

KOTAK MAHINDRA MUTUAL FUND																			
Abridged Unaudited Balance Sheet as at 31st March 2001																			
	K Gilt Unit Scheme 98									K Bond Unit Scheme 99					Kotak Mahindra Liquid	K 30 Unit Scheme	K Balance Unit Scheme 99	K Technology Scheme	K MNC Scheme
	Savings Plan	Investment Plan	Serial Plan 2001	Serial Plan 2003	Serial Plan 2005	Serial Plan 2007	Serial Plan 2011	Serial Plan 2013	TOTAL	K Bond	Serial Plan 2001 A	Serial Plan 2001 B	Serial Plan 2002 A	Total					
	As on	As on	As on	As on	As on	As on	As on	As on	As on	As on	As on	As on	As on	As on					
	31/03/01 31/03/00	31/03/01 31/03/00	31/03/01 31/03/00	31/03/01 31/03/00	31/03/01 31/03/00	31/03/01 31/03/00	31/03/01 31/03/00	31/03/01 31/03/00	31/03/01 31/03/00	31/03/01 31/03/00	31/03/01 31/03/00	31/03/01 31/03/00	31/03/01 31/03/00	31/03/01 31/03/00					
	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)
LIABILITIES																			
1. UNIT CAPITAL	5904.86	22384.04	5592.80	579.07	1676643	2375123	233448	3389569	34537.52	16865.53	2275.40	1775.95	482.85	21399.73	16597.28	2744.74	5501.30	20595.10	4207.69
	9842.44	40175.86		552.69	-	100,000			50571.99	13,714.88				13714.88		3426.65	6,437.82		
2. RESERVES & SURPLUS																			
2.1 Unit Premium Reserves	(11.80)	638.37	4.34	0.47	14321	48329	2519	16952	632.20	98.66	(0.04)	0.05	0.09	98.76	(3.97)	897.66	96.16	-	(1.65)
	(0.45)	1359.08		0.39	(36)	-			1359.02	40.07				40.07		1398.28	128.03		
2.2 Other Reserves	1410.00	3416.64	163.67	19.54	170221	344254	8560	183292	5016.92	2148.89	57.53	52.47	15.41	2274.30	368.61	(161.98)	(797.49)	(13445.80)	(671.67)
	1157.73	2233.15		3.60	42	6860			3394.55	400.18				400.18		3853.81	1,076.93		
3. CURRENT LIABILITIES & PROVISIONS	25.85	5493.98	11.87	48.20	2258	5157	133	385	5579.97	197.19	14.14	0.96	0.75	213.04	36.82	281.76	52.80	356.61	102.12
	305.73	5605.40		3.75	13	286			5914.88	29.60				29.60		435.07	78.83		
TOTAL	7328.91	31933.03	5772.68	647.28	1863443	2772863	244660	3590198	45766.61	19310.27	2347.03	1829.43	499.10	23985.83	16998.74	3762.18	4852.77	7505.91	3636.49
	11305.45	49373.49		560.43	19	107146			61240.44	14184.73				14184.73		9113.81	7721.61		

Note: Figures are shown in Rs. Lacs for Savings Plan, Investment Plan, Serial Plan 2001, Serial Plan 2003 and the Scheme total. Figures are shown in Rupees for Serial Plan 2005, Serial Plan 2007, Serial Plan 2011 and Serial Plan 2013

