

**ADDENDUM DATED AUGUST 19, 2004 TO THE COMBINED OFFER DOCUMENT**

**Subject:**

1. **Change of Name of Scheme of Kotak Mahindra Floating Rate Scheme.**
2. **Change in load structure of Equity and Balanced Schemes**
3. **Revision in the nomenclature of recurring facilities offered by the Fund**

**1. Change of Name of Scheme of Kotak Mahindra Floating Rate Scheme, with effect from August 23, 2004.**

With effect from August 23, 2004, the name of Kotak Mahindra Floating Rate Scheme ('the Scheme') as defined in the Common Offer Document dated December 09, 2003 shall be changed as follows:

Existing Name		New Name
Full Name	Short Name	Full Name/Short Name
Kotak Mahindra Floating Rate Scheme	Kotak Floater	Kotak Floater Short Term Scheme

With the above change, wherever the current name of the Scheme appears in the Offer Document, it shall be replaced by the new name. The name in favour of which cheques and demand drafts should be made out for the purchase of Units shall be "KOTAK FLOATER SHORT TERM".

**2. Change in load structure of Equity and Balanced Schemes, with effect from August 23, 2004**

**Chapter I – Highlights, Risk Factors and Due Diligence (Page 7)**

In the table 'Highlights', the information on 'Entry Load' for Kotak 30, Kotak MNC, Kotak Tech and Kotak Balance is substituted by the following:

**Entry Load:**

- a) For Purchase / switch-in amount  $\geq$  Rs. 2 Crores: **NIL**;
- b) For: (i) purchase by a Fund of Fund Scheme(s); (ii) purchase through Recurring Investment Facility (RIF);(iii) switch-in from a Equity/Balanced Scheme of the Fund, (iv) switch-in from Kotak Equity FOF, (v) units allotted on re-investment of dividends, (vi) purchase by Foreign Institutional Investors ('FII') or sub account of an FII: **Nil**;
- c) For Purchase amount less than Rs. 2 Crores and not covered under (b) above: **2.25% of the Applicable NAV**

**Chapter VI – Loads and recurring expenses (Page 63)**

In Chapter VI (Part A): Section 5, 'Kotak 30, Kotak Balance, Kotak MNC and Kotak Tech', the paragraphs on Entry Load is replaced by the following:

**Entry Load:**

- a) For Purchase / switch-in amount  $\geq$  Rs. 2 Crores: **NIL**;
- b) For: (i) purchase by a Fund of Fund Scheme(s); (ii) purchase through Recurring Investment Facility (RIF);(iii) switch-in from a Equity/Balanced Scheme of the Fund, (iv) switch-in from Kotak Equity FOF, (v) units allotted on re-investment of dividends, (vi) \*Purchase by Foreign Institutional Investors ('FII') or sub account of an FII: **Nil**;
- c) For Purchase Amount less than Rs. 2 Crores and not covered under (b) above: **2.25% of the Applicable NAV**

\* Load is a method by which the expenses incurred for sales and marketing are recovered from the investors of a Scheme. Since there are no significant sales and marketing expenses such as brokerage, sales promotion, associated with direct investment made by FII directly or through sub - accounts, we propose that no load (entry / exit) be charged by a Scheme on investment made by FIIs directly or through sub - accounts.

**3. Revision in the nomenclature of recurring facilities offered by the Fund, with effect from September 1, 2004**

With effect from September 01, 2004, nomenclature of the recurring facilities offered by the Fund under its Scheme/Plans shall be revised as follows:

Existing Nomenclature	Revised Nomenclature
Recurring Investment Facility (RIF)	Systematic Investment Plan (SIP)
Recurring Withdrawal Facility (RWF)	Systematic Withdrawal Plan (SWP)
Recurring Transfer Facility (RTF)	Systematic Transfer Plan (STP)

Thus, with effect from September 01, 2004, all references to RIF, RWT and RTF in the Offer Documents of the Schemes/Plans of the Fund shall be deemed to be references to SIP, SWP and STP respectively.

**This addendum is an integral part of the Common Offer Document.**

**AJAY BAGGA**  
**CHIEF EXECUTIVE OFFICER**