----------------

### Debt Instruments

#### Debentures and Bonds

##### Corporate Debt/Financial Institutions

Tata Sons Ltd.	AAA	30.68%
Kotak Mahindra Prime Ltd.	LAA	10.46%
The Indian Hotels Company Ltd.	LAA+	9.37%
AXIS Bank Ltd.	LAA+	4.35%
LIC Housing Finance Ltd.	AAA	4.31%
Indian Corporate Loan Securitization Trust Series 9 Series A	P1+(so)	4.21%
Citicorp Finance (India) Ltd.	AAA	4.06%
Unitech Ltd.	F2+(ind)	3.87%
Infrastructure Development Finance Co. Ltd	LAAA	0.20%

##### Corporate Debt/Financial Institutions - Total

**71.51%**

##### Public Sector Undertakings

PNB Housing Finance Ltd. AA+ 12.02%

##### Public Sector Undertakings - Total

**12.02%**

##### Government Dated Securities

8.24% Government Stock - 2018 SOV 11.36%

##### Government Dated Securities - Total

**11.36%**

##### Money Market Instruments

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

Reliance Capital Ltd. A1+ 0.98%

##### Corporate Debt/Financial Institutions - Total

**0.98%**

##### Collateral Borrowing & Lending obligation

**10.53%**

##### Net Current Assets/(Liabilities)

**-6.40%**

##### Grand Total

**100%**

**Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 2.52 years**

Total NPA provided and percentage to NAV: NIL

Notes: \* Indicates % to net Asset less than 0.01%

## SECTOR ALLOCATION

Debentures and Bonds	83.53%
Government Dated Securities	11.36%
CBLO & Term Deposits & Rev.Repo	10.53%
Commercial Paper (CP)/Certificate of Deposits (CD)	0.98%
Net Current Assets	-6.40%

## RATING PROFILE

A1+, AAA, LAAA, P1+(so), SOV	55.80%
AA+, LAA+, F2+(ind), LAA	40.07%
CBLO & Term Deposits & Rev.Repo	10.53%
Net Current Assets	-6.40%

# KOTAK BOND

Open - Ended Debt Scheme

## About the Scheme

**Investment Objective** - To create a portfolio of debt and money market instruments of different maturities so as to spread the risk across a wide maturity horizon & different kinds of issuers in the debt market. **Plan** (a) Deposit (b) Regular. **Available Options** (a) DP, DR & G (b) DP, DR, G & B **Fund Managers** Deepak Agrawal & Abhishek Bisen. **Loads - (a) Entry:** Nil. **Exit:** • For redemptions/ switch-outs within 1 Year : 1.25% • For redemptions/ switch-outs after 1 Year: 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. 44.13 crores. **Ratios:** Total Expense Ratio: (a) 2.25% (b) 1.52% Sharpe\*: (a) 0.86 (b) 1.27 Standard Deviation\*: (a) 2.74 (b) 2.76 Beta\*: (a)0.15 (b) 0.15 Alpha\*: (a) 1.65 (b) 2.80 YTM: 8.40% \*Source: Value Research. Portfolio Modified Duration: 5.71

**Performance as on November 28, 2008#** (Figures in %)

	6 Months	1 Yr	3 Yr	5 Yr	Since Allotment (Nov 25, 1999)
Deposit Plan	3.70	6.10	6.10	4.95	8.56
Regular Plan	4.06	7.03	7.40	5.92	9.42
Crisil Composite Bond Index	8.70	11.67	7.84	5.90	NA

Kotak Bond Deposit NAV : Rs. 20.9776 (Growth Option) Kotak Bond Regular NAV : Rs.22.5226 (Growth Option) Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future. #November 29, 2008 & November 30, 2008 being non-working days.

## PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets
---------------------	-------------------	-----------------

### Debt Instruments

#### Debentures and Bonds

##### Corporate Debt/Financial Institutions

Tata Sons Ltd.	AAA	11.01%
The Indian Hotels Company Ltd.	LAA+	10.08%
LIC Housing Finance Ltd.	AAA	2.32%

##### Corporate Debt/Financial Institutions - Total

**23.41%**

##### Public Sector Undertakings

Indian Railway Finance Corporation Ltd.	AAA	11.31%
PNB Housing Finance Ltd.	AA+	3.63%

##### Public Sector Undertakings - Total

**14.94%**

##### Government Dated Securities

7.94% Government Stock - 2021	SOV	35.76%
8.33% Government Stock - 2036	SOV	14.44%

##### Government Dated Securities - Total

**50.20%**

##### Collateral Borrowing & Lending obligation

**6.80%**

##### Net Current Assets/(Liabilities)

**4.65%**

##### Grand Total

**100%**

**Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 10.72 years**

Total NPA provided and percentage to NAV: NIL

## Notes:

Valuation of Government Securities are as per the Securities and Exchange Board of India (SEBI) circular No. MFD/CIR/No 14/442/2002 dated February 20, 2002.

