

ADDENDUM DATED OCTOBER 22, 2007 TO THE COMBINED OFFER DOCUMENT

The following changes have been effected in Kotak Floater Short Term Scheme with effect from October 22, 2007:

CHAPTER - I HIGHLIGHTS, RISK FACTORS AND DUE DILIGENCE (PAGE 5)

In the table 'Highlight' under features, "Option", "Dividend frequency", "Dividend Record Dates", "Minimum Purchase Amount", the following shall be added:

Option: Daily Dividend Reinvestment Option

Dividend frequency: Daily Dividend Reinvestment Option

Dividend Record Dates: Everyday for which NAV is declared in Daily Dividend Reinvestment Option

Minimum Purchase Amount: Rs. 1,00,000/- under Daily Dividend Reinvestment Option

CHAPTER - IV INVESTMENT OF THE FUND (PAGE 40)

Daily Dividend Reinvestment:

Under this option, the Trustee to Kotak Mahindra Mutual Fund ('the Fund') may decide to declare daily Dividends, subject to availability and adequacy of surplus on that day. The dividend will be compulsorily reinvested in the same option of the scheme at immediately following day's NAV. The said option will be in addition to the Growth option, Weekly Dividend Reinvestment Option and Monthly Dividend Reinvestment Option available under the Scheme. The NAV of the said option will be different and will be declared separately.

This addendum is an integral part of the Offer Document.

**SANDESH KIRKIRE
CHIEF EXECUTIVE OFFICER**
