KOTAK SELECT FOCUS

We’ll stay committed to the most promising sectors. You stay committed to your investment goal.

Kotak Select Focus carefully identifies the better-performing sectors and invests your money in the promising ones amongst them. The best part is, we closely monitor their performance and switch between sectors accordingly. Just so that the better performing ones power your portfolio and help you achieve your investment goal. Invest in Kotak Select Focus today and look forward to reaping the benefits of staying committed.

For the product classification please refer page 7

Dear Friends,

As we enter 2014, the policy focus to bring back growth is imperative. While we currently estimate growth for FY14 in the 4.5-5% range, the same for FY15 is expected in the 5-5.5% range. Policy initiatives to bring down inflation, especially in the food articles segment, are critical for bringing down repo rates; and to spur growth.

The recent effort by the government to fast track project clearances should start bearing fruit in the later part of 2014. However, we don’t have much time left for the government as the election euphoria should start by the end of Mar-Apr 14. Thus, we may not see a full pledged budget this year, but a vote on account.

Having said that, there is a lesson in this fact that time for reforms by the present incumbent may be limited. And that lesson is that simply avoid procrastinating of what is imperative, lest time dictates another direction.

For example, 2013 began with the anticipation that much needed reforms for CAD, fiscal deficit, and infrastructure may be in the offing. Moreover, at that time the outlook on the monetary policy was also increasingly benign in expectation of change towards growth orientation.

So much so, that by end of May 2013, the 10 yr gsec had rallied by around 80 bps since the beginning 2013. While some initiatives were made, a more robust and coordinated follow through towards the reforms was still lacking.

As a result, post June 2013, when the threat of a QE3 tapering began to seem real, the domestic markets were found exposed to the high FI outflows during the period. As a result, the Rupee (+8.88%), the domestic equities(Nifty -7.87%), and the debt market(10 yr gsec -6.64%); almost all the three tumbled simultaneously during the period. This market meltdown not only highlighted the gaping current account deficit, but also underscored the domestic market dependence on foreign capital – this, when the domestic capital was getting exported for import of gold.

Thus, the urgency of the situation led to policy changes. During the period, steps were taken to restrict gold imports, downsize CAD, and increase NRI capital inflows. This only helped in stabilizing the battered investor sentiment. Alternatively, these measures in a Pre-May 2013 period would have aided growth; supported businesses and jobs and would have better prepared us for the QE3 tapering.

In summation, for most of the 2013, the market seemed largely operating in the overhang of :-

- Anticipating reforms;
- Anticipating and coping with Policy initiative to limit the QE3 tapering related volatility;
- And now again, anticipating reforms (post the elections).

Never the less, we believe that we are closer to the bottoming of the GDP cycle. Markets at current levels are trading at near the long term average valuations. The next trigger for the market is clearly a stable polity at the centre. We believe that equity as an asset class is under-owned and there is clearly a need to increase allocation to equities. With the reduction in the global risk and mature market response to tapering announcement, year of 2014 could turn-out to be a year where both, debt and equity may provide higher than expected returns.

Wishing You All a Very Happy New Year

Regards,

Sandesh Kirkire
CEO
Kotak Mutual Fund

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

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**Equity Market View**

Domestic equities market have had an eventful year of 2013. The market opened the year with hope and anticipation of regulatory reforms that were expected to provide fillip to growth. The limitation of the fiscal deficit to 4.8% of the GDP; raised hopes of continued adoption of pro-growth measures.

However, by the end of May-13, the QE3 tapering fears resulted in high volatility and FI outflows, especially from the domestic debt market. During the same time, the Current account deficit too had widened to around 5% of the GDP. Both these factors together cast a heavy downside pressure on the Rupee; and invited stringent monetary policy reaction. As a result of these events, the equities markets declined sharply during the June-Aug period.

<table>
<thead>
<tr>
<th>Country Index</th>
<th>Country</th>
<th>Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nikkei</td>
<td>Japan</td>
<td>56.41%</td>
</tr>
<tr>
<td>Nasdaq</td>
<td>USA</td>
<td>38.32%</td>
</tr>
<tr>
<td>Dow Jones</td>
<td>USA</td>
<td>26.50%</td>
</tr>
<tr>
<td>DAX Index</td>
<td>Germany</td>
<td>25.34%</td>
</tr>
<tr>
<td>Swiss Market Index</td>
<td>Switzerland</td>
<td>20.13%</td>
</tr>
<tr>
<td>Euronext 100</td>
<td>EU</td>
<td>18.96%</td>
</tr>
<tr>
<td>CAC 40 Index</td>
<td>France</td>
<td>17.99%</td>
</tr>
<tr>
<td>FTSE</td>
<td>UK</td>
<td>14.43%</td>
</tr>
<tr>
<td>KLSE</td>
<td>Malaysia</td>
<td>10.54%</td>
</tr>
<tr>
<td>CNX Nifty Index</td>
<td>India</td>
<td>6.76%</td>
</tr>
<tr>
<td>Hang Seng</td>
<td>Hong Kong</td>
<td>2.87%</td>
</tr>
<tr>
<td>Kospi</td>
<td>S Korea</td>
<td>0.71%</td>
</tr>
<tr>
<td>Strait Times</td>
<td>Singapore</td>
<td>0.01%</td>
</tr>
<tr>
<td>Jakarta Composite Index</td>
<td>Indonesia</td>
<td>-0.98%</td>
</tr>
<tr>
<td>RTS Index</td>
<td>Russia</td>
<td>-5.51%</td>
</tr>
<tr>
<td>SSE Composite Index</td>
<td>China</td>
<td>-6.75%</td>
</tr>
<tr>
<td>Ibovespa Sao Paulo Index</td>
<td>Brazil</td>
<td>-15.41%</td>
</tr>
</tbody>
</table>

(Source: ICRA)

By Sept-13, RBI and the Central government had taken a string of actions to shore-up forex inflows. Key of these measures were to increase NRI deposits, discourage gold imports, eliminate currency speculation etc. Nevertheless, the fear of imminent and hawkish tapering of QE3 stimulus had abated; and this assisted in reversing the Rupee outflow pressure.

In the post Oct-13 phase, while the volatility from the QE3 tapering led events had been mitigated; the market increasingly began to factor in the repo rate hikes by RBI. Subsequent to that, the increasing conviction amongst the market proponents of a pro-growth polity, prompted an optimistic rally in the market. The key benchmark indices, Sensex and Nifty closed the year at 8.98% and 6.76% respectively.

**Other News**

- **RBI keeps repo, reverse repo, & CRR unchanged**: RBI keeps key rates unchanged in its December policy in contrast to expectation of 25 bps rate hike in reporate.
- **Fiscal Deficit touches 94% of the full year target**: India’s fiscal deficit touched 5.1 trillion rupees ($82.32 billion) during April-November, or 94 percent of the full-year target.
- **Manufacturing Data show signs of expansion**: The manufacturing sector expanded the first time since July with HSBC India Manufacturing PMI rising to 51.3 in November from 49.6 in October.
- **Nov WPI at 7.5% and CPI at 11.24%**: The wholesale price index (WPI) rose to a 14 month high of 7.52% in November. The CPI accelerated to nine month high at 11.24% for November.
- **Core sector growth subdued at 1.7% in November 2013**: Growth in the eight crucial sectors of the economy was muted in November, expanding 1.7% against a 0.6% contraction in the previous month.
- **Trade deficit at $9.2bn**: India’s exports grew by 5.9% to $24.6 billion in Nov, while imports down by 16.4% to 33.8 billion, leaving a trade deficit of $9.2bn (vs. USD10.6bn previous month).
- **Oct IIP contracts by 1.8%**: The IIP contracted by 1.8% in October. The manufacturing sector declined by 2 percent in October as against a growth of 9.9 percent a year ago.
- **FDI inflow falls again in October**: FDI for the month of October fell again by 38% to USD 2.1bn.
- **Forex reserves increased by $9.3bn**: Forex reserves increased by ~9bnat US$295.5bn in Dec.
- **Money supply growth**: Money supply (M3) growth increased from13.8% in Novto 15.1% in Dec.

(Source: Internal Research)
Market Outlook

While inflation continues to persist at high levels, it is believed that the sluggish growth in the economy itself will lead to deceleration in inflation levels. This, in addition to the tighter monetary policy initiative, will weigh down on inflation. Resultantly, we believe that slowly, the domestic monetary policy will adopt growth orientation, and may begin to unwind the tight monetary policy regime presently underway.

On GDP front, we are expecting about 4.5% growth in FY14. This is based on the assumption of better agricultural GDP due to good monsoon season. FY15 GDP growth is expected to show moderate improvement, with GDP growth rate inching towards 5 – 5.5%. This again, mainly due to agriculture driven growth.

While the macro-economic challenges are on the mend, we believe the markets will likely move in line with corporate earnings. The market rerating is dependent on signs of economic recovery; or expectations of pro-growth and stable political formation after the elections. After the recent sharp run up, the market is now trading close to a long-term average valuation levels (currently trading at around 14x 1-year forward, as compared to long term average of about 15x).

We believe that we are close to the bottom of the earnings downgrade cycle. Although the earnings growth expectations for FY14 are modest (at about 6% yoy), we expect it to improve moderately to double digits in for the second half of FY14, as also in FY15.

### Debt Market View

<table>
<thead>
<tr>
<th>Items</th>
<th>Dec-13</th>
<th>Nov-13</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reverse Repo</td>
<td>6.75%</td>
<td>6.75%</td>
<td>Nil</td>
</tr>
<tr>
<td>Repo</td>
<td>7.75%</td>
<td>7.75%</td>
<td>Nil</td>
</tr>
<tr>
<td>CRR</td>
<td>4.00%</td>
<td>4.00%</td>
<td>Nil</td>
</tr>
<tr>
<td>SLR</td>
<td>23.00%</td>
<td>23.00%</td>
<td>Nil</td>
</tr>
<tr>
<td>Mibor Overnight</td>
<td>9.07%</td>
<td>7.72%</td>
<td>135 bps</td>
</tr>
<tr>
<td>Cali(O/N)</td>
<td>8.91%</td>
<td>7.61%</td>
<td>130 bps</td>
</tr>
<tr>
<td>CBLO</td>
<td>8.87%</td>
<td>6.99%</td>
<td>188 bps</td>
</tr>
<tr>
<td>1 yr T Bill</td>
<td>8.83%</td>
<td>8.45%</td>
<td>38 bps</td>
</tr>
<tr>
<td>10 G Sec</td>
<td>8.83%</td>
<td>8.74%</td>
<td>9 bps</td>
</tr>
<tr>
<td>USD/INR</td>
<td>61.83</td>
<td>62.48</td>
<td>-0.65</td>
</tr>
</tbody>
</table>

Source: RBI; Icraoline.

### Inflation Management

<table>
<thead>
<tr>
<th>Data</th>
<th>Weightage in WPI</th>
<th>Nov Inflation YoY</th>
<th>Contributing to WPI</th>
<th>m-o-m Growth</th>
<th>Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALL COMMODITIES</td>
<td>100%</td>
<td>7.32%</td>
<td>100.00%</td>
<td>0.67%</td>
<td>N.A</td>
</tr>
<tr>
<td>I PRIMARY ARTICLES</td>
<td>20.12%</td>
<td>15.92%</td>
<td>42.57%</td>
<td>1.87%</td>
<td>Pushing Up WPI inflation</td>
</tr>
<tr>
<td>FOOD ARTICLES</td>
<td>14.34%</td>
<td>19.93%</td>
<td>37.97%</td>
<td>1.99%</td>
<td>Pushing Up WPI inflation</td>
</tr>
<tr>
<td>FRUITS &amp; VEGETABLES</td>
<td>3.84%</td>
<td>52.56%</td>
<td>26.84%</td>
<td>6.01%</td>
<td>Pushing Up WPI inflation</td>
</tr>
<tr>
<td>III MANUFACTURED PRODUCTS</td>
<td>64.97%</td>
<td>2.64%</td>
<td>22.76%</td>
<td>0.20%</td>
<td>Pushing Down inflation</td>
</tr>
<tr>
<td>B. VEGETABLES</td>
<td>1.74%</td>
<td>95.25%</td>
<td>21.87%</td>
<td>10.63%</td>
<td>Pushing Up WPI inflation</td>
</tr>
<tr>
<td>II FUEL &amp; POWER</td>
<td>14.91%</td>
<td>11.08%</td>
<td>21.95%</td>
<td>0.10%</td>
<td>Pushing Up WPI inflation</td>
</tr>
<tr>
<td>B. MINERAL OILS</td>
<td>9.36%</td>
<td>12.85%</td>
<td>16.00%</td>
<td>0.17%</td>
<td>Pushing Up WPI inflation</td>
</tr>
<tr>
<td>C. ELECTRICITY</td>
<td>3.45%</td>
<td>22.96%</td>
<td>10.53%</td>
<td>0.00%</td>
<td>Pushing Up WPI inflation</td>
</tr>
<tr>
<td>High Speed Diesel</td>
<td>4.67%</td>
<td>15.65%</td>
<td>9.72%</td>
<td>0.86%</td>
<td>Pushing Up WPI inflation</td>
</tr>
<tr>
<td>Tomato</td>
<td>0.27%</td>
<td>177.56%</td>
<td>6.31%</td>
<td>34.48%</td>
<td>Pushing Up WPI inflation</td>
</tr>
</tbody>
</table>

- Over the past six months, there has been a sharp spike in the prices of vegetables. This segment, with a weightage of only 1.74% in the WPI, has been contributing around 22% to the WPI inflation in the last few months.
- On the other hand, the inflation in the manufactured products segment (with a weightage of 65%) has contributed only around 23% into the WPI inflation. This implies that a very small basket of products (Onions, Tomato, Garlic, Sweet Potato and Tapioca) has been skewing the WPI output on account of sharp price rise in them. The fresh agriculture supply post the October-November harvest is expected to moderate and bring down most of the agri supplies, going forward. This might help reverse the WPI trend.

### Gold Corner

Gold prices continue to cool down as their prices fell again in December month. For the month, spot gold closed at $1201.50 per ounce, down $43.75 per ounce or 3.51%. Gold fell further during the month after the outcome of the FOMC decision, in which the Fed tapered QE3 by $10 billion to $75 billion. The fall in gold price during the month is also attributed to US jobless claims, which sharply decreased by 42k to 338k.

Gold has had worse year in 2013. Gold suffered its worst year since 1981 (down 32%). During the year Gold fell by 27.79% in dollar terms and 14.21% in INR terms.

**Gold USD and Gold INR movement in 2013**

(Source: Bloomberg.com, prices are in per ounce)

Gold prices continue to cool down as their prices fell again in December month. For the month, spot gold closed at $1201.50 per ounce, down $43.75 per ounce or 3.51%. Gold fell further during the month after the outcome of the FOMC decision, in which the Fed tapered QE3 by $10 billion to $75 billion. The fall in gold price during the month is also attributed to US jobless claims, which sharply decreased by 42k to 338k.

Gold has had worse year in 2013. Gold suffered its worst year since 1981 (down 32%). During the year Gold fell by 27.79% in dollar terms and 14.21% in INR terms.
KOTAK 50
An Open-Ended Equity Scheme

To generate capital appreciation from a portfolio of predominantly equity and equity related securities. The portfolio will generally comprise of equity and equity related instruments of around 50 companies which may go up to 100 companies but will not exceed 50 at any point in time.