KOTAK MAHINDRA MUTUAL FUND																			
Abridged Unaudited Balance Sheets as at 31st March 2001																			
	K Gilt Unit Scheme 98									K Bond Unit Scheme 99					Kotak Mahindra Liquid	K 30 Unit Scheme	K Balance Unit Scheme 99	K Technology Scheme	K MNC Scheme
	Savings Plan	Investment Plan	Serial Plan 2001	Serial Plan 2003	Serial Plan 2005	Serial Plan 2007	Serial Plan 2011	Serial Plan 2013	TOTAL	K Bond	Serial Plan 2001 A	Serial Plan 2001 B	Serial Plan 2002 A	Total					
	As on	As on	As on	As on	As on	As on	As on	As on	As on	As on	As on	As on	As on	As on					
31/03/01	31/03/01	31/03/01	31/03/01	31/03/01	31/03/01	31/03/01	31/03/01	31/03/01	31/03/01	31/03/01	31/03/01	31/03/01	31/03/01	31/03/01	31/03/01	31/03/01	31/03/01	31/03/01	31/03/01
31/03/00	31/03/00	31/03/00	31/03/00	31/03/00	31/03/00	31/03/00	31/03/00	31/03/00	31/03/00	31/03/00	31/03/00	31/03/00	31/03/00	31/03/00	31/03/00	31/03/00	31/03/00	31/03/00	31/03/00
(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)
ASSETS																			
1. INVESTMENTS (At Market / Fair Value)																			
1.1 Equity Shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3039.27	2292.69	6533.85	3024.54
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	7988.09	4,618.07	-	-
1.2 Privately Placed Debenture/Bonds	-	-	-	-	-	-	-	-	1,098.57	-	452.03	60.24	1,610.84	3,701.42	-	100.00	-	-	-
	-	-	-	-	-	-	-	-	2,014.10	-	-	-	2,014.10	-	-	-	-	-	-
1.3 Debenture/Bonds Listed/Awaiting Listing	-	-	-	-	-	-	-	-	10785.29	-	-	-	10,785.29	6781.25	-	533.22	-	-	-
	-	-	-	-	-	-	-	-	7,241.69	-	-	-	7,241.69	-	-	1,477.63	-	-	-
1.4 Government Securities	5214.11	24373.96	5695.74	614.95	1647448	2633542	234943	312360	35947.04	2613.16	-	-	2,613.16	50.32	201.60	922.64	94.49	-	-
	10110.83	43351.23	-	533.91	-	101760	-	-	53996.99	4,254.62	-	-	4,254.62	-	34.22	694.37	-	-	-
1.5 Others																			
Treasury Bills	1736.04	945.90	-	-	-	-	-	-	2681.94	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Commercial Paper	-	-	-	-	-	-	-	-	-	-	999.20	1,124.15	369.63	2,492.98	1,906.64	-	624.79	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2. DEPOSITS WITH SCHEDULED BANKS	109.00	696.90	-	-	-	-	-	-	805.90	93.00	1,347.00	220.00	61.00	1,721.00	3,921.10	134.00	32.00	129.00	350.00
	926.34	2,215.54	-	-	-	-	-	-	3141.88	220.00	-	-	-	220.00	-	792.90	-	-	-
3. OTHER CURRENT ASSETS																			
3.1 Cash & Bank Balance	144.76	278.40	10.08	0.40	192479	41944	832	1128	436.00	4149.59	0.17	10.85	6.20	4,166.81	242.47	143.26	41.39	80.92	120.79
	8.95	74.88	-	0.84	11	56	-	-	84.67	26.58	-	-	-	26.58	69.19	250.01	-	-	-
3.2 Others	125.00	5637.87	66.86	31.93	23516	97377	8885	3276710	5895.73	570.66	0.66	22.40	2.03	595.75	395.54	244.05	243.92	409.65	87.81
	259.33	3731.84	-	25.68	8	5330	-	-	4016.90	427.74	-	-	-	427.74	229.41	602.41	-	-	-
4. DEFERRED REVENUE EXPENDITURE (to the extent not written off)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	62.12	258.00	53.35
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	79.12	-	-
TOTAL	7328.91	31933.03	5772.68	647.28	1863443	2772863	244660	3590198	45766.61	19310.27	2347.03	1829.43	499.10	23985.83	16998.74	3762.18	4852.77	7505.91	3636.49
	11305.45	49373.49	-	560.43	19	107146	-	-	61240.44	14184.73	-	-	-	14184.73	9113.81	7721.61	-	-	-

Note: Figures are shown in Rs. Lacs for Savings Plan, Investment Plan, Serial Plan 2001, Serial Plan 2003 and the Scheme total . Figures are shown in Rupees for Serial Plan 2005, Serial Pain 2007, Serial Plan 2011 and Serial Plan 2013

KOTAK MAHINDRA MUTUAL FUND																			
Abridged Unaudited Revenue Accounts for the period ended 31st March 2001																			
K Gilt Unit Scheme 98										K Bond Unit Scheme 99					Kotak Mahindra Liquid	K 30 Unit Scheme	K Balance Unit Scheme 99	K Technology Scheme	K MNC Scheme
	Savings Plan	Investment Plan	Serial Plan 2001	Serial Plan 2003	Serial Plan 2005	Serial Plan 2007	Serial Plan 2011	Serial Plan 2013	TOTAL	K Bond	Serial Plan 2001 A	Serial Plan 2001 B	Serial Plan 2002 A	Total					
From To	01/04/00 31/03/01	01/04/00 31/03/01	24/08/00 31/03/01	01/04/00 31/03/01	01/04/00 31/03/01	01/04/00 31/03/01	09/01/01 31/03/01	26/12/00 31/03/01		01/04/00 31/03/01	30/11/00 31/03/01	11/12/00 31/03/01	01/12/00 31/03/01	01/04/00 31/03/01	04/10/00 31/03/01	01/04/00 31/03/01	01/04/00 31/03/01	24/02/00 31/03/01	24/02/00 31/03/01
From To	01/04/99 31/03/00	01/04/99 31/03/00		30/09/99 31/03/00	30/09/99 31/03/00	30/09/99 31/03/00				18/10/99 31/03/00				18/10/99 31/03/00		01/04/99 31/03/00	18/10/99 31/03/00		
	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)
1. INCOME																			
1.1 Dividends	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	5.08 34.69	3.97 8.45	8.20	9.43
1.2 Interest	614.59 647.98	1414.75 2357.09	313.65	31.58 28.86	74307 87	38528 4,464	2943	8106	2375.81 3033.97	759.28 464.08	110.64	56.46	13.80	940.18 464.08	785.35	78.87 18.80	135.55 164.34	19.14	24.70
1.3 Profit on Sale / Redemption of Investments other than inter- scheme transfer / sale	21.95 91.55	1,054.02 776.30	-	-	-	-	-	8,694	1076.06 867.86	282.10 100.34	0.29	0.98	-	283.37 100.34	25.35	-	-	-	-
1.4 Profit on Inter-scheme transfer / sale of Investments	13.18 38.55	57.14 -	0.31	0.34 -	4,244 28	-	689	-	71.02 38.55	18.33 85.61	0.10	-	0.01	18.44 85.61	14.47	-	8.54 -	0.06	-
1.5 Other Income	- -	- -	-	-	-	-	-	-	- -	24.00 -	-	-	-	24.00 -	-	-	-	-	-
TOTAL	649.72 778.08	2525.91 3133.39	313.96	31.92 28.86	78551 115	38528 5801	3632	16800	3522.89 3940.38	1083.71 650.03	111.03	57.44	13.81	1265.99 650.03	825.17	83.95 1569.74	148.06 1040.20	27.40	34.13