\* Indicates % to net Asset less than 0.01%

## SECTOR ALLOCATION

Government Dated Securities	50.20%
Debentures and Bonds	38.35%
CBLO & Term Deposits & Rev.Repo	6.80%
Net Current Assets	4.65%

## RATING PROFILE

AAA, CARE AAA, SOV	74.84%
AA+, LAA+	13.71%
CBLO & Term Deposits & Rev.Repo	6.80%
Net Current Assets	4.65%

# 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** Deepak Agrawal & Abhishek Bisen. **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. 1119.8 crores.

**Ratios:** Total Expense Ratio: 1.55% Sharpe\*: 1.61 Standard Deviation\*: 1.05 YTM: 6.50%

\* Source: Value Research. Portfolio Modified Duration: 0.02

**Performance as on November 28, 2008#** (Figures in %)

	6 Months	1 Yr	3 Yr	5 Yr	Since Allotment (Savings Plan Dec 29, 1998)
Gilt Investment Savings Plan	3.47	7.77	6.14	5.69	7.41
ISEC SIBEX	6.40	10.54	8.00	6.53	NA

Kotak Gilt Investment Savings Plan : Rs. 20.3458 (Growth Option) Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future. #November 29, 2008 & November 30, 2008 being non-working days.

## PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets
---------------------	-------------------	-----------------

### Money Market Instruments

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

Public Sector Undertakings		
91 Days Treasury Bill 05/12/2008	SOV	33.46%
91 Days Treasury Bill 12/12/2008	SOV	24.51%
364 Days Treasury Bill 05/12/2008	SOV	10.71%

##### Public Sector Undertakings - Total

**68.68%**

##### Reverse Repo

**19.71%**

##### Collateral Borrowing & Lending obligation

**10%**

##### Net Current Assets/(Liabilities)

**1.61%**

##### Grand Total

**100%**

**Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.02 years**

Total NPA provided and percentage to NAV: NIL

## Notes:

Valuation of Government Securities are as per the Securities and Exchange Board of India (SEBI) circular No. MFD/CIR/No 14/442/2002 dated February 20, 2002.

\* Indicates % to net Asset less than 0.01%

## SECTOR ALLOCATION

Treasury Bills	68.68%
CBLO & Term Deposits & Rev.Repo	29.71%
Net Current Assets	1.61%

## RATING PROFILE

SOV	68.68%
CBLO & Term Deposits & Rev.Repo	29.71%
Net Current Assets	1.61%



# 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** Deepak Agrawal & Abhishek Bisen. **Loads - (a) Entry:** Nil. **Exit:** (a) For amounts less than or equal to Rs. 50 lakhs: • For redemptions/switchouts within 6 months : 0.75% • For redemptions/switchouts after 6 months : Nil (b) For amounts greater than Rs. 50 lakhs : Nil **(b) Entry:** Nil. **Exit:** 1.00%, if redeemed within 1 year. **Minimum Initial Investment:** Rs. 5000 **Additional Investment:** Rs. 1000 & in Multiples of Re.1 **Ideal Investments Horizon** More than 1 year. **Corpus:** Rs. 50.86 crores. **Ratios:** Total Expense Ratio: (a) 1.65% (b) 1.03% Sharpe\*: (a) 1.13 (b) 1.20 Beta\*: (a) 0.39 (b) 0.39 Alpha (a) 3.93 (b) 4.28 Standard Deviation\*: (a) 5.13 (b) 5.12 \*YTM: 7.50% \*Source: Value Research. Portfolio Modified Duration: 9.18 **Performance as on November 28, 2008#** (Figures in %)

	Since Allotment (Inv Plan)				Dec 29, '98; Inv PF & Trust Plan - Nov 11, '03
	6 Months	1 Yr	3 Yr	5 Yr	
Investment Regular Plan	9.06	13.65	7.23	5.48	10.89
Investment - PF & Trust Plan	9.20	14.01	7.63	5.88	5.20
ISEC Composite Index	6.40	10.54	8.00	6.53	5.78 \$

\$ The Benchmark Return corresponds only to Kotak Investment - PF and Trust Plan

Kotak Gilt Investment Regular Plan : Rs.27.9428 (Growth Option) Kotak Gilt Investment PF & Trust Plan : Rs.28.4786 (Growth Option) Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate). #November 29, 2008 & November 30, 2008 being non-working days.

### PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets
---------------------	-------------------	-----------------

<b>Government Dated Securities</b>		
8.33%	Government Stock - 2036	SOV 71%
7.94%	Government Stock - 2021	SOV 10.34%
8.3%	Government Stock - 2023	SOV 9.27%
<b>Government Dated Securities - Total</b>		<b>90.61%</b>
<b>Collateral Borrowing &amp; Lending obligation</b>		<b>1.97%</b>
<b>Net Current Assets/(Liabilities)</b>		<b>7.42%</b>
<b>Grand Total</b>		<b>100%</b>

**Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 22.24 years**

Total NPA provided and percentage to NAV: NIL

### SECTOR ALLOCATION

Government Dated Securities	90.61%
Net Current Assets	7.42%
CBLO & Term Deposits & Rev.Repo	1.97%

### RATING PROFILE

SOV	90.61%
Net Current Assets	7.42%
CBLO & Term Deposits & Rev.Repo	1.97%

# 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** Deepak Agrawal & Abhishek Bisen **Loads - Entry:** Nil. **Exit:** 0.15% if redeemed within 1 working day after the date of allotment of units. **Plans:** (a) Regular (b) Institutional. **Minimum Initial Investment:** (a) Rs. 5000 & Rs.1,00,000 under Daily Dividend Reinvestment option (b) Rs.1,00,00,000 **Additional Investment:** (a) & (b) Rs.1000 & in Multiples of Re.1. **Ideal Investments Horizon** 7 days **Corpus:** Rs. 1229.15 crores. **Ratios:** Total Expense Ratio: (a) 0.49%, (b) 0.31% Standard Deviation\*: 0.11 Sharpe\*: 29.60 Beta\*: 0.00 Alpha\*: 3.20 YTM: 10.00% \*Source: Value Research. Portfolio Modified Duration: 0.25 **Performance as on November 28, 2008#** (Figures in %)

	Since Allotment			
	6 Months	1 Yr	3 Yr	(Reg Plan-Dec 06,'04, Inst Plan -May 26, '08)
Kotak Flexi Debt Regular Plan	4.50	9.04	8.11	7.64
Kotak Flexi Debt Institutional Plan	NA	NA	NA	4.74
CRISIL Composite Bond Index	3.92	4.49	3.82	4.84 \$

Kotak Flexi Debt NAV: Rs.13.4017 (Growth Option) Kotak Flexi Debt Institutional Plan NAV: Rs.10.4739 (Growth Option) Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future. \$ The benchmark returns corresponds to Kotak Flexi Debt Regular Plan. #November 29, 2008 & November 30, 2008 being non-working days.

### PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets
---------------------	-------------------	-----------------

<b>Debt Instruments</b>		
<b>Debentures and Bonds</b>		
<b>Corporate Debt/Financial Institutions</b>		
CAT Series XXIV - Class A	P1+(so)	10.18%
Unitech Ltd.	F2+(ind)	7.04%
Bharat Securitisation Trust 2 Ser B	AA(ind)(SO)	5.29%
Tata Sons Ltd.	AAA	4.42%
IBM INDIA PVT. LTD.	AAA(ind)(SO)	4.14%
Indian Corp Loan Securitisation Trust Series 11 Series A3	LAA+(SO)	4.07%
Indian Corporate Loan Securi Trust Sr LXII A1	LAAA(SO)	4.02%
Long Bond Receivables Trust 2007 SR-V	AAA(so)	3.72%
Shriram Transport Finance Co Ltd.	AA(ind)(SO)	3.66%
Kotak Mahindra Prime Ltd.	LAA	3.63%
Sobha Developers Ltd	Unrated	2.68%
LIC Housing Finance Ltd.	AAA	2.53%
Infrastructure Development Finance Co. Ltd	LAAA	2.03%
GE Capital Services India.	AAA	2.01%
RB Loan Trust Series XII, A2	F1+(ind)(SO)	1.83%

