

ADDENDUM DATED JULY 21, 2005 TO THE OFFER DOCUMENT OF KOTAK EQUITY FOF

The following changes are effected to the Offer Document of Kotak Equity FOF with effect from July 21, 2005

CHAPTER I – HIGHLIGHTS, RISK FACTORS AND DUE DILIGENCE

1) In the table 'Highlights', for the feature "Load Structure (During Continuous Offer)", following changes are made:

Entry Load –

- a) Nil, for (i) Units allotted on re-investments of dividends (ii) purchase by FII or sub-account of FII.
- b) 2.00%, where investments are made through SIP/STP (investors other than FII/sub-account of FII) upto Rs. 25 lacs per investment (per installment)
- c) 2.25% for SIP/STP (from investors other than FII/sub-account of FII) of more than Rs. 25 lacs per investment.

Exit Load – SIP/STP (investors other than FII/sub-account of FII) for exit before 18 months: 1.00%

2) In the table 'Highlights', following features are amended as follows :

SIP Frequency & Dates	1st, 7th, 14 th and 21st of every month
SWP/STP Dates & Frequency	1st, 7th, 14 th and 21st on monthly & quarterly basis. In STP, weekly option (on 1st, 7th, 14th and 21st being a Friday)
Minimum Investment Size	
SIP Purchase	Rs. 1,000
	Total SIP investments to be - Rs. 6,000
STP Purchase	Rs. 1,000/ Full Appreciation

CHAPTER V – UNITS

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a) In Chapter V (Part A); Section 10, clause "d) Systematic Investment Plan", the second sub-paragraph is replaced as follows:

"For investors availing of SIP, purchase of Units for the first time can be made by monthly cheques (dated 1st, 7th, 14th and 21st of every month) in such a way that atleast 6 cheques are issued."

b) In Chapter V (Part A); Section 10, clause "e) Systematic Withdrawal Plan", the sentence " The withdrawals can be made either monthly or quarterly" is replaced as follows:

The withdrawals can be made either Monthly (on 1st, 7th, 14th and 21st of every month) or Quarterly (on 1st, 7th, 14th and 21st of every Quarter).

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In Chapter V (Part A); Section 10, clause "f) Systematic Transfer Plan", in the first paragraph the sentence "The switch can be made Weekly (every Friday), Monthly (Any Date) or Quarterly (Any Date)" be replaced by the following:

The switch can be made Weekly (on 1st, 7th, 14th and 21st being a Friday), Monthly (on 1st, 7th, 14th and 21st of every month) or Quarterly (on 1st, 7th, 14th and 21st of every quarter)

In Chapter V (Part A); Section 10, clause “j) Direct Debit Facility in SIP through ECS” is replaced as follows:

j) Direct Debit Facility in SIP through ECS - (Auto Debit Facility)

Unitholders investing under SIP in any Scheme (only non-institutional plans) of Kotak Mutual Fund have the option to avail the facility of Direct Debit through ECS mode. Direct Debit allows investors to instruct the banker to debit the respective bank account at periodic intervals for making investments in mutual fund scheme(s). However the first investment in SIP under this mode shall be by way of cheque only. Investors who wish to transfer their existing SIPs to Auto Debit Facility shall give 15 days prior notice alongwith with submission of SIP Auto Debit Facility Form and necessary documents, as may be required from time to time.

Presently this facility will be offered only on 1st, 7th, 14th and 21st of every month. However, the AMC reserves the right to modify the dates from time to time. Other terms and conditions for investments in SIP will remain unchanged.

CHAPTER VI – LOADS AND RECURRING EXPENSES (PAGE 35)

Under Part A, ‘Load Structure of the Scheme’, the “Entry and Exit Load (During Continuous Offer Period)” is amended as follows:

Entry Load –

- a)** Nil, for (i) Units allotted on re-investments of dividends (ii) purchase by FII or sub-account of FII.
- b)** 2.00%, where investments are made through SIP/STP (investors other than FII/sub-account of FII) upto Rs. 25 lacs per investment (per installment)
- c)** 2.25% for SIP/STP (from investors other than FII/sub-account of FII) of more than Rs. 25 lacs per investment.

Exit Load – SIP/STP (investors other than FII/sub-account of FII) for exit before 18 months: 1.00%

This addendum is an integral part of the Offer Document

SANDESH KIRKIRE
CHIEF EXECUTIVE OFFICER