Investment Objective

Performance as on December 31, 2013

<table>
<thead>
<tr>
<th>Issue/Instrument</th>
<th>Industry/Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infosys Ltd.</td>
<td>Software</td>
<td>9.06%</td>
</tr>
<tr>
<td>HDFC Bank Ltd.</td>
<td>Banks</td>
<td>7.46%</td>
</tr>
<tr>
<td>ICICI Bank Ltd.</td>
<td>Banks</td>
<td>7.06%</td>
</tr>
<tr>
<td>Reliance Industries Ltd.</td>
<td>Petroleum Products</td>
<td>5.70%</td>
</tr>
<tr>
<td>Tata Consultancy Services Ltd.</td>
<td>Software</td>
<td>5.47%</td>
</tr>
<tr>
<td>HDFC Ltd.</td>
<td>Finance</td>
<td>4.09%</td>
</tr>
<tr>
<td>Bharti Airtel Ltd.</td>
<td>Telecom - Services</td>
<td>3.66%</td>
</tr>
<tr>
<td>Larsen &amp; Toubro Ltd</td>
<td>Construction Project</td>
<td>2.83%</td>
</tr>
<tr>
<td>Mahindra &amp; Mahindra Ltd.</td>
<td>Auto</td>
<td>2.22%</td>
</tr>
</tbody>
</table>

Other lists
91.66% Listed/Awaiting Listing on Stock Exchange - Total
97.66% Term Deposits - Total
9.28% Collateral Borrowing & Lending obligation
1.68% Net Current Assets/(Liabilities)
9.06% Grand Total
100.00% This product is suitable for investors who are seeking:
• Long term capital growth
• Investment in portfolio of predominantly equity & equity related securities
• High risk (Brown)

* Investors should consult their financial advisors if in doubt about whether the product is suitable for them.

Notes:
Term Deposit as provided above is towards margin for derivatives transactions
For the period ended 31st December 2013 other than hedging transactions through futures which have been squared off/expired are as follows:
Total number of contracts where futures were sold 409. Gross Notional value of contracts where futures were bought Rs. 423.13 lacs. Gross Notional value of contracts where futures were sold Rs. 819.35 lacs and Net profit/(loss) value on all these contracts combined Rs. 56.57 lacs.
For the period ended 31st December 2013 other than hedging transactions through options which have already been exercised/expired as follows:
Total number of contracts entered into was Rs. 31289.00 lacs and Net Profit/(Loss) on all contracts is Rs. (114.56) lacs.

KOTAK OPPORTUNITIES
An Open - Ended Equity Growth Scheme

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

Investment Objective

Performance as on December 31, 2013

<table>
<thead>
<tr>
<th>Issue/Instrument</th>
<th>Industry/Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infosys Ltd.</td>
<td>Software</td>
<td>7.81%</td>
</tr>
<tr>
<td>ICICI Bank Ltd.</td>
<td>Banks</td>
<td>7.20%</td>
</tr>
<tr>
<td>Reliance Industries Ltd.</td>
<td>Petroleum Products</td>
<td>5.24%</td>
</tr>
<tr>
<td>HDFC Bank Ltd.</td>
<td>Banks</td>
<td>5.09%</td>
</tr>
<tr>
<td>Tata Motors Ltd.</td>
<td>Auto</td>
<td>4.28%</td>
</tr>
<tr>
<td>IndusInd Bank Ltd.</td>
<td>Banks</td>
<td>3.44%</td>
</tr>
<tr>
<td>Birla Airtel Ltd.</td>
<td>Telecom - Services</td>
<td>3.41%</td>
</tr>
<tr>
<td>ICL Technologies Ltd.</td>
<td>Software</td>
<td>3.15%</td>
</tr>
<tr>
<td>ITC Ltd.</td>
<td>Consumer Non Durables</td>
<td>3.05%</td>
</tr>
</tbody>
</table>

Other lists
51.15% Listed/Awaiting Listing on Stock Exchange - Total
97.71% Term Deposits - Total
1.12% Collateral Borrowing & Lending obligation
0.31% Net Current Assets/(Liabilities)
100.00% This product is suitable for investors who are seeking:
• Long term capital growth
• Investment in portfolio of predominantly equity & equity related securities
• High risk (Brown)

* Investors should consult their financial advisors if in doubt about whether the product is suitable for them.

Notes:
Term Deposit as provided above is towards margin for derivatives transactions
For the period ended 31st December,2013 hedging transactions through futures which have been squared off/expired are as follows:
Total number of contracts where futures were sold 93. Gross Notional value of contracts where futures were bought Rs. 57.5 lacs. and Net Profit/(Loss) value on all these contracts combined Rs. (17.69) lacs.
For the period ended 31st December, 2013 other than hedging transactions through options which have already been exercised/expired are as follows:
Total number of contracts entered into was 4000. Gross Notional Value of contracts of Rs. 12905 lacs and Net Profit/(Loss) on all contracts is Rs. 2.44 lacs.
**KOTAK TAX-SAVER**

An Open-Ended Equity Linked Saving 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 Plans/ Options**
1. **Non Direct Plan**
   - **Direct Plan** Options: Dividend Payout, Dividend Reinvestment & Growth (applicable for all plans)

**Dividend Freq.**
Trustee's Discretion

**Load Structure**
Entry Load - Nil (applicable for all plans)
Exit Load: Exit Load is not applicable for Kotak Tax Saver Scheme. (applicable for all plans)
Bonus units and units issued on reinvestment of dividends shall not be subject to exit load (applicable for all plans)

**Minimum Investment Amount**
Initial Investment: Rs. 500 and in multiple of Rs. 1 for purchase and for Rs. 0.01 for switch
Additional Investment: Rs. 500 & in multiples of Rs. 500

**AAUM (In Crores) & %**
AAUM as on December 31, 2013: Rs. 11,570 (Dividend Option), Rs. 11,648 (Direct Dividend Option), Rs. 18,894 (Growth Option), Rs. 19,217 (Direct Growth Option)

**Potential**
- Equity & related securities predominantly in mid cap stocks.
- Intermediate risk
- Ideal Investors Horizon: 3 years & above

**Performance as on December 31, 2013**

<table>
<thead>
<tr>
<th>Date of Inception</th>
<th>Kotak Tax Saver - Growth</th>
<th>Scheme Returns (%)</th>
<th>CNX 500 (%)</th>
<th>CNX 500 # (%)</th>
<th>Current Value of Standard Benchmark of Rs. 1000 is Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 31, 2013</td>
<td>8.16</td>
<td>10.08</td>
<td>11.49</td>
<td>18882</td>
<td>21789</td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013 (Direct Plan)</td>
<td>5.64</td>
<td>2.69</td>
<td>1.98</td>
<td>Not applicable</td>
<td></td>
</tr>
<tr>
<td>31/12/2011 to 31/12/2012 (Direct Plan)</td>
<td>6.25</td>
<td>3.61</td>
<td>6.76</td>
<td>Not applicable</td>
<td></td>
</tr>
<tr>
<td>31/12/2010 to 31/12/2011 (Direct Plan)</td>
<td>36.25</td>
<td>31.84</td>
<td>27.70</td>
<td>Not applicable</td>
<td></td>
</tr>
</tbody>
</table>

Kotak Tax Saver NAV as on December 31, 2013: Rs. 11,570 (Dividend Option), Rs. 11,648 (Direct Dividend Option), Rs. 18,894 (Growth Option), Rs. 19,217 (Direct Growth Option)

This product is suitable for investors who are seeking:
- Long term capital growth with a 3 year lock in
- Investment in portfolio of predominantly equity & equity related securities
- "Clear rating" (Brown)
- Investors should consult their financial advisors if in doubt about whether the product is suitable for them.

**Portfolio**

<table>
<thead>
<tr>
<th><strong>Equity &amp; related (Listed/ Awaiting listing on Stock Exchange)</strong></th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infosys Ltd. Software</td>
<td>7.50</td>
</tr>
<tr>
<td>ICICI Bank Ltd. Banks</td>
<td>7.09</td>
</tr>
<tr>
<td>HDFC Bank Ltd. Banks</td>
<td>5.16</td>
</tr>
<tr>
<td>Reliance Industries Ltd. Petroleum Products</td>
<td>5.12</td>
</tr>
<tr>
<td>Tata Consultancy Services Ltd. Software</td>
<td>5.10</td>
</tr>
<tr>
<td>Tata Motors Ltd. Auto</td>
<td>3.65</td>
</tr>
<tr>
<td>Bharti Airtel Ltd. Telecom - Services</td>
<td>3.25</td>
</tr>
<tr>
<td>HCL Technologies Ltd. Software</td>
<td>3.04</td>
</tr>
<tr>
<td>Whirlpool of India Ltd. Consumer Durables</td>
<td>2.87</td>
</tr>
<tr>
<td>HDFC Ltd. Finance</td>
<td>2.80</td>
</tr>
<tr>
<td>Others</td>
<td>52.91</td>
</tr>
<tr>
<td>Total/Listing on Stock Exchange - Total</td>
<td>98.49</td>
</tr>
<tr>
<td>Net Current Assets/Liability</td>
<td>4.25</td>
</tr>
<tr>
<td>Grand Total</td>
<td>100.00</td>
</tr>
</tbody>
</table>

This product is suitable for investors who are seeking:
- Long term capital growth
- Investment in equity & equity related securities predominantly in mid cap stocks.
- "High risk" (Yellow)
- Investors should consult their financial advisors if in doubt about whether the product is suitable for them.

**Notes:**
- Total NPs provided for and percentage to NAV: Nil
- Total value and percentage to Net Asset of Illiquid Equity Shares: Nil

**KOTAK MID-CAP**

An Open - Ended Growth Scheme

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

**Available Plans/ Options**
1. **Non Direct Plan**
   - **Direct Plan** Options: Dividend Payout, Dividend Reinvestment & Growth (applicable for all plans)

**Dividend Freq.**
Trustee's Discretion

**Load Structure**
Entry Load - Nil (applicable for all plans)
Exit Load:
- For redemptions / switch outs (including SIP/PTP) within 1 year from the date of allotment of units, irrespective of the amount of investment:
  - For redemptions / switch outs (including SIP/PTP) after 1 year from the date of allotment of units, irrespective of the amount of investment: Nil
- Any exit load charged (net off Service Tax, if any) shall be credited back to the Scheme (applicable for all plans) Bonus units and units issued on reinvestment of dividends shall not be subject to exit load (applicable for all plans)

**Minimum Investment Amount**
Initial Investment: Rs. 500 and in multiple of Rs. 1 for purchase and for Rs. 0.01 for switch
Additional Investment: Rs. 1000 & in multiples of Rs. 1

**AAUM as on December 31, 2013**
AAUM as on December 31, 2013: Rs. 233.46 (B) Direct Plan: 0.89

**Performance as on December 31, 2013**

<table>
<thead>
<tr>
<th>Date of Inception</th>
<th>Kotak Midcap - Fund - Growth</th>
<th>Scheme Returns (%)</th>
<th>CNX 500 (%)</th>
<th>CNX 500 # (%)</th>
<th>Current Value of Standard Benchmark of Rs. 1000 is Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>December 31, 2013</td>
<td>12.64</td>
<td>11.95</td>
<td>13.49</td>
<td>28690</td>
<td>27171</td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013 (Direct Plan)</td>
<td>4.95</td>
<td>-6.17</td>
<td>5.85</td>
<td>Not applicable</td>
<td></td>
</tr>
<tr>
<td>31/12/2011 to 31/12/2012 (Direct Plan)</td>
<td>4.91</td>
<td>-5.10</td>
<td>6.76</td>
<td>Not applicable</td>
<td></td>
</tr>
<tr>
<td>31/12/2010 to 31/12/2011 (Direct Plan)</td>
<td>50.23</td>
<td>39.16</td>
<td>27.70</td>
<td>Not applicable</td>
<td></td>
</tr>
</tbody>
</table>

Kotak Midcap NAV as on December 31, 2013: Rs. 18,103 (Dividend Option), Rs. 18,251 (Direct Dividend Option), Rs. 28,684 (Growth Option), Rs. 28,918 (Direct Growth Option)

This product is suitable for investors who are seeking:
- Long term capital growth
- Investment in equity & equity related securities predominantly in mid cap stocks.
- "High risk" (Yellow)
- Investors should consult their financial advisors if in doubt about whether the product is suitable for them.

**Notes:**
- Term Deposit as provided above is towards margin for derivatives transactions.
To achieve growth by investing in equity & equity related instruments, balanced with income generation by investing in debt & money market instruments.

**A) Non Direct Plan I) Direct Plan**

Options: Dividend Payout, Dividend Reinvestment (applicable for all plans)

**Objective**

- **Half Yearly (25th of Mar/Sept)**
- **Entry Load:** Nil. (applicable for all plans)

**Exit Load:**
- I) For redemptions /switch outs (including SIP/STP) within 1 year from the date of allotment of units, irrespective of the amount of investment: 1%
- II) For redemptions /switch outs (including SIP/STP) after 1 year from the date of allotment of units, irrespective of the amount of investment: Nil
- III) Any exit load charged (net of STP) if any shall be credited back to the respective Scheme. (applicable for all plans)

Bonus units and units issued on reinvestment of dividends shall not be subject to exit load (applicable for all plans)

- **Minimum Investment Amount:** Rs. 5000 and in multiples of Rs. 1 for purchase and for Rs.0.01 for switches

**Additional Investment:** Rs. 1000 & in multiples of Rs. 1

- **Ideal Investments Horizon:** 3 years & above

**Performance**

- **Since inception till December 31, 2013:**
  - Net Current Assets/(Liabilities) 2.43%
  - Term Deposits - Total 0.59%
  - Treasury Bills - Total 2.90%
  - Corporate Debt/Financial Institutions - Total 5.61%

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

<table>
<thead>
<tr>
<th>Issuer/Instrument</th>
<th>Industry/Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reliance Software</td>
<td>Software</td>
<td>5.68%</td>
</tr>
<tr>
<td>ITC Ltd.</td>
<td>Consumer Durables</td>
<td>4.70%</td>
</tr>
<tr>
<td>HDFC Bank Ltd.</td>
<td>Finance</td>
<td>3.09%</td>
</tr>
<tr>
<td>ITC Ltd.</td>
<td>Consumer Durables</td>
<td>3.09%</td>
</tr>
<tr>
<td>Tata Consultancy Services Ltd.</td>
<td>Software</td>
<td>2.84%</td>
</tr>
<tr>
<td>NMDC Ltd.</td>
<td>Minerals/Mining</td>
<td>2.77%</td>
</tr>
<tr>
<td>Reliance Industries Ltd.</td>
<td>Petroleum Products</td>
<td>2.26%</td>
</tr>
<tr>
<td>Larsen and Toubro Ltd.</td>
<td>Construction</td>
<td>2.17%</td>
</tr>
<tr>
<td>National Thermal Power Corporation</td>
<td>Power</td>
<td>2.47%</td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td>27.11%</td>
</tr>
<tr>
<td>Listed/Awaiting Listing on Stock Exchange - Total</td>
<td></td>
<td>60.69%</td>
</tr>
<tr>
<td>Corporate Debt/Financial Institutions - Total</td>
<td></td>
<td>5.89%</td>
</tr>
<tr>
<td>Government Debt Securities - Total</td>
<td></td>
<td>2.57%</td>
</tr>
<tr>
<td>Corporate Debt/Financial Institutions - Total</td>
<td></td>
<td>3.26%</td>
</tr>
<tr>
<td>Public Sector Undertakings - Total</td>
<td></td>
<td>2.26%</td>
</tr>
<tr>
<td>Treasury Bills - Total</td>
<td></td>
<td>1.05%</td>
</tr>
<tr>
<td>Term Deposits - Total</td>
<td></td>
<td>0.44%</td>
</tr>
<tr>
<td>Collateral Borrowing &amp; Lending obligation</td>
<td></td>
<td>0.43%</td>
</tr>
<tr>
<td>Current Net Assets/(Liabilities)</td>
<td></td>
<td>99.65%</td>
</tr>
<tr>
<td>Grand Total</td>
<td></td>
<td>100.00%</td>
</tr>
</tbody>
</table>

**Notes:**

- This product is suitable for investors who are seeking:
  - Long term capital growth
  - Investment in predominantly equity & equity related instruments
  - High risk (Brown)

**Investors should consult their financial advisors if in doubt about whether the product is suitable for them.**

**EQUITY FUNDS**

**KOTAK BALANCE**

**An Open-Ended Balanced Scheme**

**Scheme Name:** KOTAK BALANCE

**Fund Details**

**Investment Objective**

To achieve growth by investing in equity & equity related instruments, balanced with income generation by investing in debt & money market instruments.