Note: Figures are shown in Rs. Lacs for Savings Plan, Investment Plan, Serial Plan 2001, Serial Plan 2003 and the Scheme total . Figures are shown in Rupees for Serial Plan 2005, Serial Pain 2007, Serial Plan 2011 and Serial Plan 2013

KOTAK MAHINDRA MUTUAL FUND																			
Abridged Unaudited Revenue Accounts for the period ended 31st March 2001																			
K Gilt Unit Scheme										K Bond Unit Scheme 99					Kotak Mahindra Liquid	K 30 Unit Scheme	K Balance Unit Scheme 99	K Technology Scheme	K MNC Scheme
From	Savings Plan	Investment Plan	Serial Plan 2001	Serial Plan 2003	Serial Plan 2005	Serial Plan 2007	Serial Plan 2011	Serial Plan 2013	TOTAL	K Bond	Serial Plan 2001 A	Serial Plan 2001 B	Serial Plan 2002 A	Total					
To	01/04/00	01/04/00	24/08/00	01/04/00	01/04/00	01/04/00	09/01/01	26/12/00		01/04/00	30/11/00	11/12/00	01/12/00	01/04/00	04/10/00	01/04/00	01/04/00	24/02/00	24/02/00
To	31/03/01	31/03/01	31/03/01	31/03/01	31/03/01	31/03/01	31/03/01	31/03/01		31/03/01	31/03/01	31/03/01	31/03/01	31/03/01	31/03/01	31/03/01	31/03/01	31/03/01	31/03/01
From	01/04/99	01/04/99		30/09/99	30/09/99	30/09/99				18/10/99				18/10/99		01/04/99	18/10/99		
To	31/03/00	31/03/00		31/03/00	31/03/00	31/03/00				31/03/00				31/03/00		31/03/00	31/03/00		
	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.)	(Rs.)	(Rs.)	(Rs.)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)	(Rs.Lacs)
2. EXPENSES & LOSSES																			
2.1. Management, Trusteeship, Administrative and other Operating Expenses (including deferred revenue expenses amortised)	56.79 59.90	201.07 314.64	16.64	1.80 1.50	4472 5	2428 242	197	604	276.38 376.04	90.00 47.30	2.74	1.32	1.48	95.54 47.30	79.00	63.26 90.62	73.55 69.41	168.95 -	50.66 -
2.2 Provision for Outstanding Accrued Income	- -	- -	-	- -	- -	- -	-	-	- -	- -	-	-	-	- -	-	- 0.02	- -	- -	- -
2.3. Loss on Sale/Redemption of Investment (other than Inter scheme Transfer/Sale)	- -	- -	-	- -	- -	- -	-	-	- -	- -	-	-	-	- -	-	671.30 -	420.57 -	5,044.70	90.13
2.4 Loss on Inter-Scheme Transfer/Sale of Investment	- -	- 24.40	-	- 0.08	- -	825 -	-	-	0.01 24.48	- -	-	0.69	-	0.69 -	-	0.25 -	- 24.56	-	0.37
TOTAL	56.79 59.90	201.07 339.04	16.64	1.80 1.58	4472 5	3253 242	197	604	276.39 400.52	90.00 47.30	2.74	2.01	1.48	96.23 47.30	79.00	734.81 90.64	494.12 93.97	5213.65	141.16
Excess of Income over Expenses and Losses	592.93 718.18	2324.84 2794.35	297.32	30.12 27.28	74079 110	35275 5559	3435	16196	3246.50 3539.86	993.71 602.73	108.29	55.43	12.33	1169.76 602.73	746.17	(650.86) 1479.10	(346.06) 946.23	(5186.25)	(107.03)
Unrealised Net Appreciation of Investments	23.81 (7.20)	223.20 6.87	(10.33)	13.74 2.02	75474 -	41104 1301	2217	4020	251.65 1.70	169.24 13.07	-	0.97	0.11	170.32 13.07	(0.68)	(2061.28) 865.53	(1254.64) 793.35	(2376.75)	(445.08)
Income Equalisation	(1192.87) 912.12	309.50 (586.21)	6.14	1.96 1.35	15118 (68)	258257 -	2908	163076	(870.88) 327.26	1070.97 266.96	(8.07)	2.31	3.06	1068.27 266.96	9.86	14589.75 898.08	51.16 74.37	419.35	0.59
Unit Premium Reserve	71.94 13.38	132.18 164.28	-	0.38 -	- -	- -	-	-	204.50 177.66	39.95 -	-	-	-	39.95 -	1.01	- -	- -	-	-
Less: Dividend Distributed	256.03 745.23	1260.72 1925.48	114.85	39.33 24.37	- -	5,184 -	-	-	1670.98 2695.08	413.52 434.77	34.88	5.11	0.07	453.58 434.77	317.31	15,046.53 1,063.51	- 737.02	-	-
Less: Dividend Tax thereon	56.54 81.97	280.38 211.81	25.37	8.70 2.68	- -	1,154 -	-	-	371.00 296.46	91.85 47.81	7.81	1.13	0.02	100.81 47.81	70.44	- -	- -	-	-
Net Surplus Transferred to Revenue Reserve	(816.76) 809.28	1448.62 242.00	152.91	(1.83) 3.60	164671 42	328298 6860	8560	183292	789.79 1054.94	1768.50 400.18	57.53	52.47	15.41	1893.91 400.18	368.61	(3168.92) 2179.20	(1549.54) 1076.93	(7143.65)	(551.52)

Note: Figures are shown in Rs. Lacs for Savings Plan, Investment Plan, Serial Plan 2001, Serial Plan 2003 and the Scheme total . Figures are shown in Rupees for Serial Plan 2005, Serial Plan 2007, Serial Plan 2011 and Serial Plan 2013

Kotak Mahindra Mutual Fund

Notes to abridged Balance Sheet as at March 31, 2001 and abridged Revenue Account for the Half Year ended March 31, 2001:

1. **Significant Accounting Policies**

1.1. *Basis of Accounting*

The Scheme maintains its books of account on an accrual basis.

