

**ADDENDUM DATED JULY 21, 2005 TO THE OFFER DOCUMENT OF
KOTAK MAHINDRA INCOME PLUS SCHEME**

The following changes are effected to the Offer Document of Kotak Mahindra Income Scheme with effect from July 21, 2005

CHAPTER I – HIGHLIGHTS, RISK FACTORS AND DUE DILIGENCE

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

Entry Load – Nil

Exit Load –

- a) For investments upto Rs. 10 Lacs: 0.50% if redeemed within six months;
- b) For investments above Rs. 10 Lacs: Nil

CHAPTER V – UNITS

PAGE 30:

- 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 on 5th or 25th of the respective month" 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).

PAGE 31:

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 (on 5th or 25th of the month) or Quarterly (on 5th or 25th of the quarter)" 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)

PAGE 32:

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 37)

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

Entry Load – Nil

Exit Load –

- a) For investments upto Rs. 10 Lacs: 0.50% if redeemed within six months;
- b) For investments above Rs. 10 Lacs: Nil

This addendum is an integral part of the Offer Document

SANDESH KIRKIRE
CHIEF EXECUTIVE OFFICER