CAT Series XXIII - Class A1	P1+(so)	1.63%
Indian Corp Loan Sec.Trust 08Series 20 Ser A2	LAAA(SO)	1.63%
Citicorp Finance (India) Ltd.	AAA	1.06%
Ultratech Cement Ltd.	AAA	0.98%
Citifinancial Consumer Finance India Ltd.	AAA	0.96%
Cholamandalam DBS Finance Limited.	LAA	0.79%
Sundaram Finance Ltd.	LAA+	0.79%
BHW Home Finance Ltd	LAA+	0.78%
KPI Loan Trust Series A1,OPT- A	AA-(ind)	0.41%
Indian Retail ABS Trust Series 56 A2	AAA	0.27%
Credit Asset Trust Series XLVIII Class A2	F1+(ind)(SO)	0.25%
Corporate Debt Trust 2008 - 09 Series 2 Class A2	P1+(so)	0.12%
RB Loan Trust Series XII, A1	F1+(ind)(SO)	0.08%

**Corporate Debt/Financial Institutions - Total** **71.00%**

**Public Sector Undertakings**

Indian Railway Finance Corporation Ltd. AAA 2.84%

Power Finance Corporation Ltd. AAA 0.81%

Loan Rec.Securitization Trust A; Series A1 AAA(ind)(SO) 0.08%

**Public Sector Undertakings - Total** **3.73%**

**Money Market Instruments**

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

**Corporate Debt/Financial Institutions**

DLF Limited P1+ 4.86%

ICICI Bank Ltd. A1+ 0.81%

AXIS Bank Ltd. P1+ 0.75%

**Corporate Debt/Financial Institutions - Total** **6.42%**

**Public Sector Undertakings**

Small Industries Development Bank Of India. PR1+ 1.35%

Canara Bank P1+ 0.40%

**Public Sector Undertakings - Total** **1.75%**

**TERM DEPOSITS**

YES Bank Ltd. 1.63%

**Term Deposits - Total** **1.63%**

**Collateral Borrowing & Lending obligation** **11.43%**

**Net Current Assets/(Liabilities)** **4.04%**

**Grand Total** **100%**

**Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.29 years**

Total NPA provided and percentage to NAV: NIL

**Notes:**

\* Indicates % to net Asset less than 0.01%

### SECTOR ALLOCATION

Debentures and Bonds	74.73%
CBLO & Term Deposits & Rev.Repo	13.06%
Commercial Paper (CP)/Certificate of Deposits (CD)	8.17%
Net Current Assets	4.04%

### RATING PROFILE

A1+, AAA, AAA(ind)(SO), AAA(so), F1+(ind)(SO), LAAA, LAAA(SO), P1+, P1+(so), PR1+	53.76%
LAA+, LAA+(SO), AA(ind)(SO), F2+(ind), LAA, AA-(ind)	26.46%
CBLO & Term Deposits & Rev.Repo	13.06%
Net Current Assets	4.04%
Unrated	2.68%

# 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** Deepak Agrawal & Abhishek Bisen. **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. 125.34 crores. **Ratios:** Total Expense Ratio: 0.50% Standard Deviation\*: 0.29 Beta\*: 0.02 Sharpe\*: 12.41 Alpha\*: 3.59 YTM: 9.00% \*Source: Value Research. Portfolio Modified Duration: 0.11 **Performance as on November 28, 2008#** (Figures in %)

	6 Months	1 Yr	3 Yr	Since Allotment (Aug 13, 2004)
Kotak Floater Long Term	4.57	9.15	8.04	7.26
CRISIL Liquid Fund Index	4.24	8.15	7.12	6.32

Kotak Floater Long Term NAV : Rs.13.5112 (Growth Option) Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future. #November 29, 2008 & November 30, 2008 being non-working days.

### PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets
---------------------	-------------------	-----------------