1.2. *Portfolio Valuation*

Investments are stated at market / fair value at the Balance Sheet date / date of determination. In valuing the Scheme's investments:

- i. Traded equity securities are valued at the last quoted closing price on the Stock Exchange, Mumbai (BSE) or on the stock exchange where principally traded. Non-traded equity securities are fair valued based on principles approved by the trustees.
- ii. Debt instruments are valued on a yield to maturity basis at prevailing market prices of such securities or comparable securities with an appropriate discount for lower liquidity.
- iii. Government securities are valued at yield to maturity at prevailing market rates.
- iv. Instruments bought on 'repo' basis are valued at the resale price after deduction of applicable interest up to the date of resale. Instruments sold on a 'repo' basis are adjusted for the difference between the repurchase price (after deduction of applicable interest up to the date of repurchase) and the value of the instrument.
- v. Treasury bills and commercial paper are valued at cost plus accrued interest.
- vi. Pursuant to the Guidelines for Valuation of Securities for Mutual Funds dated September 18, 2000 issued by the Securities and Exchange Board of India, non-traded / thinly traded securities are valued at fair value as determined by Kotak Mahindra Asset Management Company Limited (KMAMC) and in accordance with the said guidelines.

1.3. *Securities Transactions*

Transactions for purchase or sale of investments are recognized as of the trade date. In determining the holding cost of investments and the gain or loss on sale of investments, the "average cost" method is followed.

1.4. *Investment Income*

Dividend and interest income are recorded on an accrual basis.

1.5. *Deferred Revenue Expenditure*

Initial issue costs comprise those costs directly associated with the issue of units of the Scheme and include brokerage / agents' commission, advertising and marketing costs, registrar expenses and printing and despatch costs. In accordance with the offer documents such costs have been charged to K Balance, K Tech and K MNC at 1.5% of the amount collected in the initial offer and are being amortised over a period of five years from the date of allotment of units under the respective schemes.

1.6. *Unit Premium Reserve*

Upon issue and redemption of units, the net premium or discount to the face value of units is adjusted against the unit premium reserve of the Scheme, after an appropriate portion of the issue proceeds and redemption payout is credited or debited respectively to the income equalisation reserve.

The Unit Premium Reserve is available for dividend distribution except to the extent it is represented by unrealised net appreciation in value of investments.

Kotak Mahindra Mutual Fund

Notes to abridged Balance Sheet as at March 31, 2001 and abridged Revenue Account for the Half Year ended March 31, 2001:

1.7. *Income Equalisation*

Income equalisation reserve is maintained by crediting (or debiting) the income equalisation reserve account in respect of purchase of units (or redemption of units) by an appropriate amount, which represents the distributable income at the time of purchase (or redemption). The balance in the income equalisation reserve account is transferred to the revenue account at the end of the year.

1.8. *Load Charges*

The Load collected is used to meet the selling and distribution expenses of the schemes of KMMF. The excess of load collected over marketing and selling expenses upto September 30, 2000 for K Bond has been credited to the Scheme and disclosed as other income in the Revenue Account.

2. Disclosure Under Regulation 25(8) of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended

(i) Kotak Securities and Kotak Mahindra Securities Limited, associate companies of KMAMC were paid commission for procuring unit subscriptions for the Schemes and / or brokerage on purchase and sale of investments during the half year. The commission and brokerage paid were at rates similar to those offered to other distributors / brokers.

Amounts in Rs. Lacs

	K Gilt Savings Plan	K Gilt Investment Plan	K Gilt Serial Plan 2003	K Bond	K Bond Serial Plan 2001 B	K Bond Serial Plan 2002 A	Liquid	K 30	K Balance	K Tech	K MNC
<u>Kotak Securities</u>											
Commission on unit subscriptions	3.37	33.08	0.01	9.98	#	0.33	-	9.36	18.50	9.28	2.03
Brokerage on purchase and sale of investments	-	-	-	-	-	-	-	0.47	0.31	1.76	0.59
<u>Kotak Mahindra Securities Limited</u>											
Brokerage on purchase and sale of investments	0.07	0.10	-	0.08	-	-	0.05	-	-	-	-

Less than Rs.0.01 Lac.

(ii) During the half year the Schemes have subscribed to the following issues of equity shares and debentures where Kotak Mahindra Capital Company (KMCC), an associate of KMAMC, was the lead manager / arranger to the issue.

Scheme	Security	Amount subscribed (Rs. Lacs)
K Bond	10.75 % NC Bond Nuclear Power Corporation Ltd.	500
Liquid	11.05 % NC Debenture Issue 13 option I HDFC Ltd.	1000
K Balance	11.85 % NCD Series B - Hindustan Petroleum Corporation Ltd.	500

The investments were made solely on the basis of sound fundamentals of these companies.

Kotak Mahindra Mutual Fund

Notes to abridged Balance Sheet as at March 31, 2001 and abridged Revenue Account for the Half Year ended March 31, 2001:

3. Disclosure Under Regulation 25(11) of the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended

Kotak Mahindra Mutual Fund has made the following investments in companies which hold / have held units in excess of 5% of the net asset value of any scheme of Kotak Mahindra Mutual Fund.