**Available Plans/ Options**

- **Options:** Dividend Payout, Dividend Reinvestment (applicable for all plans)

**Dividend Freq.**

- **Half Yearly (25th of Mar/Sept)**

**Fund Managers**

- Mr. Emilius Le Roux and Mr. Abhishek Bisen

**Entry Load:** Nil. (applicable for all plans)

**Portfolio**

**Issue/Instrument**

- **Equity & Equity related (Listed/ Awaiting listing on Stock Exchange)**
  - Reliance Software: 5.68%
  - ITC Ltd.: 4.70%
  - HDFC Bank Ltd.: 3.09%
  - Tata Consultancy Services Ltd.: 2.84%
  - NMDC Ltd.: 2.77%
  - Reliance Industries Ltd.: 2.26%
  - Larsen and Toubro Ltd.: 2.17%
  - National Thermal Power Corporation: 2.47%
  - Others: 27.11%

**Grand Total:** 100.00%

**Notes:**

- This product is suitable for investors who are seeking:
  - Long term capital growth
  - Investment in predominantly equity & equity related instruments
  - High risk (Brown)

**Investors should consult their financial advisors if in doubt about whether the product is suitable for them.**

**Performance**

Since inception till December 31, 2013:
- Net Current Assets/(Liabilities) 2.43%
- Term Deposits - Total 0.59%
- Treasury Bills - Total 2.90%
- Corporate Debt/Financial Institutions - Total 5.61%

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

<table>
<thead>
<tr>
<th>Issuer/Instrument</th>
<th>Industry/Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reliance Software</td>
<td>Software</td>
<td>5.68%</td>
</tr>
<tr>
<td>ITC Ltd.</td>
<td>Consumer Durables</td>
<td>4.70%</td>
</tr>
<tr>
<td>HDFC Bank Ltd.</td>
<td>Finance</td>
<td>3.09%</td>
</tr>
<tr>
<td>ITC Ltd.</td>
<td>Consumer Durables</td>
<td>3.09%</td>
</tr>
<tr>
<td>Tata Consultancy Services Ltd.</td>
<td>Software</td>
<td>2.84%</td>
</tr>
<tr>
<td>NMDC Ltd.</td>
<td>Minerals/Mining</td>
<td>2.77%</td>
</tr>
<tr>
<td>Reliance Industries Ltd.</td>
<td>Petroleum Products</td>
<td>2.26%</td>
</tr>
<tr>
<td>Larsen and Toubro Ltd.</td>
<td>Construction</td>
<td>2.17%</td>
</tr>
<tr>
<td>National Thermal Power Corporation</td>
<td>Power</td>
<td>2.47%</td>
</tr>
<tr>
<td>Others</td>
<td></td>
<td>27.11%</td>
</tr>
<tr>
<td>Listed/Awaiting Listing on Stock Exchange - Total</td>
<td></td>
<td>60.69%</td>
</tr>
<tr>
<td>Corporate Debt/Financial Institutions - Total</td>
<td></td>
<td>5.89%</td>
</tr>
<tr>
<td>Government Debt Securities - Total</td>
<td></td>
<td>2.57%</td>
</tr>
<tr>
<td>Corporate Debt/Financial Institutions - Total</td>
<td></td>
<td>3.26%</td>
</tr>
<tr>
<td>Public Sector Undertakings - Total</td>
<td></td>
<td>2.26%</td>
</tr>
<tr>
<td>Treasury Bills - Total</td>
<td></td>
<td>1.05%</td>
</tr>
<tr>
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<td></td>
<td>0.44%</td>
</tr>
<tr>
<td>Collateral Borrowing &amp; Lending obligation</td>
<td></td>
<td>0.43%</td>
</tr>
<tr>
<td>Current Net Assets/(Liabilities)</td>
<td></td>
<td>99.65%</td>
</tr>
<tr>
<td>Grand Total</td>
<td></td>
<td>100.00%</td>
</tr>
</tbody>
</table>

**Notes:**

- This product is suitable for investors who are seeking:
  - Long term capital growth
  - Investment in predominantly equity & equity related instruments
  - High risk (Brown)

**Investors should consult their financial advisors if in doubt about whether the product is suitable for them.**

<table>
<thead>
<tr>
<th>Sector Allocation</th>
</tr>
</thead>
</table>

**Construction Project**

- Minerals/Mining: 3.61
- Auto Ancillaries: 4.19
- Finance: 4.66
- Petroleum Products: 6.85
- Chemicals: 9
- CBLO & Term Deposits & Rev.Repo: 9.67
- Others: 12.85

**Consumer Non Durables**

- Software: 12.48

**Others:**

- 44.04%
- 91.48%
- 2.07%
- 0.49%
- 0.00%
- 100.00%

**Notes:**

- EQUITY FUNDS: KOTAK BALANCE as on 31st December 2013: Rs. 10,000/- investment made at inception. Prevailing NAV. Returns <= 1 year: Absolute; Returns > 1 year: CAGR (Compounded Annualised Growth Rate).

**KOTAK CLASSIC EQUITY**

**An Open - Ended Equity Growth Scheme**

**Scheme Name:** KOTAK CLASSIC EQUITY

**Fund Details**

**Investment Objective**

To generate capital appreciation from a diversified portfolio of equity and equity related securities

**Available Plans/ Options**

- **Options:** Dividend Payout, Dividend Reinvestment & Growth (applicable for all plans)

**Dividend Freq.**

- **Half Yearly (25th of Mar/Sept)**

**Trustee’s Discretion**

Mr. Emilius Le Roux

**Entry Load:** Nil. (applicable for all plans)

**Portfolio**

**Issue/Instrument**

- **Equity & Equity related (Listed/ Awaiting listing on Stock Exchange)**
  - Infosys Ltd.: 8.62%
  - ITC Ltd.: 7.98%
  - HDFC Bank Ltd.: 4.66%
  - Tata Consultancy Services Ltd.: 4.65%
  - NMDC Ltd.: 4.19%
  - ICICI Bank Ltd.: 3.87%
  - ITC Ltd.: 3.61%
  - Sun Pharmaceuticals Industries Ltd.: 2.90%
  - Others: 44.44%

**Grand Total:** 100.00%

**Notes:**

- This product is suitable for investors who are seeking:
  - Long term capital growth
  - Investment in predominantly equity & equity related instruments
  - High risk (Brown)

**Investors should consult their financial advisors if in doubt about whether the product is suitable for them.**

<table>
<thead>
<tr>
<th>Sector Allocation</th>
</tr>
</thead>
</table>

**Construction Project**

- Minerals/Mining: 3.61
- Auto Ancillaries: 4.19
- Finance: 4.66
- Petroleum Products: 6.85
- Chemicals: 9
- CBLO & Term Deposits & Rev.Repo: 9.67
- Others: 12.85

**Consumer Non Durables**

- Software: 12.48

**Others:**

- 44.04%
- 91.48%
- 2.07%
- 0.49%
- 0.00%
- 100.00%
The Investment Objective of the Scheme is to generate long term capital appreciation from a portfolio of predominantly equity & equity related securities generally focussed on a few selected sectors.

Investment Objective

This product is suitable for investors who are seeking:
- Long term capital growth
- Investment in predominantly in open-ended diversified equity schemes of mutual funds registered with SEBI

Notes:
- Total NPA's provided for and percentage to NAV: Nil
- Total value and percentage to Net Asset of liquid Equity Shares: Nil
The investment objective of the scheme is to generate long-term capital appreciation by investing in a diversified portfolio of securities as prescribed by SEBI from time to time in global emerging markets.

**Investment Objective**

The investment objective of the scheme is to generate long-term capital appreciation by investing in a diversified portfolio of securities as prescribed by SEBI from time to time in global emerging markets.

**Available Plans/ Options**

A/ (Non Direct Plan) B/ Direct Plan

**Options:** Dividend Payout, Dividend Reinvestment & Growth (applicable for all plans)

**Dividend Freq.**

Trustee’s Discretion

**Fund Managers**

Mr. Deepak Gupta (Dedicated fund manager for Fund Managers overseas investment) & Mr. Abhishek Bisen

**Load Structure**

Exit Load: Nil. (applicable for all plans).

(i) For exit within 1 year from the date of allotment of units: 1%

(ii) For exit after 1 year from the date of allotment of units: Nil

Any exit load charged (net of Service Tax, if any) shall be credited back to the Scheme. (applicable for all plans) Bonus units and units issued on reinvestment of dividends shall not be subject to exit load (applicable for all plans)

**Minimum Investment Amount**

Initial Investment: Rs. 5000 and in multiples of Re. 1 for purchase and for Re. 0.01 for switch

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

Ideal Investments Horizon: 3 years & above

**AAUM (In Crores) & Ratios**

AAUM as on December 31, 2013: A) Non Direct Plan: 58.53. B) Direct Plan: 0.80

**Note:** Point to Point (PTP) Returns in INR show the prevailing NAV. Returns <= 1 year: Absolute; Returns > 1 year: CAGR (Compounded Annual Growth Rate).

**Portfolio**

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

<table>
<thead>
<tr>
<th>Industry/Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity &amp; Equity related (Listed/ Awaiting listing on Stock Exchange)</td>
<td>97.95%</td>
</tr>
<tr>
<td>MFQ ASIAN SMALL EQUITY FUND</td>
<td>46.35%</td>
</tr>
<tr>
<td>Overseas Mutual Fund</td>
<td>36.87%</td>
</tr>
<tr>
<td>Clash</td>
<td>14.37%</td>
</tr>
<tr>
<td>Total</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

This product is suitable for investors who are seeking:

- Long term capital growth
- Investment in overseas mutual fund schemes that invest in a diversified portfolio of securities in global emerging markets
- High risk *(Blue)*

*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.

**Sector Allocation**

- Overseas Mutual Fund | 97.59%
- Others | 2.41%

**Notes:**

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

**Performance as on December 31, 2013**

<table>
<thead>
<tr>
<th>Scheme Returns (%)</th>
<th>NAV Bps Microns (%)</th>
<th>CAX Net (%) to NAV</th>
<th>Current Value of Standard Investment of Rs 1000 in the Scheme</th>
<th>Additional Benchmark # (#)</th>
</tr>
</thead>
<tbody>
<tr>
<td>KOTAK GLOBAL EMERGING MARKET FUND</td>
<td>11.801 (Direct Dividend Option), Rs. 13.136 (Growth Option), Rs. 13.207 (Direct Growth Option)</td>
<td>-5.73</td>
<td>3.30</td>
<td>7.66</td>
</tr>
</tbody>
</table>

Kotak Global Emerging Equity Growth Scheme - Growth

Since inception till December 31, 2013

<table>
<thead>
<tr>
<th>Scheme Returns (%)</th>
<th>NAV Bps Microns (%)</th>
<th>CAX Net (%) to NAV</th>
<th>Current Value of Standard Investment of Rs 1000 in the Scheme</th>
<th>Additional Benchmark # (#)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>100.00%</td>
<td>12.31</td>
<td>11.06</td>
<td>12.31</td>
</tr>
</tbody>
</table>

**Issuer/Instrument**

- **Industry/Rating**
- **% to Net Assets**

<table>
<thead>
<tr>
<th>Industry/Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity &amp; Equity related (Listed/ Awaiting listing on Stock Exchange)</td>
<td>97.96%</td>
</tr>
<tr>
<td>Solar Industries India Limited</td>
<td>4.52%</td>
</tr>
<tr>
<td>Wrigley of India Ltd.</td>
<td>4.17%</td>
</tr>
<tr>
<td>Hawkins Cooker Ltd</td>
<td>3.94%</td>
</tr>
<tr>
<td>Kewal Kiran Clothing Limited</td>
<td>3.31%</td>
</tr>
<tr>
<td>Icra Laboratories Ltd</td>
<td>3.05%</td>
</tr>
<tr>
<td>Shree Cement Ltd</td>
<td>2.84%</td>
</tr>
<tr>
<td>Federal Bank Ltd</td>
<td>2.70%</td>
</tr>
<tr>
<td>Aurobindo Pharma Ltd</td>
<td>2.40%</td>
</tr>
<tr>
<td>Jk Lakshmi Cement Ltd.</td>
<td>2.26%</td>
</tr>
<tr>
<td>Zuan Agro Chemicals Ltd</td>
<td>2.25%</td>
</tr>
</tbody>
</table>

**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**

- Overseas Mutual Fund | 97.59%
- Others | 2.41%

**Notes:**

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

### Performance

<table>
<thead>
<tr>
<th>Date of Performance</th>
<th>Scheme Equity Arbitrage Fund Growth</th>
<th>Scheme Returns (%) ^</th>
<th>Crisil Liquid Fund Index (%)</th>
<th>CNX Nifty # (%)</th>
<th>Current Value of Standard Investment of Rs.1000 in the Scheme</th>
</tr>
</thead>
<tbody>
<tr>
<td>Since inception till 31st December, 2013</td>
<td>7.73</td>
<td>7.11</td>
<td>11.26</td>
<td>Not applicable</td>
<td></td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013 (Direct Plan)</td>
<td>9.65</td>
<td>9.01</td>
<td>5.89</td>
<td>18497</td>
<td>17636</td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013 (Conditional Plan)</td>
<td>9.18</td>
<td>9.04</td>
<td>6.76</td>
<td>24142</td>
<td></td>
</tr>
<tr>
<td>31/12/2011 to 31/12/2011</td>
<td>9.58</td>
<td></td>
<td>27.70</td>
<td></td>
<td></td>
</tr>
<tr>
<td>31/12/2010 to 31/12/2010</td>
<td>7.51</td>
<td>8.62</td>
<td>-24.82</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Kotak Equity Arbitrage NAV as on December 31, 2013 : Rs. 10.6879 (Dividend Option), Rs. 18.4999 (Growth Option), Rs. 18.5705 (Direct Growth Option), Rs. 10.7450 (Direct Dividend Option) - N.A stands for data not available.

Note: *Point to Point (P2P) Returns in INR show the value of Rs. 10,000/- investment made at inception. Source: ICRAMFI Explorer.