**Debt Instruments**

**Debentures and Bonds**

**Corporate Debt/Financial Institutions**

Long Bond Rec.Trust 2006 Ser IV A AAA(so) 4.98%

HDFC Ltd. AAA 4.13%

Tata Sons Ltd. AAA 4.04%

AXIS Bank Ltd. LAA+ 3.30%

Ultratech Cement Ltd. AAA 2.44%

**Corporate Debt/Financial Institutions - Total** **18.89%**

**Public Sector Undertakings**

Indian Railway Finance Corporation Ltd. AAA 4.13%

Coll.Debt Trust Ser.24 Class A2 OPT 2 AAA(so) 1.80%

**Public Sector Undertakings - Total** **5.93%**

**Money Market Instruments**

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

**Public Sector Undertakings**

State Bank of Bikaner & Jaipur P1+ 7.26%

Oriental Bank of Commerce P1+ 6.14%

Punjab National Bank P1+ 3.95%

**Public Sector Undertakings - Total** **17.35%**

**Collateral Borrowing & Lending obligation** **53.85%**

**Net Current Assets/(Liabilities)** **3.98%**

**Grand Total** **100%**

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

Total NPA provided and percentage to NAV: NIL

**Notes:**

\* Indicates % to net Asset less than 0.11%

## SECTOR ALLOCATION

CBLO & Term Deposits & Rev.Repo	53.85%
Debentures and Bonds	24.82%
Commercial Paper (CP)/Certificate of Deposits (CD)	17.35%
Net Current Assets	3.98%

## RATING PROFILE

CBLO & Term Deposits & Rev.Repo	53.85%
AAA, AAA(so), P1+	38.87%
Net Current Assets	3.98%
LAA+	3.30%

# 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** Deepak Agrawal & Abhishek Bisen. **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. 105.27 crores. **Ratios:** Total Expense Ratio: 0.43% Standard Deviation\*: 0.15 Beta\*: 0.30 Sharpe\*: 22.07 Alpha\*: 2.76 YTM: 8.60% \*Source: Value Research. Portfolio Modified Duration: 0.03

**Performance as on November 28, 2008#** (Figures in %)

	7 Days	15 Days	1 Month	3 Months	6 Months
Kotak Floater Short Term	0.16	0.33	0.75	2.40	4.71
CRISIL Liquid Fund Index	0.19	0.38	0.89	2.40	4.24

	1 Yr	3 Yr	5 Yr	Since Allotment (Jul 14, 2003)
Kotak Floater Short Term	9.22	7.88	6.76	6.68
CRISIL Liquid Fund Index	8.15	7.12	5.98	5.86

Kotak Floater Short Term NAV : Rs. 14,1645 (Growth Option) Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future. #November 29, 2008 & November 30, 2008 being non-working days.

### PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets
<b>Debt Instruments</b>		
<b>Debentures and Bonds</b>		
<b>Corporate Debt/Financial Institutions</b>		
CAT Series XXIII - Class A1	P1+(so)	19.04%
Infrastructure Development Finance Co. Ltd	LAAA	14.25%
Tata Steel Limited	AAA(ind)	9.58%
Citifinancial Consumer Finance India Ltd.	AAA	9.53%
Corporate Debt Trust 2008 - 09 Srs 5 Class A1	AAA(so)	7.79%
LIC Housing Finance Ltd.	AAA	6.14%
AXIS Bank Ltd.	LAA+	4.91%
Shriram Transport Finance Co Ltd.	AA(ind)(SO)	4.76%
Ultratech Cement Ltd.	AAA	3.87%
Citicorp Finance (India) Ltd.	AAA	1.90%
Indian Corporate Loan SecuritizationTrust Series 9 Series A	P1+(so)	1.90%
Corporate Debt Trust 2008 - 09 Srs 5 Class A2	AAA(so)	1.26%
<b>Corporate Debt/Financial Institutions - Total</b>		<b>84.93%</b>
<b>Money Market Instruments</b>		
<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>		
<b>Corporate Debt/Financial Institutions</b>		
ICICI Bank Ltd.	A1+	9.38%
<b>Corporate Debt/Financial Institutions - Total</b>		<b>9.38%</b>
<b>Collateral Borrowing &amp; Lending obligation</b>		
<b>Net Current Assets/(Liabilities)</b>		<b>3.08%</b>
<b>Grand Total</b>		<b>100%</b>

**Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.03 years**  
Total NPA provided and percentage to NAV: NIL

### Notes

\*Indicates % to net Asset less than 0.01%

## SECTOR ALLOCATION

Debentures and Bonds	84.93%
Commercial Paper (CP)/Certificate of Deposits (CD)	9.38%
Net Current Assets	3.08%
CBLO & Term Deposits & Rev.Repo	2.61%

## RATING PROFILE

A1+, AAA, AAA(ind), AAA(so), LAAA, P1+(so)	84.64%
LAA+, AA(ind)(SO)	9.67%
Net Current Assets	3.08%
CBLO & Term Deposits & Rev.Repo	2.61%