Company	Schemes invested in by the company	Investing Schemes	Aggregate investments made by the Schemes in the company for the period under regulation (Rs .Lacs)
HCL TECHNOLOGIES LTD	K Gilt and K Bond	K BALANCE K 30 K TECH	147.01 13.34 1,346.14
HIMACHAL FUTURISTIC COMMUNICATIONS	K Gilt and Liquid	K BALANCE K TECH	89.30 1,348.96
ICICI LIMITED	K Gilt	K BOND SERIAL 2001 A K BOND SERIAL 2001 B K BALANCE K BOND K LIQUID K TECH	545.10 216.23 550.10 3,740.28 2,167.34 679.29
RAYMOND LTD	K Bond and Liquid	K LIQUID	500.00
MASCOT SYSTEMS LTD	K Bond	K TECH	410.83
HINDUSTAN INKS&RESINS LTD	K Gilt	K BALANCE	182.40
KODAK LTD	K Gilt	K MNC	171.36
HUGHES TELECOM (INDIA) LTD	K Liquid	K MNC	128.67
ITC LTD	K Gilt	K BALANCE K 30 K MNC	15.51 243.27 589.90
NIIT INDIA	K Liquid	K30 K TECH	172.47 1,125.95
GUJARAT GAS COMPANY LTD	K Gilt	K BALANCE K 30 K MNC K BOND	162.03 389.18 99.50 538.70
HERO HONDA MOTORS LTD	K Gilt	K BALANCE K MNC	220.46 306.18
MAHINDRA & MAHINDRA LTD	K Gilt and K Bond	K BOND K LIQUID K BALANCE K 30	1,524.05 500.00 69.33 717.15
Total:			18,910.03

These investments comprise debt and equity instruments and were made solely on the basis of sound fundamentals of these companies.

Kotak Mahindra Mutual Fund

Notes to abridged Balance Sheet as at March 31, 2001 and abridged Revenue Account for the Half Year ended March 31, 2001:

4. Illiquid Securities: K Tech held following illiquid securities aggregating to Rs.84.20 Lacs as at March 31, 2001.

Company Name	Fair Value (Rs. Lacs)	Percentage of Fair Value to Net Assets.
Federal Technologies Ltd.	8.38	0.12 %
Virtual Dynamics Software Ltd.	5.82	0.08 %
Radiant Software Ltd.	70.00	0.98 %
Total:	84.20	1.18 %

5. Unclaimed Dividends and Redemption Proceeds.

The amount of unclaimed dividends and unclaimed redemption proceeds as on March 31, 2001 and the number of investors to whom these amounts are payable are as follows:

	K Gilt Savings Plan	K Gilt Investment Plan	K Bond	K 30	K Balance	K Tech
Unclaimed Dividend (Rs. Lacs)	0.01	1.90	0.01	2.32	0.56	-
<i>Unclaimed Dividend (No. of investors)</i>	1	8	2	41	16	-
Unclaimed redemption proceeds (Rs.Lacs)	1.11	-	-	-	-	0.17
<i>Unclaimed redemption proceeds (No. of investors)</i>	1	-	-	-	-	1

6. Short Names : Following short names have been used in the presentation of results.

Scheme Name	Short Name used
Kotak Mahindra K Gilt Unit Scheme 98	K Gilt
Kotak Mahindra K Bond Unit Scheme 99	K Bond
Kotak Mahindra Liquid Scheme	K Liquid
Kotak Mahindra K 30 Unit Scheme	K 30
Kotak Mahindra K Balance Unit Scheme 99	K Balance
Kotak Mahindra K Technology Scheme	K Tech
Kotak Mahindra K MNC Scheme	K MNC

For Kotak Mahindra Trustee Company Ltd

For Kotak Mahindra Asset Management Company Ltd

S.A.A. Pinto
Chairman

Uday S. Kotak
Chairman

Girish Shredalal
Director
Mumbai
Date: May 15, 2001

Romesh C. Khanna
Director
Mumbai
Date: May 14, 2001

Historical Per Unit Statistics

		K Gilt Unit Scheme 98									
		RUPEES									
Period	Plan Option	1	1	2	2	3	1	1	2	2	3
		Savings Growth*	Savings Dividend*	Savings Growth*	Savings Dividend*	Savings Growth*	Investment Growth*	Investment Dividend*	Investment Growth*	Investment Dividend*	Investment Growth*
a)	Net Asset Value per unit at end of year/ period	12.625	10.436	11.399	10.431	10.285	13.312	10.610	11.749	10.536	10.317
b)	Gross Income										
1)	Income other than profit on sale of investments	1.473	9.142	0.531	2.418	0.396	1.600	1.726	1.176	0.820	0.239
2)	Income (net) from profit on inter-scheme sale / transfer of	0.016	(0.085)	(0.008)	0.099	0.035	0.001	(0.004)	(0.008)	(0.005)	0.001
3)	Income (net) from profit on sale of investments to third parties	(0.020)	(0.384)	0.019	0.305	(0.057)	0.102	0.054	0.276	0.226	0.015
4)	Transfer to revenue account from past year's reserve	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
c)	Aggregate expense and charges	0.133	0.854	(0.044)	(0.224)	0.037	0.222	0.240	(0.155)	(0.109)	0.034
d)	Net income (b - c)	1.336	7.819	0.498	2.598	0.337	1.481	1.536	1.289	0.932	0.221
e)	Net change in unrealised appreciation/ (depreciation) in the value of investments	0.037	(0.020)	(0.020)	0.000	0.002	(0.009)	0.141	0.025	(0.007)	0.025
f)	Repurchase prices during the year/period										
i)	Highest	12.620	10.55	11.399	10.629	10.286	13.368	11.177	11.845	11.034	10.307
ii)	Lowest	11.438	10.411	10.308	10.405	10.028	11.881	10.354	10.340	10.411	10.020
g)	Resale prices during the year/period										
i)	Highest	12.620	10.550	11.399	10.629	10.291	13.368	11.177	11.845	11.034	10.322
ii)	Lowest	11.438	10.411	10.313	10.410	10.033	11.881	10.354	10.356	10.427	10.035
h)	Price earnings ratio	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
i)	Ratio of expenses to average net assets (percentage) @	1.01%		1.01%		0.77%	1.50%		1.50%		0.46%
j)	Ratio of gross income (including net profit / (loss) on sale/ redemption of investments and net change in unrealised appreciation/ (depreciation) in value of investments) to average net assets (percentage) @	10.90%		12.42%		3.56%	11.77%		14.25%		3.75%

