

Kotak Life insurance starts operation in Salem

- Appoints 'Rainbow Life' as its Corporate Agent
- To focus on deeper penetration in Tamil Nadu for larger share of the Life Insurance Market

Salem, August 3, 2007: As part of its expansion plans in Tamil Nadu, Kotak Mahindra Old Mutual Life Insurance Limited (Kotak Life Insurance) today expanded its footprints in Tamil Nadu by commencing operations at Salem. The Company has appointed Rainbow Life as Corporate agent to distribute its products. 'Rainbow' is a renowned brand in the transport sector for over 5 decades. Rainbow Life was chosen as corporate agent because of its reach to the public as Rainbow Group. This is the Company's xx branch in the state after..... Mr. **Mayur Ankolekar, Senior Vice President, Kotak Life Insurance**, was present during the inaugural function at 348, Rainbow Life, Cherry Road, Salem.

This move is part of the company's strategy of setting up a robust multi-point distribution network to cater to the mass market in the country. The Company's strong focus on providing solutions to clients with low or nil risk appetite, while wanting higher returns, makes it a favourite amongst middle income group investors. With this new addition, Kotak Life Insurance now has xx branches in xx important cities across India.

Salem is a location with a mix of business community, agriculture and industries. SAIL (Steel Authority of India) & MALCO (Madras Aluminum Company) are also located there. The business community comprises of Transport, Silver Manufacturers, Spinning Mills and plenty of educational institutions. With the population of 30 Lacs the potential is immense.

According to Mr. **Mayur Ankolekar, Senior Vice President, Kotak Life Insurance**, "Kotak Life has been present in this market through our bancassurance channel and broking partners. Now with Rainbow Life as our Corporate Agent, we would continue to extend our presence through alternate channels and cater to locations in and around Salem". Adding further, Mr Ankolekar said, "Rainbow Life has evolved in financial planning and hence will market products from a 'financial planning' platform. We are expecting a business of around 30 crores in Tamil Nadu from alternate channels and a similar amount from tied agencies".

The insurable population of Salem and adjoining area consists of affluent, mass affluent and middle class individuals. It has a large number of High Net-worth Individuals from various prestigious industries like Textile, Transport, Silver Merchants, Spinning Mills Owners and famous cene-field producers. In addition to this, employees of Steel Authority of India (SAIL), Madras Aluminum Company (MALCO) and various educational institutes enhance the potential of the region.

Mr **Sudhan, Managing partner, Rainbow Group added**, "KLI Believes in need-based selling approach and with its bouquet of products, they envisage to cater to the needs of its discerning customers. With Rainbow life, we would cater to the Salem and adjoining areas. Rainbow life does have ambitious plans to expand its operation in other parts of the state and country and we look forward to reap success with this insurance tie up"

Kotak Life Insurance is further strengthening its distribution, operations and brand in Tamil Nadu to cement its position as a long-term value player in the life insurance business.

Kotak Life Insurance is planning to keep up the growth rate through its Core Strategy of stronger client relationships, focused product development and leveraging internal synergies of the Kotak Group. Kotak Life Insurance is also heavily investing in training and development and strongly believes that a well-informed sales force is critical to forge a long-lasting relationship with customers.

About Kotak Life Insurance's Products and Performance

Since inception, Kotak Life Insurance has been the market leader in the Guaranteed Fund space. Kotak Life Insurance Capital Guarantee feature is an ideal offering from the Company aimed at smart capital market investors. Products like Kotak Safe Investment Plan, Kotak Flexi Plan and Kotak Privilege Assurance Plan are all designed on these platforms.



The Company's recently launched Headstart Child Plans, which is designed not only to protect the child but also provide financial security in the future, even in case of the insured parent's unfortunate death. Ever since being launched, Headstart has already been received with great enthusiasm across the country.

Headstart Child Plans comes with an innovative offering and a first-of-its-kind in the Indian Life Insurance Industry - the Dynamic Floor Fund (DFF). The fund strives for long term capital growth while providing capital protection in cases of volatile market behavior. This fund is ideally suited to the more risk-averse investor whose priority is capital preservation but who still wants to participate in actively managed upside market growth. It helps customers who may find it difficult to take a view on the markets and may not be in a position to efficiently switch from one fund to another to balance risk and return.

The Company's New Premium income grew from Rs. 390 crores in the Year ended March 31, 2006 to Rs. 615 crores in the Year ended March 31, 2007. In the same period, Kotak Life Insurance also saw its Total Received Premium Income jump from Rs 621.85 crores to Rs. 971.51 crores.

The Company has rapidly expanded its geographical reach from 45 branches in 31 locations at the beginning of this year. The total branch count is expected to reach the 100 mark by June 2007. Moreover, Kotak Life Insurance has been running a very successful bank assurance partnership with Kotak Mahindra Bank which is also growing its network at a scorching pace.

As part of its aggressive growth strategy, it also plans to double its agency force from the current 20,000 by next year. The company continues to build on distribution strengths to improve profitability, and deliver long-term value to its discerning customers.

About Kotak Mahindra Old Mutual Life Insurance

Kotak Mahindra Old Mutual Life Insurance is a joint venture between Kotak Mahindra Bank Ltd. and Old Mutual plc. Kotak Mahindra Old Mutual Life Insurance is one of the fastest growing insurance companies in India and has shown remarkable growth since its inception in 2001. Kotak Mahindra believes in offering its customers a lifetime of value. A commitment that has made it a leading financial services group with a net worth of over Rs. 3,200 crore, employing around 10,800 people in its various businesses and has a distribution network of branches, franchisees, representative offices and satellite offices across 300 cities and towns in India and offices in New York, London, Dubai, Mauritius and Singapore. The Group services around 2.6 million customer accounts.

Old Mutual plc is an international savings and wealth management company based in the UK. Originating in South Africa in 1845, the group has a balanced portfolio of businesses offering asset management, life assurance, banking and general insurance services in over 40 countries, with a focus on South Africa, Europe and the United States, and a growing presence in Asia Pacific. The group aims to provide consistent strong investment performance to customers through diversified risk exposure and superior returns. By conducting its business worldwide under its core values of integrity, respect and accountability, Old Mutual aspires to push beyond boundaries to drive value for all its stakeholders.

Old Mutual is the 37th largest company in the FTSE100 with a market cap of approximately £10 billion and is listed on the London, Johannesburg and Stockholm stock exchanges. It has 53,000 employees worldwide. For the quarter ended 31st March 2007, the group reported an increase in adjusted operating profit of 5% to £398 million (IFRS basis) and had £249 billion of funds under management.

For customers, this joint venture translates into a company that combines international expertise with the understanding of the local market.

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