# 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** Deepak Agrawal & Abhishek Bisen. **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. 2398.98 crores. **Ratios:** Total Expense Ratio: (a) 1.05% (b) 0.80% (c) 0.36% Sharpe\*: (a) 13.80 (b) 15.44 (c) 16.87 Standard Deviation\*: (a) 0.17 (b) 0.17 (c) 0.18 YTM: 9.45% \*Source: Value Research. Portfolio Modified Duration: 0.17

**Performance as on November 28, 2008#** (Figures in %)

	7 Days	15 Days	1 Month	3 Months	6 Months
Kotak Liquid Regular Plan	0.16	0.32	0.72	2.31	4.39
Kotak Liquid Institutional Plan	0.16	0.33	0.74	2.36	4.51
Kotak Liquid Institutional Premium Plan	0.17	0.35	0.78	2.49	4.76
CRISIL Liquid Fund Index	0.19	0.38	0.89	2.40	4.24

	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	8.38	7.15	6.09	6.56
Kotak Liquid Institutional Plan	8.63	7.48	6.47	6.33
Kotak Liquid Institutional Premium Plan	9.15	7.91	6.78	6.75
CRISIL Liquid Fund Index	8.15	7.12	5.98	5.80**

\*\* The Benchmark Returns corresponds to Kotak Liquid Institutional Plan

Kotak Liquid Regular Plan NAV: Rs.16.7939 (Growth Option); Kotak Liquid Institutional Plan NAV : Rs.17.1255 (Growth Option) Kotak Liquid Institutional Premium Plan NAV: Rs.17.3818 (Growth Option) Returns = 1 year : Absolute; Returns > 1 year : CAGR (Compounded Annualised Growth Rate) Past performance may or may not be sustained in future. #November 29, 2008 & November 30, 2008 being non-working days.

