

A. EXTENSION OF NEW FUND OFFER OF KOTAK FMP 12M SERIES 9

The New Fund Offer of Kotak FMP 12M Series 9, a close-ended Debt Scheme of Kotak Mahindra Mutual Fund is extended upto September 25, 2008. There are no changes in the other features, terms and conditions of the scheme given in the Scheme Information Document.

B. DIVIDEND UNDER KOTAK FMP 12M SERIES 2

Kotak Mahindra Trustee Company Limited; the Trustee to Kotak Mahindra Mutual Fund has approved September 29, 2008 as the record date for declaration of dividend, as under in Dividend Option of Kotak FMP 12M Series 2 ('the Scheme'), a close ended debt scheme:

Scheme Name	Quantum of Dividend per unit (Rs)	Face Value per Unit (Rs)	NAV as on September 22 of Dividend Option of the Scheme (Rs.)
Kotak FMP 12M Series 2 - Retail Plan	# 100% of distributable surplus available as on record date	10	10.4137
Kotak FMP 12M Series 2 – Institutional Plan		10	10.434

Subject to deduction of applicable dividend distribution tax.

Distribution of the above dividend is subject to the availability and adequacy of distributable surplus. **Pursuant to payment of dividend, the NAV of the Dividend Option of the Scheme would fall to the extent of payout and statutory levy if any.**

All Unit Holders of the Dividend Option of the Scheme, whose name appears in the records of the Registrar, Computer Age Management Services Pvt. Ltd. as on September 29, 2008, will be eligible to receive the dividend.

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

**Mumbai
September 23, 2008**

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

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

Kotak Mahindra Asset Management Company Limited

Investment Manager – Kotak Mahindra Mutual Fund

1st Floor, Sheil Estate, Dani Corporate Park, 158 CST Road, Kalina,
Santacruz East, Mumbai - 400098

Phone Number: 022-67084500 • Email: mutual@kotak.com

Highlights: Kotak FMP 12M Series 9 AND Kotak FMP 12M Series 2 are close – ended Debt Schemes. **Investment Objective:** To generate returns through investments in debt and money market instruments with a view to significantly reduce the interest rate risk. **Kotak FMP 12M Series 9 - Asset Allocation:** Investments in Debt and Money Market instruments and government securities – 100%. **Load Structure:** Entry Load : Nil; Exit Load : 1.50% if redeemed before maturity of the scheme (excluding dividend reinvestment/ bonus units). Exit Load will not be charged for switch from one option to other option under the same scheme, and on redemption of Units / switch-out on the Maturity Date **Risk Factors:** Mutual Fund investments are subject to market risks and there is no assurance or guarantee that the objectives of the Schemes would be achieved* As with any securities investment, the NAV of the Units issued under the Schemes can go up and down depending on the factors and forces affecting the capital and money markets.* Kotak FMP 12M Series 9 and Kotak FMP 12M Series 2 are only names of the scheme and do not in any manner indicate the quality of the scheme, the future prospects or returns. * Past performance of the Sponsor/AMC/Fund or that of existing schemes of the Fund does not indicate the future performance of the Scheme. **Statutory:** 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 Offer Document/Scheme Information Document for more information and risk factors. Offer document/Scheme Information Document for the schemes is available on www.kotakmutual.com**