### Options

- **[Non Direct Plan]**
  - Options: Dividend Payout, Dividend Reinvestment & Growth (applicable for all plans)
  - Dividend Frequency: Monthly (on or before 2nd last Thursday of the month)
  - Minimum Investment Amount: Nil (applicable for all plans)

### Portfolio

<table>
<thead>
<tr>
<th>Issuer/Instrument</th>
<th>Industry/Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lupin Ltd</td>
<td>Pharmaceuticals</td>
<td>6.70%</td>
</tr>
<tr>
<td>United Spirits Ltd</td>
<td>Consumer Non Durables</td>
<td>6.00%</td>
</tr>
<tr>
<td>Reliance Industries Ltd</td>
<td>Petroleum Products</td>
<td>4.71%</td>
</tr>
<tr>
<td>ITC Ltd.</td>
<td>Auto Ancillaries</td>
<td>3.09%</td>
</tr>
<tr>
<td>Apollo Tyres Ltd</td>
<td>Auto Ancillaries</td>
<td>3.09%</td>
</tr>
<tr>
<td>Tata Global Beverages Limited</td>
<td>Consumer Non Durables</td>
<td>3.08%</td>
</tr>
<tr>
<td>GRM Infrastructure Ltd</td>
<td>Construction Project</td>
<td>3.02%</td>
</tr>
<tr>
<td>Sun Pharmaceuticals Industries Ltd</td>
<td>Pharmaceuticals</td>
<td>2.94%</td>
</tr>
<tr>
<td>UPL Ltd</td>
<td>Pesticides</td>
<td>2.65%</td>
</tr>
</tbody>
</table>

**Others**

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

- Total No. of Deposits 16.03%
- Collateral Borrowing & Lending obligation 5.29%
- Net Current Assets/(Liabilities) -0.93%
- Grand Total 100.00%

### Hedging Positions through Futures as on 31st December, 2013

<table>
<thead>
<tr>
<th>Hedging Position</th>
<th>Contract</th>
<th>Current Value of Standard Contract</th>
<th>Margin Maintained in Lakhs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Short</td>
<td>Jindal Steel &amp; Power Ltd.</td>
<td>3527.9086</td>
<td>117.4037</td>
</tr>
<tr>
<td>Short</td>
<td>Tata Consultancy Services Ltd.</td>
<td>1855.6626</td>
<td>47.4660</td>
</tr>
<tr>
<td>Short</td>
<td>ACC Ltd.</td>
<td>160.8077</td>
<td>4.1094</td>
</tr>
<tr>
<td>Short</td>
<td>AstraZeneca (India) Ltd.</td>
<td>361.1952</td>
<td>9.3962</td>
</tr>
<tr>
<td>Short</td>
<td>Biocon Ltd.</td>
<td>744.3458</td>
<td>202.3422</td>
</tr>
</tbody>
</table>

**Notes:**

- 90% Deposit as provided above is towards margin for derivatives transactions.
- For the period ended 31st December, 2013 hedge transactions through futures which have been squared off are as follows:
- Total Number of contracts where futures were bought 22641, Total number of contracts where futures were sold 5000, Gross National value of contracts where futures were bought Rs.59234.76 lacs, Gross National value of contracts where futures were sold Rs.14212.73 lacs and Net profit/(loss) value on all these contracts combined Rs.2567.32 lacs.
- **Income from arbitrage opportunities in the equity market**
- **Investment in arbitrage opportunities in the cash & derivatives segment of the equity market.**
- **Low risk - (Blue)** Investors should consult their financial advisors if in doubt about whether the product is suitable for them.
- **(BLUE) investors understand that their principal will be at risk**
- **(YELLOW) investors understand that their capital will be at medium risk**
- **(BROWN) investors understand that their capital will be at low risk**

---

**Sector Allocation**

<table>
<thead>
<tr>
<th>Sector</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pesticides</td>
<td>2.65</td>
</tr>
<tr>
<td>Construction Projects</td>
<td>3.02</td>
</tr>
<tr>
<td>Auto Ancillaries</td>
<td>3.42</td>
</tr>
<tr>
<td>Petrochemicals</td>
<td>4.79</td>
</tr>
<tr>
<td>Power</td>
<td>5.16</td>
</tr>
<tr>
<td>Finance</td>
<td>5.7</td>
</tr>
<tr>
<td>Consumer Non Durables</td>
<td>14.65</td>
</tr>
<tr>
<td>Pharmaceuticals</td>
<td>17.67</td>
</tr>
<tr>
<td>CBLO &amp; Term Deposits &amp; Rev Repo</td>
<td>21.32</td>
</tr>
<tr>
<td>Others</td>
<td>13.46</td>
</tr>
</tbody>
</table>
KOTAK GILT INVESTMENT

An Open - Dedicated Gilt Unit Scheme

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 Plan, (B) PF & Trust Plan, (C) Regular Direct Plan, (D) PF & Trust Direct Plan. Options: Dividend Pay-out, Dividend Reinvestment & Growth (applicable for all plans)

Quarterly (20th of Mar/Jun/Sept/Dec)

Mr. Abhishek Bisen & Mr. Deepak Agrawal

Entry Load: (a) Regular Plan - Entry: Nil (b) PF & Trust Plan - Entry: Nil (applicable for all plans)

Exit Load: (a) Regular Plan - Exit: Nil (b) PF & Trust Plan - Exit: Nil (applicable for all plans)

Initial Investment: Rs. 5000 in multiples of Rs. 1

Ideal Investments Horizon: 1 year & above

Kotak Gilt Investment (Provided and percentage to NAV) - NIL

AUM as on December 31, 2013: (A) Non Direct Plan: 115.59 B) Direct Plan: 23.87

Beta*: -0.44 Sharpe*: 0.98 Alpha*: 1.20 Standard Deviation*: 1.81 YTM 9.00%

*Source: Value Research. Portfolio Modified Duration: 0.15 yrs

Minimum Investment Amount

Option: Nil (applicable for all plans)

EXIT LOAD shall not be subject to exit load (applicable for all plans)

Additional Investment: Nil (applicable for all plans)

EXIT LOAD shall be subject to exit load (applicable for all plans)

Entry Load: Nil (applicable for all plans)

Exit Load: Nil (applicable for all plans)

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 11.42 yrs

Total NPA provided and percentage to NAV: NIL

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 11.42 yrs

Total NPA provided and percentage to NAV: NIL

KOTAK BANKING AND PSU DEBT FUND

An Open - Endded Debt Scheme

Earlier known as Kotak Mahindra Gilt Savings Scheme - 98 - Savings Plan.

To generate income by predominantly investing in debt & money market securities issued by Banks & PSUs and Reverse repos in such securities, sovereign securities issued by the Central Government and State Governments, and/ or any security unconditionally guaranteed by the Govt. of India.

Available Plans/ Options

Options: Dividend Pay-out, Dividend Reinvestment & Growth (applicable for all plans)

Dividend Freq.

Daily, Monthly (12th of every Month) & Annual

Fund Managers

Mr. Abhishek Bisen & Mr. Deepak Agrawal

Load Structure

Entry Load: Nil. (applicable for all plans)

Exit Load: Nil (applicable for all plans)

AAUM as on December 31, 2013: (A) Non Direct Plan: 115.59 B) Direct Plan: 23.87

Crisil Liquid Fund Index

Date

Kotak Gilt Investment (Provided and percentage to NAV) - NIL

Kotak Gilt Investment AUM as on December 31, 2013: Non Direct Plan: 115.59 B) Direct Plan: 23.87

Benchmark

Crisil Liquid Fund Index

Date

Kotak Gilt Investment

Since inception till

2012/01/31 to 2013/12/31

9.62

3.99

52992

18480

14872

B) 7.66%

27.81 %

10.05%

9.89%

Direct Growth

Direct Daily Reinvestment

Direct Annual Dividend

Direct Monthly Dividend

Ratios:

Beta*: -0.44 Sharpe*: 0.79 Alpha*: -2.14 Standard Deviation*: 7.71

YTM 9.22%

*Source: Value Research. Portfolio Modified Duration: 4.64 yrs

Crisil Composite Index

Regular Plan - December 29, 1998; PF & Trust Plan - November 11, 2003

Kotak Banking and PSU Debt Fund: August 14, 2013. Hence Kotak Banking and PSU Debt Fund does not have a performance track record.

Performance as on December 31, 2013

Kotak Mahindra Gilt Savings Scheme – 98 – Savings Plan has been converted into Kotak Banking and PSU Debt Fund August 14, 2013. Hence Kotak Banking and PSU Debt Fund does not have a performance track record.

Performance of the scheme:

Initial Investment: Dividend Pay-out, Dividend Reinvestment & Growth - Rs. 5000 & above.

Additional Investment: Rs. 1000 & in multiples of Rs. 1.

Ideal Investments Horizon: 3 - 12 Months

Portfolio

Issuer/Instrument

Industry/Rating

% to Net Assets

Top Holdings

Oriental Bank of Commerce

CRISIL A1+

15.31%

Punjab National Bank

CRISIL A1+

15.29%

Indian Oil Corporation Ltd.

ICRA A1+

12.84%

Chennai Petroleum Corporation Ltd.

ICRA A1+

10.27%

AXIS Bank Ltd.

ICRA A1+

9.66%

IDBI Ltd.

ICRA A1+

7.66%

91 Days Treasury Bill 06/02/2014

SOV

7.70%

ICICI Bank Ltd.

ICRA A1+

6.96%

Indian Overseas Bank

ICRA A1+

5.11%

Punjab & Sind Bank

ICRA A1+

2.57%

Corporate Debt/Financial Institutions – Total

17.32%

Public Sector Undertakings - Total

71.67%

Treasury Bills - Total

7.70%

Collateral Borrowing & Lending obligation

3.10%

Net Current Assets/(Liabilities)

10.21%

Grand Total

100.00%

This product is suitable for investors who are seeking:

Income over a short to medium term investment horizon

Investment in debt & money market securities of PSUs, Banks & government securities

Low risk (Blue)

* Investors should consult their financial advisors if in doubt about whether the product is suitable for them.

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

AAUM as on December 31, 2013: 3.10 years

Regular Plan - Growth

Regular Plan - Investment

Since inception till

2012/01/31 to 2013/12/31

9.62

3.99

52992

18480

14872

Benchmark

Crisil Liquid Fund Index

Date

Kotak Gilt Investment

Since inception till

2012/01/31 to 2013/12/31

9.62

3.99

52992

18480

14872

B) 7.66%

27.81%

10.05%

9.89%

Direct Growth

Direct Daily Reinvestment

Direct Annual Dividend

Direct Monthly Dividend

Ratios:

Beta*: -0.44 Sharpe*: 0.79 Alpha*: -2.14 Standard Deviation*: 7.71

YTM 9.22%

*Source: Value Research. Portfolio Modified Duration: 4.64 yrs

Crisil Composite Index

Regular Plan - December 29, 1998; PF & Trust Plan - November 11, 2003

18.24% Central Government

27.46%

13.00%

9.70%

State Government

5.81%

4.51%

2.21%

Government Dated Securities

Government Dated Securities - Total

8.24% Central Government

8.12% Central Government

91 Days Treasury Bill 03/01/2014

2.21%

91 Days Treasury Bill 06/02/2014

0.73%

91 Days Treasury Bill 06/02/2014

0.73%

Government Dated Securities

Government Dated Securities - Total

94.81

1.44%

Central Government SOV 4.51%

8.12%

Central Government SOV 5.81%

8.24%

Central Government SOV 27.46%

8.28%

Central Government SOV 0.27%

8.27%

Central Government SOV 9.70%

8.24%

Central Government SOV 13.00%

7.37%

Central Government SOV 9.70%

94.81

18480

14872

37.06%

27.46%

13.00%

9.70%

5.81%

4.51%

2.21%

0.73%

0.27%

This product is suitable for investors who are seeking:

Portfolio of mixed investment horizon

Investments in sovereign securities issued by the Central and or State Government(s) and/ or reverse repos in such securities.

Low risk (Blue)

* Investors should consult their financial advisors if in doubt about whether the product is suitable for them.

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 11.42 yrs

Total NPA provided and percentage to NAV: NIL

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 11.42 yrs

Total NPA provided and percentage to NAV: NIL

Sector Allocation

Net Current Assets

CBL & Term Deposits & RevRepo

Treausry Bills

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

0.21

3.10

7.70

88.99

Rating Profile

A1+, SOV

CBLO & Term Deposits & Rev Repo

Net Current Assets

96.69

3.10

0.21

2.25

2.94

99.75

2.25

SoV

Net Current Assets
## KOTAK MONTHLY INCOME PLAN

### An Open - Ended Debt Scheme

The investment objective of the scheme is to generate income by investing predominately in debt and money market securities, to generate income by taking moderate exposure to equity and equity related instruments and to provide diversification by investing in Gold ETFs.

**Available Plans/Options**
- **Non Direct Plan**, **Direct Plan**
- **Options**: Dividend Payout, Dividend Reinvest & Growth (applicable for all plans)

**Dividend Frequency**
- Monthly (12th of Every Month), Quarterly (20th of Mar/Jun/Sept/Dec), Annual (12th of March)

**Load Structure**
- **Entry Load**: Nil (applicable for all plans)
- **Exit Load**: 1% for exit within 1 year of the date of allotment of units, Nil for exit after 1 year from the date of allotment of units
- **Exit Load**: 0.10% Exit Load for Rs. 1000 & in multiples of Rs. 1 for purchase and for Rs 0.01 for Switches
- **Additional Indentification**:
  - **Rs. 1000** & in multiples of **Rs. 10**
  - **Rs. 5000** & above
- **Minimum Investment Amount**
  - **Rs. 1000** & in multiples of **Rs. 10** for purchase and for Rs 0.01 for Switches
- **Additional Indentification**:
  - **Rs. 1000** & in multiples of **Rs. 10**

**Fund Details**
- **Rating Profile**
- **Sector Allocation**
- **Inception Date**
- **Performance**
  - **Since inception till December 31, 2013**
  - **31/12/2012 to 31/12/2013**

**Benchmark**
- 75% CRISIL Short Term Bond Fund Index
- 15% Nifty Index and 10% Price of Gold

---

### KOTAK MULTI ASSET ALLOCATION FUND

**An Open Ended Income Scheme. Monthly Income is not assured & is subject to availability of distributable surplus**

To enhance returns over a portfolio of Debt Instruments with a moderate exposure in Equity and Equity related Instruments.

**Available Plans/Options**
- **Direct Plan**, **Non Direct Plan**
- **Options**: Dividend Payout, Dividend Reinvest & Growth (applicable for all plans)

**Dividend Frequency**
- Monthly (12th of Every Month), Quarterly (20th of Mar/Jun/Sept/Dec)

**Load Structure**
- **Entry Load**: Nil (applicable for all plans)

**Minimum Investment Amount**
- **Rs. 1000** & in multiples of **Rs. 10** for purchase and for Rs 0.01 for Switches
- **Additional Indentification**:
  - **Rs. 1000** & in multiples of **Rs. 10**
  - **Rs. 5000** & above

**Fund Details**
- **Rating Profile**
- **Portfolio**
- **Sector Allocation**
- **Inception Date**
- **Performance**
  - **Since inception till December 31, 2013**
  - **31/12/2012 to 31/12/2013**

**Benchmark**
- 15% Nifty Index and 10% Price of Gold

---

### DEBT FUNDS

**Portfolio**
- **Equity & Equity Related Instruments**
- **Industry/Rating**

**Portfolio Allocation**
- **Top 10 Holdings**
  - **91 Days Treasury Bill 30/11/2014**
  - **Tata Capital Housing Finance Ltd.**
  - **Infosys Ltd.**
  - **ICICI Bank Ltd.**

**Additional Benchmark**
- 75% CRISIL Short Term Bond Fund Index
- 15% Nifty Index and 10% Price of Gold

---

### Issuer/Instrument

**Average Maturity of the portfolio is based on total maturity of fixed rate and immediate reset date of floating rate instruments - 2.37 years. Total NAV provided and percentage to NAV: NIL**

- **Net Current Assets**
  - **A1**, **AAA, SOV**: 43.71
  - **A1+**, **AAA**, **AA**: 21.03
  - **Equities**: 18.43
  - **CBL & Term Deposits & Rev.Repo**: 10.57
  - **Commercial Paper**: 7.84
  - **Debt Securities**: 18.43
  - **Treasury Bills**: 23.11

- **Equities**: 19.59

- **Debentures and Bonds**: 45.35

---

### Scheme Name

**KOTAK MONTHLY INCOME PLAN**

**KOTAK MULTI ASSET ALLOCATION FUND**

**An Open - Ended Income Scheme. Monthly Income is not assured & is subject to availability of distributable surplus**

To enhance returns over a portfolio of Debt Instruments with a moderate exposure in Equity and Equity related Instruments.