### PORTFOLIO

Issuer / Instrument	Industry / Rating	% to Net Assets
<b>Debt Instruments</b>		
<b>Debentures and Bonds</b>		
<b>Corporate Debt/Financial Institutions</b>		
Credit Asset Trust Series XLVIII Class A2	F1+(ind)(SO)	4.07%
HDFC Ltd.	AAA	3.98%
Tata Steel Limited	AAA(ind)	3.75%
Indian Corporate Loan SecuritizationTrust Series 9 Series A	P1+(so)	3.30%
RB Loan Trust Series XI	F1+(ind)(SO)	2.88%
RB Loan Trust Series 30 Series A2(PO)	PR1+(SO)	2.78%
Mahindra & Mahindra Financial Services Ltd.	AA+	2.49%
RB Loan Trust Ser -III 2007 Ser A3	P1+(so)	2.09%
Larsen and Toubro Ltd.	P1+	2.08%
Kotak Mahindra Prime Ltd.	P1+	1.67%
Citifinancial Consumer Finance India Ltd.	AAA	1.65%
LIC Housing Finance Ltd.	AAA	1.62%
ICICI Bank Ltd.	CARE AAA	1.52%
Citicorp Finance (India) Ltd.	AAA	1.43%
Shriram Transport Finance Co Ltd.	AA(ind)	1.38%
AXIS Bank Ltd.	LAA+	1.28%
Tata Sons Ltd.	AAA	1.07%
DSP Merrill Lynch Capital Ltd.	AA+	1.04%
Shriram Transport Finance Co Ltd.	AA(ind)(SO)	0.84%
Kotak Mahindra Prime Ltd.	LAA	0.74%
Sundaram Finance Ltd.	AA+	0.61%
GE Capital Services India.	AAA	0.54%
RB Loan Trust Series 30 Series A1(IO)	PR1+(SO)	0.33%
BHPC Auto Securitisation Trust Dec 2007 - I	AAA(so)	0.31%
Infrastructure Development Finance Co. Ltd	AAA	0.21%
Ultratech Cement Ltd.	AAA	0.21%
Long Bond Receivables 2006 III A	AAA(ind)	0.19%
RB Loan Trust Series XIV A2-PO	P1+(so)	0.19%
KPI Loan Trust Series A1,OPT- A	AA-(ind)	0.17%
RB Loan Trust Series XIV A1-IO	P1+(so)	0.10%
<b>Corporate Debt/Financial Institutions - Total</b>		<b>44.52%</b>
<b>Public Sector Undertakings</b>		
Indian Railway Finance Corporation Ltd.	AAA	8.22%
Power Finance Corporation Ltd.	AAA	2.31%
Corporate Debt Trust 2008 - 09 Srs 12 Class A1	A1+(SO)	1.85%
IDBI Bank Ltd.	AA+	1.04%
Export-Import Bank of India.	AAA	0.80%
Union Bank of India	AA+	0.21%
Corporate Debt Trust 2008 - 09 Srs 12 Class A2	A1+(SO)	0.20%
National Housing Bank	AAA(ind)	0.08%
<b>Public Sector Undertakings - Total</b>		<b>14.71%</b>
<b>Money Market Instruments</b>		
<b>Commercial Paper(CP)/Certificate of Deposits(CD)</b>		
<b>Corporate Debt/Financial Institutions</b>		
ICICI Home Finance Company Limited	A1+	2.52%
Reliance Communications Ltd.	A1+	1.55%
HDFC Ltd.	A1+	1.23%
Reliance Capital Ltd.	A1+	0.95%
DLF Limited	P1+	0.75%
Standard Chartered Investment & Loan India Ltd.	P1+	0.62%
ICICI Bank Ltd.	A1+	0.42%
TATA Capital Ltd.	A1+	0.41%
ING Vysya Bank Ltd	P1+	0.39%
ABN Amro Bank N.V	P1+	0.38%
Ballarpur Industries Ltd.	F1+(ind)	0.21%
Tata Motors Finance Ltd	P1+	0.21%
Tata Motors Ltd.	P1+	0.21%
Edelweiss Capital Ltd.	P1+	0.19%
Tata Sons Ltd.	P1+	0.18%
GE Capital Transportation Financial Services Limited	P1+	0.04%
<b>Corporate Debt/Financial Institutions - Total</b>		<b>10.26%</b>
<b>Public Sector Undertakings</b>		
State Bank of Bikaner & Jaipur	P1+	3.41%
Andhra Bank	P1+	0.95%
State Bank of Patiala	P1+	0.76%
Bank of Maharashtra	P1+	0.57%
State Bank of Mysore	A1+	0.46%
Oriental Bank of Commerce	P1+	0.39%
State Bank of Travancore	P1+	0.21%
Power Finance Corporation Ltd.	P1+	0.04%
<b>Public Sector Undertakings - Total</b>		<b>6.79%</b>
<b>Bill Rediscounting</b>		
HDFC Bill Rediscounting 01/12/2008		0.08%
<b>Bill Rediscounting - Total</b>		<b>0.08%</b>
<b>Collateral Borrowing &amp; Lending obligation</b>		
<b>Net Current Assets/(Liabilities)</b>		<b>2.30%</b>
<b>Grand Total</b>		<b>100%</b>

**Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.18 years**  
Total NPA provided and percentage to NAV: NIL

### Notes:

\* Indicates % to net Asset less than 0.01%

**SECTOR ALLOCATION**

Debentures and Bonds	59.23%
CBLO & Term Deposits & Rev.Repo	21.34%
Commercial Paper (CP)/Certificate of Deposits (CD)	17.05%
Net Current Assets	2.30%
Bill Rediscounting	0.08%

**RATING PROFILE**

A1+, A1+(SO), AAA, AAA(ind), AAA(so), CARE AAA, F1+(ind), F1+(ind)(SO), P1+, P1+(so), PR1+(SO)	66.48%
CBLO & Term Deposits & Rev.Repo	21.34%
AA+, LAA+, AA(ind), AA(ind)(SO), LAA, AA-(ind)	9.80%
Net Current Assets	2.30%
Bill Rediscounting	0.08%

Risk free rate of returns for Sharpe ratio : 7.05%

**DIVIDEND HISTORY****EQUITY SCHEMES**

Record Date	Cum Dividend NAV	Rs/Unit
<b>Kotak 30 - Dividend</b>		
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
<b>Kotak Global India</b>		
Feb-08-07	19.792	2.50
Feb-08-06	19.609	2.00
Feb-04-05	13.708	1.50
<b>Kotak Contra</b>		
July-27-07	16.0365	2.00
<b>Kotak MNC</b>		
Feb-11-05	20.600	4.50
<b>Kotak Opportunities</b>		
Mar-14-08	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
<b>Kotak Midcap</b>		
Apr-28-06	19.437	4.00
Aug-24-05	13.026	0.50
<b>Kotak Tax Saver</b>		
Feb-08-08	15.189	3.50
Feb-20-07	11.640	3.00