* The above per unit calculations are based on the number of units outstanding at the end of the year/period

Column 1 reflects figures pertaining to the period April 1, 2000 to March 31, 2001. Column 2 reflects figures pertaining to the period April 1, 1999 to March 31, 2000.

Column 3 reflects figures pertaining to the period December 11, 1998 to March 31, 1999.

\$ As there are no units outstanding in the Serial Plan 2005 as at March 31, 2000, the above per unit statistics for Serial Plan 2005 are based on the average units outstanding during the period.

@ These ratios are taken as a percentage to average net assets for the Plan as a whole.

** Annualised

Historical Per Unit Statistics

		K Gilt Unit Scheme 98								RUPEES
Period	Plan Option	1	1	1	1	2	2	1	1	2
		Serial 2001 Growth*	Serial 2001 Dividend*	Serial 2003 Growth*	Serial 2003 Dividend*	Serial 2003 Growth*	Serial 2003 Dividend*	Serial 2005 Growth*	Serial 2005 Dividend*	Serial 2005\$
a)	Net Asset Value per unit at end of year/ period	10.561	10.206	11.940	10.269	10.586	10.072	11.101	11.099	-
b)	Gross Income									
	1) Income other than profit on sale of investments	0.546	0.683	0.494	1.135	0.547	0.522	0.518	0.075	0.087
	2) Income (net) from profit on inter-scheme sale / transfer of	0.001	0.001	0.004	(0.047)	(0.002)	(0.002)	0.025	0.000	0.036
	3) Income (net) from profit on sale of investments to third parties	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	(0.008)
	4) Transfer to revenue account from past year's reserve	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000
c)	Aggregate expense and charges	0.029	0.036	0.028	0.062	(0.028)	(0.027)	0.031	0.012	(0.005)
d)	Net income (b - c)	0.518	0.648	0.470	1.026	0.517	0.493	0.512	0.063	0.110
e)	Net change in unrealised appreciation/ (depreciation) in the value of investments	(0.022)	(0.007)	0.247	0.217	0.038	0.037	0.475	(0.035)	0.000
f)	Repurchase prices during the year/period									
	i) Highest	10.576	10.296	11.928	10.685	10.643	10.643	11.104	11.081	10.104
	ii) Lowest	10.016	10.000	10.659	10.070	10.051	10.032	9.771	10.999	10.002
g)	Resale prices during the year/period									
	i) Highest	10.576	10.296	11.928	10.685	10.643	10.643	11.104	11.081	10.104
	ii) Lowest	10.016	10.000	10.659	10.070	10.051	10.032	9.771	10.999	10.002
h)	Price earnings ratio	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
i)	Ratio of expenses to average net assets (percentage) @	**0.6%		0.6%		0.29%		**0.6%		0.05%
j)	Ratio of gross income (including net profit / (loss) on sale/ redemption of investments and net change in unrealised appreciation/ (depreciation) in value of investments) to average net assets (percentage) @	**11.18%		12.72%		5.93%		**19.66%		1.15%

Historical Per Unit Statistics

		K Gilt Unit Scheme 98				
		RUPEES				
Period	Plan Option	1	1	2	1	1
		Serial 2007 Growth*	Serial 2007 Dividend*	Serial 2007*	Serial 2011 Growth*	Serial 2013 Growth*
a)	Net Asset Value per unit at end of year/ period	12.147	11.142	10.686	10.475	10.591
b)	Gross Income					
1)	Income other than profit on sale of investments	0.340	0.049	0.446	0.126	0.024
2)	Income (net) from profit on inter-scheme sale / transfer of	(0.005)	(0.002)	0.000	0.030	0.026
3)	Income (net) from profit on sale of investments to third parties	0.000	0.000	0.134	0.000	0.000
4)	Transfer to revenue account from past year's reserve	0.000	0.000	0.000	0.000	0.000
c)	Aggregate expense and charges	0.020	0.004	(0.024)	0.008	0.002
d)	Net income (b - c)	0.315	0.043	0.556	0.148	0.048
e)	Net change in unrealised appreciation/ (depreciation) in the value of investments	0.256	0.065	0.130	0.095	0.012
f)	Repurchase prices during the year/period					
i)	Highest	12.264	11.784	10.818	10.651	10.838
ii)	Lowest	10.851	10.851	10.014	10.000	10.000
g)	Resale prices during the year/period					
i)	Highest	12.264	11.784	10.818	10.651	10.838
ii)	Lowest	10.851	10.851	10.014	10.000	10.000
h)	Price earnings ratio	N.A.	N.A.	N.A.	N.A.	N.A.
i)	Ratio of expenses to average net assets (percentage) @	0.62%		0.23%	**0.6%	**0.6%
j)	Ratio of gross income (including net profit / (loss) on sale/ redemption of investments and net change in unrealised appreciation/ (depreciation) in value of investments) to average net assets (percentage) @	17.89%		6.82%	**17.87%	**20.68%