**Available Plans/Options**
- **Non Direct Plan**, **Direct Plan**
- **Options**: Dividend Payout, Dividend Reinvest & Growth (applicable for all plans)

**Dividend Frequency**
- Monthly (12th of Every Month), Quarterly (20th of Mar/Jun/Sept/Dec)

**Load Structure**
- **Entry Load**: Nil (applicable for all plans)

**Minimum Investment Amount**
- **Rs. 1000** & in multiples of **Rs. 10** for purchase and for Rs 0.01 for Switches
- **Additional Indentification**:
  - **Rs. 1000** & in multiples of **Rs. 10**
  - **Rs. 5000** & above

**Fund Details**
- **Rating Profile**
- **Portfolio**
- **Sector Allocation**
- **Inception Date**
- **Performance**
  - **Since inception till December 31, 2013**
  - **31/12/2012 to 31/12/2013**

**Benchmark**
- 75% CRISIL Short Term Bond Fund Index
- 15% Nifty Index and 10% Price of Gold

---

### Issuer/Instrument

**Average Maturity of the portfolio is based on total maturity of fixed rate and immediate reset date of floating rate instruments - 2.37 years. Total NAV provided and percentage to NAV: NIL**

- **Net Current Assets**
  - **A1**, **AAA, SOV**: 43.71
  - **A1+**, **AAA**, **AA**: 21.03
  - **Equities**: 18.43
  - **CBL & Term Deposits & Rev.Repo**: 10.57
  - **Commercial Paper**: 7.84
  - **Debt Securities**: 18.43
  - **Treasury Bills**: 23.11

- **Equities**: 19.59

- **Debentures and Bonds**: 45.35

---
**KOTAK BOND**

*An Open - Ended Debt Scheme*

**Fund Details**

**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.

**Available Plans/Options**:
- Plans: a) Deposit (discontinued for further subscriptions w.e.f. October 1, 2012)  
- b) Plan A (Previously known as Regular Plan)  
- c) Direct Plan  
Options: Dividend Payout, Dividend Reinvestment, Growth & Bonus (applicable for all plans)

**Dividend Freq.**: Quarterly (20th of Mar/Jun/Sept/Oct), Half Yearly (20th of Mar/Sept) - w.e.f Oct 10, 2013, Annual (12th of Mar) (applicable for all plans)

**Fund Managers**: Mr Abhishek Bisen & Mr Deepak Agrawal

**Load Structure**: Exit Load: Nil. (applicable for all plans)

**Minimum Investment Amount**: Initial Investment: Plan A- Rs. 5000 and in multiple of Re. 1 for purchase and for Re 0.01 for switches  
Additional Investment: Rs. 1000 & in multiples of Re1  
Ideal Investments Horizon: 1 year & above

**AAUM (In Crores) & Ratios**: AAUM as on December 31, 2013: a) Deposit plan : 203.63 b) Plan A : 5628.41  
c) Direct Plan : 213.31  
Ratios: Sharpe*: -0.35 Beta*: 1.32 Alpha*: -1.50 Standard Deviation*: 5.61 YTM: 9.53%

**Benchmark**: Crisil Composite Bond Fund Index

**Inception Date**: November 25, 1999

**Performance**

**Performance as on December 31, 2013**

Since inception till December 31, 2013: 9.03 %

**Portfolio**

**Issuer/Instrument Industry/Rating**

<table>
<thead>
<tr>
<th>Top 10 Holdings</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.16% Central Government SOV</td>
<td>23.08%</td>
</tr>
<tr>
<td>8.24% Central Government SOV</td>
<td>17.95%</td>
</tr>
<tr>
<td>8.28% Central Government SOV</td>
<td>5.76%</td>
</tr>
<tr>
<td>Sterlite Industries (India) Ltd CRISIL AA+</td>
<td>4.57%</td>
</tr>
<tr>
<td>91 Days Treasury Bills 27/03/2014 SOV</td>
<td>4.56%</td>
</tr>
<tr>
<td>HPCL Mittal Energy Ltd. ICRA AA+</td>
<td>4.13%</td>
</tr>
<tr>
<td>9.5% State Government SOV</td>
<td>3.74%</td>
</tr>
<tr>
<td>9.49% State Government SOV</td>
<td>3.61%</td>
</tr>
<tr>
<td>HPCL Mittal Pipelines Ltd. ICRA AA+</td>
<td>3.40%</td>
</tr>
<tr>
<td>9.39% State Government SOV</td>
<td>2.85%</td>
</tr>
</tbody>
</table>

**Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments : 8.30 years.**

**Sector Allocation**

**Rating Profile**

AAA, A1+, SOV: 72.85  
BWR AA+(SO), AA+, AA+(SO), CARE AA+, AA, AA(ind), AA: 21.17  
Net Current Assets: 5.98
### Fund Details

**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.

**Available Plans/ Options**
1. Non Direct Plan
2. Direct Plan
Options: Dividend Payout, Dividend Reinvestment & Growth (applicable for all plans)

**Dividend Freq.**
Monthly (12th of every Month), Half Yearly (20th of Mar/Sept) - w.e.f Oct 10, 2013

**Fund Managers**
Mr Abhishek Bison & Mr Deepak Agrawal

**Load Structure**
Entry Load: Nil. (applicable for all plans)
Exit Load:
1. For redemptions/switch outs (including SIP/STP) within 90 days from the date of allotment of units, irrespective of the amount of investment: 0.50%
2. For redemptions/switch outs (including SIP/STP) after 90 days from the date of allotment of units, irrespective of the amount of investment: NIL

**Minimum Investment Amount**
Initial Investment: (i) Dividend Re-investment & Growth - Rs. 5000 & above (ii) Dividend Payout (Monthly Dividend) - Rs. 50,000 & above

**Additional Investment: Rs. 1000 & in multiples of Rs1
Ideal Investments Horizon: 6 Months & above**

**AAUM (in Crores) & Ratios**

<table>
<thead>
<tr>
<th>Date</th>
<th>AAUM (in Crores)</th>
<th>Benchmark # (Rs)</th>
<th>Additional Benchmark # (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rs. 23,188</td>
<td>Rs. 21,344</td>
<td>Rs. 18,580</td>
</tr>
</tbody>
</table>

**Portfolio**

<table>
<thead>
<tr>
<th>Top 10 Holdings</th>
<th>CRISIL AAA</th>
<th>Benchmark # (Rs)</th>
<th>Additional Benchmark # (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural Electrification Corporation Ltd.</td>
<td>10.77%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HDB Financial Services Ltd.</td>
<td>9.99%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mandava Holdings Private Limited</td>
<td>9.28%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Vijaya Bank</td>
<td>7.29%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Oriental Bank of Commerce</td>
<td>6.06%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Central Bank Of India</td>
<td>5.86%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Bank of Hyderabad</td>
<td>5.80%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cholamandalam Investment and Finance Company Ltd</td>
<td>4.97%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LIC Housing Finance Ltd.</td>
<td>4.53%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stanita Industries (India) Ltd.</td>
<td>4.30%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Corporate Debt/Financial Institutions - Total**
48.40%

**Public Sector Undertakings - Total**
14.44%

**Government Dated Securities - Total**
0.03%

**Corporate Debt/Financial Institutions - Total**
0.76%

**Public Sector Undertakings - Total**
30.42%

**Net Current Assets/(Liabilities)**
3.81%

**Grand Total**
100.00%

---

**Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments - 1.99 years.**

**Top 10 Holdings**

<table>
<thead>
<tr>
<th>Top 10 Holdings</th>
<th>CRISIL AAA</th>
<th>Benchmark # (Rs)</th>
<th>Additional Benchmark # (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rural Electrification Corporation Ltd.</td>
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<td></td>
<td></td>
</tr>
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<td>9.99%</td>
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<td></td>
</tr>
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</tr>
<tr>
<td>Central Bank Of India</td>
<td>5.86%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>State Bank of Hyderabad</td>
<td>5.80%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cholamandalam Investment and Finance Company Ltd</td>
<td>4.97%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>LIC Housing Finance Ltd.</td>
<td>4.53%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stanita Industries (India) Ltd.</td>
<td>4.30%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Corporate Debt/Financial Institutions - Total**
48.40%

**Public Sector Undertakings - Total**
14.44%

**Government Dated Securities - Total**
0.03%

**Corporate Debt/Financial Institutions - Total**
0.76%

**Public Sector Undertakings - Total**
30.42%

**Net Current Assets/(Liabilities)**
3.81%

**Grand Total**
100.00%

---

**Rating Profile**

<table>
<thead>
<tr>
<th>AAA, A1+, SOV</th>
<th>BWR AA+(SO), AA+, AA, AA(ind), AA-</th>
</tr>
</thead>
<tbody>
<tr>
<td>73.03</td>
<td>22.43</td>
</tr>
</tbody>
</table>

---

**Sector Allocation**

<table>
<thead>
<tr>
<th>Sector Allocation</th>
<th>Government Dated Securities</th>
<th>CBLO &amp; Term Deposits &amp; Rev.Repo</th>
<th>Treasury Bills</th>
<th>Net Current Assets</th>
<th>Commercial Paper…</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0.03</td>
<td>0.73</td>
<td>1.41</td>
<td>3.81</td>
<td>31.18</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>62.84</td>
</tr>
</tbody>
</table>

---

**Option**

- **Dividend Freq.**
  - Monthly (12th of every Month)
  - Half Yearly (20th of Mar/Sept)

**Objective**
To provide reasonable returns

**Portfolio**

- **Issuer/Instrument**
  - Rural Electrification Corporation Ltd.
  - HDB Financial Services Ltd.
  - Mandava Holdings Private Limited
  - Vijaya Bank
  - Oriental Bank of Commerce
  - Central Bank Of India
  - State Bank of Hyderabad
  - Cholamandalam Investment and Finance Company Ltd
  - LIC Housing Finance Ltd.
  - Stanita Industries (India) Ltd.

**Rating Profile**

- **AAA, A1+, SOV**
  - 73.03
  - 22.43

- **BWR AA+(SO), AA+, AA, AA(ind), AA-**
  - 3.81
  - 0.73
KOTAK INCOME OPPORTUNITIES FUND

An Open Ended Debt Scheme

DEBT FUNDS

(As on December 31, 2013)

Fund Details

Investment Objective
The investment objective of the scheme is to generate income by investing in debt and/or money market securities across the yield curve and credit spectrum. The scheme would also seek to maintain reasonable liquidity within the fund.

Available Plans/Options
A) Non Direct Plan B) Direct Plan

Options: Dividend Payout, Dividend Reinvestment & Growth (applicable for all plans)

Dividend Freq.
Weekly (Every Monday), Monthly (12th of every Month), Quarterly (20th of March/June/September/December), Annual (12th of March).

Fund Managers
Mr Deepak Agrawal & Mr Abhishek Bisen

Load Structure
Entry Load: Nil (applicable for all plans)

Minimum Investment Amount
Initial Investment: Rs. 5000 and in multiple of Rs. 1 for purchase and for Re 0.01 for switches

Additional Investment: Rs. 1000 and in multiples of Rs 1

Ideal Investments Horizon: 1 year & above

AAUM (in Crores) & Ratios
AAUM as on December 31, 2013: A) Non Direct Plan: 676.76 B) Direct Plan: 2.01

Ratios: Beta 0.21 Sharpe-0.83 Alpha- 1.74 Standard Deviation: 2.24 YTM: 10.45%

*Source: Value Research. For Additional Benchmark (Debt Schemes): classification of schemes in short term & long term is based on the average maturity of the scheme.

Net Current Assets: 1.69%

CBLO & Term Deposits & Rev.Repo: 7.50%

Top 10 Holdings

<table>
<thead>
<tr>
<th>Scheme Name</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>HPCL Mittal Energy Ltd.</td>
<td>14.81%</td>
</tr>
<tr>
<td>Sesa Sterlite Ltd.</td>
<td>12.67%</td>
</tr>
<tr>
<td>Shapoorji Pallony &amp; Co.Limited</td>
<td>12.56%</td>
</tr>
<tr>
<td>L &amp; T Seawood Pvt Ltd.</td>
<td>7.56%</td>
</tr>
<tr>
<td>Indostar Capital Finance Private Limited</td>
<td>5.47%</td>
</tr>
<tr>
<td>ECL Finance Limited</td>
<td>4.28%</td>
</tr>
<tr>
<td>Magma Fincorp Limited</td>
<td>4.09%</td>
</tr>
<tr>
<td>Reliance Jio Infocomm Limited</td>
<td>3.87%</td>
</tr>
<tr>
<td>Indosure Inflow Finance Limited</td>
<td>3.42%</td>
</tr>
<tr>
<td>HDFC Financial Services Ltd.</td>
<td>3.30%</td>
</tr>
</tbody>
</table>

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 2.19 years.

Total NPA provided and percentage to NAV: NIL

Performance

Performance as on December 31, 2013

<table>
<thead>
<tr>
<th>Date</th>
<th>Kotak Income Opportunities Fund - Growth</th>
<th>Crisil Short Term Bond Fund Index</th>
<th>Crisil 1 Year T-Bill Index</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Since Inception till December 31, 2013</td>
<td>7.81</td>
<td>7.65</td>
<td>5.99</td>
<td></td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013 (Direct Plan)</td>
<td>7.72</td>
<td>8.23</td>
<td>5.82</td>
<td></td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013 (Non Direct Plan)</td>
<td>7.34</td>
<td>8.24</td>
<td>5.86</td>
<td></td>
</tr>
<tr>
<td>31/12/2011 to 31/12/2012</td>
<td>9.76</td>
<td>9.15</td>
<td>8.08</td>
<td></td>
</tr>
<tr>
<td>31/12/2010 to 31/12/2011</td>
<td>8.87</td>
<td>7.84</td>
<td>6.45</td>
<td></td>
</tr>
</tbody>
</table>

Portfolio

Issuer/Instrument | Industry/Rating |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>HPCL Mittal Energy Ltd.</td>
<td>ICRA AA-</td>
</tr>
<tr>
<td>Sesa Sterlite Ltd.</td>
<td>CRISIL A1+</td>
</tr>
<tr>
<td>Shapoorji Pallony &amp; Co.Limited</td>
<td>ICRA A1+</td>
</tr>
<tr>
<td>L &amp; T Seawood Pvt Ltd.</td>
<td>CARE AA+ (SO)</td>
</tr>
<tr>
<td>Indostar Capital Finance Private Limited</td>
<td>CARE AA-</td>
</tr>
<tr>
<td>ECL Finance Limited</td>
<td>CARE A1+</td>
</tr>
<tr>
<td>Magma Fincorp Limited</td>
<td>CARE AA-</td>
</tr>
<tr>
<td>Reliance Jio Infocomm Limited</td>
<td>CRISIL AAA</td>
</tr>
<tr>
<td>Indosure Inflow Finance Limited</td>
<td>CARE AA</td>
</tr>
<tr>
<td>HDFC Financial Services Ltd.</td>
<td>CARE AAA</td>
</tr>
</tbody>
</table>

This product is suitable for investors who are seeking:
- Income over a medium term investment horizon
- Investment in debt & money market securities
- Low risk (Blue)

*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.

