

ADDENDUM DATED JANUARY 18, 2008 TO THE OFFER DOCUMENT OF KOTAK MIDCAP

The following changes are effected to the Offer Document of Kotak Midcap with effect from January 21, 2008:

CHAPTER I – HIGHLIGHTS, RISK FACTORS AND DUE DILIGENCE (Page 2)

In the table 'Highlights', for the feature "Load Structure", following changes are made:

Entry Load:

- a) No entry load shall be charged on:
 - i) For "all direct" applications received by AMC i.e. applications received through internet facility offered (www.kotakmutual.com), on application forms that are not routed through any distributor/agent/broker and submitted to AMC office or collection centre / investment service centre.
 - ii) On additional purchases done directly by the investor under the same folio and switch-in to the scheme from other scheme if such transaction is done directly by the investor:
 - iii) Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores
 - iv) Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme
 - v) Where switch in is from a close ended scheme (excluding Fixed Maturity Plans and Interval Plans) during the pre-defined liquidity window of the scheme as defined in the respective offer documents or on maturity to an Equity/ Balanced/Equity FOF Schemes:
 - vi) Where the switch in is from any other scheme apart from point iv and v above to an Equity/Balanced/Equity FOF Scheme
 - vii) Where investments is made by Fund of Funds as defined under SEBI Regulations
 - viii) Where units are allotted upon reinvestment of Dividends
- b) Cases not covered above: 2.25%

Exit Load:

- For exit within 6 months from the date of allotment of units for investments of less than Rs. 5 crores: 1%
- For exit after 6 months upto 1 year from the date of allotment of units for investments of less than Rs. 5 crores: 0.50%
- Where investments is made by Fund of Funds as defined under SEBI Regulations: Nil
- Where units are allotted upon reinvestment of Dividends: Nil
- Cases not covered above: Nil

CHAPTER VI – LOADS AND RECURRING EXPENSES (PAGE 47)

Under Part A, 'Load Structure of the Scheme', is amended as follows:

- a) No entry load shall be charged on:
 - i) For "all direct" applications received by AMC i.e. applications received through internet facility offered (www.kotakmutual.com), on application forms that are not routed through any distributor/agent/broker and submitted to AMC office or collection centre / investment service centre.
 - ii) On additional purchases done directly by the investor under the same folio and switch-in to the scheme from other scheme if such transaction is done directly by the investor:

- iii) Where the purchase amount/switch in amount is equal to or more than Rs. 5 crores
 - iv) Where the switch in is from an Equity/Balanced/Equity FOF Scheme to an Equity/Balanced/Equity FOF Scheme
 - v) Where switch in is from a close ended scheme (excluding Fixed Maturity Plans and Interval Plans) during the pre-defined liquidity window of the scheme as defined in the respective offer documents or on maturity to an Equity/Balanced/Equity FOF Schemes:
 - vi) Where the switch in is from any other scheme apart from point iv and v above to an Equity/Balanced/Equity FOF Scheme
 - vii) Where investments is made by Fund of Funds as defined under SEBI Regulations
 - viii) Where units are allotted upon reinvestment of Dividends
- b) Cases not covered above: 2.25%

Exit Load:

- For exit within 6 months from the date of allotment of units for investments less than Rs. 5 crores: **1%**
- For exit after 6 months upto 1 year from the date of allotment of units for investments less than Rs. 5 crores: **0.50%**
- Where investments is made by Fund of Funds as defined under SEBI Regulations: **Nil**
- Where units are allotted upon reinvestment of Dividends: **Nil**
- Cases not covered above: **Nil**

This addendum is an integral part of the Offer Document

SANDESH KIRKIRE
CHIEF EXECUTIVE OFFICER