Historical Per Unit Statistics*

	K Bond										K Bond Serial				K Liquid		
	Wholesale		Wholesale		Deposit		Deposit		Plan 2001 A		Plan 2001 B		Plan 2002 A		Growth	Dividend	
	Growth	Dividend	Growth	Dividend	Growth	Dividend	Growth	Dividend	Growth	Dividend	Growth	Dividend	Growth	Dividend #	Growth	Dividend	
	01.04.2000 to 31.03.2001	01.04.2000 to 31.03.2001	18.10.1999 to 31.03.2000	18.10.1999 to 31.03.2000	01.04.2000 to 31.03.2001	01.04.2000 to 31.03.2001	18.10.1999 to 31.03.2000	18.10.1999 to 31.03.2000	30.11.2000 to 31.03.2001	30.11.2000 to 31.03.2001	11.12.2000 to 31.03.2001	11.12.2000 to 31.03.2001	01.12.2000 to 31.03.2001	06.12.2000 to 31.03.2001	04.10.2000 to 31.03.2001	04.10.2000 to 31.03.2001	
Rupees		Rupees		Rupees		Rupees		Rupees		Rupees		Rupees		Rupees	Rupees	Rupees	Rupees
a) Net asset value per unit at end of year/period	11.882	10.064	10.593	10.157	11.748	10.185	10.566	10.138	10.339	10.042	10.332	10.291	10.321	-	10.4757	10.0103	
b) Gross Income																	
1) Income other than profit on sale of investments	0.823	2.518	0.230	0.406	0.485	0.593	0.392	0.335	0.464	0.541	0.221	0.331	0.281	0.114	0.525	0.430	
2) Income (net) from profit on inter-scheme sale / transfer of investments	(0.014)	(0.112)	0.042	0.077	(0.010)	(0.017)	0.052	0.044	0.001	0.000 \$	(0.003)	(0.004)	0.000 \$	(0.001)	0.009	0.009	
3) Income (net) from profit on sale of investments to third parties	0.051	(0.383)	0.051	0.089	0.017	(0.012)	0.065	0.054	0.001	0.002	0.004	0.006	0.000	0.000	0.018	0.013	
4) Transfer to revenue account from past year's reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
c) Aggregate of expense and charges	0.084	0.255	0.028	0.036	0.084	0.109	0.061	0.056	0.011	0.014	0.005	0.008	0.030	0.008	0.053	0.043	
d) Net income (b - c)	0.776	1.768	0.295	0.536	0.408	0.455	0.448	0.377	0.455	0.529	0.217	0.325	0.251	0.105	0.499	0.409	
e) Net change in unrealised appreciation/ depreciation in value of investments	0.018	0.074	0.024	(0.002)	0.091	0.102	0.025	0.023	0.000 \$	(0.001)	0.004	0.006	0.003	(0.006)	0.000 \$	0.000 \$	
f) Repurchase prices during the year/period																	
i) Highest	11.875	10.584	10.598	10.597	11.751	10.620	10.568	10.568	10.336	10.286	10.329	10.288	10.318	10.072	10.4721	10.023	
ii) Lowest	10.645	10.002	9.973	9.973	10.610	10.004	9.972	9.972	10.000	10.031	10.000	10.000	10.000	10.017	10.005	10.0023	
g) Resale prices during the year/period																	
i) Highest	11.875	10.584	10.598	10.597	11.751	10.620	10.568	10.568	10.336	10.286	10.329	10.288	10.318	10.072	10.4721	10.023	
ii) Lowest	10.645	10.002	10.000	10.000	10.610	10.004	10.000	10.000	10.000	10.031	10.000	10.000	10.000	10.017	10.005	10.0023	
h) Price earnings ratio	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	
i) Ratio of expenses to average net assets (percentage) @	1.15%		0.40%		2.06%		0.72%		**0.25%		**0.25%		**1.15%		**1%		
j) Ratio of gross income (including net loss on sale/ redemption of investments and net change in unrealised appreciation/ (depreciation) in value of investments) to average net assets (percentage) @	10.77%		5.93%		13.33%		6.01%		**10.24		**11.1%		**10.8%		**10.44%		

*The above per unit calculations are based on the number of units outstanding at the end of the year/period

@ These ratios are taken as a percentage to average net assets for the Plan as a whole.

As there are no units outstanding in the Serial Plan 2002 A - Dividend Option as at March 31, 2001 the above per unit statistics for Serial Plan 2002 A - Dividend Option are based on the average units outstanding during the period