Rating Profile

AAA, AA+/SOV

<table>
<thead>
<tr>
<th>Rating</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>AAA, AA+/SOV</td>
<td>46.55</td>
</tr>
<tr>
<td>AA, AA+(SO), AA, AA (nd), AA</td>
<td>41.83</td>
</tr>
<tr>
<td>CBLO &amp; Term Deposits &amp; Rev.Repo</td>
<td>2.43</td>
</tr>
<tr>
<td>Net Current Assets</td>
<td>7.50</td>
</tr>
<tr>
<td>Debentures and Bonds</td>
<td>1.69</td>
</tr>
</tbody>
</table>

Sector Allocation

Treasury Bills: 1.36

Net Current Assets: 1.69

CBLO & Term Deposits & Rev.Repo: 7.50

Commercial Paper (CP)/Certificate of Deposits (CD): 30.63

Debentures and Bonds: 58.82
**Scheme Name**

KOTAK FLOATER LONG TERM 

An 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 Plans/ Options**

A) Non Direct Plan  B) Direct Plan

Options: Dividend Payout, Dividend Reinvestment & Growth (applicable for all plans)

**Dividend Freq.**

Daily Monthly (12th of every Month), Weekly (Every Monday)

**Load Structure**

Entry Load: Nil (applicable for all plans)

Exit Load: Nil (applicable for all plans) Bonus units and units issued on reinvestment of dividends shall not be subject to exit load (applicable for all plans)

**Minimum Investment Amount**

Initial Investment: (i) Dividend Re-investment & Growth- Rs. 5000 & above (ii) Dividend Payout (Weekly) - Rs. 1.00,00,000 & above

Additional Investment: Rs. 1000.00 & in multiples of Re1

Ideal Investments Horizon: 15 - 30 Days

**Fund Managers**

Mr Deepak Agrawal & Mr. Abhishek Bisen

**Rating Profile**

A1+, AAA, AAA(SO), SOV

AA+, AA+(SO), AA, AA(ind), CARE AA-

CBLO & Term Deposits & Rev Repo

Net Current Assets

<table>
<thead>
<tr>
<th>Rating</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1+</td>
<td>AAA, AAA(SO), SOV</td>
</tr>
<tr>
<td>AA+</td>
<td>AA+(SO), AA, AA(ind), CARE AA-</td>
</tr>
<tr>
<td>CBLO</td>
<td>CBLO &amp; Term Deposits &amp; Rev Repo</td>
</tr>
</tbody>
</table>

**Beta**: 0.19  **Sharpe**: 2.88  **Alpha**: 1.92  **YTM**: 9.25%

**Portfolio**

**Top 10 Holdings**

<table>
<thead>
<tr>
<th>Issuer/Instrument</th>
<th>Industry/Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sesa Sterlite Ltd</td>
<td>CRISIL A1+</td>
<td>12.74%</td>
</tr>
<tr>
<td>HDFC Ltd</td>
<td>ICRA A1+</td>
<td>13.15%</td>
</tr>
<tr>
<td>91 Days Treasury</td>
<td>SOV</td>
<td>5.37%</td>
</tr>
<tr>
<td>91 Days Treasury</td>
<td>ICRA AA</td>
<td>4.50%</td>
</tr>
<tr>
<td>91 Days Treasury</td>
<td>CARE AAA(SO)</td>
<td>4.18%</td>
</tr>
<tr>
<td>Vijaya Bank</td>
<td>CRISIL A1+</td>
<td>4.00%</td>
</tr>
<tr>
<td>HDFC Ltd</td>
<td>ICRA A1+</td>
<td>13.15%</td>
</tr>
<tr>
<td>91 Days Treasury</td>
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</tr>
<tr>
<td>Vijaya Bank</td>
<td>CRISIL A1+</td>
<td>4.00%</td>
</tr>
</tbody>
</table>

**Corporate Debt/Financial Institutions - Total**

20.85%

**Public Sector Undertakings - Total**

0.44%

**Corporate Debt/Financial Institutions - Total**

25.16%

**Public Sector Undertakings - Total**

8.76%

**Treasury Bills - Total**

44.60%

**Collateral Borrowing & Lending obligation**

0.22%

**Net Current Assets/(Liabilities)**

-0.04%

**Grand Total**

100.00%

**Sector Allocation**

<table>
<thead>
<tr>
<th>Sector</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>CBLO &amp; Term Deposits &amp; Rev Repo</td>
<td>21.30%</td>
</tr>
<tr>
<td>Debentures and Bonds</td>
<td>33.92%</td>
</tr>
<tr>
<td>Commercial Paper (CP)/Certificate of Deposits (CD)</td>
<td>44.60%</td>
</tr>
</tbody>
</table>

**Not applicable**

**Portfolio Modified Duration**: 0.39 yrs

**Load Structure**: Entry Load: Nil (applicable for all plans)

**Exit Load**: Nil (applicable for all plans) Bonus units and units issued on reinvestment of dividends shall not be subject to exit load (applicable for all plans)

**Date of Floating Rate Instruments**: 0.41 years.

**Kotak Floater Long Term NAV as on December 31, 2013**: 

- Rs. 19.8105 (Growth Option), Rs. 19.9574 (Direct Growth Option), Rs. 10.0798 (Daily Dividend), Rs. 10.0798 (Direct Daily Dividend), Rs. 10.0798 (Weekly Dividend), Rs. 10.1495 (Direct Weekly Dividend), Rs. 10.0928 (Monthly Dividend), Rs. 10.1926 (Direct Monthly Dividend)

N.A stands for data not available. Source: ICRA MFI Explorer.

**Additional Benchmark (Debt Schemes)**

Classification of schemes in short term & long term is based on the average maturity of the scheme.

**Objective**

An Open - Ended Debt Scheme

**Available Plans/ Options**

A) Non Direct Plan  B) Direct Plan

Options: Dividend Payout, Dividend Reinvestment & Growth (applicable for all plans)

**Dividend Freq.**

Daily Monthly (12th of every Month), Weekly (Every Monday)

**Fund Managers**

Mr Deepak Agrawal & Mr. Abhishek Bisen

**Beta**: 0.19  **Sharpe**: 2.88  **Alpha**: 1.92  **YTM**: 9.25%

**Portfolio**

**Top 10 Holdings**

<table>
<thead>
<tr>
<th>Issuer/Instrument</th>
<th>Industry/Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sesa Sterlite Ltd</td>
<td>CRISIL A1+</td>
<td>12.74%</td>
</tr>
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<td>HDFC Ltd</td>
<td>ICRA A1+</td>
<td>13.15%</td>
</tr>
<tr>
<td>91 Days Treasury</td>
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<td>5.37%</td>
</tr>
<tr>
<td>91 Days Treasury</td>
<td>ICRA AA</td>
<td>4.50%</td>
</tr>
<tr>
<td>91 Days Treasury</td>
<td>CARE AAA(SO)</td>
<td>4.18%</td>
</tr>
<tr>
<td>Vijaya Bank</td>
<td>CRISIL A1+</td>
<td>4.00%</td>
</tr>
<tr>
<td>HDFC Ltd</td>
<td>ICRA A1+</td>
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</tr>
<tr>
<td>91 Days Treasury</td>
<td>SOV</td>
<td>5.37%</td>
</tr>
<tr>
<td>91 Days Treasury</td>
<td>CARE AAA(SO)</td>
<td>4.18%</td>
</tr>
<tr>
<td>Sesa Sterlite Ltd</td>
<td>CRISIL A1+</td>
<td>12.74%</td>
</tr>
<tr>
<td>HDFC Ltd</td>
<td>ICRA A1+</td>
<td>13.15%</td>
</tr>
<tr>
<td>91 Days Treasury</td>
<td>SOV</td>
<td>5.37%</td>
</tr>
<tr>
<td>91 Days Treasury</td>
<td>CARE AAA(SO)</td>
<td>4.18%</td>
</tr>
<tr>
<td>Vijaya Bank</td>
<td>CRISIL A1+</td>
<td>4.00%</td>
</tr>
</tbody>
</table>

**Corporate Debt/Financial Institutions - Total**

20.85%

**Public Sector Undertakings - Total**

0.44%

**Corporate Debt/Financial Institutions - Total**

25.16%

**Public Sector Undertakings - Total**

8.76%

**Treasury Bills - Total**

44.60%

**Collateral Borrowing & Lending obligation**

0.22%

**Net Current Assets/(Liabilities)**

-0.04%

**Grand Total**

100.00%
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.

Investment Objective

Mr. Deepak Agrawal & Mr. Abhishek Bisen.

Fund Managers

Entry Load: Nil. (applicable for all plans)

Exit Load: Nil. (applicable for all plans) Bonus units and units issued on reinvestment of dividends shall not be subject to exit load (applicable for all plans)

Initial Investment: Rs. 5000 Under growth, weekly dividend and monthly dividend option & Rs. 1,00,000 under Daily Dividend Reinvestment option.

Ideal Investments Horizon: 1-15 Days

Minimum Amount:

Load Structure

Top 10 Holdings

Corporate Debt/Financial Institutions - Total 0.21%

Corporate Debt/Financial Institutions - Total 41.43%

Public Sector Undertakings - Total 51.29%

Treasury Bills - Total 32.69%

Net Current Assets/(Liabilities) -25.62%

Grand Total 100.00%

Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.12 years

Total NPA provided and percentage to NAV: NIL

Corporate Debt/Financial Institutions - Total

Public Sector Undertakings - Total

Treasury Bills

Debentures and Bonds

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

Rating Profile

A1+, SOV

CARE AA+

Net Current Assets

-25.62

0.21

32.69

92.72

Not applicable

Current Value of Standard Investment of Rs 10000 in the

Scheme (Rs) Benchmark % (Rs) Additional Benchmark % (Rs)

20573 19340 17261

Since inception till December 31, 2013

Date

Kotak Floater - ST - Growth

Scheme Returns (%) *

Criris Liquid Fund Index # (%)

Criris 1 Year T-Bill Index ## (%)

N.A.

Kotak Floater Short Term NAV as on December 31, 2013: Rs. 2056.5111 (Growth Option), Rs. 2057.5363 (Direct Growth Option), Rs. 1011.6200 (Daily Dividend), Rs. 1011.2620 (Direct Dividend), Rs. 1012.2139 (Weekly Dividend), Rs. 1013.8752 (Direct Weekly Dividend), Rs. 1006.0097 (Monthly Dividend), Rs. 1011.3632 (Direct Monthly Dividend)

N.A stands for data not available. Note: To Point (PTP) Returns in INR show the value of Rs. 10,000/- invested in the scheme at the then prevailing NAV.

Source: ICRA MFI Explorer. For Additional Benchmark (Debt Schemes): classification of schemes in short term & long term is based on the average maturity of the scheme.

# Name of Scheme Benchmark. ## Name of Additional Benchmark. *Past performance may or may not be sustained in future.

All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns <= 1 year: Absolute; Returns > 1 year: CAGR (Compounded Annualised Growth Rate).

This product is suitable for investors who are seeking:

- Income over a short term investment horizon
- Investment in floating rate securities, debt & money market securities
- Low risk

Investors should consult their financial advisors if in doubt about whether the product is suitable for them.

(YELLOW) investors understand that their principal will be at medium risk

(BROWN) investors understand that their principal will be at high risk
**KOTAK FLEXI DEBT**

An Open - Ended Debt Scheme

To maximize returns through an active management of a portfolio of debt and money market securities.

**Investment Objective**

**Available Plans/Options**

- A) Regular (discontinued for further subscriptions w.e.f. October 1, 2012)
- b) Plan A (Previously known as Institutional Plan)
- c) Direct Plan

**Dividend Freq.**

- Daily Dividend Reinvestment, Weekly Dividend Reinvestment (Every Monday), Quarterly Dividend Payout and Reinvestment (20th of March, June, September and December of every year) (applicable for all plans)

**Fund Managers**

Mr. Deepak Agrawal & Mr. Abhishek Bisen

**Rating Profile**

| AA+, AA+(SO), AA, AA(ind), AA- | 55.09 |
| A+ | 39.80 |
| AAA | 3.94 |
| CBLO & Term Deposits & Rev Repo | 1.17 |

**Portfolio**

**Issuer/Instrument Industry/Rating**

<table>
<thead>
<tr>
<th>Issuer/Instrument</th>
<th>Industry/Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>91 Days Treasury bills 13/03/2014</td>
<td>SOV</td>
<td>12.20%</td>
</tr>
<tr>
<td>91 Days Treasury Bill 27/02/2014</td>
<td>SOV</td>
<td>10.20%</td>
</tr>
<tr>
<td>Tata Motors Ltd</td>
<td>CARE AA+</td>
<td>9.64%</td>
</tr>
<tr>
<td>Indiabulls Housing Finance Limited</td>
<td>CARE AA+</td>
<td>8.78%</td>
</tr>
<tr>
<td>Bahadur Chand Investments Private Limited</td>
<td>ICRA AA</td>
<td>8.63%</td>
</tr>
<tr>
<td>L &amp; T Seawood Pvt Ltd</td>
<td>CARE AA+(SO)</td>
<td>8.17%</td>
</tr>
<tr>
<td>Vizag General Cargo Berth Private Limited</td>
<td>CRISIL AA+(SO)</td>
<td>6.77%</td>
</tr>
<tr>
<td>Magma Fincorp Limited</td>
<td>CARE AA+</td>
<td>6.19%</td>
</tr>
<tr>
<td>Shriram City Union Finance Ltd</td>
<td>CRISIL AA-</td>
<td>6.14%</td>
</tr>
<tr>
<td>Fullerton India Credit Co. Ltd</td>
<td>ICRAAA</td>
<td>4.81%</td>
</tr>
</tbody>
</table>

**Corporates Debt/Financial Institutions - Total**

<table>
<thead>
<tr>
<th>Category</th>
<th>% of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>48.32%</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

**Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.71 years.**

**Sector Allocation**

<table>
<thead>
<tr>
<th>Sector</th>
<th>% of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>CBLO &amp; Term Deposits &amp; Rev Repo</td>
<td>1.17</td>
</tr>
<tr>
<td>Net Current Assets</td>
<td>3.94</td>
</tr>
<tr>
<td>Commercial Paper (CP)/Certificate of Deposits (CD)</td>
<td>17.39</td>
</tr>
<tr>
<td>Treasury Bills</td>
<td>22.40</td>
</tr>
<tr>
<td>Debentures and Bonds</td>
<td>55.10</td>
</tr>
</tbody>
</table>

**History of Performance**

| Date | Kotak Flexi Debt Fund Plan A - Growth | Scheme Returns (%) | Crisil Composite Bond Fund Index (%) | Crisil 1 Year T-bill Index (%) | Current Value of Standard Investment of Rs 10000 in the
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Since Inception till December 31, 2013</td>
<td>8.07</td>
<td>6.38</td>
<td>5.73</td>
<td>15447</td>
<td>14141</td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013 (Direct Plan)</td>
<td>9.29</td>
<td>3.85</td>
<td>5.82</td>
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<td></td>
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<tr>
<td>31/12/2012 to 31/12/2013</td>
<td>9.29</td>
<td>3.85</td>
<td>5.82</td>
<td></td>
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</tr>
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<td>9.38</td>
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<td></td>
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</tr>
<tr>
<td>31/12/2010 to 31/12/2011</td>
<td>9.29</td>
<td>6.90</td>
<td>6.45</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Portfolio**

**Issuer/Instrument Industry/Rating**

<table>
<thead>
<tr>
<th>Issuer/Instrument</th>
<th>Industry/Rating</th>
<th>% to Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>91 Days Treasury bills 13/03/2014</td>
<td>SOV</td>
<td>12.20%</td>
</tr>
<tr>
<td>91 Days Treasury Bill 27/02/2014</td>
<td>SOV</td>
<td>10.20%</td>
</tr>
<tr>
<td>Tata Motors Ltd</td>
<td>CARE AA+</td>
<td>9.64%</td>
</tr>
<tr>
<td>Indiabulls Housing Finance Limited</td>
<td>CARE AA+</td>
<td>8.78%</td>
</tr>
<tr>
<td>Bahadur Chand Investments Private Limited</td>
<td>ICRA AA</td>
<td>8.63%</td>
</tr>
<tr>
<td>L &amp; T Seawood Pvt Ltd</td>
<td>CARE AA+(SO)</td>
<td>8.17%</td>
</tr>
<tr>
<td>Vizag General Cargo Berth Private Limited</td>
<td>CRISIL AA+(SO)</td>
<td>6.77%</td>
</tr>
<tr>
<td>Magma Fincorp Limited</td>
<td>CARE AA+</td>
<td>6.19%</td>
</tr>
<tr>
<td>Shriram City Union Finance Ltd</td>
<td>CRISIL AA-</td>
<td>6.14%</td>
</tr>
<tr>
<td>Fullerton India Credit Co. Ltd</td>
<td>ICRAAA</td>
<td>4.81%</td>
</tr>
</tbody>
</table>

**Corporate Debt/Financial Institutions - Total**

<table>
<thead>
<tr>
<th>Category</th>
<th>% of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>48.32%</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

**Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.71 years.**

**Portfolio**

**Issuer/Instrument Industry/Rating**

<table>
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<th>Issuer/Instrument</th>
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</table>

**Corporate Debt/Financial Institutions - Total**

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<tbody>
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</tr>
</tbody>
</table>

**Average Maturity of the portfolio based on total maturity of fixed rate and immediate reset date of floating rate instruments: 0.71 years.**

**Sector Allocation**

<table>
<thead>
<tr>
<th>Sector</th>
<th>% of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>CBLO &amp; Term Deposits &amp; Rev Repo</td>
<td>1.17</td>
</tr>
<tr>
<td>Net Current Assets</td>
<td>3.94</td>
</tr>
<tr>
<td>Commercial Paper (CP)/Certificate of Deposits (CD)</td>
<td>17.39</td>
</tr>
<tr>
<td>Treasury Bills</td>
<td>22.40</td>
</tr>
<tr>
<td>Debentures and Bonds</td>
<td>55.10</td>
</tr>
</tbody>
</table>
An Open-Ended Debt Scheme

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.

