

Declaration of Dividend under quarterly dividend option of below mentioned schemes

Trustees to Kotak Mahindra Mutual Fund has approved record date of December 20, 2010 for the declaration of dividend subject to the availability and adequacy of distributable surplus and NAV growth, under quarterly dividend options of following schemes in accordance with the Scheme Information Document of the respective schemes:

Scheme Name	Recommended rate of dividend Rs. per unit* (Face value of Rs. 10/ each)	NAV as on December 14, 2010
Kotak Mahindra Bond Unit Scheme 99 (Regular Plan)	0.0813	10.3945
Kotak Mahindra Bond Unit Scheme 99 (Deposit Plan)	0.0949	12.1131
Kotak Flexi Debt Scheme (Regular Plan)	0.1293	10.3969
Kotak Mahindra Gilt Unit Scheme 98 (Regular Plan)	0.1683	12.6866
Kotak Mahindra Gilt Unit Scheme 98 (PF & Trust Plan)	0.1419	10.9115
Kotak Mahindra Income Plus Scheme	0.2102	10.5174
Kotak Credit Opportunities Fund	0.0823	10.0907

* Amount available for distribution as on December 14, 2010. However, the actual distributable surplus available on the Record Date, subject to the maximum recommended rate as given above, will be distributed, which is subject to deduction of applicable dividend distribution tax.

Pursuant to payment of dividend, the NAV of the Scheme would fall to the extent of payout and statutory levy, if any.

All Unit Holders of the quarterly dividend option of the above schemes, whose name appears in the records of the Registrar, Computer Age Management Services Pvt. Ltd. as on December 20, 2010, will be entitled to receive the dividend.

**For Kotak Mahindra Asset Management Company Limited
Investment Manager – Kotak Mahindra Mutual Fund**

**Mumbai
December 15, 2010**

**Sd/-
Sandesh Kirkire
Chief Executive Officer**

Any queries / clarifications in this regard may be addressed to:

Kotak Mahindra Asset Management Company Limited

(Investment Manager for Kotak Mahindra Mutual Fund)

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Highlights: Kotak Mahindra Bond Unit Scheme 99 (an open ended debt scheme) - 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 markets. **Kotak Flexi Debt Scheme** (an open ended debt scheme) - To maximize returns through an active management of a portfolio of debt and money market securities. **Kotak Mahindra Gilt Unit Scheme 98** (an open ended dedicated gilt 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. **Kotak Mahindra Income Plus Scheme** (an open ended income scheme) - To enhance returns over a portfolio of Debt Instruments with a moderate exposure in Equity and Equity related Instruments. **Kotak Credit Opportunities Fund** (an open ended debt scheme) - To generate income by investing in debt /and money market securities across the yield curve and credit spectrum. The scheme would also seek to maintain reasonable liquidity within the fund. **Risk Factors: Mutual Fund and securities investments are subject to market risks and there is no assurance or guarantee that the objective of the Scheme(s) would be achieved. As with any securities investment, the NAV of the Units issued under the Scheme(s) can go up and down depending on the factors and forces affecting the securities markets.** Past performance of the Sponsor/AMC/Fund or that of existing schemes of the Fund does not indicate the future performance of the Scheme(s). **The above mentioned are only the names of the schemes and does not in any manner indicate either the quality of the schemes, their future prospects and returns. Statutory Details:** Kotak Mahindra Mutual Fund is a Trust (Indian Trust Act, 1882). **Investment Manager:** Kotak Mahindra Asset Management Company Ltd. **Sponsor:** Kotak Mahindra Bank Ltd. (liability Rs. Nil). **Trustee:** Kotak Mahindra Trustee Company Ltd. **Please read the Scheme Information Document (SID) and Statement of Additional Information (SAI) of the scheme carefully before investing. SID & SAI available on www.kotakmutual.com.**