Record Date	Cum Dividend NAV	Rs/Unit
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**Kotak Lifestyle**

June-29-07	13.067	1.75
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**HYBRID SCHEMES****Kotak Balance**

Mar-25-08	25.629	4.00
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**

Sep-12-08	10.2283	Individual / HUF : 0.0536 Others : 0.0498
Aug-12-08	10.3604	Individual / HUF : 0.0566 Others : 0.0526
July-14-08	10.2430	Individual / HUF : 0.0647 Others : 0.0602
Jun-12-08	10.7712	Individual / HUF : 0.0641 Others : 0.0596

**Kotak Income Plus- Quarterly Dividend**

Sep-20-08	10.2997	Individual / HUF : 0.0939 Others : 0.0874
Jun-20-08	10.6606	Individual / HUF : 0.1560 Others : 0.1451
Mar-24-08	10.7946	Individual / HUF : 0.2093 Others : 0.1948
Dec-20-07	11.6952	Individual / HUF : 0.1907 Others : 0.1775



# SMALL ON SAVINGS. BIG ON BENEFITS. SIP. IT'S A GOOD HABIT.

Systematic Investment Plan is a smart way to create wealth. It doesn't demand lump sum investments. Just a little, every month. What's more? With SIP, you don't need to time the market. And over a long period, your investment averages out the market highs and lows. Hence you buy more units when the market is low and less when the market is high. SIP is truly small on savings and big on benefits. So, develop a good habit of regular savings. Invest in Kotak SIP.

Table illustrates how you could have created wealth by investing through SIP in Kotak 30 (DIV Option) from December 1998.

SCHEME NAME	KOTAK 30
SIP Investment Amount	Rs. 5000
SIP Frequency	Monthly
Total No. of SIP Instalments	120
Total Investment Amount	Rs. 6,00,000
Value of Investment as on 10th November 2008	Rs. 17,17,307
Return on Investment (CAGR)	20.14%

**Kotak 30 is ranked CPR 1 by CRISIL\*. Past performance may or may not be sustained in the future.**

Rs 600000 (monthly investment of Rs 5000) invested in benchmark index (S&P NIFTY) since Dec 1998 would have become Rs 11,61,642 (12.81% return (CAGR) as on 10th Nov 2008

The Kotak SIP Advantage: • Auto-debit feature • Simple structure: Minimum 6 instalments, minimum investment amount Rs. 1000.

**SIP**  
Systematic Investment Plan



Kotak Mahindra 30 unit is an open-ended equity growth 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 investments of around 30 companies may go up to 39 companies. Risk Factors: \*CRISIL - CPR 1: The composite performance of Kotak 30 fund is "Very Good" in the Open End Equity Category, and ranks within the top 10% of the 25 schemes ranked in this category. The criteria used in computing the CRISIL Composite Performance Rank are Superior return Score, based on NAVs over the 2-year period ended September 30, 2008, Concentration and Liquidity of the Scheme. The methodology does not take into account the entry and exit loads levied by the scheme. The CRISIL CPR is no indication of the performance that can be expected from the scheme in future. Ranking Source: CRISIL Fund Services, CRISIL Limited. Mutual fund investments are subject to market risks; there is no assurance that the Scheme's objectives will be achieved. NAV of the Scheme's Units can go up/down depending on factors & forces affecting securities. Past performance of sponsor/AMC/Fund does not indicate the Scheme's future performance. Kotak 30 is only the Scheme's name and does not indicate its quality, prospects or returns. Statutory: Kotak Mahindra Mutual Fund is a Trust (Indian Trusts Act, 1882). Investment Manager: Kotak Mahindra Asset Management Company Ltd. Sponsor: Kotak Mahindra Bank Ltd. (liability Rs. NIL). Trustee: Kotak Mahindra Trustee Company Ltd. Before investing, please read the Offer Document.

## 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 Contra Scheme, 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.

### 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. Past performance of the Sponsor/AMC/Fund does not indicate the Schemes future performance. 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](http://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](http://www.kotakstreet.com)), ICICI Direct ([www.icicidirect.com](http://www.icicidirect.com)), and Times of Money ([www.timesofmoney.com](http://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](http://www.kotakmutual.com), and access all these facilities.

## CONTACT DETAILS

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Jalandhar: 0181-4631887/9888520569  
Jammu: 9906905679  
Jamnagar: 0288-6540129  
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Jodhpur: 9828568246  
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