### Investment Objective

- **Plans:** a) Regular & b) Institutional (discontinued for further subscriptions w.e.f. October 1, 2012) c) Plan A (previously known as Institutional Premium Plan) d) Direct Plan
- **Options:** Dividend Payout, Dividend Reinvestment, Growth & Bonus (applicable for all plans)
- **Dividend Freq.:** Daily, Weekly (Every Monday) (applicable for all plans)
- **Fund Managers:** Mr Deepak Agrawal & Mr. Abhishek Bisen.
- **Minimum Investment Amount:** Rs. 1000 & in multiples of Re1
- **Load Structure:** Entry Load: Nil. (applicable for all plans)
- **Exit Load:** Nil. (applicable for all plans) Bonus units and units issued on reinvestment of dividends shall not be subject to exit load (applicable for all plans)
- **Ideal Investments Horizon:** 1 - 15 days

### Portfolio

**Issuer/Instrument**

- Central Bank Of India: CRISIL A1+ 9.72%
- Allahabad Bank: CRISIL A1+ 9.67%
- IndusInd Bank Ltd: CRISIL A1+ 9.61%
- 91 Days Treasury Bill 30/01/2014: SOV 9.77%
- Chennai Petroleum Corporation Ltd.: ICRA A1+ 9.63%
- 91 Days Treasury Bill 23/01/2014: SOV 9.79%
- HDFC Ltd: ICRA A1+ 9.74%
- Bank Of Baroda: CRISIL A1+ 9.71%
- Punjab National Bank: CRISIL A1+ 9.56%

**Industry/Rating**

- Corporate Debt/Financial Institutions - Total 38.01%
- Public Sector Undertakings - Total 59.21%
- Treasury Bills - Total 25.28%
- Net Current Assets/Liabilities -22.50%
- Grand Total 100.00%

**% to Net Assets**

- 15.75%
- 15.74%
- 14.00%
- 9.67%
- 8.69%
- 7.86%
- 7.83%
- 6.25%
- 5.94%
- 5.47%

### Performance

**Date**

- Since inception till December 31, 2013
- 31/12/2012 to 31/12/2013
- 31/12/2011 to 31/12/2012
- 31/12/2010 to 31/12/2011

**Current Value of Standard Investment of Rs. 1000 in the Scheme # (Rs)**

- 20408
- 19094
- 16985

**Net Current Assets -22.50**

**Treasury Bills 25.28**

**Commercial Paper (CP)/Certificate of Deposits (CD) 97.22**

**Risk free rate of returns for Sharp ratio:** 8.84%
### ETF Schemes

**KOTAK GOLD ETF**

**An Open Ended Gold Exchange Traded Fund**

The investment objective of Kotak Gold ETF is to generate returns that are in line with the returns on investment in physical gold, subject to tracking error.

**Fund Details**

- **Investment Objective**: The investment objective of Kotak Gold ETF is to generate returns that are in line with the returns on investment in physical gold, subject to tracking error.

- **Available Plans/Options**: A) Non Direct Plan I) Direct Plan

- **Fund Managers**: Mr. Abhishek Bisen

- **Load Structure**: Entry Load: Nil (applicable for all plans)

- **Minimum Investment Amount**
  - **(Fresh Purchase)**: Through Exchange: 1 Unit
  - **(Additional Purchase)**: Through AMC: 1000 Units

- **AAUM (in Crores)**
  - **(Rs)**
  - **Non Direct Plan**: A) 857.53 B) 0.00
  - **Direct Plan**: A) 0.00 B) 0.00

- **Benchmark**: Physical Gold

- **Inception Date**: July 27, 2007

- **Performance**
  - **Since Inception till December 31, 2013**:
    - Physical Gold Returns: 17.59%
    - 10 Year GIL Index Returns: 20.60%
    - Gilt Index Returns: 5.27%
    - Current Value of Standard Deviation: 28371
    - Benchmark (Rs): 33383
    - Benchmark % to Net Assets: 13917

- **Portfolio**
  - **Issuer/Instrument**: Commodities
    - **Gold**: 89.61%
  - **Commodities Grand Total**: 100.00%
  - **Net Current Assets/(Liabilities)**: -0.05%
  - **Grand Total**: 100.00%

  - **Issuer/Instrument**: Commodity
    - **Gold**: 10.44%
  - **Commodities Grand Total**: 100.00%

  - **Issuer/Instrument**: Industry/Rating
    - **% to Net Assets**: 89.61%

  - **Issuer/Instrument**: Industry/Rating
    - **% to Net Assets**: 10.44%

  - **Issuer/Instrument**: Industry/Rating
    - **% to Net Assets**: 100.05%

This product is suitable for investors who are seeking:

- **Returns in line with physical gold**
- **Investment in physical gold**
- **High risk** *(Brown)*

*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.*

### KOTAK PSU BANK ETF

**An Open Ended Exchange Traded Fund**

The investment objective of the scheme is to provide returns that closely correspond to the total returns of CNX PSU Bank Index, subject to tracking errors.

**Fund Details**

- **Investment Objective**: The investment objective of the scheme is to provide returns that closely correspond to the total returns of CNX PSU Bank Index, subject to tracking errors.

- **Available Plans/Options**: A) Non Direct Plan I) Direct Plan

- **Fund Managers**: Mr. Deepak Gupta

- **Load Structure**: Entry Load: Nil (applicable for all plans)

- **Minimum Investment Amount**
  - **(Fresh Purchase)**: Through Exchange: 1 Unit
  - **(Additional Purchase)**: Through AMC: 1000 Units

- **AAUM (in Crores)**
  - **(Rs)**
  - **Non Direct Plan**: A) 8.31 B) 0.00
  - **Direct Plan**: A) 0.00 B) 0.00

- **Benchmark**: CNX PSU Bank Index

- **Inception Date**: November 8, 2007

- **Performance**
  - **Since Inception till December 31, 2013**:
    - Physical Gold Returns: 5.48%
    - 10 Year GIL Index Returns: -1.96%
    - Gilt Index Returns: 1.65%
    - Current Value of Standard Deviation: 9649
    - Benchmark (Rs): 8854
    - Benchmark % to Net Assets: 11059

- **Portfolio**
  - **Issuer/Instrument**: Equity & Equity related (Listed/ Awaiting listing on Stock Exchange)
    - **% to Net Assets**: 49.74%
  - **Commodities Grand Total**: 100.00%
  - **Net Current Assets/(Liabilities)**: 99.92%
  - **Grand Total**: 100.00%

- **Issuer/Instrument**: Industry/Rating
  - **% to Net Assets**: 49.74%

  - **Issuer/Instrument**: Industry/Rating
    - **% to Net Assets**: 13.25%

  - **Issuer/Instrument**: Industry/Rating
    - **% to Net Assets**: 10.19%

  - **Issuer/Instrument**: Industry/Rating
    - **% to Net Assets**: 5.56%

  - **Issuer/Instrument**: Industry/Rating
    - **% to Net Assets**: 2.74%

  - **Issuer/Instrument**: Industry/Rating
    - **% to Net Assets**: 1.65%

  - **Issuer/Instrument**: Industry/Rating
    - **% to Net Assets**: 2.10%

  - **Issuer/Instrument**: Industry/Rating
    - **% to Net Assets**: 2.32%

  - **Issuer/Instrument**: Industry/Rating
    - **% to Net Assets**: 2.73%

  - **Issuer/Instrument**: Industry/Rating
    - **% to Net Assets**: 5.27%

  - **Issuer/Instrument**: Industry/Rating
    - **% to Net Assets**: 5.80%

  - **Issuer/Instrument**: Industry/Rating
    - **% to Net Assets**: 5.76%

  - **Issuer/Instrument**: Industry/Rating
    - **% to Net Assets**: 3.06%

  - **Issuer/Instrument**: Industry/Rating
    - **% to Net Assets**: 2.97%

  - **Issuer/Instrument**: Listed/Awaiting Listing on Stock Exchange - Total: 99.92%

  - **Issuer/Instrument**: Listed/Awaiting Listing on Stock Exchange - Total: 99.92%

  - **Issuer/Instrument**: Listed/Awaiting Listing on Stock Exchange - Total: 99.92%

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  - **Issuer/Instrument**: Listed/Awaiting Listing on Stock Exchange - Total: 99.92%

This product is suitable for investors who are seeking:

- **Long term capital growth**
- **Investment in stocks comprising the underlying index and endeavour to track the benchmark index**
- **High risk** *(Brown)*

*Investors should consult their financial advisors if in doubt about whether the product is suitable for them.*
### KOTAK SENSEX ETF

**ETF Details**

- **Inception Date**: June 6, 2008
- **Benchmark**: S&P BSE SENSEX

**Performance**

<table>
<thead>
<tr>
<th>Date</th>
<th>KOTAK SENSEX ETF</th>
<th>Scheme Returns (%)</th>
<th>S&amp;P BSE Sensex (%)</th>
<th>CNX Nifty (%)</th>
<th>Current Value of Standard Investment of Rs 10000 in the</th>
<th>Scheme (Rs)</th>
<th>Benchmark # (#)</th>
<th>Additional Benchmark M (Rs)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Since inception to 31/12/2011</td>
<td>13.98</td>
<td>13.68</td>
<td>13.22</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013</td>
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<td></td>
<td></td>
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<td>13.68</td>
<td>13.22</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Portfolio**

- **Equity & Equity related (Listed/Awaiting listing on Stock Exchange)**
  - **ITC Ltd.**: Consumer Non Durables 9.70%
  - **Infosys Ltd.**: Software 9.25%
  - **Reliance Industries Ltd.**: Petroleum Products 8.64%
  - **HDFC Bank Ltd.**: Banks 6.93%
  - **Tata Consultancy Services Ltd.**: Software 6.93%
  - **ICICI Bank Ltd.**: Banks 6.89%
  - **HDFC Ltd.**: Finance 6.75%
  - **Larsen And Toubro Ltd.**: Construction Project 4.85%
  - **Tata Motors Ltd.**: Auto 3.86%
  - **Oil & Natural Gas Corp Ltd.**: Oil 3.35%

- **Others**: 32.79%
- **Listed/Awaiting Listing on Stock Exchange - Total**: 99.94%
- **Net Current Assets/Liabilities**: 0.06%
- **Grand Total**: 100.00%

- **Note**: Point to Point (PTP) Returns in INR show the value of Rs. 10,000/- investment made at inception. Source: ICRAMFI Explorer

- **Investors should consult their financial advisors if in doubt about whether the product is suitable for them.**

### KOTAK NIFTY ETF

**ETF Details**

- **Inception Date**: February 8, 2010
- **Benchmark**: CNX Nifty

**Performance**

<table>
<thead>
<tr>
<th>Date</th>
<th>KOTAK NIFTY ETF</th>
<th>Scheme Returns (%)</th>
<th>S&amp;P BSE Sensex (%)</th>
<th>CNX Nifty (%)</th>
<th>Current Value of Standard Investment of Rs 10000 in the</th>
<th>Scheme (Rs)</th>
<th>Benchmark # (#)</th>
<th>Additional Benchmark M (Rs)</th>
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<td></td>
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<td></td>
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**Portfolio**

- **Equity & Equity related (Listed/Awaiting listing on Stock Exchange)**
  - **ITC Ltd.**: Consumer Non Durables 8.58%
  - **Infosys Ltd.**: Software 8.13%
  - **Reliance Industries Ltd.**: Petroleum Products 7.11%
  - **ICICI Bank Ltd.**: Banks 6.13%
  - **HDFC Ltd.**: Finance 5.99%
  - **HDFC Bank Ltd.**: Banks 5.95%
  - **Tata Consultancy Services Ltd.**: Software 5.36%
  - **Larsen And Toubro Ltd.**: Construction Project 4.21%
  - **Tata Motors Ltd.**: Auto 3.27%
  - **Oil & Natural Gas Corp Ltd.**: Oil 2.47%

- **Others**: 42.77%
- **Listed/Awaiting Listing on Stock Exchange - Total**: 99.97%
- **Net Current Assets/Liabilities**: 0.03%
- **Grand Total**: 100.00%

- **Note**: Point to Point (PTP) Returns in INR show the value of Rs. 10,000/- investment made at inception. Source: ICRAMFI Explorer

- **Investors should consult their financial advisors if in doubt about whether the product is suitable for them.**
## OTHER PERFORMANCE

**Scheme Performance as on December 31, 2013**

<table>
<thead>
<tr>
<th>Date</th>
<th>Scheme Returns (%)</th>
<th>CRISIL MIP Blended Index# (%)</th>
<th>CRISIL 1 Year Gilt Index (%)##</th>
<th>Current Value of Standard Investment of Rs 10000 in the</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Scheme (Rs)</td>
</tr>
<tr>
<td>Since inception till December 31, 2013</td>
<td>7.86</td>
<td>7.31</td>
<td>6.89</td>
<td>11590</td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013</td>
<td>6.63</td>
<td>4.24</td>
<td>5.86</td>
<td>Not applicable</td>
</tr>
<tr>
<td>31/12/2011 to 31/12/2012</td>
<td>-</td>
<td>12.12</td>
<td>8.08</td>
<td>Not applicable</td>
</tr>
<tr>
<td>31/12/2010 to 31/12/2011</td>
<td>-</td>
<td>1.72</td>
<td>6.45</td>
<td>Not applicable</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Date</th>
<th>Scheme Returns (%)</th>
<th>Physical Gold Price # (%)</th>
<th>CRISIL 10 Year Gilt Index (%)##</th>
<th>Current Value of Standard Investment of Rs 10000 in the</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Scheme (Rs)</td>
</tr>
<tr>
<td>Since inception till December 31, 2013</td>
<td>10.46</td>
<td>12.79</td>
<td>3.87</td>
<td>13176</td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013 (Direct Plan)</td>
<td>-7.43</td>
<td>-5.08</td>
<td>-1.06</td>
<td>Not applicable</td>
</tr>
<tr>
<td>31/12/2012 to 31/12/2013</td>
<td>-7.87</td>
<td>-4.5</td>
<td>-0.68</td>
<td>Not applicable</td>
</tr>
<tr>
<td>31/12/2011 to 31/12/2012</td>
<td>10.94</td>
<td>12.34</td>
<td>10.67</td>
<td>Not applicable</td>
</tr>
<tr>
<td>31/12/2010 to 31/12/2011</td>
<td>-</td>
<td>31.72</td>
<td>1.91</td>
<td>Not applicable</td>
</tr>
</tbody>
</table>

* Not applicable.

N.A stands for data not available. Past Performance may or may not be sustained in future. Note: Point to Point (FTP) Returns in INR show the value of Rs. 10,000/- investment made at inception. Source: ICRA MFI Explorer. For Additional Benchmark (Debt Schemes): classification of schemes in short term & long term is based on the average maturity of the scheme. 

# Name of Scheme Benchmark

## Name of Additional Benchmark

* Past performance may or may not be sustained in the future.

All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns <= 1 year: Absolute; Returns > 1 year: CAGR (Compounded Annualised Growth Rate).
**FUND MANAGER**

**Name:** Mr. Harsha Upadhyaya  
**Scheme (experience in managing these funds since):**  
Kotak Opportunities (Aug 1, ’12), Kotak Select Focus Fund (Aug 1, ’12)

Mr. Harsha Upadhyaya has 18 years of rich experience spread over Equity Research & Fund Management. His prior stints have been with companies such as Prabhudas Lilladher Pvt. Ltd, SG Asia Securities, Reliance Group, UTI Asset Management Co. Ltd and DSP Blackrock.