\$ Below 0.001 per unit

** Annualised

Historical Per Unit Statistics*

	K 30			K Balance		K Tech	K MNC
	01.04.2000 to	01.04.1999 to	11.12.1998 to	01.04.2000 to	18.10.1999 to	24.02.2000 to	24.02.2000 to
	<u>31.03.2001</u>	<u>31.03.2000</u>	<u>31.03.1999</u>	<u>31.03.2001</u>	<u>31.03.2000</u>	<u>31.03.2001</u>	<u>31.03.2001</u>
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
a) Net asset value per unit at end of year/period	12.681	25.327	14.635	8.725	11.872	3.469	8.400
b) Gross Income							
1) Income other than profit on sale of investments	0.541	0.191	0.057	0.608	0.268	0.116	0.253
2) Income (net) from profit/ (loss) on inter-scheme sale / transfer of investments	0.234	0.058	(0.000)#	(0.031)	(0.038)	0.018	0.014
3) Income (net) from profit/ (loss) on sale of investments to third parties	(2.382)	5.368	0.963	(0.720)	1.347	(2.829)	0.185
4) Transfer to revenue account from past year's reserve	-	-	-	-	-	-	-
c) Aggregate of expense and charges	0.478	0.339	0.077	0.296	0.108	0.189	0.252
d) Net income (b - c)	(2.085)	5.278	0.943	(0.439)	1.469	(2.884)	0.200
e) Net change in unrealised appreciation/ (depreciation) in value of investments	(9.396)	4.279	2.720	(3.071)	1.232	(3.843)	(1.789)
f) Repurchase prices during the year/period							
i) Highest	25.797	30.190	14.235	12.170	14.263	8.940	10.772
ii) Lowest	12.400	12.013	11.341	8.720	10.554	3.354	8.187
g) Resale prices during the year/period							
i) Highest	26.184	30.643	14.675	12.353	14.447	9.074	10.961
ii) Lowest	12.586	12.385	11.692	8.851	10.000	3.413	8.330
h) Price earnings ratio		N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
i) Ratio of expenses (excluding provision for outstanding accrued income and deferred revenue expenses amortised) to average net assets (percentage)	2.50	2.50	0.76	2.25	0.79	2.25 @	2.25 @
j) Ratio of gross income (including net change in unrealised appreciation/ (depreciation) in value of investments and net loss on sale/ redemption of investments) to average net assets (percentage)	(57.51)	72.96	37.16	(27.28)	22.44	(93.01) @	(13.61) @

*The above per unit calculations are based on the number of units outstanding at the end of the year/period

Below 0.001 per unit

@ Annualised

Kotak Mahindra Mutual Fund

- Unit holders may obtain, on request, a copy of the Annual Report of the scheme in which he or she has invested, from Kotak Mahindra Mutual Fund at its office at 5A, 5th Floor, Bakhtawar, 229, Nariman Point, Mumbai – 400 021. Unit holders may also obtain, on request, a copy of the Annual Report of Kotak Mahindra Asset Management Company Limited.
- The above unaudited accounts have been approved by the directors of Kotak Mahindra Asset Management Company Limited in the meeting held on May 14, 2001 and by the directors of Kotak Mahindra Trustee Company Limited in the meeting held on May 15, 2001.

Risk Factors:

1. *Mutual Funds and securities investments are subject to market risks and there is no assurance or guarantee that the objectives of the Schemes will be achieved.*
2. *As with any securities investment, the NAV of the Units issued under the Schemes can go up or down depending on the factors and forces affecting the capital and money markets.*
3. *Past performance of the Sponsor or that of existing Schemes of the fund does not indicate the future performance of the Schemes.*
4. *Liquid, K Gilt, K Bond, K 30, K Balance, K Tech and K MNC are only the names of the Schemes and do not in any manner indicate either the quality of the Schemes, future prospects or returns.*
5. *Technology stocks particularly run the risk of high volatility, high valuation and obsolescence.*
6. *The NAV of the Schemes may be affected, inter-alia, by changes in the market, market interest rates, Price/Interest-rate Risk and Credit Risk, changes in credit rating, government policy, volatility and liquidity in the money markets, pressure on the exchange rate of the rupee, trading volumes, performance of individual stocks, settlement periods and transfer procedures.*
7. *Tax laws may change affecting the return on investment in Units.*
8. *In the event of receipt of a very large number of redemption requests or very large value redemption requests or of a restructuring of the Schemes' portfolios, there may be delays in the redemption of Units. Please refer to the paragraph on "Right to limit Redemption" in the Offer Documents of the respective Schemes.*

Statutory: *Kotak Mahindra Mutual Fund has been established as a trust under the Indian Trusts Act, 1882, by Kotak Mahindra Finance Limited (liability restricted to the corpus of Rs.1 lakh) with Kotak Mahindra Trustee Company Limited as the Trustee and with Kotak Mahindra Asset Management Company Limited as the Investment Manager.*

Investment Objectives: *K MNC: To generate capital appreciation from a portfolio of predominantly equity and equity related Securities, the Scheme will invest in Multinational Companies. K Tech: To generate capital appreciation from a portfolio of predominantly equity and equity related securities in software development, business application in any commercial ventures in diverse areas ranging from entertainment to bio-technology, space to farming, mass communication to telephony and in path breaking technologies. Initially, the fund focused on stocks in the software and IT sectors. As and when opportunities became available to invest in other areas mentioned above, the fund has been investing in such stocks. K30: To generate capital appreciation from a portfolio of predominantly equity and equity related securities with investment in, generally in not more than 30 stocks. K Balance: To achieve growth by investing in equity and equity related instruments, balanced with income generation by investing in debt and money market instrument. K Bond: To create a portfolio of debt instruments of different maturities so as to spread the risk across a wide maturity horizon and different kinds of issuers in the debt. K Gilt: To generate risk-free returns through investments in sovereign (Government) securities and/or securities with unconditional guarantee by the GOI, and/or reverse repos in such securities. Liquid: To provide reasonable returns and high level of liquidity by investing in debt and money market instruments of different maturities.*

Before investing, please read the Offer Documents of the respective Schemes.

Office address: 5A, 5th Floor, Bakhtawar, 229, Nariman Point, Mumbai – 400 021.

Telephone: 022-2024884

E-mail: mutual@kotakmahindra.com Website: www.kmutual.com