

ADDENDUM DATED MAY 16, 2005 TO THE OFFER DOCUMENT OF KOTAK FLEXI DEBT SCHEME

Sub: Dividend Record Dates

The following change will be effected in the Offer Document with effect from May 16, 2005.

Chapter I – Highlights, Risk Factors and Due Diligence

In the table 'Highlights', the information on 'Dividend Record Date' be substituted by the following:

20th March, June, September, December. Dividend is payable subject to availability and adequacy of distributable surplus.

Chapter IV – Investment of the Fund

In Chapter IV (Part A); 'Investment Options', Point 2 (b), 'Dividend Option', the sentence, "Unless the Trustee determines otherwise, the record date for the purpose shall be 25th of March, June, September and December and where such day is not a Working Day, the record date shall be the immediately succeeding Working Day.", is replaced by the following:

"Unless the Trustee determines otherwise, the record date for the purpose shall be 20th of March, June, September and December and where such day is not a Working Day, the record date shall be the immediately succeeding Working Day."

This addendum is an integral part of the Offer Document.

Sandesh Kirkire
Chief Executive Officer