**Name:** Mr. Abhishek Bisen  
**Scheme (experience in managing these funds since):**  

Mr. Abhishek Bisen has been associated with the company since October 2006 and his key responsibilities include fund management of debt schemes. Prior to joining Kotak AMC, Abhishek was working with Securities Trading Corporation Of India Ltd where he was looking at Sales & Trading of Fixed Income Products apart from doing Portfolio Advisory. His earlier assignments also include 2 years of merchant banking experience with a leading merchant banking firm.

### Performance of top 3 and bottom 3 schemes of the Fund Manager

<table>
<thead>
<tr>
<th>Fund Manager</th>
<th>Mr. Abhishek Bisen</th>
<th>Refer Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top 3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kotak Banking and PSU Debt Fund - Growth</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>Kotak Floater - ST - Growth</td>
<td>16</td>
<td></td>
</tr>
<tr>
<td>Kotak Liquid Scheme - Plan A - Growth</td>
<td>18</td>
<td></td>
</tr>
<tr>
<td>Bottom 3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kotak Gilt - Investment Regular Plan - Growth</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>Kotak Gold Fund - Growth</td>
<td>21</td>
<td></td>
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<tr>
<td>Kotak Gold ETF</td>
<td>19</td>
<td></td>
</tr>
</tbody>
</table>

**Name:** Mr. Deepak Agrawal  
**Scheme (experience in managing these funds since):**  
(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 (Plan A) (Apr. 14, ’08), Kotak Kotak Banking and PSU Debt Fund (Apr. 14, ’08), Kotak Gilt - Investment & PF-Trust Plan (Apr. 14, ’08), Kotak Floater Long Term (Jul. 11, ’07), Kotak Income Opportunities Fund (May 11, ’10)

Mr. Deepak Agrawal’s career has started from Kotak AMC when he joined the organization in December 2002 where he was initially in Research, Dealing and then moved into Fund Management from November 2006.

### Performance of top 3 and bottom 3 schemes of the Fund Manager

<table>
<thead>
<tr>
<th>Fund Manager</th>
<th>Mr. Deepak Agrawal</th>
<th>Refer Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top 3</td>
<td></td>
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<tr>
<td>Kotak Floater - ST - Growth</td>
<td>16</td>
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<tr>
<td>Kotak Liquid Scheme - Plan A - Growth</td>
<td>18</td>
<td></td>
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<tr>
<td>Kotak Floater - LT - Growth</td>
<td>15</td>
<td></td>
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<tr>
<td>Bottom 3</td>
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<tr>
<td>Kotak Bond Scheme - Plan A - Growth</td>
<td>12</td>
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<tr>
<td>Kotak Gilt Investment PF &amp; Trust Plan - Growth</td>
<td>10</td>
<td></td>
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<tr>
<td>Kotak Gilt - Investment Regular Plan - Growth</td>
<td>10</td>
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</tbody>
</table>

**Name:** Mr. Deepak Gupta  
**Scheme (experience in managing these funds since):**  
Kotak Equity Arbitrage (Sept.1, ’08), Kotak Equity FOF (Sept.1, ’08), Kotak Global Emerging Market Fund (Apr.4, ’11), (Dedicated fund manager for over seas investment), Kotak Tax Saver (Sept.10, ’10), Kotak Multi Asset Allocation Fund (Sept.10, ’13)

Mr. Deepak Gupta has 8 years of experience in the mutual fund industry and 5 years of experience in fund management related areas.

### Performance of top 3 and bottom 3 schemes of the Fund Manager

<table>
<thead>
<tr>
<th>Fund Manager</th>
<th>Mr. Deepak Gupta</th>
<th>Refer Page No.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Top 3</td>
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<tr>
<td>Kotak Sensex ETF</td>
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<tr>
<td>Kotak Equity Arbitrage Fund - Growth</td>
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<td></td>
</tr>
<tr>
<td>Kotak Hybrid FTP - Series I - Growth</td>
<td>21</td>
<td></td>
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<tr>
<td>Bottom 3</td>
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<td></td>
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<tr>
<td>Kotak Multi Asset Allocation Fund - Growth</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>Kotak Taxsaver - Growth</td>
<td>5</td>
<td></td>
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<tr>
<td>Kotak PSB Bank ETF</td>
<td>19</td>
<td></td>
</tr>
</tbody>
</table>

**Name:** Mr. Emmanuel Elango  
**Scheme (experience in managing these funds since):**  
Kotak Classic Equity (Sep. 1, ’08), Kotak Balance (Jul. 11, ’11)

Mr. Emmanuel Elango’s association with the AMC has been since July 2008. Mr. Elango started his career as a Designer Engineer with Bosch. After his management studies, Mr. Elango has also worked with JP Morgan and Franklin Templeton AMC in India. His total experience is 10 years.

**Name:** Mr. Mayank Prakash  
**Scheme (experience in managing these funds since):**  
All Fixed Maturity Plans (FMPs), All Quarterly Interval Plans (QIPs)

Mr. Mayank Prakash has been associated with the company since September 2005. He has 4 years of experience in fund management related areas.

**Name:** Mr. Pankaj Tibrewal  
**Scheme (experience in managing these funds since):**  
Kotak Midcap (Jan.21, ’10), Kotak Emerging Equity (May27, ’10), Kotak Monthly Income Plan (Dec.20, ’10)

Mr. Pankaj Tibrewal has more than 6 years experience in fund management area. Prior to joining Kotak AMC, he was in the fund management team of Principal PNB Asset Management Private Ltd.

**Name:** Mr. Harish Krishnan  
**Scheme (experience in managing this fund since):**  
Kotak 50 (Nov. 15, ’13)

Mr. Harish Krishnan has 9 years of experience spread over Equity Research and Fund Management. Prior to joining Kotak Mutual Fund, he was based out of Singapore and Dubai, managing Kotak’s offshore funds. He has also worked at Infosys Technologies Ltd in his earlier stint.
EQUITY SCHEMES

<table>
<thead>
<tr>
<th>Record Date</th>
<th>Cum Dividend NAV</th>
<th>Rs/Unit</th>
</tr>
</thead>
</table>
| Kotak 50 - Dividend
  Feb-04-13 | 32.190 | 1.00 |
  Feb-29-12 | 26.687 | 1.00 |
  Jan-27-11 | 31.317 | 2.00 |
  Jan-22-10 | 31.036 | 3.00 |
  Mar-30-09 | 20.021 | 1.00 |
  Feb-28-08 | 18.991 | 3.00 |
  Jan-11-08 | 51.399 | 6.00 |
  July-20-07 | 38.870 | 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 | 18.993 | 2.00 |
  Dec-28-01 | 11.036 | 1.00 |
  Oct-09-00 | 17.556 | 2.00 |
  Dec-11-99 | 22.954 | 2.00 |
| Kotak Classic Equity
  Jul-31-12 | 15.413 | 1.00 |
  Jul-30-10 | 19.063 | 1.50 |
  Jul-27-07 | 16.037 | 2.00 |
| Kotak Opportunities
  Nov-11-11 | 13.682 | 0.50 |
  May-28-10 | 14.825 | 1.00 |
  Sept-09-09 | 14.733 | 1.50 |
  Mar-14-08 | 16.975 | 2.00 |
  Jan-25-08 | 27.090 | 6.00 |
  Sept-27-07 | 24.293 | 3.00 |
  Sept-27-06 | 17.745 | 1.50 |
  Mar-21-06 | 21.763 | 4.50 |
  Sept-28-05 | 16.816 | 1.00 |
  Feb-25-05 | 12.852 | 0.75 |
| Kotak Midcap
  Feb-28-11 | 15.638 | 1.50 |
  Feb-19-10 | 16.064 | 1.50 |
  Apr-28-08 | 19.438 | 4.00 |
  Aug-24-05 | 13.027 | 0.50 |
| Kotak Tax Saver
  Feb-08-08 | 15.189 | 3.50 |
  Feb-20-07 | 11.640 | 3.00 |
| Kotak Emerging Equity
  Apr-29-11 | 10.573 | 0.75 |
  May-02-13 | 11.512 | 0.50 |

IMPORTANT NOTES

Pursuant to SEBI circular no. CIR/IMD/DF/21/2012 dated September 13, 2012 and Gazette Notification No. LAD-NRO/GN/2012-13/17/2502 dated September 26, 2012, following changes are affected to Kotak Bond, Kotak Flexi Debt and Kotak Liquid, wherever applicable, with effect from October 1, 2012.

Kotak Bond:

Notes
1. W.e.f October 1, 2012, there shall be no fresh subscriptions under the Deposit Plan. Further, the Regular Plan, has been renamed as “PlanA”.
2. All existing SIP/STP falling due from November 1, 2012 under the options in Deposit Plan will be processed in the same options under Plan A.
3. If subscriptions / switch request is received under an option in the Regular Plan, the same will be processed under the same option, if any, in Plan A.
4. Where the investor has units in both the Deposit Plan and Plan A at the time of redemption / switch the investor must submit separate redemption / switch request.

Kotak Liquid:

Notes
1. W.e.f October 1, 2012, there shall be no fresh subscriptions under the Regular and Institutional Plans. Further, the Institutional Premium Plan, has been renamed as “PlanA”.
2. All subscriptions / switch request is received under an option in the Deposit Plan, the same will be processed under the same option, if any, in Plan A.
3. Where the investor has units in both the Regular Plan and Plan A at the time of redemption / switch the investor must submit separate redemption / switch request.
4. Where the investor has units in both the Institutional Plan and Plan A at the time of redemption / switch the investor must submit separate redemption / switch request.

Kotak Flexi Debt:

Notes
1. W.e.f October 1, 2012, there shall be no fresh subscriptions under the Regular Plan. Further, the Institutional Plan, has been renamed as “PlanA”.
2. All existing SIP/STP falling due from November 1, 2012 under the options in Regular Plan will be processed in the same options under Plan A.
3. If subscriptions / switch request is received under an option in the Regular Plan, the same will be processed under the same option, if any, in Plan A.
4. Where the investor has units in both the Regular Plan and Plan A at the time of redemption / switch the investor must submit separate redemption / switch request.

Pursuant to SEBI circular no. CIR/IMD/DF/21/2012 dated September 13, 2012 and KMMF notice dated September 28, 2012, investors of Kotak Mahindra Liquid Scheme (Kotak Liquid); Kotak Flexi Debt; Kotak Mahindra Bond Unit Scheme 99 (Kotak Bond) are requested to take note the following change with effect from November 1, 2012:

• In case the investors are holding units under dividend reinvestment option in plans of the schemes which were closed for further subscriptions (discontinued plans) w.e.f. October 1, 2012 (vide KMMF notice dated September 28, 2012); the amount of dividend reinvestment shall be processed under the dividend reinvestment option of the Plan A of the respective scheme.
• In respect of Dividend Reinvestment in Plan A, the investors of discontinued plans shall be deemed to have complied with the minimum investment amount /additional investment amount criteria and the fresh investments by them can be made as per the additional minimum investment amount criteria.

DIVIDEND HISTORY

<table>
<thead>
<tr>
<th>Record Date</th>
<th>Cum Dividend NAV</th>
<th>Rs/Unit</th>
</tr>
</thead>
</table>
| Kotak Equity FOF
  Aug-30-10 | 37.774 | Individual/ HUF: 0.878 |
  Others: 0.819 |
| Kotak Select Focus
  Oct-15-10 | 12.850 | 1.25 |
| HYBRID SCHEMES
<table>
<thead>
<tr>
<th>RECORD DATE</th>
<th>CUM DIVIDEND NAV</th>
<th>RS/UNIT</th>
</tr>
</thead>
</table>
| Kotak Balance
  Sep-30-13 | 18.252 | 0.50 |
  Mar-25-13 | 22.823 | 4.70 |
  Sep-27-12 | 22.862 | 0.027 |
  Mar-26-12 | 21.733 | 0.50 |
  Sep-27-11 | 20.634 | 0.50 |
  Mar-28-11 | 22.476 | 0.50 |
  Sept-29-10 | 24.617 | 0.75 |
  Mar-25-10 | 23.753 | 2.00 |
  Sept-25-09 | 23.555 | 0.50 |
  Oct-25-08 | 25.629 | 4.00 |
  Sept-25-07 | 28.078 | 2.00 |
  Sep-27-06 | 22.870 | 1.00 |
  Mar-27-06 | 26.645 | 3.50 |
  Dec-12-05 | 22.232 | 1.00 |
  May-16-06 | 18.129 | 0.75 |
  Dec-13-04 | 16.175 | 0.50 |
| Kotak Monthly Income Plan - Monthly Dividend
  Dec-12-13 | 11.1060 | Individual/ HUF: 0.0349 |
  Others: 0.0334 |
  Nov-12-13 | 10.9293 | Individual/ HUF: 0.0203 |
  Others: 0.0194 |
  Oct-14-13 | 10.9733 | Individual/ HUF: 0.0218 |
  Others: 0.0209 |
  Sep-12-13 | 10.6689 | Individual/ HUF: 0.0139 |
  Others: 0.0133 |
| Kotak Monthly Income Plan - Quarterly Dividend
  Dec-20-13 | 11.6928 | Individual/ HUF: 0.0794 |
  Others: 0.0760 |
  Sep-25-13 | 11.2669 | Individual/ HUF: 0.0415 |
  Others: 0.0397 |
  Jun-20-13 | 11.8033 | Individual/ HUF: 0.1665 |
  Others: 0.1594 |
  Mar-20-13 | 11.6417 | Individual/ HUF: 0.1504 |
  Others: 0.1289 |
Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

Disclaimer on market outlooks:
The outlook provided is only a subjective understanding of an uncertain market phenomena, which may or may not occur, and may also not have any effect on the performance of the scheme, clement or otherwise. This outlook should not be construed as a reason for investment into the scheme based on prospect of future performance, which may not accrue as anticipated by the investor.

THIRD PARTY PAYMENT
Reference to AMFI Best Practice Guidelines Circular No. 16/2010 - 11 on Risk Mitigation process against Third Party Cheques in Mutual Fund. Subscriptions will not be accepted by this Scheme.

Definition of Third Party Cheques
Where payment is made through instruments issued from account other than that of the beneficiary investor, the same is referred to as Third-Party payment.

In case of a payment from a joint bank account, the first holder of the mutual fund multiplex has to be one of the joint holders of the bank account from which payment is made. If this criterion is not fulfilled, then this is also construed to be a third-party payment.

However, above-mentioned clause of investment with Third-Party Payment shall not be applicable for the below mentioned exceptional cases.

a. Payment by Parents/Grand-Parents/related persons on behalf of a minor in consideration of lump sum / one-time subscription, through Payroll deductions.

b. Payment by Employer on behalf of employee under Systematic Investment Plans or

IMPORRTANT FACTS
Network of Transaction Acceptance Points: Submit transaction requests at your convenience across our 27 Investor Service Centres and 171 Transaction Points of CAMS. (To locate these, visit the “Contact Us” section on our website.), assetmanagement.kotak.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, Corporation Bank, Deutsche Bank, HDFC Bank, HSBC, ICICI Bank, IDBI Bank, IndusInd Bank, Kotak Mahindra Bank, Standard Chartered Bank, Yes 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 an 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 portfolio investment among Kotak Mutual Schemes, in line with your asset allocation plan.

Internet Transaction: You can now purchase, switch, Redeem, view your account statement Invest in NFO, electronically through our Internet Transaction Facility. For more details please log on to: assetmanagement.kotak.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 assetmanagement.kotak.com and access all these facilities.

CONTACT DETAILS
For details contact us at:

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To know more about mutual funds Visit: assetmanagement.kotak.com

Toll Free Number: 1800 222 626
For daily NAVs: Call 66384400 (24 hours).